

# WHY THE LEADER EMPLOYMENT FAILS

- when onboarding is not enough



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#### **PREFACE**

Onboarding. An introduction to the new organisation, its systems and workflows, and the new leader's team. That is the typical recipe, and after the onboarding it is up to the leader to succeed in the new role.

If the new leader is not able to step up to the role it can lead to a resignation or a dismissal; both are something the organisation would want to avoid.

Despite this, there are unfortunately very few organisations that prioritise supporting their new leader all the way from hiring to the new leader being fully integrated into the company. This is a shame, both from a business- and a human perspective and that is the topic for this white paper. Here, we look into why onboarding in and of itself is not enough but must be supplemented with thorough integration.

In a way, integration is an extended part of the onboarding which starts right where the onboarding ends.

Through the onboarding process, the new leader gets the basic, necessary introductions and resources to succeed, but understanding the company is something which is often left to the leader – unless he or she is led through a structured integration process.

If the leader is integrated, he or she will become part of the organisation rather than just being acquainted with it. That is what maximises the chance of success for both the leader and the organisation, and that is why it is worth prioritising.

While integration minimises the risk of failure, a thorough integration of the new leader can, according to Harvard Business Review, also minimise the time from start-up to full performance level by one third. By prioritising the integration, the leader will quickly become able to make the right leadership decisions, and in doing so, the time from hiring to the leader delivering the desired results in the new context is shortened.

At People & Performance, we have several years of experience with integration and leadership development. At the same time, we are a part of Compass Human Resources Group which has accomplished successful recruitments for more than three decades. We have therefore witnessed how the right candidate can raise an organisation to new standards. We have unfortunately also seen how a good recruitment can fail if the candidate is not properly integrated into the new organisation.

We wish to contribute to the business development all over the world with the help from thought out recruitments and we wish to see our recruitments succeed. That is why integration is important to us and it should be for you too.

Happy reading!





### REDUCE TIME FROM EMPLOYMENT TO FULL PERFORMANCE BY ONE THIRD

Six months or more. That is how long it takes to achieve the desired performance in a new position. This is substantiated in a study, in which almost 600 leaders at VP level and up participated.

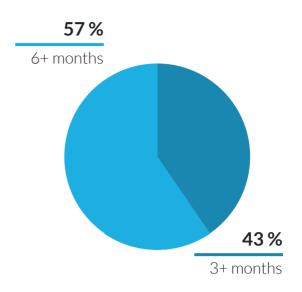
In the study, 57% of the leaders surveyed answered that the last time they made a career change it took them six months or more to reach their full level of performance. According to <a href="Harvard Business Review">Harvard Business Review</a>, this time can be reduced from six to four months through thorough integration.

Reducing the time from start until the leader is up to speed can, of course, have a major impact on the organisation's development. The faster the leader achieves the desired level of performance, the faster the business can develop.

You can, thus, reduce the time from employment to full performance by a third by prioritising integration in the organisation. Yet, just 30% of leaders surveyed reported that, at their most recent career change, they experienced support in terms of being integrated into their businesses. Of those who participated in some form of integration course, 81% indicated that the course was rewarding.

Among the new leaders, there is, thus, broad agreement that a thorough integration process enables them to achieve success more quickly in their new roles.

#### Time spent from start to the desired performance is achieved



30 %

of the leaders experienced, at their most recent career change, support in terms of being integrated into their new companies 81%

of those who received support found it profitable

At People & Performance, we have developed a Performance Acceleration course, which ensures that the leader gets up to speed after starting.

Our course is based on research and decades of experience in recruitment, management and business development.

Want to hear more? Then contact us.

### 5 FOCUS AREAS PAVE THE WAY FOR SUCCESSFUL INTEGRATION

The integration of a new leader takes place in continuation of the "ordinary" onboarding and can be decisive in relation to whether and how quickly the leader achieves the desired influence in the organisation.

Integration is the building of insight and understanding that creates the leader's foundation for exercising effective leadership. The insight into the team's strengths and weaknesses, the corporate culture, and the most important internal stakeholders is one part of the integration. The second part is clarity about what effect the leader must create through the leadership compared to the leader's personal strengths. Together, the integration must enable the leader to be able to make the right and necessary decisions more quickly – i.e., lead effectively.

Based on research - and decades of experience with recruitment and leadership development - we at People & Performance have identified five focus areas that a new leader must work with:

- 1. Which benefits should your leadership drive in the new context?
- 2. Which parts of the organisation's culture support performance, and what should you develop and how?
- **3.** How do you use your personal leadership, and how do you avoid derailment?
- **4.** Which stakeholders should you mobilise, and how do you proactively influence them?
- 5. How do you uncover the team's ability to deliver and understand the needs to adjust?

With a focus on these, the new leader can accelerate performance and get up to speed faster after starting. However, one cannot do it alone.

If a new leader is to be successful and quickly integrated, it is necessary for the organisation to create a clear framework for the process. Should the new leader learn to navigate the organisational environment on his own, it will take a significant amount of time, and this can be reduced by systematising and prioritising the integration process.

### 1.5 MILLION DKK: THE COST OF A FAILED EMPLOYMENT

A change of management results in the company not being 100% efficient for a period of time. On the one hand, it takes time before the new leader reaches full performance, and on the other hand, the hiring and onboarding process itself takes time. This is efficient working time that could have been spent on other tasks.

A survey shows that 34% of all CFOs believe that a wrong hire affects their productivity. In addition, according to the study, leaders spend 17% of their time supervising employees who underperform.

In addition to the many hours that - consciously or unconsciously - are spent on the project, it is also important that resources are invested in getting an external partner to find the candidate for the role that can create the most value.

As an organisation, it is important to make sure to hire in the most appropriate way, so that the investment in the new employee is secured. Thus, we are back to what it is all about: integration.

According to the U.S. Department of Labor, a bad hire costs up to 30% of the person's salary the first year. Jörgen Sundberg, who is a specialist in employer branding and CEO at Link Humans, sets the amount at up to DKK 1.5 million. Either way, it is not petty cash that we are dealing with when doing bad hires.

The concept of "a bad hire" would perhaps first and foremost be understood as meaning that the company has hired the wrong candidate. It could be a candidate who does not have the necessary competencies to fill the role, or who is simply not a good match for the company. However, the word can also be understood in another way.

The word "bad hire", basically just states that it is a failed employment. It does not have to be due to personality, competencies or ambitions, but can also be due to a failed integration process. Even the most ideal candidate for a position risks failing if not properly integrated into the company, and this can result in a dismissal or resignation.

A deficient integration process can thus lead to the entire recruitment process having to be described as a failure - and this can cost the organisation lots of money.

#### AN EFFICIENT INTEGRATION PROCESS ENSURES BUSINESS INVESTMENT

A failed hiring can have incalculable financial consequences for a business. Especially in small and medium-sized companies, it can be crucial that a leader recruitment is successful. Therefore, it is not enough to find a competent candidate who fits into the business. It is also necessary to ensure that the person is properly integrated.

By having a structured approach to the new leader's integration in the organisation, success is far more likely. The investment that lies both directly and indirectly in the recruitment is thus secured through the integration process. At the same time, integration not only contributes to the success of the new leader, but also to success more quickly.

From an economic as well as business development perspective, integration is thus worth prioritising. At the same time, the integration process contributes positively to the organisation's employer branding and also creates security for the new leader.

Even if someone has both the skills and experience to handle a leadership position, it can be challenging to enter into a new one. In the job change, there are many impressions, information and tasks to deal with, and it can of course be a stressful affair to get to know the new organisation thoroughly.

By prioritising integration, the career change is made as safe and hassle-free as possible for the new leader. At the same time, a sense of belonging to the new organisation is quickly created, which can help increase the leader's performance significantly.

Our Performance Acceleration course helps leaders get up to speed after starting.

Would you like to know more? Then contact us.

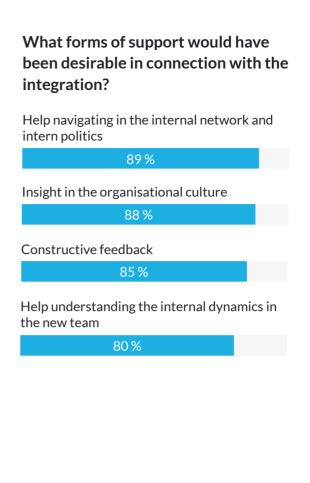
#### THE ART OF LEARNING HOW AN ORGANISATION REALLY WORKS

As we have mentioned before, only 30% of all leaders experience sufficient support in connection with the integration into a new company. 81% say that the support has had a positive impact on their integration process.

So, it does make a difference for the new leaders that they are taken by the hand. Not because they are not competent or experienced enough to handle the task, but because it takes more than an impressive resume to get under the skin of an organisation.

According to the Harvard Business Review, 69% of leaders surveyed report that they find it challenging to understand how a new organisation actually works. Only 26% report that lack of experience or skills is a problem. Instead, they ask for help to understand the organisational culture, to navigate the internal politics, and to understand the dynamics of their new teams.





The study clearly shows that it is the more "soft" aspects of a job change that are challenging. Problems settling into a new position are thus rarely due to the lack of skills or understanding of the job itself, but rather due to a lack of insight into the organisation on a human and political level.

Through a thorough integration process, the new leader gains an in-depth understanding of the organisation.

Onboarding provides general and necessary knowledge about the organisation, and, in continuation of this, the integration equips the leader to act appropriately in the organisation he or she has become part of. In this way, the leader gets the best possible conditions for success.

#### EMPLOYER BRANDING: INTEGRATION MAKES IT EASIER TO RECRUIT

Employer branding has become essential at a time when there is fierce competition in several industries for talented candidates. Organisations have to stand out from the crowd if they want to get hold of the very best in the industry, and here integration also plays a role.

An organisation with a completed integration course shows professionalism. The new employee gets the feeling of being a priority and can see that the organisation actively contributes to the hiring becoming a success. This creates a sense of security in the job from the start, and that is worth its weight in gold when it comes to employer branding. If you as a new leader feel that you have been welcomed properly, there is a much greater probability that you will advocate for the organisation.

In addition to the fact that an integration process can provide "plus points" when it comes to employer branding, it can also be used actively as an argument in connection with a recruitment.

As we have already mentioned, changing jobs can be a stressful affair. If a skilled candidate is unsure whether he or she should accept a leadership position in a new organisation, the integration process can be decisive.

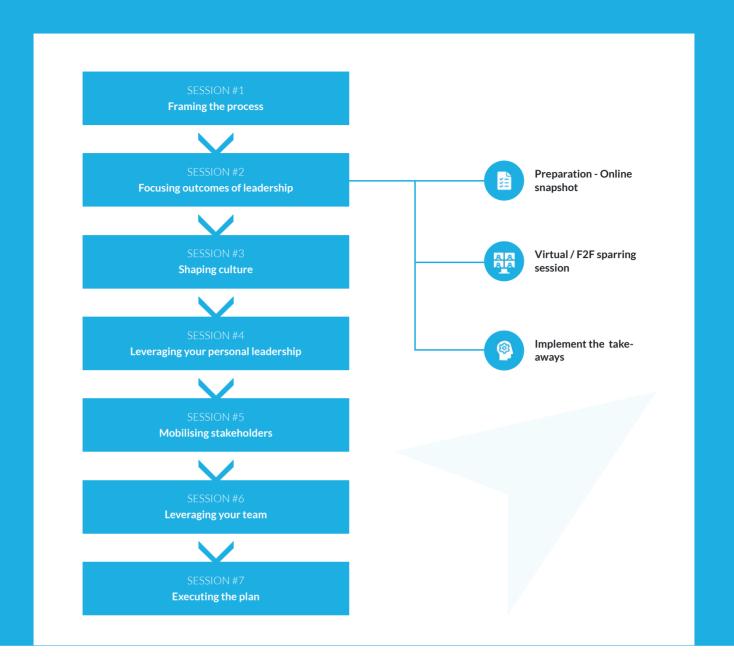
Knowing that integration is being taken care of and that this is a top priority obviously makes it seem more affordable to take the plunge. A completed integration process can thus both contribute to more candidates becoming interested in a position and lead to the organisation getting hold of the absolute best candidates on the market.

#### PERFORMANCE ACCELERATION: GET THE NEW LEADER UP TO SPEED

At People & Performance, we have developed a Performance Acceleration course, which aims to ensure effective and rapid integration of new leaders.

With the course, the integration is structured, including the dialogues that the new leader should have with e.g. the CEO of the organisation. There is a predetermined framework that makes the leader know what he or she has to relate to and work with from week to week. In this way, we thoroughly go through all the focus areas that are essential in the effective integration.

The goal of Performance Acceleration is to create a framework for integration - to put the process into a system. The course consists of seven virtual meetings, and in these we get around all aspects of the integration in the new organisation. Among other things, we help the new leader relate to the new role, the organisation, and his or her goals and ambitions.



Our Performance Acceleration course consists of seven modules that equip the new leader to act appropriately in the organisation.

As an external partner, we help facilitate effective integration and ensure that the right dialogues are initiated. We keep track of the integration process and ensure ongoing follow-up, so that nothing is left to chance when the leader has to settle into the new role.

Does this sound interesting to you? Then contact us.

## VALUE CREATED BY AN EXTERNAL CONSULTANT

There are various reasons why an external consultant could be of great help in the integration process.

The primary reason for choosing to involve an external consultant is that he or she has the necessary experience to analyse and clarify the business challenges which the newly hired leader faces in his or her new context.

Another advantage is that a new leader more easily can show uncertainty, frustration or confusion to an external consultant. The same goes for the recruiting manager. An external partner can thus act as a sparring partner for both the new employee and the existing parties in the hiring organisation.

Last but not least, an external consultant practically makes sure to guide the new employee through the integration process. The external partner ensures ongoing follow-ups and thus helps to ensure that various initiatives and projects are followed to the letter.

In other words, an external consultant ensures that the new leader is kept up to the mark.

When Compass Human Resources Group helps with recruiting the right candidate for a leader position, they get a thorough understanding of the organisation they are dealing with. We at People & Performance benefit from this knowledge in connection with the integration. We get to know both the recruiting leader, the organisation, and the new leader, and we use this precious knowledge in our integration process.

As part of the recruitment process, various tests of the candidates are carried out and these test results play a significant role in our integration process.

As a leader, it is important to know one's strengths and to be aware of where one has the opportunity to develop. Both are covered in our tests. With the knowledge of the new leader's strengths and possible blind spots, the new leader and the external consultant can, in cooperation, ensure that a strong leadership is built. The leadership is built upon the leader's strengths, and at the same time, we work with various challenges to ensure that they will not cause derailment for the new leader.

Our integration process uses the individual as a starting point and is centered around the personal leadership and the organisation's DNA. We ensure that the leader knows his or her strengths and leverages these in the best possible way in relation to the organisation he or she has become a part of.

We create a frame for the integration which makes it possible for the important matters to be discussed and for the new leader to relate to the new organisation, the new role, and the new team. With our help, the leader is made familiar with the organisation and gets a leadership plan, so that positive results can be achieved as soon as possible.

## DO YOU WANT US TO HELP YOU WITH THE INTEGRATION?

Thorough integration is a prerequisite to succeed as a new leader. Instead of just hoping a new leader will integrate him- or herself on their own accord, it will create great value if you promote this actively.

If the organisation does not take any active steps to integrate the leader, it is make-or-break when he or she tries to make head or tail of the organisation. If the integration on the other hand is prioritised so that the integration succeeds quickly, it has a wide range of both economical, human, and commercial advantages.

At People & Performance, we can help facilitate a successful integration process. We can either offer to handle the integration ourselves with our Performance Acceleration course, or we can equip the leader to be able to handle the integration.

We have many years of experience with both recruiting and leadership development, and we have developed an effective integration process based on our own experiences and the leading research in the field. So you can easily trust us with the integration of your new leader.

Do you want to hear more about how we can contribute positively to an effective integration? Then contact us. We are always ready for a casual talk about the possibilities for involving us as your collaborating partner.

You can call us at +45 79 27 72 90 or send us an e-mail at mail@pphr.com.