

OnBoarding Your High Potential Recruits

The Cost of Failure

According to the Corporate Leadership Council, "Fifty percent of newly hired executives quit or are fired within the first three years."

The direct costs to the organisation of a failed external hire can be as much as 10 times the executive's salary.

The indirect costs of loss of productivity, morale, and reputation can be even more significant.

New hires are also most at risk of being reverse-headhunted in the first three months. If they are not integrated quickly, they can be wooed back by their former employer.

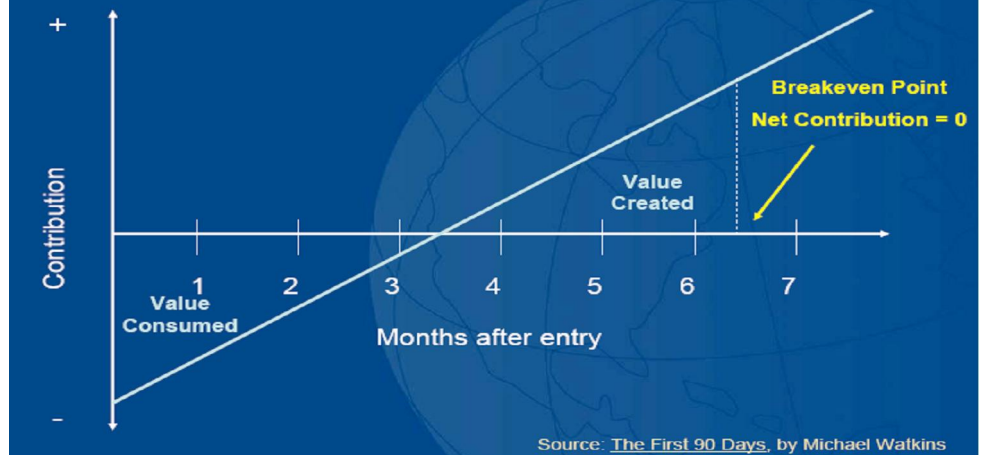
Failed Internal Promotions hurt too

When a long-time employee proves unsuccessful in a new executive role and departs, the company is likely to face multiple risks:

- drain of valuable knowledge and experience, severed network of work relationships and the loss of investment made in leadership development
- Other talented employees often follow their departing leader to the competition and cause disruption with those who stay



The Breakeven Point



Switching from a "Sink or Swim" Approach to Talent Management

It's no wonder that, according to the Aberdeen Group, 86% of new hires decide to stay or leave a company within their first six months and new employees are 69% more likely to stay longer than three years if they experience well-structured OnBoarding.

Aberdeen also reported that 89% of new hires say they don't have the level of knowledge necessary to do their job. New leaders are often forced to succeed before they acquire the requisite skill set.

Clearly, there's a compelling business-results rationale for ensuring that OnBoarding works in your organisation because even a small improvement in OnBoarding effectiveness can yield significant productivity results.

The First 90 Days are Critical

Research and conventional wisdom both suggest that employees get about 90 days to prove themselves in a new job.

In his book "The First 90 Days," Michael Watkins states that the break-even point, when new hires add more value than they have consumed, is usually 6.2 months.

Organisations understand that getting executives up to speed quickly is important because these leadership positions are highly visible and influence the bottom line more clearly:

- Executives have more stakeholders with whom to interact
- They need to be mindful of cultural alignment when delivering strategy to ensure successful uptake and minimise fallout
- One study reported that the productivity impact for new hires and transfers ranged between 1% - 2.5% of total revenue

The faster new recruits feel well prepared for their jobs, the faster they will be able to successfully contribute to your strategic objectives.



An OnBoarding program sends a very strong signal to the new appointee that the company is prepared to invest in their success.

Ramping up new leaders. Faster. More Effectively.

• Benefits of Effective OnBoarding

Executives are guided through a structured process that helps them to focus on the right activities in the right way during the first few months on the job so that they are working in concert with their manager, setting the right direction for their team and making significant progress towards the most important deliverables.

The faster an individual adds value to their new organisation, the less at-risk they are of leaving and the stronger their sense of belonging.

• Getting the Internal/External Balance Right

Both internal and external coaching can be critical in the success or failure of new employees. An objective external coach can help new executives by offering a safe sounding board for ideas and approaches. External coaches can also help new executives prepare for their OnBoarding process before they enter, as well as assist with any challenges they encounter in their new organisation.

• What you can Expect

A well-structured OnBoarding process helps new leaders develop a deeper understanding of and respect for, the organisations they enter. It is not a training class, but rather, a systematic approach to developing a strong foundation for future success.

Typical OnBoarding engagements last approximately three months, but can produce significant results in just six weeks. Programs are customised to the needs of the executive and the challenges of his/her new role. Sessions are one-on-one, totally confidential and quickly build a trusting relationship between the coach and the executive, enhancing their ability to have an impact on the new role.

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Making the Business Case

Each year ExecuNet, an online career management and recruiting resource for executives and recruiters, publishes an executive job market intelligence report.

Their most recent report states that since 2004 the number of organisations with an OnBoarding strategy has nearly doubled.

During that same time period there has been a corresponding decrease in the failure rate of new hires from one-in-four to one-in-five.

This reinforces the positive business impact of formal OnBoarding programs.

A Significant Investment

- Advertising & Recruitment
- Salary
- Relocation
- Induction
- Time to productive contribution
- Internal fallout
- Brand damage
- Doing it all again