

## THE KELLY INTELLIGENCE REPORT

# Helping employers create lasting employee relationships

## Six Strategies for Effective On-boarding

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A two-part intelligence briefing:

>> **A. A NEW BREED OF WORKER DRIVES CHANGE**

**As new generations define today's labor environment ...**

- Employee loyalty is becoming more and more obscure
- Companies are increasingly vulnerable to the high costs of employee turnover

>> **B. MAKE A POSITIVE IMPRESSION**

**Effective on-boarding programs help employers  
enhance retention and cut costs ...**

- Six strategies for improving employee retention through effective on-boarding programs

## A. A NEW BREED OF WORKER DRIVES CHANGE

### Changing the rules

Today's new workforce is transforming the traditional business environment in critical ways. Understanding their needs is the first step to connecting with them and keeping them satisfied on the job. In fact, your ability to meet their employment needs could determine the future success of your organization.

Technology companies saw employee loyalty wane in the early nineties, as opportunities for high-tech workers grew to unprecedented levels. Employees were quick to leave one company for another, with a promise of better pay, better skill development, even a better office—a huge departure from the Baby Boomers who sought the security of the same job, often for a lifetime.

Now, as Baby Boomers head into retirement, Generations X and Y are in full swing. In fact, they're predicted to represent 70% of the workforce by 2012. But, with far fewer Generation X and Y workers entering the labor market, large gaps between supply and demand are expected over the next 20 years.

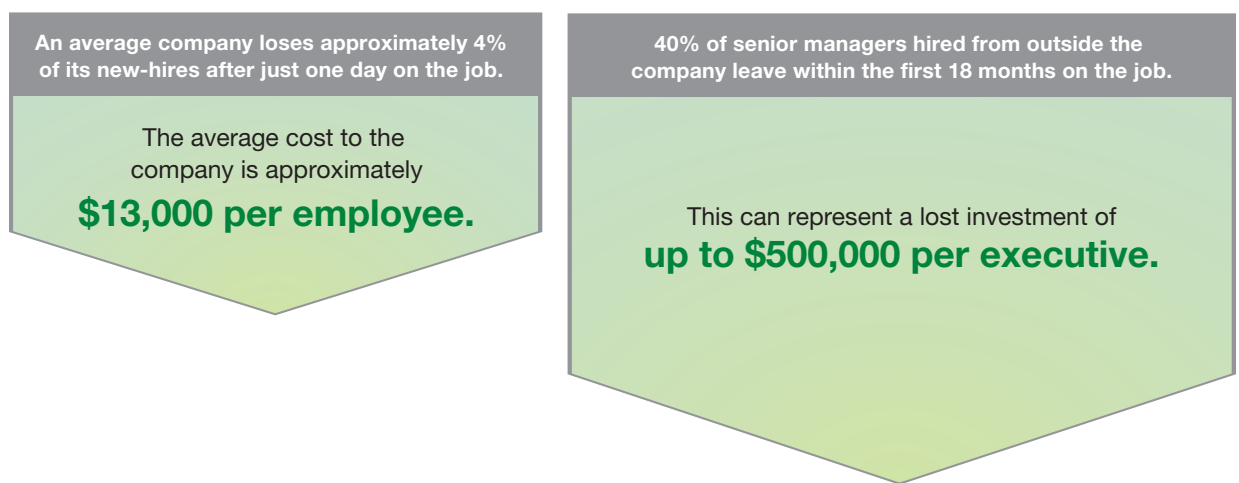
>> **EXPECT: To re-engineer the way your company integrates new employees into your culture.**

### Effective On-boarding Leads to Cost Savings

What was once known as “new employee orientation” has evolved into a new concept called on-boarding. More than just a new HR buzzword, on-boarding is a comprehensive process of integrating a new employee into an organization. After the selection process, on-boarding is arguably the single most critical step to ensuring the success of your new employee.

Even the most successful on-boarding programs will not eliminate unwanted turnover. However, improved on-boarding can offer a strategic advantage in today's labor environment by helping prevent situations where turnover occurs shortly after hire.

### Consider these facts:



*Source: Drake Whitepaper Volume Four: Onboarding and Orientation, Maximizing New Employee Performance*

*Source: Wells, Susan. Diving In. HR Magazine, March 2005*

These costs reflect the hard costs associated with recruiting and training as well as the soft costs related to lost productivity while new employees get acclimated in a new job. And getting acclimated, according to the experts, takes approximately six months for a mid-level manager.

>> **EXPECT: Continued pressure on companies to improve their on-boarding process as competition for top talent intensifies.**

## **B. MAKE A POSITIVE IMPRESSION**

So what is the difference between on-boarding and a standard orientation? A true on-boarding process starts well before your new employee's first day. Often, a prospective employee will have already formed an opinion about your company (from your website, marketing, word of mouth), long before considering employment.

The following six strategies are intended to help you develop a solid on-boarding program for your company.

<b>ONBOARDING STRATEGIES</b>	
<b>1. Make it hands-on and face-to-face</b>	<b>4. Assign a mentor</b>
<b>2. Invest in on-boarding technologies</b>	<b>5. Make it last</b>
<b>3. Position managers in key on-boarding roles</b>	<b>6. Establish reachable goals</b>

### **1. Make it hands-on and face-to-face**

If you want to make a good impression on your newly hired employee, start off by replacing the company orientation manual with human interaction. On-boarding processes that incorporate human interaction enhance effectiveness, satisfaction and retention—and will help your company realize a valuable return on your investment.

Consider giving your new hire a gift to commemorate their first day: a coffee cup, T-shirt, or company pen set. However small the gift, it represents your appreciation of your new employee.

Promote communication: Generation X and Y workers, in particular, seek one-on-one communication with a supervisor who is approachable and appreciative. A manager or supervisor will help new employees understand what's expected of them, and where/how they fit into the big picture.

### **2. Invest in on-boarding technologies**

Experts agree that automation is critical when establishing a successful on-boarding program. The right tools will accelerate employee orientation, and that means less down time and greater productivity.

The right software can tie every detail of your on-boarding program together: hiring-related paperwork, "first day" schedule, system set-ups, email correspondence, benefits programs and training.

### **3. Position managers in key on-boarding roles**

Managers should play a key role in the new employee's on-boarding experience. Experts say that managers who are accountable for a smooth employee orientation are more committed to getting the new hire off to a productive, positive start. By setting understandable expectations on both sides, employees know what they need to accomplish and, equally important, they also know what to expect from their managers.

### **4. Assign a mentor**

Existing employees are perfect candidates for mentoring new employees. A mentor helps a new co-worker become acclimated to his/her job, their responsibilities and to your company culture. Building these relationships right away, promotes loyalty, and increased productivity, as your new hire quickly acclimates themselves to their new position.

### **5. Make it last**

Most employees need to know they're doing a good job, so keep the feedback flowing after the first few weeks on the job. Ongoing meetings with a new employee – however brief – are a great venue for keeping the lines of communication open. Consider holding meetings with the new employee in different areas of your company, giving him or her a look at the full scope of your organization. Consider introducing the new employee to managers from other departments to give them a sense of how they fit into the organization.

### **6. Establish reachable goals**

New employees want to contribute to their workplace as quickly as possible. Give them real work that can be completed within the first few weeks. Getting these employees "up and running" as soon as possible gives a new employee a sense that he/she is a valuable and necessary member of the team.

A recent study reveals that approximately 80% of workers who decide to change jobs are searching for more control over their work and validation that what they do in the workplaces makes an impact. Achievable goals are an effective method for helping new employees feel productive and fulfilled on the job.

## SUMMING UP

### >> **A more selective, less loyal workforce is posing challenges for today's employers who are looking to attract and retain top talent in a tightening labor market.**

- Employee loyalty is an outcome employers must work hard to develop.
- Effective on-boarding strategies can help reduce the costs associated with unwanted turnover.

### >> **The Solution?**

As new generations transform the business environment, smart business leaders will embrace on-boarding programs that feature:

- A hands-on, face-to-face experience for employees
- On-boarding technologies that streamline various procedures related to new employee orientation
- Managers who play a key role in on-boarding initiatives
- Mentors who help integrate the employee into your corporate culture
- An on-boarding experience that is more comprehensive than traditional orientation initiatives
- Immediate employee goals that can be easily reached

## SOURCES

Moscato, Derek. *Using Technology To Get Employees On Board*. HR Magazine, April 2005

Drake Whitepaper Volume Four: Onboarding and Orientation, Maximizing New Employee Performance

Wells, Susan. *Diving In*. HR Magazine, March 2005