WHY BETTER EMPLOYEES START WITH YOUR ONBOARDING PROCESS

Building and retaining a productive team is one of the most important contributions an HR department can make toward the health and wealth of its organization. Most companies understand this, and as a result, devote resources toward employee retention and development initiatives.

However, onboarding’s role in reducing workforce churn and increasing engagement remains less clear. As recently as 2015, Harvard Business Review reported that nearly a quarter of businesses did not have a formal onboarding process. Exactly what goes into creating a winning employee onboarding experience is murky, too. Of the companies that did have an onboarding program in place, 64 percent rated the results as only being “somewhat successful” or worse.¹

But creating an onboarding process that meets your new hires expectations and transforms new hires into valuable, long-term contributors doesn’t have to be confusing or difficult. With a few key strategies and the right HR technology, any business can improve new-hire productivity, retention and engagement through a better onboarding experience.

ONBOARDING: WHAT IT IS AND WHY IT MATTERS

The word “onboarding” has been a part of the corporate lexicon since the early 1990s, but didn’t gain traction as an HR term until the early aughts.² Since then, it has appeared regularly in how-to blog headlines and industry podcasts. Yet for its ubiquity, the term — and the process it describes — means different things to different people. As a result, “onboarding” has evolved into a generic term that refers to any new-hire process, regardless of what it entails or accomplishes.

Perhaps that’s why the importance of onboarding’s role in getting the new hires’ buy in is easy to overlook. But, when one revisits the word and its original meaning, its significance as a retention, engagement and culture tool becomes clear.

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KEY TAKEAWAYS:

- A great onboarding experience can reduce turnover by 157% and boost employee engagement by 54%.
- Best-in-class onboarding processes help 62% of first-year employees meet their initial performance goals.
- A successful talent management and development plan starts with a strong onboarding strategy.

KEY TERM

Onboarding

[on-bord-ing]

v. Making new employees ready and able to move forward with the company, wherever it may be headed.

Source: Merriam-Webster³
As defined by Merriam-Webster, onboarding is the process in which your new hires transform into employees who are “on board — ready and able to move forward with the company wherever it may be headed.” In other words, onboarding is the pivotal moment in which new employees adopt your company’s vision, and understand and commit to their place within it. That’s why an effective onboarding process is so important. When done well, it creates engaged employees who understand how to fulfill their roles and are excited to do so, which is good for employees and the business. Research by the Aberdeen Group shows that a great employee onboarding experience can result in:

» 157% less turnover
» 54% higher employee engagement
» 62% higher productivity

So, what does the ideal process look like, and how long should it last? To a degree, the answer will vary based on each company’s needs and each individual’s job. However, studies by Aberdeen Group and Harvard Business Review reveal that best-in-class onboarding experiences do share four characteristics:

1. New-hire forms are completed, collected and stored efficiently.
2. New employees meet their team and gain the knowledge to help them do their job well.
3. New hires become familiar with the company culture.
4. The process lasts between six months and a year.

Luckily, HR technology can make incorporating these standards into your onboarding process easy.

SUCCESSFUL ONBOARDING PRACTICES
Start by changing new-hire paperwork completion and collection practices

Are your new employees completing forms with a pen? If so, you’re not taking full advantage of your investment in HR tech, which means you could be losing valuable time to an outdated and inefficient process.

GIVE NEW HIRES THE BENEFITS ENROLLMENT PROCESS THEY WANT

Another way to engage employees during the onboarding process is to take the confusion and stress out of benefits enrollment. With a robust self-service portal that has video instructions for enrolling, benefits documents and links to carriers, employees can be well-informed about their benefits choices and understand how to enroll. They can log in from home with their spouse, as well.

Along with easy-to-use, self-guided enrollment functionality, this accessibility can create employee satisfaction with the entire benefits process, which generates goodwill between your organization and your new team members from the start.

Think about it this way: Today, when you share your contact information with someone, you don’t write it down so that he or she can transfer it into their phone. Instead, you just text or email your info or, you directly enter it into their phone’s contact list. Sharing contact information hasn’t always been this efficient, but it is today, thanks to technology. Now, exchanging contact info takes just one person to perform the task, instead of two.

This logic applies to onboarding as well: When new employees fill out forms online, HR isn’t stuck re-entering data from paper forms, duplicating efforts and wasting time.

This approach also can mitigate exposure. When new employees complete forms electronically, they ultimately are responsible for collecting, entering and approving their information. They’re also accountable for providing the correct data. If trusting employees with this task seems scary, remember: They know their information better than anyone does, and they have a stake in ensuring its accuracy.

Secondly, when your onboarding efforts exist online, you don’t have to wait for new employees to be present and on the clock to begin the process. They can get the groundwork done before they even start, which is
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ENGAGING NEW HIRES EARLY: MIND THE GAP

Your team has scouted, interviewed and extended offers to great candidates, who accepted. Then, a few days before their first day, you get a call: One of them won’t be starting after all. As it turns out, his current employer made a counteroffer that was too sweet to refuse. Now it’s time to return to the drawing board, because the rock star you recruited has disappeared into “the gap.”

“The gap” is the time between the moment new hires accept your offer and their start date. And in today’s job market, if they’re not engaged during this period, it could mean more no-shows and increased costs. According to Bersin by Deloitte, the average cost for hiring one employee is $4,000.8 Therefore, forfeiting just 10 of them to “the gap” could be a sizable loss for your business.

One way to avoid this is to consider “preboarding” new hires — that is, beginning the onboarding process before their first day. HR tech that facilitates online, electronic form completion and training can make it easy for new employees to efficiently complete documents, learn more about their role and the company, and really feel like an integral part of your organization. In addition, providing it to tech-dependent millennials shows you’re committed to giving them the tools they need to get things done.

While losing some new hires to “the gap” may be inevitable, a preboarding process designed to excite and engage new employees can help reduce their no-show rate and the associated costs.

How our HR tech makes it easy
If you don’t have Document and Task Management tools from Paycom, contact your client relations representative so your new hires can complete W-4s, I-9s and any other company-required forms — like an acknowledgment of the company handbook — through their self-service portal. Form fields can be required, which prohibits employees from submitting incomplete forms. With the Task Dashboard, HR can see who has and hasn’t completed new-hire documents. Once forms are completed, they are stored securely, and remain easily accessible in the event of an audit. In addition, because the system operates from one database, payroll automatically updates with the employee’s information.

Organizations with a Best-in-Class Onboarding Process:

RETAIN 91% of first-year employees
SEE 62% of first-year employees meet performance goals

Source: Aberdeen Group

an especially attractive concept to millennials. This generation in particular wants to hit the ground running, and online form completion can help these employees do just that.

Understanding these concepts is crucial to helping your new hires actually start working on day one. And not only is early productivity better for the company, but it’s good for your employees, too. The earlier new employees feel settled and understand their purpose and role, the less likely they are to leave. In fact, 69 percent of employees who have a great onboarding experience are inclined to stay with their company for more than three years.9
Expand training
While preboarding and electronic forms completion are relatively new ideas, the concept of including training as part of the onboarding process is not. For decades, new-hire training has involved a few training videos that cover company policy and history, but inspiring long-term commitment and creating employees who actually are passionate about working for you takes more.

According to the Society for Human Resource Management, 23 percent of employees who left their job within the first six months said that receiving job-related guidelines would have helped them stay.

To engage employees early, and ultimately keep them, work with your frontline managers. Help them provide their new team members with:

- **Defined roles**: the duties their job includes
- **Goals**: what their job looks like when it’s done well
- **Purpose**: why their job matters

One way to do that is by adding training paths focused on these needs to your onboarding process. Use a combination of in-person and video training to provide:

- **A job description refresh**: Most new hires remember the basics of the job for which they applied, but a reminder never hurts. This is especially valuable if you can show how their job duties fit into their team’s existing workflow.

- **Access to your experts**: Do you have an employee who is so good at what he or she does, that his or her method is the standard to which other employees should aspire? Consider recording that employee doing what he or she does best, and adding it to new-hire training. That way, new employees understand part of what it takes to do a great job.

- **A big-picture view**: If you have video testimonials that cover some of your clients’ biggest success stories, think about including those as part of training. Inspire new employees by showing them the difference your organization makes in the everyday lives of the customers you serve.

**THE GOAL YOUR C-SUITE AND TODAY’S MILLENNIAL EMPLOYEES SHARE**

HR industry experts have devoted a lot of time and research into demystifying millennial employees, only to discover that this younger generation has more in common with mature, seasoned employees than once thought.

This is especially true when it comes to the desire for day-one productivity. The C-suite values new hires who can become contributors faster; millennial employees, who were born between 1981 and 2000, crave the opportunity to do just that.

Growing up when technological advances made instant gratification a way of life, millennials have come to expect it in almost every aspect of their lives, including work. Young employees want to feel purposeful in their jobs, and nothing meets that need quite like getting the chance to work on the first day.

One way to get there is by designing an onboarding process that gives new hires the ability to complete onboarding tasks efficiently, either on or before day one. This gives them the chance to devote more time and attention to the activities that will help them become a contributor earlier, which is something both your C-suite and millennial new hires will love.

Showing new hires what they should do, how to do it well and, most importantly, why it matters, can go a long way toward engaging and retaining them. With Paycom Learning, it’s easy to create the training videos you need, incorporate the ones you already have and build a learning-rich onboarding experience that gets your new hires off to a solid start. Employees can access videos on demand through their Employee Self-Service portal, anytime and from anywhere.

**Include an introduction to your culture**
The meaning behind the term “culture” tends to vary, depending on whom you ask. And in most cases, to those outside of the HR department, the entire concept can seem fluffy. However, it’s anything but, because
culture influences the beliefs employees hold about their organization, and these beliefs influence the decisions they make daily.

That's why it's so important to introduce your culture to new hires as part of the onboarding process. Letting them know what your company values can help them feel more confident about making early decisions. In addition, it equips them to make choices in a way that supports your business's goals and objectives.

Think long-term
If all of this seems like a lot to accomplish in one day, it is. These best practices are designed to take place over an extended period of weeks or months. The idea is to nurture new hires through the early days with the company. Nearly 33 percent of them begin searching for employment elsewhere within their first six months on the job,¹⁴ which is why engaging them and getting their buy in during this time is crucial to retention.

GETTING STARTED
Paycom can help by providing an easy-to-implement, electronic onboarding checklist. It allows you to pull together all of your Paycom products to create a better onboarding experience for your new hires and HR team.

Task 1: Meet Your Self-Service Portal
Providing access to an employee portal can help your new staff members get their bearings and reduce the amount of questions for HR. Provide instructions for logging in and accessing Paycom University trainings on how to use it.

Task 2: Watch a Welcome Video
Alleviate first-day nerves and create a connection to your company’s culture with a welcome video from your CEO, a manager or key staff person. Even if you don’t have a video production team, anyone can record a quick video on their smartphone and easily upload it to Paycom Learning.

Task 3: Read (and Sign) Your Employee Handbook
Knowing the company’s expectations, policies and procedures before they get there can have a big impact on how confident your employees feel walking into their new place of work. Furthermore, electronic signature verification can provide an official acknowledgment of receipt and their understanding.

Task 4: Complete New-Hire Paperwork Electronically
Rather than have your new employees show up to a stack of forms to complete, let them enter everything in their portal, including emergency contacts, EEO-1 information and direct-deposit accounts. They also can complete their W-4 and I-9 forms and even upload two forms of ID. Getting this out of the way before day one is great for your people, but also helps HR get 100 percent of the employee information it needs and improves the accuracy of the data, when entered into the system by the employee.

Task 5: Tell Us More About You
Ask your new hires their T-shirt size, if they are a dog or cat owner, their hobbies, their spouse’s name and more, through custom fields. Use that information to welcome them with a personalized gift on their desk the first day.
Task 6: Enroll in Benefits
Benefits enrollment can be overwhelming, but providing helpful resources is key for creating a positive experience for anyone new to the process. With instructional videos, plan documents, links to carrier websites and guided benefits enrollment, selecting benefits should be painless for your people and HR. With Paycom, once employee-entered benefits data is approved, it is automatically updated in payroll and sent to benefits carriers.

Task 7: Begin Training
Assign new-hire training paths on harassment, safety or job-specific instruction that employees can access in the learning section of their self-service portal. Add a quiz at the end to ensure employees understand the content.

Task 8: Rate Your Onboarding Experience
Let your new hires know you care what they think through an onboarding survey they can complete in their self-service portal. Providing an opportunity for feedback not only makes them feel valued, but can help you perfect your onboarding process for future hires.

Start improving your onboarding process with an electronic checklist

With Document and Task Management from Paycom, you can build the perfect checklist to ensure you have everything you need to create the ideal onboarding experience.

Helping your employees feel welcome and prepared for the job goes a long way toward retaining and engaging them. The right onboarding strategy — backed by powerful HR technology — can help produce engaged employees whose commitment to your company will last long past their first day.

To get started, call your client relations representative at 800.580.4505
SOURCES

3 ibid.
4 ibid.
13 ibid.