Improving Employee Onboarding through Kaizen

Gina Pesano
Monte Amundson
May 8, 2014
South Central MN SHRM
Onboarding

- Why improve the way we bring people onboard?
- How did we go about it?
1) Research, Benchmarking, Data Gathering
2) Kaizen
3) System Implementation
Findings:

- Companies putting more focus on cultural and social assimilation
- Orientation is longer term to allow more in-depth understanding and assimilation
- Orientation is designed for a diversity of learning styles
- Managers play lead role
- Much of the information and paperwork is on-line and/or automated
“What would have helped you acclimate easier to/understand Toro as a new employee?”

“In what ways could Toro improve the orientation/assimilation process for new employees?”

– Better direction on how to do my job / on job-specific tasks
– Better preparation and planning by my manager
– More ways to connect with other employees
– More information about Toro businesses, products, and locations
– A better understanding of the Toro culture
– Better follow-up to ensure onboarding is meeting my needs
Goals of Toro’s New Employee Onboarding Program

- Rapid Success On-the-Job
- In-depth Understanding of our Culture
- Positive Socialization

Ideas and ideals. That’s life at Toro.
(1) Streamline processes and reduce manual efforts
(2) Improve employee satisfaction
(3) Improve hiring manager satisfaction and involvement
What is Kaizen?

KAI

• Kai = Change

ZEN

• Zen = Good

“Change for the Better”

• To improve continuously in all that we do

• A small team of people, focused on a small area, for a short period of time to make rapid improvement

• Bias for action

Ideas and ideals. That’s life at Toro.
Kaizen Process

1. Document Reality
2. Identify Waste
3. Analyze Root Causes
4. Plan Countermeasures
5. Make Changes
6. Verify Changes
7. Quantify Results
8. Make Standard
9. Celebrate

Ideas and ideals.
That’s life at Toro.
Onboarding Kaizen

Cross-functional team:

- Process participants
  - Staffing
  - Benefits
  - HRIS
  - Information Services
  - Facilities

- HR Business Partners
  - Corporate office
  - Manufacturing plant
  - International

- Recent Hiring Managers
- Recent New Hires
Findings

• Lots of Non value-added time spent by new hires in completing paperwork
• Lack of consistency in Hiring Manager and HR Business Partner involvement
• Information and tools often not ready for new hires on their first day
• IS and Facilities groups not always getting the information they need in a timely way to get office space and computer/phone set up
Key Actions

• Updated standard tasks for Hiring Managers and HR Business Partners
  – More frequent check-ins, goal setting, etc.
• Implemented additional org communications re: new hires
  – Dynamic signage
  – E-mail communication template for departments
• Refreshed Ambassador role
• Created vodcasts for benefits, hiring managers, and ambassadors
• Selected and implemented Red Carpet – onboarding software – to improve on-line information, resources, automated notifications to all involved
Kaizen Debrief

+  
- Flow chart / swim lanes helped to see entire process and participants  
- Hearing all that happens in the process – getting the big picture  
- Good representation of various functions that have roles in the process – hearing other perspectives than HR  
- “Parking Lot” was effective – kept us focused but enabled us to identify future opportunities  
- Having extended time during 1st two sessions  
- Open environment to raise questions and concerns  
- Initial review of kaizen process and waste identification

△  
- Ensure scope is defined, communicated, and agreed upon (e.g. transfers vs. new hires)  
- Didn’t have global in scope for the initial roll-out  
- Team members needed more/better communication between follow-up sessions (e.g. updated process flows, minutes, updated action logs, etc.)  
- Would have been nice to have sponsor check in more frequently with the team
Next Phase - System Implementation

Red Carpet
onboarding & life events

Ideas and ideals.
That’s life at Toro.
Welcome Monte!

We are pleased to officially welcome you to the Toro team. You are now an important contributor to a company with a clear sense of purpose, a strong commitment to our people and our performance. Let's make a difference together!

Our desire is to provide you with a smooth transition into your new job. The tasks and materials contained within this site are designed to assist in getting ready for your arrival and to acclimate you to our company. This portal is key to your onboarding experience, so please visit often before and after your start date. All the best, and again, welcome!

Here is a brief welcome greeting from our Chairman and CEO, Mike Hoffman:
One or more of your tasks is overdue.

RedCarpet Onboarding <RedCarpetMailer@silkroadtech.com>
Sent: Tue 5/22/2012 2:25 AM
To: Facebook Careers
Retention Policy: Toro Inbox 12 Months (1 year) Expires: 5/22/2013

The following tasks are overdue:

<table>
<thead>
<tr>
<th>Task</th>
<th>Due Date</th>
<th>For Whom</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete I-9</td>
<td>Friday, May 18, 2012</td>
<td>Adam F Rctest</td>
<td>View Details</td>
</tr>
<tr>
<td>Complete Federal W-4</td>
<td>Friday, May 18, 2012</td>
<td>Adam F Rctest</td>
<td>View Details</td>
</tr>
<tr>
<td>New Hire Multi-Policy Acknowledgement</td>
<td>Friday, May 18, 2012</td>
<td>Adam F Rctest</td>
<td>View Details</td>
</tr>
<tr>
<td>Complete EEO Form</td>
<td>Friday, May 18, 2012</td>
<td>Adam F Rctest</td>
<td>View Details</td>
</tr>
</tbody>
</table>

Please complete the tasks in order to continue your onboarding process.

Thank You

Ideas and ideals. That’s life at Toro.
New Hire Manager

“Tasks”

One or more of your tasks is overdue.

RedCarpet Onboarding <RedCarpetMailer@silkroadtech.com>

Sent: Tue 5/22/2012 2:24 AM
To: Monte Amundson
Retention Policy: Toro Inbox 12 Months (1 year) Expires: 5/22/2013

The following tasks are overdue:

<table>
<thead>
<tr>
<th>Task</th>
<th>Due Date</th>
<th>For Whom</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>IS Set Up Request</td>
<td>Friday, May 11, 2012</td>
<td>Adam F Rctest</td>
<td>View Details</td>
</tr>
<tr>
<td>Effective Onboarding</td>
<td>Friday, May 11, 2012</td>
<td>Adam F Rctest</td>
<td>View Details</td>
</tr>
</tbody>
</table>

Please complete the tasks in order to continue your onboarding process.

Thank You
## Task Summary

<table>
<thead>
<tr>
<th>Status</th>
<th>Task Title</th>
<th>Due Date</th>
<th>Assignee</th>
<th>Notes</th>
<th>Team</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IS Set Up Request</td>
<td>11 days late</td>
<td>Amundson, Monte</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Onboarding Planning</td>
<td>11 days late</td>
<td>Amundson, Monte</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Complete EEO Form</td>
<td>4 days late</td>
<td>Rctest, Adam F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Complete Federal W-4</td>
<td>4 days late</td>
<td>Rctest, Adam F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Complete I-9</td>
<td>4 days late</td>
<td>Rctest, Adam F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>New Hire Multi Policy Acknowledgement</td>
<td>4 days late</td>
<td>Rctest, Adam F</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HRIS Update Position in SAP</td>
<td>1 day late</td>
<td>Corporate Administrator</td>
<td></td>
<td></td>
<td>Claim Task, Delete</td>
</tr>
<tr>
<td></td>
<td>Dynamic Signage</td>
<td>3 days left</td>
<td>Mail Room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mail Distribution List</td>
<td>3 days left</td>
<td>Staffing Coordinators</td>
<td></td>
<td></td>
<td>Claim Task, Delete</td>
</tr>
<tr>
<td></td>
<td>Pre-employment Substance Abuse Test Results</td>
<td>3 days left</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Complete Direct Deposit Form</td>
<td>10 days late</td>
<td>Rctest, Adam F</td>
<td></td>
<td></td>
<td>Claim Task, Delete</td>
</tr>
<tr>
<td></td>
<td>Benefits Enrollment</td>
<td>34 days late</td>
<td>Rctest, Adam F</td>
<td></td>
<td></td>
<td>Claim Task, Delete</td>
</tr>
<tr>
<td></td>
<td>New Hire Workspace Setup</td>
<td>Needs activation</td>
<td>Facilities</td>
<td></td>
<td></td>
<td>Claim Task, Delete</td>
</tr>
<tr>
<td></td>
<td>Phone set-up</td>
<td>Needs activation</td>
<td>Phone set-up</td>
<td></td>
<td></td>
<td>Claim Task, Delete</td>
</tr>
<tr>
<td></td>
<td>Computer set-up complete</td>
<td>2 days late</td>
<td>IS Team</td>
<td></td>
<td></td>
<td>Claim Task, Delete</td>
</tr>
<tr>
<td>Status</td>
<td>Name/Team</td>
<td>% Tasks Overdue</td>
<td># Incomplete Tasks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------</td>
<td>-------------------------</td>
<td>-----------------</td>
<td>--------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Corporate Communications</td>
<td>0%</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HRIS Administrator</td>
<td>0%</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Facilities</td>
<td>0%</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Benefits</td>
<td>0%</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Staffing Coordinators</td>
<td>0%</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Orientation Team</td>
<td>0%</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mail Room</td>
<td>0%</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transactional Accounting</td>
<td>0%</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IS Team</td>
<td>0%</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone set-up</td>
<td>0%</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HR Administrator</td>
<td>0%</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Vodcast for Manager

New Employee Onboarding
A Hiring Manager’s Recipe for Success
New Hire Provisioning Form

New Hire Manager: This form will assist in providing smooth set up for your new hire. Please note "new hire" refers to either a new external employee or an internal employee newly reporting to you.

General Information:

New Hire Manager: Monta Amundson
Start Date: 05/25/2012
New Hire Last Name: Rctast
New Hire First Name: Adam
New Hire Middle Name: F
New Hire Preferred Name (as reported by the new hire): Adam
Division/Department: HIR HUMAN RESOURCES
New Hire Title: Test Specialist

Name of employee being replaced if the new hire is filling a replacement position. (If not applicable, please type NA):
New Hire Employment Status:
Is the new hire an external employee or an internal employee? External

Computer and Systems Information:
Set up new hire with the same applications and internet access as (if not applicable, please type NA):
**Employee’s Withholding Allowance Certificate**

Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.

1. Nonresident aliens, please check this box before continuing.

<table>
<thead>
<tr>
<th>Name</th>
<th>Last Name</th>
<th>Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adam F</td>
<td>Rtest</td>
<td>667223211</td>
</tr>
</tbody>
</table>

Home address (number and street or rural route)

- 6 3rd Street

City or town, state, and ZIP code

- Bloomington, MN 55429

5. Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)

6. Additional amount, if any, you want withheld from each paycheck

7. I claim exemption from withholding for 2012, and I certify that I meet both of the following conditions for exemption.

   - Last year I had a right to a refund of all federal income tax withheld because I had no tax liability and
   - This year I expect a refund of all federal income tax withheld because I expect to have no tax liability.

Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.

Employee’s signature

(Form is not valid unless you sign it.)

Date

8. Employer’s name and address

9. Office code (optional)

10. Employer identification number (EIN)

**Deductions and Adjustments Worksheet**

Note: Use this worksheet only if you plan to itemize deductions or claim certain credits or adjustments to income.

1. Enter an estimate of your 2011 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions

   \[ \text{Total} = \text{Income} \times 7.5\% \]

2. Enter the total adjusted gross income (AGI)

   \[ \text{AGI} = \text{Income} - \text{Deductions} \]

3. Subtract line 2 from line 1. If zero or less, enter "-0-"

4. Enter an estimate of your 2012 adjustments to income and any additional standard deduction. (see Pub. 505)

5. Add lines 3 and 4 and enter the total. (Include any amount for credits from the Converting Credits to Withholding Allowances for 2012 Form W-4 Worksheet in Pub. 505)

6. \[ \text{Total} = \text{Adjusted Income} - \text{Other Adjustments} \]

7. \[ \text{Adjusted Income} = \text{Adjusted Gross Income} - \text{Exemptions} \]

8. \[ \text{Exemptions} = \text{Number of Exemptions} \times \text{Exemption Rate} \]

9. \[ \text{Exemption Rate} = \frac{\text{Exemption Limit}}{\text{Adjusted Income}} \]

10. \[ \text{Net Income} = \text{Adjusted Income} - \text{Exemptions} \]

**Ideas and ideals.**
**That’s life at Toro.**
## Kaizen Process Metrics - Improvements

<table>
<thead>
<tr>
<th>KEY METRIC</th>
<th>Before</th>
<th>After</th>
<th>% IMPROVEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>NVA process time (per new hire)</td>
<td>170 min</td>
<td>73 min</td>
<td>57%</td>
</tr>
<tr>
<td>NVA process time (per year - 150 hires)</td>
<td>425 hrs</td>
<td>182 hrs</td>
<td>57%</td>
</tr>
<tr>
<td>Cost of NVA time ($30/hr) per year</td>
<td>$12.7K</td>
<td>$5.5K</td>
<td>57%</td>
</tr>
<tr>
<td># of NVA Steps</td>
<td>25</td>
<td>14</td>
<td>44%</td>
</tr>
<tr>
<td># of Potential Rework Loops</td>
<td>9</td>
<td>4</td>
<td>56%</td>
</tr>
</tbody>
</table>

**Overall Savings:**
- 97 minutes per new hire (150 hires per year)
- 243 hrs per year
- $7,200 per year of non-value added time spent
<table>
<thead>
<tr>
<th>New Employee Survey Item</th>
<th>Percent improvement (Baseline vs. To Date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervisor helped me quickly become proficient in job</td>
<td>70%</td>
</tr>
<tr>
<td>Supervisor helped me understand the business and culture.</td>
<td>46%</td>
</tr>
<tr>
<td>HR orientation helped me quickly become proficient in job</td>
<td>58%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hiring Manager Survey Item</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Process and resources got my employee up to speed with work responsibilities</td>
<td>33%</td>
</tr>
<tr>
<td>Effective at integrating my employee socially and culturally</td>
<td>82%</td>
</tr>
<tr>
<td>Overall my employee is up to speed and successful in a timely manner</td>
<td>65%</td>
</tr>
</tbody>
</table>
Summary

• **Key outcomes/benefits:**
  – Paperwork reduced: information and forms are on-line
  – Non-value added work reduced: enter new-hire information only once
  – System integration: automatic feeds reduce manual efforts
  – Process integrity: automated notifications and task reminders
  – Overall: positive new employee experience

• **What is still challenging:**
  – IS and Facilities’ set-up has improved, but we still experience some issues
  – Have yet to roll out to other Toro locations
  – Integrations could be stronger
Questions?