Betting on Talent: Examining the Relationship between Employee Retention and Onboarding Programs

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ABSTRACT
The expectations of employees in the United States continue to evolve as generational shifts occur in the workforce. The already raging war for talent has been fueled by the 2020 pandemic, which introduced new ways to work and different types of work opportunities. As a result, employees are re-evaluating their options and seeking ways to extract more value from their professional lives. In these circumstances, employee retention is a competitive advantage, and companies must consider how to retain their most desirable talent. Research in the organizational behavior domain shows that when employees hold values like those of their employing organization, they experience greater job satisfaction, increased organizational commitment, and higher intent to stay in the organization. Onboarding programs are widely accepted in the business community as a valuable opportunity to welcome new employees and introduce them to the values and culture of the organization, but organizations assign various weights and considerations to these programs as they can be costly to develop, execute, and maintain. In this article, I examine the relationship between employee retention and onboarding programs. I study whether a robust and well-executed onboarding program can mitigate employee attrition and can serve as a catalyst for employee retention in an organization.
BACKGROUND

The expectations of employees in the United States continue to evolve as generational shifts occur in the workforce. The already raging war for talent has been fueled by the 2020 pandemic, which introduced new ways to work and different types of work opportunities. As a result, employees are re-evaluating their options and seeking ways to extract more value from their professional lives. These circumstances mean that companies must consider how to retain their most desirable talent. Employee retention gives companies a competitive advantage and poses a risk to businesses that fail to attend to it. There are numerous reasons for an individual’s decision to join and then to stay with a company. In this article, I examine the relationship between employee retention and onboarding programs. I study whether a robust and well-executed onboarding program can mitigate employee attrition and can serve as a catalyst for employee retention in an organization.

In the past 30 years, technological advancements have given individuals more choices in seeking employment opportunities where they feel valued and fulfilled (Olson, 1982). Research in the organizational behavior domain shows that when employees hold values like those of their employing organization, employees experience beneficial outcomes, including greater job satisfaction, increased organizational commitment, and higher intent to stay in the organization (Ryu, 2015).

Onboarding programs are widely accepted as a valuable opportunity to welcome new employees into an organization. However, these programs can be costly to develop, execute, and maintain, and organizations vary in the weight and consideration they give to them.

Before considering the potential benefit of onboarding programs may offer to employee retention, it is first necessary to clarify the definition of an onboarding program. Onboarding refers to the process by which new hires are integrated into the organization. It often includes activities that help a new employee learn about the organization, including the structure, culture, vision, mission, and values. The term onboarding is often conflated with the term orientation. They are not the same. Onboarding is a more extensive process that may last through an employee’s first full year at an organization; it is distinct from orientation (Graybill, Hudson Carpenter, Offord, Piorun, & Shaffer, 2013). Orientation generally refers to tasks that new hires undertake as they begin working in an organization, including administrative paperwork, receiving a computer, and setting up email and other communications. An onboarding program might also include these components, but the onboarding program is much broader. For this study, an onboarding program comprises all the activities and components that new employees encounter throughout their first year of employment from time of recruitment.

The motivation for examining this topic is to join my interest and extensive experience in the learning and development field with a desire to understand the impact that a strong organizational culture, reflected in a strong onboarding program, has on employee retention. A common assumption in business is that training can solve all that ails a firm, but whether investing resources in developing and executing onboarding programs translates into positive outcomes such as employee retention remains to be seen. This research is intended to provide an evidence-based investigation into the results realized by implementing onboarding programs. This study addresses the following research question:

"Does implementing an onboarding program in the workplace assist in retaining new employees in the United States?"

The study is detailed in a PICOC format, as shown in Table 1.

<table>
<thead>
<tr>
<th>P = Problem</th>
<th>Attrition is costly for organizations. Individuals seek employment with an organization with which they can identify and have a sense of belonging. When these elements are missing, employees are more likely to quit.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I = Intervention</td>
<td>To address retention issues, some companies have instituted onboarding programs for their new employees to increase their sense of belonging and help them identify with the organization.</td>
</tr>
<tr>
<td>C = Comparison</td>
<td>Compare the existence and perceived value of onboarding programs among organizations to evaluate whether the intervention of an onboarding program has the intended effect of increasing retention.</td>
</tr>
<tr>
<td>O = Outcome</td>
<td>Onboarding programs that are high-touch, high-quality, and well-organized increase employee retention for organizations that execute them consistently.</td>
</tr>
<tr>
<td>C = Context</td>
<td>The context includes organizations that are better informed of the value proposition of quality onboarding and the best practices to retain employees.</td>
</tr>
</tbody>
</table>
SEARCH STRATEGY AND RESULTS

To initiate the process, I searched the ABI/Inform Collection database and used the keywords, “onboarding,” “employee retention,” and “training.” The first search yielded 2,357 results. For the second search, I limited the search to “Peer-Reviewed,” “Full Text,” and “Scholarly Journals,” and the search resulted in 72 articles. The third search narrowed the findings by limiting the search to articles published since 2010. I used 2010 as a time constraint because onboarding has evolved significantly since that time. The findings yielded 67 articles. For the fourth-level search, I limited the results to research conducted in the U.S. The sample was narrowed to 14 papers. Finally, I scanned the abstracts to eliminate articles that showed low validity, lack of relevance, or bias. I discarded 9 of the 14 articles for lack of relevance. To validate the search, I replicated it using the Business Source Complete database; the results when including the same three search criteria were fewer. I removed the “training” criteria and replicated the search. The results duplicated the articles located through the ABI/Inform Collection, thus validating the search. Figure 1 shows a flowchart of this search process. The validated search results are listed in Table 2.

Table 2: Search Results

<table>
<thead>
<tr>
<th></th>
<th>Author(s)</th>
<th>Title</th>
<th>Journal</th>
<th>Year</th>
<th>Pages</th>
<th>DOI</th>
</tr>
</thead>
</table>
The critical evaluation of overall validity is listed in Table 3.

### Table 3: Critical Evaluation of Overall Validity

<table>
<thead>
<tr>
<th>Study</th>
<th>Research Approach</th>
<th>Empirical Basis</th>
<th>Analysis Method</th>
<th>Overall Validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study 1</td>
<td>Losing talent on day one: Onboarding millennial employees in health care organizations, by Shufutinsky, A. P. D., &amp; Cox, R. M. B. A. P. (2019)</td>
<td>Inductive qualitative approach using action research; interpretive phenomenological assessment with written questionnaires.</td>
<td>Study surveyed individuals falling within the millennial generation age group and working in health science roles. Surveys were distributed through the Academy of Interdisciplinary Health Science Leaders (AIHSL) to the member distribution list of 564 active professionals. The response rate was 3.7% of the total member population.</td>
<td>High Validity: Conclusions based on qualitative analysis of 21 millennial participants working in various healthcare organizations. Study revealed no apparent agenda or bias on the part of the researchers.</td>
</tr>
<tr>
<td>Study 2</td>
<td>Reinventing employee onboarding, by Cable, D. M., Gino, F., &amp; Staats, B. R. (2013)</td>
<td>Quantitative field experiment testing alternative socialization approaches to a traditional approach.</td>
<td>The field experiment examined demographic characteristics, tenure with the company, and operational performance.</td>
<td>High Validity: Conclusions drawn from primary data. Study revealed no apparent agenda or bias on the part of the researchers.</td>
</tr>
<tr>
<td>Study 3</td>
<td>Onboarding OSH professionals: The role of mentoring, by Minnick, W., Wilhide, S., Diantoniis, R., Goodheart, T., Logan, S., &amp; Moreau, R. (2014)</td>
<td>Quantitative survey of full-time employees in Manufacturing, Oil &amp; Gas, or Construction who were members of the American Society of Safety Workers (ASSW); mixed-method approach also included a qualitative survey.</td>
<td>Researchers used IBM SPSS software to perform chi-square analysis to examine whether mentoring included in the onboarding program improved retention rates. Research tested four hypotheses.</td>
<td>High Validity: Conclusions drawn from primary data. Study revealed no apparent agenda or bias on the part of the researchers.</td>
</tr>
<tr>
<td>Study 4</td>
<td>Employee onboarding: Identification of best practices in ACRL libraries, by Graybill, J. O., Hudson Carpenter, M. T., Offord, J., Jr., Piorun, M., &amp; Shaffer, G. (2013)</td>
<td>Research paper reviewing best practices in documents related to employee onboarding of Personnel Administrators and Staff Development Officers Discussion Group of the Association of College and Research Libraries (ACRL).</td>
<td>Three researchers compared the collected documents to the socialization model proposed by Raymond Noe, including the detailed aspects of the organizational phase and the critical components identified in the best practices literature.</td>
<td>Moderate Validity: Conclusions were drawn from limited number of documents (17 institutions) and secondary data, making generalizability difficult.</td>
</tr>
</tbody>
</table>
**Table 4: Findings and Translation**

<table>
<thead>
<tr>
<th>Finding 1</th>
<th>Finding 2</th>
<th>Finding 3</th>
<th>Finding 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Study 1, (Shufutinsky &amp; Cox, 2019)</strong></td>
<td>Individuals want intentional experiences as part of an onboarding program before showing up for day one on the job.</td>
<td>Planning and carefully organizing an onboarding program is essential for it to be successful. Without an effective plan, the onboarding program can become disorganized, waste time, and frustrate participants.</td>
<td>Participants expect a robust professional development plan that includes peer and leader mentorship, training courses, classes, and career and succession planning.</td>
</tr>
<tr>
<td><strong>Study 2, (Cable, Gino, &amp; Staats, 2013)</strong></td>
<td>The effects of onboarding programs are determined by program quality.</td>
<td>Organizations that encourage employees to exercise personal identity socialization in the job, experience positive outcomes, such as innovation, creativity, stamina, resilience, reduced stress, effectiveness on the job, and connecting with and inspiring/energizing others.</td>
<td>Onboarding programs that focus on the individual’s identity (personal identity socialization) versus the company’s identity are most successful.</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>When socialization focused on individual identity, employees were much less likely to quit their jobs in the first six months than employees in the two other onboarding approaches studied.</td>
</tr>
<tr>
<td>Finding 1</td>
<td>Finding 2</td>
<td>Finding 3</td>
<td>Finding 4</td>
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</table>
| **Study 3,**  
(Minnick et al., 2014) | The existing onboarding programs that included mentoring at the beginning of an individual’s employment journey reduced role ambiguity. | Onboarding programs that include mentoring are high-touch and personalized for new individuals to shorten their learning curve. | Mentoring provides a highly personalized experience as part of the onboarding program. | Managing the early experience of new hires (using mentoring) decreases role ambiguity. Role ambiguity leads to a greater propensity to leave the organization. |
| **Study 4,**  
(Graybill et al., 2013) | N/A | Large amounts of time and money are invested in searching for and recruiting new employees, and organizations cannot afford to disenfranchise a new hire at the beginning of his or her tenure by not including a high-quality, high-touch onboarding program. | Onboarding programs need to be tailored to the organization. | The socialization process should:  
- Begin at the recruiting stage  
- Aid in the retention of new staff  
- Incorporate incremental evaluation points during the process  
- Provide employees with an opportunity to ask questions and offer expertise.  
If onboarding is used as a tool for recruiting and retaining staff, the respective onboarding processes, such as mentoring and/or assigning a buddy, can help with the acclimation process. |
| **Study 5,**  
(Hendricks & Louw-Potgieter, 2012) | Onboarding programs are essential, but the mere presence of an onboarding program does not automatically deliver the desired results. | If best practices are used, onboarding could be effective for helping employees identify with their organization. | Positive emotions gained from a solid onboarding program can lead to more satisfaction and identification for new employees. | New employees are most vulnerable during the first few weeks of employment, and poor onboarding significantly raises the risk of turnover for this group of employees. |

**Translations:**  
The existence of an onboarding program for new employees made a difference to the employee’s experiences.  
Data showed that new employees desire the presence of onboarding programs, and a high-quality experience is expected.  
Onboarding programs need to be high-touch and high quality to matter to new employees.  
Onboarding experiences need to be high quality, including high-touch experiences (e.g., mentoring), and to follow onboarding best practices to have the desired effects.  
Onboarding programs that are personalized and interactive for the new employees are effective.  
New employees are satisfied with onboarding programs that are personalized and that allow them to bring their identity to the new workplace. They also value onboarding programs that include leadership involvement and solid communication.  
High-quality onboarding programs lead to new employee identification with the firm and higher retention.  
There is a correlation between quality onboarding program execution and positive employee outcomes, including retention.
Study 1, which included millennials currently employed in the healthcare industry, was a qualitative, action research study that gathered insight from 21 millennial healthcare workers. The rich data collected in this study demonstrated that these healthcare workers had access to an onboarding program, but its lack of quality negatively affected retention. The desire for quality onboarding was revealed in this study and was evident in the participant verbatim quotations. Study 1 contributed to all four of the findings in Table 4, with participants desiring a well-organized and well-communicated onboarding program that involves high touch, is personalized, and has plenty of manager touchpoints and intentional development. Onboarding programs lacking these features failed to inspire millennial study participants, caused confusion and frustration, and negatively affected retention.

Study 2 experimented with traditional onboarding and two other onboarding approaches to determine whether employee retention was strengthened by more robust, personalized, and individualized onboarding efforts. Contributing to Finding 3 in Table 4, the study demonstrated that new employees are more satisfied with personalized onboarding programs that allow them to bring individual identity to the new workplace. Moreover, this study found that individuals valued onboarding programs that focus more on individual identity than on firm identity and that individuals prefer onboarding programs with strong leadership involvement and solid communication. This study validated the existence of onboarding programs, as indicated by Finding 1 in Table 4, and it further identified the program’s quality as an indicator of employee retention, contributing to Finding 4. Onboarding programs that had the intent of caring for, welcoming, and valuing the new employee, that were intentionally personalized and customized for new employees, and that integrated experiences offering exposure to firm leadership were described as high quality.

Study 3 used a mixed-methods approach to examine whether personalized and intentional mentoring, infused into onboarding programs, led to successful retention outcomes. The study sought to determine whether high-touch elements early in an employee’s tenure affect retention. This study indicated that when onboarding included mentoring at the beginning of the individual’s employment experience, role ambiguity was decreased, and Finding 1 was supported. Including mentoring also enhanced the personalization and high touch of the onboarding program, which supported Findings 2 and 3. Finally, Study 3 drew a link between decreased role ambiguity—reduced by high-touch personalized mentoring within a high-quality onboarding program—and the propensity for an individual to stay with an organization.

Study 4 synthesized documents from 17 separate sources to explore the best practices in executing successful onboarding programs. The sources used in this research study confirmed the connection between onboarding and retention and sought to understand further how the quality of onboarding programs affected retention. This research also corroborated the need to manage the new hires’ experience—beginning with recruitment and extending throughout their first year—to affect retention rates, thus supporting Finding 4. This study examined the best ways to provide a quality experience that resonates with new hires, and it found that tailoring the program to the organization and the individual achieved the best results. The research supports Finding 3. Finally, the research concludes that organizations should focus on whether the onboarding program resonates with the new employees because the program’s existence alone is insufficient, thus supporting Finding 2.

Study 5 measured employee perceptions of onboarding programs to determine whether participating employees identified with their organization and intended to stay with the organization. Intention to stay was used as a proxy for retention in this research, although it also recognized that an employee’s intention may not actually lead to retention. This study concluded that onboarding programs are essential, but their mere existence does not support retention, and organizations must attend to the quality of the onboarding experience, supporting Finding 1. Consistent with Finding 3, the study showed that personalized onboarding programs produced positive emotions, leading to a closer identification with the firm. Findings indicated that when best practices are used, onboarding programs can be effective for helping new employees (who are most vulnerable in their first weeks at an organization) to identify with the organization and subsequently can decrease the turnover rate for the organization. These findings corroborated Findings 2 and 4.

In summary, each of the five articles contributed to the overall findings: (1) that the existence of an onboarding program for new employees made a difference to the employee’s work experience, (2) that onboarding programs need to be high-touch and high quality to matter to new employees, (3) that onboarding programs that are personalized and interactive for the new employee are effective, and (4) that high-quality onboarding programs lead to new employee identification with the firm and higher retention.
Evidence gleaned from these five studies illuminates the vital role that onboarding programs play in employee retention. Studies 1, 2, 3, and 5 support Finding 1, indicating that onboarding programs make a difference in retaining employees; however, more importantly, all five studies support Findings 2 and 4, which illuminated the need for quality and intentional programming that is personalized to the individual employee and customized to the organization. These findings mean that organizations cannot simply check a box that says, “We have an onboarding program” and see tangible results or decrease employee attrition. This research leads to the need for additional research, not on whether onboarding leads to retention, but on how the quality of onboarding programs affects retention. Interestingly, research indicates that onboarding has changed and is no longer “your dad’s or grandad’s orientation” (Shufutinsky & Cox, 2019). To satisfy employees, connect them to the organization, and retain them, organizations need to develop high-quality, high-touch onboarding programs that last for an employee’s first full year. All five studies provide evidence that high-quality onboarding programs help employees to identify with the new firm more strongly, leading to higher organizational commitment and retention.

CONCLUSION

Individuals who identify with an organization want to be known as being assimilated with the organization, whereas individuals who do not identify with it want to be separate from it (Bhattacharya & Elsbach, 2002). Large amounts of time and money are invested in searching for and recruiting new employees, and organizations cannot afford high turnover rates if they hope to be competitive (Graybill et al., 2013). Organizations that wish to increase retention rates are wise to ensure not only that an onboarding experience exists but also that a high-quality, high-touch, personalized experience is in place. The research shows that the onboarding experience should focus on the employees and their unique and personal strengths that they bring to the organization, rather than solely on indoctrinating them into firm identity and values.

Fewer articles exist for such an important topic than I anticipated. The lack may indicate that many of the practitioner articles written on onboarding are based on conjecture, anecdote, and intuition, rather than on evidence. Common sense may suggest that the presence of an onboarding program would be beneficial to an organization as it tries to retain human talent, but few scholarly articles seem to have generated the data confirming it. The five articles I reviewed were reliable and unbiased, and they used various research methods to provide empirical evidence for this topic.

One of the obstacles to finding the answer as to whether onboarding assists in retaining employees was the varying lexicons used to describe the experience of “onboarding.” Although they are different from onboarding, mentoring and orientation could be components of it and needed to be considered in the search. Carefully evaluating each article to understand how to compare these constructs and to evaluate the studies on common ground was critical.

RECOMMENDATION

Managers need to ensure that a quality, high-touch, and personalized onboarding experience is in place to increase employee retention. The experience should begin when an employee is recruited and should continue throughout the employee’s first year. The experience should consist of standard, organization-specific components but also should include customization to meet the needs of the individual, accounting for their personality and the experiences they bring with them as they join the organization. Onboarding programs can be further strengthened by including mentoring and other personalized experiences, and when firm leaders communicate the program as a clear, directional, and purposeful journey.

Some organizations claim to want to have effective onboarding programs to boost employee retention, but they may not allocate the time and resources needed to create and execute such an experience. Conducting a thorough and thoughtful experience for new hires may appear easy but executing such a program requires meticulous effort. Organizations would be prudent to heed the research indicating the need for these programs and articulating the quality and effort needed to execute them successfully.

Future research should gather data in various contexts and across all generations currently populating the U.S. workforce to determine best practices that organizations can use to improve retention rates. In addition, further research can determine whether findings are generalizable and transferable, both to or from other countries and other parts of the world.
REFERENCES


ABOUT THE AUTHORS

Jonna Broschius Blount is a Learning Strategist who has spent most of her career visioning and developing engaging learning experiences in the field of adult learning. She currently serves in a Senior Principal role within the Learning & Development department at Chick-fil-A, Inc. Prior to that, she founded and managed a boutique Learning Consultancy practice partnering with various clients to architect targeted, sustainable, and forward-thinking learning solutions designed to support and develop learner’s current and future skills and capabilities. Believing life provides a rich and engaging experiential education, she applied her passion for learning in a personal way by crafting personalized and interconnected learning journeys for her two children (now adults) and teaching them both at home and in the world through 8th grade. A lifelong learner and engaged scholar, Jonna earned a Doctor of Business Administration from Georgia State University in 2021. Her doctoral research focused on balancing the tension of employee identification with organizational acculturation. In addition to the Doctor of Business Administration, she holds BA in History from Elizabethtown College, and an MBA with an International Business concentration from Georgia State University.