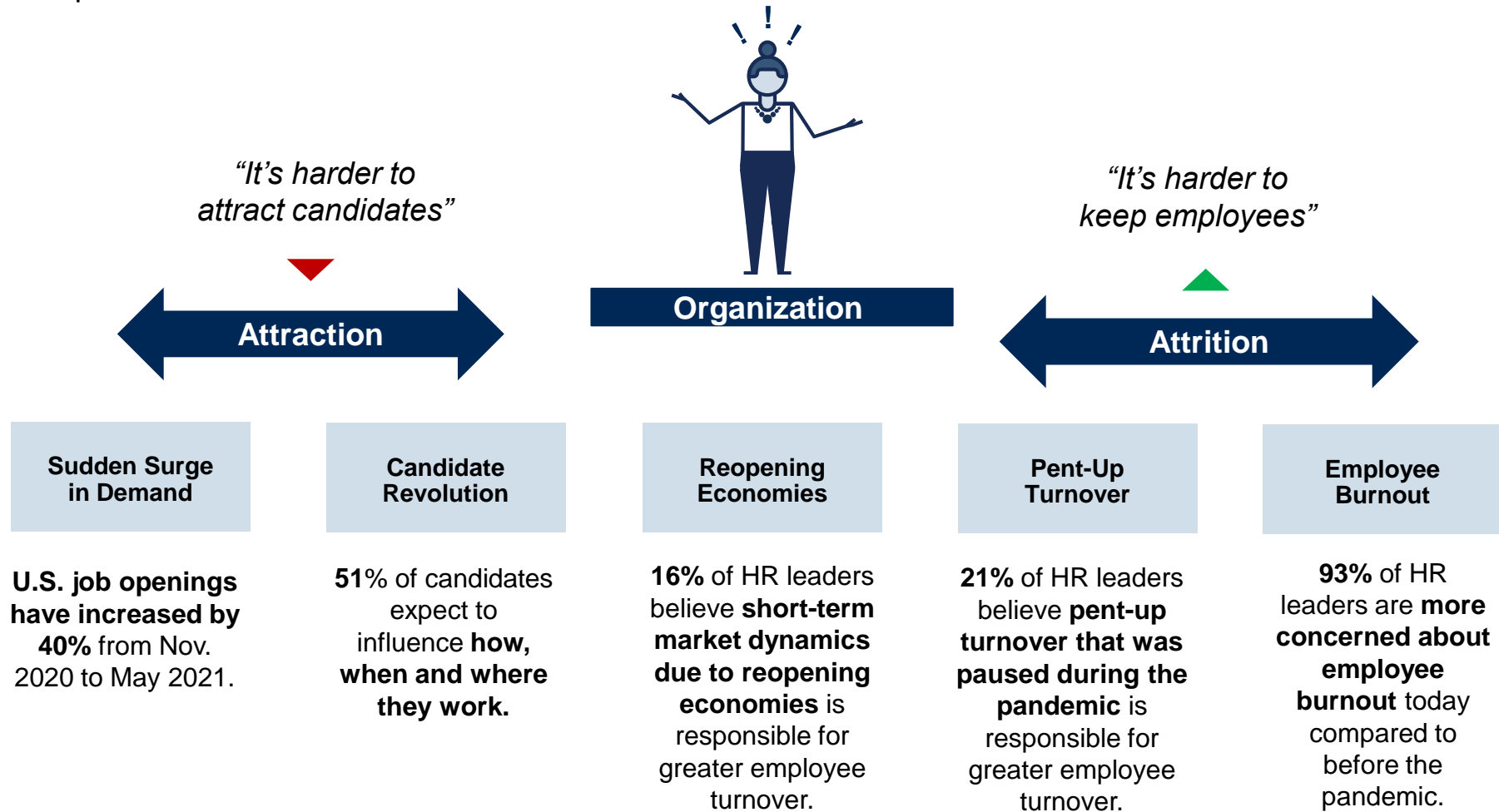


# State of Talent

# War for Talent: Top Challenges

How HR Leaders Experience the War for Talent

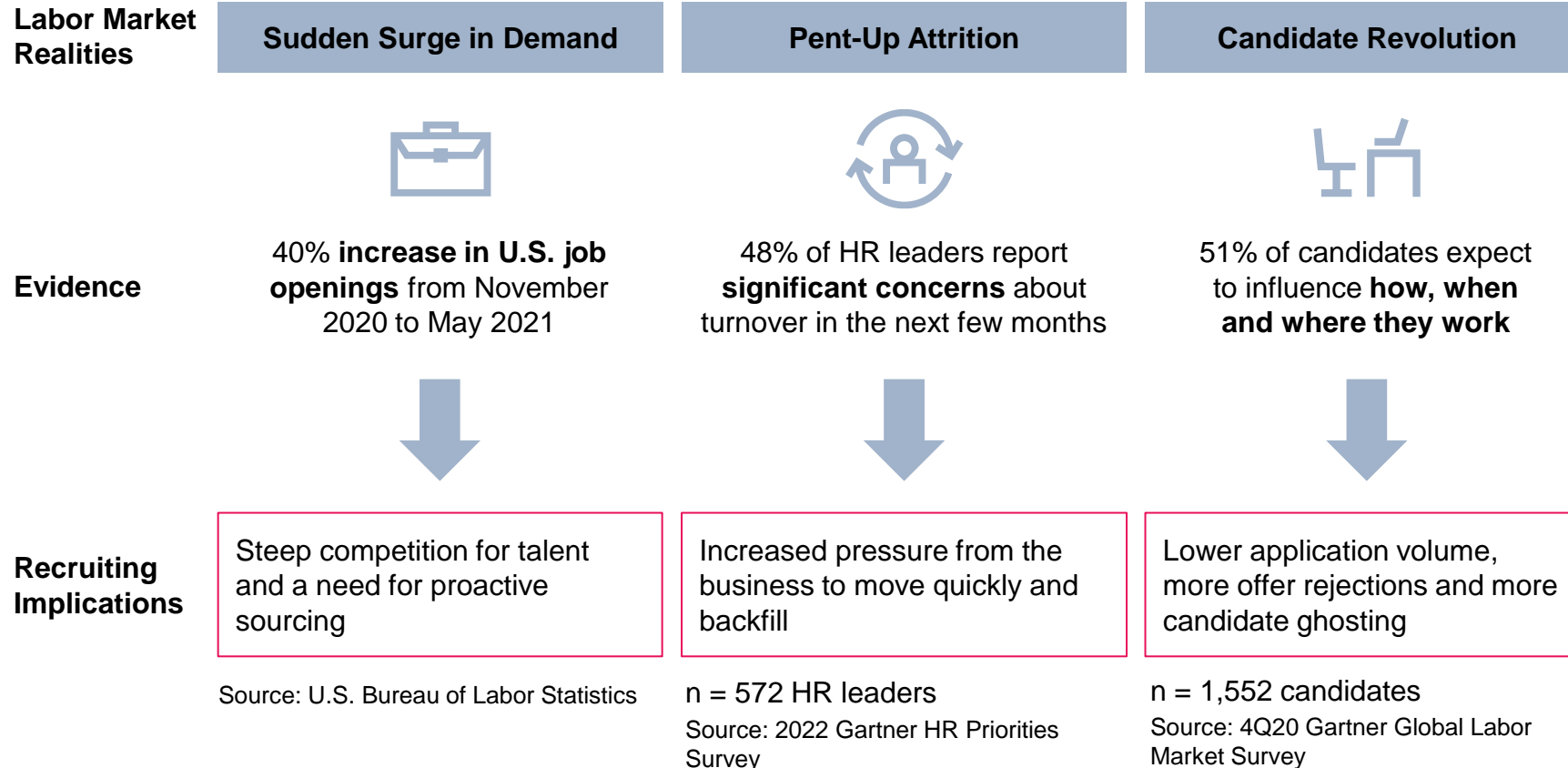
*Illustrative*



Source: Gartner

# Fighting a War for Talent on Multiple Fronts

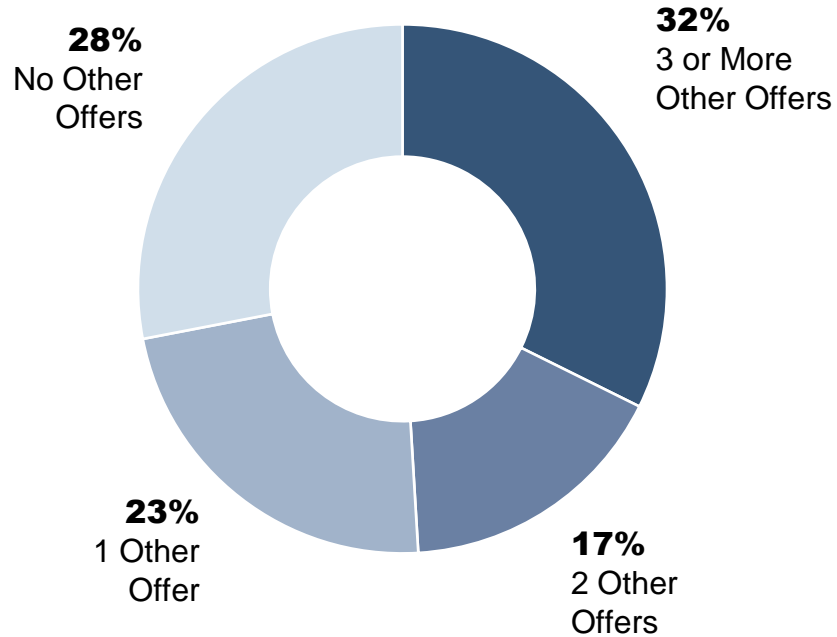
Recruiting Implications of Rapidly Evolving Labor Market



# Competition for Quality Talent is Steep

Number of Competing Offers

Percentage of Candidates Who Received An Offer



**49%**

of candidates are considering **at least two other offers** in addition to your company's offer.

n = 1,609 candidates

Source: 2021 Gartner Candidate Panel Survey

Note: Respondents were filtered for those who received an offer for the last job they interviewed for. Candidates were asked how many offers they were considering in addition to the one they ended up accepting from their current organization.

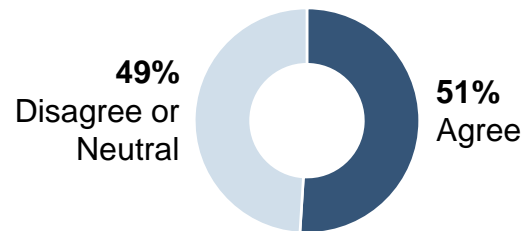
# New Candidate Expectations Here to Stay

## Key Value Drivers for Candidates



### Flexibility Is a Must-Have

Q: “Whether or not I can work flexibly would impact whether I stay at my organization.”

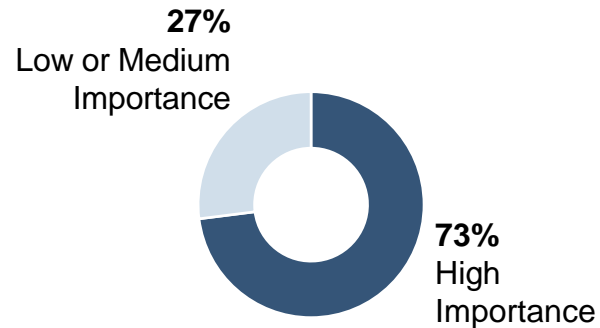


n = 4,264 employees worldwide  
Source: 2021 Gartner Hybrid Work Employee Survey



### Wellbeing Gains Importance

Q: “How important is it to you to work for an organization that offers programs related to emotional/mental well-being?”

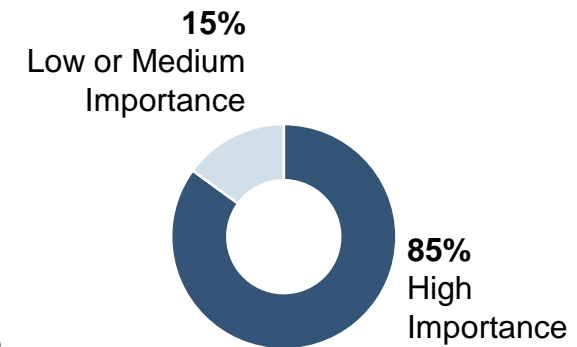


n = 3,000 candidates  
Source: 2021 Gartner Candidate Survey



### Desire to be Seen as a Person

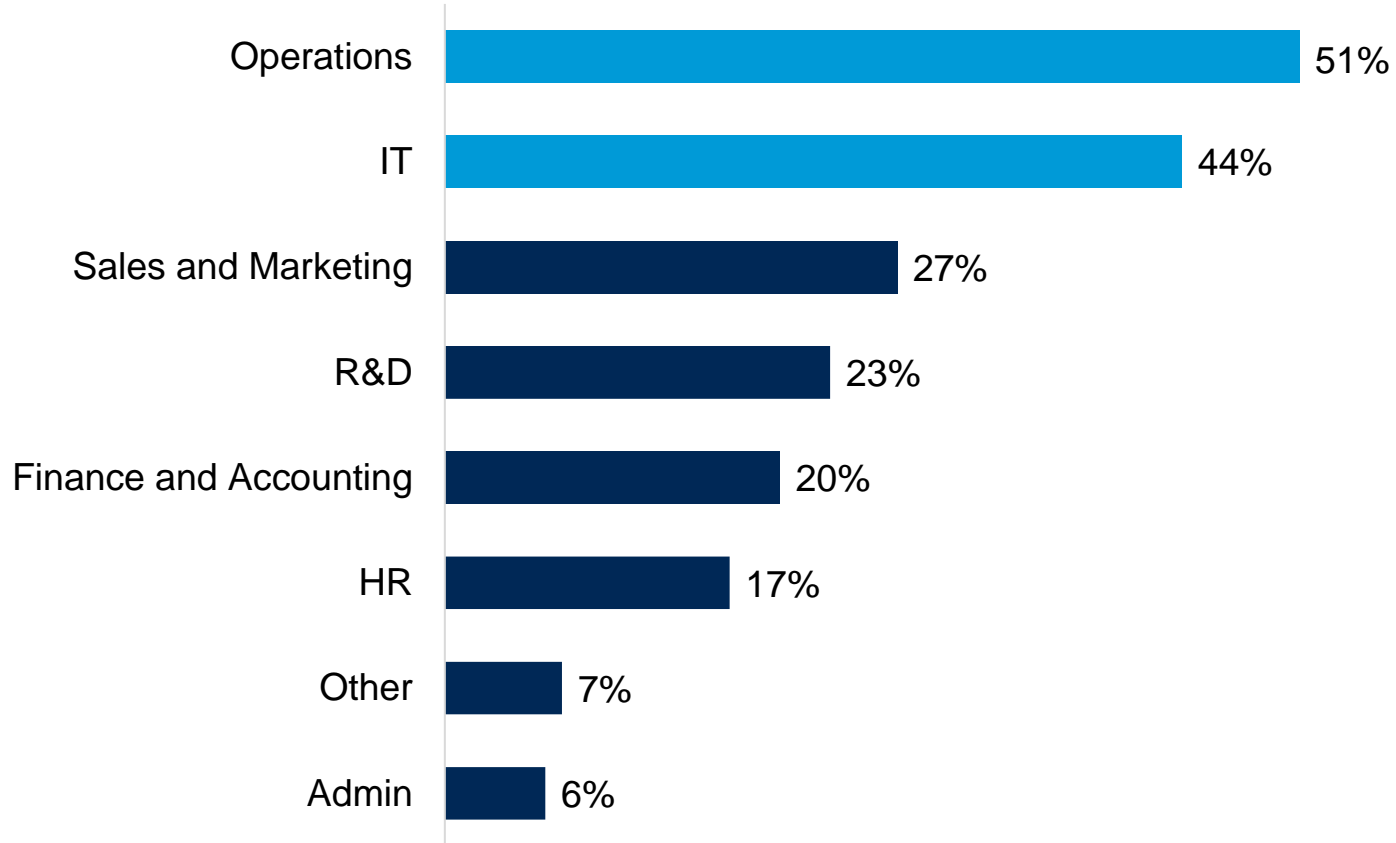
Q: “How important is it to work for an organization that sees you as a person, not just an employee?”



n = 3,000 candidates  
Source: 2021 Gartner Candidate Survey

# Ops and IT Functions Most At Risk for Attrition

Functions with Highest Perceived Attrition Risk  
*Percentage of HR Leaders, Select up to Three*



n = 167 HR Leaders

Q: Which functions are you most concerned about in terms of their attrition risk? (Select up to three)

Source: Gartner Attrition and Retention Strategies in a Hybrid World Webinar Poll (30 June 2021)

# Keys to Hiring High-Quality Talent Today

Hiring High-Quality Talent  
Through a Hiring Surge

1

## Partner With the Business to Remove Bottlenecks

- Set expectations for capacity and prioritize requisitions
- Split the work across stakeholders
- Streamline assessment to accelerate hiring decisions

2

## Target the Total Skills Market

- Hire for potential, not credentials
- Build location flexibility
- Leverage the internal market

3

## Attract with the Human Deal

- Track changing candidate expectations
- Anchor branding in what candidates need
- Position EVP against competitors

# Long Term: New Expectations Pose Permanent Challenge

Fundamental Shifts in Employee Expectations are Permanent

## Expectations for Role Have Changed



**38%**

of HR leaders believe **permanent shifts in what candidates expect in a role** is responsible for employee turnover.

## Increased Expectations for Flexibility



**1 in 3**

**employees may leave** if organizations require a full onsite return, eliminating flexible options.

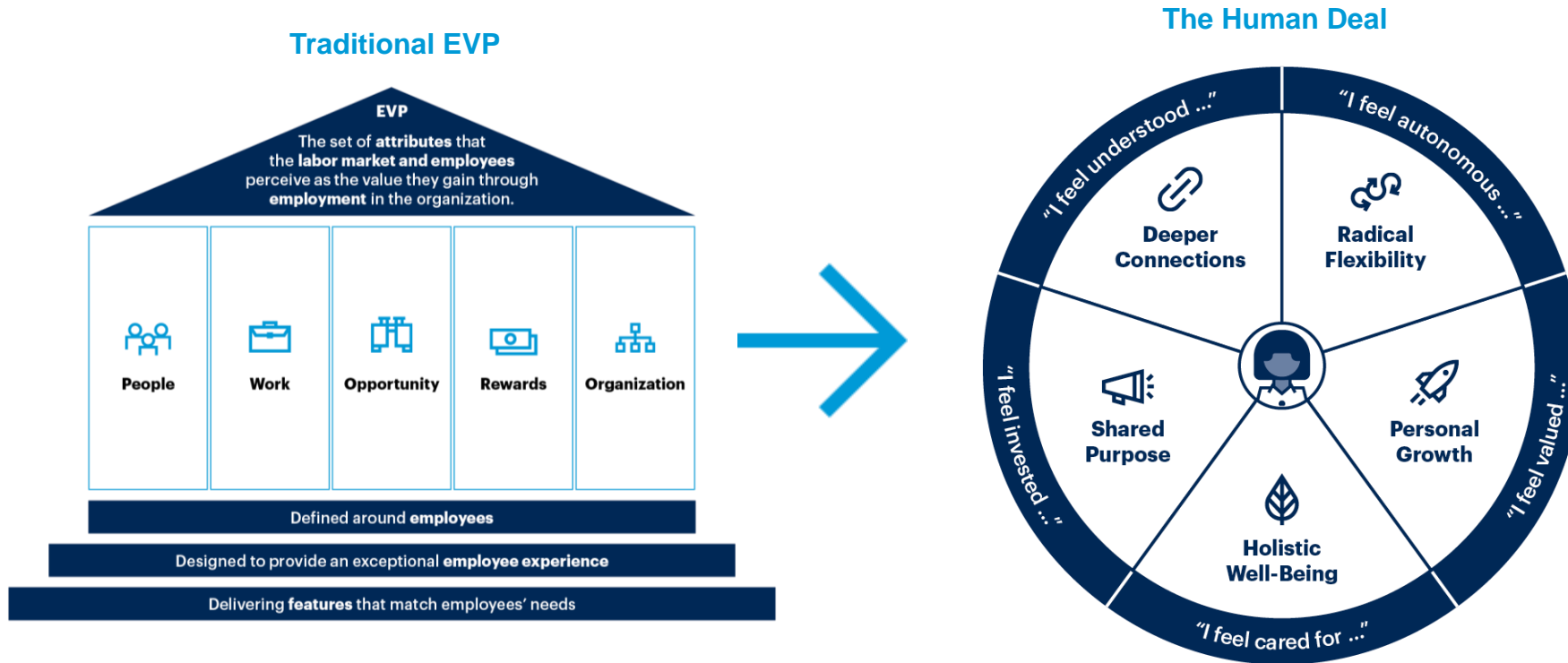
n = 159 HR leaders, 4,264 employees

Source: Gartner Attraction and Retention Strategies in a Hybrid World Webinar Poll (30 June 2021); 2021 Gartner Hybrid Work Employee Survey



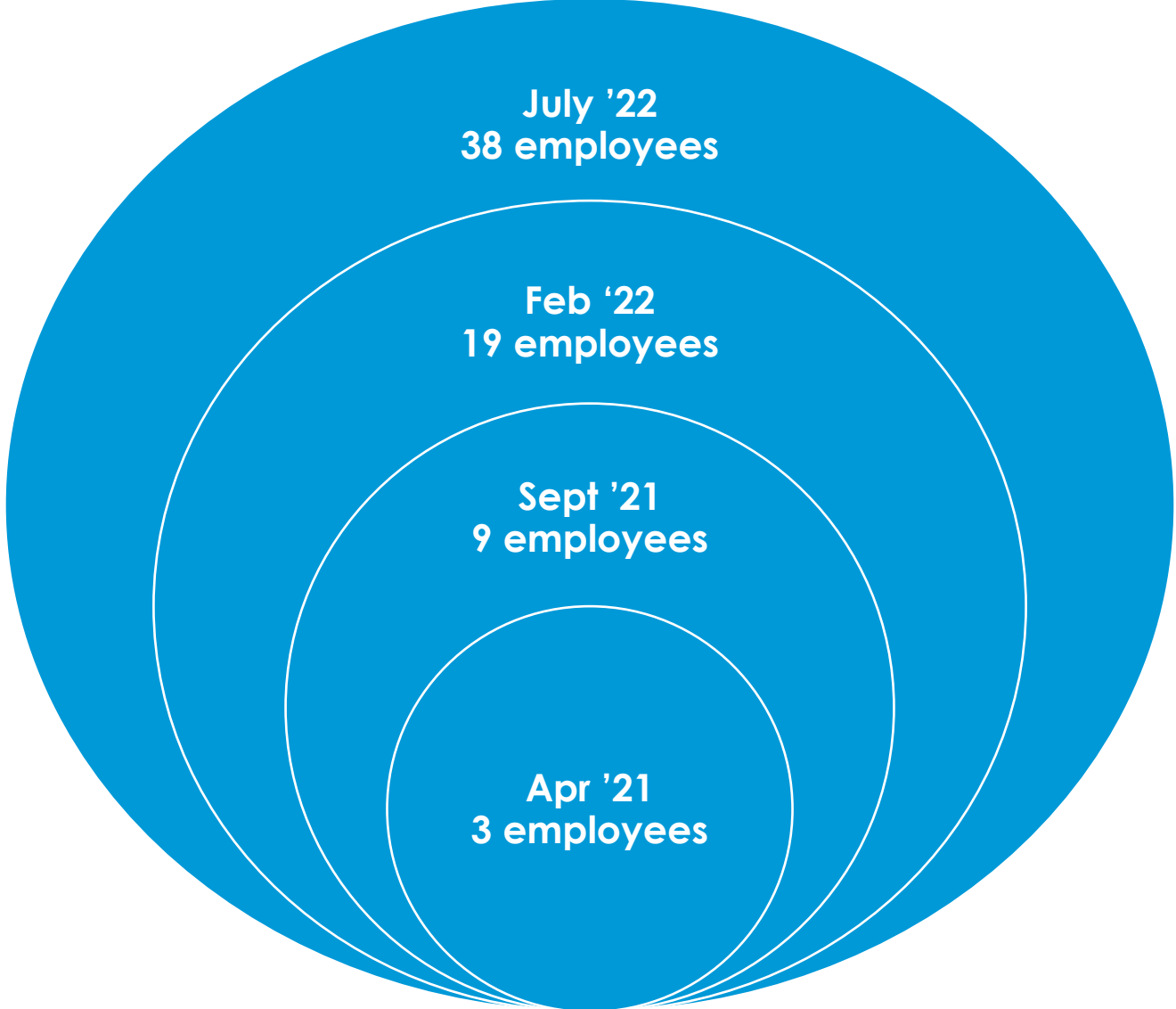
# Improve Engagement with a More Human Deal EVP

Evolve the Traditional EVP to the Human Deal Framework



Source: Gartner

# Impressive Growth



# Current State



## MISSION

Our mission is to promote, sustain, and expand the availability of passenger and commuter rail service in the Commonwealth.

## VISION

Our vision is to deliver passenger rail service as an integrated, affordable, convenient travel option that benefits the Commonwealth.

## EMPLOYEE VALUE PROPOSITION

VPRA is transforming passenger rail in the Commonwealth. We are a team focused on cultivating an environment where individuals can succeed professionally and personally. At VPRA, you can expect to make a difference through your work and have a direct impact on a truly meaningful mission.

## VALUES



Foster Leadership  
and Public Service



Ensure Safety  
and Reliability



Demonstrate  
Financial Stewardship



Promote Innovation  
and Excellence



Advance Environmental  
Sustainability



Champion Equity  
and Inclusion

## Early Engagement Drivers

- Mission-Driven
- Public Service
- Legacy
- Build Aspect
- Compensation

*Transforming Rail*

# Talent Risk Management

## Set Foundation

- Mission / Vision
- Values
- Employee Manual / Policies
- Compensation Structure

## Continue Efforts

- Employee Engagement
- Learning and Development
- Talent Risk Assessment





# Compensation Project

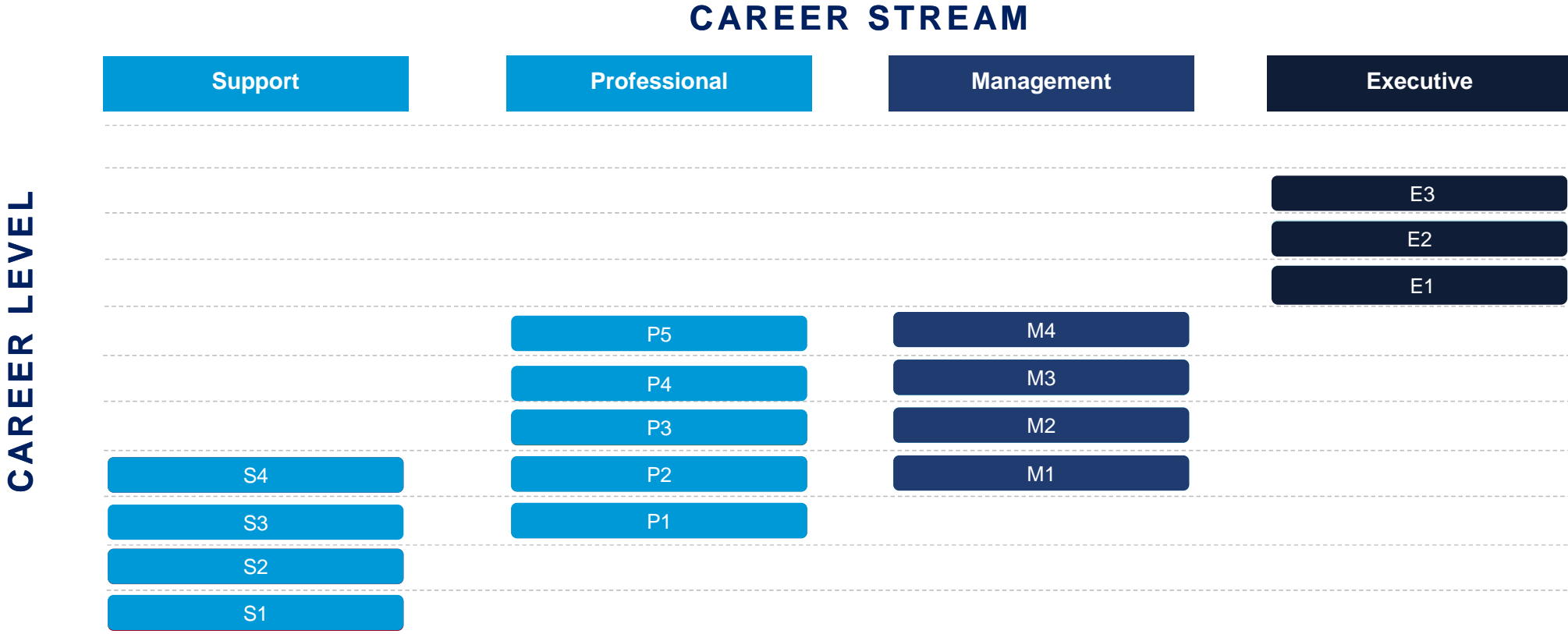
# Compensation Philosophy

Virginia Passenger Rail Authority is committed to a compensation program that enables us to attract, develop, reward, and retain top talent that supports the achievement of our mission: promoting, sustaining, and expanding the availability of passenger and commuter rail service in the Commonwealth. Our compensation philosophy endeavors to deliver rewards that are aligned with the market, calibrated to business needs, and linked with performance. In addition to pay, the compensation program also supports the continued career growth and development of VPRA employees. Our compensation program is designed to be:

- **Aligned with market:** Provides a rewards program that reflects the market in which we compete for talent and supports the attraction, motivation, and retention of top talent
- **Calibrated to business needs:** Targeted compensation will be calibrated to represent the market 50<sup>th</sup> percentile or higher for comparable jobs in our talent markets. Compensation will be part of a larger rewards, value proposition that includes competitive benefits and compelling work environment and culture
- **Performance Oriented:** Compensation will be tied to individual and organization-wide performance in a manner that motivates employees to continually develop new knowledge, skills, and competencies to meet VPRA's goals and initiatives.
- **Career-driven:** Our career paths will not have defined starting or ending points. We seek to provide new developmental opportunities for new talent and current employees to advance both their personal career goals and the broader organizational goals of VPRA



# Compensation Structure



# Band and Market Reference Zones

Salary Structure Band	Richmond, VA (100%)			Alexandria, VA (115%)		
	Min	Mid	Max	Min	Mid	Max
E3	\$196,200	\$333,600	\$470,900	-	-	-
E2	\$155,500	\$256,600	\$357,700	\$178,800	\$295,100	\$411,200
E1	\$124,400	\$205,300	\$286,100	\$143,100	\$236,100	\$329,100
M4/P5	\$102,600	\$164,200	\$225,700	\$118,100	\$188,900	\$259,800
M3/P4	\$85,500	\$136,800	\$188,100	\$98,400	\$157,400	\$216,500
M2/P3	\$76,000	\$114,000	\$152,000	\$87,500	\$131,200	\$175,000
M1/P2/S4	\$63,300	\$95,000	\$126,600	\$72,900	\$109,300	\$145,800
S3/P1	\$52,800	\$79,200	\$105,600	\$60,700	\$91,100	\$121,400
S2	\$48,900	\$66,000	\$83,100	\$56,200	\$75,900	\$95,500
S1	\$40,700	\$55,000	\$69,200	\$46,900	\$63,250	\$79,700



# FY22 Adjustment

## Eligibility

- Regular, Full-Time Employees Only\*  
*Part-Time employees are not eligible*  
*Talent Premium employees are not eligible\**
- Solid Performance Rating or Higher  
*Employees with Does Not Meet Expectations rating are not eligible*
- VPRA Start Date On or Before July 25, 2022  
*Employees with less than 3 months tenure are not eligible*



## Salary Adjustment

- 5% increase if VPRA Start Date is on or before April 25
- 2.5% increase if VPRA Start Date is after April 25 and on or before July 25

# Next Steps

- Finalize approach to FY23
- Develop a comprehensive compensation manual
- Review in detail with all employees