ONBOARDING TRENDS REPORT

Balancing High-touch & High-tech Strategies

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Introduction

Onboarding has become a strategic priority for a growing number of companies for 2013 and beyond. With technology advances, a more geographically dispersed employee population, and strong competition to attract and retain the best people, Impact Instruction sees these trends and others changing. The employment landscape is also driving the need for companies to update their onboarding programs, ridding them of less effective ways of the past.

There are several statistics that point to the all-important effects of an onboarding program. In their book *Successful Onboarding*, Mark Stein and Lilith Christiansen offer¹:

- Nearly 1/3 of people employed in their current job for less than 6 months are already job searching.
- Almost 1/3 of executives who join organizations as an external hire miss expectations in the first 2 years.
- With 10-15% annual attrition, companies turn over upwards of 60% of their entire talent base within 4 years.

To delve deeper into current trends in onboarding and the role of technology and Learning & Development in those programs, Impact Instruction Group has conducted a survey. It covers topics including current and future state of onboarding programs for those surveyed, catalysts driving change, the role of L&D, and the role of technology in onboarding. This report details the results of that survey and offers actionable onboarding strategies professionals can implement in their own organizations.

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¹ Source: [http://onboardingmargin.com/](http://onboardingmargin.com/)
Survey Highlights

Overall, the survey indicated that onboarding is a major priority for nearly two-thirds of respondents. They are in the process of updating their programs, with a desire to build loyalty and accelerate performance early on, and ultimately improve overall retention. They are doing this by integrating technology solutions with people solutions, aiming to create the perfect balance of high-tech / high-touch onboarding programs.

Some of the trends that emerged is the need for buy-in, support and enforcement from the leadership teams across business units, the need to increase consistency and departmental accountability for longer-term onboarding programs and the opportunity to create a resource center and tracking capabilities in online portals.

When we drill down into some of the specific results, here is what we saw:

- A combined 71% of survey respondents are currently in the process of updating their onboarding programs.

- Over 73% of respondents indicated that the largest catalysts driving change to their onboarding programs are to accelerate new employees’ performance and improve employee retention and loyalty.

- 86% of survey respondents consider their updates to contain moderate to major changes.

- When it comes to technology, a combined 67% of respondents deliver less than 40% of their onboarding through technology-based solutions. However, 16% deliver more than 61% of their onboarding programs through technology-based solutions.

- The majority of respondents (62%) use a company-wide intranet for their technology-based solution for onboarding, with E-learning coming in second at 55%.

- The majority of respondents indicated that Human Resources (87%) and Learning & Development (72%) are the departments most involved in developing and updating their onboarding programs. Only 37% of respondent’s individual business units have involvement.
• The majority of respondents (46%) indicated that Learning & Development has all-inclusive responsibilities in the Onboarding Program updates.

• **We asked what respondents would change** about their onboarding programs, and here are the common themes that emerged. They wanted:
  
  – More leadership buy-in, involvement and support in the onboarding program.
  – Increased consistency in the onboarding program.
  – Increased departmental accountability.
  – Use of technology to keep all onboarding related materials in one location to serve as a resource center for employees.

• **We asked what the respondents’ companies do well** when it comes to onboarding, and here are the common themes that emerged. They said:
  
  – Making new employees feel welcome.
  – Strong leadership involvement and support of the program.
  – Use of technology as a resource in the onboarding program.
  – Personalization to the employee or role.
  – Consistency across all business units.
  – Face-to-face interaction.
The Current and Future State of Onboarding

The first three questions in the survey provide insight into the current state of onboarding trends within organizations nationwide. A combined 70% of our respondents are in the process of updating their programs, and nearly 50% of respondents categorized those changes as major.

What does this mean in regards to the current and future state of onboarding? With so many organizations embarking on major changes to their onboarding programs, the importance of planned, continuous evolution and updating must be a priority. Below are the results of the state of onboarding survey questions:

1. Which best describes the state of your onboarding program(s)?

- The majority of respondents (49%) are currently updating their onboarding programs.
- 22% continually update their program.
- 19% updated within the last 2 years.
- For 10%, it has been more than 3 years since their onboarding program has been updated.
2. How would you categorize updates to your onboarding program?

- Nearly half of survey respondents (47%) categorize the updates to their program as major.
- 39% categorize them as moderate.
- 11% categorize them as minor.
3. What are the catalysts driving changes to your onboarding program?

- More than **73%** of survey respondents indicated that the largest catalysts that are driving changes to their onboarding programs are to accelerate new employee’s performance and improve employee retention and loyalty.
- Less than **37%** of respondents listed catalysts that include leveraging technology-based tools, lowering costs to improve efficiency, and meeting demand as a result of an increase in hiring.
Making Onboarding a Continuous Priority

The current and future state of onboarding is a priority, and one that will remain critical as companies work to accelerate performance, loyalty and retention. Technology advances are making it easier for companies to provide information, resources and systems that assist in the development of their employees' professional development, both early-on and throughout their career. Here are a few things you can do within your organization to take advantage of onboarding advancements.

- **Uncover Trends:** The 30% of our respondents who continually update their programs are likely better positioned to uncover and act upon industry indicators and employee trends in the organization. These indicators may be positive, such as retention in specific areas of the business, or they may uncover opportunity areas, such as attrition trends or areas where improvement is needed. With this information, organizations are better positioned to take advantage of opportunities for advancement.

- **Create Consistent Budget Dollars for Onboarding:** For organizations undergoing major updates to their onboarding programs, consistent budget dollars and focus on ongoing maintenance and improvements can smooth the cycle of major updates with several years in between.

- **Take Full Advantage of L&D to Create an Ongoing Program:** Onboarding can often be seen as an “event” and not a process; much like training at times is viewed as a point-in-time event. The extended role of L&D, besides strategy and program development, is to be a voice across the business for onboarding as a cultural requirement. Driving the business of building a relationship with new employees, guiding them through their first designated days and months in the organization, and being seen as an ongoing resource for their development is an important component of the program.

**Onboarding Advice From an Expert:** Leadership onboarding expert Erika Lamont of the Columbus, Ohio-based company Connect the Dots Consulting[^2] shares what she consistently sees as three crucial elements of any onboarding program:

- Fostering knowledge of the organization and its culture, as well as knowledge of the function and success factors of the given role.
- Placing a focus on identifying and developing the key relationships for an employee’s success and engagement.
- Incorporating timely and relevant feedback on how that employee is performing in the role: tracking progress and success, as well as growth opportunities.

People and Processes:
Achieving the balance of high-touch and high-tech

Our survey results show that the catalysts driving change to onboarding are truly centered on people over processes. Accelerating new employee performance and improving retention and loyalty were ranked significantly higher than technology processes and lower costs combined. We can see why. The cost of losing an employee is significant. However, the gains of onboarding a new employee and accelerating their performance shows significant gains.

- What does it cost to lose an employee? According to an article citing the Center for American Progress, losing an employee in a position that pays $30,000 - $50,000 per year can cost a company 20%. For highly-educated positions, that number can increase to 213% of that employee’s annual salary. Even a perceived low annual turnover adds up over time, resulting in lost opportunities for profitability and overall competitiveness.

- However, retaining, and more importantly, building loyalty, with new (and existing) employees is the lynchpin of a high-performing organization. We hear a lot about driving toward satisfaction (employee or customer), but the truth is that satisfaction doesn’t equal loyalty. In fact, 80% of customers who defect from a product or service actually consider themselves “satisfied.” The same idea applies to employees. Loyalty, and not just job satisfaction, has to be fostered from the moment an employee decides to join an organization – and it doesn’t stop when the formal onboarding program ends.

- The new employee needs to be an active and engaged part of the equation. It’s no longer acceptable for an employee to expect to simply be led through an onboarding program the first 6-12 months in the organization. He or she needs to take an active role in building relationships and making connections within the organization. According to Scott Blanchard of The Ken Blanchard Companies, the biggest indicator of leadership success is one’s ability to foster and leverage networks. That same ability to connect can be applied any employee – proactively building strong relationships leads to connections that will keep an employee engaged and productive.

Patt Hardie, Director of Organizational Effectiveness at Battelle, led their organization through a recent onboarding redesign. She shares the biggest overall success coming out of this initiative: “We’ve accelerated new hire assimilation into our organization. Our 90-day plan and our onboarding portal are big drivers of that success. Our employees can better navigate Battelle, and access what they need in a very simple and practical way.”

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4 Source: Cindy Solomon, [www.cindysolomon.com](http://www.cindysolomon.com); [http://www.youtube.com/watch?v=wl4k8pR62IQ](http://www.youtube.com/watch?v=wl4k8pR62IQ)
Onboarding: Business Involvement

In the onboarding survey, we took a look at which departments had involvement in the development and updating of onboarding programs, along with the role that the Learning & Development department plays in the process. Results are below.

4. Which departments / business partners are involved in the development and updating of your onboarding program?

- The majority of respondents indicated that Human Resources (87%) and Learning & Development (72%) are the departments most involved in the development of updating their onboarding programs.
- 37% of respondent’s individual business units have involvement.
- Less than 26% stated that the IT, Marketing, Vendors and Legal have involvement in updates to their onboarding programs.
5. What is Learning & Development’s role in your organization’s onboarding program?

- The majority of respondents (46%) indicated that Learning & Development has all-inclusive responsibilities in the Onboarding Program updates.
- 31% of respondent’s learning & development departments are responsible for the design and development of core onboarding programs.
- A combined 23% of learning & development departments are not actively involved in their organizations’ onboarding programs.
The Role of Learning and Development

Our survey results indicate that the HR and Learning & Development organizations typically carry the load when it comes to creating onboarding programs. The role of individual business units drops off significantly.

This is an opportunity area for Learning & Development to:

• **Build bridges to the business units.** Spend as much regular time as possible knowing what challenges hiring managers are facing, what gaps they’re seeing in learning opportunities, and what success looks like. One very successful organization I know has an ambassador for each business unit that functions as the bridge with learning and development.

• **Ensure that training plans have priority in any onboarding program,** and they have a level of customization suitable to roles. Training plans need to address the first 90 days, as well as long-term development – and it needs to be clearly identified as a component of the onboarding program. A defined plan, along with flexible informal learning opportunities, demonstrates an organization’s commitment and improves the odds of retention and engagement.

Erika Lamont of Connect the Dots Consulting shares these tips:

• **Get clear about your onboarding objectives.** Know what you are trying to achieve as well as the business case. Are you looking to improve speed to performance, engagement, or retention?

• **Do your homework, and do it consistently.** Spend as much regular time as possible with hiring managers and associates at various stages of their career with your organization. What are your newest associates saying about their onboarding experience? What’s working and what isn’t? What input are you receiving from your hiring managers in the business units? What are best-in-class organizations doing?

• **Add a feedback loop.** Formalized feedback is the single most missing component in any onboarding experience. This isn’t feedback relative to the process, but feedback relative to how the new employee is fitting into the organization. This is a crucial connection, making sure that the new employee has the right training and development opportunities to match that feedback loop.

Patt Hardie from Battelle shares her advice for L&D and OD professionals to create the best odds of success:

• Benchmark with other organizations and research cutting-edge best practices. Know that bigger picture, but also maintain focus on what’s most important to your own organization.

• Gather data within your own organization to identify needs and gaps with both recent new hires and hiring managers.
The Role of Technology in Onboarding

Our surveyed organizations are using a blended approach between face-to-face interaction and technology. Two-thirds of our respondents deliver less than half of their onboarding content via technology. The balance is important here. Technology must have a role in onboarding, and its role is to support the overall process by making things easier, more accessible, and more applicable. Technology and a portal outside of the company firewall can also play a role in easing the pre-boarding process. In the end, technology should always encourage employee connection and loyalty.

6. Which technology-based solutions does your organization use in your onboarding program?

- The majority of respondents (62%) use a company-wide intranet for their technology-based solution for onboarding, with E-learning coming in second at 55%.
- 40% of our respondents utilize a dedicated onboarding portal.
- Video, Webinars and Survey Tools are amongst the middle of technology-based solutions for onboarding ranging from 39% - 27% of respondents usage.
- Less than 13% utilize enterprise social networks, video conferencing and mobile performance support tools.
7. How much of your onboarding is delivered through technology-based solutions?

- A combined **67%** of respondents deliver less than 40% of their onboarding through technology-based solutions.
- **17%** deliver between 41% and 60% of their onboarding through technology-based solutions.
- **16%** deliver more than 61% of their onboarding through technology-based solutions.
Onboarding Technology Solutions

The most interesting and encouraging trend in this section of the survey is the growth of dedicated online portals for onboarding, with 40% of our respondents having one. Where intranets can be an overwhelming source of information, the dedicated onboarding portal can make a difference.

The most popular design and delivery modes are e-learning, video, webinars, and survey tools. Below are some ways to incorporate these modes into your overall onboarding experience:

- **Video**: Quick YouTube style videos of employees sharing a bit about their role and what they like best about it.

- **Survey tools**: Perfect for taking a pulse on a variety of topics for both employees and hiring managers over the first 90 days. The key here: short and relevant. Be able to interpret those results to make adjustments to onboarding or training opportunities, and be able to draw out important points for business leaders.

- **Webinars**: Short (15-20 minutes) pre-recorded webinars on various topics pertinent to the business.

- **eLearning**: With a large percentage of our respondents using eLearning in onboarding programs, it’s important to use this method strategically and in support of the overall picture. One example is a client using eLearning combined with peer mentoring. The new employee takes a 20-30 minute eLearning course on a topic specific to the job, and then works both independently and with a peer mentor to practice applying the skill. This is repeated for the required courses. eLearning is part of a blended approach that allows the new employee to become part of the team more quickly and build the necessary skills.

Social media tools, video conferencing, and mobile have smaller usage percentages in onboarding programs.

- Organizations that can tap the social side of learning and connecting will likely see more engagement, especially from those who are accustomed to using technology for most everything in their lives. Paul Dunay of Marketing Darwinism shares his experience of how social tools improved his onboarding experience. Using his organization’s internal tool, he jumped in and quickly identified a group of people he could connect with and share ideas. That sped his productivity in a large global organization, and facilitated a better relationship when he was finally able to meet those same people in-person.

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Mobile has tremendous potential to support onboarding and speed to productivity, especially when it comes to performance support. This is where learning and development can play a critical role. We’re specifically seeing field organizations embrace mobile to support what is learned in live situations and fostering connections between distributed teams. For example, an organization we’re working with is looking to leverage what they teach twice a year in 4-day live education conference, by identifying the elements that support ongoing retention and performance, and transitioning that learning content to tablet devices. As a fast-growing organization, this approach will also serve new hires who onboard between those live sessions by providing them with a meaningful learning experience and ability to connect with peers.

Patt Hardie from Battelle shares how technology made a difference for their program:

“We needed consistency in practice across multiple locations, and our New Hire Onboarding Portal is accessible regardless of location. One success [by using technology] is the ability to provide linkages to all of our resources through existing sources, rather than creating all of our own content. This enables us to have minimal maintenance and content updates as organizational changes occur.”

When asked how technology can play a relevant role in onboarding programs, Erika Lamont from Connect the Dots Consulting shares this:

“Ditch the binders! Any onboarding program that is done via paper is considered outdated and not relevant. Technology can keep your content fresh and accessible to all participants. It can also help you measure impact, bridge geographical gaps, and help manage new hires starting on different days.”
About Impact Instruction Group

Founded in 2007, Impact Instruction Group is a leading corporate training and development firm. Impact Instruction focuses on custom training development & design for organizations’ key strategic initiatives. The firm’s core practice areas include:

- Mobile Learning
- E-Learning & Video
- Blended Learning
- Visual Design

Impact Instruction Group works with large enterprises on blended learning solutions. The firm has won the APEX Award of Excellence in the categories of training design and one-of-a-kind education & training publications. In addition, Amy Franko, Founder & CEO, is a nationally-recognized speaker on the topic of women in leadership. Impact Instruction Group is based in Columbus, Ohio.

How to Contact Us

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