Analysis of Employee Onboarding in Organisations

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Abstract: *Enterprises have realized that new employee onboarding being the focal point is key to the employee prosperity in the organization. Revenue is a crucial defining factor to determine the development of a company. The key differentiator being employee satisfaction. Employee satisfaction not only determines their productivity but also the overall health of the organization. In order to get a better response, the employees have to be introduced to the work environment and culture slowly at the initial stages of employment to maintain employee satisfaction and maximise productivity. However, Organisations come across several challenges with accommodating several generations before devising a suitable onboarding procedure. This paper tries to breakdown the reasons for effective onboarding and the different onboarding methods being employed by companies and start-ups.*

Keywords: **Onboarding, employee, productivity, retention, culture, satisfaction**

1. Introduction

According to a study [1], organisations spend approximately $4129 on average on every new hire and take 42 days on average to fill out an empty position within the firm. This inherently means that companies can lose anywhere from 1% to 2.5% of their total revenue in the process of hiring [2]. Apart from the massive financial drain due to hiring, there is also a challenge with the productivity of the new employees in an organization. Most employees take a rather long time before reaching optimum productivity. Employee onboarding has seen a change in recent times with most of the processes being digital in nature. Hence, deducing effective onboarding techniques is crucial now more than ever with a drastic shift towards online transactions.

As we advance into an age of complete digitisation of all standard processes, the end users of most organisations encounter a set of new challenges. Understanding a business process in itself is a challenging task and it becomes a bigger challenge when it has to be done remotely without any assistance other than documentation available to the end user.

The problem lies with the adoption of these ever-changing technologies to the end user as well as the faculty responsible for enabling alterations based on the identified requirements. The task may be as easy as to create an account on a website or understand an entire complex business process, both of which require some amount of training for the user in order to do the expected task.

The documentation given to the employee is often lengthy, unnecessarily technical and not to mention, very time consuming to understand and implement. Documentation

may be in the form of articles, text files or even video links from popular video sharing websites or the organisations' own web application. Another issue encountered is navigation between the parent document and the video or documentation links present in the application or general website help. This is a major setback for company time as well as resource allocation and thus it is essential to provide immediate optimisation to employee learning with the rapid increase in online transactions. This would not only decrease company resource drain but also make the learning experience quick and effective.

Another consequent result of good onboarding is employee retention. According to a study conducted by Glassdoor, employee retention can increase by 82% with great employee onboarding and increase productivity by over 70% [2]. This indicates a serious scope of improvement in terms of the onboarding practices followed by organisations.

2. New Employee Onboarding

2.1 Standard Onboarding Process

Onboarding is an organizational socialization process for a new employee to gain understanding and expertise to become a productive employee in the enterprise [3]. Onboarding procedure has an objective to establish and initialise the new employee to the values, culture as well as the morals of the com-pany (corporate culture) [4]. There is a constructive and note-worthy association between self-confidence and turnover purpose which is structured by onboarding event. According to [5] the crucial features in the onboarding process are given below.

- **Compliance** is a fundamental measure that compris-es of educating new employees regarding the regula-tions as well as rules, permitted legal practices and strategies. Furthermore, it briefs the employee regarding the documents related to work, computer, email account, identities, and workstation in agree-ment with the requirements of that specific job. Or-ganisations which have the potential to exercise com-pliance optimally will now be qualified to instruct its employees more effectively to pursue the custom.
- **Clarification** is associated with the specifics and circum-stances of a particular job, inclusive of the knowledge of the needs of the job, the basics of work fulfilment, and the internal and external communication. The productivity of the employee is directly proportional to their understanding of their role and require-ments.
- **Culture** is an indication of the morals about the com-pany. Like how an individual may have personality traits and characteristics unique to them, a company is identified by its culture and values. The faster the employee recognises and comprehends the company culture and values, greater is their chances of reaping long-term returns and overall growth. [9]
- **Connection** is an indication of the professional peer relation, support mechanism and data network that has to be constructed by the new employee at the time of joining an organization.

2.2 Understanding Generation-Z expectations

Unlike the different cohorts, Gen-Z is generally a lot more technologically inclined, and finds that most of the less-valued tasks may be automated, decreasing human dependence

and the resulting flaws and errors but still promising good quali-ty content. Their comfort with technology provides them with first-hand involvement and providing them with an active-learning experience makes them curious and fast learners. Gen-Z is far more determined than the other generations and usually don't commit or settle to their current status. They generally aspire to engulf themselves in stimulating tasks, as they are confident, dedicated, and strongly rely on their ability to learn [6]. Even though they are confident and a diligent generation, they often encounter a lot of anxiety with respect to the work expectancy. Thus, it is essential that the leaders set the stage correctly when the onboarding scheme takes place. The presumptions and the requirements related to their daily work need to be clearly defined.

Generation Z highly relies on learning on their own and appreciates self-taught and independent upskilling marriage with emerging technology. This generation is the first digital-ly native generation and they are aware of the relevant skills for their careers and understand that being up to date with technology needs continuous learning. While they are willing to acquire new skills, they also expect the new employer to equip them with the necessary training, so they can potential-ly begin contributing from the day of joining [7].

3. Types of Onboarding

There are several levels of onboarding that cater to the differ-ent social and technical aspects of a job. The technical training may not be sufficient or relevant for the operational tasks that a newly hired employee may face. Thus, it is important to classify the different types of onboarding procedures based on the targeted task.

3.1 Operational Onboarding

At its most basic level, onboarding is about providing the tools and equipment that the employee will need to carry out their job. This may include all the software and hardware essentials that the company needs to provide to the employee. All the required material and devices have to be delivered to the employee at the date of joining or well in advance.

3.2 Knowledge Onboarding

This is regarding the knowledge transfer that is relevant to the job and the required information to fetch some documentation in the most understable method. Information for the newly hired has to be provided in a systematic and methodical manner so that the information is understandable and easily digestible. The employees need to be made aware of the different hierarchies in the authorisations and be given all the relevant documentation for their job beforehand so that they can always refer to these notes even after getting a formal training.

3.3 Performance Onboarding

In this type of onboarding, the newly hired employees are educated of their both long term as well as short term goals and milestones. This not only provides them a meaningful set of future expectations but also helps them stay motivated to work from day one. The idea is to set up objectives from day one and applaud achievements for accomplishing the objectives. Feedback is a key factor in increasing employee productivity besides goal setting. Providing constructive feedback on regular intervals is crucial for improvements and better communication between manager and employee. The expectations of the management have to be set clear with the em-ployees and this will push the employees to function in a way that will fetch them the best results.

3.4 Social Onboarding

In any organization, apart from feeling relevant with regard to the work contribution being made, every employee wants to be recognized and accepted socially. Several companies have started using a 'Help-Buddy' or a 'Knowledge Sharing Buddy' who can help a newly hired employee with all their questions that they are not comfortable with asking their managers [8]. Not only do they feel like they have a companion within the organization but also feel less pressured to know all the aspects of the job from day one. Social onboarding need not begin after joining the company but can also begin well in advance. The key understanding is that the employee needs to feel relevant and socially accepted at the company that they are working in.

5. Effects of Satisfactory Onboarding

The benefits of appropriately devised onboarding schemes are many including employee satisfaction and retention. These are a few of the elements contributing to company growth and prosperity. Few of the effects of good onboarding practices have been listed.

- Improved job satisfaction - Taking the time during onboarding to aid employees understand all the val-ues, long-term goals of the organization and their new role provides employees clarity. User satisfac-tion improves almost 69% [10] when a professional training or a similar program is available at the ini-tial stage.
- Employee retention – It is important to understand that hiring is an expensive and time-consuming process and thus the hired employee needs to be retained for the company to make sense out of process cost and benefits. With the help of a good onboarding scheme, employee retention can be increased mas-sively by almost 82% [11].
- Improved Employee Productivity – The employee can take anywhere from 8 weeks to 8 months to attain optimum productivity within a new company that they have joined. The faster the employee be-comes the productive, the better results the company can expect and with the help of good onboarding practices, the productivity of the newly hired employee can be increased by almost 70% [12].

6. Conclusion

With the help of onboarding statistics and surveys, a key relationship is established between the company growth and employee satisfaction. The efforts that a company puts in to onboard a newly hired employee helps them reach optimum productivity at a faster rate as opposed to having no onboard-ing program. This inherently means that the company is in-fact saving valuable company resources and time by retain-ing an employee since re-hiring is a resource draining event. The overall health of the company along with the employee satisfaction contribute to a prosperous institution.

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