



## Harmonizing Values with Employee needs and expectations: An analysis of Employee Value Proposition

**Dr. Sonali Arunima Dhan**

Assistant Professor, Department of Commerce, Mahila College, Pakur, S.K.M. University, Dumka, Jharkhand, Email id- arunimasonali5@gmail.com

**DOI : <https://doi.org/10.5281/zenodo.16793796>**

### ARTICLE DETAILS

**Research Paper**

**Accepted:** 22-07-2025

**Published:** 10-08-2025

#### **Keywords:**

*Employee Value Proposition, Social Value, Economic Value, Development Value, Interest Value*

### ABSTRACT

The correlation of organizational values with employee expectations and requirements is currently a strategic necessity in the new environment of human resource management. The current study investigates the Employee Value Proposition (EVP) as a central framework explaining the values and advantages that an organization provides for the skills, talents, and years of experience brought to the workplace by employees. Based on well-documented frameworks like Ambler and Barrow (1996), Berthon et al. (2005), and recent interpretations like Raj (2020), the present paper investigates the most important EVP dimensions of economic, functional, psychological, social, interest, development, and application values. The research highlights the need to create an inspiring EVP that will appeal to the aspiration for purpose, development, appreciation, and work-life balance of today's workforce. Research indicates that organizations that effectively align the value systems with the employee expectations are most likely to see increased engagement, retention, and performance. The paper further emphasizes the necessity of continual assessment of alignment between perceived and promised EVP in a bid to maintain credibility and trust. Finally, the analysis leads to a better comprehension of how an effective EVP is a strategic resource in the



---

recruitment and retention of top personnel as well as the strengthening of a robust organizational culture.

---

## I. Introduction

For gaining and attaining development and positive results, it is necessary that organizations focus on their most valued possessions i.e., employees. Employees who have greater knowledge, experience and ability can be counted as one of the greatest assets possessed responsible in the process of business organizing (**Setiawati, 2019**). Employee value proposition (EVP) is one of the practices that organization has adopted for the achievement of their end aim (**Heger, 2007; Setiawati, 2019**). Employee value proposition includes rewards, benefits, and policies through which employees attain in return for their skills, ability, and knowledge (**Pawar & Charak, 2015**). **Aloo & Moronge (2014)** describe how this phenomenon contributes towards a better work experience. Employee value proposition has consistently been found to be an indicator of employee retention in the majority of studies with a great bearing on organizational performance (**Goswami, 2015**). According to **Armstrong (2006)**, key factors in becoming an employer of choice include job security, a strong organizational reputation, work-life balance, competitive rewards and benefits, meaningful work, and opportunities for learning and career growth. Employee Value Proposition (EVP) is the unique set of benefits an organization offers in exchange for employee contributions. The employee life cycle spans from hiring to exit. Linking EVP with this cycle helps identify what drives engagement, satisfaction, and retention (**Heinänen, 2022**).

To be successful and stay ahead of the competition, companies need to provide knowledge workers with things they value, like training and development, good pay, new ideas, job rotation, a variety of challenging roles, a culture that isn't based on hierarchy, recognition for employees, and social responsibility (**Sutherland et al., 2002; Kaliprasad, 2006**). A well-defined, relevant, and compelling Employee Value Proposition (EVP) can be a crucial factor in attracting top talent. Organizations are striving to create and maintain strong employment propositions that set them apart from competitors. This involves crafting a clear "value proposition," as described by **Sears (2003)**, which outlines what the organization offers to its employees. According to **Jager (1990)**, India and many other emerging nations have largely adapted Western management techniques. Deeply ingrained fatalism in Indian culture makes major behavioural and attitudinal adjustments difficult (**Saha, 1992**). The present study determines the essential Employee Value Proposition (EVP) qualities that workers look for in their employers.

**II. Objectives of the study**

- i. To explore the conceptual framework of Employee Value Proposition (EVP) and to analyze the importance of EVP in enhancing organization's ability to attract and retain talent.
- ii. To review various dimensions of EVP.
- iii. To understand the strategic role of EVP for implementing attraction & retention of employees.

**III. Defining Employee Value Proposition**

**Campanaro (2007)** asserted, "*A company without an Employee Value Proposition (EVP) is like a person devoid of a personality – it does not exist.*" The analogy best reflects the pivotal role of EVP to define an organization's identity and attract existing and prospective workers. In the current competitive business environment, organizations are increasingly understanding the strategic value of talent management as a major determinant of success (**Rounak & Mishra, 2020**). Out of numerous tools and practices in talent management, the Employee Value Proposition is one such critical element designed to attract, develop, engage, and retain top performers.

EVP is a holistic model that describes the value that an organization provides to the employee in return for time, talent, and dedication. EVP transcends tangible rewards to encompass opportunities for career growth, work-life balance, organizational climate, recognition, and other intangible rewards. It is essential to understand the conception of EVP in order to apply realistic talent management practices based on employee requirements as well as organizational goals. In order to gain a better insight into EVP, a number of definitions that were provided by academics and practitioners are outlined in **Table 1**. These different definitions capture different views on the extent, aim, and effect of EVP on shaping employee experience and organizational performance

**Table 1: Definitions of Employee Value Proposition**

<b>Authors</b>	<b>Definitions</b>
<b><i>Minchington (2006)</i></b>	<i>An employee's skills, capabilities, and experiences are valued as a result of the associations and offerings provided by a company.</i>
<b><i>Divanna and Rogers (2005)</i></b>	<i>It can be viewed as a portfolio of skills and experiences that can be incorporated into the balance sheet of a company as assets.</i>
<b><i>Pawar and Charak (2015)</i></b>	<i>In general, it is a unique arrangement of benefits that employees receive as a result of the skills, capabilities, and experience they bring to an organization.</i>



<b>Heger (2007)</b>	<i>A value or benefit that employees perceive to gain or experience from being part of a company is referred to as employee value or benefit.</i>
---------------------	---

#### IV. Origin of Employee Value Proposition

The Employee Value Proposition (EVP) came to the limelight in the 1990s when **Chambers et al. (1998)** stressed that EVP creation and communication were the best talent retention measures—still a complex problem for most organizations. Before them, **Ambler and Barrow (1996)** stated that the employer-employee relationship is founded on a system of exchanges of mutual benefits. Drawing from this, **Berthon et al. (2005)** broke these exchanges down into five dimensions: social, application, economic, developmental, and interest values, which in turn work towards creating psychological and emotional commitment among employees. Since then, EVP has emerged as a concept of significance as a concept of human resource management (**Browne, 2012**) and has since developed into an essential part of talent management as well as employer branding. It is a strategic tool to integrate human resources and marketing operations (**Pawar, 2018**). Although there are always controversies surrounding its usefulness, EVP is largely viewed as necessary for organizations to be able to meet their promise to employees, leading to heightened engagement, enhanced performance, and lower turnover (**Mandhanya & Shah, 2010; Browne, 2012**).

Recent authors also point out the increasing significance of an effective EVP (**Chhabra & Sharma, 2014; Sengupta et al., 2015**), positioning it as a manifestation of a company's culture and long-term vision. **Michaels et al. (2001)** define the EVP as a unique promise people-based organizations make to attract and keep top talent by offering a bundle of values and benefits unique to others. With a growing competitive talent market, employees are likely to benchmark the value proposition among different employers. According to **Raj (2020)**, creation of a differentiated and compelling EVP comes a long way in underpinning both talent attraction as well as retention. According to **Munsamy and Venter (2009)**, professional experts play central roles in outlining organizational success, particularly with today's high-stakes talent wars. Hence, it is necessary for organizations to invest appropriately in crafting and communicating an EVP that will make such individuals stick around and be committed.

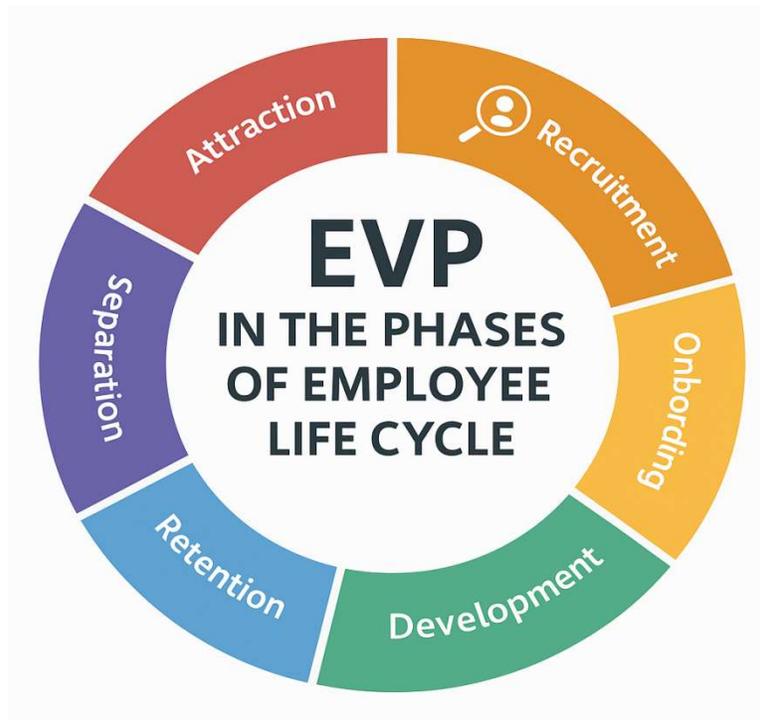
#### V. Concept of Employee Value Proposition

The Employee Value Proposition or EVP concept has garnered significantly in the last few years, especially its ability to attract, engage, and retain individuals. EVP is generally used to refer to the



collection of rewards and values that workers expect will be offered to them in exchange for their commitment and effort towards an organization (**Heger, 2007**). As aptly summarized by **Browne (2012)**, EVP responds to the following core employee questions: "What's in it for me?" and "What more can you give me?" EVP is the equilibrium between what employees provide—i.e., their time, effort, and talent—and what they get back, i.e., opportunity for development, pay, and company culture (Peterson, 2007). The more favorable the contributions are to employees' perceptions, the stronger the attractiveness of the organization will be, as stated by **Patnaik and Misra (2016)**. **Aloo and Moronge (2014)** also define EVP as including rewards, benefits, workplace practices, and policies, which all work together to build the employee experience.

Current research observes that the effective EVP will focus primarily on significant factors like work-life balance, professional and personal growth, inspiring management, and employee growth. **Heger (2007)** discovers EVP to have a significant impact on staff engagement and retention, which are the business performance necessities. **Chambers et al. (1998)** claim that a good EVP is able to drive talent attraction and retention in both the up and down markets. **Brüggemann et al. (2015)** found that one of the largest barriers to effective recruitment was the absence of a well-crafted EVP. Evidence to back this up is that research by the Corporate Leadership Council shows that an EVP with the correct framework can increase new hire commitment by as much as 29% and drive employees' engagement levels from 24% to 47%. **Ariyanto and Kustini (2021)** state that in order to be effective in the practice of using an EVP, it has to align with organizational strengths and anticipated expectations of existing and potential employees. **Sengupta et al. (2015)** further state that well-executed EVP can build employee loyalty and long-term retention. Although different models define the elements of EVP, some universal fundamental attributes always appear based on research. These are rewards, opportunities for career growth, company culture, sense of contributing to meaningful work, and relationships between individuals (**Parreira, 2007; Browne, 2012; Abshere, 2016**). Other factors such as career advancement, pay, job-role congruence, respect, innovation, recognition for rewards, stability within organizations, and work-life balance also become crucial in designing an effective EVP (**Jha & Jha, 2015; Mani, 2016; Mpanza, 2015**).



*EVP in the phases of Employee Life Cycle*

*Source: The author*

This image is a circular infographic titled "EVP in the Phases of Employee Life Cycle." It visually represents how the Employee Value Proposition (EVP) is relevant across each stage of the employee lifecycle. The circle is divided into six color-coded segments, each representing a distinct phase:

1. Attraction (Red) – Drawing potential candidates through a strong EVP.
2. Recruitment (Orange) – Communicating EVP to engage top talent.
3. Onboarding (Yellow) – Reinforcing EVP during initial integration.
4. Development (Green) – Supporting growth through EVP-driven learning and career advancement.
5. Retention (Blue) – Maintaining engagement and loyalty via consistent value delivery.
6. Separation (Purple) – Ensuring a positive exit experience aligned with EVP values.

"EVP in the Phases of Employee Life Cycle" highlights EVP's strategic role at every stage.

## **VI. Dimensions of Employee Value Proposition**

- Ambler and Barrow's Original Model (1996)

**Ambler and Barrow (1996)** were the first authors to originally employ the term employee value proposition (EVP), describing the essential elements of the benefit package that employers offer. Ambler and Barrow placed EVP into three essential dimensions:



*Functional Value* – which encompasses developmental experiences and exposure to appropriate learning experiences or resources.

*Psychological Value* – incorporating emotional aspects like a sense of belonging, direction, and purpose in the company.

*Economic Value* – that incorporates financial benefits, such as salary, bonus, and material benefits.

Even during the mid-1990s, they asserted the absolute necessity of holding on to the best talent so that there is an investment return in training and development activities. Their framework set the tone for EVP frameworks building and continues to be a key source of reference in talent management strategies.

- Berthon et al.'s Expanded Model (2005)

Expanding on previous frameworks, **Berthon et al. (2005)** evolved a more comprehensive and inclusive EVP model with five dimensions of importance:

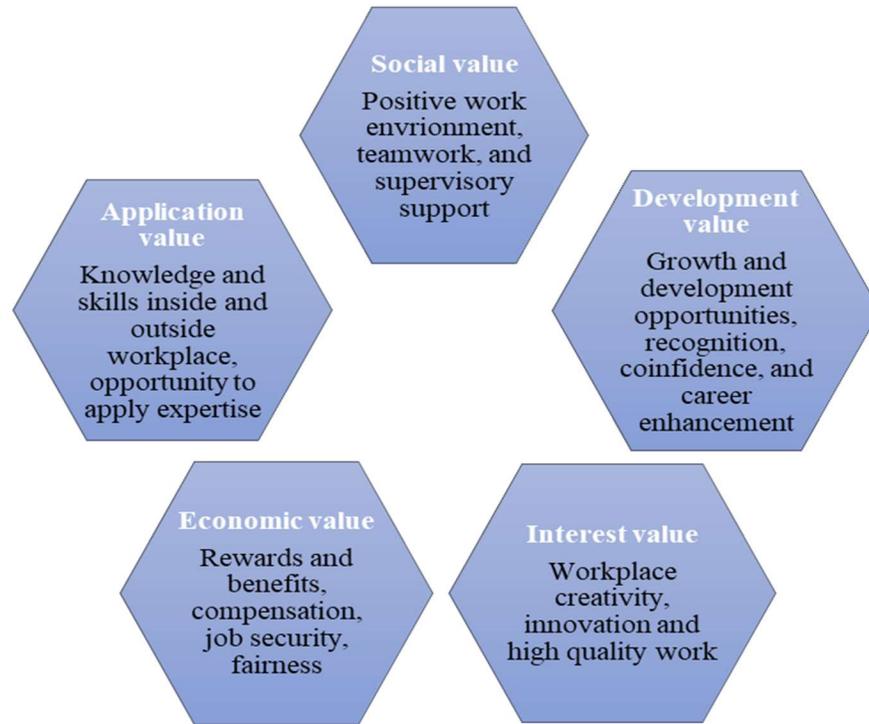
*Social value* – Captures the popularity of a firm that offers a good working environment, encourages collaboration among employees, and has good interpersonal relationships. Supervisor support is covered under this factor (**Parise, 2022**).

*Development Value* – Captures the level to which employees are drawn towards firms that offer opportunities for their growth, recognition, self-esteem, and extensive opportunities for professional development.

*Interest Value* – The extent to which an employee finds satisfaction in an interesting, creative, and engaging workplace. It encompasses the possibility for creativity in thinking and the provision of quality work.

*Economic Value* – Compares the appeal of tangible rewards such as competitive pay, security, opportunity for advancement, and comprehensive benefits.

*Application Value* – The potential for employees to utilize existing skills and knowledge in the workplace. Measures the degree to which one feels their capability can be used in the company.



*Overview of EVP dimensions*

*Source: The author*

• **Raj’s Model (2020)**

**Raj (2020)** extended the model by **Berthon et al. (2005)** to incorporate the five most impactful dimensions of employee value proposition, which are: (1) interest value, (2) social value, (3) development value, (4) economic value, and (5) application value. These are prioritized with development value being prioritized the most by professionals, followed by social and economic values. This conclusion highlights that, as of 2020, workers were most anxious about possibilities for professional and individual development inside a company. Money and social connection were important but were deemed to be of secondary significance. Raj also suggested measuring the extent to which EVP needs are fulfilled in terms of actual job experience since it is a prime motivator of satisfaction and retention overall.

**Dimensions of Employee value proposition**

<b>Authors</b>	<b>Dimensions</b>
<i>Ambler and Barrow (1996)</i>	(i) Functional (ii) Psychological and (iii) Economic
<i>Michaels et al., (2001)</i>	(i) Exciting work (ii) Development (iii) Lifestyle (iv) Great company (v) Wealth and rewards



<i>Berthon et al., (2005)</i>	(i) Interest value (ii) Social value (iii) Economic value (iv) Development value (v) Application value
<i>Heger (2007)</i>	(i) Compensation (ii) Day to day work (iii) Goals and objectives (iv) Health benefits (v) Flexible work (vi) Unit Leadership (vii) Pay for performance (viii) Learning and development (ix) Performance management (x) Respect and integrity (xi) Result focus
<i>Sengupta et al., (2015)</i>	(i) Feel good values (ii) Esteem values (iii) Comfort values (iv) Career potential values (v) Employee engagement (vi) Justice values
<i>Raj (2020)</i>	(i) Interest value (ii) Social value (iii) Economic value (iv) Development value (v) Application value

## VII. Strategic Impacts of Employee Value Proposition

Designing an effective Employee Value Proposition (EVP) is how organizations can attract and retain workers with the right skills and abilities. Far from a list of benefits, EVP is a strategic tool that drives recruitment, employee motivation, and talent management approaches. It allows organizations to build goals and individuals in the following critical ways:

- **Reaching Out to Untapped Talent Sources:** An effective EVP can potentially leverage the organization's reach out to candidates and geographies that were beyond reach before. This is typically based on positive word-of-mouth, employee advocacy, and high employer brand visibility.
- **Revitalizing Employee Engagement:** By recognizing and delivering on employees' needs, organizations can create higher levels of purpose, motivation, and commitment among employees. Well-designed EVP builds emotional and psychological ties that deliver long-term alignment.
- **Targeting Niche Talent Segments:** EVP allows organizations to tailor their offerings according to several groups of employees. This is a targeted approach that makes it compatible for what niche professionals are seeking—such as specialized work or flexible workplaces—and what the company has to provide, thereby making it easier to acquire hard-to-find talent.
- **Taking Away Pay-Driven Competition:** Pay alone will no longer suffice to attract and retain best talent. A differentiated EVP on the basis of high-purpose work, opportunity for growth, and outstanding culture can reduce the necessity to compete on pay alone, reducing the financial burden.



- **Building Recruitment Effectiveness:** When the HR function understands what employees expect, they can leverage the EVP to spur recruitment enhancement and communicate clearly why the organization is different in order to attract the best talent. The alignment enhances both the quality of the hire and speed of onboarding.

In effect, a well-crafted EVP not only constructs the employer brand but also enables effective talent management over the long term by tackling changing requirements of a dynamically changing workforce.

## VIII. Conclusion

The study "*Harmonising Values with Employee Needs and Expectations: An Analysis of Employee Value Proposition*" highlights how crucial it is to match organisational ideals with its employees' varied and changing expectations. The Employee Value Proposition (EVP) is a strategic framework that helps organisations convey the material and intangible benefits provided in return for employee contributions in the face of changing workforce trends and heightened competition for exceptional talent. According to the study's analysis of the economic, psychological, developmental, social, and application-based aspects of EVP, employees today value flexibility, meaningful work relationships, personal growth, purpose, and recognition in addition to monetary compensation.

The study emphasises that more engagement, job happiness, and organisational loyalty result from a solid alignment between what companies claim and what workers see and experience. Additionally, a credible and regularly delivered EVP improves the organization's capacity to recruit, retain, and inspire top people while fortifying the employer brand. According to the conclusion, balancing organisational principles with employee requirements is essential to creating a long-lasting, people-centered, and performance-driven workplace culture and goes beyond HR strategy. Businesses that make the effort to comprehend and improve their EVP will be in a better position to prosper in the workplace of the future.

## References

- Abshere, E. (2016). *The relationship between employee value propositions and teacher employment decisions* (Doctoral dissertation, University of Southern California).
- Aloo, V. A., & Moronge, M. (2014). The effects of employee value proposition on performance of commercial banks in Kenya. *European Journal of Business Management Vol, 2*(1).
- Ambler, T., & Barrow, S. (1996). The employer brand. *Journal of brand management, 4*, 185-206.



- Ariyanto, R., & Kustini, K. (2021). Employer branding and employee value proposition: The key success of startup companies in attracting potential employee candidates. *Annals of Human Resource Management Research*, 1(2), 113-125. <https://doi.org/10.35912/ahrmr.v1i2.728>
- Armstrong, M. (2006). *A handbook of human resource management practice*. Kogan Page Publishers.
- Berthon, P., Ewing, M., & Hah, L. L. (2005). Captivating Company: Dimensions of Attractiveness in Employer Branding. *International Journal of Advertising*, 24(2), 151–172. <https://doi.org/10.1080/02650487.2005.11072912>
- Browne, R. (2012). Employee value proposition. *Beacon Management Review*, 2(11), 70-88.
- Brüggemann, J., Clark, J., Gerken, A., & Graf, J. (2015). People and talent management in risk and control functions and control functions. *McKinsey*, May. <http://www.mckinsey.com/business-functions/risk/our-insights/people-and-talent-management-in-risk-and-control-functions>
- Campanaro, H. (2007). The importance of an employment value proposition: recruitment & executive search. *HR Highway*, 1(7), 16-17
- Chambers, E. G., Foulon, M., Handfield-Jones, H., Hankin, S. M., & Michaels III, E. G. (1998). The war for talent. *The McKinsey Quarterly*, (3), 44.
- Divanna, J., & Rogers, J. (2005). *People-the new asset on the balance sheet*. Springer.
- E. Michaels, H. Handfield-Jones, and E. Axelrod, *The war for talent* (Boston MASS: Harvard Business Review Press, 2001, 22).
- Goswami, P. (2015). Employee value proposition: a tool for employment branding. *International Journal of Scientific and Research Publications*, 5(12), 263-264.
- Heger, B. K. (2007). Linking the employment value proposition (EVP) to employee engagement and business outcomes: Preliminary findings from a linkage research pilot study. *Organization Development Journal*, 25(2), P121.
- Heinänen, A. (2022). Employee value proposition in the phases of employee life cycle: Sandvik Attachment Tools Division.
- Jaeger, A. M. (1990). The applicability of western management techniques in developing countries: A cultural perspective. *Management in Developing Countries*, Routledge, London, 131-45.
- Jha, S., & Jha, S. (2015). Leveraging employee value proposition for organizational effectiveness. *Available at SSRN 2586380*.



- Kaliprasad, M. (2006). The human factor I: Attracting, retaining, and motivating capable people. *Cost Engineering*, 48(6), 20.
- Leekha Chhabra, N., & Sharma, S. (2014). Employer branding: strategy for improving employer attractiveness. *International Journal of Organizational Analysis*, 22(1), 48-60.
- Mandhanya, Y., & Shah, M. (2010). EMPLOYER BRANDING-A TOOL FOR TALENT MANAGEMENT. *Global Management Review*, 4(2).
- Mani, V. (2016). Analyzing the Impact of Employee Value Proposition on Labor Turnover. *SSN School of Management, Kalavakkam, Chennai Great Lakes Herald*, 10.
- Minchington, B. (2006). *Your employer brand: attract, engage, retain*. Collective Learning Australia.
- Mpanza, N. S. (2015). *Employee value proposition attributes attracting business students to South African telecommunications* (Doctoral dissertation).
- Munsamy, M., & Bosch Venter, A. (2009). Retention factors of management staff in the maintenance phase of their careers in local government. *SA Journal of Human Resource Management*, 7(1), 1-9. <https://hdl.handle.net/10520/EJC95883>
- Parreira, J. (2007). *An analysis of an employee value proposition* (Doctoral dissertation, North-West University).
- Pattnaik, S. K., & Misra, R. K. (2016). Employer value proposition: A conceptual framework and scale development for Indian information technology professionals. *International Journal of Human Capital and Information Technology Professionals (IJHCITP)*, 7(4), 15-32. DOI: 10.4018/IJHCITP.2016100102
- Pawar, A. (2018). Analyzing organizational elements of employee value proposition: The employees perspective. In *Proceedings of Asia Conference on Business and Economic Studies (ACBES) by University of Economics Ho Chi Minh City on 8th–9th Sep* (pp. 94-103).
- Pawar, A., & Charak, K. S. (2015). Employee value proposition leading to employer brand: The indian organizations outlook. *International Journal of Management Research and Reviews*, 5(12), 1195
- Raj, A. B. (2020). Impact of employee value proposition on employees' intention to stay: moderating role of psychological contract and social identity. *South Asian Journal of Business Studies*, 10(2), 203-226.



- Rounak, S., & Misra, R. K. (2020). Employee value proposition: an analysis of organizational factors—the way to enhance value perception. *Development and Learning in Organizations: An International Journal*. <https://doi.org/10.1108/DLO-09-2019-0216>
- Saha, A. (1992). Basic human nature in Indian tradition and its economic consequences. *International Journal of Sociology and Social Policy*, 12(1/2), 1-50.
- Sears, D. (2003). *Successful talent strategies: Achieving superior business results through market-focused staffing*. AMACOM/American Management Association.
- Sengupta, A., Bamel, U., & Singh, P. (2015). Value proposition framework: implications for employer branding. *Decision*, 42(3), 307-323.
- Setiawati, L. (2019). Internal communication obstacles in the implementation of employee value proposition: Viewed from state-owned company. *International Journal of Applied Business Research*, 140-154. <https://doi.org/10.35313/ijabr.v1i02.60>
- Sutherland, M. M., Torricelli, D. G., & Karg, R. F. (2002). Employer-of-choice branding for knowledge workers. *South African Journal of Business Management*, 33(4), 13-20.