

MITSloan Management Review

**Daniel M. Cable, Francesca Gino and
Bradley R. Staats**

Reinventing Employee Onboarding

When new employees at Wipro participated in an onboarding process that emphasized individual identity, they were more than 32 percent less likely to quit their jobs during the first six months than employees who took part in the company's standard onboarding process.

Reinventing Employee Onboarding

By encouraging new employees to apply their personal strengths to the job, companies can help their new hires become more connected with their colleagues, more engaged in their work and more likely to stay.

BY DANIEL M. CABLE, FRANCESCA GINO AND BRADLEY R. STAATS

THE FIRST DAY on the job at a new organization is commonly structured around introducing employees to the work environment and company culture. In addition to the long list of human resources forms new employees are asked to fill out, they hear about why the organization they have joined is so special. They learn about the company's founders, its values and why they should be proud to be a part of the organization. The overriding goal is to show new employees "how things are done around here" and to instill in them a sense of pride in their new affiliation.

At many organizations, onboarding processes have a common theme: indoctrinating new employees into the organizational culture. Not surprisingly, human resources professionals begin the discussion about how to build and retain talent by stressing how important it is to get employees to understand and commit to the companies' values starting on "day one." This represents the norm at



THE LEADING QUESTION

How can companies improve the orientation process for new employees?

FINDINGS

- ▶ Shape the onboarding process around individual identity rather than how people can adapt to the organization's culture.
- ▶ Encourage new employees to find ways to use their signature strengths in their jobs.
- ▶ Relatively small company investments can lead to reduced turnover and increased engagement.

many companies, and it is useful because it enables newcomers to fit in and conform to organizational norms — giving leaders some control over what they can expect from newcomers.

However, we have found that the traditional methods of onboarding have some serious weaknesses. They assume that organizational values are something to be taught to and adopted by newcomers. This creates a tension: When newcomers are “processed” to accept an organization’s identity, they are expected to downplay their own identities, at least while they are at work. But subordinating one’s identity and unique perspectives may not be optimal in the long run for either the organization or the individual employee because suppressing one’s identity is upsetting and psychologically depleting.¹ Moreover, newcomers actually may not internalize the organizational values even if they appear to comply through external behaviors; over and above compliance, leaders need employee engagement if they want employees to contribute on their own and in ways that are not programmed.² Socialization practices that get newcomers to behave inauthentically might not be sustainable

because they do not fully engage the employee and they do not address broader issues concerning emotional exhaustion and work dissatisfaction.

In studying how organizations onboard new employees over the past several years, we have developed a different approach³ that has positive long-lasting effects for both companies and employees. The approach, which we call “personal-identity socialization,” involves encouraging newcomers to express their unique perspectives and strengths on the job from the very beginning and inviting them to frame their work as a platform for doing what they do best. For instance, a restaurant cook who is a natural social connector could apply this strength by visiting with restaurant guests and making them feel welcome. Similarly, a consultant with artistic talents could design eye-catching templates for presentations and develop more powerful ways to present data. A salesperson who enjoys teaching others might share that enthusiasm with new hires, becoming a mentor. Naturally, newcomers can’t act unilaterally — they need to coordinate their activities with their managers. But, as we saw in our field research at Wipro BPO, a business

ABOUT THE RESEARCH

Since 2000, we have examined many companies in sectors including entertainment, software services, financial services, manufacturing, retail, government and business process outsourcing. Our field research suggests that the standard onboarding approach used by many organizations may not be the best way to bring someone new onboard in an organization. While our fieldwork informed our understanding of the socialization practices companies use and the problems they experience in terms of work engagement and turnover, we tested those views in 2011 during a controlled experiment at Wipro BPO, a business process outsourcing company that provides telephone and chat support for global customers.ⁱ

Our goal was to test how an alternative approach to employee socialization performed compared to the traditional approach to onboarding. We focused on Wipro newcomers who joined the company between November 2010 and January 2011, and we subsequently collected an additional six months of data for all employees. The field experiment examined demographic characteristics, tenure with the

company and operational performance. A total of 605 individuals across three operations centers participated in our study. These incoming employees were divided into three groups, each offering newcomers a different first day experience, but otherwise the activities were identical.

Group one emphasized individual identity, group two emphasized organizational identity, and group three (the control group) followed Wipro’s traditional onboarding process. The people assigned to the first group started with the assumption that most people can recall times when they felt that they were reaching their peak potential. This individual identity condition focused on newcomers’ unique perspectives and signature strengths, and how they could bring them to the job. The people assigned to the second group started with the assumption that newcomers would perform best when they developed pride in their organizational affiliation and accepted the organizational norms and values. Thus, after being informed about the accomplishments of the organization, newcomers were focused on the elements of the company that made them proud to be part of the organization. The employees assigned to the third group used Wipro’s traditional process,

focused primarily on describing the job requirements and the organization.

The data we obtained from Wipro allowed us to test whether there were differences in turnover and operational performance across the three conditions. Operational performance was measured through customer satisfaction ratings. The results demonstrated that when the organization focused its initial socialization processes on newcomers’ personal identities rather than on organizational identity or job description, there were stronger employment relationships, lower employee turnover and greater customer satisfaction.

In addition, we ran a laboratory experiment to study the drivers of the beneficial outcomes. We found that individuals temporarily assigned to a research team were more engaged and more satisfied with their work when the onboarding process focused on their personal identities rather than the organizational identity (and also compared to a control condition). Importantly, personal-identity socialization also resulted in higher productivity with fewer errors. In both studies, the alternative approach to onboarding delivered sizable benefits to both employees and organizations.



In giving newcomers the opportunity to express themselves at work, we found that the new approach bolstered employees' self-esteem and allowed them to express a positive identity during a period that employees often find stressful.

process outsourcing company in Bangalore, India, managers often are happy to leverage the additional energy and value that newcomers are willing to contribute, in most cases over and above their required duties. (See “About the Research.”)

The Case for Personal-Identity Socialization

For several decades psychologists have suggested that people have a deep desire to behave authentically and to have others acknowledge the true attributes of their identities. To be authentic, people must align their internal experiences (such as feelings, values and perspectives) with their external expressions. They want others to see them as they see themselves. There is an abundance of research showing that authentic self-expression is the key component of high self-esteem.⁴

It is easy to see how the traditional approach to socialization, which focuses on enculturating newcomers, might lead to conflicts with authentic self-expression and sustainable onboarding. Wipro, which provides telephone and online chat support for global customers, was experiencing high turnover rates that were comparable to those of the industry (50% to 70% annually). In addition to having to interact with frustrated customers, employees of Indian call centers are often expected to “de-Indianize” many elements of their behavior, resulting in high levels of employee burnout.

Wipro's onboarding process was tightly organized around transferring the company culture to new employees, as is typical in many other organizations. Traditionally, employees at Wipro (known as “agents”) underwent training in 15- to 25-person teams. During the first days of orientation, new agents learned about the company and received human resources information, after which they received two weeks of voice training and were expected to exhibit competency in the

English language. During the next phase (process training), agents spent six weeks learning about customers and how to handle different situations. Agents then received about six weeks of on-the-job training in customer service, during which they took actual calls (with supervision) and attended additional classroom sessions to learn how to address customer queries about common situations (such as how to book an airline ticket or how to configure a printer). Finally, they transitioned to line operations. By the time employees were assigned to their positions, they had a clear idea of the norms and behaviors that Wipro valued.

We conducted a field experiment with Wipro in 2011 to see if our alternative approach to onboarding made a difference in performance and retention. We found that when socialization focused on individual identity, employees were much less likely to quit their jobs in the first six months than employees in the two other onboarding approaches we studied at Wipro. Specifically, employees who received onboarding emphasizing individual identity were more than 32% less likely to quit than those employees who received Wipro's traditional onboarding approach — and were 21% less likely to quit than a group of employees in the experiment who received an orientation focused on organizational identity. Moreover, the results showed that customers' evaluations of the service they received were significantly more positive in the personal-identity socialization condition than in Wipro's standard onboarding process.

We also conducted a laboratory experiment using a data-entry task to test whether individuals joining a new work environment feel that they are better able to authentically express their strengths when the company uses socialization practices that emphasize their personal identities rather than the organizational identity. We found that shaping onboarding processes around individual identity has beneficial effects on employees' job attitudes

COMPARING TWO APPROACHES TO ONBOARDING AT WIPRO

In our study, new Wipro employees experienced one of three onboarding approaches: an organizational-identity approach, a personal-identity approach or Wipro's standard onboarding process.

ORGANIZATIONAL-IDENTITY SOCIALIZATION	PERSONAL-IDENTITY SOCIALIZATION
The main elements:	The main elements:
<ul style="list-style-type: none"> • Senior leader discusses Wipro's values and why the company is an outstanding organization 	<ul style="list-style-type: none"> • Senior leader discusses how working at Wipro will give employees an opportunity to express themselves and create individual opportunities
<ul style="list-style-type: none"> • A star performer does a similar presentation 	<ul style="list-style-type: none"> • Individual problem-solving exercise
<ul style="list-style-type: none"> • Newcomers reflect on what they heard about Wipro (for example, What did you hear about Wipro that makes you proud to be part of the organization?) 	<ul style="list-style-type: none"> • Newcomers reflect on a decision made in the problem-solving exercise and how to apply their signature strengths to the job
<ul style="list-style-type: none"> • Group discussion 	<ul style="list-style-type: none"> • Individuals introduce themselves and their decisions to the group
<ul style="list-style-type: none"> • Giveaway: Fleece sweatshirt with company name 	<ul style="list-style-type: none"> • Giveaway: Fleece sweatshirt personalized with employee's name

and behaviors. Personal-identity socialization increased work engagement and job satisfaction, led to lower quit rates and resulted in greater levels of performance (both in terms of the amount of data entered and the number of errors). The experiment also allowed us to explore the drivers of such positive outcomes. In giving newcomers the opportunity to express themselves at work, we found that the new approach bolstered employees' self-esteem and allowed them to express a positive identity during a period that employees often find stressful.

Thus, while promoting employee self-esteem and self-expression can be valuable in its own right, research shows that there can be organizational benefits as well. For example, people who alter or downplay their unique values or perspectives in order to fit into the organization's dominant culture experience a sense of "alienation from oneself."⁵ This forces them to divert cognitive resources to cope with identity conflict. Authentic self-expression is associated with less emotional exhaustion and less anxiety.⁶ This is important because employees who are emotionally exhausted are less likely to perform effectively and please customers and are more likely to quit. Moreover, people who feel they are acting authentically are more likely to attribute their behavior to their own actions (as opposed to blaming the situation). They are more likely to invest energy in their work environments.

Getting the Onboarding Process Right: Four Principles

Joining a new company offers people a rare opportunity to make a fresh start in a new social setting. It provides individuals with an extraordinary opportunity to establish an identity with colleagues and to be seen as the person they are when they are at their authentic best. Our research indicates that the best way for organizations to advance this goal is for managers to encourage employees to use their signature strengths from the very beginning, on a daily basis. But how does this happen on a practical level? Based on our research and fieldwork over the last several years, we have developed four principles that can help organizations and managers get their onboarding processes off to a good start. The principles require organizations to reshape the way they approach socialization while asking workers to cast their new roles and their relationships with colleagues and managers in a different light.

1 Break out of the traditional employment trap. This is the most difficult step, because managers typically think about jobs as clusters of activities, in which they pay employees a market rate to complete pre-scripted activities. In the traditional manager mind-set, employees do not necessarily have to care about the activities; as

the saying goes, “that’s why it’s called work!” Yet this may not be the most effective way to connect with today’s employees, particularly those in their 20s and 30s (sometimes referred to as Generation Y or Generation Me), who are starved for places to express their authentic identities.⁷ They will make up the majority of the workplace in the future.

Managers can break out of this traditional mind-set by remembering that an organization is made up of people, and that people have a desire to use their signature strengths — whether those strengths are connecting to others, being organized and prepared, or helping others understand technology. For example, Wipro leaders saw that when they framed the workplace as a setting where people can express their authentic best selves, work became a situation to which people wanted to bring more of themselves. This places organizations in a fundamentally different role: helping employees to achieve their basic human desires as opposed to providing paid employment that funds people’s “real lives.”⁸

2 Help newcomers identify their authentic strengths. Before introducing newcomers to fellow team members or even describing a specific job, it’s helpful to provide them with dedicated time to pinpoint and describe their unique strengths and best selves. One way to achieve this is to encourage employees to answer personalized questions such as “What is unique about you that leads to your best performance and happiest times at work?” Employers can also help newcomers construct a “personal highlights reel” made up of two or three specific events or moments when they were at their best. At Wipro, for example, leaders asked newcomers to reflect on a specific time, at work or at home, when they were acting the way they were “born to act.” Similarly, employers can help new employees conduct a 360-degree review exercise in which they ask a variety of people who know them well — friends, family, mentors and coworkers — to share specific moments when they were at their personal best.

3 Facilitate introductions to other organizational members. When introducing newcomers to each other and to their new

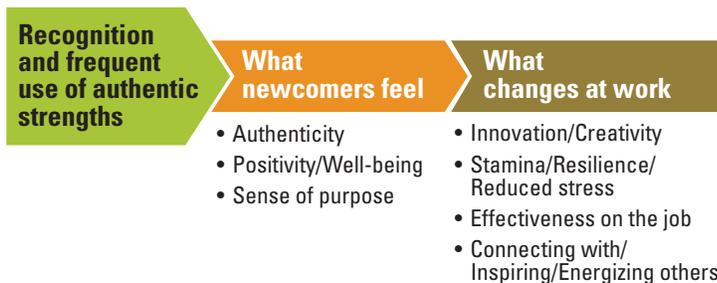
colleagues, it’s important to structure those introductions so that the person has the opportunity to introduce himself or herself in a way that’s consistent with their authentic strengths. At Wipro, team members receiving personal-identity socialization initially met each other by introducing themselves along the lines of their best selves, giving an example of a specific moment that helps show who they are when they are at their best. Then, Wipro team members were encouraged to discuss the conditions that activate their “best self” and the conditions that inhibit them from showing that side. By talking about what they are like when they are at their best, people affirm their selves in a new setting and construct their social identity around their authentic strengths. (See “Comparing Two Approaches to Onboarding at Wipro.”)

4 Ask newcomers to consider how their authentic strengths can be applied to the job. When Wipro leaders used the personal-identity socialization approach to introduce the organization’s needs, specific tasks and job responsibilities, they invited newcomers to reflect on their signature strengths and how they could actively put them to use as part of the new job. This allowed new hires to frame their new jobs as opportunities to use their best strengths and to integrate their own purpose and motivation into the job parameters.

When newcomers are encouraged to identify their signature strengths and apply them to the job, there can be several notable outcomes. (See “How Personal-Identity Socialization Works.”) Most

HOW PERSONAL-IDENTITY SOCIALIZATION WORKS

When onboarding emphasizes new employees’ authentic best selves, new hires get more satisfaction and meaning from their work, which also benefits employers.



employees respond positively, because at this early point in the relationship they welcome being encouraged to present themselves in a manner that's consistent with their authentic best selves. This often leads to greater feelings of connection with colleagues, more positive reactions to the employment relationship and greater employee retention. Moreover, when newcomers feel they are using their signature strengths at work, many experience higher satisfaction, lower stress and less emotional burnout. As a result, they are likely to invest more personal energy into their work in hopes of advancing personal goals.

Organizations stand to benefit in the longer term as well. In addition to the immediate gains from reductions in turnover and improved performance, personal-identity socialization can help organizations remain adaptable and agile. This is because companies that attempt to transfer a fixed set of values and norms to new employees are less able to adapt as conditions change. Our approach anticipates this possibility by encouraging newcomers to retain some of their unique values, perspectives and strengths — and to use them to solve organizational problems. It is consistent with what several well-known companies, including Southwest Airlines Co. and Zappos.com, do.⁹ They hire people based on their willingness to be themselves at work and solve problems using their unique perspectives and strengths.

By following our four principles for personal-identity socialization, companies can reshape the onboarding process to help workers recognize and use their unique identities from the very beginning of the employment relationship. The result is that employees bring more of themselves to work without additional financial rewards.

Socialization is serious business for organizational leaders. The process of recruiting, hiring and training new employees is expensive and time-consuming. High turnover is one of the most obvious consequences of unsuccessful socialization. However, by making relatively small investments in socialization practices, we have found that companies can make significant improvements in employee retention and engagement. Newcomers develop a more positive view toward the organization and inject greater quality and purpose into their work.

Daniel Cable is a professor of organizational behavior at London Business School. Francesca Gino is an associate professor of business administration at Harvard Business School. Bradley Staats is an assistant professor of operations at the University of North Carolina at Chapel Hill's Kenan-Flagler Business School. Comment on this article at <http://sloanreview.mit.edu/x/54321>, or contact the authors at smrfeedback@mit.edu.

REFERENCES

1. A.A. Grandey, "When 'The Show Must Go On': Surface Acting and Deep Acting as Determinants of Emotional Exhaustion and Peer-Rated Service Delivery," *Academy of Management Journal* 46, no. 1 (February 2003): 86-96.
 2. C.A. O'Reilly and J. Chatman, "Organizational Commitment and Psychological Attachment: The Effects of Compliance, Identification, and Internalization on Prosocial Behavior," *Journal of Applied Psychology* 71, no. 3 (August 1986): 492-499.
 3. D.M. Cable, F. Gino and B. Staats, "Breaking Them In or Eliciting Their Best? Reframing Socialization Around Newcomers' Authentic Self-Expression," *Administrative Science Quarterly* 58, no. 1 (March 2013): 1-36.
 4. M.H. Kernis, "Toward a Conceptualization of Optimal Self-Esteem," *Psychological Inquiry* 14, no. 1 (January 2003), 1-26; and I.D. Yalom, "Existential Psychotherapy" (New York: Basic Books, 1980).
 5. P.F. Hewlin, "And the Award for Best Actor Goes to...: Facades of Conformity in Organizational Settings," *Academy of Management Review* 28, no. 4 (October 2003): 633-642.
 6. E.T. Higgins, "Self-Discrepancy Theory: What Patterns of Self-Beliefs Cause People to Suffer?," *Advances in Experimental Social Psychology* 22 (1989): 93-136.
 7. J.M. Twenge, "Generation Me: Why Today's Young Americans Are More Confident, Assertive, Entitled — and More Miserable Than Ever Before" (New York: Free Press, 2006).
 8. D.M. Cable, "Change to Strange: Create a Great Organization by Building a Strange Workforce" (Upper Saddle River, New Jersey: Prentice Hall, 2007).
 9. K. Freiberg and J. Freiberg, "Nuts! Southwest Airlines' Crazy Recipe for Business and Personal Success" (New York: Broadway, 1998); and T. Hsieh, "Delivering Happiness: A Path to Profits, Passion, and Purpose" (New York: Business Plus, 2010).
- i. Cable, Gino and Staats, "Breaking Them In."

Reprint 54321.

Copyright © Massachusetts Institute of Technology, 2013.

All rights reserved.

MIT Sloan

Management Review

PDFs ■ Reprints ■ Permission to Copy ■ Back Issues

Articles published in MIT Sloan Management Review are copyrighted by the Massachusetts Institute of Technology unless otherwise specified at the end of an article.

MIT Sloan Management Review articles, permissions, and back issues can be purchased on our Web site: sloanreview.mit.edu or you may order through our Business Service Center (9 a.m.-5 p.m. ET) at the phone numbers listed below. Paper reprints are available in quantities of 250 or more.

To reproduce or transmit one or more MIT Sloan Management Review articles by electronic or mechanical means (including photocopying or archiving in any information storage or retrieval system) **requires written permission.**

To request permission, use our Web site: sloanreview.mit.edu,

or

E-mail: smr-help@mit.edu

Call (US and International): 617-253-7170

Fax: 617-258-9739

Posting of full-text SMR articles on publicly accessible Internet sites is prohibited. To obtain permission to post articles on secure and/or password-protected intranet sites, e-mail your request to smr-help@mit.edu.

Customer Service

MIT Sloan Management Review
238 Main Street E48-570
Cambridge, MA 02142