

# Best Practices for Onboarding Your Supply Chain Workforce

How to speed time-to-productivity for new hires



“86%

of respondents felt that a new hire's decision to stay with a company long-term is made in the first six months of employment. ”

*Aberdeen Group Survey of Corporate and HR Executives*

## Why is Onboarding So Important?

One key way organizations can improve the effectiveness of their workforce is through the strategic use of onboarding. This is the process of helping new hires understand and execute their performance goals and become acclimated to the culture of their new job as quickly as possible.

How you onboard new associates can have a significant impact on both the employee's and your organization's success. It's more than making a good first impression; it lays the foundation for developing skills and sets objectives for a high-performance workforce. Onboarding provides a supportive process that increases a new hire's ability to gain knowledge, build relationships and become quickly integrated into their team and the broader organization.

Is your current onboarding process doing that?

## Reducing Time-to-Productivity

The time-to-productivity metric is a relatively new measurement that's essential to judging the success of your onboarding efforts. Essentially, it's the time required for new hires to achieve a performance level that incorporates appropriate productivity, utilization, safety and quality metrics.

The proper mix of onboarding and training will get associates up to speed much more quickly, so that after the onboarding period (typically 60 or 90 days) new hires are operating at the same level as more seasoned employees.





“ **Turnover rates currently stand at 13.5%** for distribution, warehouse and manufacturing functions. ”

*Compdata Surveys BenchmarkPro*

## Minimizing Employee Turnover

Employee turnover rates have been edging upward industry-wide for the last few years. Distribution and manufacturing functions currently stand at 13.5%, according to Compdata Surveys BenchmarkPro report.

The Society for Human Resource Management estimates direct expenses to replace an employee can “reach as high as 50% to 60% of an employee’s annual salary,” so costs can add up significantly. In fact, the Bureau of National Affairs estimates that U.S. businesses lose \$11 billion annually due to employee turnover.

A strong onboarding program gives associates the tools they need to succeed and shows them they are valued employees. New hires learn what is expected, how to perform specific activities and how and when they will be evaluated. Addressing these topics at the beginning will help avoid misunderstandings and decrease the chances of the associate looking for a new job elsewhere.

## Benefits of Effective Onboarding

**52%**

Improved  
Retention  
Rates

**60%**

Decreased  
time to  
productivity

*Society for Human Resource Management (SHRM): “Onboarding New Employees: Maximizing Success.”*

# 4 Best Practices for Onboarding New Hires

## 1 Communicate Job Expectations Up Front

It's important to clearly communicate role expectations to every new employee when they start their job and to check for understanding on a regular basis.

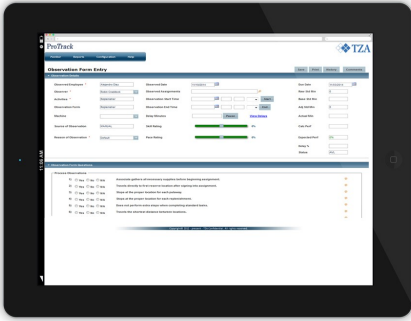
As part of a Labor Management Program, you establish best practices, preferred methods and standard operating procedures that can be shared with each new employee. These documented procedures help them understand what is expected of them as well as the best way to perform their new job. From there, you also need to:

- ◆ Be crystal clear with associates on job-specific competencies that will make them successful
- ◆ Communicate what they will be evaluated on
- ◆ Explain how their efforts will help the department or organization achieve its goals
- ◆ Regularly discuss performance and goal status



### ProTrack Enterprise Dashboard

ProTrack's dynamic dashboards let you analyze workforce performance metrics for locations, departments or activities. Your front-line managers can easily get to the pertinent data and visualize performance results in almost unlimited ways. Sharing this "big picture" view with new and existing associates can help them understand how their efforts fit into overall corporate goals.



### ProTrack Active Performance Management

ProTrack Active Performance Management provides supervisors the tools they need to manage observations and coaching of new hires and develop an effective feedback loop to drive continuous improvement. You can create custom observation forms, perform on-floor observations using a mobile device and track the status of assigned coaching tasks.

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## Help Associates See The Big Picture

How does my work impact the organization overall? What are the key metrics for this department or this facility? These are questions a new hire may have when starting their job. Labor Management Systems with performance dashboards provide a deeper understanding of how both the business and the employee's specific department is performing. When your associates understand their contributions to broader objectives (and how their compensation is impacted), they are usually more willing to apply extra effort.

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## Coach New Employees for Success

While it's critical to get your new hire off to a solid start on the first day or week, onboarding shouldn't stop there. Frequent coaching will help employees perform better in their new role, build on their strengths and proactively address any weaknesses.

As part of the coaching effort, the supervisor and employee need to agree on what area to improve, what steps should be taken and how to define success. As long as everyone is on the same page, in the end, most new hires will reach their peak potential.

The employee coaching and observation processes established in a labor management program help you focus on the success of each individual through ongoing, continuous improvement training. Your Labor Management System can also reinforce the consistency and timeliness of coaching sessions.

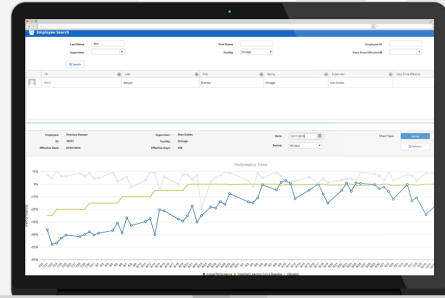


**70%** of employees who received coaching saw an increase in work performance.

*Outstand.org: "The Benefits of Coaching."*

### ProTrack Performance Trend

ProTrack's Performance Trend analyzer gives managers easy access to data analytics to evaluate new hire progress against goals. It allows managers to set specific performance progression targets by associate, while incorporating dynamic learning curve calculations across multiple activities. Trend data can be shared with associates so they can self-evaluate their efforts.



## 4

### Review and Reinforce Performance Goals

Your onboarding program should include performance reviews with new associates at 30, 60 and 90 days (but ideally more frequently) after their start date. By doing so, you ensure the employee gets the continuing direction, feedback and development they need to progress in their new role.

These regular reviews provide the ideal opportunity for the manager and employee to assess the associate's progress and to make sure they receive all the instructions and tools they need to reach and exceed baseline performance.

Regularly scheduled observation and coaching sessions also help to drive greater manager and employee engagement right from the start and encourage an ongoing, two-way dialogue about expectations and performance.

Active performance goals keep the workforce engaged, which boosts employee morale and productivity. They also increase an understanding of employee responsibility.



Attracting talent is only the first step. Keeping that talent relies heavily on onboarding them properly.



## Leverage Labor Management Technology to Support Onboarding

Having a labor management system that serves as a hub for performance monitoring can be critical to the success of your onboarding program. The ability to review and share associate performance metrics, track progress against goals, and ensure coaching and observations are done regularly are all essential elements to successful onboarding.



To learn more about ProTrack Labor Management Software and how you can leverage it to increase retention of new hires while improving workforce productivity and utilization, visit [www.TZA.com](http://www.TZA.com) or call 1-800-229-3450.

# About TZA

At TZA, we focus on helping our clients improve workforce and operational performance, reduce costs and drive continuous improvement across their supply chain. We provide them with the technology and services to achieve higher standards of productivity, utilization, quality, safety and customer service:

- **ProTrack Labor Management Software:** plan, monitor and measure labor performance
- **Labor Management Services:** educate, engage and empower managers and associates
- **Supply Chain Consulting Services:** optimize processes, equipment and facilities to ensure operational efficiency

