Communicating Total Rewards

A Spotlight on the Employee Value Proposition
Do a web search and you will pull page after page of blogs and discussion boards buzzing with total rewards dialog. It is a hot topic and a focal point of HR strategies in many US-based organizations. The impact of the economy combined with cultural and logistical shifts happening in today’s workplace make total rewards particularly compelling since the strategy tends to bring equilibrium to pay and benefits program components. In particular, total rewards leverages elements that deliver value on a personal level.

The core components of total rewards are identified as compensation, employee benefits, work-life balance, personal recognition, and career development. Organizations draw from this inventory to build work experiences that will be attractive to employees, resulting in an enhanced reputation as preferred, go-to employers in their markets.

A total rewards design proposes to accomplish the big three of critical employee talent: attract, retain, motivate. Admirable ideals, but breathing life into that intention is not simple. Tactical execution is where the development time, money and hard work either accomplish the planned objectives or misfire with marginal results. Since employees are the intended focus of total rewards, their responses and subsequent actions are pivotal in making the strategy thrive. The challenge comes in helping people align with this new approach and recognize the advantages of their employer. How do you do that?

REDEFINING THE CONCEPT OF VALUE

From an employee’s perspective, understanding the significance of a total rewards strategy requires a shift in thinking, a change in how the concept of value is perceived and assessed. 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 pay or what they receive in return for money paid.

With total rewards the focus slants toward personal impact, to what “I” value most for myself and my family vs. what a co-worker may appreciate instead. This viewpoint is more holistic, where the things each employee needs to be happy, healthy and successful are recognized and given merit and opportunity. The communication to employees needs to clarify the interdependence of these pay, benefits, and work-life components, and it calls for a fine touch so the employer does not appear to be self serving.
THE RUBBER HITS THE ROAD

The way 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 outreach to employees. It is important to lay suitable groundwork, to characterize value and raise awareness, with a goal of creating an “ah-ha” 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 before.

To most 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 might 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 to underscore their potential as contributors to engagement.

PROMOTING THE VALUE OF THE WORK EXPERIENCE

Our mission in communicating total rewards is to guide employees over a moderate learning curve, to help them recognize several essential factors in their work arrangement. We want to help them connect with several key points.

- Recognize that they value certain innate things and they need them to be happy and fulfilled. (Again that significant word value; it suggests something elemental.)
- Realize that their priorities are personal to them, are based on their current life circumstances, and are likely to change in the future.
- Identify with the employer-employee alliance. In a work arrangement, the employee provides talent and efforts in return for rewards the employer supplies.
- Understand the applied cause and effect of the work experience, showing that the work an employee does 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

Every employee’s work experience is unique. Accordingly, each person values individual aspects of that experience. We are all motivated by different things so we 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 the components and practices that make a quality of life difference, 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 in drawing the correlation between the practical benefit offered and the personal value derived from that benefit. 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 ABC Company where he works. Jack is reassured by having affordable day care on-site. 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, Jane, 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. In this example, our role in successfully communicating total rewards is to focus on the features and benefits of ABC program, and articulate them in a way that builds appreciation. The end goal is heightened awareness so that employees recognize 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 is not going to happen all 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 mental wheels turning.

Targeted or personalized communications can be effective for fostering awareness because those methods allow for individualized messages. Similar to target marketing based on demographics, a personalized communication leverages a foundation of knowledge about each employee: where they live and work, length of service, which benefits they have elected, and so forth. From this starting point we can craft messages that are calibrated to the person’s circumstances, concentrating on themes and topics that are most likely to resonate with that individual. And if the communication is online, interactive modeling tools can allow employees to further customize their own experience with the information, making it even more personal and relevant.

A total rewards communication is not unlike a branding exercise where the implementation watchwords are consistency and regularity. Once we establish the high level message, we communicate it consistently across all information: describe it, use it, refer to it, with consistent language, tone, and style. We repeat the message on a regular basis so it becomes a familiar and recognizable concept.

**BRINGING IT HOME**

Total rewards can certainly take on a life of its 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 methods and tools that are suited for the purpose at hand.

**ABOUT THE AUTHOR:**

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