

EXAMINING THE KEY ROLE OF THE ONBOARDING PROCESS FROM THE PERSPECTIVE OF HR AND THE EXPERIENCE OF EMPLOYEES

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One of the greatest assets of a well-run organization is its people. However, it is not enough for an organization to find the best people. It also needs to be able to keep them. A well-run organization aims to quickly turn employees into engaged, motivated, and effective workers. One of the most important processes for achieving this is onboarding. This emerging discipline entails integrating, training, and mentoring a new employee. An effective onboarding program also helps to reduce staff turnover. This research aimed to assess 1) the focus and documentation of the onboarding process, 2) the continuous feedback generated during the onboarding process, 3) and the direct manager's supporting role in the onboarding process. While the interviews conducted during this research suggested that only large companies have established mentoring or training programs, this was not confirmed by our analysis of the questionnaire data. Employee responses supported the facilitating role of direct colleagues in the process of onboarding and aided new employees in the process of integrating into the organizations studied. The results of this research provide suggestions for developing more effective and efficient onboarding processes.

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1 Introduction

Rapid and dynamic changes in the current economic situation are challenging organizations, not only in terms of future-oriented changes, such as digitalization or the rise of artificial intelligence, but also in terms of negative trends and events, such as inflation, high energy and raw material costs, and the war between Russia and Ukraine. However, for an organization to respond well to all of this and focus on resilience, renewal, and sustainable development, it needs to be well-run, stable and able to recognize that its greatest asset is its intellectual capital, is its people. The central task of human resources (HR) management is to find, recruit, and retain the right number of people with the right skills to achieve the organization's strategic objectives. Retention—one of the critical tasks of HR—starts with the onboarding process. Onboarding is an emerging discipline that involves the integration of a new employee into the firm, including training and learning processes and integration into the organizational culture.

An inadequate onboarding process can result in an employee leaving the organization, increasing turnover, but most importantly, the cost of recruiting and training an employee is a cost that will never be recovered. If the onboarding process is unmanaged, slow, and difficult, it will hurt efficiency and productivity. It is, therefore, important that onboarding is a prominent part of the human resource management value chain.

Part of the program is a mentoring activity, where the manager's task is to select colleagues from the team who are experienced and who, in addition to providing professional information, will also provide details about the organizational culture, what the company expects, and what the standards are. These relationships are essential to building long-term employee loyalty to an organization (Snell & Bochlander, 2013).

Hampel and Lemont (2011) categorize onboarding processes around three main themes. These are knowledge, relationships, and feedback. Knowledge refers to the information that needs to be transmitted to the new employee during onboarding. Relationships are also critical, as onboarding takes place within a team where goals are achieved through cooperation. Finally, timely and useful feedback—often

lacking in organizations—is essential. These three points form the basis for achieving goals with good results.

This study aims to assess the key role of onboarding processes in organizations of different sizes, focusing on the triad of knowledge, relationships, and feedback. Accordingly, the following hypotheses were defined:

- H1: Onboarding is more important for large organizations than small and medium enterprises (SMEs).
- H2: All of the organizations surveyed did not have formal induction and training programmes at the time of the survey.

Furthermore, in the context of the results, this paper makes recommendations for organizations that have not yet developed their onboarding processes or would like to improve them.

2 Theoretical background

Human resource management aims include retaining employees, reducing turnover, and increasing productivity and efficiency. Stein & Christiansen (2010) note that the first pillar of achieving these goals is onboarding, a well-managed, documented process to ensure new employees can perform their job tasks safely and to the best of their abilities as soon as possible. They also observe that even in companies where onboarding processes are in use, they do not consider a program longer than two weeks, and few organizations plan it for more than three months. The onboarding program can be formal, a formal onboarding program following a documented onboarding plan, or informal, in which case the employee gets to know his/her job and tasks without any plans or instructions, on an ad hoc basis in the context of the situation that arises (Bauer, 2010). If it is in written form, it can be easily delegated and transferred to colleagues. Its implementation is easily controlled and modified. The onboarding process starts with the job offer advertisement and ends with productive work in the organization. The sections of the process are:

2.1 Selection

The selection process aims to find the most suitable applicant. The selection process is a decision-preparation process in which the probability of a potential applicant achieving the expected performance is assessed (Juhász & Matiscsákné, 2013).

2.2 Orientation program

This program is part of the integration process but is not the same as full integration. However, as we have seen in our results, many people confuse the concepts. Orientation is the briefing of new staff. It is a one-way flow of information, where, even in groups, workers hired simultaneously are present in different programs. These include training in work safety, accident prevention, and fire safety. Here, the organization can introduce the different departments, and workers can learn about their jobs and roles. This time is also when the administration, such as presenting job descriptions and other information about the work. (Bokor et al., 2009)

2.3 Mentoring and trainer program

We distinguish between on-the-job and off-the-job training programs. Mentoring is part of on-the-job learning opportunities. In classical mentoring, a more experienced and knowledgeable mentor shares his/her knowledge, skills, and experience with a less experienced colleague, with the mentor serving as a tutor, teacher, and patron (Bencsik & Juhász, 2016).

Next is the formal trainer/training method, which is mentioned separately in the literature and is the most widely used approach to preparing employees to work in an organization. This method is mainly used among blue-collar workers. It includes a variety of traditional and digitally supported simulations, situational exercises, and computer-based, programmed training. The trainers are mostly employees of the organization who are given specific preparation for the task in question.

2.4 Feedback

Positive feedback—a confirmation that one is on the right path—is extremely important in a new employee's training and induction process. Focusing on small successes increases motivation and commitment. Additionally, managers need to ask

for feedback, of both positive and negative sorts, from colleagues and mentors on how the onboarding program is going and whether the process needs to be changed or modified (Gregory et al., 2020).

Entry interviews, which should be conducted with the new employee in the second or third week and then in the third month, are critical to the onboarding process. The direct manager, an HR representative, and the employee should be present during these interviews. Here, too, the focus is on the progress of the induction and integration process, discussing successes, difficulties, and further work needed to achieve preparedness targets. These are rarely included in the onboarding process of most organizations.

3 Methodology

The research used qualitative and quantitative methods to investigate the focus of onboarding processes from the perspective of both HR managers and employees.

3.1 Interviews

Qualitative research was carried out through semi-structured interviews. Interviews were conducted with HR managers from 10 organizations in different locations in Hungary. Critical topics could be explored in more depth in the case of smaller companies for whom the managing director served as the representative interviewee. Interviews took place between September and October 2023. The mostly one-to-one interviews, which lasted around 45 minutes, allowed the interviewee to open up and share their deeper thoughts honestly, helping to achieve the research objective. The interview covered a range of topics from basic information about the company to employee satisfaction.

3.2 Online questionnaires

Quantitative research was based on an online questionnaire. These employee questionnaires—with questions that matched the research topic and the interview questions—were sent directly to employees. A total of 161 completed questionnaires were received from all over Hungary. The online questionnaire was published in July 2023, and the online filling-in period was closed in October 2023. The questionnaire

included open and closed questions, with the latter allowing responses on a four or 10-point Likert scale. The Excel Analysis Toolpack (by Microsoft Corporation) was used to analyze the responses to the questionnaire using descriptive statistics and the chi-squared test to examine the interaction of the different variables. If the chi-squared test results indicated that a relationship could be detected between the variables, then Cramer's coefficient test was used to analyze the closeness of the relationship. Regarding company size, return rates for surveys and interview participation rates were essentially the same. This similarity allowed for the easy and meaningful comparison of results of both the quantitative and qualitative methods.

4 Results

4.1 Mentoring within onboarding

The first research question (H1) was designed to highlight the presence of a mentoring program within the onboarding process. This topic was chosen because onboarding is present in all organizations to some degree, and the research has confirmed this. The orientation program, which in many places is also mixed with induction, training, and team building to promote socialization, is also a significant feature in all companies. The answers to the interview questions showed that these processes are a focus of onboarding but that a training/ mentoring/coaching program is missing in many places. Regarding interviews, six large companies have a mentoring program, while four SMEs do not. We did not distinguish between mentoring and training programs for knowledge and physical workers. It is worth noting that a mentoring program is in place for knowledge workers in one of the multinational companies surveyed. In contrast, its physical workers are trained by colleagues on the job. An analysis of the employee questionnaire results found no significant correlation between company size and the presence of a mentoring program. This finding was tested with the chi-squared test. Of the 95 large companies, 75.79% have a mentoring program, compared to 68.18% of the 66 SMEs. Table 1 summarizes the responses received.

Table 1: Distribution between large companies and mentoring scheme

Monitored board				Expected board		
Organisations mentor	Without mentor	With mentor	Total mentor	Without mentor	With mentor	Total
Large company	23	72	95	25,9627	69,0373	95
SME	21	45	66	18,0373	47,9627	66
Total	44	117	161	44	117	161

Probability value (P) with Chi-square test: $0,28673 < 0,01$. This inequality is not true, so there is NO significant correlation between the two variables.

Source: Authors' research

4.2 Induction and training programs

The following section examines whether onboarding is formal or informal in firms, thus addressing the second hypothesis (H2). We did not differentiate by firm size in the interview responses, so we examined the ten firms together. Out of the ten companies, four companies indicated that they had a documented onboarding plan, and six companies did not have a documented onboarding plan (see Table 2). Thus, H2 was proven true.

However, as a positive point, it should be mentioned that of the six companies without a formal onboarding process, two indicated that they recognized the importance of an integration plan and were developing integration systems. Additionally, one has a documented onboarding process that, while complete, has yet to be implemented. One can reasonably surmise from these findings that companies are beginning to recognize the key role of onboarding in retention and effectiveness.

Table 2: Companies' integration plan from a documentation perspective

Integration plan	Without integration plan	Under construction	Documented
Code of the company	1, 3, 9, 10	5, 6	2, 4, 7, 8
Percentage	40%	20%	40%

Source: Authors' research

5 Discussion

The first hypothesis (H1) was that onboarding is more pronounced in large companies. The present research results suggest that onboarding processes are becoming increasingly widespread, with firms recognizing that inadequate onboarding and induction protocols can hinder the effective performance of new employees as soon as possible. Among the elements of onboarding, the orientation program is the most important in organizations, and integration into the organization through team-building programs also appears to be a focus of companies. On the other hand, mentoring and training programs receive much less attention. In the interviews conducted for this research, only large companies were found to have such programs.

However, the analysis did not show a significant relationship between the answers to the online employee questionnaire, where the correlations were tested using a chi-squared test. Thus, the results of the employee questionnaires do not suggest that onboarding or training is more pronounced in large firms, and the first hypothesis is only partially confirmed.

In the second hypothesis, it was presented that the training program does not appear to be a regulated process in companies. Since only four of the firms in the interview had a documented induction program, this hypothesis was confirmed by the results of our research. However, it should be noted here that there is a forward-looking trend that two more companies have onboarding processes under development and plan to implement them in a documented form.

6 Conclusion

Discussions with HR directors in organizations highlighted that high-quality onboarding processes are essential for minimizing manufacturing scrap, processing feedback, and serving as the basis of annual training plans. The right onboarding process can also help an organization maintain low employee turnover and increase employee satisfaction. Based on this paper's findings, the research recommends that SMEs start developing and formalizing internal onboarding procedures and modernizing the mentoring and training process. The involvement of managers in this process is particularly important, as in many cases, SMEs do not have a

dedicated HR department. Improved onboarding processes are critical to improving worker engagement and retention and reducing costs.

Next, it is worth highlighting three key points of a successful onboarding process.

1. Documentation of integration processes: An important step is to document and standardize the integration process for companies with multiple sites or subsidiaries. Documentation gives the process a sense of focus, direction, and structure. Furthermore, the onboarding process can be reviewed more easily for timeliness and correctness when thoroughly and clearly documented.

2. Feedback conversations: We would like to illustrate the importance of these conversations with the PDCA circle, known from lean production and also used in human resource management. We would like to illustrate the importance of these conversations with the PDCA circle, known from lean production and also used in human resource management. (Plan-Do-Control-Act) Do what you have planned, but to make sure you are going in the right direction, you need to control, so have feedback sessions. Keep in mind that the time, energy and money invested in training increases your company's knowledge capital. Then if necessary, act accordingly, so that the newcomer can perform as expected in the position as soon as possible. (Makoto & Jun, 2013).

3. The importance of internal training during induction: Separate from the training and development process, there is a need for onboarding training aligned with the company's operations. Effective training should avoid burdening the mentor or colleague with a duty to explain a program's basics to the new employee. Rather, the mentor/colleague should be able to add *high-level* knowledge to the new employee's understanding. The induction/onboarding workload placed on the mentor can be reduced through simulations, training with AR glasses, or e-learning training, all of which are already becoming more sophisticated due to digitalization and Industry 4.0 innovations. Artificial intelligence may also make the onboarding process faster and smoother over time. Training can be more efficiently planned, organized, and coordinated with the help of artificial intelligence, which can allow for the fast assessment of the skills and deficiencies of employees. An AI-enabled virtual assistant can also handle general issues during orientation by addressing questions related to organizational structure, rules, and regulations, allowing the HR

department to focus on other tasks. For example, personalised support for employees or other higher level tasks (Ahmić, 2023).

Hungarian companies have yet to reach their full industrial and commercial potential. However, with dedication to onboarding process improvement and thoughtful adoption of powerful technologies, they will be able to achieve world-class status.

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