

## Now Boarding New Hires

You don't have to wait until employees are in the door to start the onboarding process. By Carole Fleck

The Dow Chemical Co.'s Stacey Sprunger is working to make new hires feel like part of the company's global workforce and mission weeks before they set foot in the workplace.

Sprunger, HR workforce planning project manager, has been streamlining and modernizing the company's onboarding process so that new employees are "brought up to speed quicker and feel more integrated" when they arrive. As a result of her efforts, new hires who haven't yet reported to work and may be weeks away from their start date are now able to use the company's intranet to learn about the organization's culture, policies and benefits.

"It's great that this information is all in one place now," Sprunger says, adding that "in the near future we're considering using a web portal where they will be able to fill out forms online so they wouldn't have to get an employee paper packet sent to them by mail. Everything will be at their fingertips" before they start.

Dow is not the only company using technology to help new hires settle in more effectively. The shift toward bringing employees on board before they officially report to work, or preboarding, is becoming more popular as organizations witness the benefits of an accelerated integration process through emerging web-based solutions. These benefits include decreasing the time it takes new employees to become productive and retaining them for years to come. "Onboarding is a hot solution now," says Barbara Levin, vice president of marketing for San Francisco-based Enwisen, which specializes in workforce communications and technology. "More companies are moving toward this technology than ever before."

### Orientation Vs. Onboarding

Some organizations use the terms orientation and onboarding interchangeably, but industry observers say there is a difference. Orientation generally involves a first-day session that gets new hires familiar with an organization's structure, culture, mission and policies. Onboarding, on the other hand, takes place over a longer period of time from several months to several years and involves much more.

Onboarding "is a whole process of building relationships, shadowing executives, especially with top talent," says Jay Jamrog, executive director of the University of Tampa's Institute for Corporate Productivity, which tracks and researches HR trends. "At some companies, it's a two-year process."

But this process has to start somewhere, and many companies are developing software to make the initial component more efficient.

David Somers, director of consulting services for **Cornerstone OnDemand Inc.**, a talent management software company in Santa Monica, Calif., says his company's new onboarding program automates processes so that new hires can begin getting acclimated to their new organization before they report to work.

Here's how it works: Companies set up an onboarding process using Cornerstone's portal so that new hires can fill out forms, take e-learning courses to understand more about the company and the team they're joining, and learn what to expect on the first day, among other things, he says.

Hiring managers can also track where new employees are in the process, a bonus for larger organizations. "Of the 50 new hires coming to the orientation or onboarding process next week," Somers says, "we can say, 'Here's where they are in each one of the, say, 10 steps.'"

Levin says Enwisen's new solution, called AnswerSource Onboarding, works in a similar way. Through onboarding solutions, she explains, new hires can go on the web and start filling out forms, peruse benefits options with their spouse or partner, and watch a video from the CEO talking about corporate culture. They also can "get everything ready that's relevant for that company, like security badges and email addresses," Levin adds.

The result? "It can increase productivity on day one," she says.

## Continuously Selling

The benefits of an effective onboarding program extend beyond a new employee's first day or week. "It's all about building and developing relationships," says Jamrog of the Human Resource Institute. "We know through research that onboarding and building relationships are critical for retention, which is usually a huge issue within the first one to two years."

Indeed, studies have shown that a well-designed onboarding program can turn a new hire into a dedicated employee, reducing the costs of turnover. The Society for Human Resource Management (SHRM) illustrated that point in a white paper it released in October 2006 on orientation and onboarding programs.

According to the white paper, manufacturing giant Corning Inc. reduced turnover by 69 percent in new hires after two years by implementing an onboarding program that helped new employees understand objectives and build a positive attitude toward the company.

"Companies are always in a battle to maintain their employees to try to keep attrition rates down," says Somers of Cornerstone. "Onboarding had been seen as just orientation, but now companies are seeing the benefit of continuously selling to someone that this organization is the right place to be, that it's the right career path for him or her."

## Demographics Dictate Needs

There are some limitations to webbased onboarding programs. The SHRM white paper cited a study in which newcomers reported that they were less satisfied with computer-based onboarding programs in the areas of socialization, politics, and company goals and values than were those who attended group sessions.

"No software solution will take the place of lunch with the manager or a face-to-face with the CEO. But more and more, companies have employees that are everywhere," Levin says, so using a web-based program that provides new hires with access to medical forms, tax forms, company policies and benefits is key to getting individuals up to speed and integrated as quickly as possible.

Moreover, today's workers, from baby boomers to Millennials, prefer to learn about their organization's objectives and benefits by reading information on the web or watching a video vs. leafing through dozens of pages in the company handbook, Levin says. She adds that employees juggling work and family want information that is easily accessible at any time of day.

"If I have to read 100 pages of a summary plan description to understand what my benefit choices are, or if I want to know something specific like what is my company's policy on military leave or maternity leave, and I have to go and look through 300 pages of an employee handbook to search for that, I'm going to be angry at my employer," she says. "You can't take people coming out of college today, or boomers, and hand them pages of paper. People are busy."

## Come Aboard, We're Expecting You

A study by the Aberdeen Group in Boston found that 76 percent of companies implemented a formal onboarding process for new hires in 2006 compared with just 40 percent in 2005. But the study, titled the Onboarding Benchmark Report, also found that many companies still need to transform their onboarding process "from a checklist to an experience" in order for it to yield the results they are looking for.

Experts say that companies devising or revising their onboarding process should:

- Streamline all onboarding efforts.
- Use technology to coordinate multiple phases of onboarding.
- Incorporate a pre-boarding component that provides information and online access, including an opportunity for new hires to sign up for benefits, e-mail addresses, security badges and other necessities before they begin working.
- Extend the onboarding process for as long as six months so new hires are less likely to feel frustrated by issues that arise, say, after the first month.
- Place managers in a key role to smooth the onboarding process and manage expectations.
- Assign mentors or buddies to new employees so they can get information or ask questions that they may be afraid to ask their managers.
- Provide a plan for new employees' growth and development that includes immediate training as well as learning and growth goals for the next one to three years.