Making the case for a structured onboarding program

Onboarding is about more than having new hire checkboxes on a list in preparation for new employees. To set new hires up for success, you need an organized and structured onboarding program. New hires will decide in the first six months of employment whether they want to stay with the company or leave. That experience begins when the moment onboarding starts. But you likely already know the value of onboarding.

Now, it's time for you to build a business case for a structured onboarding program funded by the executive management team. This isn't always the easiest sell, but having a data-based argument can make a significant difference in your results. Here are some strategies you can implement when stating your case.

Discuss the benefits of a structured onboarding program

You want to start by sharing the benefits of having a successful structured onboarding process. The executive managers want to know why they need to use funds to revamp the process and see data that backs up your request. You can share some of the stats below.

- **Employees who attend structured programs are more likely to remain after three years.** This means there will be a greater ROI on your new hire investment. A new onboarding process will cost money upfront. However, it will save the company tremendously in the long term by reducing the turnover rate.
- **Organizations with structured programs enjoy a 60% year over year improvement in revenue**

per full-time employee. When sharing this point, you are communicating that a structured program doesn't just save money over time. A structured onboarding program can also earn the company money by improving the revenue per full-time employee. This is what executive managers want to hear when deciding where to invest their funds.

- **Organizations with structured programs enjoy a 63% year over year improvement in customer satisfaction.** Customer satisfaction is often directly related to growth within the company. Therefore, highlighting that a structured onboarding program can lead to higher customer satisfaction is a significant selling point.

Share the costs of bad onboarding

Beyond sharing the benefits of a structured onboarding process, you should also touch on the costs of not having one. Here you can highlight some of the negatives that may be happening in the organization now that you want to improve. Here are some points to consider including during your presentation to the executive management team.

- **New hires determine whether they will stay or leave during the first six months.** The first six months of employment are crucial for new hires, starting with the onboarding process. Having an unstructured or off-putting onboarding process can cause a new hire to decide not to stay before they even start working.
- **New hires are less productive and more likely to deliver substandard service.** Productivity and quality are goals every company strives for. Highlight how bad onboarding may contribute to this trend. In addition, lowering employee turnover means more experienced employees to deliver quality work. This may convince the executive management team that funding a newly structured onboarding program is necessary.
- **A bad impression during onboarding minimizes a new hire's engagement level.** Low engagement from day 1 leads to poor results and higher turnover. No company wants this.
- **IBM says that each new hire is a $9 million investment over their lifetime with the company.** This considers their salary, benefits, development, support services offered, and more. Your company might not put $9M into employees over their lifetime, but you should know what the number is. Each time you have to bring on a new employee because one quits, the company reduces its ROI.
- **Loss of respect for leadership increases resistance to change and new initiatives.** As company leaders enact new changes and initiatives, they want employees to come on board and adopt them. However, resistance can cause unwanted problems that make it more challenging to successfully implement new initiatives.
- **55% of job seekers report avoiding certain companies after reading negative online reviews.** If a new hire has a bad experience with a company, it will likely end up on online job-seeking platforms like Glassdoor. These off-putting comments can lead to quality candidates failing to apply. Ultimately, this makes it more challenging to attract the right candidates to the position.

Explain the generational imperative of a structured onboarding program

We are currently going through a massive change in the workforce as millennials are rapidly being onboarded to replace the baby boomers retiring and recalibrating their careers. Since the baby boomer generations are much larger than the millennial generation, there isn't a 1:1 replacement, which makes the need to find quality candidates quickly even higher. That's why every part of hiring and onboarding needs to be seamless.

Additionally, there should be an understanding that each generation has different needs and expectations regarding onboarding. For example, let's look at Gen X and Millennials.

Gen Xers are independent, resourceful, informal, efficient, and want to be rewarded for their results. They seek a rapid onboarding process where they're able to gain access to relevant resources quickly. They want clear

priorities and to know the most important metrics related to their job duties. Gen X doesn't care about extensive onboarding activities that dive into a long history of the company — they want to hit the ground running. The onboarding process should reflect that.

Millennials are optimistic, confident, and value feedback, teamwork, inclusion, and flexibility. They seek community, positive corporate culture, a clear professional career path, and relationships from a new company. According to reports, many millennials find that identifying a company with the right corporate culture to cement their relationships is a challenge. 28% quit because they don't feel connected to the organization they're employed with.

Drive home stakeholder roles

Once the foundation has been laid on the importance of a structured onboarding process, you want to drive home stakeholder roles in the implementation. 4 primary groups are needed to improve onboarding successfully.

- **Executive management.** Their primary role is to fund the structured onboarding process, but they also have to support and advocate for it. If not, others may not take it seriously. Change starts from the top down, so their support will cause a trickle-down effect throughout the company.
- **Line manager.** They have the most important connection in the new hiring process as they work directly with new hires. They also must understand cost savings/benefits for the company if a new employee gets up to speed on their position quickly.
- **Human resources team.** HR staff will explain to their internal peers why an updated onboarding process is essential. Talent acquisition and HR staff have to be part of the process and make it seamless for the new hires.
- **Recent Hires.** They are crucial to the process as they're able to give real-time feedback regarding their experiences so you can make improvements as needed. Recent hires will also serve as liaisons for incoming employees.

Additional Resources: Need more information to make your case? See why [you should be spending more time onboarding](#).