



Why you need
a great **EVP**
to attract and
retain top talent



BOSTON HALE



In the current candidate-short market, a strong EVP (Employer Value Proposition) is more important than ever.

This white paper will introduce the concept for employers who are in the early stages of a recruitment campaign.

It examines what an EVP is, how it differs from the more general concept of employer branding, why having a good EVP is so vital, and how to ensure your EVP gives you the edge over the competition.

- 1. What is an EVP?**
- 2. EVP vs. Employer Brand: What's the difference?**
- 3. Why does your EVP matter?**
- 4. How to create a winning EVP**

What is an EVP?

Candidates who've received multiple offers make a cost-benefit decision when choosing which to favor. They'll be giving their time, expertise, creative energy, and effort to their employer, and they want to maximise the benefit and minimise the risk that they'll receive in return.

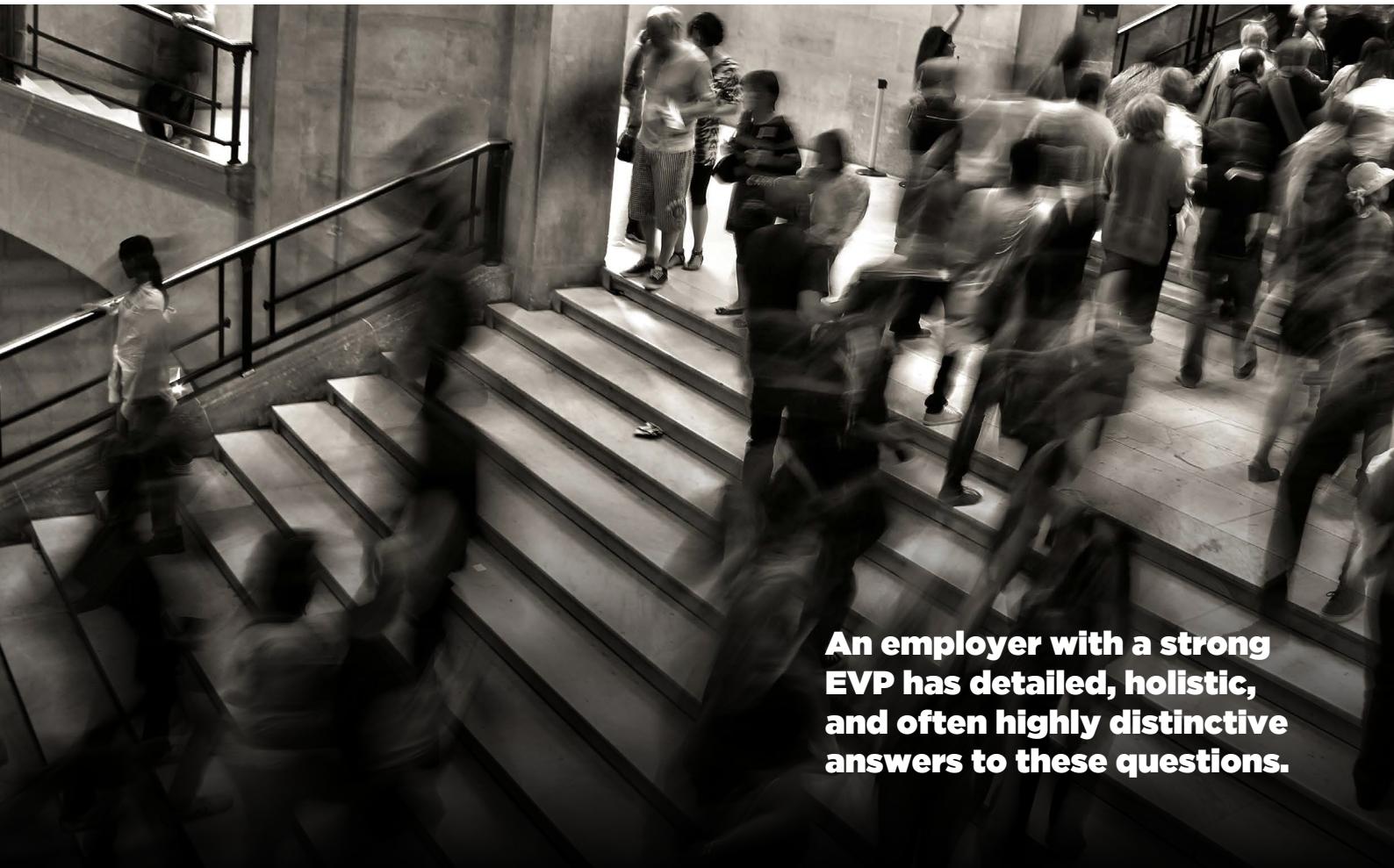
Pay will obviously be considered, and paying a competitive salary is a key part of attracting top talent. But because employers in the same industry frequently allocate similar budgets to a role, this may not be the key deciding factor for the job seeker. Candidates will also consider benefits like sick days and holiday leave, whether they can further their career in the role, what the work the organisation does means to them, and what the company culture is like in the day to day. Once hired, these considerations will remain as they decide whether to stay in the long term.

To avoid losing top talent to the competition, companies need to outbid the competition in the deal they make with their candidates and employees—the trade of their effort for compensation. The return on this trade is the company's EVP.

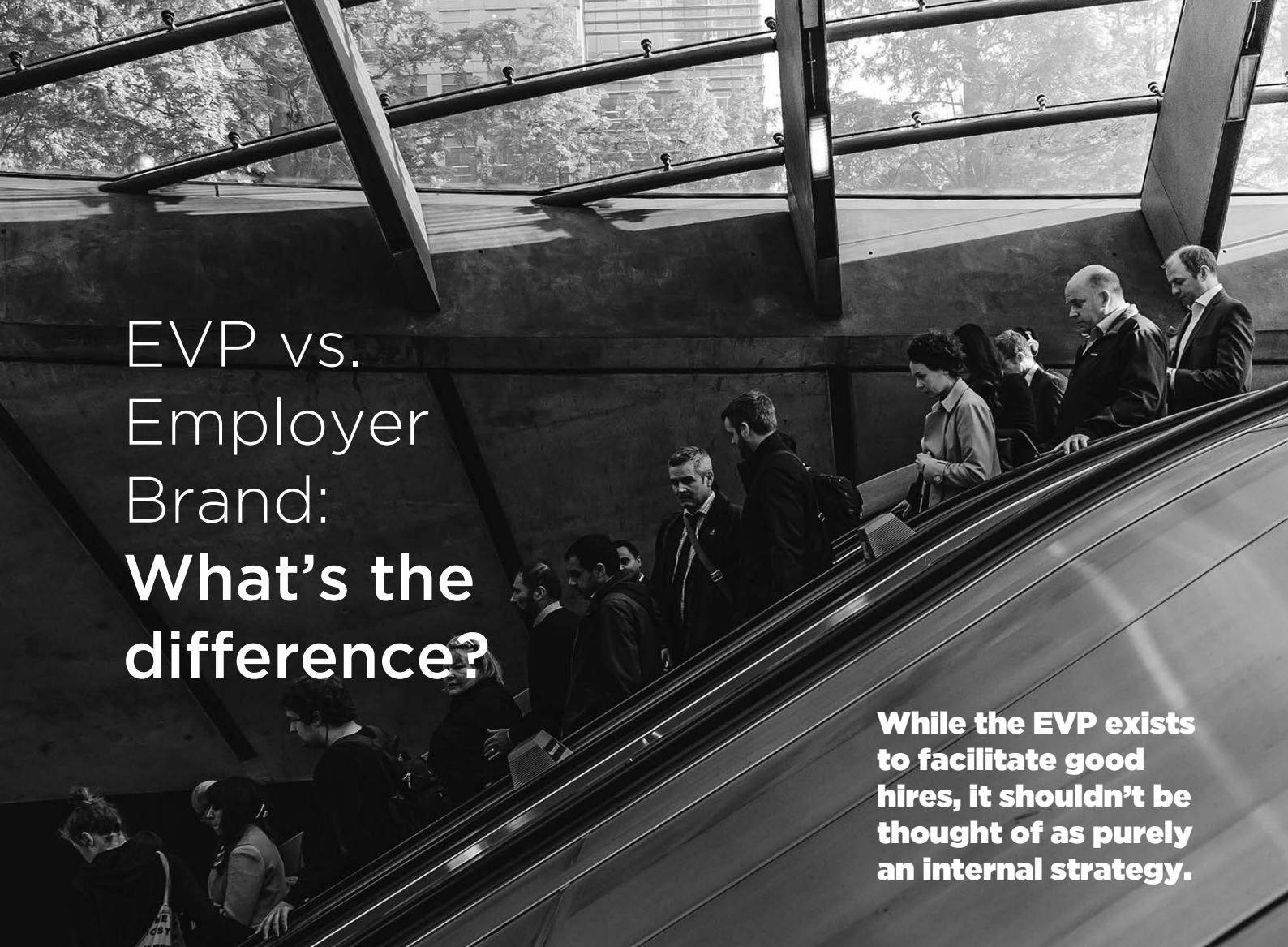
Understanding your EVP as a business begins by looking at things from a candidate's point of view. What motivates your long-term employees to stay? Why would a job seeker choose your company over another? When people leave, is the message they pass on about the company positive—and why or why not?

Pay, benefits, and work environment are all important selling points when recruiting, but employees' sense of impact and personal meaning is also a major, and often overlooked, factor. What aspects of the work the company does make the world better? What values might candidates share with the institution as a whole?

An employer with a strong EVP has detailed, holistic, and often highly distinctive answers to these questions. It has aspects that job seekers cannot easily find elsewhere. In short, your EVP includes the things that make a company special, not just to customers and shareholders but to the people who work there.



An employer with a strong EVP has detailed, holistic, and often highly distinctive answers to these questions.



EVP vs. Employer Brand: What's the difference?

While the EVP exists to facilitate good hires, it shouldn't be thought of as purely an internal strategy.

“Employer branding” refers to a long-term plan for how a company markets itself to potential job candidates – the message it sends to make itself memorable and appealing to those with the skills it needs. Stronger employer branding is key to staying on top in the “war for talent” but it’s a separate consideration from EVP, which can be thought of as the product your employer brand is marketing for.

An employer brand focused solely on salary, even if the salary offered is competitive, will be weak. Candidates remember particular positions and employers based on what those positions or employers can do for them besides just pay the bills. In other words, the extra points of value the open positions carry define the company as an employer during the branding process – and then the brand communicates that definition. But the EVP remains the starting point for the brand.

While the EVP exists to facilitate good hires, it shouldn't be thought of as purely an internal strategy. It's part of the company's overall advertising and encompasses both marketing and recruitment. To facilitate

the hiring of the right talent for the job, the EVP needs to be intrinsically linked with the business's focus and values.

Gartner suggests that EVP encompasses five attributes: the quality of the workforce and the company as a community; the opportunities for career growth as well as the overall company outlook; the company's commitments to quality and social responsibility (how the company can positively impact the world); quality of work-life integration; and rewards, such as bonuses and benefits like paid annual leave.

Another major factor in a company's EVP is the people who already work there. They, more than any mission statement or list of ideals, define what a day in the life of an average employee is like, and their experiences lend veracity to the culture you're advertising to recruits. In other words, hiring the right people for the job and the culture is a virtuous cycle – the more a company does it, the easier it becomes.

A large, dark photograph of a modern office building's interior. The perspective is looking down a long, curved walkway supported by a series of tall, thin columns. The ceiling is high and arched, with a grid of lights. Several silhouettes of people are visible, walking or standing, creating a sense of activity and depth.

In the midst of a global skills shortage, skilled job seekers have more options, and the employers with the strongest EVP will become their first choices.

Why does your **EVP** matter?

In the midst of a global skills shortage, skilled job seekers have more options, and the employers with the strongest EVP will become their first choices. Even in a more usual job market, a strong EVP helps a company retain more hires, diversify its leadership, get more positive reviews and employee referrals, and reduce time-to-hire. Here in further detail are some of the main reasons EVP matters:

Scarce talent

Today's job market is highly competitive, and as in any market, the choices that set themselves apart by providing clearly superior benefits to the 'buyer' (in this case, the candidate) eventually prevail. With workplace location mattering less as more companies shift to working from home long-term, and pay rises limited by Covid-stretched budgets, EVP will be the main thing giving companies an edge. In-demand candidates with many high-paying choices will gravitate towards roles where their career goals are supported and their need for work-life balance is acknowledged.

More choice

With candidates in such short supply, tapping into passive talent pools—that is, people in the field who aren't actively looking for a new job yet—will likely prove a necessity for many businesses. Gartner's research shows that a well-managed EVP can enable you to reach 50% more passive candidates—and according to LinkedIn, only 15% of employees are completely satisfied in their jobs and definitely don't want to move.

More loyalty

A Deloitte survey of over 10,000 millennials found that almost half planned to leave their jobs within two years. Loyalty, in today's fast-moving job market, is often a function of an outstanding EVP. While many of those surveyed said pay was a big factor for them in changing jobs, those who worked in large private sector organisations had "lost faith in the ethics of these organisations" and cited this as a major reason for wanting to leave. An improved EVP could solve this.

The impact of your EVP in numbers

Poor reputation costs a company an average of

£132,000

(Recruitment & Employment Confederation)

70%

of job seekers look to reviews before making career decisions (Glassdoor)

89%

of companies are taking a month longer than expected to fill roles and having to pay inflated salaries to recruit skilled talent (STEM.org)

67%

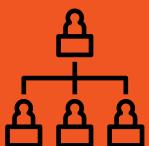
of job seekers cite diversity as important when choosing an employer (Glassdoor).

50%

A good EVP can increase the probability of employees being advocates for your employer brand from 24% to nearly

Companies with a negative brand image only get half as many applications and have to spend more on hiring
(Betterstream)

How to create a **winning EVP**



Organisation

- Market position
- Quality/reputation
- Size
- Social responsibility
- Diversity
- Ethics
- Industry
- Informality
- Customer prestige
- Empowerment



People

- Camaraderie
- Coworker quality
- Manager quality
- People management
- Senior leadership

Gartner breaks down an EVP into five simple categories:



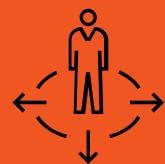
Work

- Travel
- Innovation
- Job impact
- Interest alignment
- Location
- Recognition
- Work-life balance



Rewards

- Compensation
- Health benefits
- Retirement benefits
- Annual leave
- Flexible rewards



Opportunity

- Development opps
- Future career
- Growth rate
- Meritocracy
- Business stability



With an effective EVP and an engaged workforce, it's possible to thrive in a competitive job market.

Some of the categories are deceptively simple. For example, 'Rewards' can easily be interpreted in terms of pay, bonuses, and holiday time, but financial rewards alone don't guarantee a good EVP. Recognition is at least as important—organisations that consistently recognise and celebrate employees have 14% better employee engagement, customer service and productivity than those that don't.

Struggles in the 'People' category are common. Creating a positive social environment can be challenging. To do it successfully, companies must proactively hire people who align with organisational values—which paradoxically requires having a good enough EVP to attract them. Strengthening this category depends on strengthening the others.

'Manager quality' also has an impact on your EVP. While it sounds simple, many companies overlook leadership issues and under-train or mis-hire managers.

The 'Organisation' category covers long-term goals that may fall outside the scope of the HR department, but HR staff can still influence the approach to ethics, diversity, sustainability, and other values which may draw people to the company in a spirit of like-mindedness. How you communicate these internally is also vital—it helps existing talent understand how they're making a difference and can encourage organisational loyalty.

To achieve management buy-in, senior leaders need to understand that improving the company's EVP will pay. There are plenty of statistics to back this up: companies with a strong EVP and employee brand have 28% lower staff turnover, while engaged teams have 21% higher profitability, 17% higher productivity and 10% higher customer ratings than disengaged teams, according to Aon.

HR should also remember to engage with those at the bottom of the org chart as well as with those at the top when building an effective EVP. An employee's-eye view of what the company offers is the core of the EVP project, and to get one, it's essential to seek honest feedback from those with their boots on the ground. Use surveys and polls to ask why employees chose to work where they do, what they value about their jobs, why they stay—and what they'd like to improve. Former employees and job applicants are also vital sources of information.

Once these insights have been integrated into a coherent picture of the business's EVP, that picture and message should fit into all your internal communications and be clearly visible to everyone in the organisation. Employees are important brand ambassadors. With an effective EVP and an engaged workforce, it's possible to thrive in a competitive job market.