

MOVING ONBOARDING FROM STATIC TO STRATEGIC

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The ability to recruit and retain talented employees is critical to future organisational success. By utilising technology, organisations can maximise engagement and success.

The author conducted a research project as part of the requirement for completing the Bachelor of Applied Management, in the School of Business, Otago Polytechnic. The main objective of this project was to identify how onboarding was currently planned and implemented at the host organisation at the focus of the research, what the challenges and risks relating to onboarding were at the organisation, if the current onboarding process aligned with best practice, and what the required developmental items of onboarding were to ensure greater efficiency, engagement, and sustainability. The author applied multiple methods of data collection which included online surveys of recently onboarded employees, semi-structured interviews of hiring managers and documentation analysis. Findings were analysed and evaluated against onboarding best practice and existing theories which produced the following themes: onboarding process, onboarding best practice and business benefit. The main findings were the lack of consistency in the current onboarding process, with timeframe, consistency of delivery, communication of expectations regarding organisational goals and job role, as well as following up on progress being identified as areas for improvement to ensure the organisation was maintaining best practice, sustainability and full engagement of employees. Based on these areas of improvement, recommendations were provided to the organisation to improve the consistency of the delivery through extending the time frame of the current process and implementing, monitoring and evaluating performance metrics during early employment. Further research into how to implement technology to drive the onboarding process was also identified. This article highlights the importance of having a formal onboarding programme in place and the effects that implementing technological solutions has on engagement and retention when managed successfully.

INTRODUCTION

Successful onboarding is a crucial part of any human resource management strategy, through the utilisation of technology, organisations can effectively integrate new employees into the organisation helping to ensure ongoing success through lowering recruitment costs and increasing retention rates (Boxall & Purcell, 2016).

Bauer (2010) defines onboarding as a process by which organisations help new employees adjust quickly to the performance and social aspects of their new jobs. Onboarding ensures new employees acquire the necessary knowledge, skills and behaviours to become productive members of the organisation. Harmon (2011) suggested that the faster new employees feel welcome and prepared for their jobs, the faster they will be able to connect and contribute to the organisation's mission and vision. A study by the Wynhurst Group found that 22 percent of staff

turnover occurs in the first 45 days of employment and nearly 1 in 3 new hires leave the organisation before the end of their first year (Burkett, 2017). Through utilising technology in people processes not only will the onboarding process be enhanced and simplified but the organisation can deliver a more consistent, measurable and effective experience for the benefit of the employer, the employee and the company's bottom line.

The author conducted a research project during her internship for a large public organisation located in Dunedin, New Zealand as part of the requirement for completing the Bachelor of Applied Management, majoring in Human Resources and Strategic Management at Otago Polytechnic. During the internship the author identified a need for an improved onboarding process to ensure greater efficiency, engagement and sustainability, and this was suggested to the Human Resources department, which already had a goal to improve their current processes and practices.

The purpose of the research was to identify how onboarding was planned and implemented at the organisation, what the challenges and risks relating to onboarding were in the organisation, if the current onboarding process aligned with best practice, and what the required developmental items of onboarding were to ensure greater efficiency, engagement, and sustainability. At present 40% of the organisation's current employee turnover are those that are within one year of employment. Therefore, the ability to recruit and retain talented employees was critical to future organisational success.

RESEARCH METHODS

The current situation at the organisation was analysed using multiple methods of data collection, known as triangulation, to gain a holistic view of the status of onboarding at the organisation and insights into the development needs for onboarding at the organisation. These methods consisted of engaging with employees through the use of electronic surveys, interviewing internal and external hiring managers, and reviewing and analysing documentation.

The target group identified for the electronic survey consisted of 78 employees across the organisation who joined the company between 31 May 2017 and 30 June 2018. Employees who joined after 30 June 2018 were excluded from the survey as it would have been too soon to evaluate their onboarding experience.

The survey was restricted in length to 15 questions in English to minimise maturation effects on the respondents and the questions were asked in the same order to ensure validity and reliability. Questions were incorporated regarding employee's feelings and experiences of the current onboarding process to provide the researcher with feedback on current processes as well as experiences from a new employee perspective.

The survey was open from the 5th of September 2018 to 19th of September 2018. During that time, all 76 employees received the invitation successfully, and 38 employees responded to the survey resulting in a response rate of 50%. The Human Resources Marketing and Communications advisor at the organisation identified that a minimum response rate of 30% was expected and considered acceptable. Therefore the survey response rate exceeded expectations.

The researcher conducted two sets of semi-structured interviews. The first set involved two hiring managers from the organisation who are directly involved in the onboarding of new employees, to provide a balance to the internal perspective with staff. The other set involved two external Human Resource professionals to gain a holistic view on current best practice relating to onboarding processes in other organisations. Each participant was asked the same six questions in the same order for consistency. These questions were aimed at understanding the current onboarding process, improvement needs and the current best practice of onboarding in New Zealand. The content of these questions guided the direction of the interview.

Along with the survey and interviews, existing company data from the same timeframe of the survey sample, July 2017 to June 2018, was analysed to gain a deeper understanding of the current onboarding process at the organisation. This data included existing onboarding material, policies, procedures, and various spreadsheets. A variety of data for analysis was obtained through these methods to investigate how onboarding was currently being planned and implemented in the company, how employees experience their onboarding and the best practices which could be implemented at the organisation. The findings from each method were collated and analysed, which produced the following themes: Onboarding process, onboarding best practice and business benefit.

ONBOARDING PROCESS

Onboarding is a process by which organisations help new employees adjust to the performance and social aspects of their new job. The faster new employees feel welcome and prepared for their jobs, the quicker they are able to connect and contribute to the organisation's vision and mission (Bauer, 2010).

Several conceptual theories relating to onboarding exist. "The Onboarding Margin" was developed by Stein and Christiansen (2010) with the goal of reaching greater execution of the strategic and business plan. This onboarding concept is based around increasing the level of productivity and reducing operating costs through four content pillars: cultural mastery, interpersonal network development, early career support and strategy immersion and direction. The Four Pillars of Effective Onboarding developed by Watkins (2013) discusses business orientation, stakeholder communication, alignment of expectations and cultural adaption, as the focus to overcome onboarding barriers in an organisation. In contrast, Bauer (2010) created the "Four C's" of onboarding: Compliance, Clarification, Culture, and Connection. These four building blocks make up what Bauer, and to that extent, many in the HR field consider a holistic onboarding process. The degree to which each organisation executes these four building blocks determines its overall onboarding strategy and determines how well they utilise onboarding as a contributing factor to their success (Bauer, 2010). Each of these conceptual theories present a slightly different approach to the fundamental elements of an onboarding programme. However, many similarities exist and are included in each conceptual theory in some form such as the importance of social connections, clarity of organisational goals and strategy, as well as clarity of job role (Stone, 2013).

The importance of social aspects was evident in both the answers from the interviewees as well as the survey participants. Most interview participants mentioned that one of the most important goals of onboarding is that a new employee should feel welcome along with socialisation and communication being of high importance. The survey respondents supported the importance of socialisation with the respondents who received formal onboarding, including various socialisation activities, having a high level of satisfaction relating to organisation and job role compared to the participants who did not receive formal onboarding. It was also found that the employees who were onboarded knew the organisational goals of his or her own unit, and how their role contributed to these organisational goals. However, the employees who did not receive formal onboarding required more clarity on these.

According to Stein & Christiansen (2010) many companies have inconsistent onboarding practices, which creates frustrating experiences for both new hires and hiring managers. This was shown with over half of the participants indicating they did not receive a planned induction which was further supported by the onboarding documentation which indicates that 35% (n=53) of new employees between July 2017 and June 2018 did not receive formal onboarding at the organisation. The employee survey revealed that the hiring managers lacked standardised information, which indicated managers were improvising their own solutions to integrate new employees, showing that onboarding practices and documentation at the organisation are currently underutilised.

Bauer (2010) discusses adequate and effective onboarding as being related to higher organisational commitment, improved retention rates and time to productivity. Based on the survey results, employees who received planned

onboarding had the best outcomes regarding engagement, effectiveness, the right level of information delivered, coverage of important tasks and overall satisfaction of onboarding. However, when evaluating the overall effectiveness of onboarding, the interview participants identified room for improvement in their onboarding process and the need to refresh out of date content through use of technology.

ONBOARDING BEST PRACTICE

Onboarding programmes can vary widely across organisations. However, there are several overarching characteristics present in all onboarding programmes such as ensuring new hires are prepared with an understanding of the overall company, general training and paperwork (Boxall & Purcell, 2016).

Onboarding best practice begins with general induction content moving to a tailored programme specifically for the individual and job role. It is a 2-way interactive process that includes a series of events using mixed methods of presentation such as social interventions, goal setting, feedback, and formal and informal training which typically runs over a time period from recruitment to twelve months, when the new hire is considered fully productive (Forry, 2017).

The current onboarding process at the organisation differs to the external interview participants' views of best practice and the literature identified. The organisation's onboarding process is one size fits all, and commences on day one, running up to a month for the checklist to be completed. The current process covers practical needs such as computers, systems and organisational content and is presented in person using PowerPoint presentations. The internal participants did not refer to any additional processes as part of the current onboarding process which aligned with the current documentation provided.

The importance of understanding who leads the onboarding process, and who controls the various steps of onboarding the new employee is vital to onboarding success and sustainability over time (Bauer, 2010). At the organisation, multiple stakeholders were identified as being involved in the onboarding process. The survey results revealed inconsistencies in the delivery, identifying that onboarding was conducted most often by the employees' own manager or colleague which was in contrast to the internal participant's responses where the Learning and Development Advisor and Human Resources were perceived as the main facilitators.

The length of formal onboarding programmes varies between organisations. Stone (2013) describes onboarding as beginning when a new employee is offered a position and ending when the employee is considered fully functional.

Data revealed differing opinions on the average time it takes an employee to be productive at the organisation, with the timeframe ranging from a couple of weeks to two months. This timeframe was much shorter than external interview participant responses. Hogan (2015) discusses onboarding being a process, not a one-time event that covers the new employee's first year addressing the whole range of employees needs such as equipment, accounts, training and networking.

Current onboarding best practice includes using milestones such as 30, 60, 90 and 120 days to follow up and check in on progress, concerns and suggestions (Stein & Christiansen, 2010). Both external participants discuss checking in with new employees' post induction on a regular basis – daily, weekly and monthly. In contrast, both internal participants agreed that no follow up was provided after the initial induction. This reveals an area for development regarding follow up and checking in on progress for the organisation to reach the current best practice.

Bersin (2002) describes the utilisation of technology in onboarding strategies as becoming the international standard discussing that with the speed of technology adoption and the global economy companies can be left behind if they do not better utilise their human capital. Stien and Christiansen (2010) further explain that through

the use of technical solutions such as the automation of information, onboarding information can be given in small doses to new employees allowing them to internalise and apply the information to their work assignments. The external participants addressed using technological solutions to onboard employees which aligned with the literature; however, more emphasis was placed on socialisation. Currently, automation and technological solutions are underutilised at the organisation which could be an area of development for the organisation as the literature identifies onboarding technologies such as driving the onboarding process through automation of documentation and induction software, as being linked to increased performance and improvements in all metrics. By utilising technological solutions, improvements in engaging and retaining employees could be achieved which would assist in accomplishing business objectives.

According to Tayeb (2003) different onboarding techniques depend on the level of a new employee's career, job function, geographic or cultural influence. Therefore, onboarding is not one-size-fits-all and different techniques will be required to ensure success.

BUSINESS BENEFIT

To ensure sustainable results an organisation needs to understand whether employees in the organisation are committed and engaged. Employee engagement is described as existing when an employee feels physically, intellectually and emotionally connected to their work in such a way that enthusiasm, energy and commitment are brought to the organisation (Mendes & Stander, 2011).

Boxall and Purcell (2016) suggest that if organisations can actively engage employees within the first year, this can result in higher retention rates and higher productivity. Therefore, it is vital to engage employees in the first year of employment as there is a limited time where employees believe they contribute, belong and are welcomed into the organisation.

All of the survey participants who received formal onboarding agreed to some extent that they felt welcome and productive at work and agreed that they had established good relationships with the key people relative to their role. However, the survey participants that did not receive formal onboarding had a lower feeling of satisfaction with the organisation and job role. These findings were also reflected in the survey participants overall experience of onboarding with the employees who received onboarding being more satisfied than the employee participants who did not. This shows the importance of the current planned onboarding process being delivered and supports the possibility of increased engagement and satisfaction should the process extend over a longer period.

Theuri (2017) noted that poor onboarding, such as not having the required tools, technology, resources and content contributes to weakening employee's commitment, therefore, increasing the risk of high employee turnover. When the survey participants were asked if personal protective equipment (PPE), hardware, accessories and/or computer accounts were ready on their first day, over half of all participants replied that they were not. This identifies an area of development for the organisation regarding pre-onboarding to ensure their new employees have everything ready to be efficient in their job.

When evaluating the overall effectiveness of onboarding most of the internal and external interview participants believed the onboarding process in their organisation succeeded well or reasonably well. However, the internal participants identified room for improvement in the onboarding process. Negative feelings towards the onboarding process were identified, with internal participants labelling it as a "chore" or a "tick the box" activity in need of improvement.

Employee turnover can be used as a benchmark indicator of the success of an organisation's recruitment, retention and engagement efforts (Boxall & Purcell, 2016). Currently, the annual turnover percentage of employees with

under one year service is trending gradually upwards with half of the overall employee turnover being employees with under one year service at the organisation. This highlights the importance of ensuring employees are actively engaged and welcomed through onboarding activities to help improve the retention of employees and reduce the costs of hiring or re-hiring.

IMPACT OF CURRENT PRACTICES AND RECOMMENDATIONS

By evaluating the findings with onboarding best practice and existing theories identified in the literature the impact of the current practices in the organisation were assessed. Despite the lack of consistency identified, the company had succeeded in the engagement of new employees who had received formal onboarding. However, some of the key onboarding activities, such as time frame, consistency of delivery, clearly communicating expectations in regards to organisational goals and job role, providing the required tools, technology, resources and up to date content, as well as following up on progress were identified as areas for improvement.

Based on these areas of improvement, the researcher provided the following recommendations for the organisation to assist in improving the current onboarding process to ensure greater efficiency and engagement.

DEVELOP PROCESSES TO ENSURE CONSISTENCY OF DELIVERY

The onboarding process is only as efficient or effective as the people involved in conducting them, so it is essential to gain buy-in from the facilitators and have clear communication. If the facilitators understand the value that a correctly held onboarding process has to the operation of the organisation, they are more likely to ensure it is completed. The starting point to achieve this is to arrange a meeting with everyone who has a stake in the onboarding process, and clearly communicate the expectations of the induction and onboarding of employees. Involving and engaging stakeholders in the process and changes is a key success factor.

As shown here - It is important to use feedback provided by the stakeholders about the current delivery. Changes can be implemented to the current induction process and eventually the onboarding process to align with the needs of the facilitators and organisations goals. Through improving the consistency of the delivery of the current induction, employee engagement and efficiency will be improved.

EXTEND THE TIME FRAME OF THE CURRENT PROCESS

Extending the time frame of the current process is recommended in order to offer pre-induction information as well as follow up and assess the new employees' integration and satisfaction with the organisation and job role. Before new employees start work all relevant paperwork for completion could be supplied alongside information about key policies and procedures on an online portal. All required personal protective wear, tools or systems needed for the job role should also be prepared before the new employee starts, so it is ready for their first day.

Facilitators could meet with new employees at key milestones, which could be time-bound such as after one month, after three months, or could be related to early performance depending on the job role.

IMPLEMENT EMPLOYEE MONITORING AND EVALUATING PERFORMANCE METRICS

Implementing employee monitoring and evaluating performance metrics during the onboarding process such as onboarding satisfaction surveys, attrition rate measurements and engagement surveys is also recommended. These metrics would provide potentially invaluable information about the impact and benefits of the redeveloped onboarding programme. Utilising this data would help prioritise future onboarding activities and provide the business with tangible development needs to ensure their new employees are efficient and engaged.

The starting point to achieve this implementation is to nominate an employee to lead and be accountable for the performance metrics, followed by arranging a realistic time frame for conducting metrics such as bi-annually or annually. It is important that once the data is collected that the findings are shared so the areas of development identified can be improved. A bi-annual or annual report on performance metrics would therefore be beneficial, depending on the time frame the organisation has set for conducting the metrics.

CONCLUSION

Successful onboarding is a vital part of any human resources management strategy. With the high cost of recruiting, organisational leaders need to understand that it is essential to effectively integrate new employees into the organisation to ensure future success. With the speed of technology adoption and the global economy, the global workplace will only continue to grow in size and diversity and organisations could be left behind if they do not better utilise their human capital.

The research identified the importance of having a formal onboarding programme in place and highlighted the effects that implementing technological solutions in the onboarding process has on engagement and retention when managed successfully. It is recommended that further research examines e-orientation and onboarding including the effectiveness of monitoring individual onboarding progress on automated reports and the impacts technology-based onboarding programs have in assisting moving onboarding from a static process to a strategic process.

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