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Induction & Attachment - Ensuring ROI For New Employees

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Organisations the world over have understood the importance of “inducting” new employees to achieve compliance, competency and performance capability within a defined period of time from commencement, usually coinciding with probationary periods and the ability to evaluate their long term suitability to the business. Enormous sums of money are spent each year on attracting, recruiting and inducting employees to get to that point of determination. I am always surprised that when working with organisations on their induction offering, they are relatively unaware of the true investment that they are making in dollar terms to achieve this point of determination. In most cases if they have done some calculations it is usually associated with basic direct costs alone.

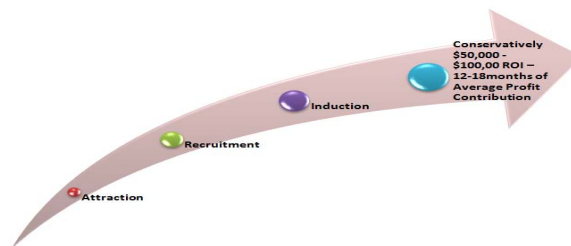
Though figures vary by organisation, our research at Sork HC shows that (conservatively) organisations will invest approximately \$50,000 in direct costs per new employee to get to the point that the employee is capable of minimum performance standards. This includes attraction costs, recruitment costs and induction/training costs. This does not factor the indirect costs associated with lost opportunity or low contribution during the induction period for both the new employee and the staff impacted by supporting their induction. Depending on the business and the position this figure will vary, but will be significant and usually exceed the direct costs. But for arguments sake let’s say this is another \$50,000.

And so if an organisation is investing in the vicinity of \$100,000 to get to that point of determination of long term suitability, it is surprising that organisations are not more concerned about getting a return on their investment (ROI). For those hiring managers reading this article, just quickly do the sums on how long an employee will need to be contributing at average profit contribution in order just to get to the point of return on investment.

Direct Costs	\$50,000
Indirect Costs	\$50,000
Total new employee investment	\$100,000
Divided by Average Profit Per Person/month	
Equals average number of months to achieve ROI	

Depending on the numbers you put in to this little table your total months will vary. However most organisations that I work with usually sit between 12 and 18 months tenure just to achieve the point of ROI. That is they have only at that time, paid back what has been spent to bring them on-board.

This is based on average profit contribution of course and individuals that are capable and motivated to perform to high levels can achieve ROI faster and those that are sitting at minimum performance standards will take longer.



So 2 variables really become significant when looking at new employees from a bottom line risk and contribution perspective:

1. Rate of attrition relative to ROI – that is how many employees leave pre and post your ROI date.
2. Effort and performance contribution relative to ROI

It is these 2 variable that organisations need to review to determine the effectiveness of their current induction offering. It is probably not surprising that most organisations come to the realisations that on one or both of these variables, they are able to improve their performance.

So how do organisations approach a review of their Induction and On-boarding services to ensure they are getting the best results possible?

The first step is to understand that the evaluation of suitability is a 2 way evaluation. Where the employer wants to make a determination relative to capability and performance, the new employee is also making determinations relative to the perceptions of “Acceptance, Belonging, Trust and Security”. While most attention over the decades has been focused on the employer and their needs, the most significant influencer on risk of attrition and discretionary effort leading to performance contribution during the first 18 months of tenure is actually based on the perceptions of the new employee.

This perception of acceptance, belonging, trust and security is known as “Attachment”.

Attachment is a naturally occurring phenomenon which has been well researched over the years in nature and holds its foundations in innate survival instincts hard coded into species that give birth to offspring that are unable to survive without the protection and support of a primary career – usually the mother. Attachment Theory research has evolved over the years from filial bonding in the animal kingdom, to human early childhood development, to adult romantic



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relationship studies.

Several years ago while working on the development of a best practice induction model and systems in the UK, I conceived the notion that Attachment Theory can apply to any social structure where a new aspiring member will go through a critical evaluation period to determine a perceived level of acceptance, belonging trust and security.

I commenced researching and was able to determine that indeed this was the case. That in any human social structure, there is a period that a new member evaluates these variables which in turn influences their likely length of membership and indeed the level of effort that they apply while a member of that social entity. This applies to sporting clubs, social groups, churches and all social structures including employment environments.

Through my research and experience over the past 15 years I have been able to identify the criteria that all new employees assess during this Critical Attachment Period (CAP) which is the first 120 days of employment. Every new employee assesses their Attachment based on a set of 20 core conscious and subconscious criteria known as “Drivers”.

Recruitment & Selection	Pre-employment	Orientation	Central Messages	Rotation
Incremental Learning	Accuracy Of Job Representation	Manager/Supervisor Alignment & Accessibility	Business Awareness	Performance Objectives
Learning Path	Reasons For Joining	Personal Vision & Career Path	Senior Leadership	Work/Life Balance
Co-workers	Physical Work Environment & Resources	Climate & Culture	Systems & Processes	Safety & Behaviour

These drivers have been researched and defined and are the basis of the ability to measurement Employee Attachment and therefore manage and control the impact of the resulting Attachment Levels for new employees.



Research shows that the most significant influencer of perceptions of Attachment during the CAP is the direct Manager. In fact over 80% of the perceptions come from the behavioural impact of the immediate manager during the CAP. It is this fact that allows the ability to measure the perceptions of the new employee, but importantly be able to report on the impact and effectiveness of the direct Manager during the CAP.

Attachment perceptions are like slow setting concrete. They are less malleable each day and take 120 days to fully harden. Having said this, we have shown that the first valid point at which perceptions of Attachment can be measured is the 90th day of employment.

It is in this unique context that I have been able to help organisations create a window of opportunity to not only measure the perceived Attachment levels for the new employee but also create a report about the impact and effectiveness of the direct Manager, and importantly provide recommendations to the Manager as to what to do in the remaining 30 days to raise any attachment driver perceptions that are lower than desired.

There are 2 primary goals in measuring Attachment in this way:

1. Protect the organisation investment in the new employee by ensuring you address any low or moderate levels of attachment thereby reducing the risk of attrition and importantly raising the discretionary effort and performance contribution during the first 18 months of tenure.
2. Provide targeted development and support to the organisation Managers who are most responsible for impacting Attachment by helping them to learn what lead to low or moderate attachment levels and working to ensure that it does not occur for future new employees.

Besides the obvious benefits of point number 1, it is point number 2 that brings us back full cycle to helping organisations review and re-develop their induction offering to ensure they not only achieve ROI for their recruitment and induction investment, but they are also positioning themselves to have long term tenure and sustainable high performance for all new employees because they have achieved a high level of Attachment. The Attachment Framework of 20 drivers should therefore be used to audit any current induction offering and be used to guide any induction development.

Whether you use a formalised measure or not, every organisation should be aware of the Drivers of Attachment and should ensure that they are doing all they can to protect their investment in new employees. If you do not then you are risking one of your most significant business investments and will be forced into repeating this investment time and time again.

If you would like to know more about best practice inductions, Employee Attachment or other services offered by Sork HC then you can visit www.SorkHC.com.au or contact Anthony Sork directly Anthony@sorkhc.com.au.