Global companies are looking for innovative ways to accelerate the onboarding of new hires, improve employee engagement, and reduce time-to-competency. Effective onboarding is important in helping new hires to add value quickly, as well as to become engaged and productive members of the company culture. A well-designed onboarding program can give companies an edge in securing a deep bench of high performers and a strong pipeline for future leadership, both of which are critical.¹

Today’s onboarding programs, however, face new and difficult challenges posed by a geographically dispersed, multigenerational workforce. As we describe in this research bulletin, the use of virtual onboarding can provide global companies with solutions to meet these demands.

This research bulletin addresses the following questions:

- What is “onboarding,” and when does it begin and end?
- Why is 21st-century onboarding such a challenge?
- What is “virtual onboarding?”
- How are high-impact global organizations taking a virtual approach to onboarding? What leading practices and innovations can be learned from their experiences?

What Is Onboarding?

Bersin by Deloitte defines the general concept of “onboarding” as “the process of hiring, orienting, and immersing new employees in their roles and in the organization’s culture.” Also known as “organizational socialization,” onboarding refers to the way new hires acquire the necessary knowledge, skills, and behaviors to become effective in their roles and involved in the organization’s culture. Traditionally, onboarding has been delivered in person, through formal meetings, lectures, videos, printed materials, or computer-based orientations, all of which serve to introduce employees to their new jobs and organizations.

Key Questions

Although the concept of onboarding seems straightforward enough, a quick look at industry research and other publications reveals some key questions:

- **When Does Onboarding Begin?** Traditionally, onboarding (or orientation) began when the new employee reported for his or her first day of work and ended with the completion of formal orientation activities. Many of today’s high-impact organizations begin onboarding immediately on acceptance of a job offer and continue the process throughout the entire employee life cycle.

- **How Long Does Onboarding Last?** Previous Bersin research noted that a high percentage of today’s companies are extending onboarding beyond the first six months of employment. These companies are integrating their onboarding process with the

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2 “High-impact organizations” are those that optimize their strategic talent management expenditures to drive the highest possible levels of impact and effectiveness for their respective companies and stakeholders. For more information, *The Top Best Practices for the High-Impact HR Organization: Executive Summary*, Bersin & Associates / Stacey Harris, December 31, 2010. Available to research members at [www.bersin.com/library](http://www.bersin.com/library).

recruitment, development, and retention stages of the employee life cycle.⁴

- **How Does Onboarding Differ from “New Employee Orientation”?** Some analysts view new employee orientation as an “older” process with goals that do not extend beyond a basic introduction to the company and its policies and procedures. In fact, the evolution from simple concepts of “orientation” to more formal onboarding, and then to “strategic onboarding,” involves a different set of activities, extended time commitments, advanced technologies, and clear ownership of the onboarding process itself (see Figure 1).⁵

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**Figure 1: The Evolution of Strategic Onboarding**

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What Is Strategic Onboarding?

Onboarding continues to rapidly evolve into a high-impact, strategic area for talent management. And although a recent article in *Talent Management* points out that many companies are cutting resources for all types of learning initiatives, including onboarding, more innovative companies are investing in redesigning their onboarding programs—leveraging new virtual technologies—to deliver results with fewer resources.6

As a result, the focus of these companies shifted from a tactical war for talent to hiring, onboarding, and retention activities that are strategic, performance driven, and experiential. Figure 1 illustrates this evolution from the early days of “new employee orientation” to the use of “strategic onboarding” as a tool for talent management.

Beyond aligning with business goals, designing a strategic onboarding program means building a new hire experience that creates an impression and reputation unto itself, thereby strengthening an employer’s brand.7

Bersin by Deloitte developed an onboarding model that defines the types of value provided at different levels (see Figure 2) and the characteristics of strategic onboarding.

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7 Ibid.
Virtual Onboarding for Today’s Global Workforce

Katherine Jones, Ph.D. | Page 5

Why Is 21st-Century Onboarding Such a Challenge?

Finding and hiring skilled new hires, assimilating them to the workforce, and retaining them as engaged and productive employees has always been an essential goal of talent management. However, as shown during the initial decades of the 21st century, the difficulty in achieving this goal is increasing due to a number of challenges that are dramatically reshaping the workforce and work environment. These challenges are as follows:

• **Global Workforce.** Today’s global companies have a combined workforce that is widely dispersed across multiple continents, time zones, and geographies. As a result, they must deliver onboarding experiences that contain accurate, complete, and appropriate messaging to all employees. They must also deliver onboarding experiences that are cost effective and content that is most pertinent to the new hires in each geography. Global onboarding

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programs should provide worldwide consistency while allowing for local programs to address geographic and cultural differences.

- **Multigenerational Workforce.** By 2014, millennials are expected to comprise 36 percent of the U.S. workforce, and by 2020, millennials will total nearly half of all workers.\(^9\) For the first time in modern history, workplace demographics now span several generations, meaning that 20-year-old new hires can find themselves working side by side with colleagues who are older than they are by as much as 50 years. These demographic characteristics impact corporate culture and employee productivity because priorities, attitudes, and work styles differ with each generation.

- **“Home Office” Workers.** Working from a home office or from multiple locations has become a common feature at many global organizations. Individuals working by themselves in remote locations present challenges for cultural assimilation, team building, and job-specific training.

- **Engagement of New Hires.** Engagement of new hires begins early in the recruiting process and is sometimes ignored at the critical period between when the person accepts an offer and the day he or she actually begins work. This time period, which can be fairly long, is a crucial time for increased engagement on the part of the company.\(^10\)

- **New Hire Retention.** Retention of skilled workers has always been a strategic goal for talent management. Given today’s level of competition for new talent, companies are even more keenly focused on retention, as well as on having new hires stay beyond their first year, become leaders within the organization, and meet company productivity goals.\(^11\)

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• **Cost Containment.** There are substantial costs to onboarding that can be reduced by eliminating in-person training and repetition of nonstandardized programs around the world. Another opportunity for cost containment is that of new hire retention because the loss of new hires represents a significant cost. As we discuss in the next section, virtual onboarding provides a number of opportunities for containing (and cutting) new hire costs.

**What Benefits and Opportunities Does Virtual Onboarding Offer for Meeting These Challenges?**

Virtual onboarding and virtual learning environments (VLEs)\(^{12}\) can be used to overcome the challenges of onboarding in several ways. However, before looking at the specific benefits and opportunities of virtual onboarding, let's take a moment to specifically define this concept and review the essential role that technology plays in virtual onboarding.

**What Is Virtual Onboarding?**

“Virtual onboarding” describes new hire programs delivered over the web that complement or replace in-person new hire onboarding. It allows the new employee to more readily become assimilated to the corporate culture, with the advantage of consistent, standardized, new hire messaging and content delivered anywhere around the world and on any device. Virtual onboarding also enables organizations to begin the onboarding process with a new hire’s offer letter and continue it throughout the employee’s first year (or more) at the company.

\(^{12}\) VLEs can incorporate e-learning, informal social learning, and virtual classroom learning, and often provide a wide variety of enculturation experiences for the new hire. For more information, Using Virtual Learning Environments to Meet Today’s Critical Talent Needs, Bersin & Associates / Mark Vickers, September 28, 2012. Available to research members at www.bersin.com/library.
The Role of Technology in Virtual Onboarding

The very nature of virtual onboarding implies that technology will play a major enabling role. Increasingly, mobile technologies, smartphones, tablets, and other types of wireless devices are integral to today’s virtual onboarding. The effective application of various types of technology is critical to the efficiency and consistency required for successful onboarding programs.\(^{13}\)

In fact, Bersin research found that high-impact organizations are able to reduce costs, engage new hires, establish organizationwide consistency, and extend their virtual onboarding programs through the use of technology. As discussed previously, technology can also help to address different generational expectations during the onboarding process (e.g., millennials’ preference for interactive media tools and access to social networking sites).

When we describe a “virtual” approach to onboarding new members of the workforce, we are describing a talent management process likely composed of social interactions (as discussed later in this section), as well as other formal or self-paced learning and development experiences. A virtual approach to onboarding also means that the program is supported and enabled by VLEs, online collaboration tools, and other technologies that allow it to bridge geographically disperse work zones.

VLEs are essential enablers for virtual onboarding. By combining interactive virtual locations, training centers, virtual mentoring, social networking, and other collaboration tools, VLEs create an engaging onboarding experience for wide-ranging programs and employee needs. Moreover, VLEs enable new employees to access training courses at any time and from any location.

\(^{13}\) “Virtual” is an umbrella term with a range of meanings that generally refers to web-based models of traditional real-world activities and locations. For more information, Using Virtual Learning Environments to Meet Today’s Critical Talent Needs, Bersin & Associates / Mark Vickers, September 28, 2012. Available to research members at www.bersin.com/library.

VLEs serve as a foundation for meeting the onboarding requirements and learning needs of a geographically dispersed and mobile workforce by enabling a consistent experience for employees that can enhance time-to-competency and assimilation to the corporate culture.

**Virtual Onboarding Enhances Employee Engagement for a Geographically Dispersed Workforce**

Many global companies are struggling with the results of ineffective onboarding programs across all segments of their global workforce. Their onboarding programs are also often inconsistent and costly because face-to-face onboarding requires repetitive allocation of resources. In addition, traditional new employee orientation programs do not always create effective employee engagement or onboarding to the company’s unique culture.

As evidenced in a report from the Illinois Institute of Technology (IIT), Libby Hemphill and Andrew Begel found that geographically dispersed workers often experience difficulty in adapting to their work environments. In fact, Hemphill and Begel found evidence that inadequate onboarding of a global workforce can significantly impede the performance, productivity, and morale of geographically dispersed employees.\(^\text{15}\)

Virtual onboarding offers an opportunity for the expeditious delivery of complete, timely, and cost-conscious onboarding. Enabled by VLEs, virtual onboarding is particularly well suited for global companies that want to provide consistent delivery of the company’s branding messages, cultural norms, and employee expectations, while facilitating the socialization of a workforce widely dispersed over numerous countries and continents.

Virtual Onboarding Enhances the New Hire Experience for a Multigenerational Workforce

All new employees—from baby boomers to millennials—want to feel welcome within the company culture and productive as members of a multigenerational workforce. Some of the areas in which virtual onboarding enhances the new hire experience for a multigenerational workforce include the following:

- **Leveraging Social Media and Appealing to Millennials.** Although some organizations develop their own social networking sites, others are integrating popular social media tools into their onboarding strategies. Virtual onboarding solutions (and the VLEs that support them) can provide social media capabilities for new hires and all members of the work community surrounding them. Particularly important for millennials, social media is at the heart of their world. It allows them to connect with coworkers and friends globally at great speed.

- **Avoiding “One Size Fits All” Onboarding.** An essential step in developing a virtual onboarding strategy for multigenerational workers is to understand the different expectations and priorities each generation demands from a new employer. The flexibility and creativity enabled by virtual onboarding allows all types of global firms to tailor their onboarding experience for workers of any age.

Virtual Onboarding Promotes Cost Containment

In addition to accruing the benefits of efficiency and quality, virtual onboarding can help to contain rising costs for onboarding and retaining new hires. Cost containment is critical for today’s talent management leaders because of the sizeable financial losses that poorly executed onboarding can bring to an organization.

The primary opportunity for cost containment is eliminating in-person onboarding training and the repetition of nonstandardized onboarding programs across the company. Virtual onboarding done well enables the delivery of a uniformly high-quality, consistent, and standardized onboarding experience for all employees.
Another opportunity for cost containment is that of new hire retention. The untimely loss of new hires represents a significant cost. As reported in a recent study, one-fourth of all newly hired workers leave their company within a year of being hired—at an average cost of $10,731 for recruiting, hiring, onboarding, and training each lost employee. Add to that figure the cost of temporary replacement workers, lost productivity costs, and the intangible “cost” of damaged morale for workers who remain.

As an effective alternative, virtual onboarding can help new hires to become better engaged and add value quickly, as well as serve as a powerful tool for cost containment in a variety of ways:

- By reducing time-to-competency, organizations are able to more quickly convert new hires into productive and profitable employees.
- By reducing the time required to deliver relatively expensive onboarding program components (e.g., classroom training, manager coaching, time lost by subject matter experts (SMEs) who teach or provide new hire mentoring), virtual onboarding can also reduce costly investment in one or more of these activities.
- By reducing or eliminating the high costs of travel, lodging, and nonproductive time away from the job, virtual onboarding can make a substantial contribution to a company’s overall cost-containment efforts.
- In addition, virtual onboarding done well has the potential to reduce employee attrition, and thus contain costs.

**Virtual Onboarding Helps to Reduce New Hire Time-to-Competency**

In many organizations, reducing time-to-competency for new employees is a critical driver of profitability. In fact, reducing time-to-competency for new hires can mean more products developed, more

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services delivered, more orders filled, more deals in the pipeline, more marketing activity, and/or more customer contact.

Virtual onboarding (supported by VLEs) can help to significantly decrease time to proficiency by providing effective (formal and informal) training and knowledge sharing, and by enabling new hires to more quickly “join the conversation.”

Looking beyond the standard types of formal training that virtual onboarding can facilitate, new hires may benefit equally from participating in the informal and cultural learning that occurs every day in the business. As we discuss further in this report, virtual onboarding can also provide access to the ongoing activity stream—popular links and insights, internal chatter, and questions being asked—of the workgroup and the entire company. These virtual onboarding features will not only reduce time-to-competency through delivery and access to job skills training but will likely also help to integrate new hires much faster and more effectively into their new work groups and relevant “conversations.”

Virtual Onboarding Facilitates Social Interaction

Virtual onboarding supports and facilitates the social element in onboarding new hires to the company culture and work assignments. Particularly if new workers are located remotely, VLEs enable the individual’s manager to interact with the new hire in a welcoming, informative, and supportive manner. Virtual onboarding also enables a company to:

• Leverage managers’ valuable knowledge and experience, easing their ability to mentor new hires regardless of location.

• Enable SMEs to serve as online training facilitators, helping to enhance the real world applicability of lessons and quality of learning experiences.

In addition, virtual onboarding environments provide new hires with a quick and easy way to learn to navigate their new work environments and facilitate communication with colleagues throughout the company.

**Pulling It All Together: Virtual Onboarding at Marriott International**

Here we look at Marriott International, an example of a high-impact organization that leverages virtual onboarding. The following Case in Point provides an in-depth analysis of Marriott’s approach to virtual onboarding built on a VLE and the use of innovative strategic onboarding practices.

**Case in Point: Virtual Onboarding at Marriott International**

Marriott International is a leading lodging company based in Bethesda, Maryland, with more than 3,800 properties in 74 countries and territories. Reporting revenues of nearly $12 billion in fiscal year 2012, the company operates and franchises hotels and licenses vacation ownership resorts under 18 brands, including Marriott Hotels & Resorts, The Ritz-Carlton, SpringHill Suites, and Residence Inn. Marriott has approximately 325,000 employees and is consistently recognized as a top employer.

Marriott’s Global University Relations and Recruiting program, one of the company’s key recruiting tools, is used to attract outstanding university graduates from leading hospitality management schools and culinary programs worldwide. Once hired, these new employees participate in Marriott’s leadership development program, “Voyage,” the company’s innovative virtual onboarding environment.
We give new college hires a platform that helps accelerate their career development and progression, increases overall retention of future leaders, and sets them up for success at Marriott.

Vice President of Global Talent Acquisition Services, Marriott International

Prior to implementing Voyage, Marriott used three onboarding programs. These programs were designed for separate brands and different geographies; they were paper based and used what Marriott’s Vice President of Global Talent Acquisition Services called a “dated” approach to onboarding. Recruits were required to print materials from the company’s intranet and were provided limited opportunities to communicate or collaborate with global colleagues, managers, or company leaders. In addition, the older programs did not scale for Marriott’s rate of growth and were not aligned with the talent pool the company was recruiting—lacking the interactive technologies, social media, and mobile capabilities most attractive to millennials.

To address these problems, Marriott’s global talent leaders conducted a wide range of focus groups with key constituencies (e.g., college students, managers, recruiters) and with previous onboarding participants. Based on this feedback, the company took the best parts of its old programs and evolved them into the Voyage virtual onboarding environment, which contains social media, webcasting, mobile technology, and access to traditional learning management system functions. In contrast to Marriott’s previous programs, the Voyage environment is built around the social aspects of communication, participation, and connection (see Figure 3).
Based on a multifunction VLE, Voyage is designed to accomplish several of Marriott's key goals:

- Enable recruits to quickly, effectively, and confidently assimilate to company culture. Marriott's culture is a distinctive blend of common values, goals, actions, and images that portray the company's core values.

- Provide global onboarding that is flexible and reaches employees working in Marriott properties around the world. The Voyage virtual onboarding environment is available in 22 languages.
Case in Point: Virtual Onboarding at Marriott International (cont’d)

- Provide easy access to clear learning paths and a wide variety of learning resources. These resources may include PDF learning guides, e-learning coursework, webcasts, self-study materials, traditional classroom sessions, access to events such as The Leadership Series (featuring senior executives), and live chat capabilities with company leaders (see Figure 4).

Figure 4: The Voyage Onboarding Curriculum Is Accessible in the Virtual Library

Case in Point: Virtual Onboarding at Marriott International (cont’d)

- Complement recruits’ on-the-job experience with both required learning activities and self-selected optional learning opportunities that expand their knowledge of Marriott’s functional areas (e.g., engineering, culinary, housekeeping, payroll, scheduling).

- Encourage engagement and active participation by all newly hired graduates. Voyage provides activity statistics that indicate which new hires may not be actively using the learning and communication resources at their disposal within the virtual environment. Managers can communicate with them directly to encourage more active participation (see Figure 5).

Figure 5: The Network Café Encourages New Hire Conversation

Case in Point: Virtual Onboarding at Marriott International (cont’d)

Voyage was implemented in January 2013 with 65 new hires and the expectation that approximately 550 recruits globally will enter the 12- to 18-month program throughout 2013. As a Marriott management trainee, each “Voyager” goes through the program, guided by a coach and a champion, and then transitions to a leadership role within the company on successful completion.

Although still a young program, feedback from Voyage participants thus far has been very positive. Participants can share feedback within the social media channels that Voyage provides, and the software program itself also generates global and targeted participant surveys and provides analysis of the resulting data.

Marriott’s Vice President of Global Talent Acquisition Services says that he is still learning lessons from the Voyage virtual onboarding experience. He offers this advice to others seeking to create such an onboarding initiative:

First, make sure you gain feedback from your target audience to ensure that you have hit the mark. Second, provide a rich variety of tools, resources, and connections to everyone who will use the virtual onboarding environment, including company leaders, recruiters, and managers. Finally, know your population; know how they like to communicate and how they learn best. Most of all, understand what excites them about their new company. We spent a lot of time understanding these data in the beginning and it really paid off....As a result we have received a positive reception from recruits and schools around the world who are excited that Voyage is geared toward their learning content and their connectivity with Marriott.
Conclusion

Done well, virtual onboarding helps to build employee morale and accelerates time-to-competency, thereby increasing the likelihood that each new hire is engaged and effectively contributing to the organization’s goals. The business benefits of consistency and the cost savings derived from decreased reliance on people-led onboarding are both compelling. In addition, Marriott’s virtual onboarding environment exemplifies the leading practices we discuss in this research bulletin. These practices are as follows:

• Enabling recruits to quickly, effectively, and confidently assimilate to company culture and become engaged employees.

• Providing a global onboarding platform that is flexible and customized to a wide range of language and cultural requirements.

• Providing easy access to learning resources, collaboration opportunities, and links to coworkers around the world.

With its potential for increased engagement, virtual onboarding can serve as a major tool for containing the spiraling costs of new hire onboarding and managing significant financial losses resulting from the premature loss of new hires.
Global companies are looking for innovative ways to accelerate the onboarding of new hires to enhance retention, reduce time-to-competency, and help to contain substantial costs invested in the recruiting and hiring process.

“Virtual onboarding” describes new-hire programs delivered over the web that eliminate the necessity for in-person new hire orientation and onboarding. It allows the new employee to become more readily assimilated to the corporate culture, with the advantage of consistent, standardized new hire messaging and content delivered anywhere across the globe.

Virtual learning environments (VLEs) have the power to remotely enable virtual onboarding programs within a multigenerational and globally connected world. Virtual onboarding practices enable a shift from the traditional “one size fits all” model toward a recognition of the diversity of today’s global workforce.

Virtual onboarding is a major tool for containing the spiraling costs of new hire onboarding. It is particularly well suited for global companies that want to provide consistent delivery of the company’s branding messages, cultural norms, and expectations while facilitating the socialization of a workforce widely dispersed over numerous countries and continents.
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