Employee Value Proposition:
Venture Lab resource

January 2018

ACCION

Investing in individuals.
Improving our world.

This resource is a collaboration with RippleWorks

RIPPLE WORKS | IMPACT BEYOND BOUNDARIES

A tech sector talent network to help social ventures scale faster

RippleWorks collaborates with social ventures across the globe on strategic business issues, like EVP, and has generously contributed much of the content in this resource from their experience

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Agenda

- What is an EVP?

- How do I develop an EVP?
  - Discover
  - Build
  - Launch
  - Live

- Additional resources

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What is an EVP?

An Employee Value Proposition is the list of reasons why someone would want to join your company

*"An Employee Value Proposition is simply a set of words that reflects why someone wants to be at your company. It outlines **what makes your company special**."*

Beth Steinberg,
Facebook's first VP of HR

*"It's about: why do people join your organization? Why do they stay? How can we get better at telling our story? You have to **find what matters to the employee and leverage it**."*

Lisa Mikkelsen,
Senior Manager, Omidyar Network

Example one-sentence EVP summaries from large corporations…

yelp

We work hard, throw Nerf darts even harder, and have a whole lot of fun.

Goldman Sachs

At Goldman Sachs, you will make an impact.

L'ORÉAL

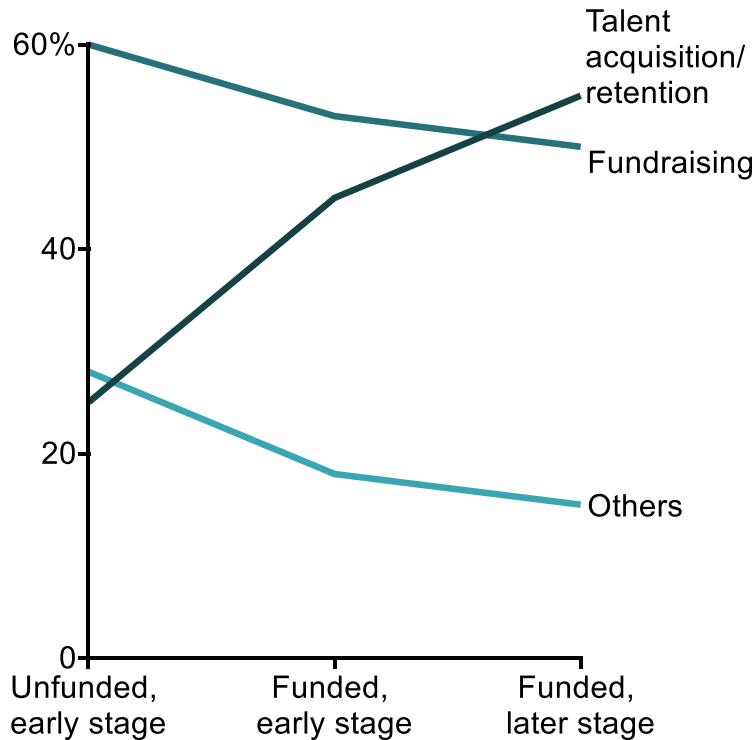*A thrilling experience. Inspiring company. School of excellence.*

TARGET

Oh what fun. Hop in.
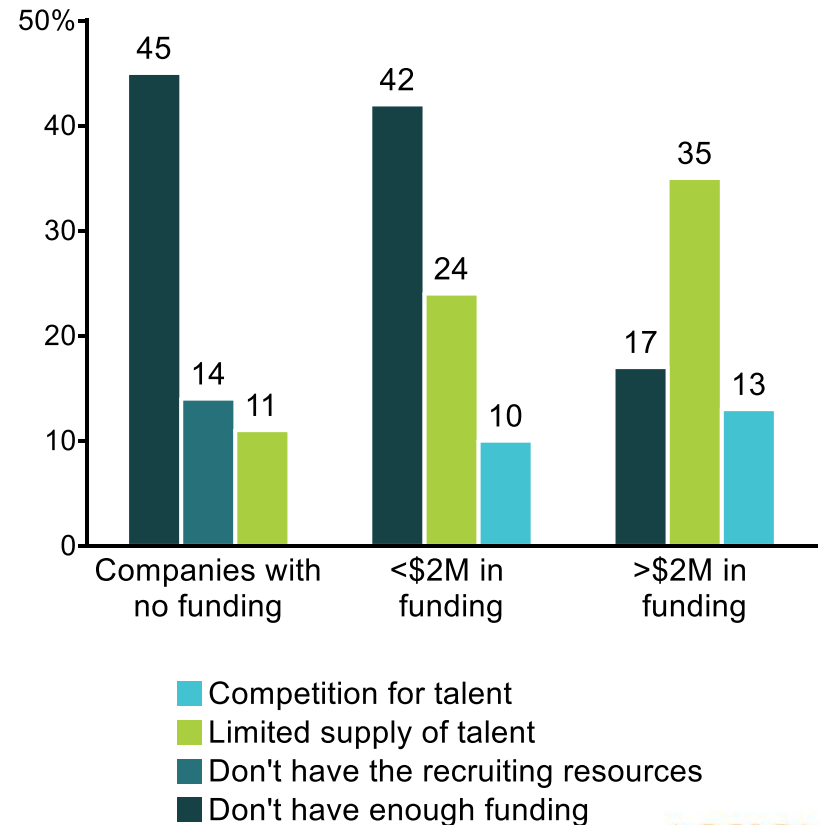
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Why do I need an EVP?

HIRING IS ONLY FACTOR THAT GETS MORE DIFFICULT OVER TIME…

% of founders rating factor "very/extremely challenging"

…AND WINNING LOCAL TALENT GROWS INCREASINGLY CRITICAL

What are the greatest challenges in hiring the right talent for your organization?

Legend:
- Competition for talent
- Limited supply of talent
- Don't have the recruiting resources
- Don't have enough funding

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How does this affect my company?

	Competition	How to win
As an early-stage startup…	• Larger companies tend to have **more resources**, leading to competitive compensation and benefits packages • **Stability** is a large factor for potential employees, especially in developing countries	• Startups are typically able to offer **higher degrees of autonomy** and flexibility than more bureaucratic, entrenched companies • Early-stage companies also provide a stronger case for **immediate and direct impact** • Startups can show potential for growth, and co-investment in that growth via **equity packages** or future promotions/salary increases • Startups can offer **diverse, global teams** that may not be available in traditional corporations • Startups are able to offer more **prestigious roles** (e.g., "marketing manager" instead of "analyst") due to lower bureaucracy and hierarchy • Working on a disruptive, cool, or **cutting-edge product** can be appealing
As a mission-driven company…	• Competition tends to be **more focused on compensation and benefits**	• We've seen mission-driven companies punch well above their weight in recruiting by **using local impact** to their advantage • Many employees at social enterprises **rank mission higher than comp** in importance • It's important to **show off the social value** of the company in the recruiting materials and hiring process, via marketing and job descriptions

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What composes an EVP?

There are 4 components to an Employee Value Proposition…

Company	Role	Culture	Development
• Alignment with the company's mission and vision	• Autonomy and span of control	• Alignment on values	• Clear learnings from the job
• Strong financial and operating performance	• Responsibilities	• Cultural fit with supervisor, within team, and into broader company	• Path to increased responsibility
• Success of other employees	• Position in hierarchy		• Supportive team and supervisor
	• Fair compensation and benefits		

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Example EVP: Zoona

> *"We surround ourselves with people who are 'can-do', confident, committed, and ready to take on the world"*

We Make It Real

You'll be helping make a real impact on millions of people across Africa.

At Zoona, your voice is heard and your ideas can quickly be turned into actions and solutions that contribute to making a difference. You will also get to spend time on the ground, in the actual communities you are impacting across our markets in Africa. That way, you can witness first-hand how your work is changing the world!

Join the Fintech Revolution

Fintech is the driving force behind the Fourth Industrial Revolution!

At Zoona, you'll be working with the best talent, in a thriving industry. You will be joining an African grown company that has raised over $20 million in international investment and has processed over $2 billion in transactions.

Growth and Development

We'll invest in your growth and development.

With our strong mission and ambitious growth plans, you can be assured of and abundance of opportunities for growth and career advancement in the exciting and dynamic African Fintech industry. We will invest in you and your growth through coaching, exposing you to leadership development programmes with world-class trainers, and immersing you in a learning environment.
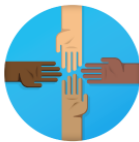
Diversity

You'll be joining a team of over 200 people across 5 countries!

Our team has over 22 nationalities with diverse expertise, skill sets, and backgrounds. Be assured of an enriching work experience! We encourage debate and differences of opinion, and we know that our success lies in our diversity! Whatever your gender, background or creed, you'll find a home at Zoona!

Flat Organisational Structure and Dynamic Environment

We have a flat organisation to minimise unnecessary bureaucracy.

You will have easy access to our leadership team, which enables quick decision making so that you can get on with changing the world!

Stock Options

Because we believe in entrepreneurship, we have an amazing Employee Stock Option Plan.

This means that you, as an employee, can become a shareholder and co-owner in our award-winning business that is driven by true purpose.

Great Benefits

Work with peace of mind.

Zoona offers life and risk cover for all employees, contributes towards your medical cover, and has industry leading maternity and paternity leave policies.

Work in Flow

We are flexible about where and when you work!

We know we'll get your best work when you are happy and fulfilled! So we are supportive of you having quality family-and-friends time, time for your passions, and time out in general.

Fun 😊

We create a fun environment where you can enjoy your work!

Experience a true start-up culture, where hard work goes hand-in-hand with lots of laughter, fun, and shared experiences. Bring your unique, quirky self to work every day and do the things you truly love. We're here to change the world, have fun, and create game-changing solutions for our customers.

The Challenge You've Been Waiting For!

Change is a constant at Zoona.

Every quarter, we update our priorities and objectives – and every quarter teams-refocus on key areas and collaborate with new teammates. At Zoona, you'll never be part of a silo. Instead, you'll work in various purpose-driven teams that change regularly, thus giving you a lot of opportunity to work in the areas that truly excite you. Our pod team structure makes sure a new challenge is always around the corner.

Source: www.ilovezoona.com

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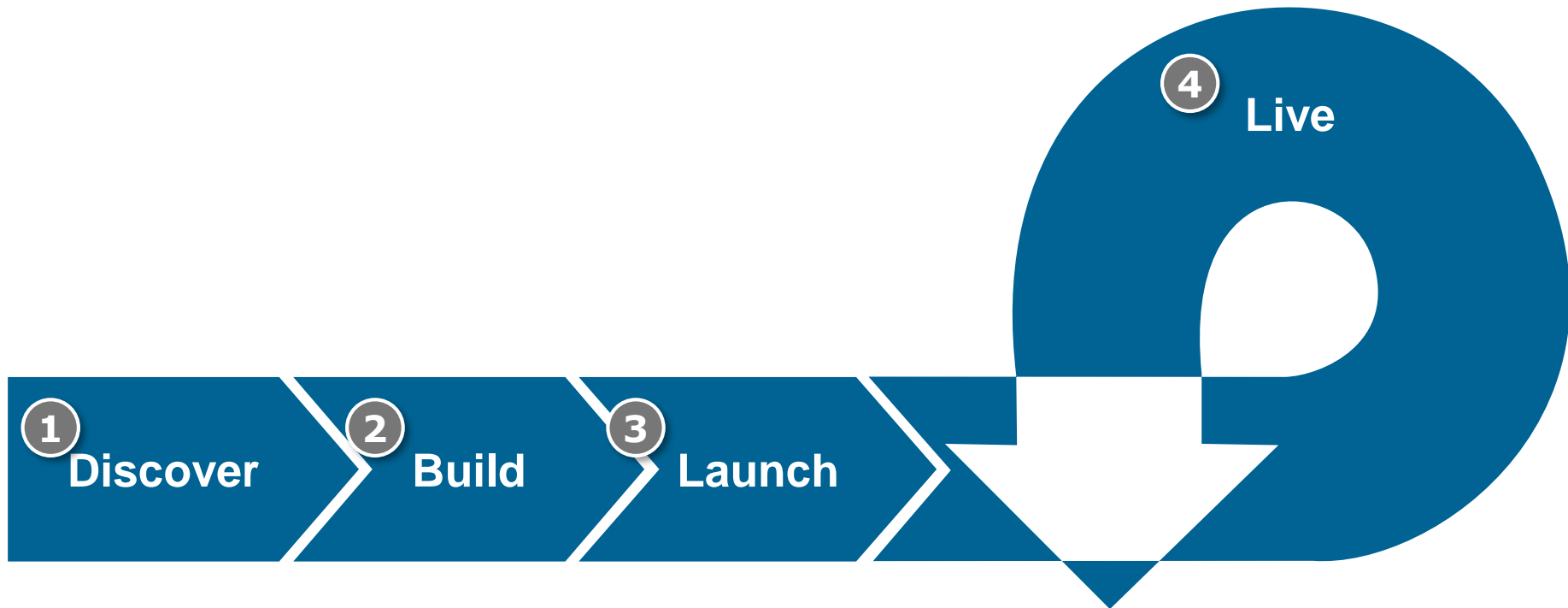 - Discover
  - Build
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How do I develop an EVP?

There are **4 steps** to creating an EVP…

1. Discover
2. Build
3. Launch
4. Live

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Step 1: Discover

PROCESS

1. Interview members of your team

2. Launch survey to company (*if unable to interview most employees*)

3. Summarize current programs and benefits

4. **Articulate 3-4 core values**

5. Test initial hypothesis values with employees

6. Brainstorm new programs to expand on core values

BEST PRACTICES

- A good EVP is built from the **bottom up**, not top-down – be sure to engage all levels of the company in crafting this message

- Company values are a **starting point**, and come from the top; the EVP reflects these values and is **complementary**

- Start with a large group of people for brainstorm, then **distill the reasons down** over time

- **Find successful companies** and learn from their EVPs – how do they attract employees, and how can you reasonably emulate?

EXAMPLE

- Company A used a survey to all employees to define the **top 5 words** that they associate with the company culture

- Their bottoms-up approach captured insights from each level of the organization, and **showed which attributes resonated across tenures and depts.**

Step 1: Discover – Exercise

Exercise: Who is an employee that best embodies your culture?

TO-DOS

- Create profile of the employee who best represents your team

- What is their name?

- What is their background?

- When did they join the team?

- What values do they best embody?

- Why do they love working at your company?

EXAMPLE OUTPUT

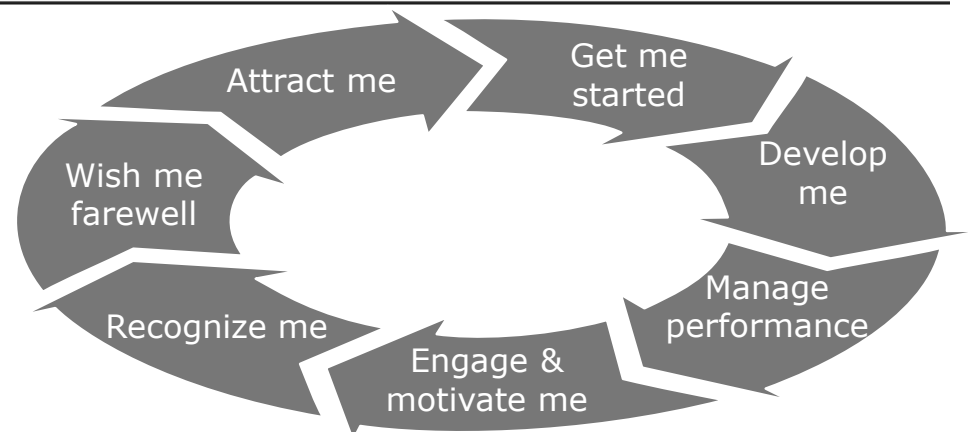| Name	Corey
Background	• 3 years at startup • 5 years international experience
Time on team	• 1 year
Values	• Empathetic to clients • Loves working on a team • Results-oriented
Loves working here because…	• Passionate about mission • Values autonomy and flexibility • Enjoys dynamic, risk-taking culture

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Step 2: Build

PROCESS

1. Map current programs across core values and identify gaps

2. Design new programs and benefits (*if applicable*)

3. Determine resources for new programs (*if applicable*)

4. Develop internal and external communication plans

BEST PRACTICES

- For startups, compensation is often a less flexible lever, so think about offering **non-comp benefits**, e.g. flexible working hours, role autonomy, snacks, company swag, transport / meal stipends, professional development budget

- Remember that **mission alignment and values are critical** – you can offer all of the non-comp benefits in the world, but if these are not in place, it won't matter

- Make sure that you communicate and **demonstrate your values through action**, e.g. hiring, promoting, or firing

EXAMPLE

- Company B realized that their best employees valued **professional development**, but they didn't have an explicit vision of what that meant at the company

- They created an **Employee Life Cycle** with relevant programs for each step to ensure employees were being developed and had vision into their career journey at the company

Attract me → Get me started → Develop me → Manage performance → Engage & motivate me → Recognize me → Wish me farewell

Step 2: Build – Exercise

Exercise: What programs/practices will you use to reinforce the EVP?

TO-DOS	EXAMPLE OUTPUT

TO-DOS

- Take all the responses from the Discover exercise

- Boil them down into **3-4 core reasons** why people love working at your company

- Think about how you would present this information, both internally and externally

- Think about which programs and structural changes you can implement to reinforce your EVP

EXAMPLE OUTPUT

|	Have a positive impact on your community	Work on the frontline of a dynamic industry	Join a fun, diverse team
Message	*Have a positive impact on your community*	*Work on the frontline of a dynamic industry*	*Join a fun, diverse team*
Programs	• Employees spend 1 day per quarter meeting with customers, regardless of role • Have customers speak to the team 1 day per month	• Host external events at your office (e.g., speaker series, hack-a-thons, workshops) • Pay for relevant conference attendance • Launch mentorship program for employees	• Host team events, such as book clubs or game nights • Allocate budget for team-building activities • Quarterly retreats
Comms plan	• Quantify impact (e.g. cx served, revenue increased, costs cut) in marketing materials • Share customer testimonials on website and social media	• Develop original content and speak on panels to become thought leader • Use social media to highlight exciting projects	• Use team photos as part of marketing • Encourage employees to build culture internally

Step 3: Launch

PROCESS

1. Execute internal & external communication plans

2. Begin launching new programs

3. Integrate EVP into recruiting, hiring, and onboarding process

4. Integrate traditions and rituals into current-state processes

BEST PRACTICES

- Ensure that **EVP is a critical part of recruiting, hiring, and onboarding processes** – key stakeholders need to be involved, and team fit should be considered in all hiring decisions

- Make sure the EVP is represented on the web site, marketing materials, and internally – drive toward **tangible artifacts** in the workplace (e.g., posters, booklets) as a constant reminder

- **Be cautious** of new programs that increase complexity and rigidity

- The best leaders set great outcomes by **setting the context and laying the values** (vs. trying to control their people)

EXAMPLE

- Company C created **resources for hiring teams** (e.g., how to scope a role, write JD, interview questions, etc.) that incorporated core elements of EVP

- They also created **resources for prospects** (e.g., benefits one-pager, employee testimonials) to communicate EVP

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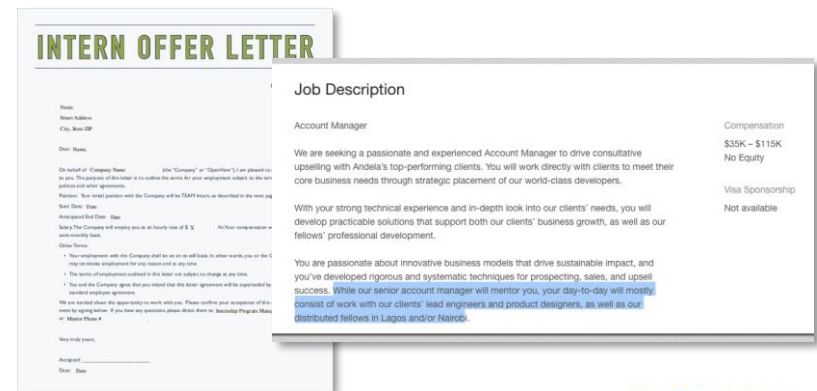
Step 3: Launch – Exercise

Exercise: How can you show these values on an ongoing basis?

TO-DOS

- Using the values we've determined, **what rituals and traditions** do you have for each of the reasons?

- What are some rituals or traditions **your company can create** to build upon and encourage these reasons people love working at your company?

- How do you ensure the new EVP is implemented into the **everyday life** of employees?

EXAMPLE OUTPUT

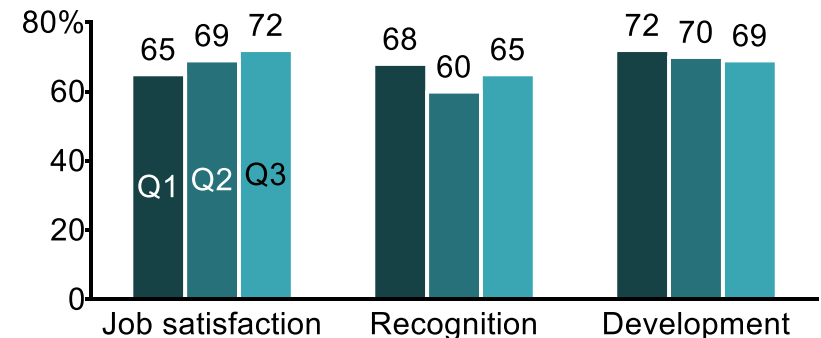| Category	*Impact*	*Industry*	*Team*
Current rituals & traditions	• Start team meetings with review of impact metrics	• Professional development process and goal-setting for employees each quarter	• Team birthdays celebrated together • Holiday party
Potential rituals & traditions	• Send out customer story to employees each month	• Inter-dept. mentor programs	• Once a month happy hour or social event
Ideas for everyday life	• Office decorated with quotes from customers	• Create knowledge sharing channel in Slack	• Designate each team "culture leaders" to champion

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Step 4: Live

PROCESS

1. Continue to execute communication plans

2. Regular feedback loop (quarterly survey) to constantly improve

3. Iterate as necessary

4. Continue to support and develop program

BEST PRACTICES

- **Start small** – every quarter do one thing to make the EVP stronger or more clear to your employees and recruits

- As new employees join the company, make sure these core elements of EVP are made clear **during the hiring process** and **immediately when they start**

- **Ongoing measurement** is critical to the success of an EVP

EXAMPLE

- Company D implemented a **quarterly survey** to gauge their employee engagement on an ongoing basis

- They use this data to understand which parts of the EVP **require more fine-tuning**

Job satisfaction: Q1 65, Q2 69, Q3 72
Recognition: Q1 68, Q2 60, Q3 65
Development: Q1 72, Q2 70, Q3 69

(Chart y-axis: 0, 20, 40, 60, 80%)

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Step 4: Live – Exercise

Exercise: How do you measure the EVP?

TO-DOS

- To make sure that the EVP becomes a core part of the company, **think of how you can measure this** with a survey

- Determine **metrics** beyond a survey that reflect EVP effectiveness

- Benchmarks are publicly available online – use these to **measure your company's performance** against the average

EXAMPLE OUTPUT

	Metric	Bench-mark
Survey	*"In my work I am always challenged to grow"*	53%
	"I have great confidence in my company's future"	66%
	"I know I will be recognized for excellent work"	64%
	"My teammates have my back"	70%
	"I have the chance to use my strengths every day at work"	74%
	"I am surrounded by people who share my values"	75%
	"I am enthusiastic about the mission of the company"	64%
	"I clearly understand what is expected of me"	65%
KPIs	Quarterly employee retention	95%
	Win rate in recruiting	70%

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Additional resources

- [How Successful Startups Hire & Develop Talent](#) – webinar by RippleWorks

- [The Human Capital Crisis: How Social Enterprises Can Find the Talent to Scale](#) – report by McKinsey and RippleWorks

- [3 Ways Social Entrepreneurs Can Solver Their Talent Problem](#) – Harvard Business Review article

- [4 Hiring Strategies for Social Ventures to Find and Keep Talent](#) – Catalyst Fund blog

- [Research on startup recruiting trends from Lightspeed Venture Partners](#)

- [Netflix Culture: Freedom and Responsibility](#) – Netflix slides

- [Benchmarks for employee engagement](#)
  - Many more available on Google!

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