Thirty-Six Percent of Employers Lack a Structured Onboarding Process for New Employees, According to New CareerBuilder Survey

- Study explores the negative impact of an inadequate or seemingly absent onboarding program
- 2 in 5 HR managers who do not capture onboarding information electronically spend 3 hours or more per new employee manually collecting and processing onboarding information that could be automated

CHICAGO and ATLANTA – May 11, 2017 – Seeing less than desirable performance levels from your new employees or your department? It just may be your onboarding process – or lack thereof. According to a recent CareerBuilder survey, over a third of employers (36 percent) do not have a structured onboarding process and a significant number are reporting costly consequences.

Forty-one percent of these employers believe the lack of a structured onboarding process has had one of the following negative impact on their company, including lower productivity (16 percent), greater inefficiencies (14 percent), higher employee turnover (12 percent), lower employee morale (11 percent), lower level of employee engagement (10 percent), lower confidence among employees (10 percent), lack of trust within the organization (7 percent) and missed revenue targets (6 percent).

The study also explored the consequences associated with manually collecting onboarding documents versus automating the process, which included everything from delayed start dates to required documentation, like compliance forms, gone missing.

The national survey was conducted online on behalf of CareerBuilder by Harris Poll between February 16 and March 9, 2017. It included a representative sample of more than 2,300 hiring managers and human resource professionals across industries and company sizes in the private sector.

How much time is being invested in onboarding?

One in four employers (25 percent) reported that their company’s onboarding process takes a day or less. Twenty-six percent spend a week, while 21 percent said the onboarding process takes place over the course of a month. One in 10 employers (11 percent) say their company extends this further and onboards employees over the course of three months or longer.

What are companies missing in the onboarding process?

While many cover the basics of what new employees should know walking into an organization, a significant number do not. When asked what their onboarding approach included, less than half of employers provide a company overview, individual training or set goals and define expectations for the employee.

- Overview of processes and how things work – 49 percent
- Individual, ongoing training – 45 percent
- Introduction to key players (who to go to for what) – 43 percent
- Introduction to the company culture – 42 percent
- A team welcome – 39 percent
- Workspace and any technology is ready before employee arrives - 38 percent
- Goals and expectations for the employee’s role with defined milestones and success metrics – 35 percent
- Detailed overview of the company and growth opportunities – 31 percent
- A mentor assigned to the new hire – 30 percent

What is the impact of not automating onboarding?

Technology not only makes the onboarding process more efficient, it also cuts down on mistakes. However, not all companies are handling things digitally. Looking at a subset of HR managers, 39 percent say they electronically capture most or all of their onboarding information for new hires at their company, while 47 percent capture some of it. One in 7 (14 percent) capture none of it electronically.

Manual collection and processing takes time – 42 percent of HR managers who don’t capture onboarding information electronically spend three hours or more per employee manually collecting and processing onboarding information, while 16 percent spend five or more hours.

When collecting onboarding information manually, HR managers reported struggling with the following:

- Heavier workloads for HR (37 percent)
- Higher stress levels for HR (35 percent)

- Required documentation, like compliance-related forms, were missing (28 percent)
- Delayed started dates (22 percent)
- No record that the employee read and acknowledged company policies and other information (17 percent)
- The candidate ended up walking away from the positions because the process took too long (9 percent)

“While onboarding is a critical component of setting new employees up for success from day one, this study shows some companies are neglecting fundamentals in the onboarding process – and running into serious consequences that can impact the bottom line,” said Rosemary Haefner, chief human resources officer at CareerBuilder. “Employers need to establish a comprehensive checklist for every new employee and incorporate more automation to provide a better, more efficient experiences for employees, their managers and HR.”

Benefits of a structured onboarding program

The benefits of using a deliberate, thought out onboarding process are substantial. Employers using a structured onboarding program reported the below positive effects:

- Employees are more engaged (49 percent)
- More employee confidence (46 percent)
- Employees have greater trust in the organization (45 percent)
- Greater efficiencies (44 percent)
- Higher productivity (42 percent)
- Higher morale (38 percent)
- Lower employee turnover (31 percent)
- Contributes to meeting revenue targets (21 percent)

Survey Methodology

This survey was conducted online within the U.S. by Harris Poll on behalf of CareerBuilder among 2,380 hiring and human resource managers (employed full-time, not self-employed, non-government including 231 HR managers) between February 16 and March 9, 2017 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 2,380, one could say with a 95 percent probability that the overall results have a sampling error of +/- 2.01 percentage points. Sampling error for data from sub-samples is higher and varies.

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