

# Employee Onboarding

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Session Outline

- The Cost of Recruitment
- The Recruitment Process
- Onboarding
  - Administration
  - Psychological Adjustment
  - Training & Development







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# The Cost of Recruitment



#### Definition

"Recruitment is the process of finding and hiring the best qualified person (from within or outside an organisation) for a job opening in a timely and cost effective manner."

- Mike Millmore in Strategic Human Resource Management has defined recruitment as "the most significant and value adding process managed by Human Resources professionals" and as "the one with greatest potential for impact on the bottom line".
- Managing the recruitment process requires technical competence (in much the same way as software development or social media marketing); skills are required in metrics, communication and negotiation.
- What are the costs involved in a recruitment exercise?



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#### Direct Costs

- Advertising
- Salary costs in recruitment
- Training costs
- Recruitment agency Costs



• What are the costs involved in a recruitment exercise?

#### **Indirect Costs**

- Lost productivity
- Time taken to achieve expert productivity levels
- Drops in morale due to unfilled roles



 Taking as an example a Machine Operator Role in a factory and assuming that the role remained vacant for 3 weeks the following costs would be incurred:

| Source - Direct Costs   | Cost (Eur) |
|---|------------|
| Advert Social Media Platform or Job Board   | 500        |
| Salary cost for HR Assistant (based on Misco salary information) for 4 hours at Eur7.21/hr                      | 28.84      |
| Salary cost for HR Manager (based on Misco salary information) for 8 hours at<br>Eur 16.83/hr                   | 134.64     |
| Salary cost for Operations Manager for interviews (based on Misco salary information for 4 hours at Eur14.42/hr | 57.69      |
| Training Costs 16 hours for the Training Manager at Eur14.42/hr   | 230.72     |
| Training Costs - 16 hours for the Machine Operator at Eur4 62/hr  | 73.92      |
| Total Direct Costs  | 1,025.81   |

| Source - Indirect Costs  | Cost (Eur)     |
|--|----------------|
| Role vacant for 3 weeks (120 hours assuming output value of Eur30 per hour)                          | 4,800          |
| Time taken to achieve 100% efficiency in new role, assuming 50% return in first three weeks.         | 2,400          |
| Time taken to achieve 100% efficiency in new role, assuming 75% return in the subsequent three weeks | 1,200          |
| Drops in morale for unfilled roles   | Not quantified |
| Total Indirect Costs   | 8,400          |

| Summary of Costs     | Cost (Eur) |
|----------------------|------------|
| Total Direct Costs   | 1,005.81   |
| Total Indirect Costs | 8,400      |
| Overall Total        | 9,405.81   |



- The cost of unfilled managerial roles is harder to quantify although possibly at even higher levels.
- It is important for HR Practitioners but even for persons in operations to realise the value associated with the recruitment process.
- While considering the impact of lack of timeliness, it is also important to realise that a process run incorrectly leads one to run the risk of incurring the cost a second time.
- As a result, HR Practitioners should be advocates for the value of investing in sound recruitment practices.





- When a company decides to fill in a role (as a result of turnover or for a new role) there are a number of steps that must be taken.
- These steps can be seen as a cycle involving a number of different stages.













#### Define The Role

- Companies need to start the process by asking whether a new person is actually required.
- Once the need is determined, a clear understanding of the role needs to be obtained through a structured job analysis.
- Job analysis is a useful tool that can guide recruitment, but which is also useful for performance management, training, and other HR tasks.





#### Source the Candidates



There are different methods that can be used for sourcing, including:

- Word of Mouth: (effectively through incentive schemes)
- Networking
- Internal Call for Applications
- Traditional advertising (newspaper, radio, TV)
- Attendance at fairs and events







#### WE ARE RECRUITING

#### Childrane Educators

Competitive netw being offered

careers a healthmark.com.mt



#### Other methods include:

- Job Portals (websites such as keepmeposted, jobsinmalta)
- Specialised job boards
- Recruitment Agencies
- Headhunting
- Career Events
- Social media (Facebook, Linkedin, Twitter and others)





Practical issues to keep in mind when sourcing:

- Legal issues pertaining to equality
- Employer branding
- Impact and reach to target audience









He: QS, please send us a copy of the calls for employment that were souled since re-certification. Moreover, we checked your Excelbook page and found a couple of vacuncy adverts which only show a photo of a man - here and here, and are therefore not gender inclusive. Please he reminded that each advert needs to include a photo/image of both or noise at all, so that it is clear for those viewing if that the vacancy is open for all serves.







National Commission for the Promotion of Equality

"it shall be unlawful for persons to publish or display or cause to be published or displayed any advertisement, or, otherwise to advertise a vacancy for employment which discriminates between job seekers ...".



Job adverts should not be based on stereotypical assumptions as they can be misrepresentative and lead to discrimination among potential applicants from a wider pool of human resources. Such stereotypes can be found in the text of the adverts, including job titles such as 'handyman' rather than 'handyperson' and descriptions that include personal characteristics, such as 'young' and 'mature'. Similarly, the photos and illustrations can also imply that only persons with specific characteristics are eligible for the job. In addition, the requirements requested in the advert must be genuinely essential for the job.

https://ncpe.gov.mt/wp-content/uploads/2023/06/Equal Treatment in Job Adverts EN.pdf



# Misco Annual Survey 2022

- Respondents were asked to state which methods they use to attract and source candidates and what methods they found most effective. Social media followed by recruitment consultants and agencies have remained as the two most used methods for sourcing job applicants.
- The data indicates that there is an increasing appreciation of the value of word of mouth and referral from friends and family.



# Misco Annual Survey 2022

| Method of Recruitment                                    | Most used | Most effective |
|--|-----------|----------------|
| Social media   | 86        | 92%            |
| Recruitment agencies and<br>consultancies                | 75%       | 51%            |
| Dispusation's extente                                    | 640%      | 119%           |
| Word of mouth and referrals from<br>friends and families | 59%       | 47%            |
| nternal promotion  | 107       | 25%            |
| Jobsplus   | 45%       | 3%             |
| lich Boards  | 38        | 20%            |
| Educational Institutions                                 | 23%       | 4%             |
| riternational Houses                                     | 22%       | 49.            |
| Newspapers   | 6%        | 2%             |



- Interviews remain one of the most widespread selection methods within the occupational context (used as the sole selection method in more than 80% of recently surveyed workplaces).
- Interviews hold good face validity.
- Interviews (structured) present a strong relationship with job performance (criterion related validity) with correlations of 0.51.
- Unstructured interviews are less effective at predicting job performance correlation of 0.35.
- Interviews have been studied extensively as selection methods.



• Interviews (like all selection methods) are based on the rationale that information obtained in the questioning session can be used to make predictions on work performance.



• In interviews one can obtain information through observation of nonverbals as well as through information obtained through questioning.



- Nonverbal information can be obtained through:
  - Posture
  - Clothing, grooming and general appearance
  - Review of micro-expressions
  - Tardiness or punctuality
  - Hesitations

 When verbal information contradicts nonverbal information, the latter should be given more weight.





- Questioning can be used to gather information in interviews.
- Questions can be used to:
  - Build rapport
  - Gather information
  - Probe
  - Challenge
- Different questioning strategies should be used at different points of the interview





- It has been consistently documented that structured interviews are more valid than unstructured interviews in predicting job performance.
- Structured interviewing tends to be less prone to biases and errors, such as:
- Similarity to self
- Halo effects
- Horn effects



# Halo and Horn Effect





#### Why Structured Interviews?

- Lack of structure creates uncertainty.
- Structured interviewing leads to consistency in ratings.
- The process is more reliable, valid and fair.
- It helps satisfy expectations of the candidates, management and other stakeholders.
- However, scores in academic studies may over represent the strength of structured interviewing.



#### Characteristics of structured interviews:

- The same questions are asked to participants
- Questions are presented in the same order
- Question responses tend to be coded according to the presenting requirements
- Interviewers are trained to be consistent in their scoring.



#### An example:

Position – Sales Manager

- Obtain information on position (job analysis) speak to managers, job holders, analyse critical incidents, job descriptions, persons doing the job.
- Identify what is needed (attitudes, skills and knowledge) example, assertive personality, ability to take decisions, knowledge of technical products
- Generate questions
- Generate ratings for questions before the interview
- Validate the information



Question: A client makes a request that will be hard to meet but could be highly profitable. What would you do?

- 1 (Very poor) Decline the project and inform the client about this.
- 2 (Poor) Be honest with the client, suggesting that you would rather pass in this instance but could tackle such projects in the future.
- 3 (Satisfactory) Take on the project and then see what could be done.
- 4 (Good) Suggest that you will discuss with management. Make an urgent request for staff relocation to be able to meet the deadlines.
- 5 (Very good) Suggest that you will discuss the issue with management. Design a proposal evaluating the project and make recommendations.

 There are different methods for structuring questions in an interview.

 Two highly researched question types are behavioural interviewing and situational interviewing.

Both methods hold good validity and reliability indices.



 Behavioural interviewing is also referred to as patterned behaviour description interview

 Behavioural interviewing questions focus on situations that have happened in the past that have relevance to the future demands of the job role.





# Behavioural Interviewing Technique to Uncover Performance



An example of a behavioural interviewing question:

"Describe a time when you were faced with completing an important, but boring task. How did you deal with this situation?"

- The candidate is encouraged to make reference to a real situation in which she/he was involved.
- The candidate's answer would then been recorded and examined for negative and positive behavioural indicators of the competencies being assessed by that question.



- Strengths of Behavioural Interviewing
  - Effective at predicting future performance
  - Behaviour is a key element to results in the job (as opposed to knowledge or skills).
  - Structured method
  - Weaknesses of Behavioural Interviewing
    - Less effective with fresh graduates or persons without prior experience in the presenting role.
    - Does not give a fair chance to persons who have not had opportunity to use their skills in past jobs.



• Situational interviewing is a method wherein theoretical or hypothetical situations are given by the interviewer to assess the applicant's behaviour in such a situation.



 Situational interviewing has been found to be closely correlated with intelligence or general ability.



An example of a situational interviewing question:

"You are working as a service advisor in a car servicing company. A client comes over and says that he is hearing a noise in his car. What would you do/ask to gather more information for the workshop?"

 The candidate generally would not have actually experienced the situation but would need to put herself in the situation to solve the problem.



- Strengths of Situational Interviewing
  - Effective at predicting future performance
  - Structured method
  - Gives an equal chance to experienced and inexperienced persons

- Weaknesses of Situational Interviewing
  - Gives little consideration to a person's past history
  - Close link to general intelligence both a strength and a weakness.



- Ability Tests are tools used to measure an individual's cognitive functioning at a general level or in a specific area such as verbal reasoning, spatial awareness, mathematics.
- Ability tests have been found to be a good measure for predicting job performance. Correlations between ability tests and job performance have been found to be at 0.51.
- There are two main classes of tests:
  - Those that measure general ability (referred to as g)
  - Those that measure specific skills (referred to as s)



Examples of tests that measure g:

- British Ability Scales
- Wechsler Intelligence Scales
- Raven's Progressive Matrices



Examples of tests that measure s:

- Interpersonal Skills Questionnaire
- Jamar Manual Dexterity Test
- Sales Aptitude Test



#### **Advantages of Ability Tests**

- Good correlation with job performance
- Objective measure, largely devoid of bias
- Highly structured administration procedure

#### **Disadvantages of Ability Tests**

- Strong correlation with job interviews
- Claims of cultural bias (largely avoided in Raven's Progressive Matrices)
- No standardised tests for the Maltese population
- Cost in training and administration



- Personality tests are questionnaires or other standardised instruments designed to reveal aspects of an individual's character or psychological makeup.
- Personality tests have been developed from different theoretical rationales:
  - Projective tests based on premises largely deriving from psychoanalytic theory and resting on the assumption that understanding on personality cannot be derived from direct questioning.
  - Self-Report tests are generally standardised tests whereby scores of an individual are compared with scores obtained by a norm group. Largely based on assumptions drawn from the trait approach.



# Verbal Reasoning Test

• <a href="https://www.psychometricinstitute.com.au/test-area-instructions.asp?testid=16">https://www.psychometricinstitute.com.au/test-area-instructions.asp?testid=16</a>



### **Trait Approach**

- In 1936, psychologist Gordon Allport found that one English-language dictionary alone contained more than 4,000 words describing different personality traits.
- He categorized traits into three levels:
  - Cardinal traits defining for the individual
  - Central traits form the foundation of personality
- Secondary traits emerge in response to specific circumstances.



### Trait Approach

- Trait theorist Raymond Cattell reduced the number of main personality traits from Allport's initial list of over 4,000 down to 171, mostly by eliminating uncommon traits and combining common characteristics.
- Next, Cattell rated a large sample of individuals for these 171 different traits.
- Then, using a statistical technique known as factor analysis, he identified closely related terms and eventually reduced his list to just 16 key personality traits, giving rise to the 16 PF test.



### Trait Approach

- British psychologist Hans Eysenck developed a model of personality based upon just three universal trails (through factor analysis):
- Introversion / Extraversion
- Neuroticism/Emotional Stability
- Psychoticism



#### Trait Approach

- Some theorists believe that Cattell focused on too many traits, while Eysenck focused on too few.
- Today, many researchers believe that they are five core personality traits.
- The most widespread tool base on this model is Costa and McCrae's NEO PI-R (Neuroticism, Extraversion, Openness, Personality Inventory, Revised).

Extraversion: This trait includes characteristics such as excitability, sociability, talkativeness, assertiveness and high amounts of emotional expressiveness.

Agreeableness: This personality dimension includes attributes such as trust, altruism, kindness, affection, and other prosocial behaviors.

Conscientiousness: Common features of this dimension include high levels of thoughtfulness, with good impulse control and goal-directed behaviors. Those high in conscientiousness tend to be organized and mindful of details.

Neuroticism: Individuals high in this trait tend to experience emotional instability, anxiety, moodiness, irritability, and sadness.

Openness: This trait features characteristics such as imagination and insight, and those high in this trait also tend to have a broad range of interests.



#### Review of Personality Tests:

Personality tests, particularly the Conscientiousness Scale holds a good correlation with job performance (correlation believed to be in the 0.40 region).

Adds relevant information to what is obtained in the selection interview.

Different factors, relevant to different roles (ex. Extraversion is an important trait for sales related positions, but not for a librarian role).



#### **Criticisms:**

- Basing selection outcomes just on personality tests is questionable.
- Variability of traits according to the situation.
- No tests standardised on the Maltese population.



### The Recruitment Process

 Following the selection stage (through different selection techniques), a preferred candidate or candidates will stand out.

• Selection and the associated communication process calls for tact and the appropriate management of the power relations present in the recruitment process.

• Power to select lies at the Company's stage during the selection process but the roles are reversed once an offer has been made.



### The Recruitment Process

• As HR Managers we should not stop at selection, but we should look at building a business case to show to what extent the recruitment process is functioning, and associated metrics.

 This can be measured through correlations between selection scores and on the job performance (the statistical concepts will be discussed in the next session).



# Onboarding





### Onboarding

"Onboarding" refers to the processes in which new hires are integrated into the organization.

The process is a multi-faceted one covering:

- Administrative and legal aspects
- A psychological dimension
- A training and development element
- Onboarding is a critical process aimed at ensuring that the new hire settles down quickly and efficiently and starts performing at expected levels in the shortest possible period.

### Onboarding

- A study by Gallup in 2019, showed that:
  - Only 12% of employees felt their company did a great job in onboarding.
  - 29% felt that they were supported to excel in their new role.
- Other studies consistently show a positive correlation between engaged employees and a company's profitability, turnover rate, safety record, absenteeism, product quality and customer ratings.

When hiring a new person onboard at an organization there are a number of administrative tasks that need to be undertaken to ensure legal compliance and practical functionality.

1. Pre-hiring – consider carrying out due diligence checks on candidates, including through formal tools. You might consider requesting reference letters and/or a recent police conduct as part of the process. (ex: Dataflow – PSV for nurses).



2. Notify relevant departments/teams within the company. This may include Facilities/Office Management (for desk, chair and other equipment), IT (for IT equipment and setting up of email, profiles, etc.) and Finance/Payroll if relevant. The Hiring Manager and department should also be well aware!



3. Provide notification to the employee as to what personal data will be required in onboarding, and how this will be processed, in line with GDPR regulations. Do seek professional advice, if unsure on what should be included in the communication.



4. Provide direction to the candidate on the practical elements to the first day – the time they should be at the office/remotely connected, what they should wear, and who they should be asking for. This is particularly important at the age of remote-based hiring.



5. Look into setting up any necessary benefits for the employee and notify the relevant party responsible for the administration of this – this may include, parking, insurance, telecommunications, wellness service providers and any other benefits. (ex: Virtual Employee Card)



6. Process documents requiring signing, including employment contract, acknowledgement of policies, procedures, guidebook, and ensure that appropriate records are kept of this, in line with legislation.



7. Process Jobsplus and FS4 tax form and forward these to the relevant authorities (Jobsplus through the relevant portal at Jobsplus.gov.mt and inland revenue department at fss.cfr@gov.mt).



• It is possible to manage onboarding and employee records through traditional files and/or Excel systems, and in these cases it is important to be systematic and ensure no steps are being left out. Missing out on any of the steps, will lead to some problems at some stage or other. (Audit, ISO)



- Having an HRIS helps the process significantly and will allow you to set up work flows that decrease reliance on memory and the likelihood of making errors.
- Onboarding errors may be costly and difficult to remediate.
- Particularly if onboarding a significant number of employees, this might be the way to go.



- One of the objectives of the onboarding process is to allow the new employee settle in the company and align with the general company direction including the mission, vision and values. "A mission statement can be defined as a way in which the organization communicates the business it is in to the outside world." Papulova (2014, p. 13)
- The mission statement addresses the question:
- What is the organization's reason for being in business? It broadly
  outlines the organization's future course and communicates "who we
  are, what we do, and where we are headed".
- Mission Statement describes purpose of the organization;
- What is expected to be achieved
- Why is it worthwhile
- How it can be done



 While a Mission Statement can best be described as a reflection of the fundamental purpose or purposes of your institution your Vision Statement should complement and enhance this by providing a description of where you hope this purpose will lead.

 The Vision Statement describes what and where you want to be.

• The Vision Statement describes is a statement of aspiration.



- Core values can best be described as operating philosophies or principles that guide an organisation's internal conduct as well as its relationship with the external world.
- Present them in recruitment
- Use them during sourcing
- Present them in induction training
- Reward actions that are in line with the corporate values



• When onboarding employees Mission, Vision and Values should be communicated to the new joiners, to help them understand more clearly the culture they are joining and what the expectations are on their part, from an achievement and from a performance point of view.

• It is important to realise that these will be present if formally defined, but also if not, so by actually speaking about them, it will be possible to manage the narrative and onboarding process.



A key aspect of onboarding, is the induction training.

- Induction training should typically cover:
  - HR elements
  - Health and safety elements
  - Department-related matters



#### DO

- Explain to employees when to speak to HR
- Explain key elements of company procedures
- Speak about company experience and expectations
- Cover administrative elements
- Run key introductions

#### DON'T

- Read through a handbook
- Stop only at administration



 Training and onboarding does not stop at the first day.

• Employees should have an onboarding plan, covering their first weeks in the company, covering the period from when they are fresh joiners, to when they become subject matter experts in their job.



- The process should feature touch points for feedback and eventually a probation confirmation meeting.
- In the process employees should be made aware of their objectives, with clearly set out KPIs.
- Feedback processes should be two way and aimed at development and growth.





