



Strategic Onboarding Essentials to Improve Business Performance

Research Summary

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Brandon Hall Research Team

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Demographics - 2018 Onboarding Study

581 Total Responses

 **36** Countries

- **90%** US/Canada
- **7%** EMEA
- **1%** APAC
- **2%** Caribbean/South America

 **32** Industries

Top 5: Healthcare, Education,
Banking/Finance, Government,
Manufacturing

Small, Mid-Size, and
Large Organizations



21%

Less than 500
employees



44%

501-4,999
employees



35%

5,000+
employees

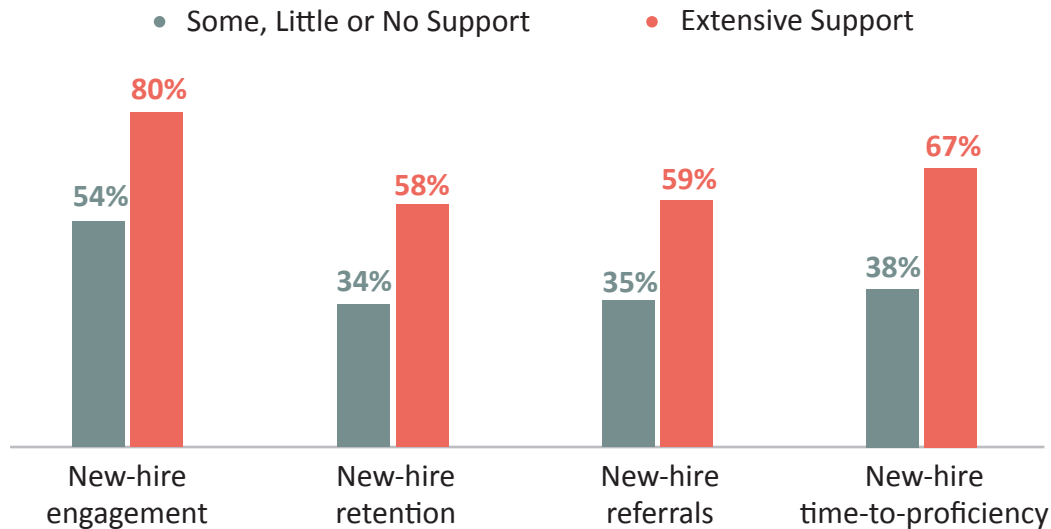
- 42%** HR/Talent/Talent-Acquisition Leader/Professional
- 29%** Learning/Leadership-Development Professional
- 10%** Executive/Senior Leadership
- 9%** Non-HR Professional or Individual Contributor
- 8%** Business-Unit Operations Manager Role
- 2%** Technical/Production Business Role

Overview

Onboarding’s impact on business performance has increased dramatically over the past year, according to the latest Brandon Hall Group research. Part of the “secret sauce” to its business impact is extensive support from executives and C-Suite leaders who collaborate, participate, promote and invest in onboarding practices and technology. Those organizations achieve the highest level of improvement in their talent metrics compared to organizations that only receive some, little or no support from the C-Suite.

Unfortunately, only about one-third of organizations actually receive extensive support from C-Suite leaders. To convince leaders to extensively support onboarding, HR professionals must build a business case and articulate the value of onboarding using key metrics, especially new-hire attrition, new-hire engagement and compliance.

Organizations Seeing Improvement in New Hire Metrics* Based on C-Suite/Executive Support for Onboarding



Source: Brandon Hall Group 2018 Onboarding Survey (n=341 to 393)

*Excludes organizations that do not use a metric

Little to no support: With the exception of completing the necessary documentation, leaders feel almost all training and assimilation should be completed on the job.

Some support: May collaborate and participate in onboarding new hires but does not see full value of onboarding.

Extensive support: Collaborates, participates, promotes and invests in the onboarding practices and technology.

Another significant representation of the growing value of onboarding to organizations is that about 1.5 times as many organizations are now practicing at the highest levels of onboarding maturity compared to a year ago. The percentage of organizations at Level 3 and 4 jumped from 31% in 2017 to 46% in 2018.

This growth has been fueled, in part, by a 53% jump in the adoption of onboarding technology between 2017 and 2018. Organizations at Level 3 and 4 utilize onboarding technology; those at Level 2 and 1 either do not have technology or are planning to implement an onboarding technology solution.

Onboarding Trends 2017 vs. 2018

	2017	2018	Difference
Level 4: Strategic	5%	10%	+100%
Level 3: Formal	26%	36%	+38%
Level 2: Developing	51%	37%	-27%
Level 1: Ad Hoc	18%	18%	No change

Source: Brandon Hall Group 2017 and 2018 Onboarding Surveys (n=2017: 323; 2018: n=2018: 513)

- Level 1**
Onboarding is done on an ad hoc basis. There is a lack of process and technology or tools and there are little or no onboarding resources.
- Level 2**
Organizations are currently developing a formal onboarding process and planning to acquire onboarding technology in near future. Onboarding practices are primarily related to document/task management and equipment provisioning. There is some measurement of onboarding effectiveness.
- Level 3**
The onboarding process is aligned with organizational goals and integrated with talent management strategies. A dedicated onboarding technology solution is used. The organization consistently measures effectiveness of onboarding. Attention is paid to new hire engagement and assimilation.
- Level 4**
Onboarding is fully linked to development/learning. There is a dedicated onboarding technology solution linked with ATS, Learning and other systems. High-potentials are identified. Engagement and assimilation processes are fully implemented. New hires are provided with mentors. Organizations seek continuous improvement of their practices.



This increase in onboarding maturity levels is having a dramatic impact on new-hire metrics. Those at the higher levels of onboarding maturity are from 35% to 103% more likely to see improvement in new hire metrics, such as new hire retention. The 59% increase in new hire referrals is especially compelling since it means that many new hires are becoming champions of the organization and are willing to recommend their employer to their personal connections.

Improvement in New Hire Metrics Based on Onboarding Maturity

	Levels 1&2	Levels 3&4	Increase in Likelihood
New-hire engagement	54%	73%	35%
New-hire retention	30%	54%	80%
Rate of new-hire referrals	34%	54%	59%
Quality hires	35%	54%	54%
Time-to-proficiency	32%	65%	103%

Source: Brandon Hall Group 2018 Onboarding Survey (n=395 to 399)

Though onboarding has made tremendous progress over the past couple of years, there is still a lot of untapped opportunity. Based on our research, we developed six essentials for increasing the impact of onboarding, which we will examine in the remainder of the report.

Essential #1: Leverage Onboarding Technology to Drive Greater Impact

Over the past year, there has been a 53% jump in the percentage of organizations acquiring a dedicated onboarding-technology solution. Overall, another 18% of organizations intend to acquire onboarding technology in the next twelve months, and more than two-thirds of the organizations will have a dedicated onboarding solution in place by the end of next year.

Trends in Use of Dedicated Onboarding Technology 2017 vs. 2018

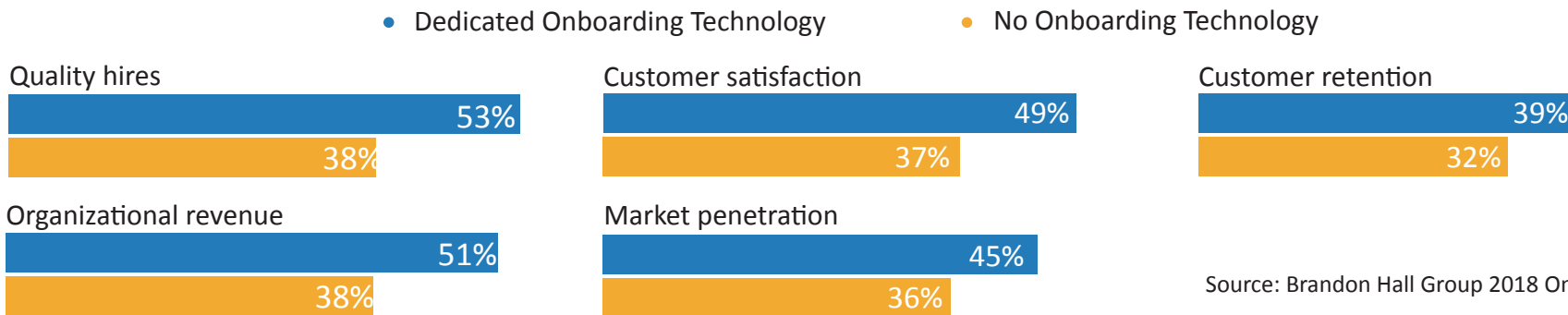


Source: Brandon Hall Group 2017 and 2018 Onboarding Surveys (n=2017: 250; 2018: n=2018: 404)

*High-performance organizations demonstrates a year-over-year increase in Key Performance Indicators such as employee engagement and retention, revenue, productivity, market share, customer satisfaction and retention and quality of hire.

Technology makes onboarding easier and improves its impact. Organizations that leverage technology for onboarding are about one-third more likely to see improvements in key performance metrics such as quality hires, customer satisfaction and organizational revenue than organizations without onboarding technology. Organizations using onboarding technology are better able to train and assimilate new hires, and that impact can be seen in quite a few metrics.

Onboarding Technology Drives Year-Over-Year Improvement in Key Performance Indicators



Source: Brandon Hall Group 2018 Onboarding Survey (n=399 to 406)

Organizations consider reporting, electronic forms, integration with systems, portals and personalization to be the most important functionalities of an onboarding technology solution. Integration is particularly important because more than six in ten organizations want to integrate onboarding with their applicant tracking system (ATS) and learning management system (LMS). The key to effective onboarding is the ability to provide new hires with access to potential development opportunities. Integrating the onboarding with the LMS greatly facilitates this aspect of onboarding.

Top Five Onboarding Functionalities*

71%	Dashboards/Analytics
70%	Electronic forms, signatures
69%	Integration with other systems
69%	Portals (onboarding, pre-boarding)
62%	Personalization (such as by department)

Source: Brandon Hall Group 2018 Onboarding Surveys (n=237)

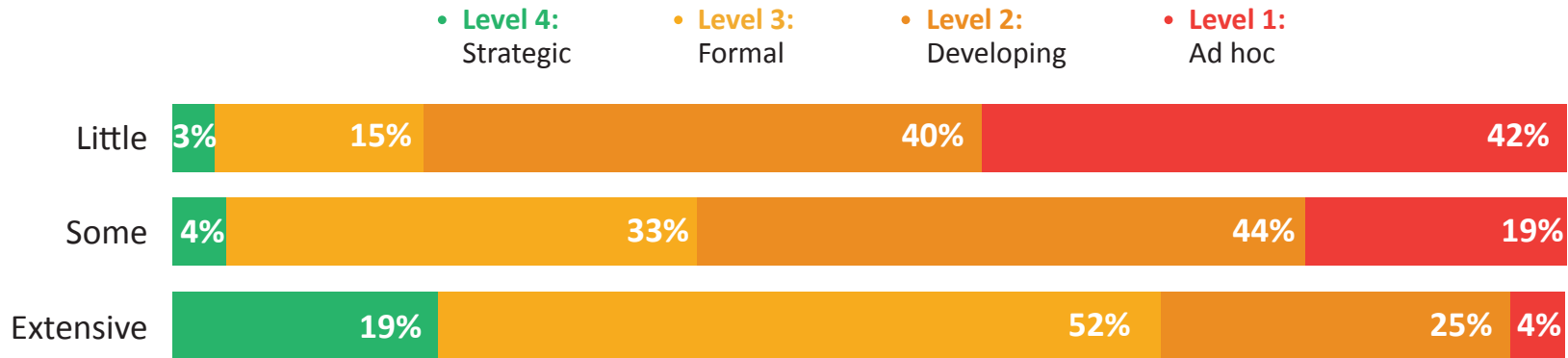
*Among Organizations that Currently Have or Plan to Acquire Onboarding Technology

Essential #2: Make the Business Case for Greater Leadership Support of Onboarding



Organizations with extensive support from leadership and/or the C-Suite generally have higher levels of onboarding maturity than those only receiving little or no support. Unfortunately, about one-third of organizations indicate C-Suite or executive leaders extensively support onboarding. Half provide some support and one-sixth provide little support.

Onboarding Maturity Levels by Extent of C-Suite/Executive Support



Source: Brandon Hall Group 2018 Onboarding Survey (n=138 to 393)

To build support from executives for onboarding, HR professionals must make the business case for a stronger commitment to onboarding, the need for onboarding technology and the value of effective onboarding. Metrics such as the rate of new-hire attrition, the cost of new-hire attrition, time-to-proficiency and compliance requirements are must-haves for building a business case. Other important steps are:

- Identifying a champion to articulate the value of onboarding
- Building an internal team to confirm the need for better onboarding and to evaluate onboarding solutions
- Developing a timeframe for technology selection
- Identifying a list of must-have features
- Identifying important onboarding metrics
- Developing a change-management strategy



Essential #3: Make Assimilation Practices 'Sticky' and Provide New Hires a View of Long-Term Opportunities at Your Organization

Assimilating and engaging new hires during onboarding are among the top practice areas organizations want to improve during onboarding. As was revealed in our 2017 Onboarding research summary, *The Business Benefits of Beyond-the-Basics Onboarding*, organizations with effective assimilation practices are more likely to see improvement in employee engagement and retention levels than their counterparts with ineffective assimilation practices.

Most organizations conduct assimilation activities with short-term outcomes, like welcome letters, as opposed to ongoing assimilation efforts that help support new hires for a longer term, including discussing growth opportunities and introduction to coaches, mentors and employee resource groups.

A larger percentage of organizations that explained growth opportunities to new hires, for example, compared to those that do not, saw improvement in their new-hire metrics:

72% vs. **53%**
New-hire engagement

51% vs. **32%**
New hire retention

50% vs. **37%**
Rate of referrals

60% vs. **35%**
Time-to-proficiency

Explaining growth opportunities is not the only contributor to improvement in new-hire metrics, but it does influence new hires' perceptions about their opportunities within the organization and may strongly motivate the new hire to grow their career within the organization.

To enable new hires to get the most from their careers, it is important to ensure that the entire employment experience is represented during onboarding. For example, if there are employee mobility programs or employee resource groups, it is important to introduce them during onboarding, so the new hire can see the opportunities available to them.

In the near future, a greater percentage of organizations will introduce coaches to new hires, explain growth opportunities, do some social networking, explain diversity and inclusion values and programs, and recognize new hires for their accomplishments. This momentum needs to continue.

New-Hire Engagement and Assimilation Activities

- Currently Use
- Plan to in 12 Months



Source: Brandon Hall Group 2018 Onboarding Survey (n=459)

To ensure that new hires assimilate into the culture, the organization must get feedback from them in a way that provides benchmarks, such as surveys. It's important to get an early assessment of their engagement and assimilation at the 30-day point. This is critical; if a new hire's experience is not what was expected, engagement levels drop dramatically and they are at risk for attrition.

After 30 days, follow up periodically throughout the year. According to our 2017 Evolution of Onboarding Survey, more than half the organizations indicate that most voluntary attrition for new hires occurs during the first six months of employment.

Organizations that gather feedback from their new hires two or more times per year are much more likely than those that get feedback less frequently to see improvement in new-hire engagement levels. Paying attention to new-hire feedback and acting on it is one of the contributors to new hire engagement levels.

Frequency of Gathering New Hire Feedback and Engagement Levels

Five or more times per year



Two to four times per year



Once a year



Ad hoc



Never



Source: Brandon Hall Group 2018 Onboarding Survey (n=438)



Essential #4: Include Learning and Development with Onboarding

Almost all organizations implement a variety of learning and development practices. They primarily use a combination of experiential, informal and formal learning modalities. Goal-setting and coaching or mentoring are used by about half the organizations.

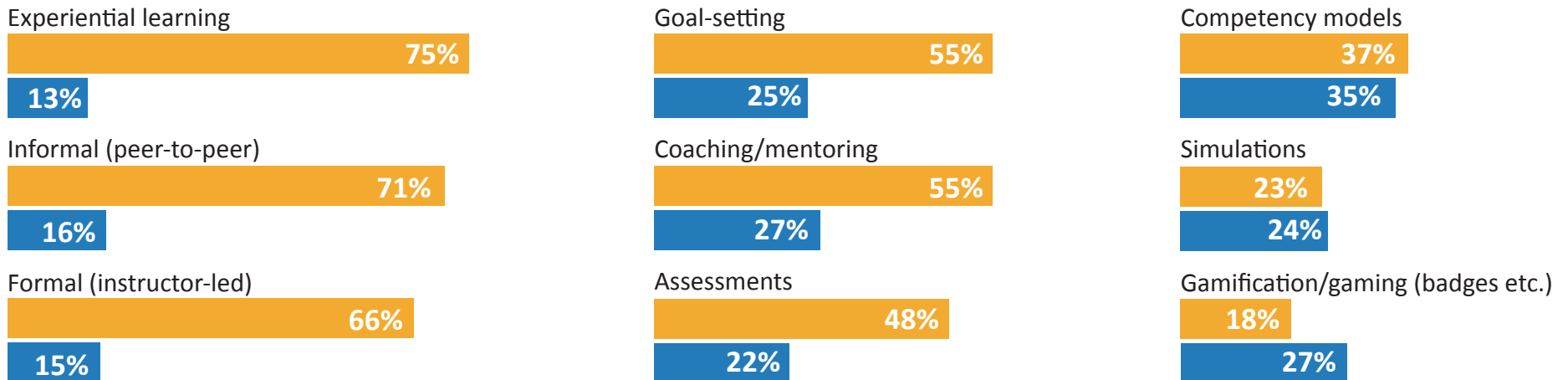
Most organizations use custom content, mostly created in-house. Only a few use off-the-shelf content, MOOCS or no content at all.

In terms of next practices, substantially more intend to use competency models, coaching/mentoring, gamification and goal-setting.

Using competency models enable those managing onboarding to guide new hires in their responsibilities and expectations.

New-Hire Engagement and Assimilation Activities

- Currently Use
- Plan to in 12 Months



Source: Brandon Hall Group 2018 Onboarding Survey (n=459)

Essential #5: Customize Onboarding by Employee Segment



To assimilate and engage new hires, it is important to customize the onboarding experience. There are segments of the employee population that may not be highly engaged, and their lack of engagement begins during onboarding.

For instance, remote employees working at home or in the field are the least engaged of all employee segments. In Brandon Hall Group’s 2018 Employee Engagement Practices Survey, few organizations indicated they have highly engaged remote workers. For these employees to feel connected to the rest of the organization, they should have in-person meetings with their supervisors/managers and co-workers, and have the ability to communicate with their team and other new hires in the onboarding solution.

Organizations Customizing Some Aspects of Onboarding by Employee Segment (Among Organizations Onboarding that Segment)



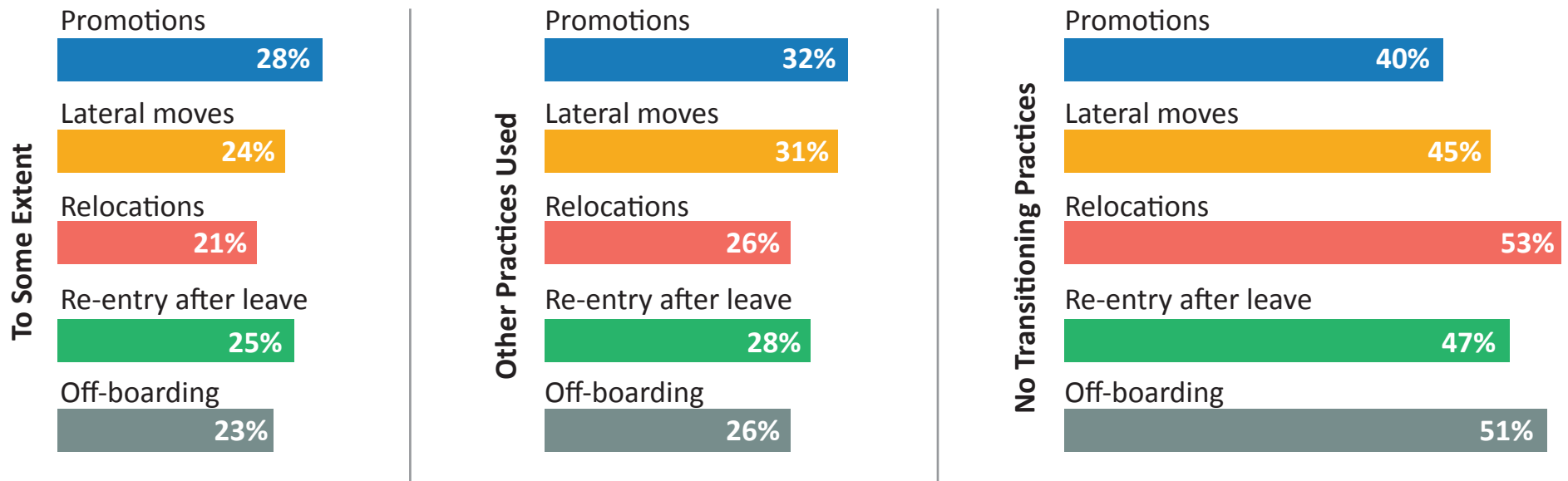
Source: Brandon Hall Group 2018 Onboarding Survey (n=429)

Essential #6: Extend Onboarding for Transitioning Employees

Employee engagement and support are important throughout the talent lifecycle. Organizations must facilitate transitions, for example, so they are efficient and successful. Onboarding technology can support this by helping with document management, workflows, training and assimilation.

Overall, about one quarter of organizations use onboarding technology to support transitions. Among high-performance organizations, that percentage jumps to two-fifths for promotions and lateral moves, and is slightly over one-third for the remaining transitions. High-performance organizations understand that to keep productivity and engagement levels high, it is necessary to ensure successful employee transitions.

Extent Onboarding is Used to Support Transitioning Employees



Source: Brandon Hall Group 2018 Onboarding Survey (n=419)

Conclusions

Organizations must improve onboarding maturity levels by formalizing assimilation and training practices, leveraging onboarding technology and linking onboarding to the LMS so new hires can easily pursue development opportunities. Organizations at mature onboarding levels (3 and 4) see greater impact in new-hire metrics, including engagement and retention.

If your organization's leadership is not significantly supporting onboarding, build a business case to show its impact on talent and business metrics. Identify a champion to articulate the connection between onboarding and improved organizational performance.

Concentrate on “sticky” assimilation and engagement activities that show new hires their paths to the future, especially growth opportunities. Get early feedback from them about their experiences starting at the 30-day point.

Customize onboarding for employee segments like remote hires so they can build strong connections with the organizations, regardless of their location.

Derive greater value from onboarding by using it to support employee transitions, like relocations. Many of the features needed to support employee transitions, such as form completion, are already available in onboarding solutions.

Use multiple modalities and approaches to foster learning during onboarding. New hires must be able to recall and apply their learning to their job and be motivated to attain their goals.

The use of competencies during onboarding is often overlooked. They can help the organization guide new hires' expectations of their roles and responsibilities.

Brandon Hall Group Research Methodology



About Brandon Hall Group

Brandon Hall Group is a HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management.

With more than 10,000 clients globally and 25 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

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