

Thought Leadership

White Paper: Successful Executive Onboarding

It would seem that as professionals become more advanced in their careers, making transitions should get easier. In reality, the higher someone goes in an organization, the more challenging career transitions become. The expression, “It’s lonely at the top” is resoundingly true. There are fewer people at top levels of an organization who can serve as mentors, and who are capable of or have time to answer the questions of their aspiring peers. Also, candidates looking for change are established and set in their ways, and while they have plenty of experience to make judgments, that experience may or may not be a fit for another company’s culture and expectations.

As an employer, you have an entirely different perspective. You expect senior executives to hit the ground running based on the investment you are making in them – as you should, but the more senior a candidate will be in your organization, the more important and challenging onboarding a new hire becomes.

So the stakes and challenges are high – but different – for both you and your potential new employee. This white paper explains how through a solid onboarding approach, both sets of challenges can be conquered. It explains how they must be overcome to maintain organizational stability in today’s global business environment.

Successful onboarding is about creating an environment in which everyone wins: the company, the new executive and the shareholder. The unfortunate truth is that most organizations are not adept at integrating new executives. Only recently have companies begun to recognize and address this weakness, that without a comprehensive onboarding program, they risk the financial health of their organizations. Depending on which research study you read, the turnover rate of executive leadership hires is between 25 and 40 percent within 18 months of hire. It’s not hard to imagine why such turnover is damaging, and in many ways: training costs, employee morale, opportunity cost and ultimately the bottom line. Of course, there are also those executives who decide to stay and achieve less desirable results than an organization wants, and yet they are also a retention risk later on.

You can circumvent these risks if you have a solid onboarding program in place, creating a process and environment through which your executives can succeed. Everyone desires success. Your executives will stay in an organization where they can consistently achieve positive results – ones that also meet your expectations.

Onboarding begins before you hire a new executive. Candidates begin to build an impression of your organization based on the professionalism and thoroughness with which the interview process is conducted. You want to give candidates as realistic an impression of your organization as possible. Nobody wins if a newly hired executive discovers that a company is not what was portrayed during the interview process. The interview process needs to give a transparent glimpse into where your company is, the challenges a candidate will face, and most important, a true sense of your culture.

It is unfortunate how many candidates walk away from an interview with an unnecessarily negative perception. For example, if your interviewing executives arrive late and unprepared for the candidate's interview, it reflects poorly on your company, potentially leaving the impression that you do not value talent. If a senior-level candidate is left alone for lunch with nothing more than a salad from the local sandwich shop, this is also going to be viewed negatively by the candidate. If you actually hire someone through an insensitive or disorganized process, it will take a long time, if ever, for the candidate to overcome the perception of how, or whether, you value your employees.

In addition to your own transparency during the interview process, and for the process to be successful, you need the same level of transparency from the candidate and your search partner. Too often, companies, candidates or search partners hold back information to facilitate getting the deal done. This can lead to a heavy price by compromising your ability to fill a critical position in a timely manner.

Understand the development needs of the candidate. If the search process has been thorough and properly conducted by your search partner, pertinent information and data about a candidate's goals and potential development needs will be provided to you. Use that data to determine whether the goals and expectations of your organization align with the goals and expectations of the candidate. This is critical during the interview process, and if there is a fit, it's especially critical to carry it forth if you hire the candidate. It's important that there be a structured 360-degree feedback process for the candidate once they start, with the opportunity to meet and interact with senior leadership on an informal basis in an environment where the goal is about understanding culture, how things get done in the organization and establishing relationships built on transparency, trust and respect.

Communication and support are your keys to successful integration. Expounding on the 360-degree feedback process, let's assume you received the right data from your search partner and you understand not only the goals of your new employee, but also what some potential obstacles might be in integrating the new employee into your culture. You can provide relevant data you received during the interview process to your new employee's hiring manager, peers and some of their direct reports, so that you have a system in place to gain real feedback during the new employee's first 100 days on the job. It is most important to provide complete data to those people in your new employee's 360-degree feedback process. Communicate all of the reasons you hired this person, why you believe he or she will be a top performer and why you are excited about

the new team member – but also communicate those things you want key people to watch for, and encourage them to raise a concern if one appears.

You also want to provide a feedback mechanism specifically for the candidate that fits within the culture of your organization. This should be a single resource, either someone in HR or preferably another executive who is not the candidate's manager, who can answer any questions on how to get things done within your organization. Essentially, I am prescribing another executive who can coach the new employee proactively from the day they start – not reactively after they stumble.

New executives who are not fully integrated within six months, rarely ever become integrated. Much has changed in today's global business environment, but relationships are more critical than ever. Networking and relationship building among new hires within your organization are critical to their short- and long-term success – and yours. Take advantage of any opportunity or excuse within your new executives' first six months to put them on a plane to meet and get to know other global executives.

Onboarding is a shared responsibility between your company and the newly hired executive. This function needs the dedicated resources, attention and structure of any mission critical business function. A basic new-hire orientation just won't cut it at the executive level. The transition is more complicated, the risks are big, and it needs to be regarded and managed accordingly. The good news is that proper onboarding of new executives is not complicated. It does take time, effort and attention, but as today's proactive organizations are discovering, it is infinitely easier and less costly on multiple levels to take a calculated approach than to suffer the consequences without one.

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