O.C.TANNER



Add Appreciation to Your Onboarding **Efforts**

Why it's crucial to recognize early—and three ways to do it



Effective onboarding is more than just filling out benefits paperwork, going over company policies, and giving a tour of the office. Onboarding is a chance to introduce new hires to your company culture, build community and belonging, and make people feel good about their choice to join your company.

Onboarding matters.

Onboarding sets the tone for an employee's experience with you. It also engenders employees who want to stay. Think about this sobering stat from Gallup: Organizations lose 1/3 to 2/3 of new hires in their first 12 months, even for senior-level positions. Half of hourly workers left after just 4 months.

Effective onboarding can communicate that new hires are valued, appreciated, and belong, which, according to Harvard Business Review, is linked to a 56% increase in job performance, 50% drop in turnover risk, and 75% fewer sick days.

Only 12% of employees say their company does a good job of onboarding.

Not all employees have a great onboarding experience.

Research from our 2023 Global Culture Report finds less than half of employees (43%) have an onboarding experience that was more than just a day of orientation and a standard set of benefits. Many companies are missing the opportunity to create welcoming onboarding experiences that build connection between new employees and their teams and organization.

When employees feel their onboarding process is exceptional they are 2.5 times more likely to be extremely satisfied with their workplace, and companies that utilize a more strategic approach to onboarding see a 32% increase in new employee engagement.

Instead of handing out the usual water bottle and t-shirt and going over the company history and benefits, create more personal, inclusive experiences for new employees that incorporate culture-building strategies like employee recognition.

Giving new hires recognition at 30 days with their company creates an 89% decrease in likelihood of attrition.

- 2023 GLOBAL CULTURE REPORT, O.C. TANNER INSTITUTE

Recognition and appreciation enhance the onboarding experience.

Including opportunities for recognition early can greatly enrich the onboarding experience. Our research finds there is a foundational set of onboarding experiences organizations must provide to introduce new employees effectively.

Foundational onboarding experiences

- Handwritten note from the leader
- Card signed by peers
- · Custom or personalized symbolic award to commemorate employee joining the company
- Company swag

But beyond this, there's an ideal set of onboarding experiences that maximize impact:

Ideal onboarding experiences

- All the foundational onboarding experiences
- · Time to socialize with other new hires
- Food catered by the organization
- Time to thank others for their help and support during the onboarding process

Providing opportunities for connection and recognition during the onboarding process almost doubles the likelihood of engagement, great work, inclusion, and having a thriving culture.

| OUTCOME | FOUNDATIONAL ONBOARDING EXPERIENCE | IDEAL ONBOARDING EXPERIENCE |
|------------------|--|-----------------------------------|
| Thriving culture | +47% | +91% |
| Engagement | +71% | +135% |
| Great work | +68% | +114% |
| Inclusion | +44% | +89% |

SOURCE: 2023 GLOBAL CULTURE REPORT, O.C. TANNER INSTITUTE

3 ways to include recognition in onboarding

1) RECOGNIZE AN EMPLOYEE'S CHOICE TO WORK WITH YOU ON DAY ONE (OR BEFORE).

Let employees know you appreciate their choice to work with your organization and team. This helps to build a sense of belonging and community early. New hire gifts like swag boxes are a fun way to welcome employees to your company, reinforce your company purpose and brand, and help them feel connected even before their first-day orientation.

CIBC, a leading North American financial institution with 45,000 employees, does this well. They partner with O.C. Tanner to integrate recognition into every part of their employee lifecycle, starting with onboarding.

New employees are welcomed with a custom CIBC backpack, branded pin, and points from the company recognition program. A note connects employees to the bank's purpose, with an invitation to give feedback to make the organization even better.

You can also send new employees an ecard and points through your company's employee recognition program. At CIBC, individual leaders use ecards through their recognition program to welcome new hires to their teams. This early recognition not only introduces new employees to their recognition tools, but helps them feel connected to their teams, leader, and the organization from the very beginning.

Giving both company swag gifts and recognition points early in the onboarding process (at the 30-day, 60-day, and 90-day mark) can lead to a:



- 50% decrease in likelihood of attrition
- 487% increase in likelihood of engagement
- · 615% increase in feelings of inclusion

(MARCH 2022 OMNIBUS STUDY, O.C. TANNER INSTITUTE).

Remember that onboarding doesn't just happen with employees who are new to your company—welcoming employees is important when they change roles, get promoted, or move to a new team, business unit, or location.

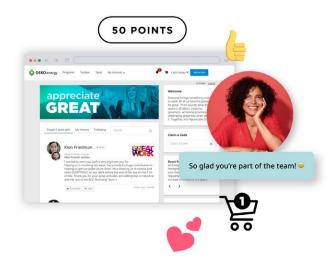
2) RECOGNIZE EARLY, OFTEN, AND FOR A MULTITUDE OF REASONS.

As you help new employees feel connected when they join the company, don't stop after the first week. Use regular recognition to connect employees to your purpose, their accomplishments, and their peers by integrating recognition into the employee experience. Recognize your new employees for their early successes and efforts. Embed recognition into the flow of work for all employees with tools



like <u>Culture Cloud</u> to enable easy, immediate recognition when great work happens.

Pair recognition with new hire training and development, so new employees feel appreciated for learning and growing. Recognize when employees reach early goals, help further the company's purpose, or demonstrate one of the company values. Say thank you when they help a peer, take on a new project, or innovate. Frequent, personal recognition reinforces your company's culture to new employees and strengthens belonging.



Ohio Living shows new employees what a recognition culture looks like. New hires participate in "Lead Ohio Living", a full day committed to teaching and sharing the Ohio Living Culture. The company shows how they respect, value, and appreciate one another.

Says Dana Ullom-Vucelich, Chief Human Resources and Ethics Officer, "We hire people for their instinctive talent, but they succeed at their jobs by using the skills and tools we offer, and we feel one of the most compelling tools our leaders have is how to recognize and appreciate great performance."

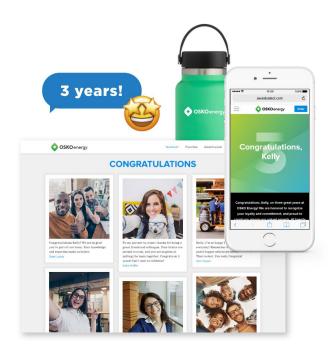
3) RECOGNIZE A NEW EMPLOYEE'S CAREER WITH YOU LONG BEFORE THEY'VE BEEN THERE FOR 5 YEARS.

Many companies wait until 5 years of service before they recognize an employee's service anniversary. If employees are reevaluating their new jobs after 12-18 months, this is far too late. Recognizing an employee's contributions and career with you early can significantly decrease their risk of turnover throughout their first 5 years with the company.

Research from the O.C. Tanner Institute (March 2022 Omnibus Study) found 59% of employees did not have their 1-year service anniversary celebrated, and 57% did not have their 3-year anniversary celebrated.



Don't wait 5 years to recognize an employee's years of service with you. Start early—at or before their first year—and celebrate regularly. Give employees a thoughtful award and personal recognition experience. Have peers and leaders participate in the recognition by adding their congratulations through a solution like <u>Yearbook</u> through Culture Cloud, and invite recipients to choose a meaningful, memorable award.



84% of employees report Yearbook made their career anniversary more meaningful

- 2021 YEARBOOK USER EXPERIENCE RESEARCH, O.C. TANNER

Don't waste onboarding on just processes and procedures. Start from day one to foster belonging, connection, purpose, and success in your new employees, and build a workplace culture where they will not only want to stay, but will also thrive.

See how **Culture Cloud** can help you add appreciation to your onboarding efforts.

