

# Getting Up to Speed

## Revamped program compresses employee 'time to competency.'

By Dan Sussman

PROFESSIONAL STAFFING companies devote their efforts to helping their clients fill open positions. Consequently, it only makes sense that these staffing organizations are skilled at filling slots in their own organizations as well and, in fact, it's an ongoing practice, since staffing organizations have an average turnover rate of approximately 50 percent per year.

One of the biggest companies in the field—Atlanta-based Randstad North America—is above average in this regard, with a turnover rate of about 45 percent. Nevertheless, says Vince Eugenio, the company's chief learning officer (CLO), the constant churn takes its toll.

The company always has a significant number of new, not-ready-for-prime-time employees whose productivity is limited by their need to get up-to-speed through experience and training. At Randstad, however, a new, improved onboarding program—anchored by a new, flexible learning management system—is yielding substantial benefits. The company is trimming new employees' time to competency, improving employee satisfaction, and increasing the accountability of managers.

### Productive employees

Randstad North America is a subsidiary of Netherlands-based Randstad Holding,

which is among the world's largest providers of professional staffing services. Randstad Holdings comprises 3,000 offices in 16 European and North American countries. In 2004, the company's 12,500 employment experts put 250,000 people to work every day.

Randstad's success is largely dependent on the quality of its staffing agents. They're the ones who are dispatched to branch offices throughout the continent to bring in the clients and provide day-to-day service. In Randstad's case, those activities generate a hefty \$1.3 billion in revenue per year, so it's essential that new agents become as productive as possible as quickly as possible.

And that was the problem, says Eugenio. The content of Randstad's onboarding program was solid, but the manner in which it was delivered left a lot to be desired. For one thing, most of the training took place in instructor-led classroom sessions that were time-consuming and resource-intensive. The entire program involved six weeks of concentrated effort by new hires. Speedy? Yes. Effective? Lots of room for improvement, says Eugenio.

"Generally, the new hires were getting so much information in their first couple of weeks that they were completely overwhelmed. They just couldn't absorb all that information," he says.

In addition, nearly all of the course materials were on paper, making distribution and reproduction difficult and a drain on resources. Further aggravating the situation was Randstad's home-brewed LMS, which had become outmoded and limiting.

"Its base functionality was around the registration and tracking of classes. However, it didn't provide us with the robustness we needed in registration, e-learning, and reporting. It also didn't allow us to manage all types of delivery modes," the CLO says.

In addition, the learning and development group was blind to how well trained employees actually were. The lack of a sufficiently capable LMS made it difficult to determine whether employees had gone through the full course of training and to evaluate how much learning had actually taken place.

### Onboarding overhaul

Clearly, meeting the challenges would require a substantial overhaul of the program, including improved methods of learning delivery, altered schedules, and better accountability. Key to accomplishing the task was Cornerstone, an LMS developed and marketed by Cornerstone (formerly CyberU).

"We looked at a number of different vendors before deciding on Cornerstone," says Eugenio. "They had a well-integrated human capital system that enabled evaluation and accountability. Also, we didn't want to host a system on our own servers, and Cornerstone is delivered on an Application Service Provider model, so that fit into our plans as well."

Cornerstone provides Randstad with the ability to make a consistent set of e-learning courses available to employees regardless of their location. It also enables the company to track the progress of all employees in training as well as evaluate the effectiveness of the training. All coursework and reports are available through an easy-to-use Randstad web portal.

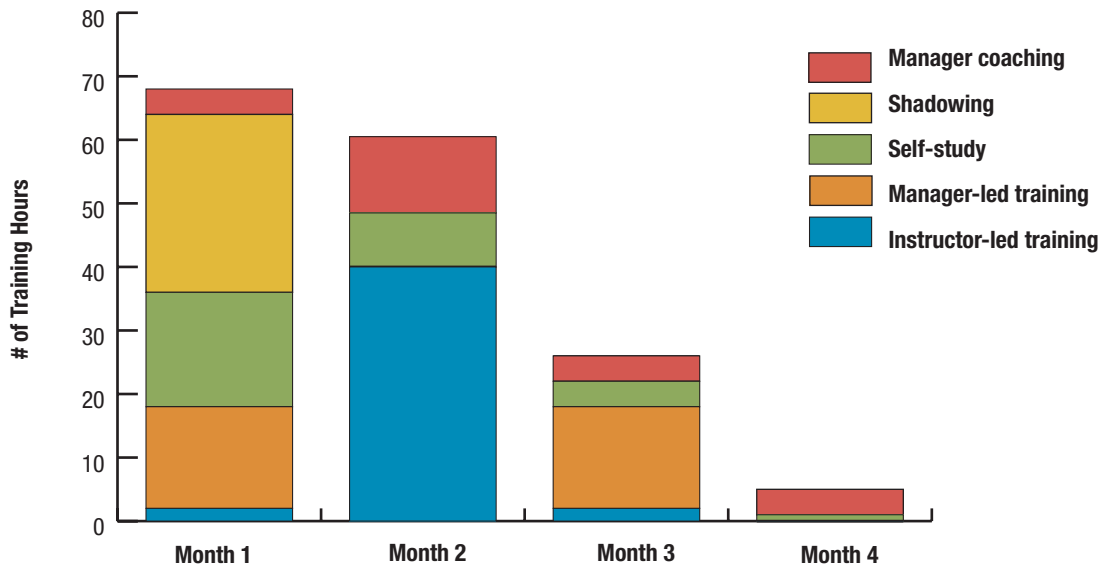
Cornerstone also gives Randstad the ability to develop and deliver training programs to its client companies—a service that adds only a trickle to Randstad's revenue stream, but helps build long-term relationships with clients.

With the new LMS in place, the learning and development team had a foundation for revamping the curriculum and delivery.

"When we rolled out this new version

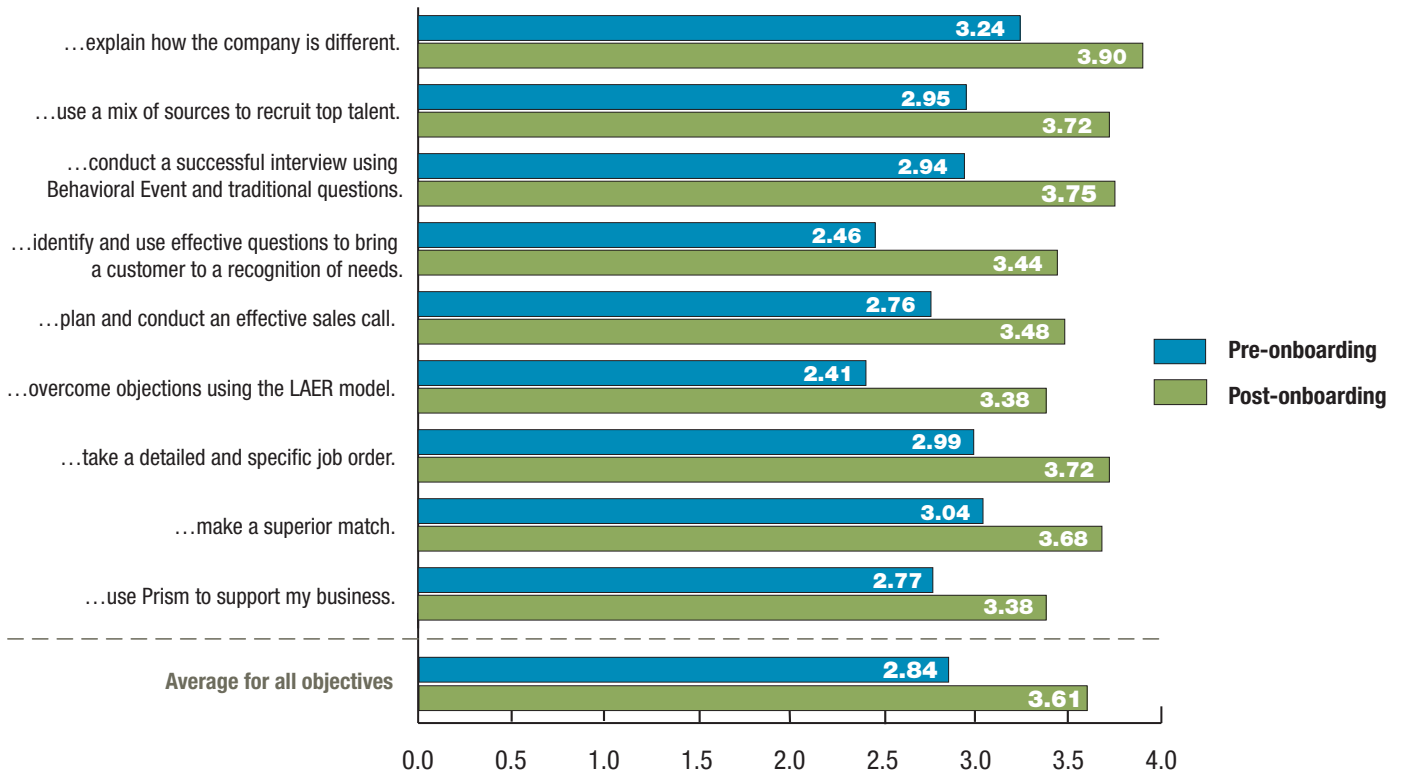
### Onboarding Activities

How much time each onboarding employee spent on each activity during a four-month period.



### Employee Knowledge Pre- and Post-Onboarding

As of today, I am very confident that I can ...



of our training in January, we took a step back and looked at all of our subject matter relating to the field staff," says Alison McIsaac, Randstad's national manager for curriculum development. "The field staff helped us identify the most critical things new hires needed to know."

Among the most notable changes: transforming the classroom-intensive six-week onboarding program into a 16-week blended learning curriculum that reduced classroom instruction and included much more self-guided e-learning and on-the-job activities.

"We created an approach where new hires now are getting the base information they need through e-learning, or discussions and training with managers, while classroom time is spent on practice and getting to know the Randstad culture," McIsaac says.

Since research has shown that employees can learn via e-learning twice as fast as they can in the classroom, the blended approach enabled Randstad to eliminate four days of classroom training, Eugenio says.

In addition to e-learning and classroom instruction, the new onboarding program includes

- manager-facilitated training, which includes two two-day courses delivered by employees' district managers. Topics include Randstad culture and values, job expectations, sales training, and performance and bonus plans.
- job shadowing, in which new hires observe experienced employees and managers on their jobs.
- manager coaching, which consists of formal and informal feedback sessions on performance.

While job shadowing and training comprises more than 70 hours during the employee's first month on the job, the amount of onboarding time decreases each month. (By the fourth month of the program, the employee spends only about five hours in formal training.) At the end of each month, employees take online tests based on the month's teachings. At the end of the fourth month, they take a comprehensive final exam. If they pass, they receive certificates of achievement and recognition from their man-

agers and branch teams.

Because the web-based access to the Cornerstone LMS is available to anyone in the organization who needs it, the learning and development group has been able to push accountability for employees' progress in the onboarding program down to direct-line managers. In addition to adding manager-led activities to the onboarding program, Randstad's senior executives as well as the learning team frequently send reminder messages to first-line managers stating that they are responsible for new hires' training.

In an interview with Bersin & Associates, an e-learning consulting firm, Eugenio noted that the shift to manager responsibility has been taking place over the past three years.

"At the same time, we had to facilitate change management within the training organization itself as we moved from one model to the next," Eugenio told Bersin. "It took some time, but we had to be satisfied with a series of small, incremental steps."

Although it has been in place for less than a year, the revamped onboarding program is yielding the type of results Randstad has been seeking. Randstad appears to be achieving its goal of improved employee satisfaction as well, at least where the onboarding program is concerned. In evaluating the onboarding process on a five-point scale (with 5.0 the top mark), new hires gave the overall experience an average score of 4.4.

### Return-on-investment

The program has yielded a solid return on investment as well, says Eugenio.

"During the first six months of the revised program, Randstad experienced a \$63 million increase in sales over the previous year. Figuring conservatively via Jack Philips' ROI model, we were able to determine that approximately \$4 million of that increase was directly attributable to the onboarding process. But the cost of the program during the same period was \$931,000. So the return was well over 300 percent."

The ability to track and evaluate

training via the LMS has yielded benefits in the learning and development group's abilities to function strategically rather than reactively on an ad hoc basis to what other executives perceive to be important issues, McIsaac and Eugenio say.

"Squeaky wheels used to get other executives' attention," McIsaac says. "For example, an executive would hear from a newly hired person that the training occurred too quickly. Then, the executive would come to us and tell us to address what he perceived to be the problem. But now, using the evaluation data in Cornerstone, we have documentation that tells us exactly how the employees feel."

Eugenio adds, "I just pull that data out of my pocket, and have successfully redirected the conversation."

With the new onboarding process a proven success with the North America field staff agents, Randstad has begun rolling out the program for field support personnel. In addition, the company plans to work with its European colleagues for possible implementation of the approach in Europe. Currently, most Randstad offices abroad have onboarding programs structured around paper-based documentation and classroom training, much like those programs revised by Randstad North America. Consequently, training has been difficult to track and somewhat inconsistent from country to country.

"The model we've put in place in Randstad North America can be leveraged globally," says Eugenio. "At the moment, we're working with our partners in the United Kingdom who are doing essentially a copy-and-paste of our program. They're haven't had a blended learning approach in their program, so they see the possibility of eliminating four to six days of classroom time out of their processes." **TD**

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