

Best Practices for Onboarding Your Supply Chain Workforce

How to speed time-to-productivity for new hires



Why is Onboarding So Important?

One way organizations can improve the effectiveness of their workforce is through the strategic use of onboarding: the process of helping new hires understand and execute their performance goals and understand the cultural aspects 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. Onboarding is more than making a good first impression, it lays the foundation for developing skills and setting objectives for a high performance workforce.

The goal of onboarding is to provide 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. For our discussion, we'll define it as the time required for new hires to achieve a baseline of performance incorporating 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 target onboarding period (60 or 90 days is typical) it's hard to tell the difference between new and more seasoned 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



“ **Turnover rates currently stand at 13.7%** 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, and for distribution, warehouse and manufacturing functions currently stand at 13.7%, according to Compdata Surveys BenchmarkPro report.

The Society for Human Resource Management (SHRM) estimates direct expenses to replace an employee can “reach as high as 50% to 60% of an employee’s annual salary.” So the cost can add up...and up...and up. 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’s expected, how to perform their activities, and how and when they will be evaluated. This upfront effort avoids any misunderstandings and makes it less likely they will be 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

While you may have spelled out your expectations in bullet points in a job posting and discussed them during the interview, it's important to clearly communicate role expectations to every new employee when they start their new job and to check for understanding on a regular basis going forward.

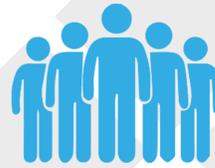
As part of a labor management program, you establish best practices, preferred methods, and standard operating procedures that can be shared with new employees. These documented procedures help employees understand what is expected of them as well as the best way to perform their new job. From that base of performance expectation, you also need to:

- Be crystal clear with associates on job-specific competencies that will make them successful and that they will be evaluated on.
- Explain how their efforts will help the department or organization achieve its goals.
- Set up a schedule to regularly review and discuss performance and goal status.



ProTrack Enterprise Dashboard

ProTrack's dynamic dashboards let you analyze workforce performance metrics for locations, department 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.



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

Outstand.org: "The Benefits of Coaching."

2

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 can provide a deeper understanding of how the business is performing, as well as the employee's specific department and function. When your associates understand their contributions to broader objectives (and how their compensation is impacted), they are usually more willing to apply extra effort.

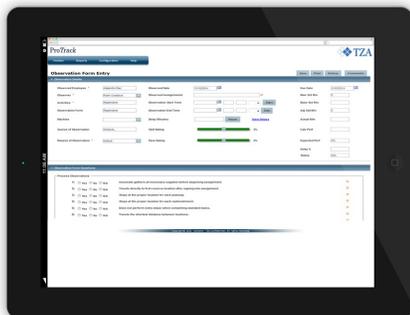
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Coach New Employees for Success

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

As part of the coaching effort, the supervisor and employee need to agree on what to improve, how to do it, and how to define success. As long as everyone is on the same page, the end result is that most new hires will reach their peak potential.

The employee coaching and observation processes established in a labor management program helps 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.



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.

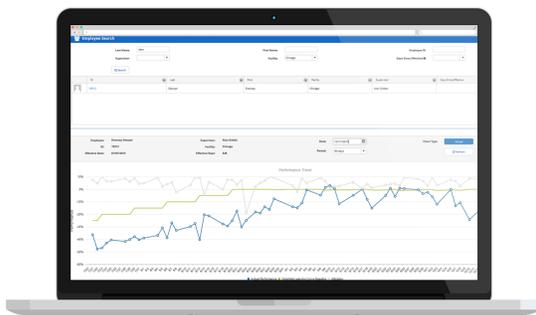
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Review and Reinforce Performance Goals

Your onboarding program should include performance reviews with new associates at 30, 60 and 90 days intervals (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.



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.

Leverage Labor Management Technology to Support Onboarding

Having a labor management system that serves as a hub for labor performance monitoring can be critical to the success of your onboarding program. As we have shown throughout this eBook, having the ability to review and share associate performance metrics, track progress against goals and monitor that coaching and observations are done regularly are all essential elements to successful onboarding.

Contact TZA to learn more about ProTrack Labor Management Software and how you can leverage it to increase retention of new hires while you improved productivity and utilization of your entire workforce.



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

