State of Employee Onboarding in the United States 2022
# Table of Contents

3  The big picture

4  Who we surveyed

6  Executive summary

12 Talent acquisition landscape

22 Current state of employee onboarding

35 Impact of Covid-19 pandemic on the onboarding process

40 Artificial Intelligence (AI)/Automation Familiarity in Onboarding Process and its Perceived Importance

46 Future State of Artificial Intelligence (AI)/Automation in Employee Onboarding

50 Conclusion

51 Think Tank
Businesses are facing unparalleled change and challenges. According to a study by Gallup, the average company tenure from the S&P 500 index will wither to 12 years by 2027. By 2030, about half of S&P 500 companies will have been replaced.

Onboarding is the process of integrating a new employee into a company and its culture, as well as giving them the tools and information needed to become a productive member of the team.

With an ever-evolving labor market, highly impacted by technological disruptions, it has become crucial for business leaders to reevaluate their onboarding process.

Traditionally, many organizations view onboarding as an administrative process that arms a new hire with everything they need. While that has worked till now, remote or hybrid work has changed the meaning of onboarding to a great extent.

Progressive organizations are now making the onboarding process more employee-centric, designed with long-term objectives and association in mind.

Leena AI’s report “2022- The State of Employee Onboarding in the US” brings in a fresh set of employee onboarding trends and best practices that will help HR professionals redesign their talent strategy and win the war for talent.

Amplify your 2022 talent strategy by incorporating these findings in your onboarding process.
From mid-Aug until the end of Oct 2021, Leena AI ran an online survey along with its market research partner to uncover the issues and trends in the Employee Onboarding space.

Human resource decision makers who are fully employed at companies with 500+ employees, with the title of Senior Manager or above, completed this year’s State of Employee Onboarding in United States Survey.

More than 400+ respondents, from the US region, spanning VP/SVP/EVP, C-suite, director, manager and individual contributor levels completed the survey.

We are fortunate to have a balanced representation of small, mid and large-size organizations. This ensures that our survey results reflect a valuable mix of perspectives.
Who we surveyed

- **Human resources**: 84%
- **Talent Management**: 16%

### Industry segment
- Retail
- Media & Entertainment
- Communications
- Banking, Financial Services & Insurance
- Healthcare & Pharmaceuticals
- Consumer Packaged Goods (CPG)
- Technology
- Manufacturing
- Travel & Tourism
- Others

### Title/Area
- 9% Associate Vice President (HR)
- 9% CHRO & CPO
- 27% Director (HR)
- 21% Manager (HR)
- 20% Senior Manager (HR)
- 14% Vice President (HR)

### Number of Employees

- 500-999: 34%
- 1000-5000: 33%
- 5000+: 33%

### Total years of Experience

- 5y-8y: 14%
- 9y-11y: 30%
- 12y-13y: 33%
- 14y-17y: 18%
- 17y+: 6%
Executive Summary
64% of the participating organizations are planning to hire significantly in 2022, with manufacturing, retail, healthcare and pharma sectors with the highest talent demand.

56% of the to-be-hired workforce will come under the "white collar" category.

On an average, out of total planned hiring for next year, 73% of positions are for entry and mid-level roles.

55% of organizations take one month or more to fill a position.

"Attracting the right candidate" & "Hiring fast" are the top two challenges for talent acquisition teams.
State of Employee Onboarding

#2

Average cost of onboarding an employee is $1830.

67% of organizations complain about more than 10% drop off rate pre-joining.

Large-size organizations are facing more than 16% attrition rate within first six months.

Disconnect between hiring and onboarding process is the top onboarding challenge, followed by ‘Lack of employee engagement’.

68% of organizations are already using AI in their hiring and onboarding processes.

State of Employee Onboarding
86% of organizations have indicated that their shift to remote work has been successful or very successful.

More than 50% organizations have shifted to online applications, virtual hiring & virtual onboarding post COVID-19.

29% of HR professionals say they have already started virtual hiring for at least 30% of the open positions, whereas 23% say they are doing almost half of the hiring virtually.

Impact of Covid-19 Pandemic on the Onboarding Process
92% of HR professionals are familiar with Artificial Intelligence (AI)/Automation in hiring and onboarding process.

90% of the respondents say that automated processes are “very important” for their organization’s future and HR function.

87% of respondents are “very committed” towards adopting AI for hiring and onboarding.

50% of participants say that improved onboarding experience is one factor that encourages them to consider Artificial Intelligence (AI)/Automation.

More than half of the respondent’s view ‘Security & confidentiality risk’ as the top challenge while implementing AI, followed by ‘IT infrastructure issue’ with 43% of the votes.
More than half of the respondents believe that an automated onboarding process will “increase the productivity of the employees as well as the onboarding function”.

More than half of the respondents have indicated that “automated onboarding may reduce manual efforts in the introduction and orientation process, as well as in HR reporting, and general training”.

41% of the respondents anticipate that they will adopt an automated onboarding process within the next 6 - 12 months.
The big picture

Talent acquisition landscape

#1
The Return of the Job Market: 2022 to Witness Surge in Hiring

2020 and 2021 were aberrations that disrupted talent acquisition for organizations worldwide.

The coronavirus pandemic flipped the job market upside down, driving global furloughs, hiring pauses, economic uncertainty, business closures, and massive unemployment.

However, the job market is now warming up and the data on the hiring front looks promising for 2022.

64% of organizations surveyed said they are planning to hire talent in the coming year.

- 64% Plan To Hire
- 21% Unsure About Hiring Plans
- 9% Expect To Let Staff Go
- 1% Plan To Keep Workforce Level Steady

Are you planning to hire talent in the next year?
Reclaiming Recruitment & Growth in 2022: The Year of Small & Mid-sized Companies

More than 70% of small and mid-size companies in the US are looking to increase their headcounts in 2022.

The COVID-19 pandemic adversely impacted economies across the globe, including the US.

The most impacted were the small and medium-sized businesses who had to quickly pivot or delay their growth plans.

However, these organizations are planning to enter 2022 with robust hiring plans.

Are you planning to hire talent in the next year?

- Small (500-999): Plan To Hire 74%, Plan To Keep Workforce Level Steady 20%, Unsure About Hiring Plans 6%
- Medium (1000-5000): Plan To Hire 46%, Plan To Keep Workforce Level Steady 38%, Unsure About Hiring Plans 15%, Expect To Let Staff Go 1%
- Large (5000+): Plan To Hire 46%, Plan To Keep Workforce Level Steady 38%, Unsure About Hiring Plans 7%, Expect To Let Staff Go 6%
The Hiring Landscape of 2022: An Industry-wise Approach

Technology and healthcare were the busiest sectors despite the pandemic, and they continue to maintain the momentum in 2022 as well by expanding their teams.

Manufacturing and retail industries are projecting an optimistic hiring outlook for 2022.

Are you planning to hire talent in the next year?
56% of the hired workforce will come under the "white collar" category

Blue-collar
Workers who engage in hard manual labor, such as construction, mining, or maintenance

White-collar
Workers are known as suit-and-tie workers who work in service industries and often avoid physical labor
More jobs in IT, Finance, Human Resources and Talent management functions

Are you planning to hire talent in the next year?

Number of employees to be hired in each functional area

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>&gt;100</th>
<th>101-500</th>
<th>501-1000</th>
<th>&lt;1000</th>
<th>Not Sure</th>
<th>Not Hiring</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Management Or Executive</td>
<td>43%</td>
<td>24%</td>
<td>7%</td>
<td>2%</td>
<td>6%</td>
<td>19%</td>
</tr>
<tr>
<td>IT</td>
<td>51%</td>
<td>26%</td>
<td>9%</td>
<td>8%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Finance</td>
<td>53%</td>
<td>20%</td>
<td>12%</td>
<td>3%</td>
<td>2%</td>
<td>9%</td>
</tr>
<tr>
<td>Procurement, Sourcing, Or Supply Chain</td>
<td>35%</td>
<td>25%</td>
<td>14%</td>
<td>2%</td>
<td>8%</td>
<td>16%</td>
</tr>
<tr>
<td>Human Resource &amp; Talent Management</td>
<td>48%</td>
<td>26%</td>
<td>8%</td>
<td>3%</td>
<td>2%</td>
<td>12%</td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
<td>43%</td>
<td>30%</td>
<td>13%</td>
<td>2%</td>
<td>3%</td>
<td>9%</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>45%</td>
<td>29%</td>
<td>9%</td>
<td>6%</td>
<td>2%</td>
<td>10%</td>
</tr>
<tr>
<td>Business Services</td>
<td>48%</td>
<td>23%</td>
<td>12%</td>
<td>2%</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>Legal, Risks, Or Compliance</td>
<td>45%</td>
<td>14%</td>
<td>8%</td>
<td>2%</td>
<td>7%</td>
<td>25%</td>
</tr>
<tr>
<td>Operations</td>
<td>37%</td>
<td>29%</td>
<td>12%</td>
<td>5%</td>
<td>4%</td>
<td>13%</td>
</tr>
<tr>
<td>Innovation, R&amp;D, Or Product Development</td>
<td>41%</td>
<td>25%</td>
<td>7%</td>
<td>2%</td>
<td>9%</td>
<td>16%</td>
</tr>
</tbody>
</table>
Building Organizations
Ground up: Increased Hiring for Entry & Mid-level Roles

Please indicate the expected hiring for the below organizational levels for next year:

- **73%** Out of total planned hiring for next year, 73% of positions are for entry and mid-level roles.
  - **27%** Senior Level (12+ Years)
  - **35%** Mid Level (5-12 Years)
  - **38%** Entry Level (0-5 years)
55% of organizations said that it takes them one month or more to fill a position

One goal of the talent acquisition process is to fill vacant positions on time. The longer it takes to hire a candidate, the more it costs the hiring department.

So, how long does it take to hire someone?
As per Leena AI's research study, 2022- State of Employee Onboarding in the US, 55% of organizations on average take one month or more in hiring the new talent.

On an average, how long does it take to hire new talent in your organization?
Optimistic Hiring Outlook
Industry-Wise

On average, how long does it take to hire new talent in your organization?

- The Retail Sector has the fastest talent acquisition, while Media and Entertainment industry is struggling to fill the positions faster.

- Manufacturing
- Travel & Tourism
- Technology
- Consumer Packaged Goods
- Retail
- Communications
- Media & Entertainment
- Healthcare & Pharmaceuticals
- Banking, Financial Services & Insurance (BFSI)
- Other

- Less Than A Week (5%)
- 1 Week (40%)
- 1-3 Months (15%)
- 3 Or More Months (1%)
What are your organization's top 5 challenges, when it comes to hiring a new candidate?

“Attracting the right candidate” as per Business Requirements & “Hiring fast”

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attracting The Right Candidates</td>
<td>12%</td>
</tr>
<tr>
<td>Hiring Fast</td>
<td>10%</td>
</tr>
<tr>
<td>Lack Of Qualified Candidates</td>
<td>9%</td>
</tr>
<tr>
<td>Rising Employee Expectation</td>
<td>9%</td>
</tr>
<tr>
<td>Adoption Of New Technologies</td>
<td>8%</td>
</tr>
<tr>
<td>Building A Strong Employer Brand</td>
<td>8%</td>
</tr>
<tr>
<td>Communications</td>
<td>7%</td>
</tr>
<tr>
<td>Using Data-Driven Recruitment</td>
<td>7%</td>
</tr>
<tr>
<td>Integrating Multiple Recruitment Solutions</td>
<td>7%</td>
</tr>
<tr>
<td>Manual Hiring Process</td>
<td>6%</td>
</tr>
<tr>
<td>Ensuring A Good Candidate Experience</td>
<td>4%</td>
</tr>
<tr>
<td>Streamlined Selection Process</td>
<td>3%</td>
</tr>
<tr>
<td>Stuck With Outdated Technologies</td>
<td>3%</td>
</tr>
<tr>
<td>Creating An Efficient Recruitment Process</td>
<td>3%</td>
</tr>
<tr>
<td>Don’t Know/Not Sure</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
</tbody>
</table>
Current state of Employee onboarding

#2
What is Employee onboarding and when does it begin?

Often referred to as organizational socialization, employee onboarding is the process by which a new employee is initiated into the organization.

At an informal level, it involves showing the employee around your office building, introducing them to their peers, and maybe telling them where they can go to grab a snack or even take a nap.

At a more formal level, onboarding involves training, documentation, and familiarizing the employee with the requirements of their role as well as the related targets or goals.

Why Employee Onboarding matters?
Aside from the increase in retention rate, employee onboarding can increase productivity by 70% (Source: Glassdoor). After all, this is the first interaction your new hire is having with the organization, and if that can affect their productivity in the long run it surely warrants your attention.

A proper and planned onboarding process ensures your new hire does not feel lost, knows their role inside out, and knows who to approach when they need something done. If the positives of onboarding are not enough, allow us to tell you that the new hires who have a negative onboarding experience are twice as likely to look for another opportunity in the future.

Clearly, employee onboarding plays an eminent role and organizations must plan for the onboarding of new hires strategically and design a program that helps assimilate them smoothly into the fabric of the organization.

And that’s exactly how the next section of this report will help you define your talent strategy for 2021!
Most employee onboarding programs aim specifically to get new hires up to speed as soon as possible so they can begin to contribute to the business. Time is of the essence when you are filling a role that someone else left unexpectedly. But just how long should employees be engaged in onboarding?

Longer onboarding programs are associated with stronger talent and business outcomes such as employee engagement, employer reputation, percentage of diverse hires, quality hires, and internal hires and promotions.

With a longer onboarding process, learning doesn’t stop when the employee is simply proficient. Continuing formal learning that allows the employee to develop new skills benefits the organization as much as it does the employee’s professional development.

More and more organizations are incorporating long-term learning modules during onboarding that teach both soft and technical skills. Continuing an employee’s learning can demonstrate organization’s commitment to an employee’s personal advancement during that critical first year, leaving less uncertainty about a career path within the company.

“To Retain New Hires, Spend More Time Onboarding Them”

What is the average length of employee onboarding program in your organization?

More than 52% of the respondents stated that the average length of onboarding program in their organization is one to three months.

<table>
<thead>
<tr>
<th>Length of Onboarding Program</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Day or Less</td>
<td>2%</td>
</tr>
<tr>
<td>1 Week</td>
<td>40%</td>
</tr>
<tr>
<td>1-3 Months</td>
<td>9%</td>
</tr>
<tr>
<td>3 or More Months</td>
<td>6%</td>
</tr>
<tr>
<td>1 Month</td>
<td>43%</td>
</tr>
</tbody>
</table>

43% 1 Month
40% 1 Week
9% 1-3 Months
6% 3 Or More Months
2% 1 Day Or Less
Skipping Onboarding can be a costly thing!

What is the approximate average cost of onboarding per employee in your organization?

$1830
Average cost of onboarding

As companies find themselves in a war for talent, they are all willing to make onboarding experience a memorable one by investing in it.

On asking our survey respondents, how they are investing in employees’ onboarding, some interesting insights came out.

Respondents in small and medium-size organizations are spending $600–1800 per employee onboarding, while large size organizations are spending more than $3000.
Most HR decision-makers believe that they have a good or excellent onboarding experience

More than 90% of HR decision-makers say their onboarding experience is Excellent/Good

A bad onboarding experience not only leaves a negative impression on your new employee, but it also hinders their time-to-productivity and can result in a shorter stay at the company. The last thing that you want is for a new hire to walk out the door and you being forced to start the search all over again losing both time and money.

How would you rate your current employee onboarding experience?

- Poor: 1%
- Fair: 5%
- Good: 52%
- Excellent: 42%
However, the reality is different

According to 34% of respondents, approximately 11% - 15% resources drop-off before joining. While 33% of the respondents indicated that 16% - 20% of resources drop-off post joining (within 6-months) the organization.

### Drop-off Rate

<table>
<thead>
<tr>
<th>When Drop-off Rate (Pre-joining)</th>
<th>Attrition Rate (Post-joining)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7%</td>
<td>0-5%</td>
</tr>
<tr>
<td>26%</td>
<td>6-10%</td>
</tr>
<tr>
<td>34%</td>
<td>11-15%</td>
</tr>
<tr>
<td>26%</td>
<td>16-20%</td>
</tr>
<tr>
<td>7%</td>
<td>21-25%</td>
</tr>
<tr>
<td>1%</td>
<td>More than 25%</td>
</tr>
</tbody>
</table>
When onboarding is poor - Turnover, culture, and compliance are all greatly affected

Considering the pre-joining phase, please indicate the drop-off rate (percentage of resources that do not join after rolling out job offer) in your organization. Considering the post-joining phase, please indicate attrition rate (within first 6 months) in your organization.

Top reasons of poor onboarding

- Confusing orientation with onboarding
- Abandoning candidates after offer is accepted
- Overloading new hires with too much information
- Onboarding happens a week or a month later
- Unorganized onboarding process
- Metrics and feedback don’t matter

Large-size organizations are facing more than 16% Attrition rate within first six months!
‘Disconnect between hiring and onboarding process’ – The top onboarding challenge of organizations!

Top 5 onboarding challenges

- Disconnect Between Hiring & Onboarding (40%)
- Lack Of Employee Engagement (13%)
- Short Progress (11%)
- Personalization Of New Hire Experience (11%)
- Automating Workflows (10%)

Now thinking about the onboarding process, what are your organizations top 5 challenges, when it comes to onboarding a new candidate?

“I think that because we on-board in (inaudible) batches, so because an employee starts this week, this week, today we put all that back together and we force the person who started week 1 to wait till week 4, so we put all these people together to on-board them, that’s where I would say my big frustration is.”

VP – People & Culture, Technology
The Disconnect between Hiring and Onboarding Processes

Disconnect between hiring and onboarding process

- Lack of employee engagement
- Short programs
- Personalization of new-hire experience
- Automating workflows

Talent acquisition is a key function in business and often occupies the center stage. Organizations invest considerable time and resources in the selection and recruitment process, which is a stark comparison to the new hire’s first few weeks and months in the job – often organizations go silent after a new hire returns their signed contract.

Recommendation:

- Reach out to new hires before their start date
- Keeping up a similar level of communication (exciting communication. Not just admin requests) is one way to build excitement and advocacy even before a new hire has stepped in the door for their first day.

Now thinking about the onboarding process, what are your organization's top 5 challenges, when it comes to onboarding a new candidate?
The Disconnect between Hiring and Onboarding Processes

Disconnect between hiring and onboarding process

Lack of employee engagement

Short programs

Personalization of new-hire experience

Automating workflows

Onboarding is an ongoing process of integrating new employees into the organization. This integration helps create employee engagement.

Companies that see onboarding as a transactional process and often consider it to be a one day or a week’s activity only, lend up creating disengaged employees.

**Recommendation:**

- Create a more personalized experience.
- Make programs less complex. Programs must be tailored to meet individual needs by customizing the presentation of information.
- Involve line managers in the process.
- Eliminate stress with a structured process.
- Get regular feedbacks from new hires.

Now thinking about the onboarding process, what are your organization's top 5 challenges, when it comes to onboarding a new candidate?
The Disconnect between Hiring and Onboarding Processes

Disconnect between hiring and onboarding process
Lack of employee engagement
Short programs
Personalization of new-hire experience
Automating workflows

Now thinking about the onboarding process, what are your organization's top 5 challenges when it comes to onboarding a new candidate?

- It can take up to a year or more for employees to feel truly comfortable in their roles. Without proper and ongoing support, like mentorship and performance measurement, employees may feel abandoned during their adjustment period. Hence, onboarding strategy should have distinct phases and milestones based on employee roles, with regular performance reviews to adjust trajectories, as necessary.

**Recommendation:**

- Don't confuse onboarding with orientation.
- Don't consider it as a one-day or a week activity. Perhaps, create a proper well-defined onboarding strategy with distinct phases and milestones.
- Perform regular reviews to adjust trajectory, wherever needed.
Organizations are leveraging Artificial Intelligence (AI)/Automation for hiring and onboarding processes

Has your organization integrated Artificial Intelligence (AI)/Automation with the current hiring and employee onboarding process?

The pandemic has transformed how people work, forcing human resources leaders to bet on AI, and other new tools and technologies, that support a more adaptive, flexible, and fluid workforce.

There have been seismic shifts in the way organizations operate now. HR leaders are in the process of changing the way they have been hiring, by building better candidate experience for applicants, on-booardees, and new joinees.

HR professionals now believe in AI’s impact on the HRM processes.

68% of organizations are already using AI in their hiring and onboarding processes.
Communication Industry is leading the race to implement AI in their hiring & onboarding process, followed by the Media and Entertainment industry.

Is your organization planning to implement Artificial Intelligence (AI)/Automation with the current hiring and employee onboarding process in the next 12 – 24 months?

- Communications: 90%
- Media & Entertainment: 87%
- Banking, Financial Services & Insurance (BFSI): 75%
- Consumer Packaged Goods: 74%
- Retail: 72%
- Travel & Tourism: 67%
- Other: 53%
- Healthcare & Pharmaceuticals: 53%
- Technology: 50%
- Manufacturing: 45%
The big picture
Impact of Covid-19 Pandemic on the Onboarding Process

#3
Remote work has been an overwhelming success for majority of Organizations

Before the pandemic, the conventional wisdom had been that offices were critical to productivity, culture, and winning the war for talent. Companies competed intensely for prime office space in major urban centers around the world, and many focused-on solutions that were seen to promote collaboration. Densification, open-office designs, hoteling, and co-working were the battle cries.

However, the onset of the pandemic ushered in a drastic change in the way we work. Hybrid and remote work became the new norm. This move was imperative for the health and safety of employees around the world and sparked a lasting shift in the way we view the workplace.

Where pandemic has forced a large segment of the global workforce to go through a remote-work experiment on a scale never seen before, we asked our respondents in our study about their level of success in shifting to this new way of work.
In the wake of COVID-19, HR professionals have been forced to re-examine their talent acquisition strategies, resources, and technology. The interview process is changing, going from in-person to video platforms like Zoom.

Similarly, hiring and onboarding processes have changed out of necessity, forcing everyone to pivot so a thread of continuity could be sustained as the pandemic pillared its way around the world. Traditional hiring and onboarding have shifted to a virtual mode.

**Post COVID-19, what changes has your organization made in traditional hiring and onboarding process?**

- **Online Applications**: 58%
- **Virtual Onboarding**: 54%
- **Virtual Hiring**: 54%
- **Internal Transfer**: 43%
- **Outsourcing To Third Party**: 40%
- **Adoption Of Digital Hiring Technology To The Long Term**: 33%
- **Integration Of Automated Processes**: 24%
- **Don’t Know/Not Sure**: 1%

More than 50% Organizations have shifted to Online applications, Virtual hiring & Virtual onboarding post COVID-19.
During Pandemic HR folks acted quickly and implemented changes in their current onboarding process to support business continuity.

38% Implemented New Technologies / Virtual Processes
10% Modified Current Hiring & Onboarding Processes / Implemented A Hybrid Onboarding Model
8% Hiring Process Has Become Difficult
6% Increased Virtual Hiring & Onboarding
6% Led To Improvement In Current Strategies And Greater Focus On Workforce Of The Organization
5% Increased / Shifting To Remote Work
4% Lack Of Communication/Personal Connection / Face To Face Meetings
3% Need Technologies And Assistant That Can Support The Virtual Hiring And Onboarding And Other Daily Organizational Needs

3% Ensuring Easy Access Of Services And Information To All Resources Of The Organization/ Ensuring New Hires Feel Motivated And Welcomed
4% Ensuring Daily Check-ins, Compliance And Privacy, Training And Setting Expectations Of New Hires
3% Hiring Not Affected
4% Automated Workflows
4% Increased Usage Of Online Platforms For Hiring And Onboarding, And E-Sign E.G., Zoom, Skype, Webex Etc.
3% Paused / Reduced Hiring & Onboarding Processes
10% Others

How has COVID-19 changed your organization’s current onboarding process? Please explain briefly.
Future of Hiring and Onboarding is Virtual!

Post COVID-19, what percentage of hiring and onboarding process is done virtually?

29%

HR folks say they have already started virtual hiring for at least 30% positions, whereas 23% says they are doing almost half of the hiring virtually.

The current coronavirus crisis has pushed businesses to implement large-scale virtual recruitment and interviewing efforts.

HR professionals are partnering with leaders to ensure they can successfully utilize recruitment tools and technologies to create a positive candidate experience.

Virtual Hiring

- 10-20%
- More Than 80%
- Less Than 10%
- 21-40%
- 41-60%
- 61-80%

Virtual Onboarding

- 10-20%
- More Than 80%
- Less Than 10%
- 21-40%
- 41-60%
- 61-80%
Artificial Intelligence (AI)/Automation Familiarity in Onboarding Process and Its Perceived Importance

#4
Transforming Onboarding & Employee Experience with AI

HR functions of many organizations have started leveraging people analytics, automation, and AI to better their employee experience and make more strategic business decisions. Technology is being used to recruit, retain, and transition employees more efficiently and effectively.

Artificial Intelligence in the form of smart virtual assistants is becoming HR department’s best friend by taking away the repetitive tasks and allowing them to focus on the more strategic and human element of onboarding.

AI is the next big thing in the post pandemic era.
How familiar are you with Artificial Intelligence (AI)/Automation in hiring and onboarding process of your organization?

92% of HR professionals are quite familiar with Artificial Intelligence (AI)/Automation in hiring and onboarding processes.

Please indicate the level of commitment of your top leadership towards implementing or adopting Artificial Intelligence (AI)/Automation.

90% of HR leaders say that automated processes are ‘very important’ for their organization’s future and HR function.

Please indicate the level of importance of the automated processes for your organization’s future and HR function.

87% of the HR community is ‘very committed’ towards adopting AI for hiring and onboarding.

“I think automation is definitely a 5. It’s less paper, less cost, and less people type of a thing. It’s easier to be able to have information readily available with automation.”

VP – HR, Financial Services
HRM & Artificial Intelligence: The Bright Side

“For the first time doing a more robust succession planning so that we really understand the current talent, both the incumbents we have sitting in particular seats as well as who do we think we have ready to take on those seats. So, that is an initiative that we are working on right now to better understand that. We’re working on an initiative where we’re trying to define what does a career journey look like, not a career path, but what does a journey look like. Because I think the old career ladder is not going to work anymore in today’s world. They need to touch different experiences as they grow within a company and then make some decisions along the way.”

VP – People & Culture, Technology
HRM & Artificial Intelligence: Needs vs Expectations

Artificial Intelligence (AI) has earned its place in the world of business and does not look to be backing down anytime soon. The revolutionary tech has brought about game-changing developments that have thickened the margin lines, especially in the discipline of Human Resource Management (HR).

Given its knack for accuracy and its effectiveness with time, the future for Artificial Intelligence in Human Resource Management seems inevitable. However, there are still some concerns and unmet needs with Artificial Intelligence (AI)/Automation in onboarding.

<table>
<thead>
<tr>
<th>Need</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boost Good Quality, Performance &amp; Productivity</td>
<td>14%</td>
</tr>
<tr>
<td>Time Taking &amp; High Operational Costs</td>
<td>10%</td>
</tr>
<tr>
<td>Clear Communication With Employee/Access To Information</td>
<td>9%</td>
</tr>
<tr>
<td>Need More Advance Automation Technology</td>
<td>8%</td>
</tr>
<tr>
<td>Unsystematized &amp; Unengaging Process</td>
<td>7%</td>
</tr>
<tr>
<td>Information Security Issues/Compliance To Company Policies</td>
<td>7%</td>
</tr>
<tr>
<td>Lack Of Simple &amp; Streamlining Workflow/Onboarding Process</td>
<td>7%</td>
</tr>
<tr>
<td>Innovative/Attractive Business Strategies, Plans &amp; Solutions</td>
<td>7%</td>
</tr>
<tr>
<td>Raising Awareness, Good Experience/Skills With Automation</td>
<td>6%</td>
</tr>
<tr>
<td>Automated Training is Missing</td>
<td>5%</td>
</tr>
<tr>
<td>Regulating Employee Retention/Attrition &amp; Monthly Hiring</td>
<td>5%</td>
</tr>
<tr>
<td>Require Automated Screening</td>
<td>4%</td>
</tr>
<tr>
<td>Need More Personalized Experience</td>
<td>3%</td>
</tr>
<tr>
<td>No One To Regulate The Outcomes</td>
<td>3%</td>
</tr>
<tr>
<td>Lack Of Proper Approach/Process Is Not Perfect</td>
<td>3%</td>
</tr>
<tr>
<td>Delivering Paperwork/Tools</td>
<td>2%</td>
</tr>
</tbody>
</table>

What are the current unmet needs with automated onboarding in your organization, please explain briefly?
More than half of the respondents believe that AI poses a security & confidentiality risk, while 43% of the HR professionals feel they don’t have the IT infrastructure to support its implementation.

Artificial intelligence is finding its way into more industries and a growing number of companies are already experiencing its benefits. Even though AI is gaining more popularity, many businesses still can’t find their way with this ‘new’ technology. Why?

Key challenges in implementation of AI

- Security & Confidentiality Risk: 51%
- IT Infrastructure Issue: 43%
- Insufficient Availability Of Talent: 37%
- Data Governance Issue: 35%
- Change Management Issue: 28%
- Lack Of Strategic Vision: 27%
- Lack Of Top Management Support: 26%
- Resistance To Change: 25%
- Ethical Issue: 20%
- Other: 1%
- Don’t Know/ Not Sure: 1%

Why?

What key challenges has your organization experienced or could experience with implementation of Artificial Intelligence (AI)/Automation?
#5

Future state of artificial intelligence automation in employee onboarding
More than half of the respondents have indicated that an automated onboarding process will “increase the productivity of the employees as well as the onboarding function”

Technological possibilities have always seemed like a far-flung future, but there is no denying that the future is already here.

Worldwide, AI-powered technologies have gained acceptance. Each company has started to feel the importance of AI across departments. Organizational leaders have notably recognized that the future of the HR department is both digital and human.

Automation and artificial intelligence in HR are trusted to transform the whole process, from onboarding to employee experience and talent management.

Which of the following employee onboarding objectives would be achieved with automation over the next 12 – 24 months?

- **56%** It will increase the productivity of employees
- **51%** It will increase the productivity of employees
- **50%** Lead to better employee engagement
- **48%** Increase the speed of onboarding program
- **42%** Complex tasks will be easier by AI
- **30%** It will lower attrition
Automating the process of onboarding new employees ensures a standardized, consistent, and company-approved approach. It ensures ease of process for both the new employee as well as the hiring manager — customized employee portals include intake forms and automated workflows route information around the organization. The same central system is used by the hiring manager, the employee, and HRs, ensuring everyone has access to all the information they need in one place. Manual onboarding programs may have all the right pieces for effective onboarding but automation and process management can bring it all together.

More than half of the respondents have indicated that an automated onboarding process will increase the productivity of the employees as well as the onboarding function.

Half of the respondents believe that an automated process will lead to better employee engagement.

In which of the following areas of employee onboarding, can automation reduce manual efforts?

- Introduction & Orientation Process: 53%
- Reporting automation in HR: 53%
- General training: 52%
- Role specific training: 44%
- Initial documentation: 40%
- Induction process: 38%
Anticipated duration of adopting automated onboarding process

- Less Than 3 Months: 6%
- 3 To 6 Months: 23%
- 6 To 12 Months: 41%
- 1 To 2 Years: 13%
- 3 To 5 Years: 9%
- More Than 5 Years: 6%
- Other: 2%

What would be the anticipated duration of adopting Artificial Intelligence (AI)/Automation for your organization’s onboarding process?

Thinking about all the benefits of Artificial Intelligence (AI)/Automation, how likely are you to adopt it for onboarding process in your organization in the next 12 – 24 months?

- Very Likely/Likely: 83%
- Neutral: 11%
- Very Unlikely/Unlikely: 6%

41% of those respondents have anticipated that they will adopt an automated onboarding process within 6 – 12 months.

83% have indicated that they are very likely to adopt an automated onboarding process in the next 12 – 24 months.
Conclusion

With the uncertainty caused by COVID-19, it has become more important than ever for HR leaders to prepare themselves for its short- and long-term impacts. While organizations continue to hire or onboard new talent, they need to ensure they understand the needs of the new ‘future of work’ and tailor their processes accordingly.

For any further questions, get in touch right away.
Peek into the Think Tank

The following Leena AI professionals contributed to their experience and knowledge to produce this report.

Adit Jain
CEO, and Co-founder
adit@leena.ai

Sarthak Saini
Head of Sales
sarthak@leena.ai

Chirayu Akotiya
Director-Product & Growth
chirayu@leena.ai

Gaurav Kulshrestha
Principal Product Manager
gaurav.kulshrestha@leena.ai

Manpreet Kaur
Marketing & Thought Leadership
manpreet@leena.ai

Yash Mishra,
Swapnil Malakar &
Rishabh Tanwar
Product Designers