

TRENDLINES

The Employers' Association's monthly whitepaper on essential Business/Human Resources practices

The Employers' Association (TEA) delivers reports for businesses that contain relevant and up-to-date information based on our work with hundreds of employers each month. TEA is known to produce a number of essential benchmark survey reports every year and we also compile data and observations that provide organizations practical perspectives on important business trends.

Onboarding

What you should know

The necessity for a formal, effective and functioning Onboarding Process is simple – find, hire and retain an effective work force. While the bottom line for Onboarding has primarily been to retain an employee, finding and hiring play a critical part in retention and are of greater importance in today's job market. Onboarding describes the activities involved in identifying, acclimating and accepting all new hires into the organization as well as making any transferred or promoted employees feel comfortable within their new surroundings. Any time an individual changes jobs, externally or internally, they should be Onboarded into that new position.

An Onboarding Process consists of all the activities a company conducts from the design and content of a job posting through all of the critical activities of an employee's first year. Onboarding describes the process of integrating a new employee into the organization and its culture and the mechanism through which new employees acquire the necessary knowledge, skills, and behaviors in order to become an effective organizational member.

The Covid-19 Pandemic has changed the emphasis for Onboarding from employee retention to hiring resources to fill many available, and critically needed, positions due to the shift in the labor market. Effective Onboarding has become the primary driver for finding new employees, as well as keeping them, as it reduces the number of new employees needed later by minimizing natural attrition.

What we know

The inability to find enough people to fill the jobs available impacts all employers today. There are many potential reasons and economists agree that there is no solitary specific underlying factor driving this significant lack of people applying for jobs but the reality is that it exists. A lack of available resources is the number one topic in our HR round tables (discussion groups designed to provide a forum for HR professionals from varied industries to work together and find answers to issues each might be having and others can provide insights into what solutions they have used successfully). These groups have not been able to provide consistently successful resolutions to the issue.

Historically, for TEA's Employee Engagement Surveys, the most critical issues companies and employees had were pay, equal treatment and communication. Several of our more recent Surveys have shown a significant increase in comments about employees being overworked and burned out for lack of enough people to fulfill the orders and service requirements.

Another complicating factor for finding new resources is an individual's ability (or inability) to work from home. Last year showed us that many companies can function with a large portion of their work force operating remotely. Unfortunately, that is not realistic for many of the jobs that are coming back as the economy reopens. TEA's Employee Engagement Surveys demonstrate there are many positive benefits to working remotely (from an employee's perspective) and that upwards of 75% of employees want to continue to work from home and are unwilling to take an "in person" position.

A March survey by the *National Federation of Independent Business* found that a record high 42% of owners had job openings that could not be filled. Ninety-one percent of those hiring or trying to hire reported inadequate or insufficient applicants for the positions they were trying to fill. Most industries are thriving and eager to hire, which should be welcome in an economy that has recovered only a little over half of the 22 million jobs lost during the coronavirus pandemic, but cannot find qualified employees to fill their openings.

Data from the Labor Department this month showed job openings at a five-month high and job search site Indeed reported job postings are back to pre-pandemic levels yet employers in sectors like manufacturing, restaurants and construction are struggling to find workers. There are more job openings in the U.S. than before the pandemic hit in March 2020, and fewer people in the labor force (according to the Labor Department and private recruiting sites) so what can employers do to attract and retain qualified workers?

What it means

The primary driver for an economic recovery is the hiring of enough workers to be able to fill the supply chain with "goods and services" from its very beginning to the end consumer and provide the ability to transport the goods and services quickly and efficiently. Without companies being able to find, hire and train adequate resources, the economy will not fully recover enough to supply the pent up demand for all goods and services to return to some level of normalcy. Everyone is competing for people from the same limited pool of available resources. Economics has leveled the playing field so essentially everyone is offering the same higher wages, increased benefits and sign on bonuses.

Companies must become more creative in how they identify and entice people to come to work for them and then keep them committed to stay – Human Resources and Hiring Managers being responsible for identifying and implementing the new solutions. A tool that is not thought of often enough (and mostly overlooked) is Onboarding. A comprehensive, functioning and effective Onboarding program can provide the edge everyone is looking for to help find and hire individuals away from other companies or attract them to new opportunities. An onboarding process provides the tools and road map to utilize that others might not have – it is a process of communicating what employers DO have in place...a way to "walk the talk" rather than to talk around the walk and hide the weaknesses.

What you can do

The ability to find and keep new employees is significantly increased when utilizing specifically defined steps in an effective Onboarding Process. Since all recruiters are offering essentially the same thing to come to work for them, it is incumbent upon hiring managers to look beyond the tangible offerings (there must be some tangible offerings as well) to the intangibles. This is where Onboarding provides an advantage. While this is not a complete list of the critical activities of Onboarding, these are the most important to finding and keeping good employees:

Recruitment/Job Posting – The first critical step in finding/hiring people

1. Promote your company shamelessly. Spell out, in great detail, every possible reason an employee would want to work for you and not someone else.
2. What is unique, compelling and desirable about the job being listed?
3. Require abilities rather than JUST proven experience (e.g. – Problem solving, work as a team, planning/prioritization, work independently) rather than just “years of experience.”
4. Plan to train people the way you want them to be trained (rather than hiring them “ready to work”). You usually end up training employees once they are hired – plan for it as a part of the process.
5. Provide a vision of a career rather than just a short term position – a launching pad for greater success.

First Day – Beginning Step of Employee retention

1. Reach out to potential employees on a regular basis (before they begin work) providing all the information they need to feel excited and want to come to work their first day.
2. Execute a planned initiation into the company. Have work station complete and ready, introductions planned, networking established, training scheduled, a mentor identified, the company overview established, AND the importance of their position integrated into an overview of the organization.
3. Help them feel successful the very first day and a real part of the company family.

First Three Months/Year

1. Set goals (realistic) – Evaluate performance – re-set goals – provide requirements and help for possible promotions.
2. Allow the employee to fail BUT learn...to grow rather than to simply “do” what needs to be done.
3. Rinse and repeat regularly during the first year.

Onboarding is a process that all companies **SHOULD BE** using in the best of times, and **HAVE TO BE USING** in difficult times. Onboarding processes are not complicated or difficult to implement and manage. Effective Onboarding can more easily fill the voids you have now and provide significant benefits in the long term. The Employers’ Association can help establish an effective Onboarding program or modify an existing one as the brief descriptions of several steps above are just examples of some essential activities. Please contact us at tea@teagr.org or 616-689-1167 to learn more about how Onboarding can help YOU become a champion within your organization.