

Onboarding: The Missing Link to Productivity

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Aberdeen's Methodology

End-User Investigation: PACE Framework

Pressures

External and internal forces that impact the organizations market position, competitiveness, or business operations

Actions

Strategic approaches that an organization takes in response to *Pressures*

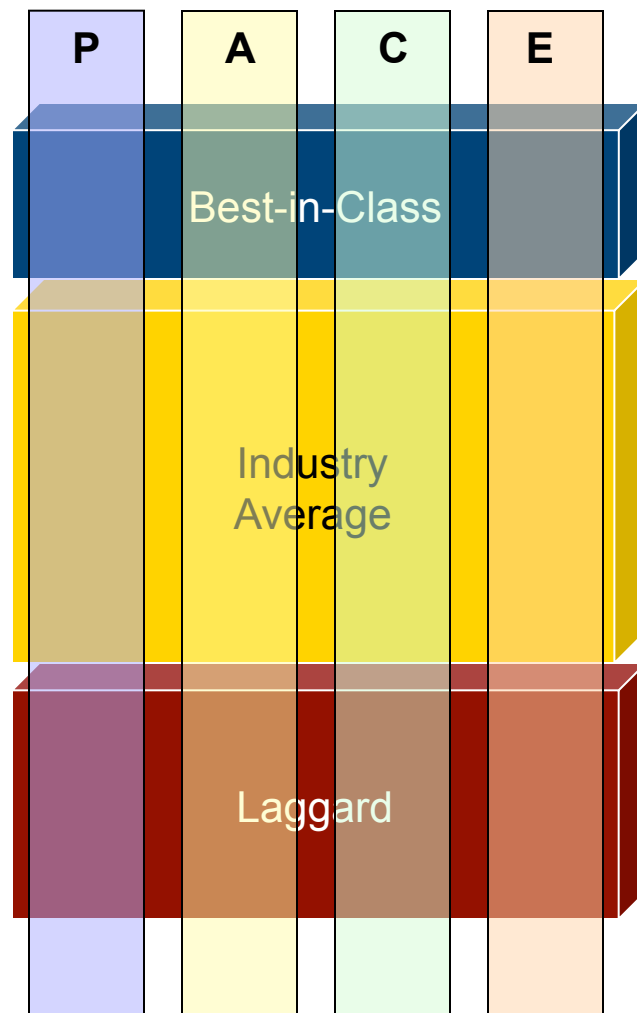
Capabilities

Business competencies required to execute corporate strategic *Actions*

Enablers

Key technology solutions required to support the organization's *Capabilities*

Aberdeen Maturity Class Framework



- ❑ What you need to do to become Best-in-Class
 - ❑ What processes you should have in place
 - ❑ What you need to measure
 - ❑ Organizational changes you might want to make
 - ❑ Data / Knowledge management considerations
 - ❑ Technologies you should evaluate

Our Agenda

- ❑ Onboarding: A Definition
- ❑ Challenges
- ❑ Key Trends
- ❑ Best Practices
- ❑ Technology



Onboarding

The strategic process designed to acclimate new employees into the organization and preparing them to contribute to a desired level as quickly as possible

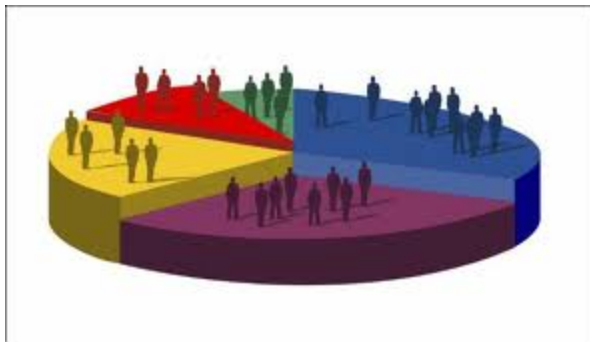


the first rule of work club is stop coming into my cubicle and talking to me all day at work club

Key Components of Strategic Onboarding

- ❑ **Forms Management:** Collecting, tracking and managing all internal and external new hire forms.
- ❑ **Tasks Management:** Ensuring that all the activities around onboarding the new hire are completed.
- ❑ **Socialization:** Engaging new hires into the company culture.

Four Trends Impacting Onboarding



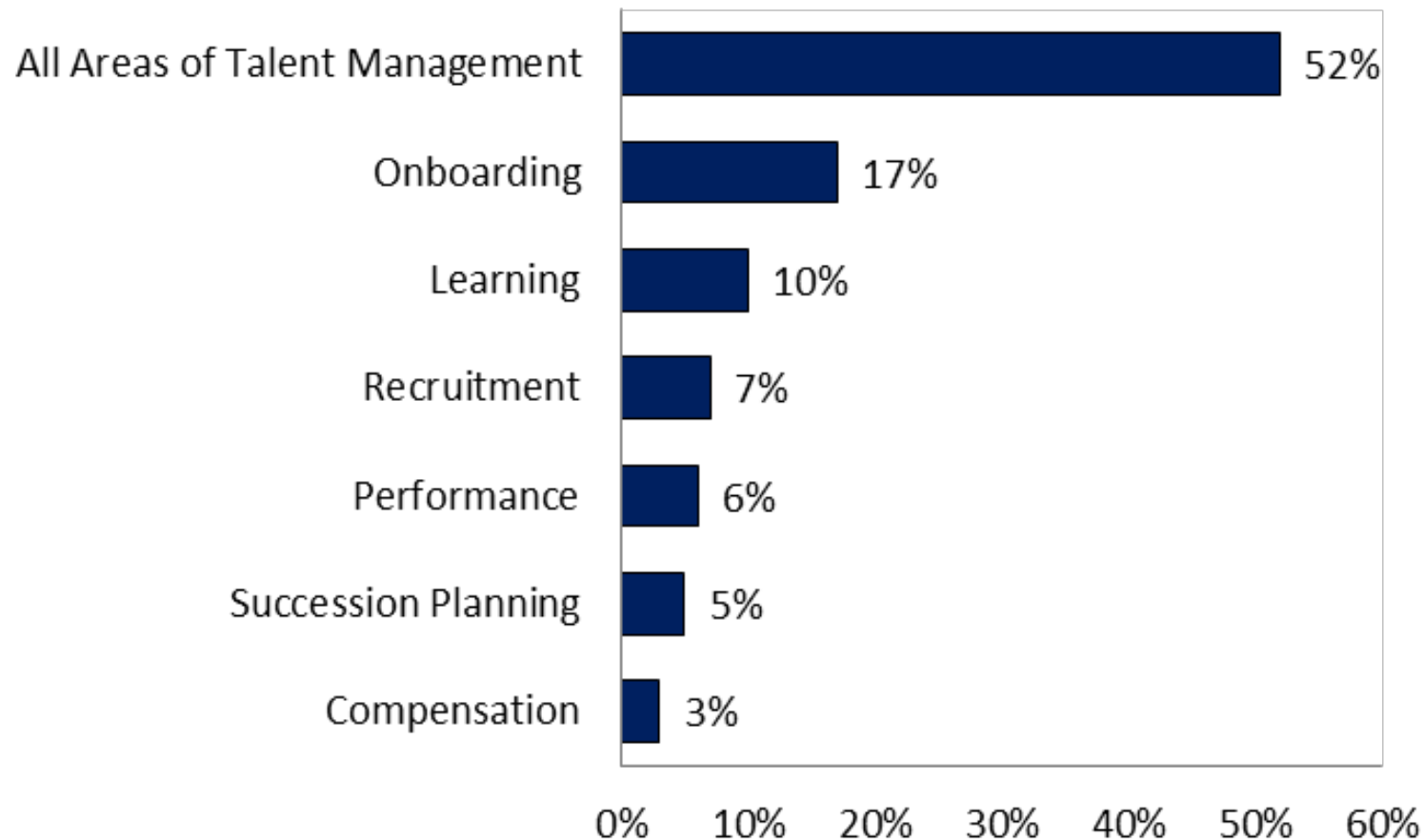
Strategic Onboarding

□ **53%** of organizations have invested in a formal onboarding process for over 1 year

Yet...

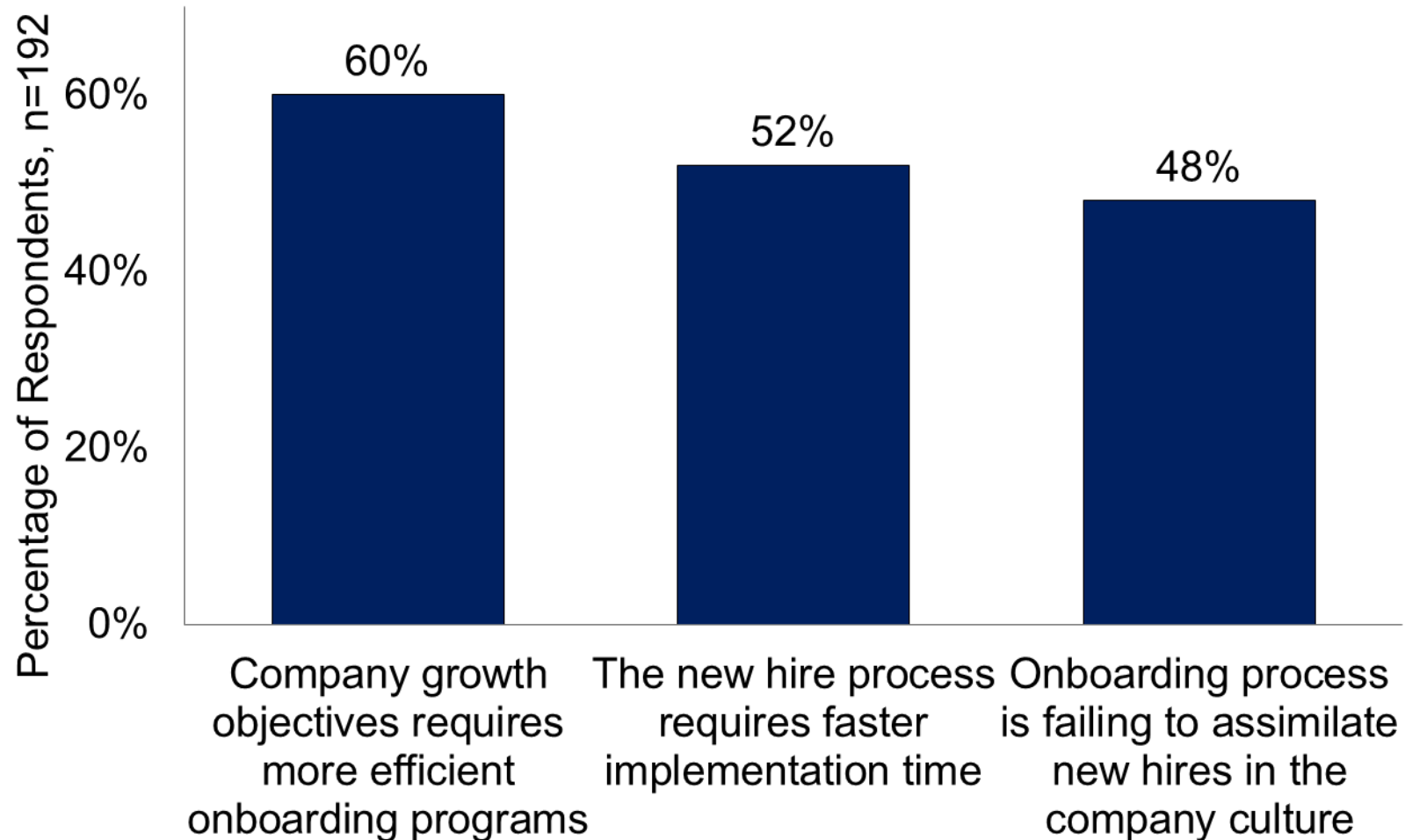
□ **34%** have no formal onboarding process

The Business Imperative



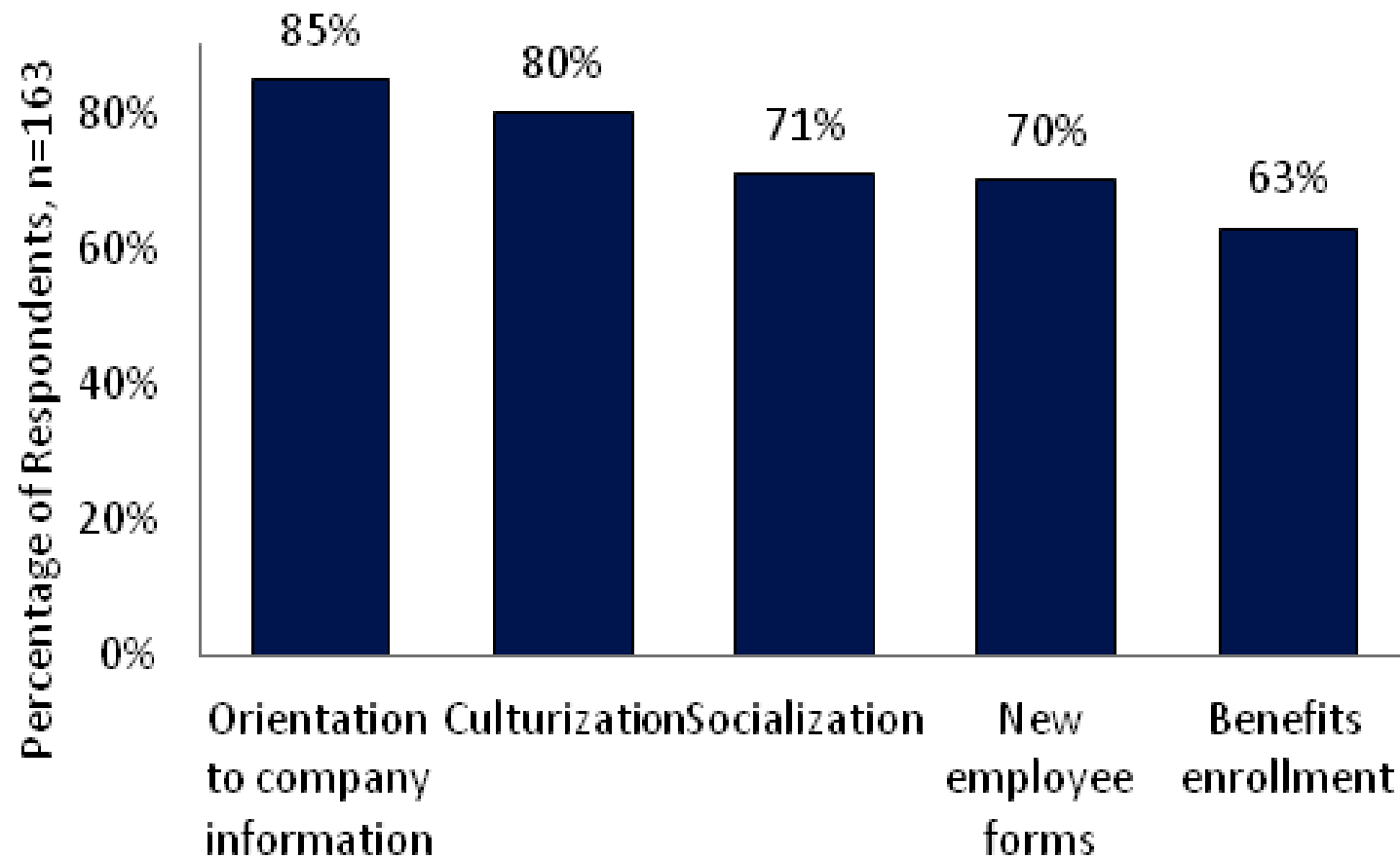
Source: Aberdeen Group *Onboarding*, May 2012

Top Pressures



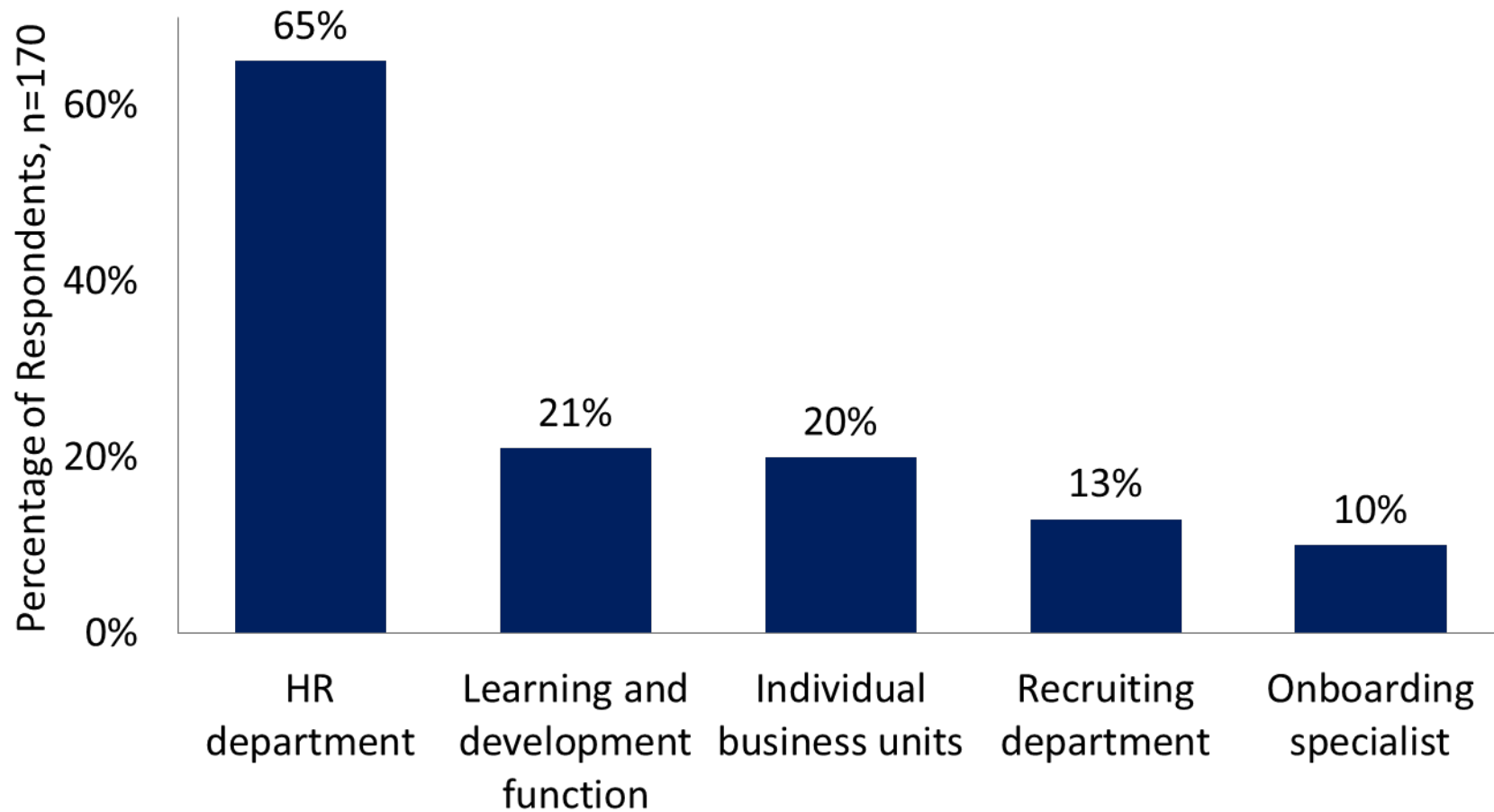
Source: Aberdeen Group *Onboarding*, May 2012

Strategic Actions



Source: Aberdeen Group *Onboarding*, May 2012

Who Owns the Process



Source: Aberdeen Group *Onboarding*, May 2012

Defining Best-in-Class

Definition of Maturity Class	Mean Class Performance
Best-in-Class: Top 20% of aggregate performance scorers	<ul style="list-style-type: none"> 86% of first-year employees were retained 77% of employees hired in the last 12 months met first performance milestones on time 20% year-over-year improvement in hiring manager satisfaction
Industry Average: Middle 50% of aggregate performance scorers	<ul style="list-style-type: none"> 84% of first-year employees were retained 59% of employees hired in the last 12 months met first performance milestones on time 3% year-over-year improvement in hiring manager satisfaction
Laggard: Bottom 30% of aggregate performance scorers	<ul style="list-style-type: none"> 56% of first-year employees were retained 41% of employees hired in the last 12 months met first performance milestones on time -3% year-over-year <u>decrease</u> in hiring manager satisfaction

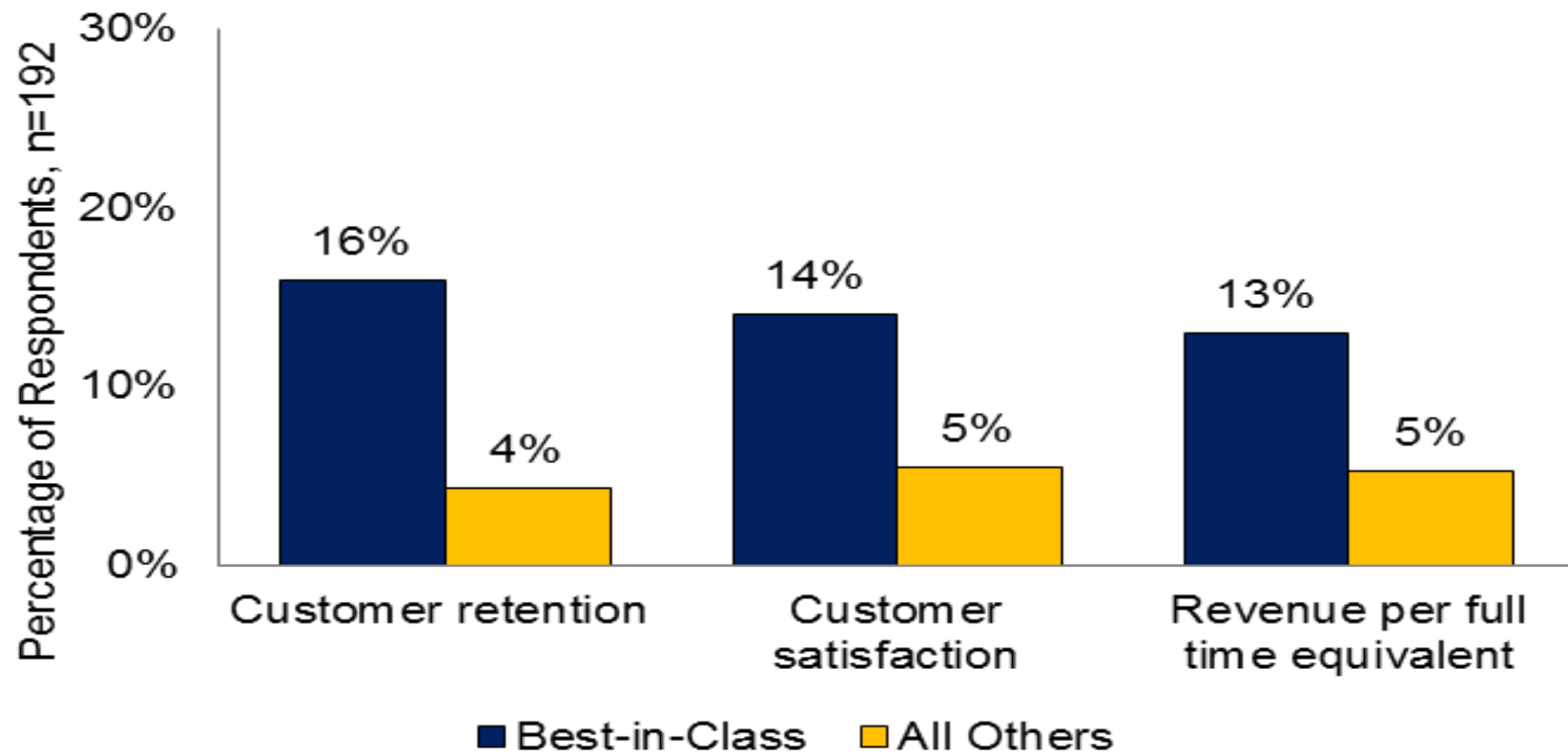
Source: Aberdeen Group *Onboarding*, May 2012

Best Practices

- ❑ Align with the Business
- ❑ Extend the Length of Program
- ❑ Consider the Full Picture
- ❑ Standardize/Customize
- ❑ Tackle Cross-Boarding
- ❑ Measure the Process
- ❑ Invest in Technology



Align with the Business



Source: Aberdeen Group *Onboarding*, May 2012



How Long Should Onboarding Last?

Fast Facts

61% of Organizations Say that
Onboarding Starts Before Day 1

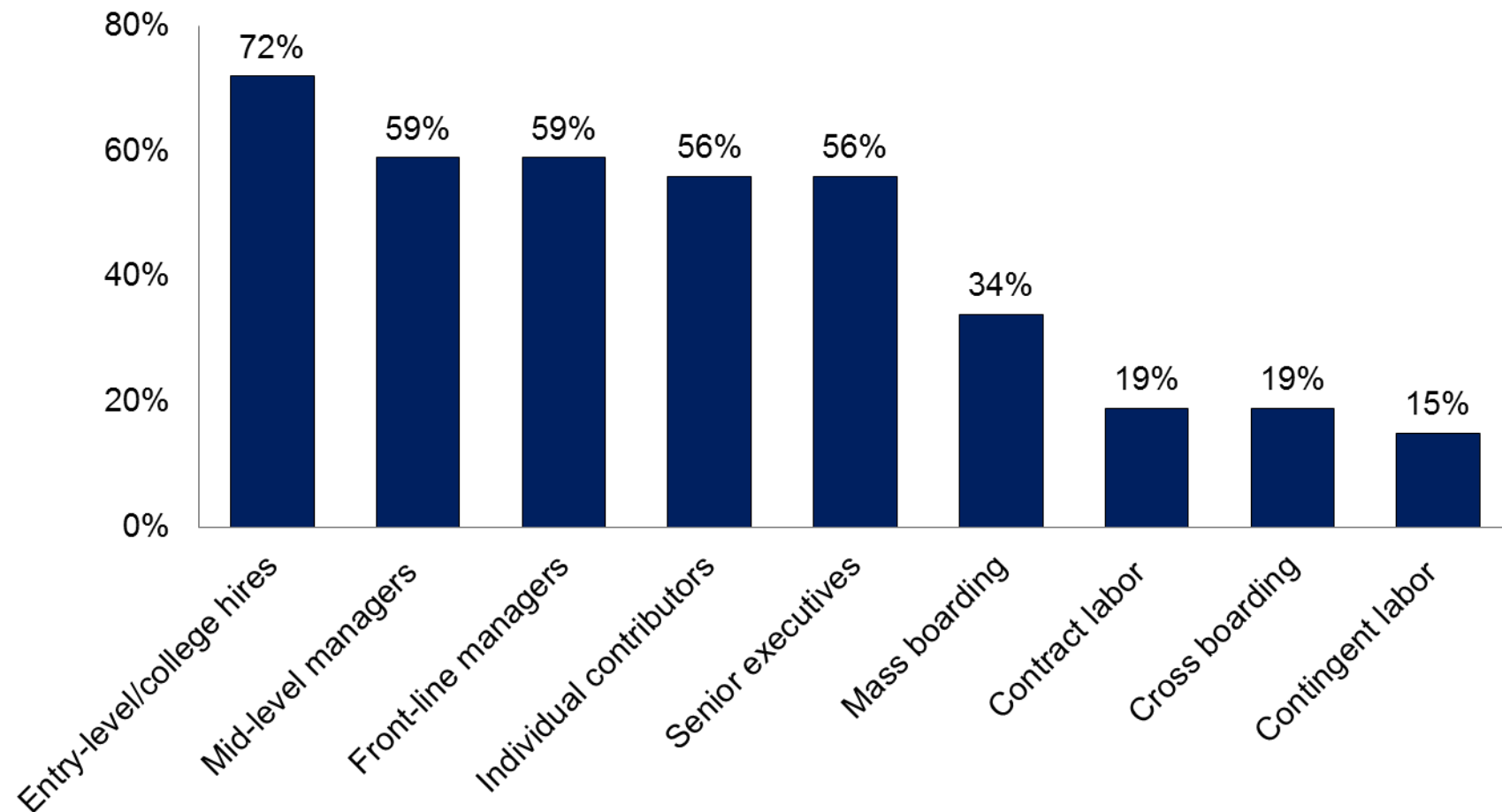
71% say it lasts for over 1 month

What About Best-in-Class

77% of Organizations Say that
Onboarding Starts Before Day 1

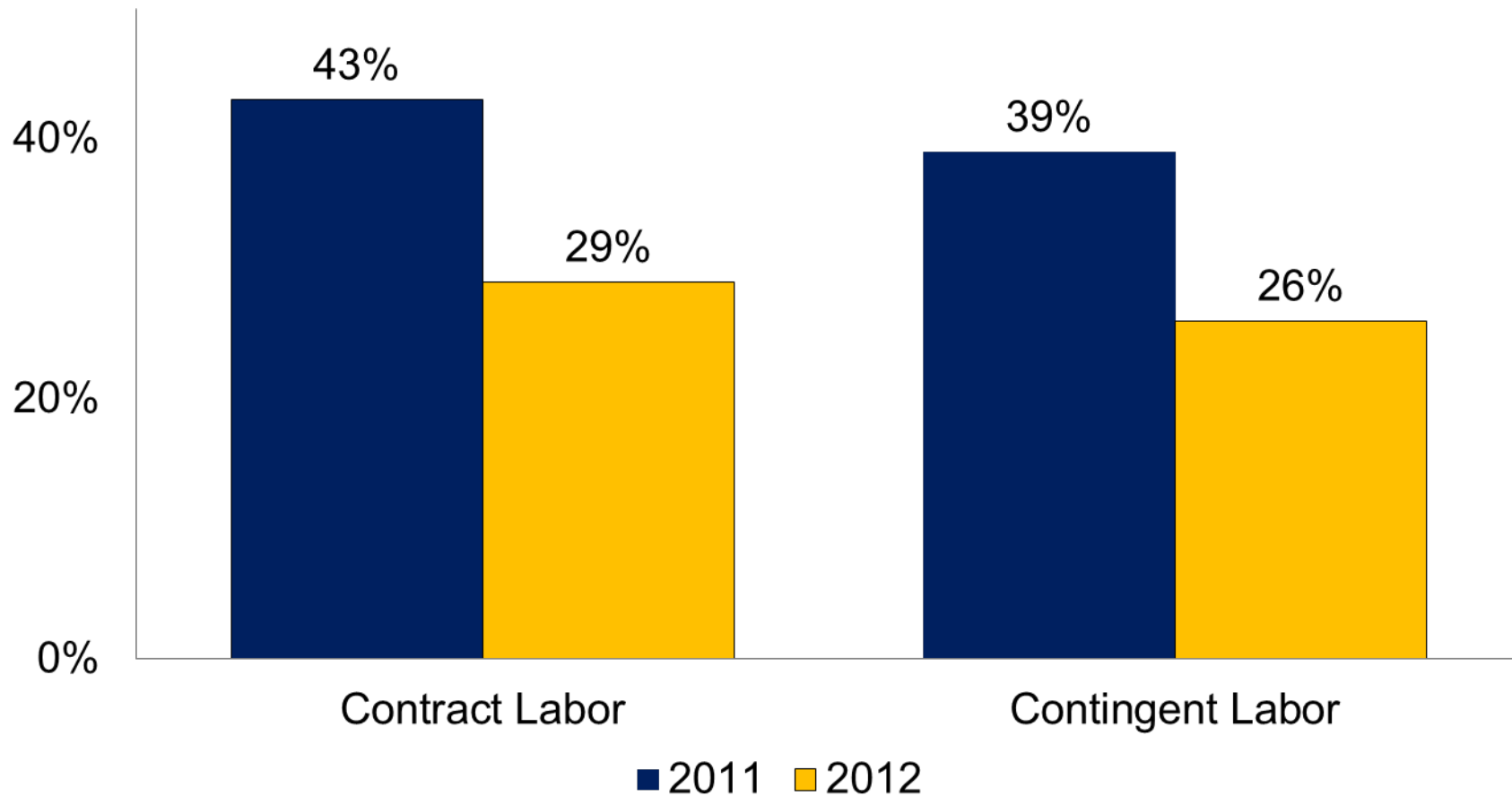
76% say it lasts for over 1 month

Employee Groups



Source: Aberdeen Group *Onboarding*, May 2012

Flexible Workforce

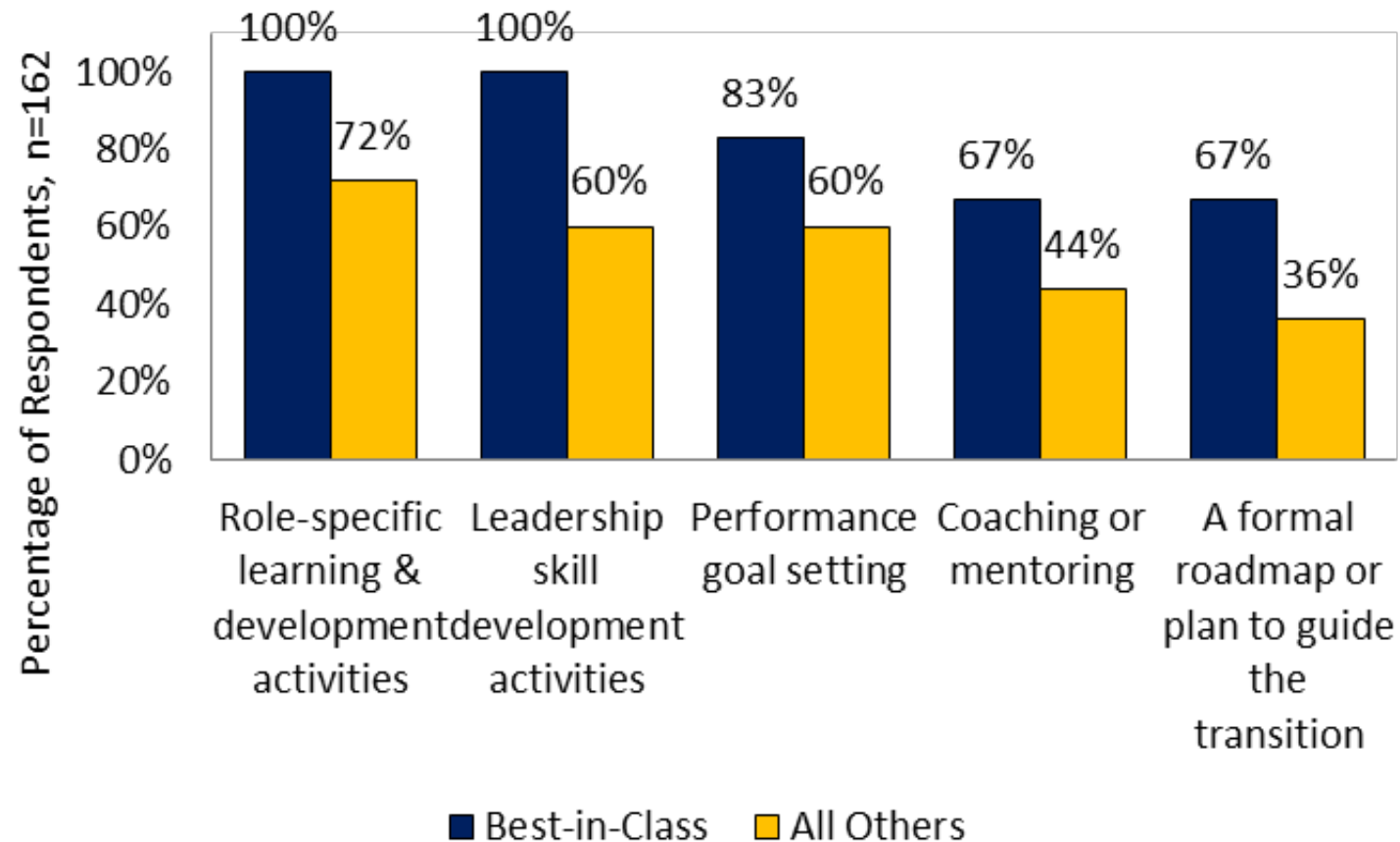


Source: Aberdeen Group *Onboarding*, May 2012

Fast Facts

Although 83% of Best-in-Class organizations have a standardized process for onboarding, 49% of those organizations are able to tweak that process to meet the needs of different locations and business units.

Cross-boarding



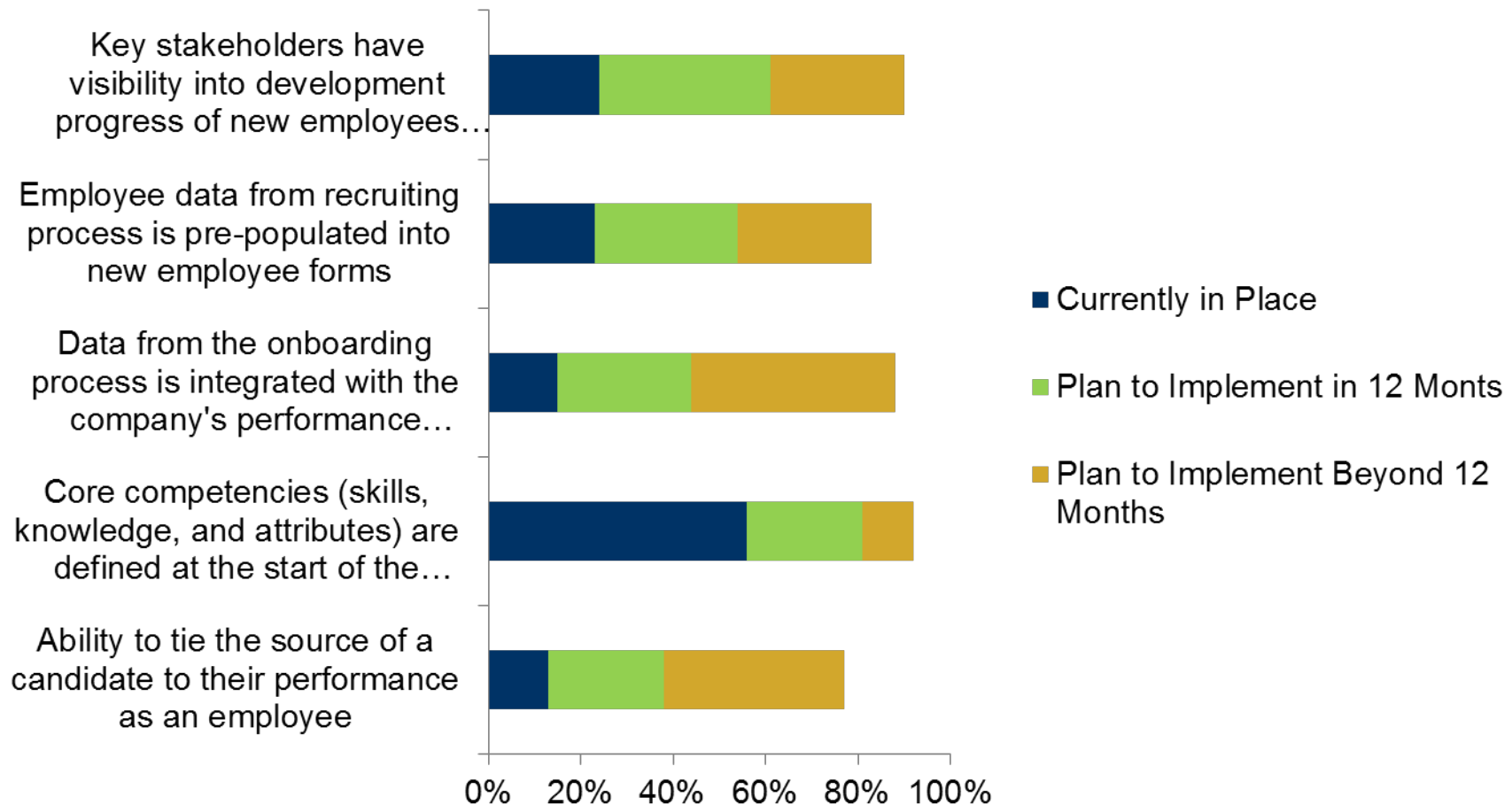
Source: Aberdeen Group *Onboarding*, May 2012

Top HR Metrics...Engagement and Productivity Matter

Metrics	
Engagement	4.60
Time to Productivity	4.48
New hire retention	4.40
Quality of Hire	3.02

Source: Aberdeen Group *Onboarding*, May 2012

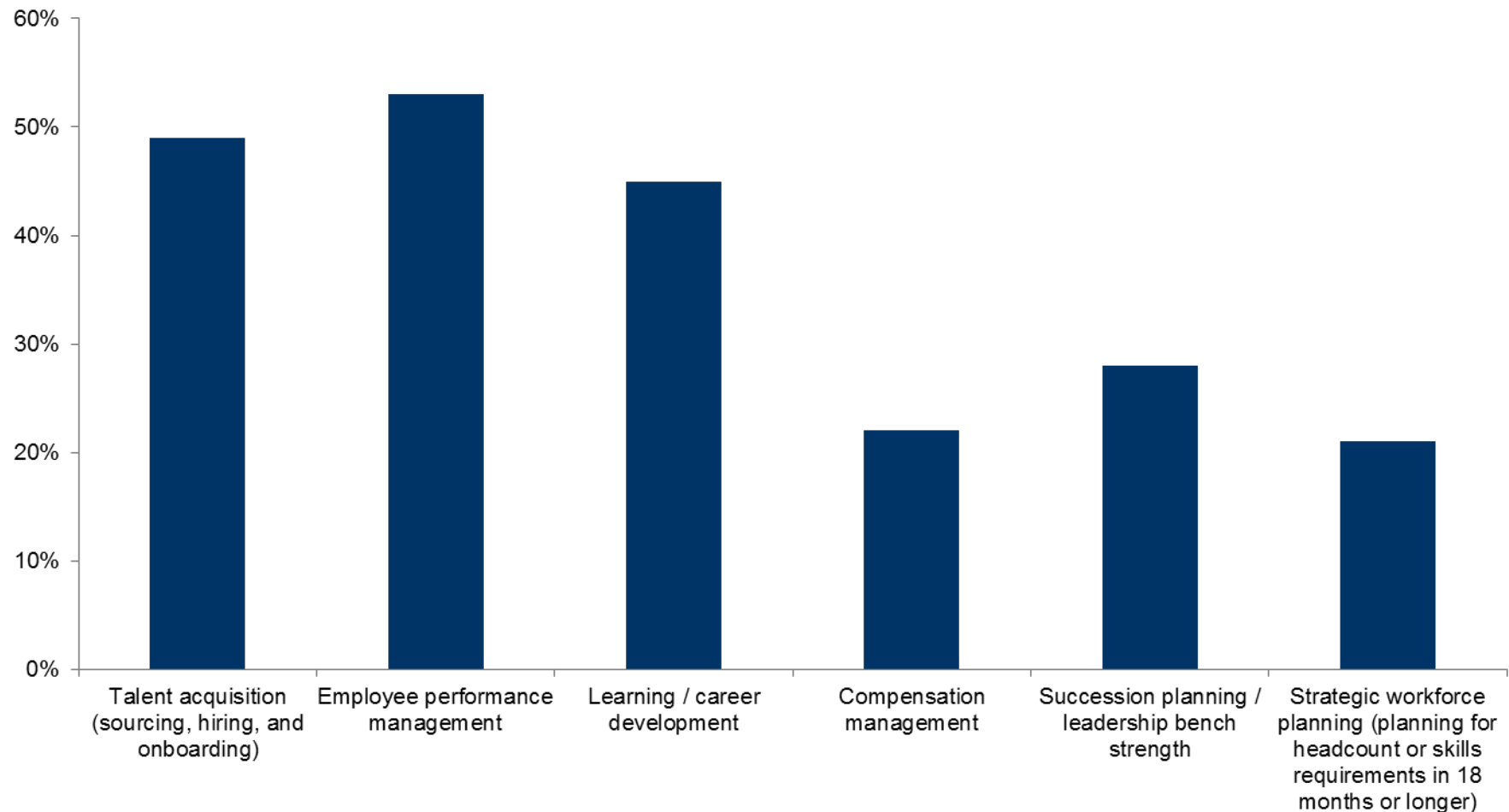
Strategic Onboarding in Action



Source: Aberdeen Group *Onboarding*, May 2012

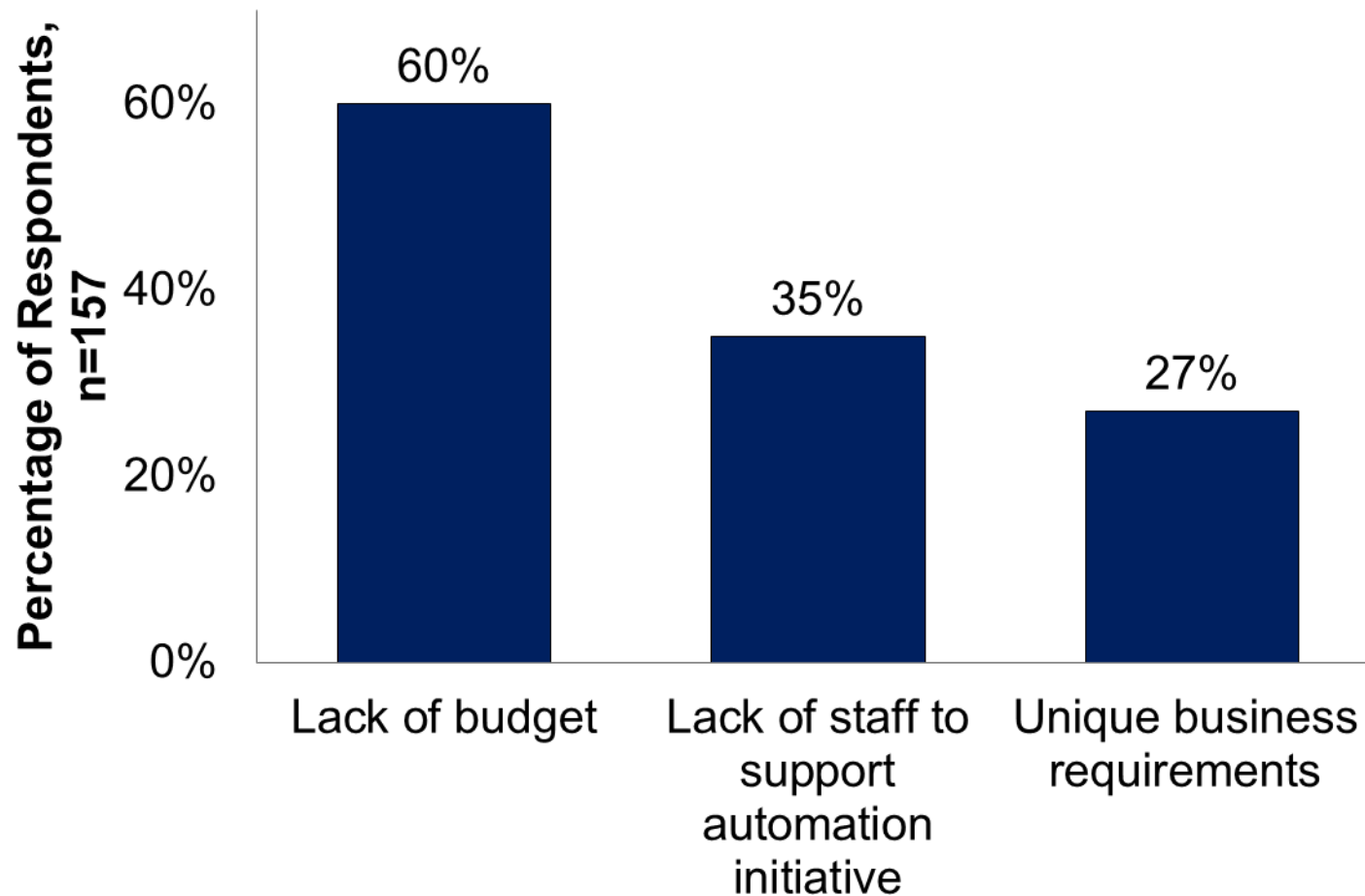
AUTOMATING THE ONBOARDING PROCESS

Current State of Talent Management Technology



Source: Aberdeen Group, *The 2011 HR Executive's Agenda*, January 2011

Barriers to Automating the Process



Source: Aberdeen Group *Onboarding*, May 2012

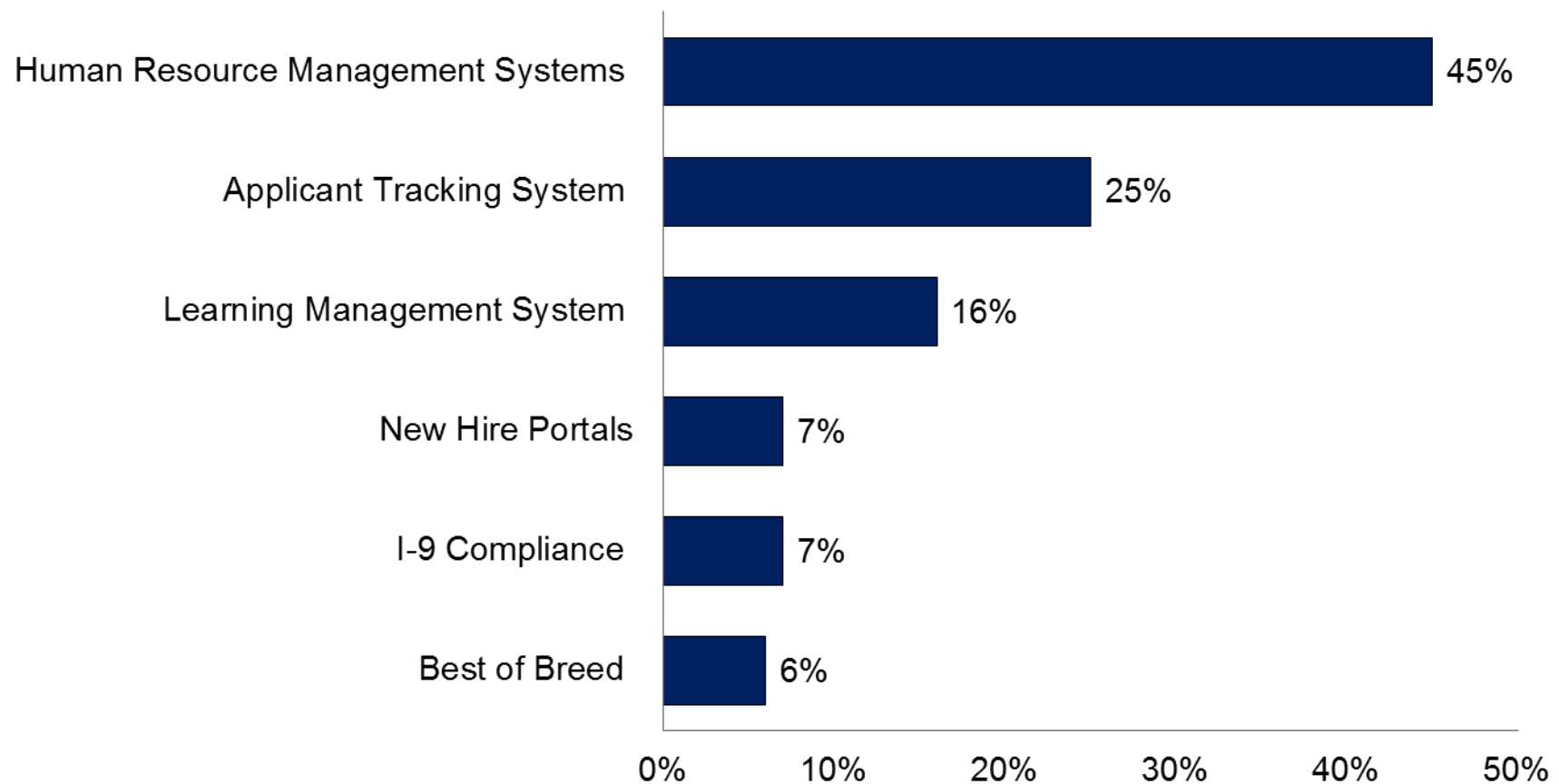
Best-in-Class Automate...

- ☐ Benefits enrollment - 55%
- ☐ Socialization to the company culture - 49%
- ☐ I-9 Verification - 39%
- ☐ Provisioning - the steps required to manage system and facility access required for the new employee to do his / her job - 28%
- ☐ Workflow / tasks management - the creation, assignment, completion and tracking of checklist items and deliverables required to complete the new employee onboarding process - 28%

Onboarding Activities Automated

- ❑ 39% of organizations include performance goal setting (40% plan to include in the next 12 months)
- ❑ 31% include enrollment in L&D programs (34% plan to include in the next 12 months)

Most Common Source of Onboarding Technology



Source: Aberdeen Group *Onboarding*, May 2012

Purchasing Trends

24%

Of respondents say their **budget for Onboarding technology solutions / services will increase**

Source: Aberdeen Group *Onboarding*, May 2012

Thanks for your interest in our research!

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Technology Answers
for the Global Value Chain