Bank Rakyat Indonesia's New Hire Program Reduces Turnover Over Time

Bank Rakyat Indonesia (BRI)

Best New Hire Onboarding Program

January 2023

Brandon Hall Group
HCM Excellence Award
TALENT ACQUISITION
GOLD 2022

Company Background

BRI

Company-at-a-Glance	
Headquarters	Indonesia
Year Founded	1895
Revenue	$5.1 billion to $10 billion
Employees	100,000 - 250,000
Global Scale (Regions that you operate in or provide services to)	Highly distributed with multiple locations across the globe
Customers/Output, etc. (Key customers and services offered)	Banking
Industry	Indonesia
Stock Symbol	BBRI
Website	https://bri.co.id/

Budget and Timeframe

Budget and Timeframe	
Overall budget	IDR 57,185 billion or $3,9 million (Employee Recruitment and Training costs)
Number of (HR, Learning, Talent) employees involved with the implementation?	47
Number of Operations or Subject Matter Expert employees involved with the implementation?	60
Number of contractors involved with implementation	None
Timeframe to implement	January – December 2021
Start date of the program	January 2019

Business Conditions and Business Needs

Picture 1. Vision and Mission BRI 2021 - 2025

Despite the Covid-19 second wave in mid-2021, the economy of Indonesia continues to recover. Domestic demand is improving, supported by consumption and investment, while the surge in commodity prices accelerates export performance. The gradual relaxation of mobility restrictions gives more traction to the business activity, as the banking industry returns to a positive trend. Consistent with the economic recovery, BRI has reinvigorated its resiliency and recorded a solid full-year performance for 2021. Throughout 2021, BRI continues its value incrementing through several corporate actions, namely the consolidation of Bank Syariah Indonesia, the BRI Life and FWD partnership, and the recent establishment of Ultra Micro Holding. The holding establishment is the first step towards creating an integrated journey to unleash the ultra-micro ecosystems' huge potential, serving as the new sources of growth to fuel our formidable micro-business engine. To answer future challenges, including serving the ultra-micro segment's unique characteristics. BRI continues to accelerate its digital transformation through digitizing business processes, building digital ecosystems, and creating new digital propositions.

In addition, BRI also introduced the role of digital advisors to assist customers along the continuum of their digital journey. Albeit the uncertainties from the global condition and the emergence of the Omicron variant, we are stepping forward and welcoming 2022 as a year of optimism. We believe the continuation of Indonesia's economic recovery in 2022 will be mainly driven by MSME business, and BRI Group will play a significant role in supporting them. The role of KUR (**Productive Micro Loan**) as the government's program to support the MSME will continue.

The Transformation process and covid-19 pandemic have a considerable impact, especially on the implementation of the **Onboarding Program** at BRI Human Capital that originally took place face-to-face and must be stopped because of the Pandemic. This is a challenge that must be responded

to immediately by BRI Human Capital, and in addition, the challenge to the rapid competition in the market.

In the banking sector, there are 5 main challenges that must be addressed, namely:

1. Banking Leaders of the Future

2. VUCA (Volatility, Uncertainty, Complexity, Ambiguity)

3. Digital Phenomenon

4. Industrial Revolution 4.0

5. The Future of Bank

Picture 2. Onboarding Program Challenge

When covid-19 happened, BRI encountered challenges in reaching out to customers and conducting business processes to provide services to customers. With the help of developing technology, sales teams are being assisted to carry out their duties more accessible. In the following section, we will elaborate on how BRI Human Capital has accustomed its Onboarding Process to encourage BRI teams in utilizing technology in their day-to-day activities.

Overview

When COVID-19 started to spread in Indonesia, the banking industry in Indonesia started its journey to transform its services and create alternative solutions to anticipate the impact of the pandemic. Fortunately, in BRI, the transformation for digital and company culture started earlier in 2017 with BRIvolution 1.0. The journey of BRIvolution 1.0 is targeted to start in 2018 and ends in 2022, however with the pandemic that happened in 2020, BRI initiated the second phase of the transformation, called BRIvolution 2.0 to adapt to the changing business nature.

When BRI started the journey for BRIvolution 1.0, the plan was to divide the stages into 3 parts:

1. First Stage in 2017-2018   : Strengthen Foundation and Defend Core Business

2. Second Stage in 2019-2021 : Achieve Top Tier in Indonesia Across Segments

3. Third Stage in 2022   : Sustain Top Tier Position to achieve The Most Valuable Bank in Southeast Asia

When the pandemic started to spread quickly in 2020, BRI felt the need to initiate BRIvolution 2.0 to accelerate the improvement of the business as well as the vision and mission of BRI. BRIvolution 2.0 proves to be rewarding for BRI, as, in 2020, the company has survived along with good business performance and profit at the end of 2020. This further proves that the company has already benefited from the transformation process.

The impact of the pandemic in 2020 brings considerable adjustment to how the company is doing its business and operations. With the government's call for social restriction, it affects banking operating hours, as well as less interaction offline, which disrupts the company's ways of working. Nevertheless, this turns out to be a great opportunity for BRI to accelerate its transformation by utilizing technology in digitalizing each business unit, including learning transformation.
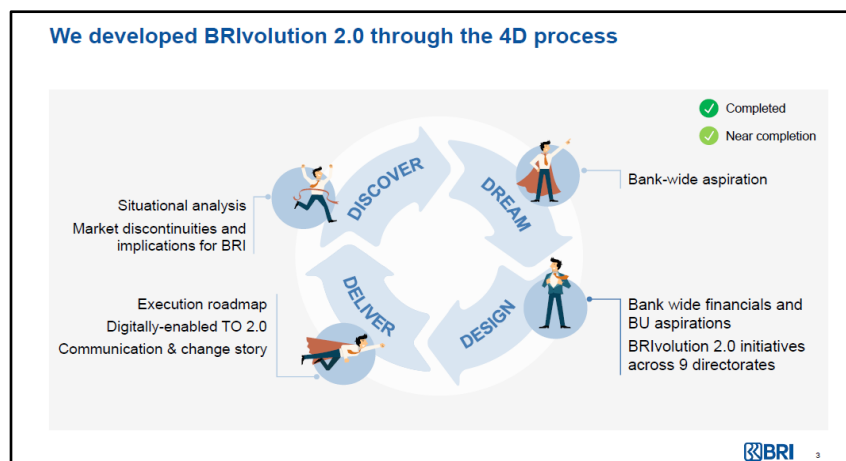
Picture 3. BRIvolution 2.0 4D Process

Based on the BRIvolution 1.0 and 2.0, the Human Capital Division of BRI formulated the HC Framework as follows:

To understand BRI's desire to become the Most Valuable Banking Group in Southeast Asia and Champion of Financial Inclusion, BRI has created a Human Capital (HC) management strategy to build Human Capital as a Strategic Business Partner, as well as embody BRI to become Home to the Best Talent. To achieve this, BRI has implemented various initiatives in 2021 as part of the role of setting up HC as a Strategic Business Partner, and in 2022 HC management will focus on developing future competency demand. The focal point of the HC strategy is aligned with the initiatives with BRIvolution 2.0. The framework of HC is depicted in the following figure:
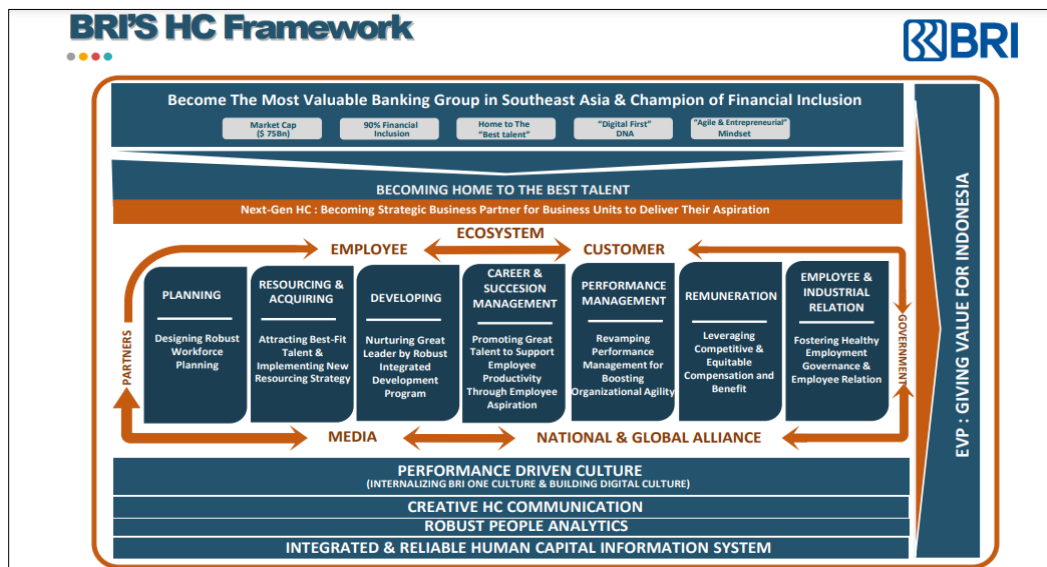
Picture 4. HC Framework

In Human Capital Development Strategy as below picture, it is stated starting from

1. Talent Attraction
2. Talent Identification
3. Talent Development
4. Talent Assessment
5. Talent Selection

For Onboarding Strategy, the transformation that has been conducted is a digital transformation that has been tailored to the needs of the business units, by creating an Onboarding Process with the new method. Following is the Strategy Human Capital Development & Onboarding Strategy in Human Capital Development.
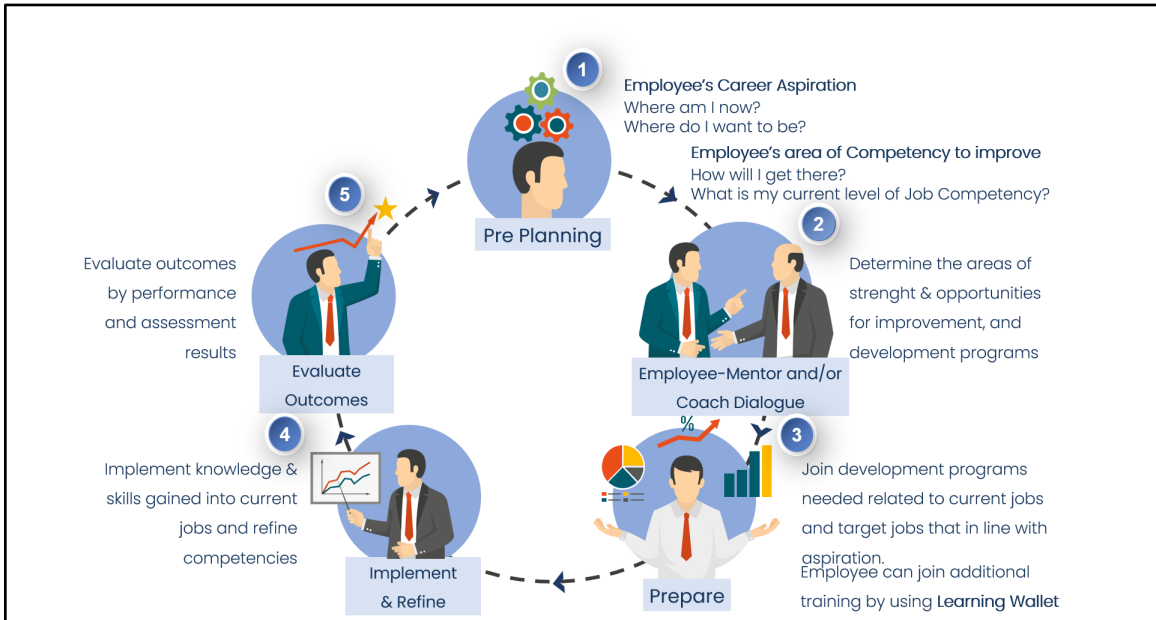
Picture 5. Strategy Human Capital Development

For the onboarding program, Human Capital Development implemented a strategy with the following details:
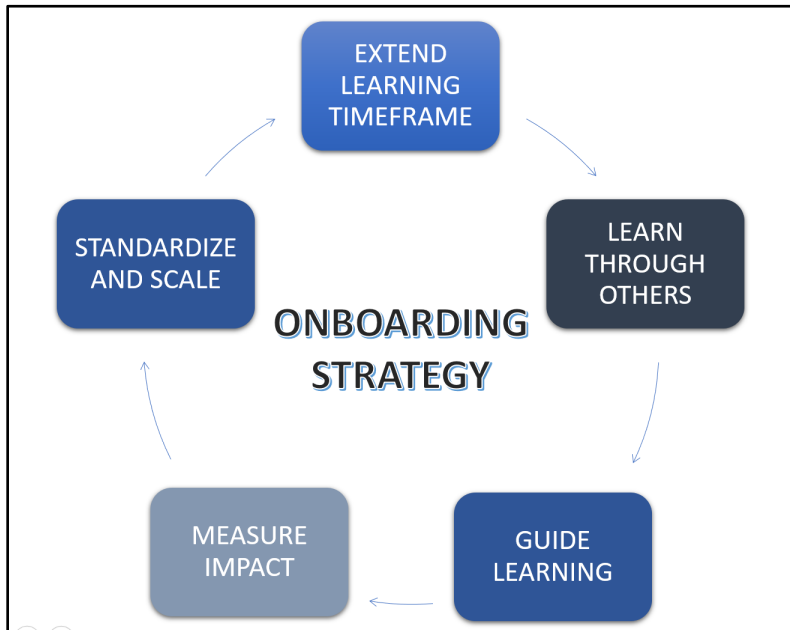
Picture 6. Onboarding Strategy

## Design and Delivery

Picture 7. Onboarding Journey

In conducting the design and delivery of Onboarding for BRI, an analysis and evaluation through previous experience has been carried out. The biggest challenge lies in **how the business is able to regenerate future leaders**. Thus, the onboarding design process is created:

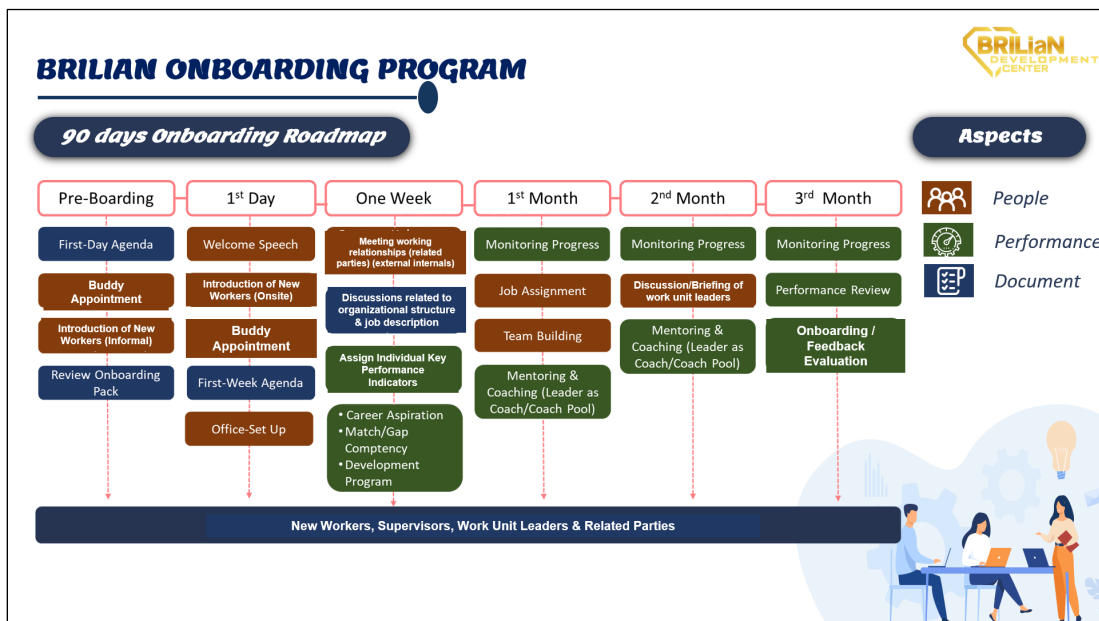**Picture 8.** BRILiaN Onboarding Program

Through the onboarding process, there are several roles involved, namely employee, team leader, and chief unit officer. The following relationship portrays the connection between each role in the onboarding cycle:
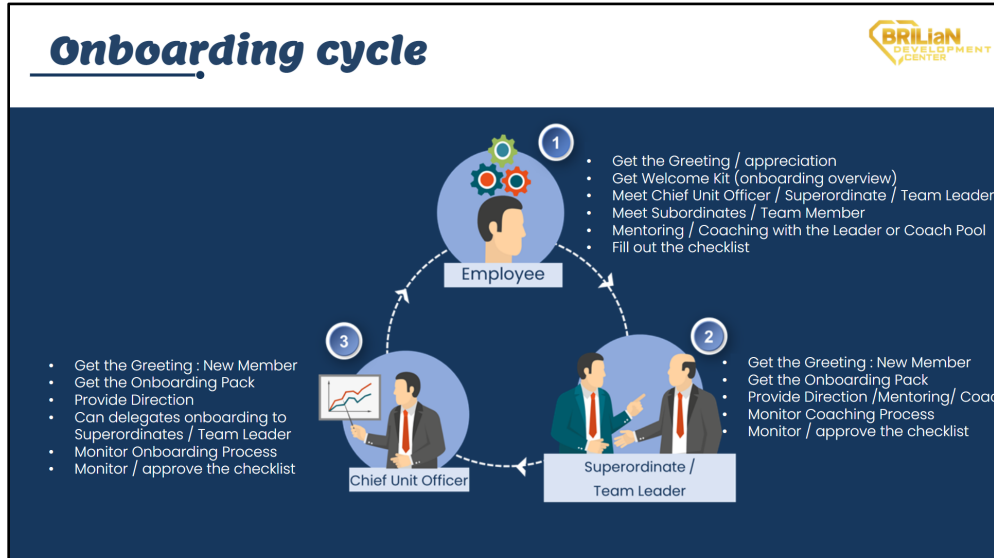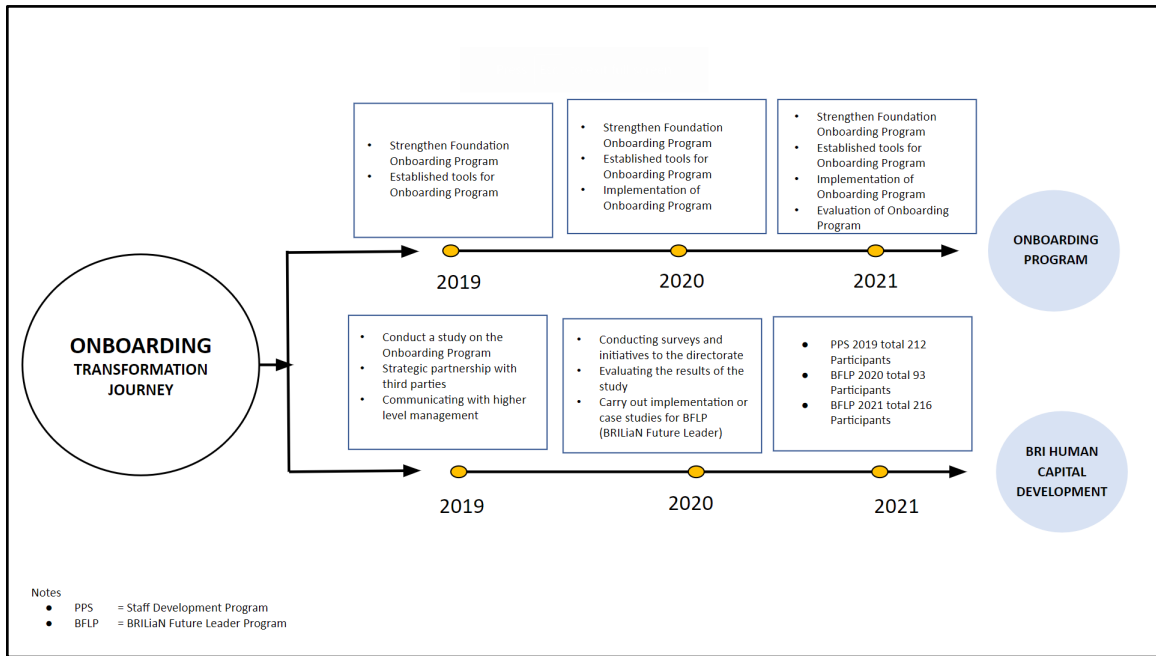

Picture 9. Onboarding Cycle

The purpose of the onboarding program is to help employees in carrying out new roles, whether in a higher position or a role that's equivalent to their previous roles and responsibilities. This is done so employees are able to adapt quickly to the new environment, carry out their new roles with different tasks and responsibilities, able to achieve performance targets set by the company, as well as gain new experience and understanding of non-technical knowledge outside of their roles. BRILiaN Onboarding program is conducted offline and online (hybrid).

Picture 10. Roadmap BRILiaN Onboarding Program

**Picture 11.** Onboarding Transformation Journey

Engagement

The major challenges faced during the design and development of the program are:

- Creating a solution while maintaining local flavor and being contextual to the new hire. Each city has its own statutory requirements and expectations of employees differ from city to city and across employee levels. As a result, it was a challenge to develop a solution that would cater to each segment across the globe.
- Ensuring the new hires imbibe the organization's culture, especially during the remote working scenario. In a physical world, new hires pick up cues from colleagues around the culture. In the remote workplace, the onboarding program had to design these culture markers.

The first challenge was taken care of by the approach of Design Thinking and journey mapping done for various employee persona. Based on that, differ from city to city and incorporate any customizations needed. The technology platform is the same, but the User Interface and workflow differed to suit local needs. To overcome the second challenge, an immersive experience was created for an extended period. As explained earlier, the creation of communities and introduction of buddy programs like **ROOKIE BUDDY**, meeting with HR and Managers, and Unit induction to understand the Business and Functional strategy engaged the new hires better. New Joiners are constantly encouraged to take up gig work assignments, and new learnings to keep them engaged with a higher purpose.

Measurable Benefits

Based on the analysis result from the BFLP program, the retention score is seen to be high in the beginning and decreasing over time. This shows that there needs to be a significant improvement **in the onboarding process.** After the improvement is done, then improvement in effectiveness and efficiency can be measured.
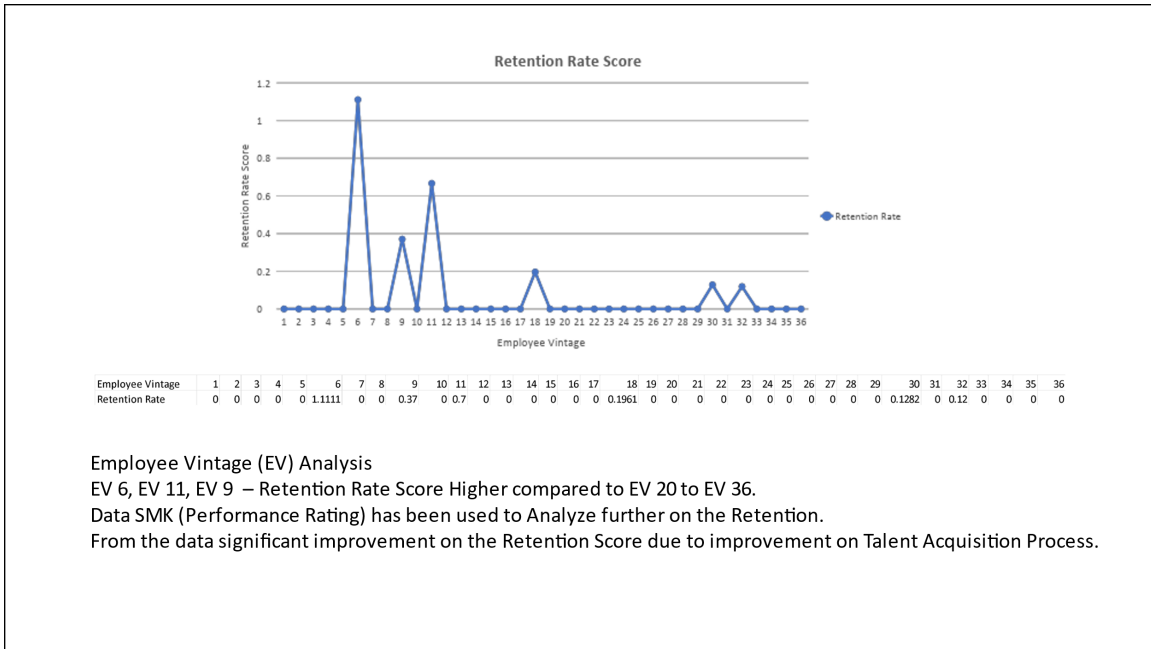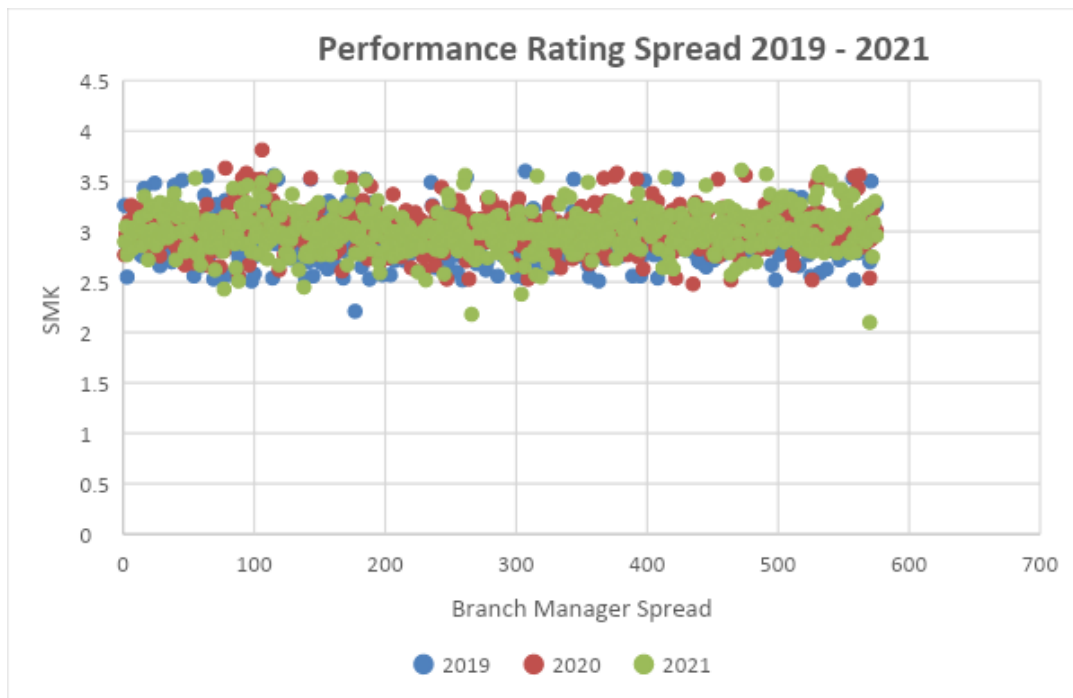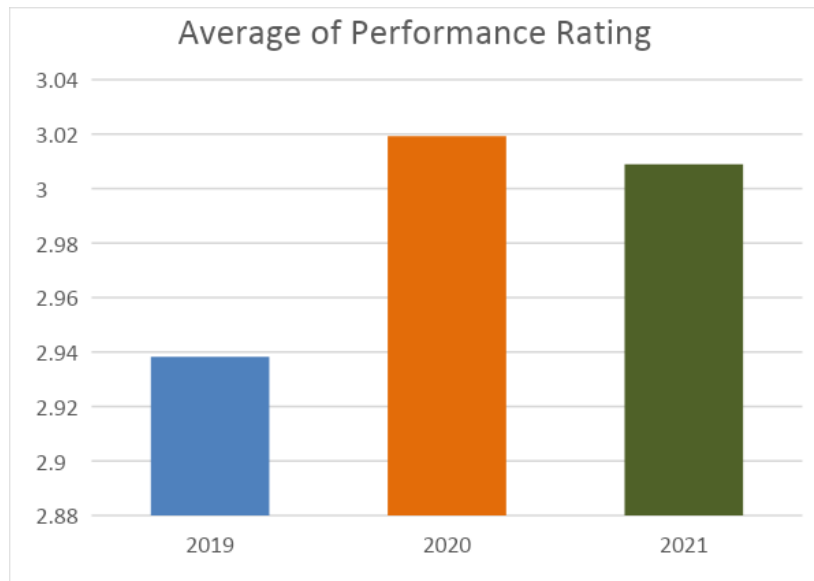

Picture 12. Retention Score BFLP
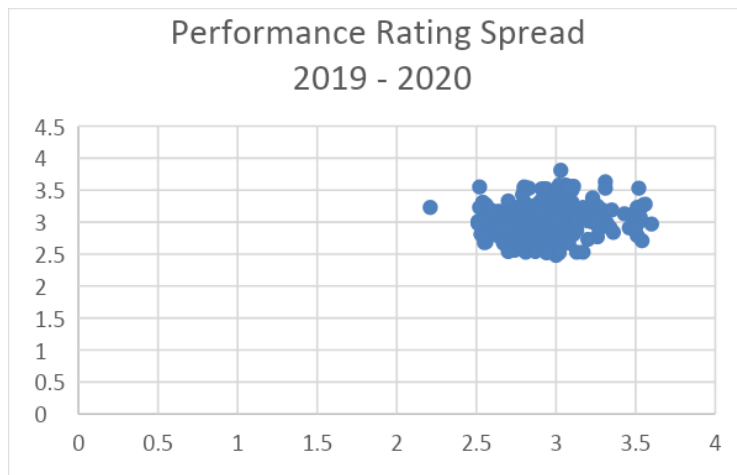
Picture 16. Performance Rating Spread 2019 - 2020
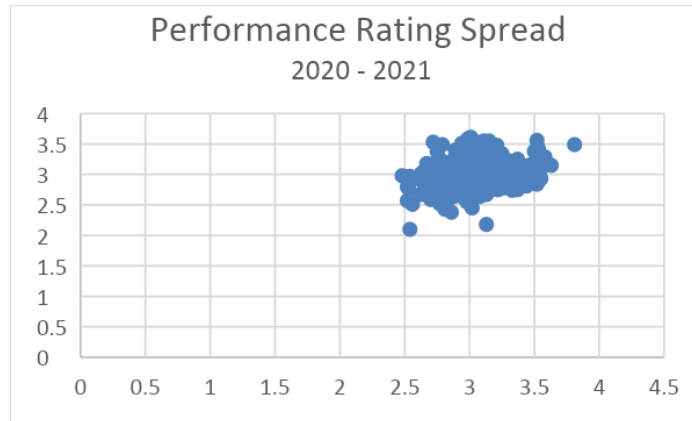
Picture 17. Performance Rating Spread 2020 – 2021

Picture 18. Performance Rating Spread 2019 - 2021

Picture 19. Performance Rating Spread

Analysis Results:

1. Performance rating distribution is effective and efficient. This implies that the transformation of BRIvolution 1.0 and 2.0 has been running well.

2. Some outliers have scores beyond average. Follow-up action will be carried out by the Human Capital Team for evaluation and monitoring.

3. Average score of performance rating is between 2.9 - 3.00. In this case that it can be implied that:

   a. The output generated by the employees has met the company target.

   b. Employees have a clear understanding of the expected quality required by the company.

   c. Employees receive continuous feedback related to their performance relative to the expected quality.

   d. Compensation & benefit increases based on employee performance.

   e. Development opportunities for employees are being recognized.

	PPS 2019	BFLP 2020	BFLP 2021
Number Of Active Participants	207	92	214
Number Of Non-Active Participants	3	1	2
Unknown	2	0	0
Total	212	93	216
Retention Score	2.36%	1.08%	0.93%

Notes
- PPS   = Staff Development Program
- BFLP   = BRILiaN Future Leader Program

Picture 13. Participant of Talent Acquisition Program

	PPS 2019	BFLP 2020	BFLP 2021
BFLP IT	123	25	87
BFLP GENERAL	89	68	129
TOTAL	212	93	216

Notes
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- BFLP   = BRILiaN Future Leader Program

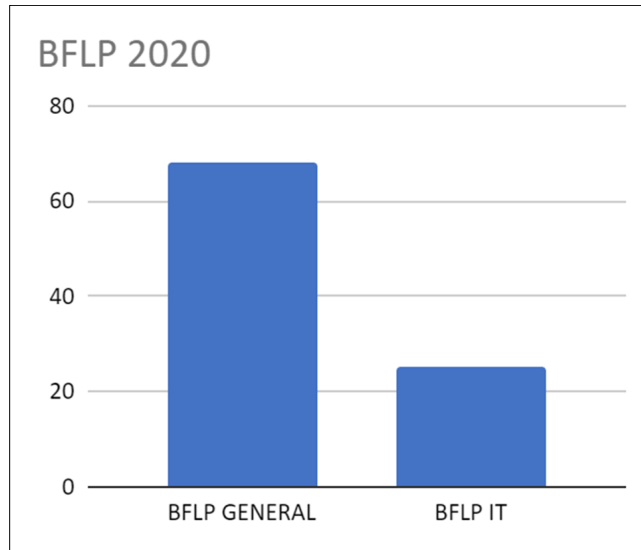**Picture 14.** Participant Active in Talent Acquisition Program IT and General
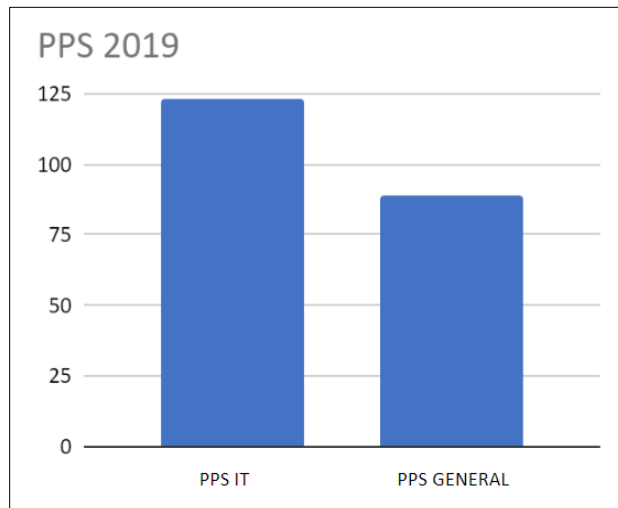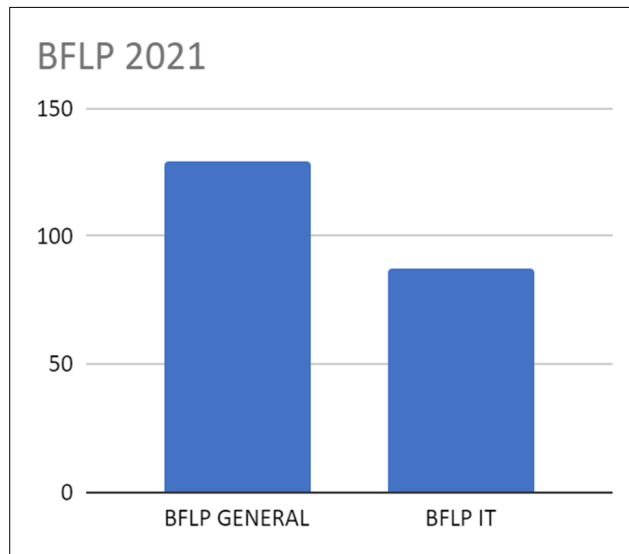

Picture 15. Diagram of Participant Staff Development Program 2019

Picture 16. Diagram of Participant BRILiaN Future Leader Program 2020

Picture 17. Diagram of Participant BRILiaN Future Leader Program 2021

Overall

With a large number of employees (>100.000 talents), an onboarding program that is robust with high quality would be hard to achieve. The Human Capital Development is doing continuous improvement and training for BRI Human Capital Team in head office as well as regional offices. There are 2 methods that will be enhanced in the future to run onboarding smoothly with good quality:

1. For the senior level, a centralization method is used for new talents. The method is differentiated between fresh graduates and those who already have previous job experience. The Human Capital Development Team will invite management and senior levels for Senior Level Onboarding.
2. Utilizing the decentralization method by giving empowerment for regional offices and branches to do training onboarding directly for new talents with junior and middle levels.
3. Conduct continuous training for onboarding trainers to maintain the quality of the training process for new talents.
4. Coaching and Mentoring process for Middle Management. The New Process of Onboarding that has been implemented and will be improved in the future is using coaching and mentoring.

What's Next?

1. **Creating a professional BRI employee** to master their competency and delivery performance well. This is because improving internal BRI Talents is the first step in improving onboarding processes.
2. **Making workers proud of their work** will contribute to retention. Companies that value skill will make employees proud of their work. To help workers become proud of their work, companies can drive this through the career path, providing insights that can be an added value to expose. In addition, remuneration, compensation & benefit, as well as learning opportunities can also be explored.
3. **Attract New Potential Talent from outsiders.** BRI Human Capital would like to have to increase their internal Talent Acquisition process to get the new potential talent from outside to have their own marketing from mouth to mouth. BRI will be able to achieve its own Vision as home to the Best Talent.
4. **Capability coach and mentor.** BRI Human Capital would like to have to increase their talent skills to get the potential talent by training and preparing workers for their new roles.
5. **Easy to communicate and share knowledge**. To get potential talent, BRI Human Capital wants to make communication & share knowledge easy to prepare workers for their new roles.

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