



## CHAPTER II

### *Customizing the Employment Offer— Comparisons Across Geographic Regions*

∞ Regional Comparisons for:

- North America (p. 11)
- Latin America (p. 13)
- Asia (p. 15)
- Europe (p. 17)
- United Kingdom (p. 19)
- Australia/New Zealand (p. 21)
- South Africa (p. 23)

## UNDERSTANDING COMPARISON TREES

---

This chapter begins with a region-by-region look at the components of a compelling employment offer. Do employees in North America express different preferences than their counterparts in Europe, Latin America, Australia, or South Africa? Do organizations with plans to expand globally need to consider tailoring their employment offer on a region-by-region basis—or will one job offer sufficiently meet the preferences of all employees, regardless of region?

Throughout this study, the graphic used to depict the differences between job offer preferences of various segments of the workforce is called a “comparison tree,” and an example is shown on the opposite page. The bars to the right of the line indicate that Group B places greater importance on that attribute than does Group A. The opposite is true of the bars to the left of the line, with the numeric label for each bar representing the actual difference in importance scores.

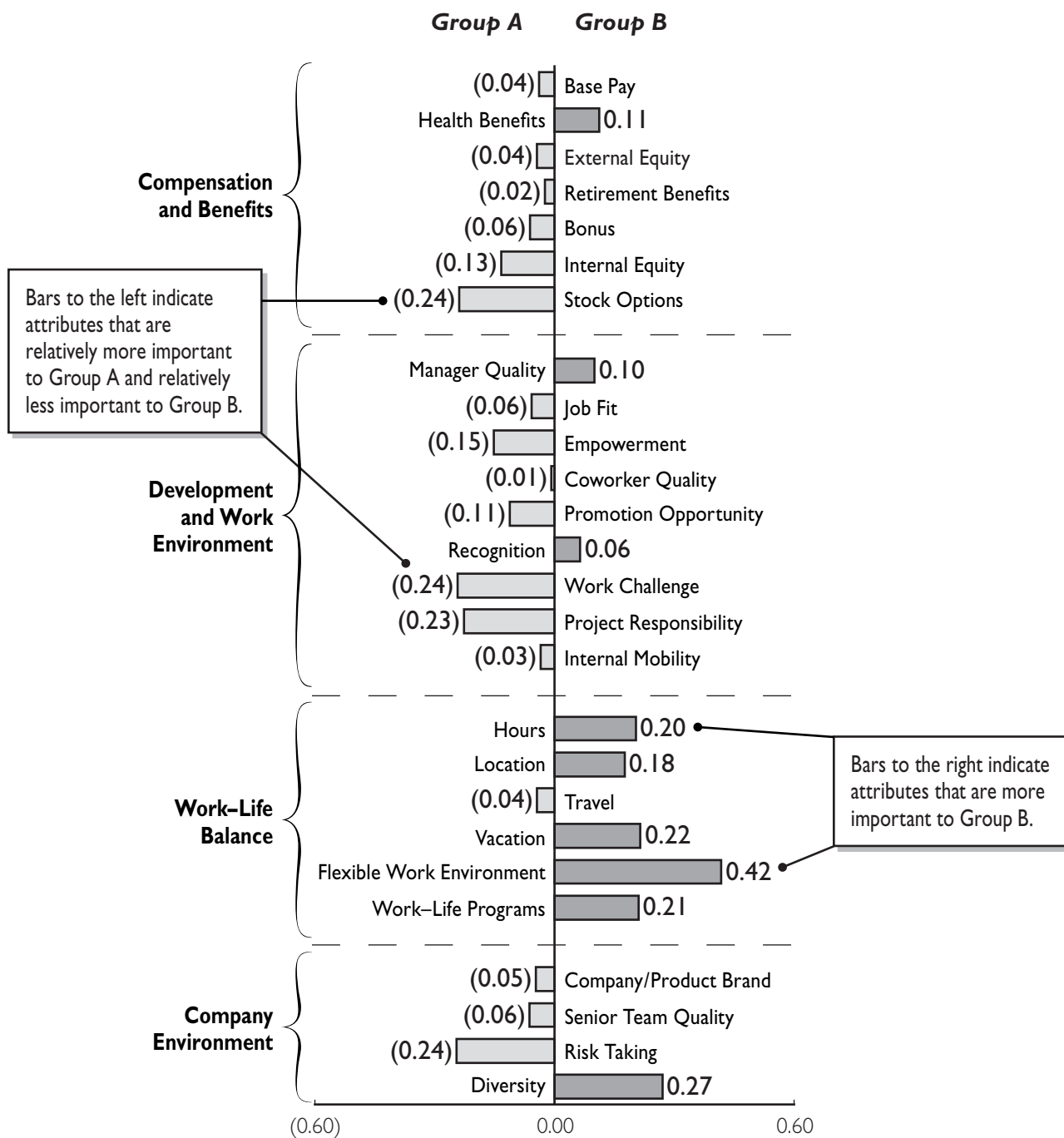
All 26 attributes are arranged by category on each chart. Notable differences between each segment and the benchmark group are noted in gray boxes on the facing text pages. The Council will consider any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Although other standards are certainly possible and appropriate, differences of 0.2 or greater are almost invariably statistically significant and likely to have substantive, “real-world” implications as well: Employees whose job offer preferences differ by more than 0.2 have distinct preferences for job offers that companies can capitalize on in attraction and retention.

For all comparison tree graphics in this report, the “benchmark group” refers to all employees in the CLC *Solutions* database excluding the selected group. For example, the comparison tree graphic for employees in Latin America compares the preferences of employees in Latin America to the preferences of employees in other regions (the benchmark group).

---

# DISPLAYING THE DIFFERENCES BETWEEN GROUPS

Average Difference in Rate of Selection Between Two Groups



This study may not be reproduced or redistributed without the expressed permission of the Corporate Executive Board Company. The Recruiting Roundtable has worked to ensure the accuracy of the information it provides to its members. This report relies upon data obtained from many sources, however, and the Recruiting Roundtable cannot guarantee the accuracy of the information or its analysis in all cases. Furthermore, the Recruiting Roundtable is not engaged in rendering legal, accounting, or other professional services. Its reports should not be construed as professional advice on any particular set of facts or circumstances. Members requiring such services are advised to consult an appropriate professional. Neither the Corporate Executive Board nor its programs are responsible for any claims or losses that may arise from a) any errors or omissions in their reports, whether caused by the Recruiting Roundtable or its sources, or b) reliance upon any recommendation made by the Recruiting Roundtable.

## PREFERENCES OF EMPLOYEES IN NORTH AMERICA

---

**Health Benefits and Work–Life Balance Are Important to North American Employees:** At the category level, employees in North America place less importance on development and work environment and company environment and are more oriented toward work–life balance. Taking a look at individual attributes, the most notable difference is for health benefits, on which employees in North America place significantly more importance than their non–North American counterparts. This finding can most likely be explained by the rising cost of health care in the United States and the extent of state-funded health benefits in the rest of the world.

Looking across the rest of the 26 attributes, there are a handful of additional differences worth noting. Specifically, employees in North America place less value on internal equity (the pay differential between high- and low-performing employees in the same role), recognition, and work challenge, focusing more on hours, location, travel, and vacation relative to employees in other regions.

---

### Attributes More Important to Employees in North America

- Health Benefits
- Location
- Travel
- Vacation
- Hours

### Attributes Less Important to Employees in North America

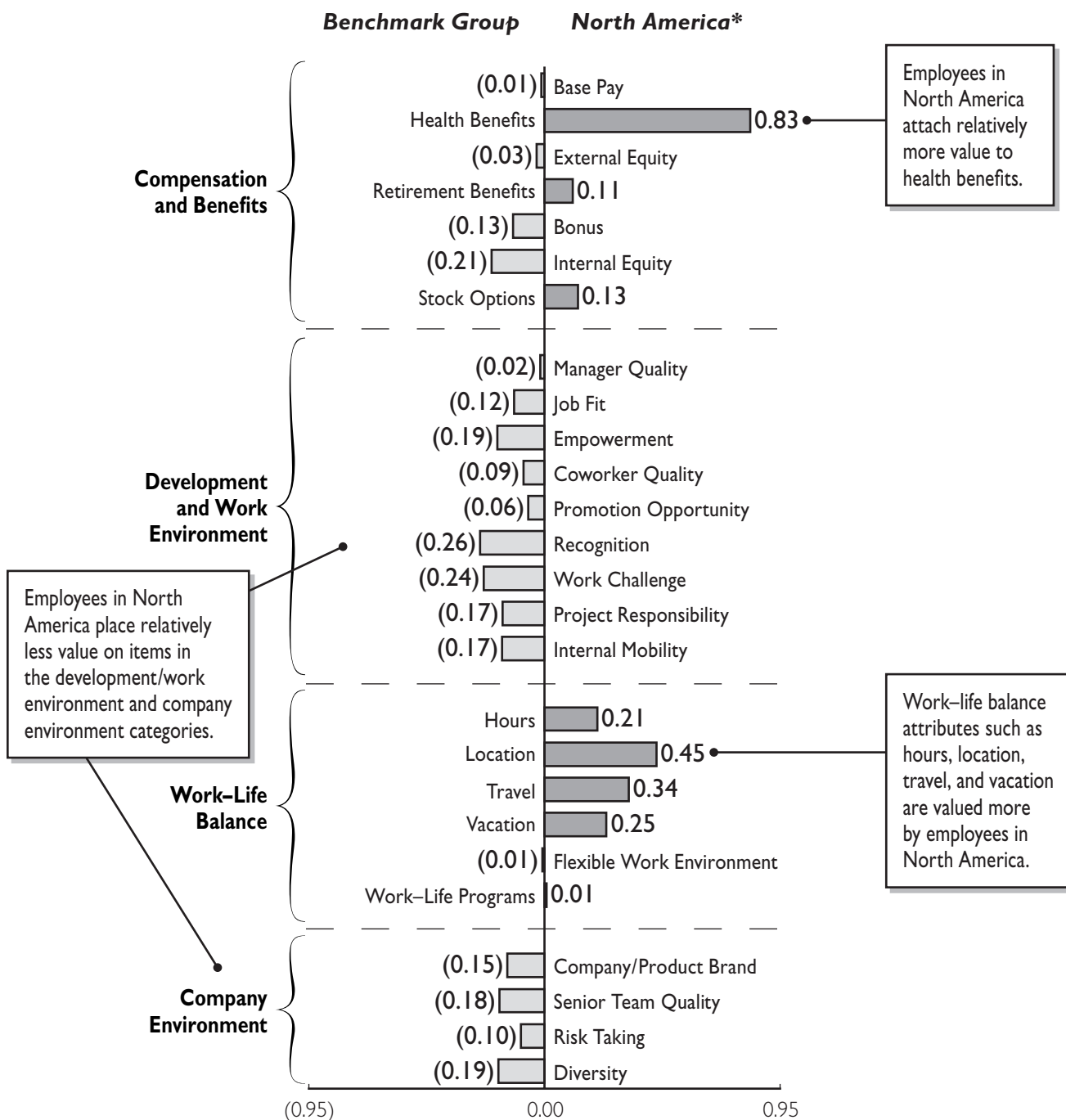
- Recognition
- Work Challenge
- Internal Equity

Note: Throughout this report, the Council considers any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Only differences of 0.2 or greater are noted in the gray boxes.

# REGIONAL COMPARISON #1: NORTH AMERICA

## Employees in North America Put More Value on Health Benefits

Difference in Attribute Importance for the Benchmark Group and Employees in North America



\* n = 187,377.

Source: CLC Solutions Employee Preferences Database.

## PREFERENCES OF EMPLOYEES IN LATIN AMERICA

---

**Employees in Latin America Are Less Attached to Work–Life Balance Attributes:** Differences between employees in Latin America and the benchmark group are both more common and larger than differences among many other regional segments. At the category level, employees in Latin America are clearly more oriented toward development/work environment and company environment and less attached to compensation and benefits and work–life balance than non–Latin American employees. Job location is significantly less important to employees in Latin America, along with base pay, health benefits, hours, travel, and vacation. Attributes that are relatively more important include work challenge, project responsibility, internal mobility, and diversity.

---

### Attributes More Important to Employees in Latin America

- Project Responsibility
- Work Challenge
- Internal Mobility
- Diversity
- Risk Taking
- Company/Product Brand
- Empowerment
- Senior Team Quality
- Job Fit

### Attributes Less Important to Employees in Latin America

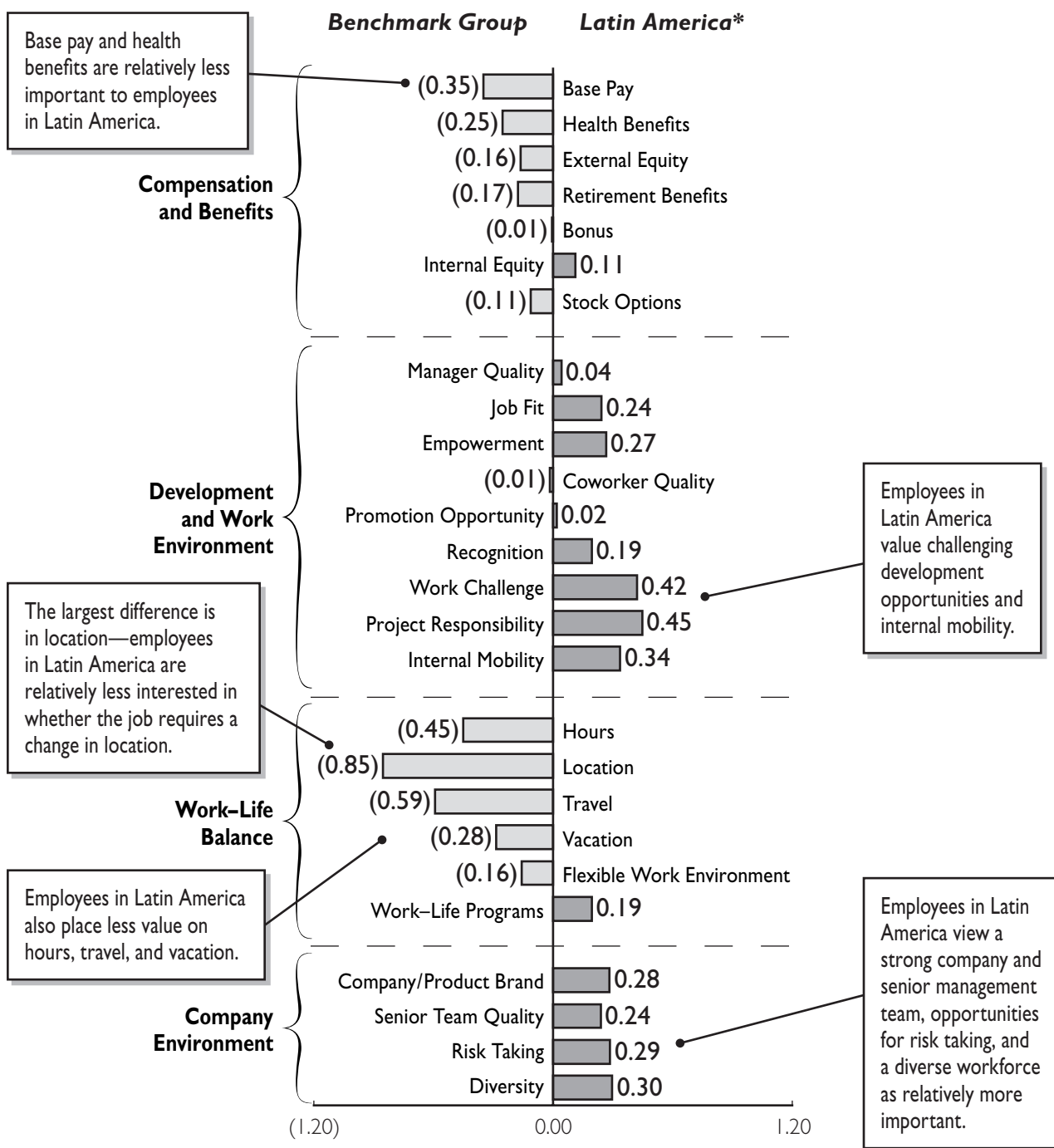
- Location
- Travel
- Hours
- Base Pay
- Vacation
- Health Benefits

Note: Throughout this report, the Council considers any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Only differences of 0.2 or greater are noted in the gray boxes.

# REGIONAL COMPARISON #2: LATIN AMERICA

## Latin America: An Emphasis on Work and Company Environment

Difference in Attribute Importance for the Benchmark Group and Employees in Latin America



\* n = 2,966.

Source: CLC Solutions Employee Preferences Database.

## PREFERENCES OF EMPLOYEES IN ASIA

---

**Job Location Is Significantly Less Important to Employees in Asia:** Looking at category-level differences, it is clear that employees in Asia place relatively more importance on company environment (including senior team quality and diversity) and relatively less importance on hours, location, travel, and vacation. One exception, however, is work–life programs, in which employees in Asia place greater value. Within the compensation and benefits and development and work environment categories, employees in Asia are more attached to recognition and project responsibility and less attached to health benefits.

---

### Attributes More Important to Employees in Asia

- Diversity
- Work–Life Programs
- Recognition
- Project Responsibility

### Attributes Less Important to Employees in Asia

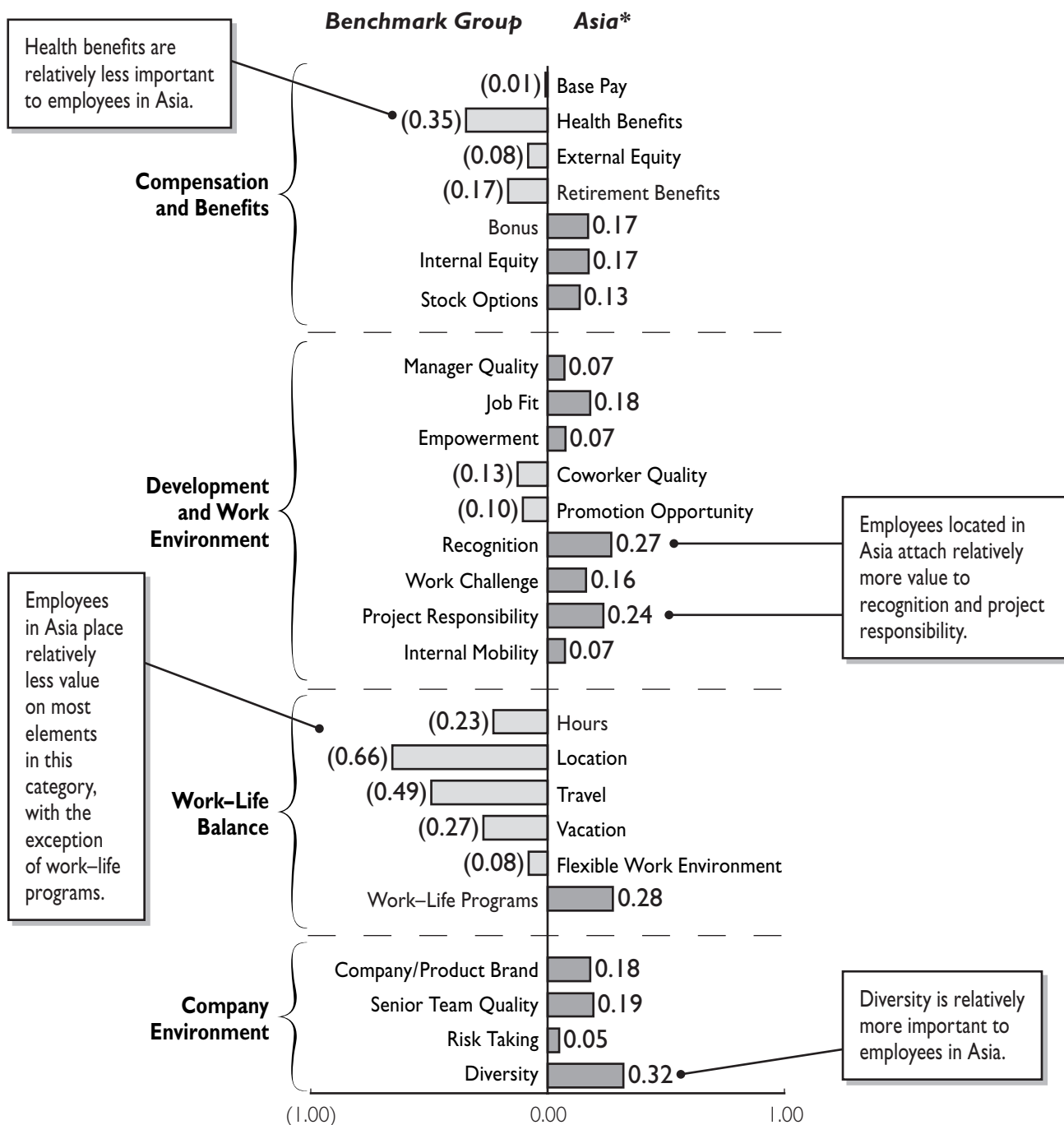
- Location
- Travel
- Health Benefits
- Vacation
- Hours

Note: Throughout this report, the Council considers any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Only differences of 0.2 or greater are noted in the gray boxes.

# REGIONAL COMPARISON #3: ASIA

## Location and Travel: Biggest Differences Between Employees in Asia and the Benchmark Group

Difference in Attribute Importance for the Benchmark Group and Employees in Asia



\* n = 4,108.

Source: CLC Solutions Employee Preferences Database.

## PREFERENCES OF EMPLOYEES IN EUROPE

---

**Empowerment, Project Responsibility, and Job Fit Are More Important to European Employees:** What separates the preferences of employees in Europe and employees in other regions of the world? The answer is evident at the category level, with employees in Europe placing relatively more value on development/work environment and company environment and relatively less value on compensation and benefits and work–life balance. The largest gap between the two is again in health benefits, which employees in Europe view as less important.

---

### Attributes More Important to Employees in Europe

- Empowerment
- Project Responsibility
- Job Fit
- Work Challenge
- Risk Taking
- Manager Quality
- Internal Mobility

### Attributes Less Important to Employees in Europe

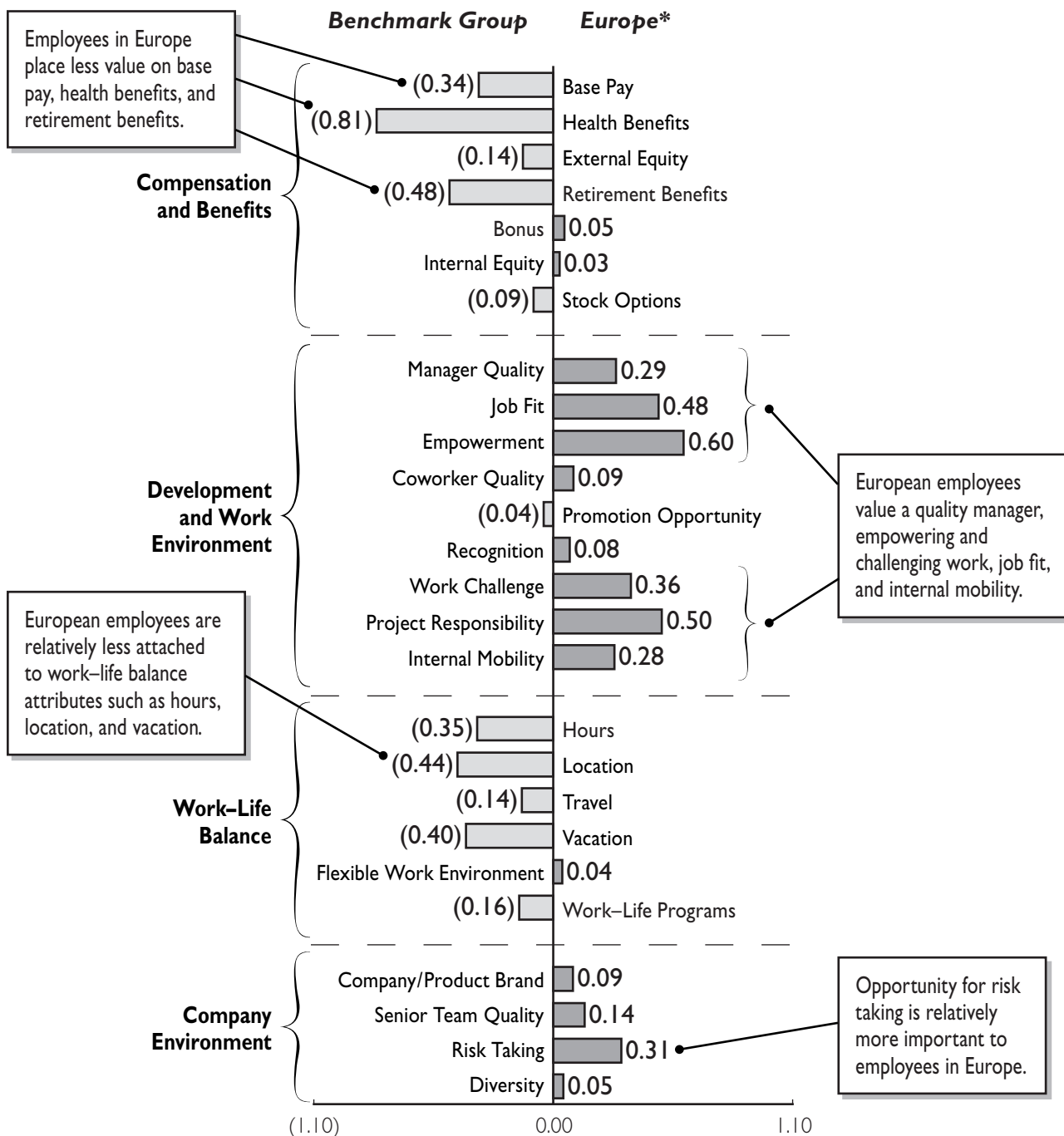
- Health Benefits
- Retirement Benefits
- Location
- Vacation
- Hours
- Base Pay

Note: Throughout this report, the Council considers any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Only differences of 0.2 or greater are noted in the gray boxes.

# REGIONAL COMPARISON #4: EUROPE

## Europe: A Shift Toward On-the-Job Development Opportunities

Difference in Attribute Importance for the Benchmark Group and Employees in Europe



\* n = 4,523.

Source: CLC Solutions Employee Preferences Database.

## PREFERENCES OF EMPLOYEES IN THE UNITED KINGDOM

---

**Employees in the U.K. Are More Attached to Empowerment and Base Pay:** What is most interesting about the preferences of employees in the United Kingdom is their similarity to the preferences of the benchmark group, a somewhat surprising change from the results for European employees on page 17. Employees in the United Kingdom differ from the benchmark group in that they place less value on health benefits and job location and more value on empowerment, base pay, and work challenge.

---

### Attributes More Important to Employees in the United Kingdom

- Empowerment
- Base Pay
- Work Challenge

### Attributes Less Important to Employees in the United Kingdom

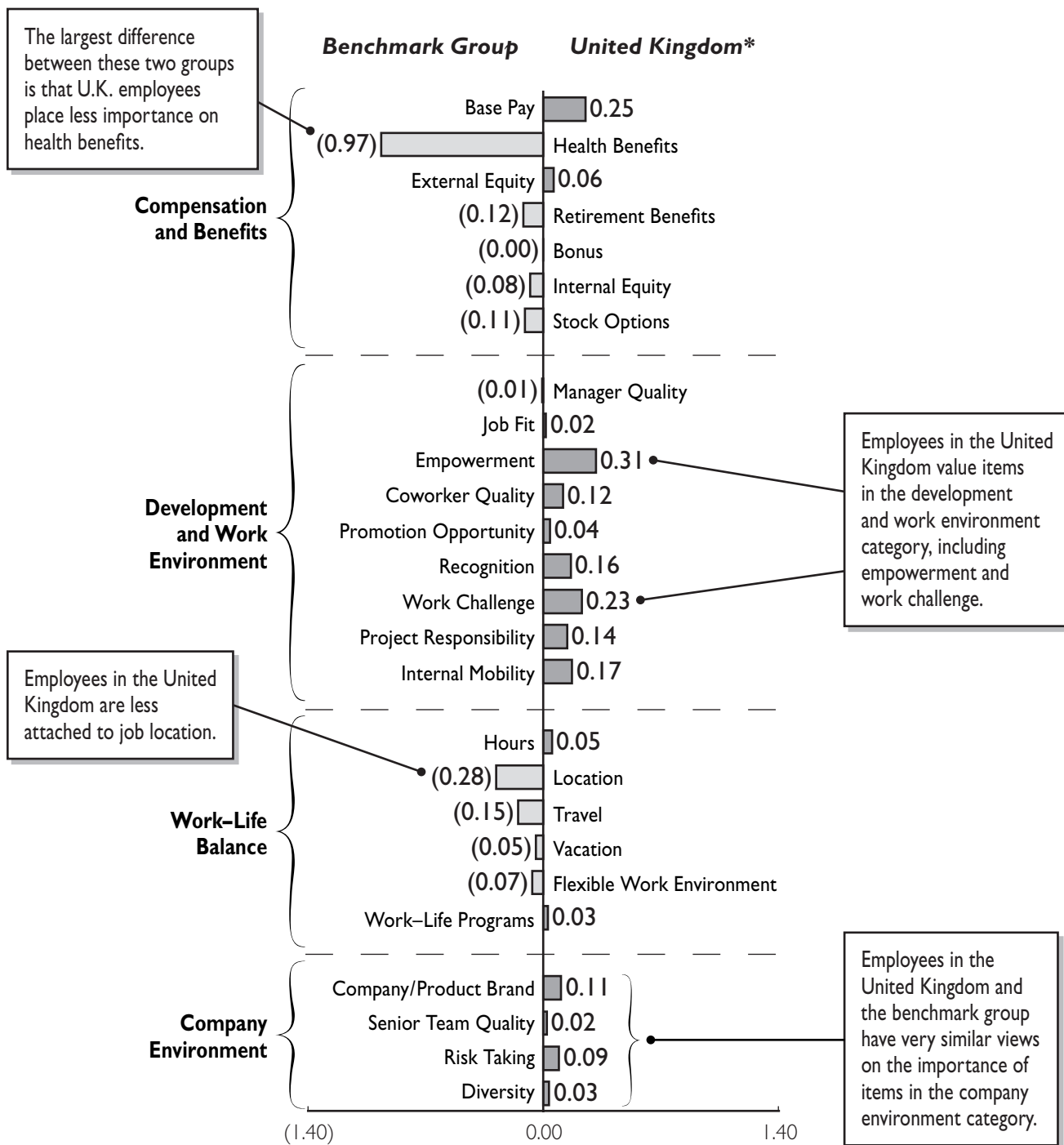
- Health Benefits
- Location

Note: Throughout this report, the Council considers any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Only differences of 0.2 or greater are noted in the gray boxes.

# REGIONAL COMPARISON #5: UNITED KINGDOM

## More Similarities Than Differences: United Kingdom in Line with Benchmark Group

Difference in Attribute Importance for the Benchmark Group and Employees in the United Kingdom



\* n = 4,970.

Source: CLC Solutions Employee Preferences Database.

## PREFERENCES OF EMPLOYEES IN AUSTRALIA/NEW ZEALAND

---

**Health Benefits Are Significantly Less Important to Employees in Australia/New Zealand:** At the category level, Australia/New Zealand employees are slightly more attached to development/work environment (including work challenge, internal mobility, and recognition) and company environment. The major dissimilarity between employees in Australia/New Zealand and employees in other regions is the lesser value placed on health benefits.

---

### Attributes More Important to Employees in Australia/New Zealand

- Internal Mobility
- Work Challenge
- Recognition

### Attributes Less Important to Employees in Australia/New Zealand

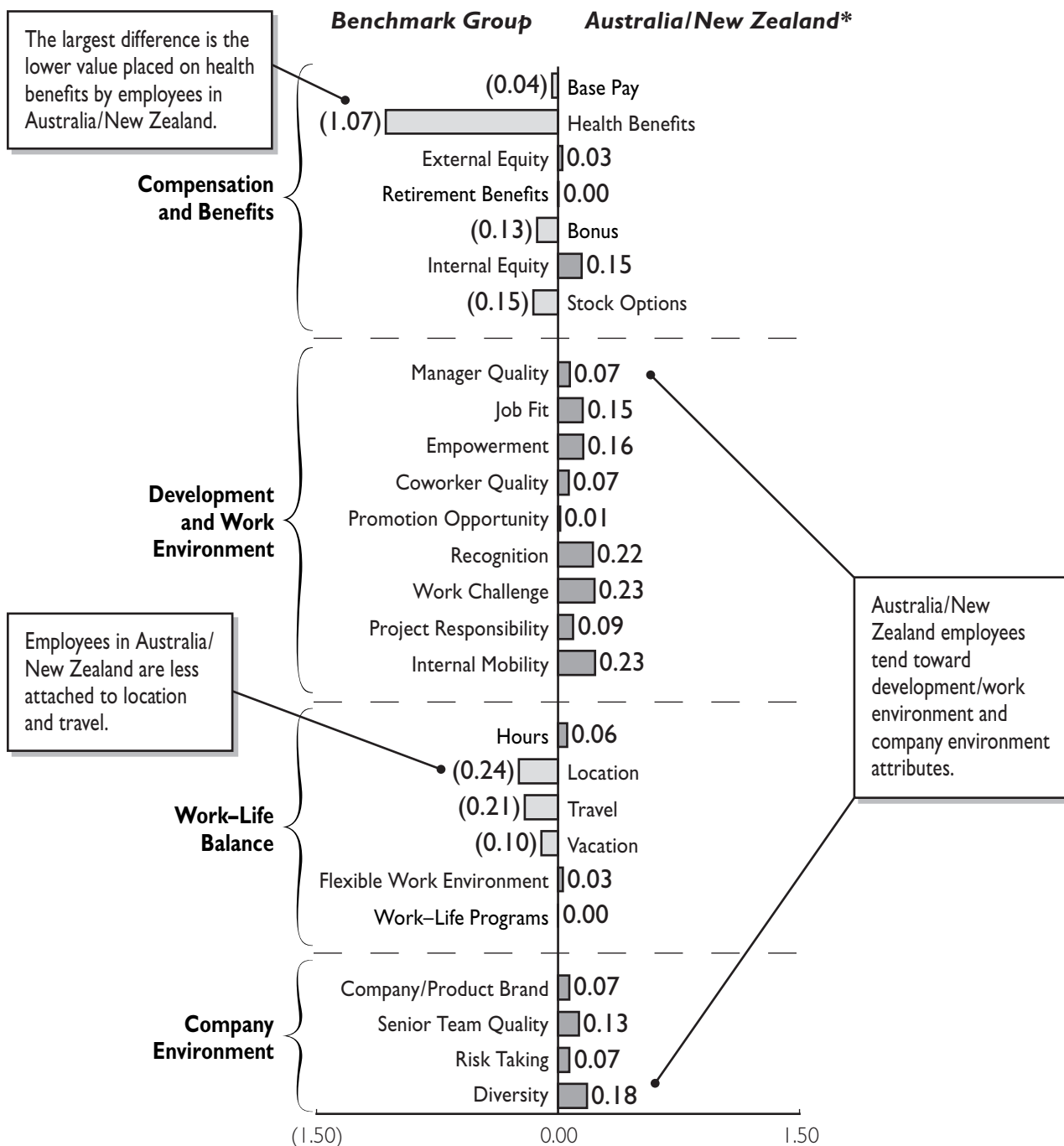
- Health Benefits
- Location
- Travel

Note: Throughout this report, the Council considers any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Only differences of 0.2 or greater are noted in the gray boxes.

## REGIONAL COMPARISON #6: AUSTRALIA/NEW ZEALAND

### Australia/New Zealand: Work Challenge and Internal Mobility Are More Important

Difference in Attribute Importance for the Benchmark Group and Employees in Australia/New Zealand



\* n = 8,184.

Source: CLC Solutions Employee Preferences Database.

## PREFERENCES OF EMPLOYEES IN SOUTH AFRICA

### Differences Are Greater Between the Preferences of Employees in South Africa and the Benchmark Group:

Moving across categories, it is interesting to note that employees in South Africa attach greater importance to opportunities for performance-based reward, including bonus, internal equity, promotion opportunity, and recognition. At the same time, they place relatively less value on items relating to work–life balance, including hours, location, travel, and vacation.

#### Attributes More Important to Employees in South Africa

- Bonus
- Internal Equity
- Senior Team Quality
- Recognition
- Diversity
- Company/Product Brand
- External Equity
- Promotion Opportunity
- Base Pay

#### Attributes Less Important to Employees in South Africa

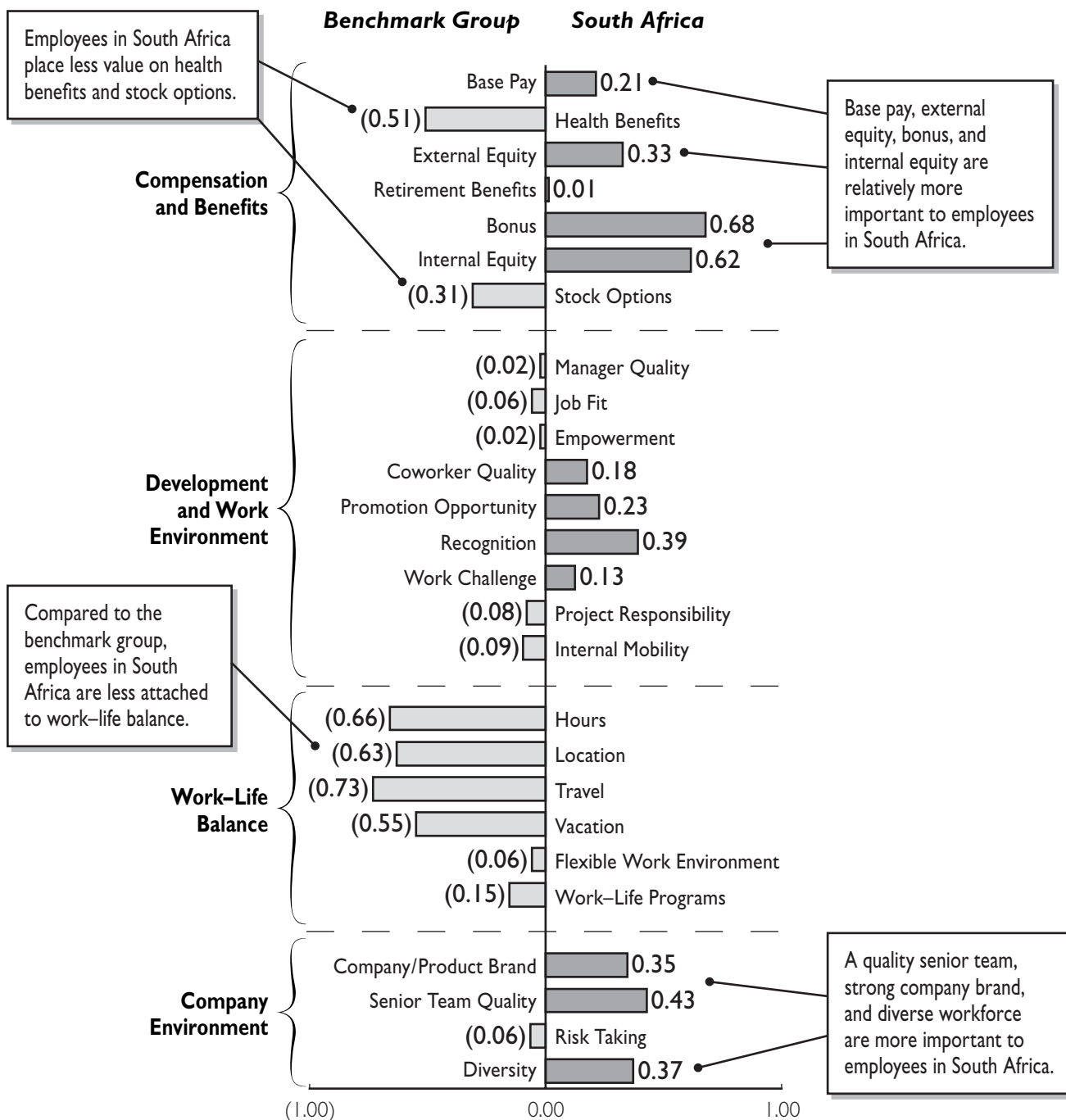
- Travel
- Hours
- Location
- Vacation
- Health Benefits
- Stock Options

Note: Throughout this report, the Council considers any difference between two groups of 0.2 or more on a single attribute as worthy of strategic attention. Only differences of 0.2 or greater are noted in the gray boxes.

# REGIONAL COMPARISON #7: SOUTH AFRICA

## Employees in South Africa: Less Attached to Work–Life Balance

Difference in Attribute Importance for the Benchmark Group and Employees in South Africa



\* n = 6,838.

Source: CLC Solutions Employee Preferences Database.

## ONE FINAL LOOK: MEETING REGIONAL PREFERENCES

---

As companies work to create a global organization, building an attractive employment brand both locally and globally becomes imperative. The comparison tree graphics in this chapter provided a detailed overview of employee preferences by region—critical information for organizations striving to develop a global reputation as an employer of choice. We now know that the value employees place on various components of a job offer does shift by geographic region. The next question is to what extent these differences change the rank-order of the 26 job offer attributes.

The rank-order table on page 25 displays the difference between each region's rank-order and the rank-order of the entire group. Cells highlighted in gray indicate that the rank-order shifted by four or more spots up or down the list.

**Base Pay and Manager Quality Are Always Important:** Across all seven regions, employees clearly agree that base pay and manager quality are the two most important components of the job offer. A job offer that meets those two important criteria will therefore be at least somewhat appealing to all employees, regardless of region.

**Compelling Offer Varies Significantly by Region:** It is only by looking further down the list that the number of differences (and benefits of customization) are evident. As indicated by the large amount of shading across the remaining 24 attributes, the appeal of a standard job offer changes significantly from region to region.

The meaning of a “compelling offer” changes the most for employees in South Africa, Europe, Latin America, and Asia, as illustrated by the number of attributes that differ by four or more places from the rank-order of the entire group. What this means is that in addition to meeting employee preferences of base pay and manager quality, organizations also have significant opportunity to have a positive impact on commitment, engagement, and retention levels by tailoring the overall job offer on a region-by-region basis.

---

## Sizeable Differences in Employee Preferences Across Geographic Region

### Comparison of Rank-Orders by Importance Across Geographic Region

Attribute	Overall Rank	North America	Latin America	Asia	Europe	United Kingdom	Australia/ New Zealand	South Africa
Base Pay	1	1	1	1	1	1	1	1
Manager Quality	2	2	2	2	2	2	2	2
Health Benefits	3	3	8	9	21	23	24	15
External Equity	4	4	5	4	5	3	3	4
Hours	5	5	19	12	15	5	5	17
Job Fit	6	6	3	3	3	6	4	9
Retirement Benefits	7	7	14	13	20	10	7	10
Bonus	8	9	9	5	6	7	10	3
Empowerment	9	10	4	6	4	4	6	13
Location	10	8	26	25	22	20	17	22
Travel	11	11	24	24	18	17	19	25
Coworker Quality	12	12	17	18	9	8	12	12
Promotion Opportunity	13	13	16	17	17	13	15	11
Company/Product Brand	14	15	7	8	11	12	14	8
Internal Equity	15	16	13	10	14	15	9	5
Recognition	16	18	12	7	12	9	8	7
Senior Team Quality	17	19	11	11	10	14	13	6
Vacation	18	14	23	23	23	19	20	24
Work Challenge	19	20	6	14	8	11	11	14
Stock Options	20	17	20	15	19	22	22	21
Project Responsibility	21	21	10	16	7	16	18	18
Risk Taking	22	22	18	20	13	21	21	19
Internal Mobility	23	23	15	19	16	18	16	20
Flexible Work Environment	24	25	25	26	24	26	25	23
Work-Life Programs	25	24	22	21	26	24	26	26
Diversity	26	26	21	22	25	25	23	16

Note: For all rank-orders, "1" signifies the attribute of greatest importance.

Source: CLC Solutions Employee Preferences Database.

## *Customizing the Employment Offer by Geographic Region*

### SUMMARY OF FINDINGS

---

- ① Across all seven geographic regions, employees agree that base pay and manager quality are the two most important components of the job offer.
- ② The value that employees place on the other 24 job offer attributes shifts significantly by geographic region. The meaning of a “compelling offer” changes the most for employees in South Africa, Europe, Latin America, and Asia.
- ③ The largest single difference across geographic region is the value placed on health benefits. Compared to non–North American employees (who often receive federally funded benefits), employees in North America place significantly more importance on high-quality health benefits as a component of the job offer.
- ④ In general, non–North American employees place greater value on development and work environment, specifically empowerment, work challenge, recognition, and project responsibility.

INTERESTED IN MORE ON THIS TOPIC?

Contact Our Member Support Center at:

**E:** [EXBD\\_Support@executiveboard.com](mailto:EXBD_Support@executiveboard.com)

**P:** +1-866-913-2632