



## Recruitment & Retention

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### The Three Pillars of Executive On-Boarding

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In light of rising CEO turnover levels and the anticipated shortage of executive talent, on-boarding has moved to the forefront in discussions of HR strategy. Driven by concerns about weaknesses in internal leadership pipelines, anticipated growth and its talent acquisition implications, many companies plan to do a significant amount of outside hiring at senior levels.

Hiring is just the beginning of the story, though. Having expended a great deal of time and money to identify and recruit talent, companies can ill afford to have newly hired executives underperform or end up frustrated and decide to leave after a year or two. That's where on-boarding comes in. Done well, it accelerates the time to performance for new hires. It also contributes to talent retention by providing the executive with a warm welcome and a supportive environment in which to realize his or her aspirations.

On-boarding is receiving more attention, but many talent leaders still do not believe their companies do a good enough job to effectively transition newly hired executives.

A recent survey of 1,350 HR executives conducted through the IMD Business School in Lausanne, Switzerland, revealed 54 percent of respondents thought their companies do an inadequate job of executive on-boarding.

At the same time, 87 percent of these HR professionals agreed transitioning into significant new roles is the most challenging task any manager can face. Some 70 percent said they felt success or failure during the critical transition period — roughly the first six months — is a strong predictor of long-term success or failure in new positions.

More companies likely aren't doing a better job of on-boarding executives because there are still major misconceptions about what on-boarding is and how best to implement talent support systems. When creating and implementing a new-hire on-boarding program, companies must address three imperatives. Think of them as the three pillars of effective executive on-boarding: cultural adaptation, political connection and expectations alignment.

#### Pillar 1: Cultural Adaptation

Perhaps the most daunting challenge for a new hire is quickly adapting to an unfamiliar organizational culture. Doing this requires the on-boarding organization be open about its culture and able to communicate about it. The first hurdle can be tough to surmount because some companies don't want to be open about their cultures for fear of scaring away talented recruits who may not see themselves as a match. But the results of this often unconscious misdirection usually are harmful. New hires either conclude they have been misled or fail because they think they are operating in one culture, when in fact they are dealing with a completely different one.

Given a willingness to be open, the second hurdle can be overcome by effectively mapping the company culture through interviews and surveys. This provides a basis to create resources such as concisely written summaries of the company's history and culture, and informational videos with advice from those who successfully transitioned in from an outside organization.

Companies also can designate cultural interpreters to help new leaders quickly assimilate to unfamiliar surroundings. This way, the executives will have a go-to resource for company culture questions and insights.

### **Pillar 2: Political Connection**

Helping newly hired executives identify key stakeholders and forge relationships is the second on-boarding imperative. It's essential that transitioning executives develop the right wiring as soon as possible. There is a natural but dangerous tendency for new leaders to focus on building vertical relationships early in their transitions — up to their bosses and down to their teams. Insufficient time is devoted to lateral relationship building with peers and key constituencies outside their immediate organizations.

In effective on-boarding, identifying the full set of key stakeholders begins before the executive formally joins the organization. Typically, a point person from HR takes responsibility for touching base with the new hire's boss, peers and direct reports to identify a priority list of stakeholders. This point person also may encourage and support the transitioning executive in setting up and conducting these critical early meetings.

If dedicated resources are not available to support this process, talent managers can provide hiring managers with a tool to create a top 10 list of people with whom the transitioning leader should connect early on, as well as a template to send introductory e-mails to these people.

Companies also can provide new executives with tools to diagnose informal organizational networks, identify key alliances they need to build and plan how to gain support and create momentum.

### **Pillar 3: Aligning Expectations**

Recruiting is like romance, and employment is like marriage. During the recruiting period, neither the organization nor the new hire gets a complete, clear view of the other. Both the leader and the organization put on their best possible faces, not necessarily to deceive, but to accentuate the positive.

This is understandable, but it can sow seeds for potential problems later. The organization may come away with inflated expectations of what the new hire can accomplish.

The new hire likewise may think he or she has more authority to make changes than really exists. As a result, new hires, confident they understand what is expected of them, come in guns blazing and generate predictable backlash.

Therefore, the third pillar of effective on-boarding is expectations alignment. A prudent new hire doesn't take the mandate discussed during recruiting for granted. He or she checks and rechecks expectations. To ensure expectations are aligned in every case, an organization can help by making it an explicit part of the on-boarding process, providing support for early interactions with key stakeholders as described above.

This also means providing new leaders and recruiters with a clear process to negotiate expectations and resources. In some companies, systems used to do business planning may be sufficient. In many cases, however, an explicit expectations-alignment process and a supporting set of tools should be used to accelerate on-boarding.

## **Integrate Recruiting and On-Boarding**

While necessary for success, attention to the three pillars of on-boarding is not sufficient. There should be a relationship between the recruiting and on-boarding processes. The best on-boarding processes can't compensate for the sins of poor recruiting. This disconnection often is exacerbated because different parts of the organization — with potentially divergent incentives — are responsible for recruiting and on-boarding. Too many organizations practice the "best athlete" approach to recruiting and do not focus enough on assessing how talent might fit in the organization. Many winning sports organizations are not built around the highest-paid or most talented players, but rather those who bring out the best in each other — often called "role players."

The recruiting process must therefore make tradeoffs between technical capability and cultural fit. An executive might have all the right knowledge and experience a company desires, but that leader may not have the style and values to match the company's culture.

## **Develop a Unified Transition Approach**

As companies strive to create an on-boarding system based on the three pillars, they also should avoid adopting multiple, potentially inconsistent transition models. On-boarding is just one critical type of transition. Others include promotions and international assignments. There is no reason to have a different conceptual model and set of supporting tools for on-boarding than for promotion or international moves or other types of transitions.

Everyone should speak the same transition language. The same leader who is on-boarding today will move to a new role tomorrow and get promoted the next day. By adopting a single unified transition model, companies can institutionalize a durable transition capability that helps accelerate everyone. Success in doing this is a sustainable source of competitive advantage.

Finally, as with any business decision, cost has to be a major factor when designing on-boarding systems. Before structuring an on-boarding process, decide the best way for the company to manage on-boarding program costs.

The extent and type of on-boarding support has to match that of the new leader's needs requirements. Transition coaching — a specialized and deeply involved process — is often the best way to go.

For lower-level managers and frontline supervisors, on-boarding processes can be deployed effectively through a combination of short programs such as webinars and online support tools.

Regardless of cost and support, no on-boarding system will be effective unless executives are cognizant of their companies' cultures, political wiring and how to be up-front during the recruiting process.

The key is to provide on-boarding support in real time, recognizing that newly hired executives benefit most from getting some support — such as diagnosing their new organizations — immediately, and other types later — such as setting goals and driving team alignment. Giving too much support too early could overwhelm an executive. But waiting too long could create post-transition regret: "Why are you telling me this now, when I've already made mistakes?"

It's critical for organizations to consider all factors before instituting a transitioning process. An efficient and effective on-boarding system will help new executives quickly assimilate to their new surroundings and ensure the company gets the right person for the job.