

Employee Value Proposition

Addressing recruitment, retention and talent development challenges in higher education

October 2023



Employee Value Proposition Initiative



Why do individuals choose jobs in higher education?
Why do they stay? Why do they leave?

Four sources of data

TIAA Institute Higher Ed EVP Survey

- 1,500 higher ed employees, 704 with employer responsibilities
- Conducted online July 19 – August 8, 2023

CUPA–HR 2023 Higher Education Employee Retention Survey

- 4,782 non-faculty employees
- Fielded April 10 – April 23, 2023

TIAA Institute qualitative research

- In-depth structured interviews in Q4 2022
- 20 HR leaders and 21 professional staff

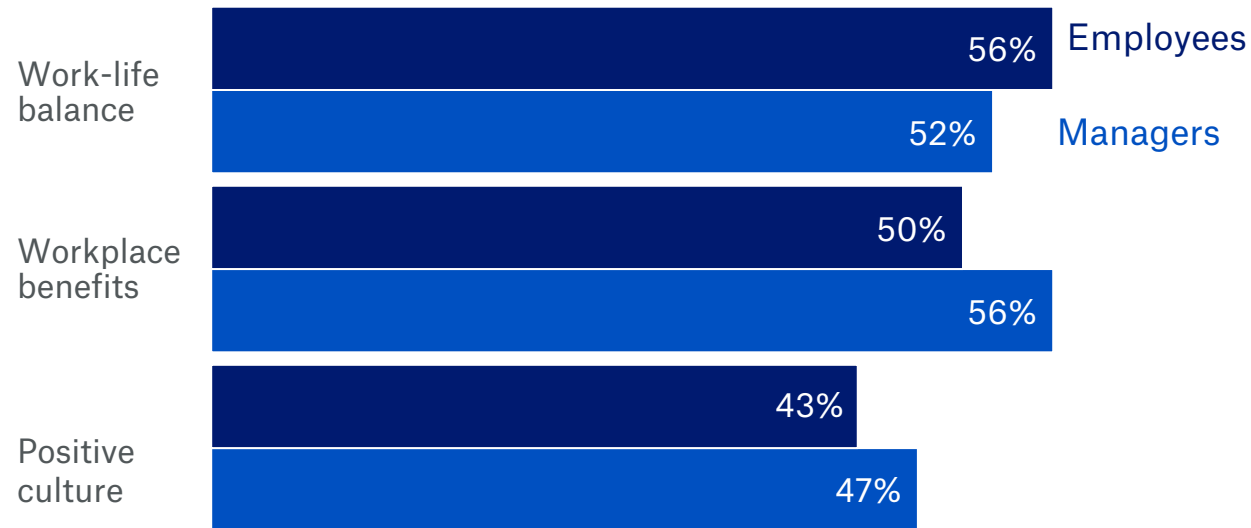
TIAA 2022 Plan Sponsor Listening Tour

- Online survey of 214 colleges and universities
- Conducted October 27 – November 11, 2022

Attracting employees in higher ed

Employer perceptions generally align with employee reality.

What are the top reasons why you chose to work at your current institution?



Not quite the draw that managers think?

Institutional mission

45%

MANAGERS

32%

EMPLOYEES

Institution brand

38%

MANAGERS

30%

EMPLOYEES

Source: TIAA Institute Higher Ed EVP Survey (2023).

Losing employees in higher ed

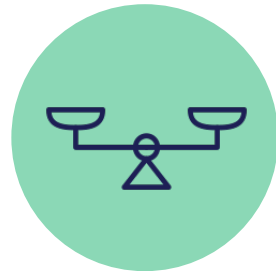
1/3 are likely to leave or consider leaving their institution in the next two years...WHY?



Salary

Pay has become an issue.

- 63% of potential leavers cite pay/compensation as a primary reason.



Work-life balance

A primary draw that becomes a top reason for leaving.

- 35% of potential leavers cite work-life balance as a primary reason.



Career paths

Not a top reason they came, but important reason they leave.

- 34% of potential leavers cite career growth opportunities as a primary reason.

73% of potential leavers would consider jobs outside higher ed

Work/life balance and remote work flexibility are more important issues for them

“The biggest thing I am watching is the people are leaving because of money and work-life (balance).”
–HR leader, Mid-sized public

“...it is not obvious to see your career path when you come into a university, and I think that is a hindrance for us.”
–HR leader, Large public R1

Source: TIAA Institute Higher Ed EVP Survey (2023).

5 levers to pull in a strategic EVP

Addressing dissatisfaction. Elevating strengths.

An Employee Value Proposition:

- Identifies the mix of tangible and intangible rewards and benefits that make working for a given organization particularly attractive.
- Conveys an organization's comparative advantages as an employer and serves as a differentiator in recruitment and retention efforts.
- Takes a holistic approach focused on employees' needs and expectations, extending well beyond salary.

What belongs in a higher ed EVP?

- 1 Total compensation
- 2 Work-life balance
- 3 Professional development and learning
- 4 Culture and community
- 5 Mission and purpose

Total compensation

EVP
Level

1

Salary is not a comparative advantage in higher education. Instead emphasize the value of total compensation and call out employee benefits that are competitive advantages.

Emphasize benefits that are important among higher ed employees

- Retirement plans (98%)
- Health benefits (94%)
- Paid time off (92%)
- Retiree health insurance (77%)
- Tuition remission (62%)



“We worked...to develop a Total Rewards Statement. The idea is to monetize the benefits that employees are enrolled in...Our talent acquisition team is really excited about it.”
–HR leader, large public

Only 31% of non-faculty employees feel that they are paid fairly.

Source: TIAA Institute Higher Ed EVP Survey (2023), CUPA-HR Higher Education Employee Retention Survey (2023).

Work-life balance

EVP
Lever

2

Work-life balance is the priority. Emphasize benefits beyond remote work flexibility that promote it.

Benefits important among higher ed employees

- Paid time off (92%)
- Paternity leave (71%)
- Mental health programs (70%)
- Childcare benefits (52%)
- Eldercare benefits (48%)

50% of non-faculty employees report working more than full-time hours.



“I’ve always thought academia has had a better work-life balance than some of the for-profit institutions and that we try to be very flexible...”
–HR leader, community college

“Time off is huge. Everybody knows what their time off packages are and trust me, for the most part they use them.”
–HR leader, Mid-sized private

Source: TIAA Institute Higher Ed EVP Survey (2023), CUPA-HR Higher Education Employee Retention Survey (2023).

Career advancement

EVP
Level

3

Enhance efforts to provide clear advancement opportunities.

- Programs that promote professional development
- Tuition benefits
- Informal learning opportunities
- Micro-certificates
- Mentorships/Sponsorships
- Rotational programs

Career trajectory and advancement is a top driver for increased job satisfaction, but only 53% of higher ed employees are satisfied in this regard.

Non-faculty employees

44%

do not see opportunities for advancement at their institution

34%

do not feel that their institution invests in their career development

“Not many openings at a higher level come up very often. When they do, we are challenged to convince our managers to look internally.”

–HR leader, Large R1 public

“...because there are only so many spaces, I was kind of expecting that I’d need to look outward to be pursue greater opportunity and to actually move up.”

–Professional staff, Small private

“I have definitely used the tuition reimbursement benefit, and I am planning to use it again ... another reason why I pull back from the thought of leaving...”

–Professional staff, Large private

Source: TIAA Institute Higher Ed EVP Survey (2023), CUPA-HR Higher Education Employee Retention Survey (2023).

Culture and community

EVP
Level

4

Culture and community are compelling intangibles of employment in higher education.

Higher ed employees

43%

cited positive work culture among top reasons for choosing their institution

77%

are satisfied with the culture at their institution; 30% are very satisfied

Non-faculty employees

74%

feel engaged at work

63%

feel a sense of belonging

67%

feel valued by their colleagues

Managers matter

“...people don’t quit their jobs, they quit their supervisors. So, it’s important that you have members of your management team that are trained on how to manage people...”
–HR leader, large public

72% of higher ed employees are satisfied with their manager, with 38% very satisfied. At the same time, one-half would sacrifice an average of \$9,000 in pay to work for a great manager.

Source: TIAA Institute Higher Ed EVP Survey (2023), CUPA-HR Higher Education Employee Retention Survey (2023).

Mission and purpose

EVP
Level

5

Helping advance higher education's mission can still be a compelling intangible.

32%

of higher ed employees cited mission among top reasons for choosing their institution

62%

of non-faculty employees feel that their institution's mission aligns with their personal values

79%

of non-faculty employees feel that their work has purpose

"I view myself as being in the 'hopes and dreams business.' I help people achieve their hopes and dreams and I think it's just a beautiful thing to do."
–Professional staff, community college

But current environment and narratives create headwinds.

"My positive feelings about higher ed's mission changed early on when I realized that it is indeed a business, and there is a business model."
–Professional staff, large R1 public

36%

of higher ed employees feel that higher education has changed for the worse in recent years

Sources: TIAA Institute Higher Ed EVP Survey (2023), CUPA-HR Higher Education Employee Retention Survey (2023), TIAA Listen In Full Report (February 2023).

The logo for TIAA Institute features a stylized square icon on the left, composed of a white square with a dark blue 'T' shape cut out of its top-left corner. To the right of this icon, the words "TIAA Institute" are written in a bold, dark blue, sans-serif typeface.

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