



hit the ground sprinting —
accelerated performance
through effective onboarding



modernsurvey



if you've questioned the business impact of an employee onboarding program in the past, it's time you take another look

Human capital has become the new economic engine for business, and organizations are competing for talent on an unprecedented scale. Yet, half of all hourly workers leave new jobs in the first four months, and half of senior-level outside hires fail within 18 months.¹ Worse yet, many new employees leave a job after a disastrous first day.

There are winners in today's war for talent — they are the organizations that understand it's not just about finding great people — it's about keeping them. Experienced and forward-looking human resource leaders know that an effective onboarding program can:

- ▶ Turn early enthusiasm into engagement
- ▶ Speed the employee's time to productivity
- ▶ Create long-term retention of new hires needed to support the growth and success of the company

Regardless of the depth or sophistication of your onboarding program today, when you follow best practices — and include continual measurements of program effectiveness — you'll keep your program closely aligned to the evolving needs of your employees, your business and the external market in which you compete for talent.

onboarding pays off

Organizations with a standard onboarding process experienced:

- ▶ 54 percent greater new-hire productivity
- ▶ 50 percent greater new-hire retention
- ▶ Two times the level of new-hire engagement

Source: Lombardi, Mollie. *Onboarding 2011: The Path to Productivity*. Aberdeen Group. March 2011.

the flight of the HiPo — the story of one organization's onboarding experience

As Steve walked out of the CEO's office, he couldn't understand how he had ended up in this situation. What he was made very aware of, however, was that as senior VP of global operations, he was ultimately accountable for the brief tenure — and quick exit — of their new star recruit.

Just three months earlier, he and his team felt like they'd won the lottery after successfully persuading their top candidate to lead their global expansion. Steve recalled the extensive recruiting process leading up to the candidate selection, an ordeal because of the unique experience they so desperately needed. And how could he forget, after being reminded by the CEO, about the monstrous investment of money spent flying the candidate's family into town, plus the three full days of time spent introducing the family to the organization and the community?

But Steve and his team were confident they had the right person for the job. On the new employee's first day, the team warmly greeted him, meetings were arranged with HR to review paperwork and internal procedures, IT was making the needed connections, and his work space had been set up. Everything seemed to start off on a positive note.

1 Bauer, Talya. *Onboarding New Employees: Maximizing Success*. SHRM Foundation's Effective Practice Guidelines Series. 2010.

As Steve replayed the employee's exit-interview comments the CEO had just shared with him, he realized that he had let the success of this critical onboarding experience slip right past him. Steve was confident his new employee had the qualities of independence and initiative they'd discussed during the hiring process. Steve even forewarned his new recruit that little time would be available to formally introduce him to the organization. Seems none of that mattered, according to the exit feedback, as the employee felt "the resources he needed to be successful in the job were not made available to him." And the final words of feedback still stung: He "felt he was being set up for failure after just the first week on the job." Steve wondered how any of this was possible. Hadn't he asked the employee how things were going during their brief

conversations? He couldn't follow his people around on a daily basis, but Steve felt there simply had to be a better way to get an accurate and early read on satisfaction and engagement during those early days and months.

With their newest, most uniquely skilled employee now off their roster, the full impact of the situation was settling heavily on Steve. So much was at stake — the manufacturing timeline would need to be pushed back, threatening already delicate customer relations; members of the team would need to be pulled off other projects to cover the resource gap; and the recruiting process would need to start over entirely, costing thousands of dollars and requiring Steve to make serious adjustments to his labor budget.

But before Steve took any further action, he followed his CEO's advice and collaborated with human resources to completely reconstruct their onboarding process. Having felt the pain of this employee exit firsthand, Steve now understood that developing a strategic plan for acclimating new employees and systematically measuring the effectiveness of the onboarding activities was an investment in the long-term growth and success of his team and, ultimately, the organization.

it takes a village — establishing your onboarding team

One of the initial decisions to tackle when designing an onboarding program involves defining stakeholder involvement — who owns the program, who's involved and who holds decision-making rights? Assigning and accepting stakeholder roles and accountability for your onboarding program should be thoughtfully considered and accomplished before program participants are ever involved.

The size of your company might determine stakeholder involvement. For smaller companies, you might centralize the program for oversight or share ownership among several locations. Additionally, in smaller companies, senior executives may

be more likely to play an active role in the program. Larger organizations sometimes establish onboarding teams or assign mentors to support the program. Regardless of size, stakeholders should represent every area of the business — from IT to security, functional leaders to peer team members, in addition to HR and the hiring manager.

Start by designating a leader to oversee the onboarding program. Your onboarding leader will be responsible for holding everyone accountable for their roles and ensuring that every new employee is set up for success, even before they show up for their first day on the job.

accountability is key

Sixty-five percent of top-performing companies indicate they have a clear plan and accountability for the roles of key stakeholders through the first 90 days.

Source: Lombardi, Mollie. *Onboarding 2011: The Path to Productivity*. Aberdeen Group. March 2011.

Once you've gathered your onboarding team, develop a process that clearly identifies who is responsible for both the tactical and strategic elements of the program, and communicate specific assignments, accountabilities and timelines to retain the ongoing effectiveness and consistency of your onboarding program.

the elements of onboarding — best practices in program design

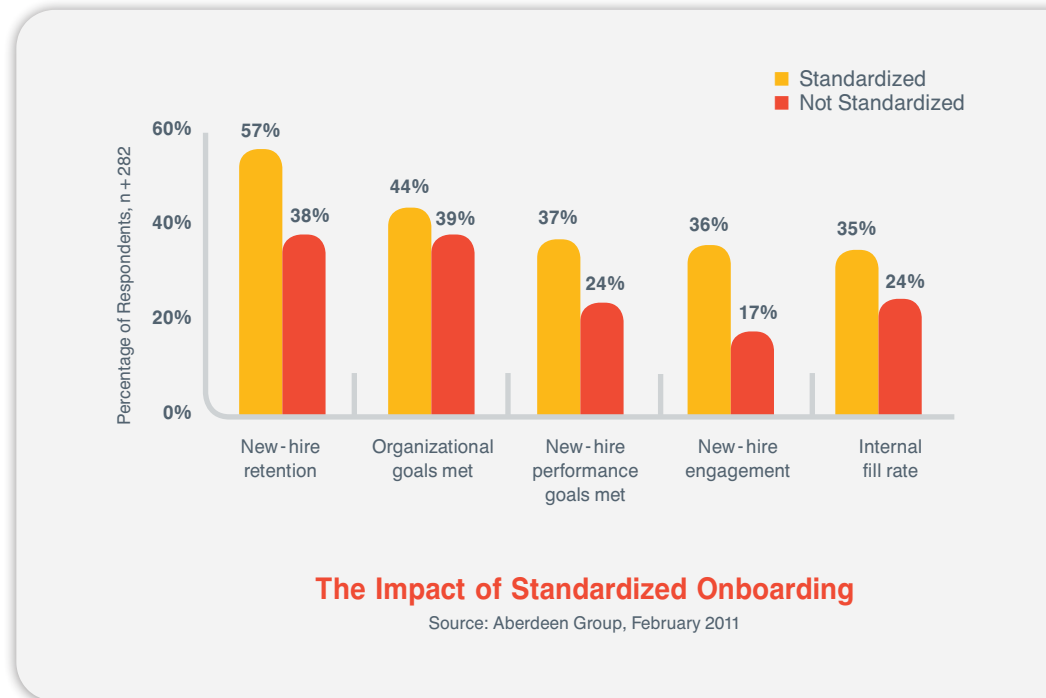
Consistency is the key

More than 25 percent of the U.S. population experiences some kind of career transition every year. Employees on the move deserve more than an employer's half-hearted attempt at acclimation into the new work setting, and growing organizations cannot miss the opportunity in the first three to six months to make a positive and lasting impression on their newly acquired talent.

A successful onboarding program provides more than an orientation consisting of paperwork and policies. In addition to equipping new hires with the tools necessary to succeed in their new position, an effective, well-planned onboarding program should be thought of as a strategic process that assimilates new hires into their roles, the workplace environment and culture, and helps them to become actively engaged and performing to an acceptable level as quickly as possible.

Creating a standardized onboarding process is a critical first step, but this doesn't necessarily mean that every element of the process is identically delivered for every new employee. Most successful programs allow for some reasonable tweaking to accommodate unique roles, functions and locations, or to address differing needs of the business.

Once an onboarding program has been launched, it's equally important to see that the activities and programs are actually happening as designed. According to a recent SHRM survey, more than 50 percent of respondents admitted that little or only occasional spot monitoring of their onboarding program actually occurs.²



Engage talent early

A successful onboarding program can begin much earlier than the first day on the job. Ideally, include onboarding activities that create interest and involvement from within a variety of cultural and social communities of talent. These potential future candidates will form an early impression of your organization based on the professionalism, thoroughness and responsiveness they experience when interacting with your company through their preferred channels of social media.

Similar to the freshman college orientation experience, a well-managed, comprehensive onboarding program harnesses initial enthusiasm by providing new hires with early access to the company's information, forms, policies, and internal social networks and communities, long before the employee

shows up for work. Whether through community involvement, social media or during the actual interview process, leave candidates with as realistic an impression of your organization as possible. Nobody wins if a newly hired employee discovers that your company doesn't quite match what was portrayed during initial conversations.

You can also engage internal processes early on — requisition equipment, set up a workspace, take care of systems access and notify team members so that your new person has the tools and the connections they'll need to be productive right out of the gate.

² SHRM Survey Findings: Onboarding Practices. April 2011.

There's no hitting rewind

Making a positive impact and lasting impression with new recruits is vitally important during those first few weeks on the job; yet, almost half of all respondents to a recent SHRM survey stated that their onboarding programs rarely lasted beyond the first week.³

Companies can't afford to waste any time or talent in today's marketplace, so don't abandon onboarding after the staff introductions and the building tours are complete. Mitigate the risk of early departures with a solid, well-planned onboarding program that creates an environment in which your newer employees can succeed. Then consistently monitor and measure the effectiveness of your program to make sure it stays on track.

using onboarding to build a culture of engagement

Continual improvement, lasting impact

Once an onboarding process has been successfully introduced within the organization, how do you determine its success, especially over time and through changes in the business and the resources needed to carry out the program? For onboarding to have a lasting impact, quantitative measures of program effectiveness should be put into place early on. This way, trend-report indicators will prove the program's success or point to elements that may need to be modified or updated.

Many organizations are now adding onboarding effectiveness measurement instruments to reinforce their overall strategy. With the ability to evaluate program effectiveness at various stages of onboarding, companies can parse data in a number of ways; for instance, by manager, project or functional team, location, or work schedules.

With measures of program effectiveness included in the onboarding process, flight risks of critical new talent can also be mitigated. Measurement tools can include "hot alert" notifications that signal when immediate action needs to be taken to correct or resolve issues that may be impacting new employees — issues that may have otherwise gone unnoticed until it was too late.

Employee engagement is a significant concern for most companies today, and a well-designed onboarding program is an early catalyst of engagement. Beyond employee engagement, an effective onboarding program can have a positive impact on the entire organization by creating important social connections and improving team performance by speeding the time to productivity for newly hired employees.

engagement is mission critical

Fifty-four percent of organizations indicate that improving engagement is among the top three goals of their onboarding process.

Source: Lombardi, Mollie. *Onboarding 2011: The Path to Productivity*. Aberdeen Group. March 2011.

But it's not enough to know that your program is "good." Create lasting impact by taking the time to:

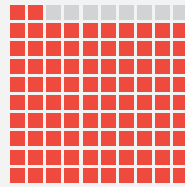
- ▶ Define the metrics by which your onboarding success will be measured
- ▶ Include a validated onboarding effectiveness survey as part of your onboarding strategy to stay aware of your program results and impact
- ▶ Bridge the insight gained from your onboarding survey to positively influence other areas of your talent management strategy

³ SHRM Survey Findings: *Onboarding Practices*. April 2011.

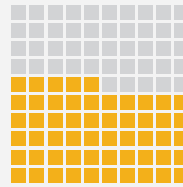
Recommendations for measuring onboarding effectiveness — a fast track to productivity

Think of onboarding as all of the things that happen (or don't happen) to new hires, from the time of acceptance, that impact their engagement in their jobs and the organization, and their ability to perform at their best. Including measures of program effectiveness during the first 90 days will provide important insight into your onboarding program and ensure that your new recruits have a fast track to performance and productivity.

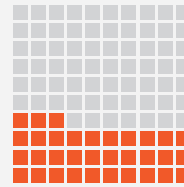
A recent Modern Survey poll of over 130 HR professionals confirmed the importance of onboarding. Additionally, with such low levels of consistency in deployment and measurement of program effectiveness, there appears to be a significant opportunity for organizations to establish a competitive advantage through onboarding.



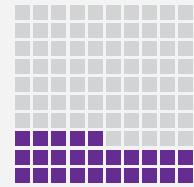
92%
said that effective onboarding of new employees is critical to their organization's success



55%
said that they have an effective onboarding process



33%
said that their onboarding process is executed consistently across the organization



25%
said their organization does a good job of measuring and monitoring the effectiveness of the onboarding process

Introduce. After the first **seven days**, capture an early snapshot of the employment experience to learn whether the employee's expectations of life in their new role have been met. Data can be gathered regarding the employee's initial:

- ▶ Welcome by their manager and co-workers
- ▶ Feelings upon finishing their first day
- ▶ Perceptions of internal relationships
- ▶ Understanding of work expectations
- ▶ Feelings of overall fit within the culture

Train. Once the employee has a full **30 days** under their employment belt, you're ready to assess the continued effectiveness of your onboarding program. Using your survey instrument, collect data that describes whether the employee:

- ▶ Feels supported by co-workers
- ▶ Is receiving the training needed to perform their job
- ▶ Has the tools and resources to be productive
- ▶ Has established a good relationship with their manager
- ▶ Is feeling pride in the company and promise for their future

Empower. Your new team member has successfully navigated the first **90 days** in their role. At this stage, you're able to gain a true and objective measure of employee engagement. Your onboarding survey gives you the ability to see patterns of performance that are developing and to respond with quick interventions for course correction or an infusion of additional support where needed. Look for insight from your survey data that indicates that the employee:

- ▶ Likes the people they work with
- ▶ Is benefiting from effective teamwork
- ▶ Is receiving feedback and coaching from their manager
- ▶ Feels appropriately rewarded for their work
- ▶ Is expressing confidence in the company and its leaders

From silo to strategy

The same data that provides insight into your onboarding success can be correlated to other metrics of talent management:

- ▶ **Succession planning** — gain additional insight on leadership strengths or gaps for managers who are being developed for succession by using the results of their onboarding effectiveness survey data.
- ▶ **Recruiting** — prevent early exits of new employees and reduce the cost of hire by capturing employee engagement information within the first few months of employment.
- ▶ **Development** — employee development plans can be targeted to address performance gaps or inconsistencies identified through onboarding measurement insight.

conclusion

With human capital being the primary economic engine of organizations today, take the time to make sure your people are introduced and acclimated to your organization in a way that creates swift engagement and long-term retention. A truly holistic and effective employee onboarding program cannot be seen as a “once and done” activity. Business leaders, HR and line managers must continually revisit the components of their onboarding program, measure the effectiveness of their practices and evolve their programs for strategic alignment to achieve the greatest business impact.



about us

Modern Survey measures workforce intensity — that fire in your company's belly that makes all things possible. Our human capital measurement software combines feedback, benchmarks and data from enterprise systems to elucidate the correlation between employee performance and company success. We analyze the stuff your talent management system can't — so that you know what to do next.

We are Modern Survey. And we are relentless.

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