HR Project

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**Part 1:**

Why should organisations invest in providing induction or on-boarding programmes for the benefit of their employee’s? Is it money well spent?

Your answer should put forward the business case for induction/ on-boarding. You should use examples to back up your views.

After effective recruitment and selection, one of the most important ways that organizations can retain their employees is through the strategic use of on-boarding. On-boarding refers to the mechanism through which new employees learn the necessary skills or knowledge to become efficient members of the organisational team. In the fast changing world of modern management it is important to have a well-trained team of employee’s right from the start, regardless of the size of the business. I think that on-boarding is definitely an excellent way to ensure employees feel they belong and are part of the company as quickly as possible. A good on-boarding programme would typically include: a clear outline of the job/workload involved, explanation of terms, policies and rules (if any), introduction to colleagues and finally an orientation to describe the facilities of the workplace and familiarise the employee with the whereabouts of these facilities. Organisations might also take this opportunity for senior management to come in and have a meeting face to face with the new staff, introduce him/herself and let them know about themselves, the company and its objectives. These socialization techniques can help lead to positive outcomes for new employees such as high job satisfaction, motivation and organisational commitment and all round positive atmosphere .New employees are made feel welcome and more comfortable. They will feel like a source of new focus and possibly creativity. The aim of on-boarding is to help new starts transform into productive employees as soon as possible. All this is very positive and money put to good use for both the employee’s and the organisation. All these techniques will help new employees adjust to their jobs, be happy in their work and hopefully remain with the company. ~~establishing better relationships, clarifying expectations and objectives, performance is improved and providing support to help reduce unwanted turnover of staff).~~ On-boarding has four distinct levels that is often referred to as the four C’s:

* **Compliance:** Outlining basic policies, rules and regulations
* **Clarification:** Explaining of new role and relative expectations
* **Culture:** This is a broad category, providing employees with information on organisational norms, both formal and informal.
* **Connection:** Refers to vital information on interpersonal relationships and information networks within the organisation.

When one considers the cost of recruitment, selection and the interview process, management time and the effort spent on finding the right people, the on-boarding process becomes essential. If an organisation starts to notice a trend in employee turnover i.e 20% of new employees leave after 3 months, they should really take a step back and look at the situation. Is it the recruitment process? Wrong candidates being interviewed/selected? Or is it a lack of a good on-boarding programme? With good HR functions in organisations, today, the chances are that it is a lack of an effective on-boarding programme that is the problem. If there isn’t a good on-boarding programme in the organisation, sometimes the employee leaves either through resignation or in extreme cases dismissal. That is a lot of additional costs for recruiting a replacement and wastes valuable time for the employee and the HR management.

When an organisation has a well-structured intensive on-boarding programme it can be very beneficial to both parties. One case study that impressed me was the intensive on-boarding programme at Zappos in 2009.

“Zappos was acquired by amazon.com in 2009 and managed to move from 23rd place on *Fortune* magazine’s “*100 best companies to work for*” list in 2009 to 15th place in 2010.

To date. Only about 1% of trainees have taken this offer. This might be wheven though Zappos has more than 1,300 employees, the company has been able to maintain a relatively flat organisational structure and prides itself on its extreme transparency.” (*T.,& Erdogan, 2010)..*

Another example of an organisation successfully introducing on-boarding is IBM. In the 1990s and early 2000s IBM recognised that the company has some success with the new employees. (Talya N. Bauer, 2010)

They realised that new employees had different needs and created the “Assimilation process” which consists of the 3 steps; affirming, beginning and connecting.

* **Affirming:** This happens prior to the employees start date and welcomes the new employee, preparing a workstation and assigning a coach.
* **Beginning:** this occurs during the employees first 30 days in the organisation. On the first day the worker is met in person, introduced to the team, completes all necessary paperwork. During the first crucial month managers make sure that all resources are made available, roles and responsibilities are clarified and that the newcomer is encouraged.
* **Connecting:** This refers to the first year on the job and consists of three phases (i) the employees coach will check in to make sure everything is ok at the 2 month mark, at this stage networking is a priority

(ii) Between 4 and 6 months the focus is on the newcomers accomplishments and understanding of how things are done the IBM way.

(iii) By the end of year 1 IBM considers new employees to be fully integrated into their workforce.

One of the most valuable aspects of the assimilation process is the individual coach assigned to the newcomer. This works similarly to the buddy system we have in place in NCI for incoming first year students, i.e. a friend to answer questions in an informal way.

The founder of the 100-year-old Kellogg Company, W.K Kellogg once said; “I’ll invest my money in people”. This backs up my point that on boarding is money well spent as it is investing in people for the good of the company and the employee. As Kellogg’s is still a worldwide brand investing in people must work!

**Part 2: Case Study**

1. As HR director I believe the following are the problems facing the organisation:

The loss of staff to competitors is obviously a big problem in a fast growing competitive market. This high turnover is very costly both in direct and hidden costs. Direct costs include finding, selecting and training a replacement, the hidden indirect costs include loss of productivity and knowledge to a potential rival and reduced morale of present workforce.

Another problem is the lack of analysis and follow-up of the exit interviews. There is also no procedure in place to monitor existing staff morale. There is no I.T data available for management to notice a correlation in the variables of why staff are leaving.

1. In order to tackle the problem I would propose to introduce an induction programme to incorporate the “*4 C’s*” (Compliance, Clarification, Culture and Connection) that will assist the new employee in the first year of employment. I would also introduce a “mentoring process” and/or the “buddy approach” for new starters. These socialization techniques will help integrate the new employee into the organisation quickly and efficiently.

There is also a need to reconsider how the company selects new employees at the interview stage. Perhaps the company needs to employ the *person* rather than the *ability*, as organisational fit is crucial. If the *person* is a good organisational fit they can always be trained. In addition, maybe the HR Department will have to re-evaluate the questions they are asking the candidates up for selection. Finally I would try to nurture a sense of loyalty, belonging and team building within the organisational workforce.

1. In an effort to gather more accurate information I would introduce new exit interview forms that will include an exit *chat* with a senior HR manager. I believe individuals will be more likely to tell you more problems in a casual conversational manner rather than writing it down on paper. This is especially true if the problem is to do with interpersonal relationships or bullying.

I would also implement a mechanism for current staff to voice their concerns and opinions. This could be achieved by introducing regular employee attitude surveys or as simple as putting a suggestion box in the canteen or locker room.

I would set up an I.T based monthly report on turnover and retention of staff so management have the information at their disposal to monitor, manage and discuss at regularly scheduled meetings. Can’t fix it if you don’t know whats broken.

1. When management know what causes a problem then they can work together to try and resolve it. It appears from informal chats with various members of the organisation that the problems that exist are all non-financial. Equipped with this information I would endeavour to improve staff moral by introducing training and development opportunities. Also more flexible working arrangements could be offered i.e: flexi-time or work from home where feasible.

Team building exercises and company social events could create new socialization methods and improve staff moral and develop a sense of loyalty.

Employee satisfaction is essential to a happy workplace and this can be improved by adopting job appraisals. This way both employer and employee get to voice and set agreed goals and this can lead to greater job satisfaction.

References

1. Talya N. Bauer, Ph,.D (2010) Onboarding New Employees: Maximizing Success [online] *SHRM Foundation.* Available from: <https://www.right.com/thought-leadership/research/shrm-foundations-effective-practice-guidelines-series-onboarding-new-employees-maximizing-success-sponsored-by-right-management.pdf> [Accessed on 9th of March]
2. Tayla Bauer& Berrin Erdogan*. (2010).* Organisational behaviourNY: Flat World Knowledge