

HR TOOLKIT

Onboarding

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Introduction

Onboarding is a trending term in the world of HR, but not everyone knows what it is or how to do it. According to the Society for Human Resource Management, “Onboarding is the process by which new hires get adjusted to the social and performance aspects of their jobs quickly and smoothly, and learn the attitudes, knowledge, skills and behaviors required to function effectively within an organization.”

Onboarding takes training and orientation to the next level. Unlike traditional employee orientation, onboarding is a systematic process that extends well beyond the first day of employment. The goal of the onboarding process is to cultivate a long-term relationship between the employer and the employee while fostering a feeling of belonging and an affirmation of making the right choice.

Every business is different, so there isn’t **one** right way to handle the onboarding process of new hires, but the tips in this toolkit can help you improve your process in a way that works best for your organization. This toolkit is intended to provide tips to enhance the onboarding process—employers still need to comply with all laws and fill out all traditional paperwork. For additional help, contact Sullivan Benefits.

The Importance of Onboarding

A study of 264 new employees, published in the Academy of Management Journal, found that the first 90 days of employment (often called the probationary period) is pivotal to building rapport with the company, management and co-workers. Furthermore, according to a 2007 study by the Wynhurst Group, when employees go through structured onboarding, they are 58 percent more likely to remain with the organization after three years. When you share your company’s goals and values with your employees while simultaneously showing them how to do their jobs, everyone benefits.

The Boston Consulting Group’s study, *From Capability to Profitability*, reveals that after recruiting, onboarding has the second highest business impact of all of the 22 HR practices. In fact, firms that onboard well can expect to nearly double their corporate revenue growth and profit margins, compared to firms with only average onboarding practices.

Why is onboarding so important? The answer is simple—this is your initial chance to instill in the employee why you do what you do and to help them fit into your company culture. It helps develop your brand and can build a positive reputation for your company among talented job seekers.

Go Beyond Training

Pre-board New Hires

Everyone remembers how stressful the first day of the job can be. Help alleviate some of that stress by pre-boarding. This involves sending any information that may be useful to the new hire in advance of Day 1. Sending the following information beforehand can help alleviate stress and save valuable time:

- A welcome letter or email
- Information about the company and the industry
- Any helpful first-day information, including a schedule and information about who his or her manager or mentor will be
- Essential HR and tax forms

Be Realistic About the Job Description

Give the new hire a realistic preview of his or her job and make sure it is as honest as possible from recruitment through onboarding. Although it is more common for candidates to reject job offers from employers who provide realistic job previews, these firms have 50 percent less turnover than employers who aren't so forthcoming in their job descriptions. Making sure the new hire knows his or her role in advance helps ensure that he or she is not hit with any surprises, which can result in the new hire feeling ill-equipped to perform his or her role.

Start on Day 1

It is important that on Day 1, the manager contacts the new hire and makes sure they have an open conversation about the new hire's role in the department and in the company as a whole. This would be a good time to give a tour, introduce him or her to other team members, possibly set the new hire up with a mentor, and really stress the company's atmosphere of communication.

Management Expectations

Early on, it is important for the manager to express the department's goals and how these goals are tracked. This ensures that the employee feels as though he or she is set up for success and that his or her achievements will be recognized when it comes time for performance reviews. It also reinforces the fact that the new hire is part of a bigger team, working toward bigger company goals.

Practice Career Pathing

Your goal, as a company, should be to retain the talented individual you may have spent a significant amount of time and money recruiting. Show him or her that he or she has options by helping the new hire chart a course within the organization for his or her career path and career development. Let the new hire know that he or she has a future with the company. Show them where people in comparable roles have headed and introduce him or her to others who have taken similar paths. Contact Sullivan Benefits for more information regarding career pathing.

Illustrate Impact

According to a recent Gallup survey, only 30 percent of the U.S. workforce feels engaged in their work. The rest are either disengaged, or, even worse, actively disengaged. Disengaged employees show a lack of enthusiasm and are less committed to their workplaces. Actively disengaged employees are more likely to steal from their employers, negatively influence their co-workers, miss workdays and drive customers away—costing the United States an average of \$500 billion each year in lost productivity. The importance of ensuring that the new hire knows the impact of his or her job early on in the process of onboarding cannot be overstated. He or she needs to know that what he or she will be doing matters to the company and that his or her efforts at work will make a difference, so the new hire feels engaged. Illustrate the impact of his or her role in the company by encouraging your employees to own their work and to take pride in what they do.

An employee engagement survey is a great starting place for addressing this issue. Many consulting firms offer such surveys, but you can also create and conduct one on your own. In order for it to be effective, it is important to examine all aspects of employees' jobs, environment and involvement with the organization. This includes their opinions on management, direct supervisors, co-workers, employer-employee communication, opportunities for advancement, job characteristics and HR policies. Consider asking your employees to complete the survey after 90 days of employment, when they have had a chance to form an opinion and you still have a chance to make them feel engaged.

It's important to remember that simply measuring these factors is not enough. Once a survey is conducted, you must analyze the results and tie them to strategic initiatives in order to address any problem areas. Conducting a survey is futile without taking action based on the results. By identifying areas that are hindering employee engagement, your company can focus on improving those areas so it can strive toward a more engaged, productive and profitable workforce.

Make Onboarding Exciting

Benjamin Franklin once said: "Tell me and I forget. Teach me and I remember. Involve me and I learn." While new hires are going through training and orientation, consider incorporating activities that make the process lively and that allow them to feel involved, as opposed to simply sitting and listening. Activities can include games, quizzes and competitions related to the industry, company culture and goals. These activities can be altered to accommodate one new hire at a time or a group of new hires.

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According to research, using engaging and fun activities at the beginning of the onboarding process tends to create positive energy in the workplace that promotes team building and improves productivity. For example, a game such as a scavenger hunt can be used to teach new employees how to understand and process large amounts of information, such as an employee handbook. After discussing the handbook at a high level, see who can find the answers to the most handbook-related questions in a given amount of time. Consider giving a small reward to the winners. It could be something small like a trophy for their desks, or something bigger, like a gift card. Think outside the box.

Other ideas for making onboarding fun include the following:

- Decorate the new hire's desk before his or her first day and prepare a welcome note or card.
- Prepare some company "swag" for them. Whether it is branded clothing or mugs or pens with the company logo, receiving something from the company makes new employees feel like they are already members of the team.
- Consider having the new hire's team take him or her to lunch during the first week, or have lunch catered for the team. This supports a more relaxed environment to allow the new hire to get to know everyone a little better.

In short, show that the company is not just going through an administrative hiring process—the new hire was chosen for a reason, and the company acknowledges the value that he or she will bring to the organization. Make him or her proud to be working for you by showing your appreciation for having a talented new hire.

Take Your Process to the Next Level

Formalize the Onboarding Process

Make sure the onboarding process is formalized. This means that your training or orientation that is part of the onboarding process needs to be formalized as well. This doesn't mean that it has to be boring. It simply means that training can't be ad libbed by the manager at the last minute when the new hire arrives. A formalized onboarding process can go on for days, weeks, months and sometimes years. This is the company's opportunity to show new hires everything about the organization. Introduce the company's structure, its place in the industry and its corporate goals. Introduce them to the corporate management tree and what everyone's roles are. Make sure that when they begin training on their specific roles that the training process is documented. It is also important that workflows for their positions are recorded so they have something to reference once formalized training ends. This will all ease the tensions of starting a new job.

Include Everyone

When deciding who to include in the onboarding process, don't just think about the people who are involved in the new hire's day-to-day operations. Include stakeholders, HR managers, executives and anyone else who may be important in the company as a whole. Have these people introduce themselves along with their roles, and encourage them to extend an open line of communication. Don't be afraid to introduce the new hire to important clients either. Doing so helps the employee by giving a preview of who he or she will be working with on a regular basis and reassures the client that they will continue to be taken care of.

Recruit a Mentor

Assigning a mentor to a new hire can be invaluable to the onboarding process. Sun Microsystems conducted a study that looked at data from more than 1,000 of its employees over a five-year period and found that its mentoring program had positively benefitted everyone involved. According to the study, 25 percent of employees who participated in the test group had a salary grade change, compared to only 5 percent of employees who did not participate. Also, mentors were promoted six times more often and mentees were promoted five times more often than those not in the program. Retention rates were also higher—69 percent for mentors and 72 percent for mentees, with a 49 percent retention rate for employees who did not participate in the program.

A mentor can help the new hire in a variety of ways, including:

- Giving the new hire a better understanding of the workplace from a different point of view
- Acting as a safe source for questions that the new hire might not otherwise feel comfortable asking, thus decreasing errors and increasing productivity
- Reassuring the new hire that he or she is not alone and that he or she has someone other than HR or his or her manager to contact with everyday questions, since the mentor has been in the new hire's shoes before
- Helping the new hire learn the organization's culture more quickly so he or she can be as productive as possible

The mentor and employer can gain from the mentoring experience as well. The chance to advise others can increase a mentor's confidence and overall job satisfaction. Organizations that provide mentoring support show that they care about their employees and that they are invested in them long-term.

Use Technology

Using the right types of technology during a new hire's onboarding process can make the initial first weeks of employment enjoyable and productive while also setting up the employee for success.

Traditional methods of handing a handbook to an employee and asking them to read it, or sending them on a hunt to find something that can be otherwise easily accessed through the company intranet, is not onboarding. Companies should have a system that is organized, intuitive and highly customizable. If the information that new hires may need is well-organized, the employees should simply need to be trained on how to navigate the system so they can find what they need when they need it. Teaching an employee how to find what he or she needs is more productive than teaching the employee excess information and simply hoping that he or she remembers it. It also allows the new hires to learn at their own pace. The right technology is imperative.

Training via live or prerecorded video for those in remote locations instead of paying for travel costs is another option for using technology. Consider utilizing software that can track their progress online. This is especially important to consider when you have Generation Z individuals entering the workforce, as they are accustomed to getting their information via technology.

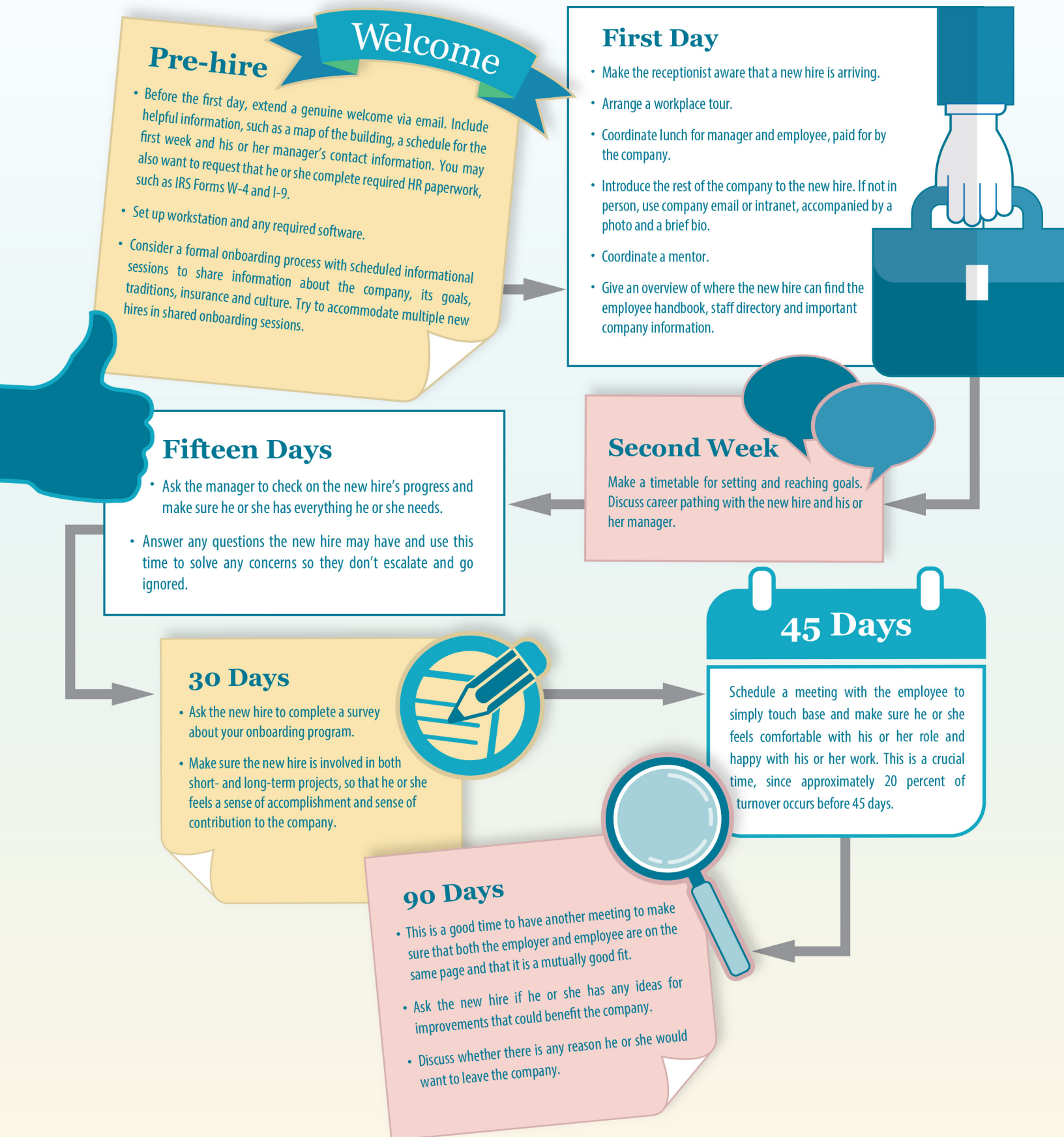
There is also a growing need for companies to start thinking about social networking technology as well. Microblogging and microsharing programs are hidden behind the companies' computer firewalls and are restricted to employees only. Employees can ask or answer questions, exchange information with peers, and quickly give input on projects. Platforms like Yammer and Chatter provide a resource for employees to build meaningful connections within the organization.

Think Outside the Box

Don't be afraid to think outside the box. Remember, onboarding is about integrating the new hire into your company culture and helping him or her transition into a new role. Do what you think is best for your company as a whole. A formalized process that offers a variety of useful information is integral, but trying different things doesn't hurt. This is a process that you can extend for as long as you deem necessary. Some onboarding programs continue for years, while others continue in a limited manner, offering training in various areas in an effort to increase retention.

Evaluate the Process

The First 90 Days: Setting Up New Employees for Success



Use Checklists to Stay on Top

Keeping track of the onboarding process for new hires can be overwhelming for even the most seasoned HR team. Consider utilizing a simple checklist to navigate the onboarding process in a way that is conducive to creating a welcoming atmosphere and a long-term relationship. The checklist on the next page can be used as a starting point for you to customize according to your own needs, whether it is for a hiring manager, manager or mentor.

Onboarding Checklist

BEFORE THE EMPLOYEE'S START DATE

Job Duties and Schedule

- ☐ Contact the employee with useful information that may include any of the following:
 - Confirmation of the start date, time, place, parking, maps and dress code
 - Name of his or her mentor, if applicable
 - Request to complete new-hire paperwork, such as tax forms, direct deposit form and emergency contact information
- ☐ Add regularly scheduled meetings to the employee's calendar.
- ☐ Plan the employee's first assignments.

Social

- ☐ Email the employee's department with relevant information about their new team member, such as his or her start date, role and a brief bio. Copy the new employee, if appropriate.
- ☐ Select and meet with the new hire's mentor, if applicable. Provide suggestions and tips.
- ☐ Set up meetings with critical people for the employee's first few weeks.

Work Environment

- ☐ Clean the work area, and set up his or her cubicle or office space with supplies.
- ☐ Order office or work area keys.
- ☐ Order business cards and a name plate.
- ☐ Arrange for parking, if needed.

Technology

- ☐ Order technology equipment and software.
- ☐ Arrange for access to common shared network drives.
- ☐ Add the employee to relevant email distribution lists.
- ☐ Arrange for phone installation.

Training & Development

- ☐ Arrange pertinent trainings required for the job.

FIRST DAY

Job Duties and Schedule

- ☐ Introduce the employee to the workspace.
- ☐ Review outline of duties and expectations for the first week.
- ☐ Review hours of work. Explain policies and procedures for overtime, use of vacation, sick time and holidays.

Social

- ☐ Be available to greet the employee on the first day.
- ☐ Introduce the employee to others in the workplace and his or her mentor.
- ☐ Take the employee out to lunch. Include the mentor and any relevant team members.

Work Environment

- ☐ Give the employee key(s) or a building access card.
- ☐ Take the employee on a building tour.
- ☐ Explain how to get additional supplies.

Technology

- ☐ Provide information on setting up voicemail and computer.

FIRST WEEK

Job Duties and Schedule

- ☐ Give the employee his or her initial assignment—something small and doable.
- ☐ Briefly check in with employee each day to address any questions or concerns that may arise.
- ☐ Explain the annual performance review and goal-setting process.
- ☐ Review the process related to the probationary period, if applicable.

FIRST THREE MONTHS

Job Duties and Schedule

- ☐ Conduct regularly occurring one-on-one meetings while giving timely, useful feedback.
- ☐ Meet for informal three-month performance check-in.
- ☐ Create written performance goals and professional development goals.

Social

- ☐ Meet with the employee's mentor to review initial stages of mentorship and answer questions.

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Training and Development

- ☐ Ensure the employee has attended all scheduled training and is signed up for any future training sessions that may be needed.
- ☐ Provide information about continued learning opportunities, if applicable.

FIRST SIX MONTHS

Job Duties and Schedule

- ☐ Conduct six-month performance review.
- ☐ Review progress on performance goals and professional development goals.

FIRST YEAR (BETWEEN SIX AND TWELVE MONTHS)

Job Duties and Schedule

- ☐ Celebrate successes and recognition of the employee's contributions.
- ☐ Continue providing regular informal feedback; provide formal feedback during the annual review process.
- ☐ Have a conversation with the employee about his or her experience to date.
- ☐ Discuss potential goals for the next year.

Training and Development

- ☐ Discuss the employee's professional development goals and identify relevant learning opportunities.

Use Surveys for Benchmarking

Part of a successful onboarding process involves listening to employee feedback and using that feedback to make changes as needed. Consider asking each employee to complete a short survey after 90 days of employment—when he or she has finished the onboarding process and has had time to become acclimated to his or her job, yet still remembers specifics about the experience.

Deciding whether to keep the survey responses anonymous is dependent upon what you expect from the survey's results. It is sometimes difficult to make necessary onboarding changes when you don't know the details surrounding anonymous survey responses. However, you are more likely to get honest answers this way. Companies like SurveyMonkey—whose website allows you customize and distribute surveys directly through its servers—are popular choices for employers who choose to keep employee responses anonymous. Another route is to directly email a survey to each employee, expecting complete transparency so that you can more easily adjust your processes.

Some examples of onboarding survey questions include the following:

Hiring Process

- Was the job description clear and understandable?
- Was the HR contact professional and knowledgeable during the hiring process?
- Was the length of time between the submission of your application and the employer's response reasonable?
- Was the length of time between the submission of your application and the job offer reasonable?
- Are you satisfied with the hiring process overall?

Branding

- Before applying for this job, were you familiar with the company?
- Were you sent information before the first day that helped you know what to expect before reporting to work?
- During your onboarding session, were you provided with concise information regarding the following:
 - The company's mission
 - Your role in the department and the company
 - The organizational structure

First Day

- Was your team ready for your arrival?
- Were you welcomed by your manager and introduced to your team?
- Was your workstation or office fully equipped with the necessary hardware and software?
- Was the information you received about employee benefits clear and helpful?

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- Was the information you received about personnel policies clear and helpful?
- Did you know who to contact regarding specific questions after your first day?

First Month

- Were you assigned proper training during your first month?
- Did you know what was expected of you during your first month?
- Did you know where to get the answers to your questions?
- Was the performance management system explained to you?

First 90 Days

- Did you receive ongoing feedback from your supervisor about your performance?
- Is the work you are doing now consistent with what was described in the job posting and during the interview process?
- Are you satisfied with the overall orientation that you received?

General Onboarding Process Questions

- What was your motivation for choosing and accepting this position?
- Do you have any recommendations for improving our recruitment, hiring or onboarding processes?
- Is there any additional feedback that you can share?

Approach with Humility

By having an onboarding process that includes formalized training, mentors, technology and openness with information, you will improve retention. However, your company and its culture won't be a good fit for everyone. Be prepared for individuals who don't make it through the onboarding process and make sure you handle the situation in a beneficial manner for both you and your candidates.

The advanced onboarding approach at many successful firms lets all new hires know from the very beginning that, even though the firm would like its employees to stay throughout their entire careers, it understands that this might not be realistic. And, as a result, if an employee does eventually quit, the company wants to maintain contact in the hopes that the employee might return someday as a "boomerang rehire" (nearly 15 percent actually do return).

To increase the likelihood of a boomerang rehire, some companies offer an "off-boarding" component as part of the exit process. Once again, this reminds employees that if they quit, there are no hard feelings, and they are welcome back at the company should things change down the line.

Final Thoughts

By going beyond the concept of offering traditional, basic, new employee orientation, onboarding can really take your company's processes and culture to the next level. Onboarding improves retention and saves money, while building upon the company's culture and brand. It also helps solidify the concept of why your company does business. Open communication about roles, career paths, impact and personal goals can spread from the initial onboarding process to the employee's entire tenure at the company. The better experience you provide to your new employees equals a better reputation, which yields better candidates in the future—those who actually want to work for you and who seek you out instead of you seeking them. This is not meant as an exhaustive reference, but instead a jumpstart on how you can make onboarding your own and build a solid company culture while increasing productivity.

This guide is intended for onboarding advice only and does not cover compliance or legal obligations that might be specific to your company. For more information on the compliance side of onboarding or any of the business topics within this kit, contact Sullivan Benefits.