

Don't Stop At "Hired"!

Transition Services Are Critical For Candidate Success

Introduction

Ask yourself, does your company do a good job of bringing new executives on board? Are new leaders sticking around? Succeeding in their position? Driving real results quickly? The fact is, many businesses today are confident in their ability to onboard a new hire – but do they have reason to be so confident?

In this paper, we analyze the effectiveness of the typical “onboarding” program. We then outline what is proven to be a better approach for getting new hires up to speed quickly and effectively.

“Too many businesses believe they are successfully bringing newly hired executives into the fold, when in reality they are simply covering administrative basics. That level of onboarding is outdated and largely ignores the most challenging obstacles for new leaders – unfamiliar cultural norms and expectations. The consequences of improper onboarding include financial repercussions and talent retention issues. Organizations must focus on getting integration right upfront to ensure new leaders succeed in today's high-stakes environment” - Byford.

The cost of failure & underperformance.

The direct and opportunity costs associated with a new hire's failure or underperformance are high – at times, equaling three times the employee's compensation. And while sources will vary, the average rate at which new leaders fail, or fail to meet performance requirements, is high as well – anywhere between 50 and 70% during the first 18 months.

What's worse? Many of these costly situations could have been entirely avoided with better onboarding.

The “typical onboarding” program isn't enough.

If your organization's onboarding process only includes tasks like administrative arrangements, required documents, compliance training, team introductions, and legal formalities – then you're right in line with the majority of organizations.

In his Harvard Business Review article [“Onboarding Isn't Enough”](#), Todd McLellan describes the four levels of onboarding executives that exist. The first two are:

1. “Sink or Swim”. An approach where the organization simply provides the new executive with space and basic resources like technology and assistants then steps back. Research shows that about 5% of global companies offer this approach.

2. “Basic Orientation”. An approach where the organization goes a step further to share information on policies, structure, team member evaluations and organizational results with the executive. Essentially, the company provides the executive with raw data and assumes they will know how to interpret it—and that they'll interpret it correctly. If there is additional information provided, there is typically no support included ensuring that its significance is thoroughly understood. According to McLellan's research, about two-thirds of global companies still take this approach.

While the tasks included in the typical onboarding process are necessary and, as we'll soon discuss, tasks many organizations do well, there are more critical actions, that have a significantly greater impact on the new executive's ability to successfully transition into their new organization.

Less than a third of organizations provide active support to their executives that helps them adapt to the cultural and political climate, which, not surprisingly, ranks as the top reason new leaders fail.

Genesis Advisers and Egon Zehnder surveyed senior HR executives to assess how effective their organization is in key areas of onboarding and integration.

The results showed that most companies do a good job of getting new hires into their company with basic onboarding, but few said their organizations were effective at facilitating alignment between leaders and their teams, and even fewer said they actively helped executives adapt to the culture and political climate – the actual integration side of things.

Where Companies Provide Support



SOURCE: EGON ZEHNDER/GENESIS ADVISERS
FROM "ONBOARDING ISN'T ENOUGH,"
BY MARK BYFORD, MICHAEL D. WATKINS,
AND LENA TRIANTOGIANNIS, MAY-JUNE 2017

© HBR.ORG

There are many reasons why new executives fail, but according to a global survey of 588 senior executives who had recently transitioned into new roles, the primary reason for failure was organizational culture and politics, not lack of competence or managerial skill.

Why Executives Who Recently Transitioned Into New Roles Failed



As you can see, almost 70% of respondents said "poor grasp of how the organization works" was the biggest reason for failure while "misfit with organizational culture" was a close second at 65%. When asked what would reduce failure rates, many emphasized constructive feedback, help with navigating internal networks, and more insight into the organization and team dynamic.

Problem solved

When you consider the first study which showed that over two thirds of organizations aren't effective when it comes to aligning expectations with teams and bosses, organizing meetings with stakeholders, and facilitating culture familiarization in their onboarding processes, there's no wonder executives are failing at such a high rate for reasons related to culture and politics.

So why does this continue to be the problem? According to the [HBR article, Onboarding Isn't Enough](#), “the term “onboarding” is not well defined or understood. In many companies, it refers to one of the two levels described earlier – completing the required documents, allocating space and resources, and providing mandatory training, usually in technical areas such as compliance. But these things involve little or no time invested from senior management and do nothing to help leaders clear the biggest hurdles they will face in their new role: culture and political challenges.”

The Solution – Integrate employees with transition services

Change your results by putting more emphasis on investing the time, energy and resources into helping new executives become fully integrated. How? With a well-structured and thorough integration or transition program.

Integration suggests a more aspirational goal. It involves doing what it takes to make the new person a fully functioning member of the team as quickly and smoothly as possible.

Consider one more part of the Egon Zehnder study which asked executives how long it took them to feel like they had a full impact in their new role.

- 80% of executives said it took them 6-9 months.
- And close to 20% said it took more than 9 months.

Would you prefer a well-integrated new hire who has a clear understanding of their deliverables, the culture of the organization and its key stakeholders to build momentum early on, rather than one that knows where the bathrooms are located but struggles to learn the ins and outs of your organization? Someone who can begin making the necessary decisions with the right information and the right goals in mind? It's possible with transition services.

Transition services allow executives to start driving results for your organization faster and more effectively.

- Reduces the amount of time it takes the new hire to reach full performance by up to 40%, from 6 to 4 months.
- Provides 2 extra months of making and implementing critical decisions, faster, with better information in hand and the right people helping them execute.

What does an integrated program look like?

You must find a balance. Your process should deliver consistent, high-quality support and guidance to all, while still being relatively easy to administer and flexible enough to accommodate the needs of different teams or departments.

Returning to Todd Mclellan's levels of onboarding executives, with the first two levels important but not the most impactful, the next two levels are not only more involved, but they're also have a measurable impact on the bottom-line.

3. “Active Assimilation” is a level of onboarding process where meetings are set up by the organization with key stakeholders to increase the level of knowledge about the organization, team, culture and important strategic initiatives. Research shows 25% of global organizations provide this level of support, and while it is a more involved approach, the new executive will still have difficulty adjusting.

4. “Accelerated Integration” is the highest level, the organization designs custom made experiences for the new leader to be fully and more quickly integrated into the organization. This level will involve team building workshops and participation in strategy sessions. The executive would also be aided in identifying and overcoming any cultural challenges, things that may be foreign to them from their last job.

While the accelerated integration approach is the most effective, research suggests that approximately only 2% of companies address integration this way.

In conclusion

While many executive search companies are willing to spend the time identifying and hiring critical talent, too often they do not realize the value that transition and assimilation services add to their investment.

We at Kinsley Sarn deliver an executive search that fits your company and culture, in addition to transition services with each placement. Our executive

assimilation program is proven to help new hires make a quick and effective transition into their new role and your organization. This will not only support your new leader's success within your company, but also speed up the rate at which they achieve success.

Compare your options and choose to set your standards for executive search high—your company's success – quite literally – depends on it.