

A black and white photograph of a hand holding a magnifying glass over a row of wooden figures. The image is split vertically by a blue bar. The left side of the blue bar contains the text. The right side shows a hand holding a magnifying glass over a row of wooden figures. The background is a blurred office setting.

## **THE NEW HR:**

Strategies to attract, retain, and engage employees in a time of extraordinary change

**Rehmann**

## ABSTRACT

Given the recent and rapid changes in where and how people work, the precipitous economy, inflation pressures, and a tempestuous labor market, having a strategic HR team is no longer a luxury; it's an essential. For the purposes of this white paper, we'll focus on what a strategic HR team can (and should) do at the beginning of the employee lifecycle. And we'll share some of the strategies Rehmann's HR solutions uses to attract and hire the right talent; implement an efficient and effective onboarding program; set clear expectations; and foster connection and commitment to the company and its culture, enabling you to lay the foundation for an able, engaged, and resilient workforce for years to come.





## INTRODUCTION

The pandemic and its aftermath posed myriad challenges and taught many lessons, but if there's a singular transformative takeaway for business owners, it's this: No one can predict the future, but if your business is to survive, best the competition, and achieve the goals you've set, it must have an able, engaged, and resilient workforce ready to adapt quickly to sudden changes in internal and external circumstances.

Conveniently, proof of the people best positioned to help businesses build that kind of workforce and navigate change also came courtesy of the pandemic and its wake: human resource professionals. In companies of all sizes, these skilled pros demonstrated again and again how crucial their role is in an organization's ability to withstand and respond to change but also how impactful strategic HR teams can be in propelling the organization and its people forward.

“Human resources are the most dynamic and versatile resource of an organization. They serve as the key factor that keeps the organization's progress wheels in rotation,”

– Shwati Sudha and Ankita Singh,  
*“Research Anthology on Business Continuity and Navigating Times of Crisis.”*

# THE PROBLEM

Unfortunately, for most small- and mid-sized companies, an adequate, let alone strategic HR team is often perceived as an out-of-reach luxury. In an effort to save money, many small- and mid-sized business owners try to handle basic HR functions themselves — a sure recipe for bare-minimum HR operations and overwhelm for leaders already in a highly demanding role.

If a business owner employs any human resource personnel, it's often only one or two people wearing multiple hats to fulfill the basic but nevertheless broad scope of administrative needs critical to run and protect the business:

- Posting jobs
- Interviewing and hiring talent
- Formulating compensation and benefits packages
- Creating and implementing employee training and development programs
- Managing personnel records, relations, and payroll
- Keeping pace with tax and labor laws and health and safety regulations
- Proactively updating company policies and practices to ensure continuous compliance\*, reduce costs, and defray risk.

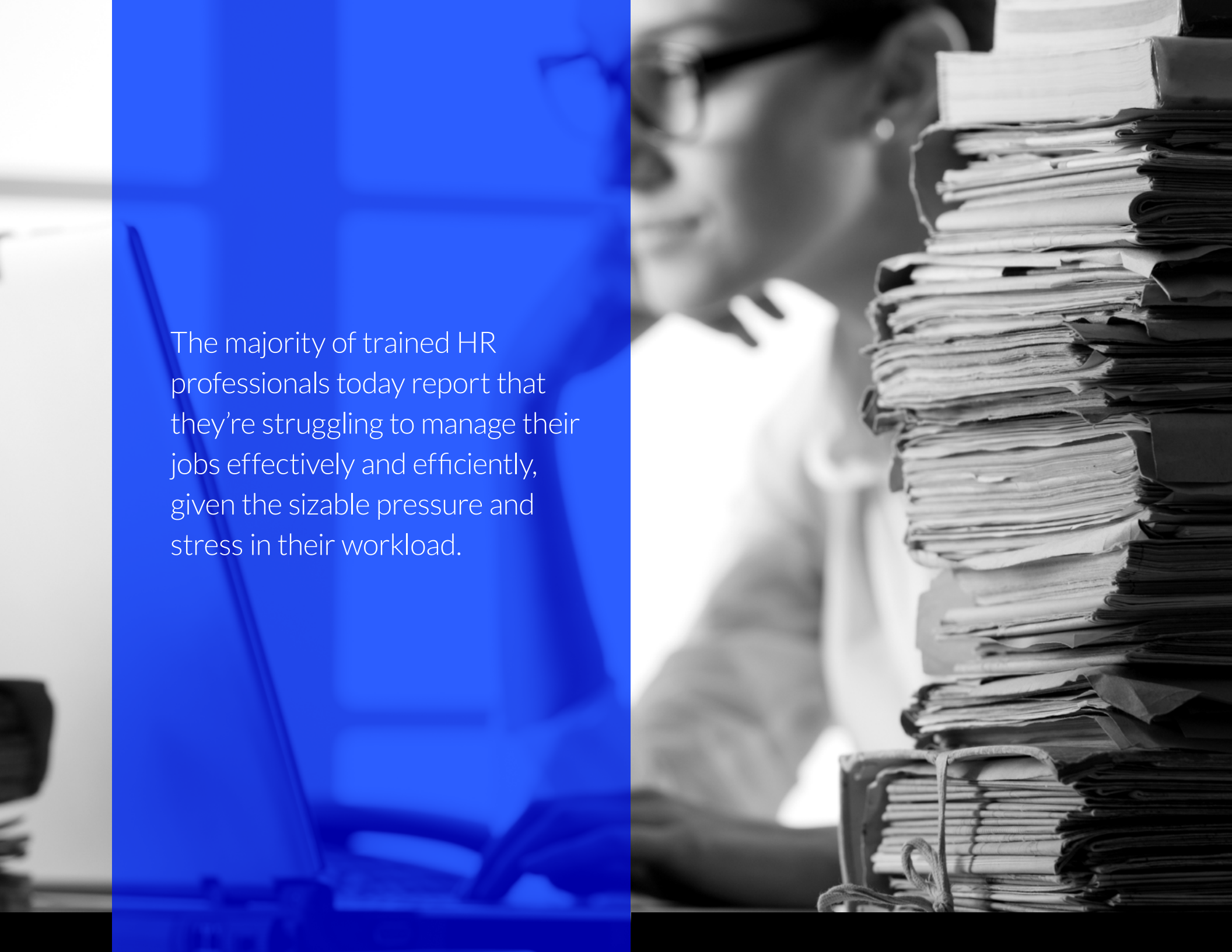
*(\*In companies with 50 employees or more, proactive compliance is especially important because FMLA, ACA, and other state and federal regulations come into play.)*

While appointed “HR staffers” spend about **20 percent** of their time on workforce issues, **82 percent** have no formal HR training.

**The bad news:** About 70 percent of the time, in businesses with five to 49 employees, the one or two people tasked with those vital functions are employees with little to no experience in workforce issues, and many have another role in the company: About 23 percent also serve as office administrators while 12 percent work in finance, according to ADP’s Ad Hoc Human Resource Management Study.

The study also found that while these appointed “HR staffers” spend about 20 percent of their time on workforce issues, 82 percent have no formal HR training, 81 percent of them aren’t confident in their HR skills, and only 20 percent trust their abilities to manage HR “without making a mistake.”

**Worse news:** Regardless of the size of the company or its HR team, even the majority of trained HR professionals today report that they’re struggling to manage their jobs effectively and efficiently, given the sizable pressure and stress in their workload. A 2022 study that surveyed more than 520 HR professionals in the United States and U.K. found that 73 percent said they’re under-resourced, 94 percent said they felt overwhelmed in the past six months, and 97 percent of respondents said they felt emotionally fatigued by work over the past year.



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# THE SOLUTION

Given the amount of day-to-day responsibilities and potential impact HR can have on a business's safety, stability, risk, and future success, businesses today—and their workforce—require more of their HR staff than in decades past.

To navigate the post-pandemic business environment, unbalanced labor market, and worsening economy, businesses today need an HR team equipped with the people, processes, and best practices necessary not only to master but also move beyond the multitude of basic administrative functions.

The new HR must be a lean, strategic partner—one with the bandwidth, experience, tools, and resources to build and strengthen a company's workforce, develop and drive strategic initiatives that align with the company's mission, values, and goals; and, ultimately, create better outcomes and results for the business—all vital to a company's ability to remain agile and resilient no matter what challenges and changes are ahead.

## **So, the big question: What does a strategic HR team do differently?**

At the earliest part of the employee lifecycle, the typical HR approach looks like this: Draw up a detailed job description, post the position, hope people apply, review applications, interview, make offer, hire.

In a pre-pandemic labor market, that might have been enough. Today, and for the foreseeable future, it's not. Labor demand exceeded supply by as many as 5.9 million jobs in 2022. It's predicted to slow somewhat in the coming years, but Fitch Ratings predicts the job openings rate, 6.5 percent as of November 2022, will only decline to 5.2 percent in 2024.

Translation: An imbalance between labor supply and demand will remain, putting continued pressure on wages and, with it, competition for talent.

## **Attracting the Right Talent**

One strategy HR can use to help companies stand out and attract talent is—after salary benchmarking to ensure a fair and competitive wage for the desired role, of course—is marketing not just the job, but the company itself to job-seekers.

Much like product branding for customers, employer branding is a highly impactful method of showing the company's story and culture: What it's like to work there, how employees feel about their jobs, how the employees experience their contributions to the workplace, and, through customers' voices, what the customer experience is like.

Small and mid-size businesses—especially those that are privately held—might not have the big dollars and marketing muscle behind them, but a strategic HR team can still help them tell their story organically on their website and social media channels.

For instance, instead of only listing job openings on your company's careers page, imagine also showcasing short videos of select employees sharing their personal experience with their work. Imagine the president or owner of a company walking viewers around the offices or facility, explaining the company's vision, values, and the kind of people they're looking to hire, and then asking viewers who believe they possess those qualities and share those values to apply.

Showing the experience of working at the company, its culture, is far more telling and personal than a job description alone. It serves as both a vetting device—applicants who don't see themselves in that environment won't apply—and a method of attraction and connection for employees who do.



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## Onboarding to Engage & Retain

The typical onboarding experience for new hires usually includes a tour around the facility, brief introductions to co-workers and key personnel, and several hours filling out forms, reading up on company goals and policies, watching training and safety videos, and job shadowing—usually over a week or two.

Good enough? Not according to the more than 31 million respondents who shaped Gallup's latest State of the Workforce report: Only 12 percent of employees agree that their organization does a great job of onboarding. In addition, only 29 percent of new hires felt they were prepared and supported to excel in their new role.

Part of the problem is that many organizations confuse orientation with onboarding. According to the Society for Human Resources Management, "Orientation is necessary for completing paperwork and other routine tasks; onboarding is a comprehensive process involving management and other employees and can last up to 12 months."

Take a look at your own onboarding process. Is it primarily made up of routine tasks and administrative work—filling out forms, reading, watching videos, etc.—with a few days of job shadowing thrown in? That's orientation.

Consider the impact it might have on new hires if you made the administrative portion more structured and efficient—say, capturing the necessary employee information electronically rather than manually (reducing the opportunity for mistakes and input time spent by HR)—and devoted more time to a richer, more robust onboarding process.

What if, instead of focusing primarily on paperwork and policies, your organization's onboarding process was designed to emphasize the employee's connection between their role (and why it matters) and the company, its people, and culture? What might that look like?



## Establishing Clear Expectations

You might assume that the written job description used in the recruiting and hiring process is all that a new employee needs to understand what is expected of them in their new job. If so, you might be surprised to learn that less than 50% of employees polled said they had a strong sense of clarity of expectations in their role according to a study by workplace research firm Effectory.

Imagine, if you can, an organization where fewer than half the employees understand what they're supposed to be doing. And just as critical, they don't clearly know what their manager or top leadership expects of them in their role. Frightening, isn't it?

Research shows that a lack of role clarity isn't just stressful and uncomfortable for the employee (though Gallup shows it's one of the top five causes of employee stress and burnout). It's also a primary factor driving an employee's productivity, satisfaction with leadership, and intention to stay. In fact, employees who experience role clarity are shown to be 53 percent more efficient and 27 percent more effective at work than employees who have role ambiguity.

A win-win for both company and employee, establishing clear expectations objectives should be a continual effort throughout an employee's tenure and the earlier that effort begins, the earlier they'll be able to contribute to the company's objectives. It is also important to clarify that it is part of the manager's role to establish clear expectations and foster the continual support of their employees; this critical responsibility does not rest solely on the shoulders of HR.

Giving a new employee clarity about their role means going beyond the job description and outlining the job's essential tasks, responsibilities, processes, and performance expectations. Think of it as helping an employee develop a strategic plan for their position and career path.

Clear and concise, the plan should offer a framework that includes the what, when, where, and—in terms of prioritization, not procedures—the how of getting their job done. It should also zoom out to show the employee how their role and responsibilities fit within their team and the company, as well as how their individual goals and objectives align.

New employees should also understand the roles of their colleagues, as well as the services and products their own role produce. A clear understanding of their contributions, and their impact on the company or community, shows new hires how and why their work matters, an essential component that not only establishes clear direction but also sparks motivation and connection to a greater purpose.

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## Fostering Connection & Culture

Fostering a sense of belonging is an important component of onboarding, yet many companies, managers, and HR teams overlook or simply don't have the bandwidth to support this process. They make introductions, perhaps a company announcement, and then leave it to the new hire to connect with their colleagues in time.

For some new employees, that might work out fine, but for others—say, those who are more introverted, or perform more isolated functions within the company, or work under a manager who is already overwhelmed and eager to get the employee up to speed and working (read: lacks effective on-boarding training)—it can feel chaotic, impersonal, and even alienating.

Given that multiple studies show that roughly 20 percent of employees quit within their first 45 days of employment (and GetHired.com estimates that replacing one quitter costs \$3K to \$18K), it's in everyone's best interest to implement efforts that help employees feel a sense of belonging early on.

Consider out-of-the-box strategies. What if your HR team created a series of opportunities for the new hire to engage with co-workers, leaders, and other key personnel, as well as experience events and activities that underscore the company's culture? What if those opportunities happened over a period of months rather than days or weeks?

Other onboarding ideas:

- Pairing the new hire with a selected mentor or buddy within the company
- Having mentors personally reach out to new hires before their first day at work
- Establishing mentors as primary navigators on Day 1 and having them continue to meet with the new hires—to answer questions they might be intimidated to ask higher ups in their department, to introduce them to employees in other departments, and to offer insights into company processes, culture, and other aspects of the company that only a more experienced employee can do

These efforts don't only benefit the employee — they reap significant benefits for HR and the company itself. Research by Brandon Hall Group found that organizations with a strong onboarding process improve retention of new hires by 82 percent, a dynamic that in turn boosts productivity by more than 70 percent. Bamboo HR finds that employees who experience good onboarding are 18 times more likely to feel committed to their companies.

**What does a deliberate, well thought-out onboarding process include and entail?**  
[Click here to learn more about Rehmann's on-boarding knowledge and expertise.](#)



## CONCLUSION

As a key touchpoint throughout every aspect of the employee lifecycle and a primary channel linking all employees, their teams, departments, and leadership, HR is uniquely positioned to impact companies in the most substantial ways: attracting the right talent; engaging employees; strengthening company culture; aligning the company's mission, values, and goals; driving strategic initiatives, and ultimately, engendering better outcomes and results for the business.

And while the responsibilities of any HR team are vast, the task of building and developing an organization's people is one of the most critical roles in every business' strategy, success, and even survival. Employees are often referred to as a company's most "valuable asset"; this identifies them as possessions, and not people. Assets can be replaced; people are not so easily replaced, especially with all of the specialized knowledge and expertise they personally possess and take with them when they walk out your door. Assets depreciate, needing ongoing investment for upgrading or replacement over time. To truly value your people, from the very first hello on their first day to the months and years that follow at your company, it's important to show them how invested you are in them and their ongoing career development.

Maximizing an employee's potential—and that of the company—begins the moment your company lists an open position, and it continues throughout every employee's hiring, onboarding, and tenure. It's not just about hiring the right people, or cultivating employees' sense of belonging, or clearly defining expectations at the outset—though, as shown, how a company approaches the early part of the employee lifecycle has significant impact on long-term performance, engagement, and retention.

**A strategic HR team recognizes that building, engaging, and retaining talent is an ongoing process. And a strategy-led company requires an HR team that is made up of the right people armed with the best practices and processes necessary to support, protect, and grow its organization, no matter what challenges and changes are ahead.**

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