Communicating Total Rewards: Spotlight on the Employee Value Proposition

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“Total rewards” is a hot topic and a focal point of HR strategies in today’s economy. Cultural and logistical shifts in today’s workplace make it particularly compelling as employers strive to bring equilibrium to pay and benefits program components and leverage elements that deliver value to employees on a personal level.

The core components of total rewards are compensation, employee benefits, work-life balance, personal recognition, and career development. Organizations draw from this inventory to build work experiences that are attractive to employees and lead to enhanced reputation in the marketplace.

A total rewards design proposes to accomplish the “big three” of critical employee talent: attract, retain, and motivate. Admirable ideals, but breathing life into them is not simple. Tactical execution is where the development time, money, and hard work either succeed or misfire with marginal results. The challenge lies in helping employees recognize the value of their total rewards and the advantages of working for your organization.

Redefining the Concept of Value
People are used to thinking of their work arrangement—particularly their pay and benefits—in a conventional way, in terms of straight dollars: what they are paid or what they receive in return for their benefits dollar.

With total rewards, the focus is on personal impact, what “I” value most for myself and my family versus what a coworker might appreciate. This viewpoint is more holistic—it recognizes what each employee needs to be happy, healthy, and successful, given merit and opportunity.

Employee communications about total rewards need to clarify the interdependence of pay, benefits, and work-life components. It calls for a fine touch so that the employer does not come across as self-serving.

Where the Rubber Meets the Road
How a total rewards program is positioned influences how the strategy is perceived. The central theme needs to be well-planned for the audience and consistently applied in every employee outreach. It is important to lay suitable groundwork, to characterize value and raise awareness, with a goal of creating an “Aha!” moment.

Underscoring the message is the notion of value—what employees regard financially and esteem personally. In this case, we take cues from marketing to spotlight the affirmative characteristics of the workplace that employees may not have identified with previously.

To effectively communicate total rewards, we want to recognize the intrinsic merits of the employment relationship, a/k/a, the employee value proposition, and acknowledge the features of that relationship that help an organization create and sustain a productive workplace. No one discounts the importance of compensation and core benefits; without question, they are essential. But they may not be the number one reason an employee enjoys going to work every day. In fact, work satisfaction is likely to be influenced by other factors that engender pride and encourage
positive energy, qualities that translate into operational results. These factors and attributes should be given equal weight as contributors to employee engagement.

**Promoting the Value of the Work Experience**
The employer’s mission in communicating total rewards is to guide employees over a moderate learning curve, to help them recognize the following essential factors in their work arrangement.

> Recognize that they value certain innate things in order to be happy and fulfilled. (Again, that significant word “value”; it suggests something elemental.)

> Realize that their priorities are personal, based on their current life circumstances, and likely to change in the future.

> Identify with the employer-employee alliance. In a work arrangement, the employee provides talent and effort/skill in return for rewards that the employer supplies.

> Understand the applied cause and effect of the work experience, showing that an employee’s work translates into the organization’s success.

The objective is to lend a broad perspective to total rewards and to help employees see the significance of their roles within the context of the organization’s business.

**A Value Message is Personal**
Everyone’s work experience is unique. We all are motivated by different things and place a priority on the programs or benefits that are most meaningful to us. Once pay and benefits basics are covered, these personal drivers may include what makes a quality-of-life difference to us, such as professional development, career growth, opportunities for responsibility and recognition, or an organization’s mission for social responsibility. A key to fostering an appreciation of total rewards is drawing a correlation between the practical benefit offered and the personal value derived from it. Those connections are distinctive and are impacted by cultural differences, economic factors, and life stages.

For example, Jack and his two young children live two blocks from his employer, ABC Company. Jack is motivated by having affordable day care onsite. His benefit is the ABC-sponsored child care center, whereas his personal value is that he does not have to worry about his children’s well-being during the day. On the other hand, Kara, fresh out of college, is energized by the organization’s fast-track management training. Her benefit is ABC’s career development program; her personal value is professional recognition and the boost to her self-esteem.

To successfully communicate total rewards to these two employees, we should focus on the features and benefits of ABC programs and express them in a way that builds appreciation. The end goal is heightened awareness so each recognizes that ABC is a great place to work.

**Tactics to Kick-off Appreciation**
In ideal circumstances, employees would jump on board and embrace the employer’s total rewards strategy right away. Realistically though, appreciation does not happen at once; it builds as awareness grows and perceptions change. To begin that process, we want employees to say to themselves, “Hmmm, I never thought of it that way,” and get the wheels turning.
Targeted or personalized communications can foster awareness because they allow for individualized messages. Similar to target marketing based on demographics, a personalized communication leverages a foundation of knowledge about each employee: where he or she lives and works, length of service, benefits elected, and so on. From this starting point, we can craft messages that are calibrated to the person’s circumstances, concentrating on themes and topics that resonate with that individual. And if the communication is online, interactive modeling tools can allow the employee to further customize his or her experience, making it even more personal and relevant.

A total rewards communication is similar to a branding exercise in that the implementation watchwords are consistency and regularity. Once we establish the high-level message, we communicate it consistently: describe it, use it, refer to it, using the same language, tone, and style. We repeat the message on a regular basis so that it becomes familiar and recognizable.

**Bringing It Home**

Total rewards can certainly take on a life of their own and become a full-scale initiative; however, successful implementation does not have to hinge on elaborate (and costly) execution. Certainly, if the organization is complex, the communication strategy may need to be broader, even global in scope, but organizations of a less complex nature can use a more streamlined approach and have successful results.

Quality is always crucial, but total rewards can be introduced and supported with minimal time and effort. The key is to make a workable plan and stick with it, using sound communication practices and tools that consistently communicate value.

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