



Check the Blind Spots with Mark Pallo

Employee Onboarding Automation and Cost Reduction

Proper employee onboarding is essential to get team members acclimated and set up for success in their new roles. On average, bringing on new hires costs companies thousands of dollars per employee, from recruitment to training. Most of these costs include equipment, time and money spent training new staff, and HR hours spent on the process. Using software to help onboard employees is a great way to bring this cost down and free up your staff. Let's talk about what onboarding automation is and how it can create a significant cost reduction for your business.

The Cost of Bringing on a New Employee

Without considering the cost of recruiting a new hire, the cost of acclimating them with the company averages about \$4,700 per person. For each new team member, about 30-40% of this expense is money spent training new hires with 60-70% of this cost being time spent on the hiring process, impact on morale, and loss of productivity of your current staff.

Employers spend about \$103 per hour training new employees and most companies spend between 60-70 hours per year on the process. Training costs may include:

- › Equipment (laptops, monitors, phones, etc.)
- › Access to the company's network
- › Software needed to complete work
- › Time investment from HR, IT, training, and managers
- › Development of a training curriculum and process
- › Team integration activities (lunches, team building events, etc.)

Automating this process will give time back to your current staff and reduce some of these costs.

724.815.5610 / mark.pallo@onesourceem.com / [onesourceem.com](https://www.onesourceem.com)



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Benefits of Automating Onboarding

Automating your processes reduces costs and increases productivity. Specifically, automation helps you:

- › Better allocate internal resources.
- › Create a greater impact on your company.
- › Prioritize onboarding.
- › Improve employee experience.

Automation takes over more manual and repetitive tasks in the process and allows you to better allocate your current staff's time towards more impactful work, such as strategic initiatives. Through this renewed focus, you're creating more of an impact on your company's goals. With more parts of the process being automated, new hires can spend their first few days, or weeks, with HR and managers to develop goals, review KPIs, and other items that directly impact the company's mission and goals.

Onboarding becomes more of a priority when it doesn't take up everyone's time to accomplish. When you automate the process, everyone gets all the information and training they need. Lastly, a positive, initial experience improves employee experience. Those who are given the training and tools they need to succeed can get acclimated faster resulting in a more positive experience with your company.

How to Automate Employee Onboarding

You can use multiple systems and platforms to help your team manage this process.

HR INFORMATION SYSTEM (HRIS)

Many manual HR tasks can be automated through an HRIS platform. Welcome emails, checklists, and scheduling meetings can all be automated. The HRIS platform is where your staff's data is stored as well, so having a centralized location where these tasks can be kept track of and managed will save time and expense. Depending on your HRIS platform, you may be able to create workflows and checklists for new hires.

LEARNING MANAGEMENT SYSTEM (LMS)

An LMS can be used to automate the training and development component for new hires. An LMS creates a centralized location for all training and development activities and ensures all necessary training is completed by each new hire. It also ensures everyone receives the same training. You can track your new hire's progress within the LMS and evaluate the process.

VIRTUAL ORIENTATION PLATFORM

Virtual orientation platforms are a great way to automate pre-onboarding tasks. This might include sharing company policies, PowerPoint presentations, or any department-specific documents you want the employee to get a head start reviewing prior to their first day.

Best Practices

When choosing to automate this process, it's important to follow these three best practices to ensure the most success and best experience.

DON'T REMOVE THE HUMAN ELEMENT COMPLETELY

While technology and automation will make the orientation process more efficient, it's important to keep some parts of the process with your staff. It's important to have someone check in with new hires, answer any questions on the material they've covered, and do some in-person training. This will help employees feel less isolated and less hesitant to connect with colleagues. The first few days at a company are when a new hire is the most likely to leave that company, so it's important to make them feel welcome and valued by keeping some parts of the process non-automated and encouraging communication.

TRACK PROGRESS AND MAKE ADJUSTMENTS

To make sure your onboarding is the most effective, be sure to track the progress of your new hires and adjust the process where necessary. By tracking progress, you can see which training is taking the most time, where people are getting held up, or whether the process is overwhelming. This will help you determine where you can adjust to create a better overall experience.

INTEGRATE YOUR ONBOARDING PROCESS WITH EXISTING SYSTEMS

If you are using an HRIS or LMS platform, integrating your employee onboarding with one or two systems is the most ideal. Having each part of the process in a different platform or location causes inefficiencies and hinders your team's experience.

Effect on ROI

An effective onboarding process will create a greater return on investment (ROI). It will lower turnover rates, reduce the time it takes for a new hire to be productive in their role, and increase retention.

93% of new hires said their onboarding experience would determine whether they stay with a company. Considering it costs 20% of an employee's salary to replace them with someone new, ensuring this experience is a positive one will help keep this cost down.

Additionally, companies with a positive onboarding process experience 54% more profit than those without, and 77% of their staff reach optimal productivity within the first eight months. A positive experience also impacts on your company culture, which will impact retention as well.

If employee onboarding automation is the right choice for your business, [VensureHR](#) can help you get there. Through our [payroll services](#), you can outsource and automate this process with us. We'll manage your new hire paperwork, state-mandated training, and more.



For more information contact Mark Pallo by calling 724.815.5610
or by emailing mark.pallo@onesourceem.com.