The Importance Of Being Onboarded

Peter Finn

Getting Started

“The first month I had no idea what I really was supposed to be doing… My boss was constantly out of the office, so I just sat at my desk.”

--- Jane B.

Most people at one time or another have had some doubts when starting a new job. “Maybe working here was a bad idea” might be heard from someone having a tough time fitting in. As most people know, the first few months in a new job can be an extremely stressful experience. Like marriage or buying a new home, starting a new job is a major milestone. Some can start a new job with aplomb, but the majority of us – seasoned and unseasoned professionals alike – sometimes struggle to adjust to a new organization.

In the following pages I will discuss the importance of onboarding programs within organizations, the potential merits of onboarding in increasing the productivity of new hires, social networking as a component of onboarding, and a case study of starting an onboarding program at a large organization.

Getting Through The Transition

“People are a lot more serious here and that took a little getting used to.”

--- Karen K.

The transition of the new employee to the culture, set of norms, and ethos of an organization can take several months. The amount of time in acclimating to a new organization largely depends on the individual and his level of confidence in his new job. That said, everyone goes through a period of adjustment when starting at a new organization. In recent years, a number of organizations have started to take this period of adjustment seriously in that they realize the importance of creating onboarding programs. These onboarding programs are intended to orient new hires as well as to prepare them to be successful within the organization.

If the new employee feels unsure of his or her role and responsibilities, the stage is set for a sub-optimal transition and potentially an unsuccessful tenure at the organization. So, it is important that managers and the leadership of an organization establish programs that not only support the transition of new employees but also instill within the organization a sense of commitment to new employees’ long term development.

The concept of orienting new hires is certainly not a new one—most organizations provide new hires with some kind of orientation. There is, however, value in building a more comprehensive orientation, or onboarding program, in an attempt to proactively prompt new hires to be:

- More productive within the first few months;
- More confident about bringing in new ideas and a fresh perspective from their prior experiences; and,
- More secure about building long-term careers within the organization.

The current reality within many organizations is that new hires often take four to six months to meet the expectations of their positions (Watkins, 2003). With a formal onboarding process in place, this four to six months may be reduced, or at the very least those first few months can be a more positive and edifying experience that will improve the likelihood of retaining the employee.

Getting Productive

A recent study by the Mellon Financial Corporation found that lost productivity, resulting from the learning curve for new hires and transfers, can cause between a 1 percent to 2.5 percent loss in revenue (Williams, 2003). Mellon Financial Corporation also noted that it typically takes professionals 20 weeks to achieve productivity and go beyond what Michael Watkins in The First 90 Days calls the “breakeven point” (Watkins, 2003). Watkins describes this breakeven point as the pivotal moment where individuals have contributed as much to the organization as they have consumed of it. After this breakeven point, individuals begin to contribute and add value beyond what the organization has invested in them. In the past, it may have been an acceptable prospect for managers to wait 4 to 6 months for new hires to get past the breakeven point; but, as the work environment in many different industries has become increasingly fast paced (as well as more competitive), it is essential that new hires are productive in...
a much faster turnaround than roughly 20 weeks.

In light of the potential positive impact that onboarding can have on an organization’s bottom line and culture, more companies are seeing the value of having a comprehensive onboarding program that will support the transition of all new employees. These programs go beyond the standard orientation model of throwing information at a new hire in the form of a two to three hour session that may feature little more than an overview of health benefits (supplemented by an oversized manual) and a tutorial on how to use the intranet. In constructing these programs there are some factors that should be considered when trying to support transitions of new employees. One factor is that of social networking. When designing an onboarding program, the Human Resources or Organizational Development professional should try to think of a successful transition as having both a social dimension as well as a functional one.

Getting Social

“I really knew no one so it was hard to know who to talk to in order to get something done.”

---Steve R.

The most successful people within an organization have built broad social networks across different functional areas. In short, they know who to go to when something needs to get done (Rollag, 2005). They know who will support or oppose various ideas. New employees don’t have any kind of network and can spend months trying to establish their own groups of trusted colleagues inside and outside their functional areas. As many new hires will attest, regardless of their status within the hierarchy of an organization, a network of colleagues and a forum to promote yourself is difficult to acquire.

The specific challenge for some new hires is to promote themselves effectively within an organization (Rollag, 2005). New hires may have innovative ideas to contribute to the organization based on prior experience, but they are not entirely sure how to promote them. If acclimating to a new organization proves to be a difficult process, new hires may abandon any ideas to promote change and focus primarily on how to fit in. As part of a comprehensive onboarding process, new hires should be encouraged to appropriately share their insights for organizational improvement and how to do so in a culturally accepted way.

An individual’s effectiveness is based on the network of colleagues that they have developed over time. Managers tasked with orienting their new hires should be asking the question “Who do they need to know to be successful here?” Managers should try to map out the people that their new hires need know in their position (Johnson 2005). By suggesting how their new hires can get started on building a network, managers can help new hires begin to establish relationships that will help them be successful in their new roles.

Another practical step in developing a relational approach to onboarding is creating “buddy systems,” in which new employees are partnered with experienced members of their workgroup, division, department, etc. The “buddies” go a long way in ‘showing the ropes’ to new hires. Often programs will encourage the “buddy” to take the new hire out for lunch once a week and make introductions to other people in the organization. This takes some of the pressure off the manager in transitioning the new hire within the organization.

As mentioned previously, the popular method of dumping a lot of information (i.e. manuals and online tutorials) on the employee can prove to be ineffective in providing information that will help in their transition within the organization. Instead, a more relational approach needs to be used when onboarding or orienting a new employee. We all know that much of an organization’s knowledge and expertise resides in its people. It is therefore essential for new employees to develop networks where they can gather information and feel a general connection to their organization and new colleagues. When these networks have been established, they can begin to be productive and add value to the organization.

In the next few pages, a case study of a large insurance company will be presented to highlight some of the concepts related to onboarding. I’ll also propose a design for an onboarding program based on my research.
A Case of Onboarding

The Context
A large midwestern insurance company has in place an onboarding program for new entry employees who come to the organization with little to no work experience. In fact, many of these new entry employees have been recruited immediately out of college. The program they experience runs for 10 weeks and provides training on everything from business etiquette to the history of insurance. New entry hires who have participated in this formal onboarding program report positively that the program has helped them to successfully acclimate to the company.

This company now needed to enhance their onboarding program by adding a new track to accommodate new hires with previous work experience. Senior leadership sees the value in ensuring that new hires can quickly transition into their new roles. This prompted increased interest in finding ways to help the transition of all new employees. I conducted a needs assessment for a new-experienced hire program. Focus groups were used to provide some insights for how to design an onboarding program that would meet the needs of new hires.

What I Heard
Two focus groups were conducted at the insurance company. One was held with recent hires and the other was held with the managers of these recent hires. In all, the comments from both sides revealed what has been successful and unsuccessful for new hires.

New hires had this to say:
- Wanted more information on the “big picture” and where they fit in.
- Remarked on the confusion and general frustration of trying to transition to a big company after working for a much smaller organization.
- “Buddy systems” that their managers had in place for them were really helpful.
- Frustration over understanding the technical and practical issues (e.g. computer set-up, benefits).
- Difficulty comprehending the competency model, professional development program, and pay for performance criteria.
- Need for an onboarding program that went beyond half-day orientation session.

*All of the focus group participants had been working at the current organization for four months or less.

Managers had this to say:
- Need for a consistent and standardized onboarding process; often feel they are “re-inventing the wheel each time” they are onboarding a new hire.
- Busy schedules preclude them from spending the appropriate amount of time onboarding a new hire.
- New hires know about the competencies of their job upfront.
- New hires often confused over professional development plans.
- Like the new hires, “buddy systems” have been successful when implemented, but it is not a system that is consistently used.
- See value in creating an onboarding program that discusses career development opportunities and provides a forum for new hires to establish a network of colleagues.

Between both groups, there was a great deal of consensus around the need for an onboarding program. The managers talked a great deal about inconsistency in how people are being oriented and lack of time to help people get up to speed. In the focus groups with the new hires, there was much discussion around not having a sense of the organization’s strategy and their role within this strategy. It became apparent for this organization that they needed an expanded version of their current onboarding program.

Onboarding School
After conducting research on the topic of onboarding and through the analysis of the insurance company, I developed a sample program (see below) that might be used by various organizations...
to onboard their new hires. The design principles of this sample program are based on the focus group data, the current onboarding program (for new hires with little professional experience) in place at the insurance companies, and the realities of trying to schedule people within a busy organization.

Ideally, the target audience’s experience at the organization should be no more than one month, but due to logistics it may not be possible to create sessions at a time when all attendees may have less than one month of experience. Each session would last about three hours and there would ultimately be four sessions that take place over the course of two to three weeks. A few requirements and assumptions for this sample program are that there is staff available to run and attend the sessions; a “buddy system” is in place (which complements many of the onboarding activities), managers are supportive of the program, and the leadership of the organization has a stake in its success.

With the exception of the “Technical Orientation” (e.g. overview of benefits and IT services) each onboarding session is intended to build off the previous one. The objectives of the first session are to provide a high level view of the organization and to introduce the new hires to senior leadership. The second session, is intended to narrow the focus of the overall program by discussing the culture and values of the organization and the role of the new hire within the organization. This session will help orient new hires to the bigger context. Senior leaders as well as individual contributors will offer some insight about the history, day-to-day operations, and ongoing strategy of the organization. Attendees may begin to find out where they fit into the big picture by connecting their own efforts to the larger initiatives of the organization.

This session is quite simply a forum for new hires to align their long-term objectives with that of the organization. Again, this helps new hires connect to the bigger picture and their roles within the organization. A “graduation ceremony” is also held for new hires to celebrate their completion of the program.

### Post Program Evaluation
Any successful program must focus on continuous improvement. An evaluation will be given out to all attendees to measure the success of the program.

<table>
<thead>
<tr>
<th>Sample Program</th>
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<tr>
<td><strong>Technical Orientation (2-3 hours)</strong></td>
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<tr>
<td>New hires are given an introduction to the organization’s:</td>
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<tr>
<td>- Basic policies and procedures</td>
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<td>- Benefits</td>
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<td>- Intranet and day to day technologies (email and phone)</td>
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<td>At bare minimum, this is typically the training new hires always receive within the first week.</td>
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| Onboarding Session 1 - Getting to know the organization (3 Hours) |
| This session will help orient new hires to the bigger context. Senior leaders as well as individual contributors will offer some insight about the history, day-to-day operations, and ongoing strategy of the organization. The new hires’ assigned buddies are encouraged to join part of the session. |

| Onboarding Session 2 - The Culture & Your Role (3 Hours) |
| This session focuses on culture and ethos of the organization. Attendees should get a better sense of the “way things are done around here” from a positive perspective. They will be asked to discuss some readings on making professional transitions within the organization. Attendees may begin to find out where they fit into the big picture by connecting their own efforts to the larger initiatives of the organization. |

| Onboarding Session 3 - Innovation within the Organization (3 Hours) |
| The long-term strategy of the organization most likely includes the process of innovation. Attendees should be given a sense of what is on the horizon when it comes to possibly new technologies and strategies that may contribute to their success. This session is also in place to encourage new hires to be innovative and contribute their ideas while on the job. |

| Onboarding Session 4 - Your Career (3 Hours) |
| This session is quite simply a forum for new hires to align their long-term objectives with that of the organization. Again, this helps new hires connect to the bigger picture and their roles within the organization. A “graduation ceremony” is also held for new hires to celebrate their completion of the program. |

| Post Program Evaluation |
| Any successful program must focus on continuous improvement. An evaluation will be given out to all attendees to measure the success of the program. |
Three Month Follow-up

This evaluation will be given out to attendees after three months of attending the program. The evaluation will measure how well the program helped transition new hires and their perspective on what more could have been done to help their transition. Additionally, an evaluation should be given to attendees' managers to see how well the program supported their efforts in orienting their new hire.

As a follow-up to the program activities, an evaluation form will be given to the new hire and the new hire’s manager to rate the effectiveness of the onboarding program. The evaluations may provide useful feedback in enhancing the onboarding program.

Getting On Board

“Having the buddy system really helped me… I wish the other places I worked had done the same thing.”

---Janice T.

We all know how hard it is to start a new job. Invariably there are always a few bumps in the road. Why wouldn’t there be? As a new hire you are trying to assimilate into a new culture that, depending on where you are coming from, can seem strange and a little tough to navigate at first. The hiring organization can minimize the risk of your feeling unsure or confused about your position by giving you the tools, information, and network to make a productive start. As Watkins points out in The First 90 Days, your initial experience within an organization can very well determine the rest of your time there. Simply put, if your first few months on the job are not a pleasant experience then chances are your tenure at that organization will most likely be brief and unproductive. In most cases, organizations can prevent this by providing an experience that instills new hires with a sense of purpose and positive perspective on the organization.

A formal onboarding program may not be for every organization, and there are many mere variations of the type of program I outlined above. There is, however, a big opportunity for organizations within every industry to better support the transition of new employees. Ideally, managers should support individuals in building social networks within the organization, when very often the success of a project or initiative depends upon the strength of the relationships between colleagues. The hiring process can be a big expenditure of time and resources to find the “right” person. To ensure that this “right person” will transition into the organization and its culture, managers need to do more than provide a standard orientation (i.e. providing information on benefits and instruction on how to use email). The new hire is an investment that needs to be developed and encouraged to succeed.

The benefits for new hires is that they can feel empowered to contribute, supported when they may feel a little lost (which invariably happens to us all), and able to connect their own contributions to the organizational strategy. In essence, an effective onboarding program with a relational approach can train people to be successful within the organization.

References


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Peter Finn is a 2007 graduate of Northwestern University’s Master’s Program in Learning and Organizational Change.

About This Research

This article is the result of Peter’s Practicum (field work), conducted in Summer 2006. Peter’s faculty advisor for this project was Rose Hollister, MSOD. Rose teaches Executing Strategic Change in the MSLOC program.

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