

THE ROLE OF EFFECTIVE ONBOARDING IN ATTRACTING POTENTIAL TALENT

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Abstract: *Getting the best talent can be challenging and exhausting – especially if we are unable to attract the right ones! Employers must be able to engage strategy and tactics to attract the top personnel due to the limited pool and competitive market. Other than that, getting the right people also can be very costly. So, an organization's new hire onboarding approach should be strategic and continue to play a vital role in attracting potential talent. The onboarding is a systematic and comprehensive strategy for acclimating a new hire to a company's culture and giving them the tools needed to contribute successfully to the team. It is not just a standard approach but ideally increases the new hires' readiness, happiness, and productivity. This paper will conceptually review the role of effective onboarding when it comes to attracting potential talent.*

Keywords: Onboarding, Talent Attraction, Talent Management

1. Introduction

Employing and keeping employees with the greatest talent potential is becoming an urgent requirement for employers. Finding the right talent and fit for an organization is the most powerful part of recruiting. Similarly, nothing is worse than losing the best employees to other companies. The majority of organizations that have hired new employees may believe that the challenging phase of talent management is over. Unfortunately, the actual job has only started! Even though employers are aware of the importance of the adoption of onboarding, the effectiveness of the approaches is still lacking. There are significant findings that employers neglected the role of effective onboarding especially when it comes to attracting potential talents. Employers must be able to comprehend the importance of potential talents learning as much as they can about the organization before deciding to join, given the intense competition in the labour market. Because of this, attracting potential talent effectively has moved up the priority list and is no longer a stand-in for human resource operations and this paper will conceptually analyze further the role of effective onboarding.

2. Literature Review on Talent Management

When McKinsey & Company first used the term talent management in 1997, they defined it as the number of human experiences, aptitudes, attitudes, and behaviour that may be translated into corporate performance (Pillai, 2008). Talent management can be defined as strategic tactics for attracting and keeping the greatest talent for an organization, as well as participating in efforts to support the company's growth while keeping

organizational objectives in mind. If they can successfully manage their talent, they will be well-positioned for long-term growth in performance outcomes (Sireesha & Ganapavarapu, 2014). This suggests that talent management will entail businesses doing their best to connect the hiring, selection, training, development, nurturing, promoting, and mobilizing activities of employees so that they are relevant to the business at hand (Ekhsan et al., 2021).

One of the most urgent issues facing organizations throughout the world is attracting, developing, and retaining talent. Rapid advancements in technology, globalization, and demographics have a significant impact on employment and workers. As a result, companies are competing for their performance and having a difficult time hiring and keeping high-potential employees (Chhabra & Mishra, 2008). Talent management has significantly impacted managerial debates and organizational strategies in the last two decades of global competition (McDonnell, 2011). Employee talent, also known as human capital, is one of an organization's most powerful intangible assets (Ramey et al., 2019; Wuen et al., 2020). Talented individuals in this situation are great resources because their unique ability may inspire others to reproduce (Gelens et al., 2014; Maqueira et al., 2019).

Additionally, the best key differentiator for managing human resources and utilizing a competitive advantage is talent. In today's very competitive world, it is essential to maximize motivation, retention, and team engagement through careful talent acquisition. Performance that is reliable and constant is the consequence of a well-executed talent acquisition strategy (Ronn, 2007). The continuation of sustainable performance is a result of a sustainable talent acquisition strategy, according to Moghtadaie and Taji (2016) and Al Aina and Atan (2020).

3. Literature Review on Onboarding

Onboarding is not a new concept; the term "onboarding" was first used in the early 2000s in the context of human resources management and management literature (Bauer, 2010; Bradt & Vonnegut, 2009; Caldwell & Peters, 2018; Gupta, Bhattacharya, Sheorey, & Coelho, 2018; Klein, Polin, & Leigh Sutton, 2015; Meyer & Bartels, 2017). Onboarding was previously known as orientation, orienting, or, to a lesser extent, induction (Van den Broek, 1997), and these terms are still used as substitutes today (Klein & Heuser, 2008; Mestre, Stainer, & Stainer, 1997; Smith, 1984; Wanous & Reichers, 2000). (e.g., Daskalaki, 2012).

New hire onboarding is essential to the success of an organization. According to Snell (2006), an effective onboarding procedure "reduces costs, accelerates time to productivity, and enhances retention due to higher employee satisfaction." As new hires must go through a six to twelve-month learning curve before becoming productive, hiring new personnel is an expensive procedure for businesses. (1987; DeMarco and Lister) (Holt and Sim, 1998)

In Malaysia, the onboarding approach is commonly known in the private sector whereas in the Government sector is referred to as induction programs. It carries the same role and directions, to prepare the new hires before they join the organization. The induction, which is described as "any arrangement designed to familiarize the new employee with the organization, safety standards, general conditions of employment, and the job of the section

or department in which they are employed," also has a lot in common with onboarding (Skeats, 1991, p. 16).

Onboarding can be described as the process in which an individual gets the social knowledge and abilities essential to adopt an organizational job (Van Maanen and Schein, 1979). Onboarding, also known as organizational socialization, is the process through which a newcomer, goes from being an outsider to an insider (Bauer, 2007). After being selected to work for an organization, new hires, or in this context talent, must go through the onboarding program as part of the measures applied in many organizations as a 'start-up' process. According to a recent Glassdoor research, effective onboarding can increase new hire retention by more than 80%. Effective onboarding can boost productivity by 70%. 77% of workers who underwent a formal onboarding experience achieved their initial performance objectives.

According to earlier research, one of the issues that leads these new hires out of their professions is a sense of alienation, a diminished sense of community, or a lack of organizational belonging (Carucci, 2018). The ability for employees to experience a sense of unity and identify with their organizations makes a sense of belonging crucial (Mael & Ashford 1992). An effective onboarding program will probably involve orientation, job-specific training, introductions, culture acclimation, and follow-ups, depending on the size and demands of the organization. Before an employee's first day of work and for months after joining the organization, onboarding should occur for it to succeed (Rockwood, 2020).

Onboarding is a crucial process that the organization uses to mould talents into the best possible employees. Processes for onboarding new employees are also intended to increase employee engagement and identify the capabilities that they bring to the firm and their positions (Saputra & Rahmatika, 2021). In this view, onboarding has been seen as the 'live saver' for the new hires as they will be prepared accordingly before they start their career in the organization. The effectiveness of the onboarding program seems important to the organization in attracting talent as it works as the first step for successful employees.

Based on research by Brandan Hall Group in 2022, many organizations continue to place a significant amount of emphasis on strategic employee onboarding. From the research, 82% of the respondents believe that onboarding can improve employee retention. However, 88% of them believe that their organizations are not doing a good job of onboarding. Other than that, 58% responded that the program focuses on processes and paperwork during the program. Even problematic, 1 out of 5 responded that they are unlikely to recommend the company to other people based on their experiences from the onboarding program. Companies that invest in optimizing the onboarding process are more likely to see key benefits like higher engagement levels, faster competency gains, and lower turnover. However, the effectiveness of the program needs to be evaluated consistently to ensure that the new hires will be receiving the best benefits.

4. Onboarding and Attracting Potential Talents

Based on the literature, onboarding is not only part of the process in human resources but it could be the stepping stone to boost the readiness and motivation of the new hires to work in a new work environment. In the talent management context, talents generally are lacking the

requisite exposure to and understanding of the realities of a working environment. Therefore, the onboarding process can be used to help new hires of an organization to learn and comprehend how the management of the organization works and how a task must be completed (Saputra & Rahmatika, 2021). However, can this approach attract potential talents from the labour market? More studies need to be done to explore it.

Why in the context of talent attraction, onboarding seems very critical, especially in the war of finding the right talents? As mentioned in many studies, onboarding works as the first image that potential talents might be looking for as it will give some sort of preview of the organization before they decide to join. The initial onboarding experiences of new employees have the potential to influence their future readiness and adaptability when they join new teams or projects. As expectations for recruits, their teams, and the organization as a whole vary over time, organizations must continuously analyze and evaluate the onboarding experiences of their hires to optimize, improve, and streamline their onboarding procedures (Jeske & Olson, 2022a).

In terms of theoretical findings, uncertainty reduction theory states that because the job and working environment are unfamiliar to new employees, they may experience a variety of uncertainties when they first join the company (Kammeyer-Mueller & Wanberg 2003). The newcomers must therefore understand the culture, norms, and values of the business to reduce their uncertainty about their ability to perform their position (Griffin 2009). An effective onboarding program could help new hires better understand the culture, social conventions, and performance expectations of the company (Pike 2014; Stein & Christiansen 2010). As a result, many organizations today have implemented onboarding programs to assist new hires in developing the skills necessary to perform well in their new positions and as the crucial attractions to the potential talents to join the organizations with an expectation that they get all necessary information needed before they start their journey ((Narayansany & Isa, 2021).

From the above statement, most employers do understand that the onboarding approach could attract talent. However, there are still doubts among new hires towards this approach that has currently been implemented by their employers. Why this thing is happening? Based on research by Brandon Hall Group in 2022; 88% of the respondents seem to believe that employers perform such a great job in performing the onboarding approach. Even though more than 80% of them believe that onboarding can improve the retention rate in the organizations, 1 out of 5 would not recommend an employer to their families and friends due to their bad experience with the onboarding program. From this research as well, employers need to accept the fact that most of the content in their onboarding program is focused on paperwork and procedural thingy which is not the ultimate objective of the onboarding itself – the socialization mechanism for new hires.

In ensuring that new hires reach their full potential, onboarding offers the chance to realize a return on investment from the hiring processes. As a result, creating and managing an efficient onboarding process is a crucial human resource management task (Becker & Bish, 2021). Onboarding should be able to be some sort of solving the mysteries of joining a new place and open an opportunity for new hires to feel welcome and ready for their new tasks. How this is important? Based on the survey that was done on Belgian companies on their onboarding processes, 40% of the companies seem to provide insufficient information and

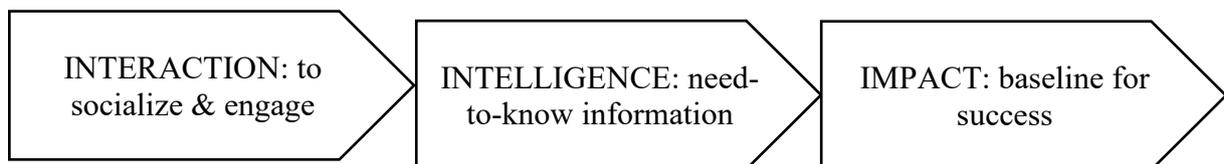
support to their new hires. These include lack of information on their actual roles, what would be their specific tasks and target, and even worse the work facilities that are compulsory to have to do their job is not even ready on the first week of working! From this point of view, onboarding seems not able to reach the maximum meaning to the new hires and it will give an effect on attracting and retaining talents due to the ineffectiveness of the onboarding program in the organization.

In some organizations, onboarding is seen as the proactive connection between the talents and the success of the organizations. It depends on the expectations of the organizations towards their newly appointed talents. For example, for a company like Google, it is not a surprise to find that Google didn't have a formal onboarding procedure in place. Over the years, they've made some incredibly successful adjustments to their hiring procedure and at the same time, improvisation has been made to their onboarding checklist so they could give the best and most effective processes to their new talents (Mulholland, 2022). From this statement, even the top-notch companies in the world are seriously looking into the improvement of their onboarding approaches.

Tailored onboarding is necessary because new hire transitions might differ and depend on the individual, their contract's terms, their function, and the industry in issue (Karambelkar and Bhattacharya, 2017). Because of this, organizational size and resource availability are not necessarily absolute indicators of successful onboarding. Even in tiny businesses, some successful tactics involving all stakeholders can be used to enhance the onboarding process, workplace adjustment, and learning of their new workers (Jeske & Olson, 2022a). From this perspective, having an onboarding program is good but streamlining the approaches that fit the organizational culture and environment will lead to an effective and successful program.

Effective Onboarding

Organizations need to face the truth that if they are not sure how well their onboarding program sufficiently fulfilled the objectives, they fall into the category of companies with no onboarding programs at all. Onboarding is not a new process and it is supposed to be an ongoing process. Top-performing companies usually will value their onboarding programs and believe it could be the method of engaging employers with new employees. Turning Point Executive Search as one of the top recruitment agencies stated that an organization might increase their chances to recruit talents they are searching for if they can design structured onboarding programs that cover the following elements:



By looking at the various aspect of implementing an effective onboarding program, most organizations will perform the process either in a very systematic process or a very short and quick one. In many countries, the shift of generational talent is occurring concurrently with the ongoing economic recovery, producing a variety of skill sets as well as different perspectives on and interpretations of work and job expectations (Pike, 2014). In terms of

demographic size, millennials have surpassed baby boomers, and they are reshaping the job market as more than a million of them join it each year (Petrucci, 2017). As we understand, there are differences in terms of traits from one generation to the other that offers different demand and expectations. Therefore, in designing an onboarding program structure and making sure it can be effectively executed, organizations must also take into account the latest demands and challenges and one of them is the generational gap.

From a different perspective, when it comes to the onboarding approach, there are no one standard guidelines that can fix most of the expectations of the new hires towards the program. There are many pieces of evidence that employers are trying to implement the approaches that they think could fit all kinds of work environments and this will affect attracting potential talents or even retaining the current ones! In the first 18 months of employment, employee turnover can reach 50%, according to the Society for Human Resource Management (SHRM). Employee turnover can be expensive, strain already overtaxed resources, and affect a company's bottom line financially. Therefore, the onboarding program must be working well. From this point of view, socialization and the application of various strategies have grown in importance over the past 20 years, increasing the scope of the formerly compliance-focused onboarding procedures (Benzinger, 2016; Chao et al., 1994). It means that onboarding approaches must also evolve together with the changes around us. This implies that crucial informative components are integrated with crucial activities to promote employees' building of interpersonal relationships and introduce them to information networks (Jeske & Olson, 2022a).

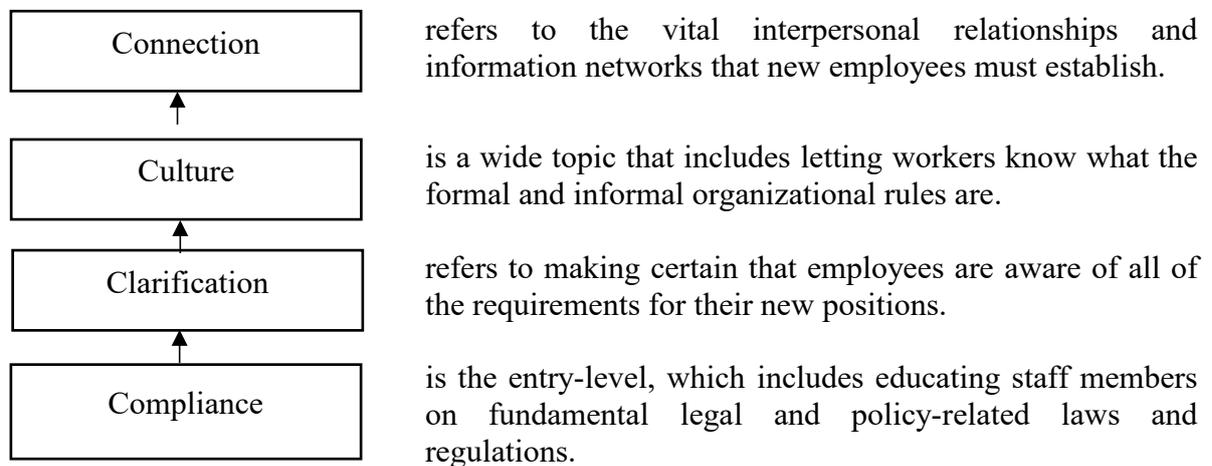
How Onboarding and Attracting Talent Are Related

The strategic use of onboarding is one of the most crucial ways that organizations can increase the effectiveness of their talent management systems after efficient recruiting and selection. Building a successful team involves more than just selecting the top talents for positions in the company. One of the most important aspects in determining whether newly hired talent will be productive, happy employees is the onboarding process for new hires (Roy Maurer & Maurer, 2018).

In this context, why onboarding effectiveness is so crucial in attracting talent? According to a 2016 study by the Society for Human Resource Management, employers' average cost-per-hire was high. While a focused and thorough hiring process can assist the employer in finding the ideal candidate, neglecting to develop and implement an onboarding procedure that equips new hires to perform at their highest level for the company could be costly (Collaborative, n.d.). Experts also suggest that the onboarding process should even start before a candidate is employed by providing a lot of details about the company. The chances of attracting individuals who fit the culture increase if employers able to include information about the organization on the career page (Peter & Bos, 2017). Simply, hiring people costs money, and retaining them also can be costly. Therefore, to attract and retain the best ones, sufficient details about what the organization is offering could be the key point.

Clear guidelines and implementation of onboarding elements are critical. Society of Human Resource Management through its Onboarding Practice Guidelines has stated that onboarding is significant in creating better relationships to raise happiness, outlining expectations and

goals to improve performance, offering support to help decrease unwelcome turnover and assisting new hires in settling into their positions. Under the guidelines, the Four C's are frequently referred to as the foundation of an effective onboarding process:



Source: SHRM Foundation's Effective Practice Guidelines Series. *Onboarding New Employees: Maximizing Success*

The organization must first emphasize the aims because the employees may need some background information about the entire business. The effective practice guidelines above may contribute to successful onboarding. The employees should be informed about the mission and vision statement and its necessary fulfillment; nevertheless, this can only reveal a small amount about the business. Furthermore, onboarding can be an excellent tool for describing the duties and responsibilities of the employees in alignment with the company's values.

An organization that has an efficient onboarding approach can assist in managing the new hires' talents, which will be to their greater benefit. To provide great onboarding that may benefit new hires in all aspects, the managers' onboarding efforts must be coordinated throughout the full onboarding life cycle (Jeske & Olson, 2022). Based on a study by Qooper Mentoring Agency in 2022, many benefits can be enjoyed by employers if they can perform an effective onboarding approach:

- 1) The employees are excited to get to work right away, which gives them a lot of happiness with the way things are going at work and how things are going in general.
- 2) Employees are portrayed as the company's representatives to the outside world.
- 3) Has the capacity to boost employees' self-confidence, which is advantageous to the entire dynamic team.

5. Conclusion

It can be concluded that the onboarding process is an excellent chance to demonstrate to new hires how inclusive your company is. Research and common sense both support the need for an effective onboarding procedure by considering the costs that organizations need to bear to find, screen, hire, and train the new employee. Helping new talent genuinely interact with co-workers can play a big part in bringing them on board with the organization. Having said that,

onboarding approaches shall not be considered as ‘one fits all as it depends on the organization's background and their expectations towards their new talents. It is also important for employers to understand that the effectiveness of onboarding approaches will give significant value especially in attracting potential talents.

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