

INSIGHTS INTO ONBOARDING

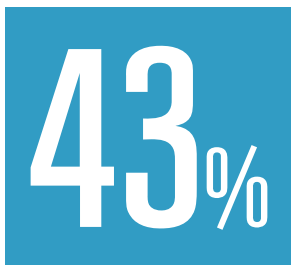
KEY COMPONENTS OF AN EFFECTIVE PROGRAM REVEALED

CONTRARY TO CONVENTIONAL WISDOM, new employees care more about mentoring and on-the-job training than perks like free food during the onboarding process, according to a survey of more than 1,000 U.S.-based employees conducted by BambooHR.

Receiving organized, relevant and well-timed content; on-the-job training; the assignment of an employee “buddy” or mentor; and having the onboarding process extend beyond the first week are important and often overlooked factors in an effective onboarding process. When it comes to which aspects truly matter to employees starting a job, free food and perks are not what they crave. They want an onboarding process that helps them reduce the learning curve in becoming an effective, contributing team member. Thorough onboarding processes are worth the time spent, and many

employees feel that large amounts of time and money are wasted on ineffective processes that focus on the wrong things.

Our data shows that paperwork, which is historically considered part of an employee’s first day on the job, plays an integral role in onboarding, but the new-hire orientation is more about socialization and acculturation, which takes place over several weeks or months after hire. Some might think that HR managers are most responsible for the new-hire process; however, our research shows that employees feel their managers have the greatest influence on whether or not a new-hire orientation is effective or not. Managers are responsible for providing adequate on-the-job training and proper employee socialization activities that could last weeks or even months into a new job.



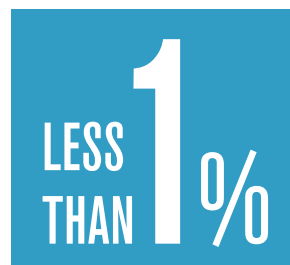
of respondents think that time and money are wasted on ineffective onboarding processes, and of those, the largest percentage feels that “over \$10,000/year” is wasted.



agree that on-the-job training is the most important thing a new employee needs to get up to speed and begin contributing quickly.



of respondents feel that thorough new-hire orientations are worth the time spent.



of respondents selected “free food and perks” as something that would have “helped them stay” at a job they quit after having worked there fewer than six months.

- 15 percent of respondents noted that lack of an effective onboarding process has contributed to them quitting or considering quitting a job.
- “Receiving organized, relevant and well-timed content” (52 percent overall: 55 percent of non-managers versus 49 percent of managers) is considered to be the most important aspect of the onboarding process.
 - For respondents who have quit jobs after working fewer than six months, they feel that “having the onboarding process be thorough and extend beyond the first week” and “receiving organized, relevant, and well-timed content” are the two most important aspects of the onboarding process.
- On-the-job training is the No. 1 aspect of a new-hire orientation that employees feel needs to be updated (41 percent of total respondents), followed by the assignment of an employee “buddy” or mentor (37 percent of total respondents). The next closest aspect is the employee handbook, with 28 percent.
 - For those who quit jobs after working fewer than six months, the percentages are higher: on-the-job training (42 percent) and assignment of an employee “buddy” or mentor (38 percent).
- According to those who quit jobs after working fewer than six months, “review and feedback of early contributions” is one of the most important things a new employee needs to get up to speed and begin contributing quickly (53 percent of those who have quit a job versus 45 percent of those who haven’t quit a job in less than six months).
- Management has the greatest influence on whether a new-hire orientation is effective or not (according to 33 percent of total respondents).

These results provide valuable insights into the importance of an effective onboarding process for training, retaining, and enabling effective employees. Well-defined and executed new-hire orientation programs have a positive effect on reducing employee turnover, and these results spotlight some of the key components of an effective program.

This research emphasizes the notion that companies cannot afford to hire employees, overwhelm them with information and paperwork during orientation, neglect to offer sufficient socialization activities and proper on-the-job training, and then leave them to sink or swim in the workplace.

All new hires face challenges that can be mitigated with proper planning. Companies that realize the importance of a thorough and well-defined onboarding process and focus on the aspects that make it effective will benefit from more confident, involved, and dedicated employees. These results in turn have a significant impact on job satisfaction and performance, as well as the company’s bottom line.



ABOUT THE RESEARCH

The February 2014 study collected responses via an online survey from 1,005 individuals who are currently employed, over the age of 24, and located in the U.S. This research was generated by BambooHR.

ABOUT BAMBOOHR

BambooHR is the leading Software-as-a-Service (SaaS) provider of online HR Software for small and medium businesses that have outgrown spreadsheets. BambooHR’s cloud-based system is an intuitive, affordable way for growing companies to track and manage essential employee information in a personalized Human Resources Information System (HRIS). Now HR managers have more time for meaningful work; executives get accurate, timely reports; and employees can self-service their time off, using a convenient mobile app. BambooHR’s clients include innovators like Snapchat, SoundCloud, Pinterest, Fab, Freshbooks, Klout, Lyft, Fitbit, and Squarespace, among hundreds of others in over 70 countries worldwide.