About the 2012 Research

The 2012 Allied Workforce Mobility Survey, conducted in March 2012, captures the voice of HR professionals on critical topics relating to “workforce mobility,” which is defined as the willingness and ability of employees to relocate for a job with either a current or new employer.

The survey approaches workforce mobility from two angles. One set of questions assesses the “mobility environment,” the context in which relocation occurs, including economic, cultural, demographic and organizational variables.

The second set of questions examines HR topic areas related to or affected by workforce mobility: recruitment, relocation, onboarding and retention. These topics encompass a broad range of activities and responsibilities for HR professionals, not limited to moving or relocating. The survey was intended to identify tools and practices, as well as measures for success in these areas.

Study results are scheduled to be released in stages:

- Recruiting and Relocation: April 30
- Retention and Onboarding: May 21
- Further Survey Details and Analysis: June 11

Survey Methodology

The 2012 Allied Workforce Mobility Survey was conducted online with 500* human resources professionals from 49 states and the District of Columbia. The vast majority of respondents are employed by companies (95 percent vs. 5 percent external contractors), across a broad spectrum of HR titles, companies and industries.

Respondent Responsibilities Within HR:

<table>
<thead>
<tr>
<th>Role</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR managers/supervisors</td>
<td>28%</td>
</tr>
<tr>
<td>HR generalists</td>
<td>24%</td>
</tr>
<tr>
<td>Recruiters</td>
<td>14%</td>
</tr>
<tr>
<td>HR assistants</td>
<td>13%</td>
</tr>
<tr>
<td>C-level/Directors/VPs</td>
<td>11%</td>
</tr>
</tbody>
</table>

Sponsored by Allied Van Lines, the survey is intended as a service to human resources professionals and is part of a larger ongoing initiative, Allied HR IQ, which will conduct additional research projects, host events and facilitate discussions in the HR community via the Allied HR IQ website.

The topic areas and questions for the survey were determined through collaborative discussions involving Allied Van Lines, Allied’s independent research partners, and distinguished HR professionals.

*A sample of 500 yields a confidence interval of 95 percent ± 4 percent.
2012 Allied Workforce Mobility Survey: Onboarding and Retention

Company Size (Annual Sales)

- More than $2 billion: 26%
- $1.01 billion to $2 billion: 6%
- $751 million to $1 billion: 4%
- $501 million to $750 million: 5%
- $251 million to $500 million: 7%
- $101 million to $250 million: 8%
- $51 million to $100 million: 7%
- $10 million to $50 million: 15%
- Less than $10 million: 22%

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Industries Represented

- Government: 17%
- Manufacturing: 15%
- Professional services: 14%
- Retail: 9%
- Nonprofit organization: 9%
- Service industries: 8%
- Financial services/banking: 7%
- Information technologies: 5%
- Transportation/logistics: 5%
- Energy/utilities: 4%
- Wholesale/distribution: 3%
- Real estate/development: 1%
- Raw materials (e.g., mining, oil): 1%
- Other: 17%

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Company Size (Number of Employees)

- More than 10,000: 27%
- 100 or fewer: 19%
- 101-500: 16%
- 2,501-10,000: 22%
- 501-2,500: 16%

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

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Results

Companies Lose One-Quarter of All New Hires; Best Practices for Retention Not Followed at Many Companies

While many HR professionals are focused on hiring in 2012, they would be smart to focus on retention at the same time.

According to the 2012 Allied Workforce Mobility Survey, companies lose almost one-quarter of all new employees within a year, and many other new hires never reach the target productivity levels.

Why not? According to HR professionals, the reasons are not external, such as the economy (Figure 1).

Instead, HR professionals cite causes inside their companies. For example:

- Many companies don’t measure employee retention and/or productivity.
- Many companies do not have onboarding programs and most do not have a specified budget for this program.
- Many firms do not provide coaching or mentoring.
- Training is not a component of many onboarding programs.
- Many companies do not establish clear expectations.
- Most companies do not conduct “stay interviews.”

The financial toll for these oversights is very significant. When an employee leaves, the hiring process begins anew. To fill one position costs on average $10,731, with an additional $21,033 per new hire for relocation, according to earlier results of the survey.

Onboarding Programs Fall Short at Many Companies

While most firms have formal onboarding programs, these programs could be more effective.

One-quarter of all respondents rate their onboarding programs as “highly successful.” That’s good, but 48 percent rate them as “somewhat successful” and one-fifth don’t have a formal program at all (Figure 2).

Further, training is not a significant component of many onboarding programs. Only 66 percent train their new employees as part of an onboarding program. Even among companies rated best in class for onboarding, one-quarter do not train their new employees. Other best practices are also not employed at many companies:

- Only 58 percent of companies provide clear job titles and identify expectations for employees.
- Only 39 percent of companies establish milestones and set goals for new employees.
- Ten percent of companies surveyed cite no onboarding and retention best practices at all (Figure 3).
Many Employees Leave, Many Unproductive
Companies lose on average 23 percent of new hires before the one-year anniversary. Thirteen percent of companies lose half or more of their new hires in the first year.

In addition, one-third of employees fail to meet company expectations in terms of productivity, and only 26 percent go on to become corporate influencers/leaders (Table 1).

For a new employee to become fully productive, it takes eight months on average, but the ranges reported vary widely:

- Twenty-seven percent of companies report that it takes a year or more for new hires to reach full productivity.
- Twenty-five percent of companies report that it takes three months or less.

Remarkably, 58 percent do not measure new-hire productivity at all (Figure 4).

Onboarding Is Underfunded at Most Companies
Could new-employee retention rates and productivity be higher? According to the survey, the answer is yes, if companies spent more money on onboarding.

- Four out of five companies don’t have a specific budget for onboarding (Figure 5).
- One-third spend $0 on onboarding.
- The average annual spend on onboarding is $99,191. This figure represents all companies in the survey, including those that do not have a formal onboarding program.
- The average number onboarded among all companies is 1,471, so the spend per employee is about $67.
- The average spend among companies with a formal onboarding program is $126,824, yet even among this group there are some with limited or no specific budget.

An investment in onboarding can be felt in a company’s bottom line, the survey suggests. Companies that are best in class at onboarding spend $178,868 on average. One-third of the companies in this category have a specific budget for their programs. These companies are more likely to*:
- Retain their employees,
- Get them to full productivity, and
- Develop them into corporate leaders/influencers.

Reasons Employees Leave
A basic onboarding practice overlooked at many companies is coaching/mentoring. So it’s not surprising HR professionals cite employee-manager relationships as a top reason employees leave. Job performance is the second most likely reason that employees leave, according to the survey (Table 2).

Relocation packages, when applicable, were the least likely reason for an employee to leave. While the quality of the relocation package improves recruiting, other variables are far more likely to affect employees after they’re hired. In fact, 73 percent of HR professionals say that better relocation packages do not improve onboarding and productivity.

One component of a company’s relationship with a new employee concerns promises. For example, during the hiring process, a company may promise that “the right position will open up” or that an “annual bonus is a given.” New hires don’t forget promises. Most companies keep their promises, according to the survey, but 16 percent do not (Figure 6).

*For more insight on how best-in-class companies differ from others, see Segments.
Figure 1: External Environment Matters Little to Retention

- No impact: 63%
- Some negative impact: 20%
- Some positive impact: 15%
- Major negative impact: 2%
- Major positive impact: 1%

Question: How has the current mobility environment impacted your company’s ability to retain talent?

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Figure 2: Room for Onboarding Improvement

- Unsuccessful at onboarding: 1%
- Somewhat successful at onboarding: 68%
- Highly successful at onboarding: 28%
- No formal onboarding program: 22%

Question: How successful is your onboarding program?

Figure 2 shows the percentage of HR professionals assigning a particular rating of success to their onboarding program.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com
Figure 3: Many Companies Not Employing Onboarding Best Practices

<table>
<thead>
<tr>
<th>Practice</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing training and education</td>
<td>66%</td>
</tr>
<tr>
<td>Formal orientation program</td>
<td>64%</td>
</tr>
<tr>
<td>Clear job titles/expectations</td>
<td>58%</td>
</tr>
<tr>
<td>Conducting exit interviews</td>
<td>54%</td>
</tr>
<tr>
<td>Coaching/mentoring program</td>
<td>44%</td>
</tr>
<tr>
<td>New-hire workplace meetings</td>
<td>41%</td>
</tr>
<tr>
<td>Milestones/goal-setting</td>
<td>39%</td>
</tr>
<tr>
<td>Management participation in program</td>
<td>35%</td>
</tr>
<tr>
<td>Tracking retention rates</td>
<td>32%</td>
</tr>
<tr>
<td>Social loutside officel events</td>
<td>26%</td>
</tr>
<tr>
<td>Internet-enabled supports</td>
<td>25%</td>
</tr>
<tr>
<td>Rotational assignments</td>
<td>15%</td>
</tr>
<tr>
<td>Conducting stay interviews</td>
<td>13%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
<tr>
<td>None of these</td>
<td>10%</td>
</tr>
</tbody>
</table>

Figure 3 shows the percentage of HR professionals who employ these best practices in their onboarding programs.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Table 1: Retention by the Numbers

<table>
<thead>
<tr>
<th>Description</th>
<th>Averages</th>
</tr>
</thead>
<tbody>
<tr>
<td>New hires still employed one year after hire</td>
<td>77%</td>
</tr>
<tr>
<td>New hires that meet or surpass your company’s expectations for productivity</td>
<td>63%</td>
</tr>
<tr>
<td>New hires that become corporate influencers/leaders</td>
<td>26%</td>
</tr>
<tr>
<td>Typical length of time for a new hire to reach full productivity</td>
<td>8 months</td>
</tr>
</tbody>
</table>

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Figure 4: Most Companies Don’t Measure New-Hire Productivity

Question: Does your company measure new-hire productivity?

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

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Figure 5: Few Companies Have an Onboarding Budget

- Onboarding budget: 19%
- No onboarding budget: 81%

Question: Does your company have a specified budget for onboarding?

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Table 2: Reasons Employees Leave Within One Year

<table>
<thead>
<tr>
<th>Reason</th>
<th>1 = Unlikely</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 = Very likely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship with manager</td>
<td>6%</td>
<td>11%</td>
<td>29%</td>
<td>35%</td>
<td>20%</td>
</tr>
<tr>
<td>Job performance</td>
<td>6%</td>
<td>9%</td>
<td>37%</td>
<td>29%</td>
<td>18%</td>
</tr>
<tr>
<td>Career advancement opportunities</td>
<td>11%</td>
<td>16%</td>
<td>32%</td>
<td>25%</td>
<td>16%</td>
</tr>
<tr>
<td>Compensation</td>
<td>13%</td>
<td>14%</td>
<td>29%</td>
<td>29%</td>
<td>15%</td>
</tr>
<tr>
<td>Company culture/atmosphere</td>
<td>16%</td>
<td>19%</td>
<td>31%</td>
<td>21%</td>
<td>13%</td>
</tr>
<tr>
<td>Working conditions/arrangements</td>
<td>14%</td>
<td>15%</td>
<td>32%</td>
<td>26%</td>
<td>12%</td>
</tr>
<tr>
<td>Quality of fellow executives/workforce</td>
<td>19%</td>
<td>21%</td>
<td>37%</td>
<td>17%</td>
<td>7%</td>
</tr>
<tr>
<td>Development/learning opportunities</td>
<td>20%</td>
<td>22%</td>
<td>35%</td>
<td>18%</td>
<td>6%</td>
</tr>
<tr>
<td>Benefits</td>
<td>32%</td>
<td>24%</td>
<td>27%</td>
<td>13%</td>
<td>5%</td>
</tr>
<tr>
<td>Location of job/company</td>
<td>27%</td>
<td>26%</td>
<td>30%</td>
<td>13%</td>
<td>4%</td>
</tr>
<tr>
<td>Relocation package (when applicable)</td>
<td>43%</td>
<td>25%</td>
<td>24%</td>
<td>6%</td>
<td>2%</td>
</tr>
</tbody>
</table>

HR professionals were asked to rate the likelihood of an employee leaving for the reasons listed above. Table 2 shows the percentage of respondents that chose each of the possible ratings.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com
Question: Does your company do a good job of keeping promises made to new hires?

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com
Segments

Onboarding Success Differentiates Companies

The 2012 Allied Workforce Mobility Survey asked HR professionals to evaluate the performance of their own companies in several areas, rating them as “highly successful,” “somewhat successful” or “unsuccessful.”

These self-appraisals were used to examine specific areas of HR performance, such as onboarding programs, and do not refer to a company’s overall performance, profits or financial standing. Still, they are useful in identifying why some companies outperform others.

Approximately 28 percent of HR professionals rate their company’s onboarding program as “highly successful.” Forty-eight percent rate their program as “somewhat successful.” And 24 percent rate their program as “unsuccessful” or report that they do not have a formal onboarding program. (For shorthand in this report, “highly successful” companies are referred to as “best in class.”)

Best-in-class companies are more likely to put money behind onboarding. Further, new employees at best-in-class companies are more likely to:

- Stay at the company for at least one year
- Meet or exceed corporate productivity goals
- Become corporate leaders or influencers

The analysis below reviews the best-in-class findings for onboarding programs. Findings released in April focused on recruiting and relocation programs. A third set of findings in June will report on additional findings.

Best in Class Spend More, Dedicate Special Budgets to Onboarding

Best-in-class firms spend more on onboarding – nearly twice as much as the average among all companies represented in the survey (Figure 7). The average spend among best-in-class companies is $178,868.

Further, best-in-class companies are far more likely to have a specific budget for onboarding. But even among this group the percentage is low. Only 31 percent of best-in-class companies have an onboarding budget, suggesting that even many successful firms have not gotten senior leadership behind the onboarding function (Figure 8).

Survey findings suggest that onboarding budgets are more likely to be obtained when corporate HR is the owner, as opposed to a unit or site HR office or a department outside of HR (Figure 9).

At best-in-class companies, corporate HR is more likely to own the onboarding budget. This is the case at 58 percent of the best-in-class companies.

Best in Class Employ More Best Practices

Best-in-class companies are more likely to use a range of best practices to assist new employees in acclimating to their new positions. For example, 80 percent of best-in-class companies have a formal orientation program, as compared to 71 percent and 34 percent of “somewhat successful” and “unsuccessful” companies, respectively.

Further, best-in-class companies are much more likely to track retention and productivity rates. Fifty-one percent of best-in-class companies track retention, as compared to 33 percent and 7 percent of “somewhat successful” and “unsuccessful” companies, respectively (Table 3). Fifty-nine percent of best-in-class companies measure productivity of new hires versus 37 percent of “somewhat successful” companies (Figure 10).

HR professionals at best-in-class companies seem to know more about onboarding. Seventy-six percent describe themselves as “expert” or “very familiar” with onboarding. That contrasts with just 58 percent and 32 percent among “somewhat successful” and “unsuccessful” companies (Figure 11).
Best in class at onboarding also are better at keeping promises: 94 percent of best-in-class companies do a good job of “keeping promises made to new hires,” as compared to 82 percent and 75 percent of “somewhat successful” and “unsuccessful” companies, respectively, according to HR professionals.

**Best in Class Perform Better**
Better practices and bigger budgets should result in better performance, and it does generally, according to survey results.

Best-in-class companies retain a higher percentage of new employees through their one-year anniversary date. Further, new employees are more likely to meet or exceed productivity targets and, ultimately, develop into corporate influencers or leaders (Table 4).

Of note, though, is that the average length of time for a new hire to reach full productivity at best-in-class companies is comparable to other firms, implying that employees everywhere simply take time to become effective contributors (Table 4).

**Best in Class Are Larger Companies, But Small Companies Also Can Excel**
Companies best in class at onboarding are larger than unsuccessful companies. Forty-one percent of best-in-class companies could be considered “large companies,” with annual revenues of more than $1 billion.

Yet best-in-class companies also are found among smaller companies. For example, 34 percent of companies with revenues of $10 million to $100 million are best in class at onboarding.

Every company, regardless of its size, needs to do all it can to leverage their new employees, given the high costs of recruiting and relocation, which can cost on average more than $30,000 per hire. An investment in onboarding and retention makes good financial sense.

**Best in Class in Onboarding Are More Likely to be Best All Around**
HR professionals at companies best in class at onboarding are far more likely to rate their companies “highly successful” at recruiting and relocation. In other words, these companies are better in all three areas. The best HR departments efficiently and successfully move individuals through the talent pipeline, from recruiting and relocation through onboarding (Figure 12).

**Figure 7: Onboarding Spending Correlates with Best in Class**
![Figure 7](https://www.alliedHRIQ.com)

*Figure 7 represents average spending on onboarding. Results are segmented based on how respondents rated the success of their onboarding programs.*

*Source: 2012 Allied Workforce Mobility Survey AlliedHRIQ.com*
Figure 8: Best in Class Are More Likely to Have an Onboarding Budget

Figure 9: Corporate HR Owns Onboarding at Best-in-Class Companies

Question: Who “owns” the onboarding function in your company?

Results are segmented based on how respondents rated the success of their onboarding programs.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com
Table 3: Practices and Programs for Retention

<table>
<thead>
<tr>
<th>Program</th>
<th>Highly successful onboarding</th>
<th>Somewhat successful onboarding</th>
<th>Unsuccessful onboarding/ no program</th>
<th>All participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing training and education</td>
<td>77%</td>
<td>72%</td>
<td>41%</td>
<td>66%</td>
</tr>
<tr>
<td>Formal orientation program</td>
<td>80%</td>
<td>71%</td>
<td>34%</td>
<td>64%</td>
</tr>
<tr>
<td>Clear job titles/expectations</td>
<td>69%</td>
<td>60%</td>
<td>39%</td>
<td>58%</td>
</tr>
<tr>
<td>Conducting exit interviews</td>
<td>64%</td>
<td>61%</td>
<td>26%</td>
<td>54%</td>
</tr>
<tr>
<td>Coaching/mentoring program</td>
<td>59%</td>
<td>48%</td>
<td>20%</td>
<td>44%</td>
</tr>
<tr>
<td>New-hire workplace meetings</td>
<td>50%</td>
<td>44%</td>
<td>25%</td>
<td>41%</td>
</tr>
<tr>
<td>Milestones/goal setting</td>
<td>53%</td>
<td>43%</td>
<td>14%</td>
<td>39%</td>
</tr>
<tr>
<td>Management participation in program</td>
<td>49%</td>
<td>39%</td>
<td>11%</td>
<td>35%</td>
</tr>
<tr>
<td>Tracking retention rates</td>
<td>51%</td>
<td>32%</td>
<td>7%</td>
<td>32%</td>
</tr>
<tr>
<td>Social (outside office) events</td>
<td>37%</td>
<td>24%</td>
<td>14%</td>
<td>26%</td>
</tr>
<tr>
<td>Internet-enabled supports</td>
<td>35%</td>
<td>27%</td>
<td>10%</td>
<td>25%</td>
</tr>
<tr>
<td>Rotational assignments</td>
<td>19%</td>
<td>16%</td>
<td>7%</td>
<td>15%</td>
</tr>
<tr>
<td>Conducting stay interviews</td>
<td>23%</td>
<td>12%</td>
<td>3%</td>
<td>13%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>2%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>None of these</td>
<td>1%</td>
<td>3%</td>
<td>34%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Table 3 shows the percentage of companies employing the above best practices as part of their onboarding program. Results are segmented based on how respondents rated the success of their onboarding program.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Figure 10: Best in Class Measure Productivity More

Question: Does your company measure new-hire productivity?

Results are segmented based on how respondents rated the success of their onboarding programs.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com
Figure 11: Best in Class More Likely to Be “Expert” or “Very Familiar” with Onboarding

<table>
<thead>
<tr>
<th>Percent (%)</th>
<th>Highly successful</th>
<th>Somewhat successful</th>
<th>Unsuccessful onboarding/ no program</th>
<th>All participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>76%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>58%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>32%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>57%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 11 shows the portion of HR professionals who regard themselves as “expert” or “very familiar” with onboarding. Results are segmented based on how respondents rated the success of their onboarding programs.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Figure 12: Best in Class Are Better All Around

<table>
<thead>
<tr>
<th>Percent (%)</th>
<th>Highly successful</th>
<th>Somewhat successful</th>
<th>Unsuccessful onboarding/ no program</th>
<th>All participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>64%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 12 shows the percentage of HR professionals rating their relocation and recruiting programs as “highly successful.” Results are segmented based on how the respondents rated the success of their onboarding programs.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Table 4: Getting More From New Hires

<table>
<thead>
<tr>
<th></th>
<th>Highly successful onboarding</th>
<th>Somewhat successful onboarding</th>
<th>Unsuccessful onboarding/ no program</th>
<th>All participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>New hires still employed one year after hire</td>
<td>82%</td>
<td>74%</td>
<td>78%</td>
<td>77%</td>
</tr>
<tr>
<td>New hires that meet or surpass your company’s expectations for productivity</td>
<td>69%</td>
<td>60%</td>
<td>62%</td>
<td>63%</td>
</tr>
<tr>
<td>New hires that become corporate influencers/leaders</td>
<td>35%</td>
<td>22%</td>
<td>22%</td>
<td>26%</td>
</tr>
<tr>
<td>Typical length of time for new hire to reach full productivity</td>
<td>8 months</td>
<td>8 months</td>
<td>8 months</td>
<td>8 months</td>
</tr>
</tbody>
</table>

Table 4 shows the average percentage of new employees achieving certain outcomes. Results are segmented based on how respondents rated the success of their onboarding program.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com
Implications

Five Lessons for Onboarding Success
Based on the 2012 Allied Workforce Mobility Survey, here are five lessons to help retain the talent you’ve recruited.

These lessons relate to the second set of research findings, focused on onboarding and retention. Initial research findings on recruiting and relocation were released in April, and additional implications will be posted June 11.

Lesson 1: Establish an Onboarding Program at Your Company
To fill one position, companies spend upwards of $10,000 on average (not counting relocation costs) and mobilize all kinds of internal resources. And yet, these same companies allow many new employees to slip away or linger in a low-productivity limbo.

The companies represented in the survey onboard 1,471 hires on average per year, yet lose 338 of them within one year of their start date.

The good news is that certain cross sections of survey participants do better. For example, 35 percent of large companies (> 10,000 employees) retain 90 percent or more of new hires beyond the one-year point. These companies are more likely to have successful onboarding programs aimed at retention. Does your company have an onboarding program?

Lesson 2: Put Money Behind Onboarding
Companies represented in this survey spend on average $99,191 annually on onboarding. That works out to about $67 per new employee.

If it costs $10,000 to fill a single position, does it make sense to spend so little to assist the new employee in becoming productive?

Lesson 3: Measure Retention and Productivity
Companies that measure the effectiveness of their retention and productivity rates among new employees perform better in three areas:

- Retaining new employees
- Enabling new employees to reach productivity targets
- Developing new hires into corporate leaders and influencers

Do you measure your retention and productivity rates for your new employees? If you don’t measure, you’re less likely to improve.

Lesson 4: Address the Hot Spots
There are a few hot spots – most common reasons that employees leave before their one-year anniversary – according to the survey:

- Relationship with manager
- Job performance
- Career advancement opportunities
The survey suggests that many companies are not sufficiently addressing these hot spots:

- Just 44 percent of companies have coaching/mentoring programs, which could improve employee/manager relationships.
- Management participates in onboarding programs at just 35 percent of companies. Participation could strengthen ties between new hires and their managers.
- Forty-two percent of companies don’t identify clear job titles/expectations. Performances are sure to suffer if employees do not understand what they’re expected to do.
- Only 39 percent of companies set milestones and goals for career advancement.

What’s more, many HR professionals probably don’t know that employees are unhappy until they’re already out the door. Fifty-four percent of companies conduct “exit” interviews, but only 13 percent of companies conduct “stay” interviews, which are intended to evaluate employee satisfaction while they are still employed.

**Lesson 5: Learn from the Best**

At companies best in class at onboarding, new employees are more likely to stay with the company past their one-year anniversary, more likely to reach productivity targets and more likely to become corporate influencers/leaders. Why?

Here are the best practices employed by more than half of the companies best in class at onboarding:

- Ongoing training and education
- Formal orientation program
- Clear job titles/expectations
- Conducting exit interviews
- Coaching/mentoring program
- New-hire workplace meetings
- Milestones/goal-setting
- Management participation in program
- Tracking retention rates

For specific percentages, see **Segments** or **Table 3**.

And, sadly, 10 percent of HR professionals said their companies do not use any of the 13 onboarding best practices named in the **2012 Allied Workforce Mobility Survey** (Figure 3).
Figure 13 shows the percentage of companies with and without a specific onboarding budget. Results are segmented based on how respondents rated the success of their onboarding programs.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com

Table 5 shows the average percentage of new employees achieving certain outcomes. Results are segmented based on whether companies measure retention and productivity.

Source: 2012 Allied Workforce Mobility Survey
AlliedHRIQ.com