

EXTREME ONBOARDING:

How to *Wow* Your
New Hires



Recent hires often describe their onboarding as a mind-numbing experience, with its focus on dry policies and videos, sign-ups, and filling out forms.

Hiring managers frequently see onboarding as an afterthought with very little business impact. But data from the consulting firm BCG reveals that onboarding has the second highest business impact (after recruiting) of all 22 HR practices. In fact, firms that execute it well can expect to nearly double their corporate revenue growth and profit margins, compared to firms with only average onboarding.

Top employer brands, including Google, Facebook, IBM, Ernst & Young, and Zappos, have transformed their onboarding approach, having found its major impact on the firm's employer brand image. By running the numbers, these firms discovered the high economic value of adding bold, exciting, and high-impact new features, which I call "extreme onboarding".

Advanced onboarding has high ROI: in at least one case 10 times higher than ROI from

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traditional onboarding programs. Advanced onboarding can also directly improve important business factors, including the time it takes a new hire to be productive, new hire retention, new hire on-the-job performance, and even recruiting.

This article reveals over a dozen corporate best extreme practices, which cover such diverse areas as gamification, providing mentors, extending the duration of onboarding, applying technology to onboarding, and starting onboarding activities before the first day of work.

If you're having difficulty recruiting top talent, experiencing increased new hire turnover, or finding your new hires struggling to become productive, this article suggests numerous ideas for dramatically upgrading your current onboarding effort to literally wow both your new hires and your hiring managers.

BENEFITS OF A GREAT ONBOARDING PROGRAM

1 Improves on-the-job performance of new hires

The Recruiting Roundtable found that effective onboarding programs can improve employee performance by up to 11.5%.

Understanding how to motivate new hires is critical for individual performance. Baptist Health Care found they could increase new hire motivation and performance by simply asking them to identify their key monetary and non-monetary motivators.

Having unhappy new hires on the job hurts team performance. To ensure that new hires haven't made a mistake in accepting their new job, Zappos offers them up to \$4,000 to quit during their initial training.

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Having new hires generate ideas is also valuable because they have fresh eyes and an outsider's perspective. Managers at Joie de Vivre Hotels encourage new hires during onboarding to suggest ways to improve customer and new employee experience.

2 Improves employee retention

Most traditional first-day-only onboarding has a negligible impact on retention, because only 4% of new hires decide after the first day that they are sure they want to stay with their current company (source: A. Gostick and C. Elton). However, if the new hires take part in a structured onboarding process, 66% of them are likely to remain with a company for longer than three years (source: DOL).

To improve retention, you can add several elements to your onboarding process. Wipro created an employee-focused onboarding process that emphasized the individual strengths of the new hires. After six months, the participating new hires were up to 32% less likely to quit than those who had participated in the traditional company-focused onboarding.

Extending the length of onboarding can also have a dramatic impact on employee turnover, because it provides more time for coaching, sharing information, and answering questions. L'Oréal offers a two-year-long comprehensive onboarding process.

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Succeeding@IBM is a two-year on-line learning continuum that provides new hires with information covering corporate values, strategy, tools, and the resources necessary to be successful. Facebook requires six weeks at their onboarding boot camp, and Rackspace and Zappos offer a four-week-long onboarding program. To reduce early turnover by ensuring that new hires are satisfied with their first job assignment, Facebook (for all employees) and Cisco (new college grads) allow new hires to choose the team to join after completing onboarding.

Asking new hires during onboarding why they quit their last job may provide their new manager with insight into which factors may cause them to quit this new job.

3 Engages new hires immediately

To have new hires hit the ground running, it's important to reduce first-day stress even before they start work.

Ernst & Young provides an innovative onboarding portal to new hires before their official first day. This includes an on-line virtual tour with information about the firm, a walk-through the onboarding process, and answers to questions most frequently asked by previous new hires.

Warby Parker sends new hires an electronic welcome packet, which includes the company history, core values, press clippings, and what to expect during their first day, week, and month. The night before day one, their direct supervisor calls new employees to make sure they know where to show up and when.

Immediately after hiring a new employee, MasterCard sends them a welcoming email, which includes links to company videos and access to a website where they can "update

their employment information, upload a photo for their badge, read about learning opportunities, and complete paperwork for benefits enrollment, taxes, and direct deposit". The new hire's manager can also go on-line to select the tools and office space they will need, so everything will be ready on their first day.

Succeeding@IBM offers pre-start-date learning and training. New hires who participate in their pre-hire community are 80% less likely to leave during their first year.

One New Zealand bank even ships their preboarding package with business cards, a new computer, and mobile phone directly to the new hire's current workplace to impress not only the new employee but also their co-workers.

4 Improves recruiting and employer brand

Onboarding can also play a critical role in improving your recruiting processes. Ask your new hires about the recruiting process they just completed, which factors caused them to accept your offer, and which parts of the process worked and which need improvement.

The best firms use onboarding to gather names, so ask new hires to make referrals from among the best employees still working at their previous firm.

Friends and close colleagues of the new hire will likely contact them during or immediately after onboarding to ask them what it's like to work at the new firm. So if you make a powerful impression, onboarding can help spread your employer brand message that your firm is a great place to work.

POWERFUL EXAMPLES OF EXTREME ONBOARDING PRACTICES

One of the best ways to convince organizations to raise their onboarding efforts to the extreme level is to show them examples of how far other firms have already progressed in onboarding.

1 Making onboarding process less tedious with gamification

Traditional onboarding with its videos, lectures, extensive reading, and seemingly endless forms can be dull. Converting elements of onboarding into a competitive game with instant feedback can help to keep the attention of new hires.

Rackspace fills its initial four-day onboarding effort with “games, skits, costumes, thumping music, and a limbo bar”. And tech firm Bazaarvoice sends incoming employees on a week-long scavenger hunt to bring them up to speed on company culture and company jargon.

Arrow Electronics developed an interactive onboarding computer game, A Culture for Success. New hires can select from game modules on “industry basics, corporate history and culture”, and each module is followed by a quiz-show-type element that provides them with immediate feedback on how well they did.

2 Reminding the hiring manager to set up the first day

Most organizations can only guess which onboarding features make a measurable difference. Google’s analytics team leads the way in testing which factors have the highest positive impact on new hire productivity. Getting new hires up to speed is a critical success factor in onboarding, and in the book *Work Rules*, Google revealed that a simple reminder alert email to the hiring manager can reduce the new hire’s time to productivity by a full month, a full 25% decrease. This reminder email names five critical tasks for the hiring manager:

1. Have a role and responsibilities discussion
2. Match your new hire with a peer buddy
3. Help your new hire build a social network
4. Set up onboarding check-ins once a month for your new hire’s first six months
5. Encourage open dialogue

3 Helping new hires understand team goals, priorities, and success measures

Corporate onboarding should cover the firm’s overall mission and corporate goals. However, departmental onboarding should help the new hire immediately understand the focus and priorities of their new department and team.

Help new hires understand key priorities by showing them the department’s and team’s goals and their key performance metrics. Their manager can explain how they will be supervised by revealing their typical management approach and style.

4 Helping new hires know their individual goals, assessment criteria, and career path

By explaining their own KPIs (key performance indicators), bonus formula, and elements contained in their performance appraisal form, you help new hires better understand their job responsibilities and what they will be assessed on.

Their manager can also help the new hire understand how decisions are made as well as the new hire’s career path by revealing the typical paths leading from their job, promotion criteria to the next level, and internal helping resources available for improving career growth.

5 Helping new hires appreciate the impact of their job

If new employees immediately know why their work is important and their impact, they are more likely to be productive and focused.



Their manager should reinforce the sale begun during the recruiting process by making sure that each new hire fully understands the importance of their role and how it affects their team’s performance, the company’s product, and its customers. The manager should also introduce them to other employees and customers to understand how others use and depend on their outputs.

6 Providing new hires with a mentor or buddy

Providing new hires with a mentor or peer buddy can have a positive impact on both productivity and retention. Under Google’s “Buddy Hire Program”, most Nooglers (new hires) are given a mentor to help speed their progress towards becoming a productive employee.

IBM’s Royal Blue Ambassador Program provides every new hire with an experienced employee mentor for 30 days to help them adapt quickly to working at the firm. After this period, a volunteer collaborative group, the “grassroots community”, continues to help them transition into IBM.

Qualcomm provides new hires with a mentor for a full year.

7 Adding offboarding to help rehire those who may someday quit

DaVita’s advanced onboarding approach informs new hires that, even though the firm would like them to stay over their entire career, it understands this might not be realistic. If the employee does quit, the firm wants them to maintain contact and possibly return someday as a boomerang rehire: Nearly 15% actually do return.

To increase the likelihood of return, DaVita adds an offboarding component to the exit process. This reminds employees that if they quit that they are welcomed back, and encourages them to keep in touch during the years at their next job.



8 Using analytics to continually improve your onboarding program

Today's highly competitive recruiting and retention environment requires excellence. A firm is unlikely to achieve quality goals unless it makes all major onboarding decisions based on data.

One of the best ways to continually improve an onboarding program is by surveying new hires one, six and twelve months after their onboarding. The data can identify which program components worked, which need improvement, and which need to be added. External benchmarking of competitors' onboarding programs enables the firm to maintain a continuous competitive advantage over them.

9 Adding come high-impact features to your onboarding effort

Consider these additional onboarding program features proven to have a high impact on new hire success:

- Treat the process around a new hire joining your firm as a celebration rather than an administrative task.
- Provide a method that allows new hires to ask questions without being embarrassed. Start by giving them with a list of questions and answers covering areas of concern from previous new hires.
- Ensure that their manager is present and available on their first day of work.
- Limit first-day administrative sign-ups to avoid numbing your new hires.
- Provide prescheduled meetings with managers and key employees. Also

ensure frequent opportunities for two-way communications and check-in feedback sessions.

- Make sure to integrate provision of space, work tools, and equipment into the onboarding process.
- Facilitate the building of a new hire's internal networks and relationships with their co-workers.
- Don't delay the start of onboarding until later on in the week or month.
- Prioritize jobs and customize the onboarding process for the jobs with the highest business impact.
- Show examples of how your employees live company values.
- Measure and hold hiring managers accountable for shortening the time to minimum productivity, high new-hire retention rates, and the satisfaction of new hires.
- Develop a process for rapidly sharing best practices and new problems related to onboarding.
- Assess the training needs of new hires and ensure that training is available around their start date.
- Consider forming a new-hire affinity group, so that newbies can share problems, opportunities, and experiences with each other.
- Develop remote orientation by using the intranet, social media, and teleconferencing.
- Provide a glossary of acronyms, buzzwords, and a who's who of key company people.
- Provide a tool that will create an internal social network of employee contacts with similar traits, likes, interests (e.g., employee match.com) with employee picture and profile gallery to make assimilation easier.

FINAL THOUGHTS

As hiring heats up and turnover rates dramatically increase, executives, hiring managers, and HR leaders must realize the tremendous impact that onboarding can have on new hire productivity and retention. The traditional goal of simply having people signed up and enrolled needs to shift towards one of wowing new hires and providing them with the information and the support they need to be productive as soon as possible.

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Used with the permission of Dr. John Sullivan, Professor of Management, San Francisco State University, author, and a thought leader on strategic talent management and human resource practice. His latest book, co-authored with Addie Sullivan, is *Onboarding & Orientation Toolkit: Tools That Get New Employees and Transfers Productive Faster*. For more information, email John@sfu.edu or visit www.drjohnsullivan.com. Originally published on the LinkedIn Talent Blog <https://business.linkedin.com/talent-solutions/blog>

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