

What are the Energy Files?

Over 1 million data points on employee energy at work and open-ended comment data on what is making energy increase and decrease. The raw data, the research studies, and case studies make up the Energy Files. To learn more go to www.leadershippulse.com or www.eepulse.com.

New Hire Talent Management Insights

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With the economy improving, there are pockets of employers hiring again. In order to help organizations assure their new employees are productive quickly, this installment of “from the energy files” tells a story about research focused on new hire energy in the first few months of employment.

Most of us probably remember those first weeks of a new job. It takes some time to start feeling really productive. Between the time to sign paperwork, get keys, obtain computers or other equipment, process email identity and meet new team members, there is a lag time between starting and becoming productive. Tracking new hire energy is a way to assure the new hire process is as effective as possible. The goals of energy tracking are to determine how long it takes new hires in various parts of the organization to become productive and to make fast changes to assure new employees quickly ramp up to being productive.

Closing the Gap for New Hires

For this piece of research, a weekly energy pulse process is used with new hires. The process takes about 3 minutes of the employee’s time; thus, it is not intrusive. In fact, the intervention adds to the overall welcoming process as new employees’ concerns are heard loud and clear from the first week of employment. The questions asked are: (1) energy level, (2) energy level where most productive, and (3) an open-ended comment question that changes from week to week. This energy pulsing process runs for the first 3 months of employment. Although the data are collected weekly, monthly summaries are shared with the management team. With the two pieces of data (energy and energy where productive), a gap score is calculated, and it is the gap between these two numbers that is trended in the first 3 months.

The energy productivity gap is defined as the difference between an employee’s energy level at work “today,” and the level where the employee is most productive. The calculation is as follows:

$$\text{Productivity gap} = (\text{energy today} - \text{energy where most productive})$$

Why energy? Energy is used because it is a validated metric that predicts performance, and the core energy pulse takes only 3 minutes to complete. The process for new hires requires frequent data collection; thus, speed and simplicity of the process are critical for success.

How it works: For new hires, an initial negative productivity gap is expected.

Sample new employee energy gap score:

Energy today = 3
Energy where most productive = 7

Productivity gap = -4 (negative number)

The organization's goal is for the gap to be small, and time to close the gap should be short. Eventually, the new hires should have a slightly positive gap (working at a rate slightly above where they report being most productive). The research done with organizations in multiple industries, around the world, shows that a slightly positive gap is associated with higher employee performance, positive customer satisfaction scores, improved productivity, greater sales, and improvements in numerous other outcome measures. The energy pulse data also are supported by employee comment and interview data. People like being busy; they want to be useful; they want to have work to do when they begin their day.

However, there's a fine line between how much of a positive gap employees prefer and the number where employees approach burnout. When there is too much work, unclear direction and no path to seeing completion of projects, employees get frustrated and unproductive. Extreme highs (too much of a positive gap) and prolonged time in the "overly energized" state (big positive gap) lead to lower productivity, burnout and withdrawal or turnover.

Gap Scores Quickly Show Success and Problems

The data in Figure 1 demonstrate learning from a number of organizations. Plotting the gap scores, significant differences can be seen in the trends when the patterns are viewed by job grade. In these data, the highest grade number is the highest ranking job. Grade 1 represents the entry level employee job grade (in this case, new graduate from college), and grade 4 is a senior executive in the group. See Figure 1:

Figure 1: Productivity Gap over Time

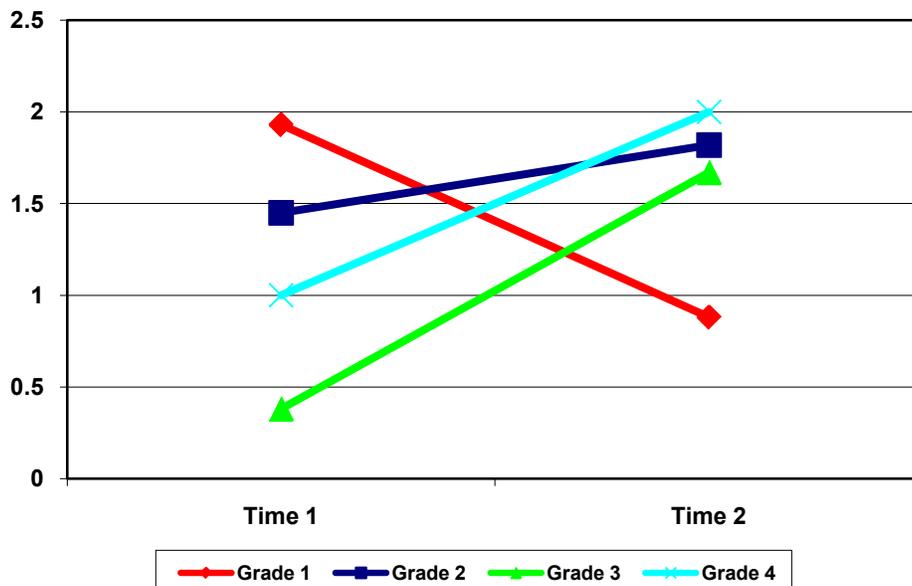


Figure 1 clearly shows that when it comes to Job Grade 1, this group of employees is having a positive experience. Between Time 1 and Time 2, the energy gap was reduced. But for all other grades (grades 2 through 4), the gap increased. The numbers alerted the management and HR teams to an unanticipated problem. More attention is given to the Grade 1 (or entry-level) employees. These are people coming in who have less or no experience in the field, and formal programs are set up for new college graduates. However, for more senior new hires, there is not the same type of attention given to their onboarding experience.

The New Senior Employee Experience

The learning from the qualitative data alerted the research team to what was causing the productivity gap for more senior employees. It was not a lack of computer, paperwork, email process or tactical issues. It was a lack of teamwork. Senior people from outside the organization face problems not encountered by new college graduates. These senior people are brought in from the outside because the firm could not hire or chose not to find someone from inside the firm to take the job. The new employee finds that his/her new peers and employees are not wholly supportive of their new boss or coworker who they perceive is making more money than they are and possibly taking a job they wanted for themselves or a current team member. In this environment, the new senior executive might not get a lot of cooperation and mentoring.

In order to solve the problem, the HR teams worked with senior leaders to set up a new hire onboarding process for the more senior employees. Employees were assigned mentors, met with senior leaders, and team learning sessions for the new hire groups were developed. The formal process for more senior employees led to quick improvements in the onboard experience of these employees.

Talent Management for Today

New hire energy trend data provide insights that allow managers to engage in conversations about problems and be proactive in finding solutions. The energy gap data allow organizations to quickly uncover new hire acculturation and onboarding problems. Working with those same senior leaders who had their gaps increase instead of decrease, HR teams can change the senior executive experience. The result is more productive leaders, less turnover at the higher level job grades, and more effective organizations.

Going beyond traditional talent management

Talent management goes beyond just hiring; it means optimizing the talent that you bring into the door. The lesson from these energy data is that using measurement in a non-traditional way and doing frequent data collection for new hires helps uncover problems early, allowing managers to make swift changes, and then providing the kind of positive feedback needed to celebrate success. Most organizations spend more money on exit interviews than they do on new hire analytics. Perhaps it's time for a change.