



# Book Successful Onboarding

## Strategies to Unlock Hidden Value Within Your Organization

Mark A. Stein and Lilith Christiansen  
McGraw-Hill, 2010

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### Recommendation

Have you ever started a new job and had an awful feeling of sensory overload? Your first day, week or year in a new position can seem overwhelming, particularly if your employer doesn't handle your onboarding process well. If you'd like to avoid inflicting that experience on your new hires, management consultants Mark A. Stein and Lilith Christiansen explain how and why systemic onboarding can benefit your employees and your company. Then they tell you how to do it right – providing detailed charts and tables to help you map out a comprehensive onboarding plan. While the book slips unavoidably into HR jargon from time to time, it is readable enough for any business leader looking to exploit heretofore untapped resources. *BooksInShort* recommends this guide to human resources professionals and to managers interested in applying its tools and strategies to their own departments or units.

### Take-Aways

- Workers no longer feel a sense of loyalty toward their employers; one-third of new hires leave a firm within their first two years.
- A well-structured onboarding program can reduce turnover, increase workers' productivity and make your company more attractive to potential employees.
- A well-designed onboarding program has "four pillars":
- "Cultural mastery": Teach your recruits the unwritten rules and nuances of your firm.
- "Interpersonal network development": Ensure that your employees make the right social and professional connections.
- "Early career support": If you demonstrate interest in your new employees' professional advancement, you will inspire their loyalty.
- "Strategy immersion and direction": Show new hires how they fit into the corporation's overall goals. Help them understand how they make a difference.
- Set up a system of "governance" to assess the program's performance and effectiveness.
- Measure your onboarding results periodically to make adjustments or updates.
- Keep employees in your onboarding program for their first year and beyond.

### Summary

#### Why Onboarding?

Did you know that you can expect a third of your new hires to leave your firm within their first two years? That statistic represents a huge economic drain on your company – but you can prevent that loss. The answer may lie in how well – or poorly – you integrate your new employees into your organization. If your business is like most companies, you have room for improvement. The majority of firms do not have a comprehensive process to prepare and acclimate recruits, and few help newcomers network with pivotal colleagues and develop their careers. But now business leaders are discovering the benefits of onboarding employees using "a strategic and systemic approach" – rather than a haphazard effort by recruiters, HR personnel and managers that does nothing to stanch a firm's typical "10 to 15% annual attrition" rate.

"Beyond the challenges of recruitment and retention, productivity is perhaps the most important reason onboarding has taken on such immense strategic relevance for progressive firms."

Successful strategic onboarding programs can help new workers become productive more quickly – an important advantage at any time, but particularly vital in a tight

economy. And because onboarding encompasses “every experience that the new hire has in the course of the first year,” systemic onboarding should continue beyond a neophyte’s first 12 months on the job.

“Fact: Every new hire in your organization is onboarded...but not all new hires are onboarded particularly well.”

When it comes to onboarding, innovative technologies can lead to greater efficiencies. New hires can fill in any necessary paperwork online before their start date, freeing up time for a more interesting, less bureaucratic first day. However, such software “serves merely to automate the administration of orientation activities.” A fully strategic onboarding program requires a lot more than just computer tools, but, once in place, it can help your company better meet its “human capital demands.” A solid onboarding program can make your new recruits more productive, because it empowers them to be thoughtful and proactive, “and not simply complete tasks assigned to them.” The value that a company subsequently realizes from such a program is the “Onboarding Margin”; the value that employees realize is the opportunity not just to earn a paycheck but also to attain respect, achievement and “self-actualization.”

“When top-notch people...become disillusioned, a firm’s brand becomes tarnished in the eyes of prospective employees...and it becomes even more difficult to attract the best talent.”

Consider branding your onboarding program so it’s clear that your efforts are serious. Involve all your company’s personnel in the program. Everyone in the firm should understand that “they have some responsibility for integrating new hires properly.”

A successful onboarding program has four phases: “Prepare, Orient, Integrate and Excel.” Prepare new hires by starting the paperwork process before their first day. Then use your traditional welcome program as an orientation for new employees on company strategy and culture as you start them down the road of establishing new connections. During the integrate and excel phases, give new staffers “regular mentoring support, feedback from hiring managers and cohorts, socialization opportunities, strategic education and career planning advice.”

## The “Compact” Between Employer and Employee

When you hire someone, you create a “mutual agreement,” or a compact, between your company and that person. In the past, this compact has had different meanings, such as an understanding that an employee could rise in the firm over decades and retire comfortably with a gold watch. This is no longer true. Today’s employees are much less loyal and change jobs more frequently. Businesses must do more than just prepare staffers for their current positions; firms need to “excite new hires so that they feel motivated to address their challenges enthusiastically.” To help a new employee fit in, utilize the “four pillars of the Onboarding Margin”:

### 1. “Cultural Mastery”

How do people really conduct business in your company? What are the unwritten rules of behavior? “For most new hires, understanding a new company’s culture is a difficult, nuanced and gradual process.” But it doesn’t have to be that way. You can take proactive steps to teach your new employees how business really gets done in your firm. So what is “culture”? While “corporate culture” is made up of the company’s mission and values (it is what makes the business unique from the point of view of “management, employees and the marketplace”), “organizational culture” is the way employees “think and behave, perhaps unconsciously.” You need to teach new hires both. Otherwise, you cast them adrift to make mistakes. As new employees, they are in a prime position to notice any misalignment between your firm’s stated culture and its reality. Inform your recruits of any tacit norms from the get-go.

“Prospects are always more inclined to work at a firm that’s regarded as a superior place to build a career.”

When you help your new employees truly understand your company’s culture, you free them not only to do their jobs more quickly and effectively but also to serve as “a great lever to drive organizational transformation.” In other words, if you’d like to change the way your company does business, perhaps your newcomers can spearhead the effort.

“Beyond providing skills, strategic onboarding helps employees by inspiring them and giving them the appropriate sense that they are performing meaningful work.”

Start with a “cultural audit.” Interview your employees in groups to see if their understanding of your culture aligns with your company’s stated mission and values. Explore “dominant behaviors, practices and symbols.” Find out if your “perceived” culture differs from reality. Be honest about how you describe your culture to employees. Use simple, humble language. Engage in two-way conversations. Use tools like wikis, blogs, streaming video and your intranet. If you’ve branded your onboarding program, publicize it on these channels. These strategies will engage your entire workforce in the onboarding effort and make everyone in your company true stakeholders.

### 2. “Interpersonal Network Development”

Ensure that your new employees make the right connections with people who can help them do their jobs. Building relationships is pivotal to professional success, and it behooves companies to help their new hires do it. New staff members may leave your firm if they feel lonely and isolated – personally as well as professionally – in their new jobs. “Most companies have not devoted significant attention and resources to drive relationship building,” but such networking helps new hires do their jobs better and encourages them to stay and contribute to your bottom line. Therefore, companies should organize and institute “structured social programs” throughout the new hires’ first year on the job.

“Taking the time to talk about culture results in happier, better-adjusted employees who work effectively...Simply put, it surfaces and releases hidden value.”

Encourage new employees to develop the following four networks: 1) “Internal Professional Networks,” comprised of a wide array of colleagues, from lateral employees to supervisors; 2) “Internal Personal Networks,” or people within the company who share a group membership or point of view; 3) “External Personal Networks” with acquaintances and relatives; and 4) “External Professional Networks,” including business associates, such as vendors and customers.

### 3. “Early Career Support”

While supporting career development early in a new hire’s tenure may seem counterintuitive, the opposite is true. Staff members who believe their new employers are interested in their career goals become more inspired and motivated to excel on the job; they also demonstrate more company loyalty. The tools that companies frequently use to demonstrate early career support include mentoring, regular feedback on performance, training, organizational learning and coaching. Start the conversation about the new hire’s development and long-term career goals on his or her first day, because the concept of employee loyalty and long-term tenure is “a relic of the past.” New hires are “happy to give value to the enterprise, but only commensurate to what the organization returns back.”

“New hires need to make the right connections, and they need to do so in a timely fashion – before they have a chance to pass judgment on their decisions to join their firms.”

To ensure early career support of new hires, put these four structures in place: 1) Make job “assignments” with an eye toward the new employee’s gradual progress; 2) give “guidance” as required, and hold “system participants,” those responsible for onboarding a new hire, accountable for ensuring his or her success; 3) provide “insulation” to keep the new person from making costly, early mistakes; and 4) offer “remediation” and support if the new employee fails at an assignment.

“Most firms today make only limited and late use of career development, seeing it as a reward for employee loyalty rather than what it could be – a powerful means of nurturing it.”

Overall, you can make certain your career-support efforts will succeed by “systematizing” conversations regarding career development (but not at the expense of genuineness), offering frequent feedback and performance assessments during the employee’s first year, making growth a “collaborative” process between the staffer and the firm, expecting new hires to fashion their own goals, and offering various flexible career paths with a “focus on exploration.”

### 4. “Strategy Immersion and Direction”

A systemic onboarding program should explain not just the company’s strategy but also how each new employee can help fulfill it. Discuss what your firm’s goals are, how you plan to meet them and how the new hires’ jobs fit in. Help new employees be creative and develop new ideas.

“The more versed employees become in the strategy, the more they begin to regard their everyday work through that lens.”

Be fearless about sharing your corporate strategy. Provide instances of new-hire success stories and have regular discussions with new employees about strategy. Inform your recruits (in a visual demonstration, where possible) of who the firm’s stakeholders are. Reveal strategy “progressively and in layers” so that new employees don’t feel overwhelmed. Treat strategy realistically rather than casting it as “smoke and mirrors.” Make it clear that new hires can develop strategic thinking skills themselves, and explain which strategies are most important and why.

### Administering Your Onboarding Program

A smooth and successful onboarding program has numerous administrative needs. Once you have ensured that the “right technologies, people and resources are in place” to run your onboarding program, set up a system of “governance” to assess the program’s performance and effectiveness. Administering onboarding involves everything from sorting out paperwork, security, passwords, and so on, to setting up a mentoring program that fulfills the promises you made to your new recruit, helping him or her to perform well on the job and, eventually, to grow beyond it.

“Overall, orienting new hires properly isn’t a quick and dirty task; it requires thoughtful program design and the involvement of stakeholders across the organization.”

A “new hire portal” can help employees familiarize themselves with your company’s size, structure, geography and culture. But these portals shouldn’t serve as an endless commercial for how great your company is. They should allow new hires to access negative information as well as feel-good stories. Convene onboarding panels to coordinate these portals and other aspects of the onboarding program. Use such tools as satisfaction surveys and focus groups to determine your program’s success. Have a system in place to hold managers accountable for their results.

### Where Do I Start?

First, do a diagnostic: What’s working in your company and what isn’t? Identify “the main problems onboarding can address, the size of the opportunities, the root causes behind the problems, and the most practicable solutions given the organization’s unique circumstances, operating conditions and constraints.” You may be tempted to bypass this task. Don’t. Simply examining what other firms do (their “best practices”) and trying to apply them in a piecemeal fashion is a recipe for failure.

“Successful onboarding is far more than traditional orientation in new clothes; it is an innovative strategic program that can boost a company’s bottom line and improve its future prospects.”

When you perform your “system diagnostic,” do it in four phases: 1) “internal discovery,” in which you focus on your most pressing requirements and devise programs to meet them; 2) “external benchmarking” to determine what your competition is doing; 3) “opportunity identification,” in which you figure out the “gap” between what you’re accomplishing and what your competitors are doing; and 4) “obtaining organizational validation and buy-in,” that is, getting your colleagues and superiors to understand and support the importance of onboarding.

### Designing Your “Blueprint”

Now you are ready to devise your onboarding blueprint. Begin at a “high level”: Ensure that all your stakeholders understand the goals and the breadth of the program, and that your blueprint aligns with your company’s “core business cycles and other specific operational needs.” Employ “design thinking methodologies” – identify what

you're doing well, what you should keep, what you should add, what you should change and what you should delete. Prioritize your program elements: What "low-hanging fruit" can you accomplish early? Examine and calculate your progress. Pilot your program in stages so you can monitor results more precisely.

## About the Authors

Kaiser Associates partners **Mark A. Stein** and **Lilith Christiansen** are experts in organizational development and onboarding.

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