

The role of organizational culture in crafting an Employee Value Proposition

The TIAA Institute developed an Employee Value Proposition (EVP) for higher education based on research that combines what employees value in the higher education workplace and what colleges and universities can offer as employers. The EVP includes a mix of tangible and intangible rewards and benefits that give institutions a hiring advantage compared to other organizations. It includes five elements—or “levers”—institutions can use to better recruit and retain the talent higher education institutions need to be sustainable and fulfill their missions.

Several EVP elements focus on the material conditions of employment—such as compensation, retirement benefits, and leave policies. Others center on organizational structures—such as career ladders and opportunities for professional advancement. But a number resonate with employees’ desire for community, connection, meaning and purpose. These latter elements derive from organizational culture, which, though more intangible than wages, is no less important to the employee experience. This commentary considers the role of organizational culture in crafting an EVP.

Why organizational culture matters in an EVP

For institutions seeking to move beyond the Great Resignation and toward their own compelling EVP, attending to organizational culture matters for two key reasons. First, paying attention to organizational culture is key to effectively managing change processes on campus. In other words, it’s difficult to develop or implement any of the levers associated with an EVP without carefully considering the role of culture in organizational change. Second, shaping the organizational culture to align with what employees desire can be a critical differentiator as institutions seek to attract and keep talent. Organizational culture is at the heart of how institutions operate, which is why it’s fundamental to employees’ experience of the workplace.

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CRAFTING AN EFFECTIVE EVP

Desire for community, connection and purpose are as important as material benefits or advancement opportunities.

When colleges and universities depend too heavily on material elements alone in their EVP, they risk shortchanging the long-term, shared, and values-based glue that bonds employees to each other and to the institution. Yet the most common responses to workplace problems in higher education—such as turnover and disengagement—have often been short-term, individualized, material fixes like nominal raises or a self-care day. The reality is that shaping organizational culture is a much harder and longer journey than, say, a one-time bonus. That said, several institutions have realized the power of organizational culture in their EVPs and have carefully crafted language, values and symbols to create a workplace that draws in talent and gives workers plenty of reasons to stay.

What is organizational culture?

Higher education scholar William G. Tierney (2008) defined organizational culture as the “shared assumptions of individuals participating in the organization.” Although these shared assumptions are often taken for granted by people within the organization, they “can be identified through stories, special language, norms, institutional ideology, and attitudes that emerge from individual and organizational behavior.” If that still sounds a little nebulous, Tierney provided a useful list of questions to parse the culture of an organization:

- What is the mission? How is it articulated? Is it the basis for decisions here?
- How are new members socialized? What is needed to survive/excel here?
- What constitutes information? Who has it? How is it disseminated?
- How are decisions arrived at? Who makes decisions? What is the penalty for bad decisions?
- Who are considered leaders? What does the organization expect of leaders?

The shared assumptions of individuals in an organization, identified through stories, special language, norms, ideology, and attitudes defines organizational culture.

–William G. Tierney

Another widely-accepted conceptualization of organizational culture points to sagas, heroes, symbols and rituals as useful “windows”—or ways of studying—the culture of a college or university (Masland, 1985). Rituals deserve special

attention in understanding organizational culture, according to Peter M. Magolda, the renowned ethnographer of campus life. Magolda (2001) argued that rituals are an important means of transmitting norms and values to stakeholders and “respond to a basic human need to be part of a larger and distinct social entity (community).” Through rituals, employees learn about campus culture, feel connected to it and, in turn, convey it to others.

Transmitting culture usually depends on the presence of a shared language. Language matters in organizational life because, as organizational theorist Karl Wiek and colleagues (2005) explained, “organizations...are talked into existence.” What we regularly say within an organization has a way of becoming what we routinely do. Knowing the institution’s story, participating in its rituals, and speaking the community’s shared language give rise to organizational identity, providing faculty and staff with a ready answer to the question: “Who are we as an organization?” (Garcia, 2017).

The importance of culture in managing organizational change

Some colleges and universities already have elements of an EVP in place. Many others will need to design new elements to offer a unique, robust package of rewards and benefits. Doing so will inherently necessitate organizational change and, in some instances, what higher education change management scholar Adrianna Kezar called deep or “second-order” change. This is change that is “so substantial that it alters the operating systems, underlying values, and culture of an organization.”

Deep change is a process in which success often depends on a collection of actors using multiple approaches. Leaders may read “process” and assume a linear model following a change checklist. Deep change demands learning, customizing and revising when things don’t go according to plan. Twenty years ago, Kezar and governance expert Peter Eckel analyzed six campuses and concluded: “change strategies seem to be successful if they are culturally coherent or aligned with the culture.” As a result, Kezar and Eckel recommended that leaders and other change agents must be able to step outside their institution’s culture enough to see it through the eyes of a researcher.

Cultural theories of organizational change hold that “change within an organization entails the alteration of values, beliefs, myths, and rituals.” Change of this type also demands adjusting professional norms and reshaping the shared meanings forged by people within organizations (Kezar, 2018). Leaders undertaking change that is responsive to culture are charged with modifying employees’

shared meanings along multiple avenues, from guiding documents like values and mission statements to existing symbols or rituals. Mission statements and rituals don't always need to be completely reinvented. In some cases, aspects of organizational culture can be used in novel ways to affirm healthy norms and values.

Even institutions that have already implemented core elements of an EVP can't rest on their laurels for long. They need to regularly assess their rewards, update their benefits and examine their processes. Something as seemingly routine as an institutional compensation study is an exercise in organizational change management. As leaders consider possibilities for creating their own EVP, they must, in the words of higher education scholar and administrator Jeffrey Buller, "understand that colleges and universities are organic systems that have to be approached in ways most suited to their organizational culture."

Shaping a campus culture that employees value

Organizational culture isn't just about effectively managing change processes—it's also about employees' day-to-day experience within their institution. A culture that recognizes how the employee experience connects to the institution's mission—and that seeks to meet employees' needs and expectations—can set an institution apart from competitors. The problem is that few colleges and universities have attempted to strategically shape organizational culture as a means of recruiting and retaining talent. In fact, many institutions have neglected the employee experience within their organization, leaving them ill prepared to compete during unprecedented human-resource challenges.



Few institutions include creating a positive employee experience in their strategic goals.

In fact, finding mentions of employees in institutions' guiding documents (i.e., their mission, vision and values statements) or in their strategic priorities is no easy task. With the help of a graduate student, I reviewed a random sample of values statements and strategic plans at 50 institutions of various types. We concluded that many colleges and universities see higher education primarily in terms of institutional inputs and outputs: which students enroll, which faculty are hired, and how do they fare on outcomes of interest? The *labor* that people perform while teaching, programming, advising and creating is left out of the equation. Among the many institutional strategic goals, few indicated a sense of responsibility for creating a positive employee experience.

Employees are sometimes included in strategic priorities related to becoming a "magnet for talent," a "destination college town," or an "inclusive environment." But when we dug into the details, we learned that "talent" often refers exclusively to recruiting faculty, becoming a "destination college town" is more about enticing prospective students, and "inclusive" often revolves around institution-wide student and faculty diversity efforts more than the extent to which employees and students feel a sense of belonging.

Further, measuring progress on strategic goals around the employee experience is difficult for many colleges and universities because of the limited data they collect on the people they employ. Collecting data that accurately represents employees' identities, asks about their experience on the job, and tracks their reasons for leaving is a low bar for organizations to demonstrate attentiveness to the employee experience and a commitment to learning more about them, yet many colleges and universities fail to reach it. Shaping culture in ways that align with the desires of employees takes proactive effort, including asking employees about their experience.

Examples centering culture in an EVP

Not all institutions have been asleep at the wheel when it comes to understanding the importance of culture in an EVP. My research revealed three institutions that stand out when it comes to making the employee experience a strategic priority and centering organizational culture as a distinctive feature of their value proposition.

North Carolina State University, a public research and land grant university in Raleigh, North Carolina, launched *You Belong Here: Our Employee Value Proposition* in 2023. *You Belong Here* is the brainchild of eight human resources professionals from different units across the university. It includes four pillars that "explain why NC State is a great place to work by touting the university's differentiators—those things that distinguish NC State as a great place for a career." One of those pillars is a "diverse and dynamic community and culture." The *You Belong Here* website notes amenities and offerings in the community, but also a culture of "continuous improvement and innovation to tackle the grand challenges of society" and an "experience where everyone—regardless of beliefs, background, orientation or ability—feels at home as part of the Wolfpack."

Just as important as the pillars of NC State's EVP is the process the team followed to create it. David Perryman, NC State's Director of Talent Acquisition and Employment, and Rebecca Zuvich, Assistant Dean for Human Resources in the College of Agriculture and Life Sciences, explain how the EVP was constructed through an iterative, data-driven

process: The team used appreciative inquiry to identify a list of the university's strengths, which they synthesized into four pillars. From there, they wrote tweet-length descriptors for each pillar, that use specific language that referenced the institution's strategic plan. The group created a mockup website and shared the draft EVP with the Chief Human Resource Officer and Chancellor's cabinet. They also surveyed stakeholder groups, including faculty and staff senators, cabinet members, deans and vice provosts. They incorporated feedback into new versions until landing on their current EVP.

Colorado Mesa University (CMU) is a regional public university in the high-desert country of western Colorado. As part of its strategic planning process in 2023, CMU adopted a new set of values to ground its work to “support the diversity of our campus, learning from and honoring the rich assortment of beliefs and backgrounds that converge on our campus that make for a vibrant culture and community.” These values include love, which they define as “extending oneself for nurturing the growth of self and others,” and humility, or “suspending one's ego and pride to recognize that no idea is perfect and being open to the input of others.” The values are clearly designed to guide how individuals on campus interact with one another and engage in their work, and the values speak to and for employees.

The strategic plan includes a specific pillar just for employees, focusing on recruiting and retaining staff and faculty for a “human scale university.” A human scale university is “a scaled model of the world we wish to see,” which requires “[committing] to listening to one another, being in relationship and being in community with one another.” The employee pillar encompasses activities that enhance the material conditions of employment, including development of a compensation strategy and creating clear career ladders and pathways. It also spells out plans for ongoing climate surveys and efforts to continue to shape the culture in ways that clearly define and reward employee excellence and “foster mutually respectful and collaborative decision-making processes.”

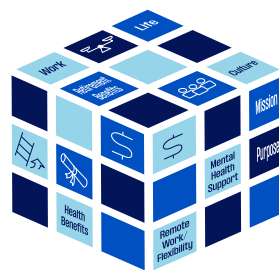
Amarillo College (AC) is a community college with five campuses in the Texas Panhandle that has earned a national reputation for supporting the success of low-income students through its “Culture of Caring.” Russell Lowery-Hart, AC's President from 2014 to 2023, engaged a group of AC students to share what the perfect college looked and felt like to them. This led to five values that provide direction for how Amarillo and its employees can fulfill its antipoverty work with students. They include “Caring through FUN,” meaning that they find ways to make work fun and celebrate each other, as well as “Caring through FAMILY,” meaning they “approach our interactions with each other with trust

and openness.” The college's values are a declaration of how employees are expected to show up for one another and give employees a sense of AC's ethos as an employer.

Although you can encounter the word “caring” many places on AC's campus, employees weren't expected to simply absorb the values by walking by banners. Lowery-Hart launched an annual innovation challenge where teams of employees proposed new ideas to bring the college's values to fruition. AC also developed a new symbol to galvanize the college's student success efforts: Maria. Maria is a composite of what the data showed was AC's typical student: a 27-year-old first-generation Latina, working an average of two part-time jobs, and raising an average of 1.2 children. The college wanted staff and faculty to see Maria when they pictured the students they educated. One AC faculty member shared with me in an interview that the symbol of Maria has helped him visualize and connect to the college's mission in a more powerful way than words or bar charts ever could.

Conclusion

Make no mistake: the material conditions of employment are vital to higher education's Employee Value Proposition. But many institutions have learned the hard way that a small pay increase or new virtual certificate are not enough to sway talented workers to apply for or remain in positions. Many employees—and potential employees—want to know how the institution operates, the values that influence its change processes, the norms that govern working life on campus, and what kind of community their labor helps to build. They want to feel connected to colleagues and to the mission of the institution itself. Forging those ties and effectively managing campus change processes requires sensitivity to the vital role of organizational culture in supporting the positive outcomes associated with an Employee Value Proposition.



Employees want to feel connected to colleagues and an organization's mission; sensitivity to the vital role of organizational culture is key to an EVP.

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