Enhancing the Onboarding Experience
Abstract

Onboarding is increasingly becoming a significant part of the employee lifecycle as more and more organizations acknowledge its benefits. HOW new hires are integrated into the organization and role have become equally important as WHO is being hired. This primary interaction of new employees with the organization is critical; it creates a first impression regarding the employer, the organizational values and goals, and the brand itself. A well-defined, planned and smoothly executed onboarding process can enhance the employees’ experience, improve their productivity and instill higher engagement levels. A shift from manual to automated onboarding results in greater process efficiency and reduced costs for organizations, while creating a sophisticated and organized experience for the new hires.
Enhancing the Onboarding experience

The current industry scenario witnesses a huge gap between the skills available and roles on offer. Disruptive technology, evolving market trends and stagnant skill development systems have resulted in widening this gap over the years. Organizations are therefore facing a talent crunch, making each employee more valuable.

Today, organizations seek employees who can be productive right on day one. To facilitate this, the time and effort spent in recruiting the right people should ideally culminate in a streamlined onboarding process. When a formal onboarding process is adopted, 77% new hires achieve their first performance milestone on time, as compared to 49%, when there is no formal onboarding process1.

In addition to welcoming new employees to the organization, an effective onboarding process makes them aware about its culture, team, and the goals. Armed with this knowledge, the new recruits can align their actions accordingly, for faster assimilation in the organization, and thereby higher productivity.

Every year, about 25% employees change their roles or career path. This makes onboarding even more critical as it determines the employee’s success in a new role.

Typically, new employees get an incubation period of three months to prove themselves on the job. During this period, there are various aspects that new employees must get accustomed to, which are specific to the role and in general to the organization. The faster employees feel welcome in their new roles, the higher are the chances of their success in the organization.

Why Onboarding is Critical for Organizations

Studies have revealed that 86% respondents feel a new hire’s decision to stay in an organization is determined in the first six months. When new hires are thrown in the deep end right on day one, there are increased chances of them quitting the organization within the first three to six months.

Therefore, the experience provided to new hires during this period – including the handholding, feedback and guidance – are critical in determining their tenure and productivity in the organization. Organizations with a standardized onboarding process have observed 50% greater new hire retention and 54% greater new hire productivity.

If a new hire leaves, the cost of replacement is high. It is observed to be 30-50% for entry-level employees, and around 150-400% for mid-level to senior employees. In addition to monetary losses, every exit results in lower morale and decreased productivity across the organization.
These numbers indicate that a well-organized, foolproof onboarding system should be in place to introduce employees to the organization and its culture. From the perspective of a new employee, a non-existent or poorly executed onboarding process can be tedious and chaotic. A well-defined onboarding process speaks volumes about the organization, its culture and ethos, and the brand itself. Therefore, a thorough onboarding process is imperative for the success of organizations.

Smart Onboarding: The Need of the Hour

Most organizations that do not employ a formal onboarding process cite lack of time and resources as primary reasons. Transactional activities involved in onboarding take up the major part of the HR personnel’s time, which can otherwise be used for strategic functions. Conducting the onboarding process erratically, only when time or resources permit, results in inconsistent and ineffective onboarding. It reflects poorly on the organizational processes and can make the new employee feel unwelcome.

A smart onboarding process can address these challenges and benefit organizations, irrespective of their size. It leverages people, processes, and technology to reduce the paperwork, person dependency and costs. Moreover, it delivers a consistent experience across multiple locations, ensuring a standardized process.

For example, if the onboarding process is automated, it can continue uninterrupted even in the absence of the person responsible for it. A technology-based solution guarantees the seamless functioning of the various activities involved in the process.

Based on the role and function of the new employees, individual stakeholders in the organization are notified about the joining at various stages; this allows them to preempt and make the necessary arrangements for the new hires.

Essentials such as email ID, personal desktop, ID card, etc. are ready in advance, making it easier for new employees to settle into the organization. New hires can complete a great part of the paperwork even before the actual day of joining, thereby facilitating organizations to make employees productive from day one.

Therefore, a smart onboarding process benefits both organizations and new hires by enhancing the overall experience.

The Three Rs for Effective Onboarding
The key components of a successful onboarding process include a healthy mix of Right Processes, Right People and Right Technology.

An efficient onboarding system adeptly weaves together these aspects to provide organizations with a comprehensive solution that enhances the experience for new employees as well as the HR team.

**Right Processes**

The entire onboarding process is categorized into activities before joining, on the day of joining and post joining.

**Pre Joining**

The pre joining module of the onboarding system defines the activities to be performed by various stakeholders before the candidate joins. In addition to the basic essentials such as workstation allocation and preparation of ID cards, it covers welcome mailers, online forms that can be completed by candidates before joining, and triggers for relevant functions/departments about the new candidate.

**Day of Joining**

On the day of joining, the employee documents are validated, and the joining is confirmed in the system. This enables the employee record creation on the system and automatically sends a trigger to relevant functions for further activities to be completed for a new employee. The employee receives an “Employee Code” on the day of joining. At the end of day one, feedback is collected from the new employee regarding the level of engagement, effectiveness of the onboarding process, etc.

**Post Joining**

Feedback is obtained from the new employees at multiple stages within the first three months of joining. For example, feedback on day 25 regarding the role, training received, etc.

**Right People**

The onboarding team should comprise experts who handle the process end-to-end. For organizations operating across several centers, the process can be facilitated at multiple locations, by assigning dedicated points of contact at different centers to coordinate the activities. The focus is on the experience provided to the new employee, and in the process, the experience of the respective HR Manager and reporting managers, rather than merely in the documentation or paperwork.

At PeopleStrong, we adhere to strict Service Level Agreements (SLAs), whereby each onboarding team is assigned a target to complete the onboarding process for a particular number of individuals.
**Right Technology**

As compared to manual onboarding, automation benefits the organization as well as the new employees at all stages. Automation prevents oversight of certain procedures, ensures that processes are not repeated, and saves time and cost. A centralized documentation system allows onboarding to be initiated in multiple locations simultaneously. It also provides an option for the process to be initiated even before the actual day of joining.

The PeopleStrong Alt technology provides an automated solution for conducting the onboarding process. The automation tool features inbuilt checklists for candidates and HR. The checklist for candidates helps them view the onboarding programs in advance and know the documents required on the day of joining. The URL for joining forms can be shared with the candidate before the actual day of joining. This not only ensures hassle-free joining for the new hire but also saves time, thereby encouraging productivity on day one.

The checklist for HR guarantees that processes are not missed, and helps in file management. The system reduces the risk and cost of last-minute reservations by notifying the relevant functions in advance. Email alerts and notifications are sent to various stakeholders in multiple functions at different stages of onboarding, to complete the pending tasks related to the new employee.

**Conclusion**

A strategic onboarding process focuses on the bigger picture instead of the routine administrative aspects of onboarding. It takes into consideration the participation of multiple stakeholders and strives to achieve numerous goals for the new employee and the organization.

In addition to reducing the time, effort and resources for organizations, a robust onboarding system conveys the right first impression about the brand, culture and values to new employees. A formal onboarding program reduces employee turnover, improves productivity, and increases the communication between new hires and managers, thereby contributing to an enhanced return on investment. An integrated, organized system helps in the quick assimilation of the new employees to the organization’s culture and accelerates their progress towards achieving 100% performance.
Case Study: Success of Onboarding Automation for an Auto & Farm Equipment Giant

PeopleStrong’s client, a leader in the automobile and farm equipment sector, has multiple operations across 100 locations in the world. Its businesses include aerospace, automotive components, logistics, real estate, farm equipment, etc.

For its 150 locations across India, the client wanted a standardized approach for onboarding. They were looking to enhance employee experience, achieve cost-benefit, and focus on strategic activities instead of transactional. The system they had adopted for onboarding was manual, and it resulted in oversight of several critical activities. Moreover, the overall experience of onboarding was unsatisfactory for all the stakeholders involved.

Solution

In 2013, after an analysis of the existing onboarding practices, we suggested a strategic system, which involved a transition from manual to automated onboarding. This offered process standardization, centralized documentation and simultaneous onboarding across locations. Representatives were also allocated to the major client locations to manage the functions on ground.

Result

The implementation of strategic onboarding enhanced the new employee experience while significantly reducing the time and cost expended by the organization. It reduced the person dependence and the paperwork involved. Currently, across 18 locations, 150-200 employees are onboarded per month. At five major locations, PeopleStrong representatives are present physically to handle the entire process.

Since most of the processes are automated, a large part of the documentation, which new employees would otherwise complete on the day of joining, was shifted prior to day zero. This saves time for the new employees and the HR personnel on the actual day of joining, and also helps the new employees get an idea about the processes ahead. Additionally, it has helped the client in effective file management.

The new approach has been successful in creating and delivering a consistent onboarding experience across multiple locations of the client. It has facilitated a planned journey for both new employees and stakeholders in the organization, while reducing costs and effort.
Author Bio

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Prakash is a Founding Member and Vice President of the Multi-Process HR Outsourcing business at PeopleStrong. An expert in the field of HR Transformation, Prakash has led the transformation of Human Resources for various leading organizations of India. Interest areas: Payroll, HR Shared Services, HR Analytics, HR technology

About PeopleStrong

PeopleStrong is a leading platform based mpHRO (Multi-process HR Outsourcing) and Technology company, headquartered out of Gurgaon in India. We enable Business Leaders and CEO’s in transforming their people agenda. Our proposition value is further enhanced by the fact that customers see us as trustees of HR Transformation, partnering in their prime objective of creating Happy Organizations. We have implemented some of the largest HR Service Centers in Asia Pacific. We deliver employee services across regions and time zones for more than 300,000 employees and have hired more than 40,000 employees through a unique technology interface coupled with high end decision making Tools for people data. We are the first company in the space to be successfully assessed on SSAE16. For details more details, visit www.peoplestrong.com

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