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**IMPACTS OF IMPLEMENTATION OF
EXTENSIVE ONBOARDING PROCESS ON
EMPLOYEE RETENTION - A CASESTUDY FROM
TRANSFERWISE**

Master's thesis

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I hereby declare that I have compiled the thesis independently and all works, important standpoints and data by other authors have been properly referenced and the same paper has not been previously presented for grading.

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TABLE OF CONTENTS

ABSTRACT	1
INTRODUCTION	2
1. LITERATURE REVIEW	5
1.1. Employee Retention	5
1.2. Onboarding	11
1.3. Significance of Employee Socialization Strategies	16
1.4. Organizational Culture.....	17
1.5. Employee Retention in Estonia.....	18
2. STUDY METHODS	21
2.1. Background of the company under study “TransferWise”	21
2.2. Research Design	23
2.3. Research Strategy, Methods and Analysis.....	24
2.3.1. Qualitative Research.....	25
2.3.1. Quantitative Research.....	27
3. RESULTS AND ANALYSIS	29
3.1. Analysis of the Interviews	29
3.2. Analysis of the Feedback from the Survey	40
3.3. Discussion and Limitations.....	46
3.4. Recommendations.....	48
CONCLUSION	51
REFERENCES	53
APPENDICES	59
Appendix. 1 Questions for interviews	59
Appendix. 2 URL Link to the Questionnaire (for survey):	60
Appendix. 3 Code file from RQDA.....	60
Appendix. 4 URL link to the Interview Transcriptions.....	60
Appendix. 5 Results and Analysis of the Study	60
Appendix. 6 Thematic Analysis Plots	64
Appendix. 7 Non-exclusive licence.....	68

ABSTRACT

This study aims to investigate and analyse the current onboarding practices in an Estonian start-up organization. It seeks to establish an understanding of employee motivation and retention with reference to an effective onboarding process. The fast-paced international business environment poses many challenges in retaining talented workforce. Organizations all around the globe are devising onboarding strategies to make their employees feel valued and thus reduce employee turnover. In this study, the author explores the recent trends and stages in the onboarding processes in organizations all across the globe in general and in an Estonian start-up firm in particular.

The research findings are derived from a mixed method approach, which includes both qualitative and quantitative empirical methods towards the investigation. The qualitative data has been gathered through face to face interviews whereas the quantitative data has been collected through questionnaire responses. The qualitative data has been analysed using RQDA, the R package of Qualitative Data Analysis. Analysis of the qualitative and quantitative data has highlighted the important facets of effective onboarding strategies and outlined the established practices in the Estonian firm. Results articulate the on boarding program of the start-up organization to indicate that it is a fundamental requirement of fast paced organizations. The findings of the study prove that a dedicated and well-articulated onboarding process results in a significant boost in employee motivation, loyalty, and dedication which results in higher employee retention in successful start-up organizations of Estonia such as TransferWise. It further indicates how through more steps can be taken such as the introduction of post-boarding processes and mentor-meetings in order to increase the efficacy of pre-boarding. It should also be noted that making use of employee feedback, periodically, for the revision and improvement of such processes ensure improved employee retention.

Keywords: onboarding process, employee retention, start-ups, motivation

INTRODUCTION

Today's competitive business environment does not only require competitive salary packages for the employees but also mean that a culture and an atmosphere is created where the employees see the potential of growth. It is about catering to different aspects of an employee's experience (Kim H. K., 2009). According to a survey in America alone, workers who quit their jobs in 2018 were approximately 40 million which represents a 26.9% of their workforce (Krueger, 2018). In the future, start-ups and companies will only be able to succeed if they adapt to an organizational process that create longevity and retention of their workforce (Mujtaba, 2007) The competition for attaining talent is high, which is the reason why organizations are now revisiting their strategies to retain and recognize talent. Businesses in general and start-ups in particular have limited resources. Effective and efficient on-board policies can not only help in a boosted morale but can also make sure that the most talented and dedicated workers continue as loyal employees and are not won over by the competition (Hausknecht, 2009). A successful onboarding program is of eminent importance in today's business environment as it helps new hires feel like an integral part of the team (McNeill, 2012). According to a survey conducted by the Aberdeen Group, 86% of the new hires make their decision to either stay or leave the company within the first six months of their employment (Elbert, 2018). Employees are 69% more likely to stay with the company if they experience an-onboarding that is well-structured and organized (Carucci, 2018). Therefore, in order to improve the performance and operations of an organization in general and start-ups in particular it is essential to make sure that the employees working within that organization are loyal to its mission and motivated enough to achieve it (Reichheld, 2001).

Estonia, even though small, is considered as one of the countries that is ideal for a start-up. The country has an open economy and innovation is highly recognized as well as promoted through various different policies. For example, foreign talent is welcomed and facilitated in the country. The country also has a e-Residency programme; one of the contributing factors in the support that start-ups receive is the involvement of private sector companies in the process of policy-making and legislation. Many companies interact with each other openly which raises knowledge and awareness of the business activities while providing the opportunity to support start-ups in the initial phase with a

transparent business environment. Estonia enjoys the space for innovation as well as the strength of investment security. Estonia is also able to stand out as one of the countries with the maximum score for the growth index. This confirms that the ecosystem for Estonian start-ups is evolving at a rapid pace. However, it is still small as compared to other developed economies. One of the major weaknesses that remains a paramount issue for the Estonian start-up ecosystem is the lack of talent. As per researches the start-up teams in Europe that have at least one technical founder been 89%. Whereas for Estonia the percentage remains 61% (Kekäläinen, 2019). This suggests that the country lacks in people that can showcase start-up minded skills as well as experiences. For example, developers, sales people, and designers et cetera. Another factor that remains crucial is that a developer or a person with technical skills set does not earn as much as he might earn in the rest of Europe; which makes retaining talent a lot more difficult in the country. One of the reasons why there is a disparity in the numbers is that there are very few foreign investments in the country.

The main objective of thesis is to study and analyse employee on-boarding process in successful start-up organizations such as TransferWise in Estonia in order to understand its contribution and effect on employee motivation, satisfaction and retention.

The aim of the thesis is to access all of the material related and relevant to onboarding processes and the start-up organizations in Estonia, discovering the policies, procedures, and processes in place in order to affectively retain and manage the right talent. Furthermore, it attempts to provide with well-articulated suggestions that can contribute in improvement of the processes and establish better employee retention programs.

Author has synthesized following research questions:

1. What steps do start-ups follow for the implementation of an onboarding process?
2. To what extend do organizations involve their management and employees in order to create a welcoming environment for the new recruits?
3. How does onboarding process increase employee satisfaction, loyalty, and motivation in a start-up organization?

A pragmatic approach has been applied to this study, which allows collecting information from various different sources such as interviews, questionnaires, published

journals, books, and researches as well as responses, recommendations, and advices from the employees of the organization under study.

For the completion of the study a mixed method approach has been applied based on a case study, which means combination of both quantitative and qualitative techniques will utilized to analyse the current onboarding processes and employee retention programs in one of the successful start-up organizations in Estonia. Quantitative data from over 100 anonymous respondents were collected from employees working in a start-up organization whereas a qualitative method is applied for the purpose of interviewing three of the onboarding officers in the selected organization. It is through the mixed method approach that a broader view of the question at hand can be approached while allowing us to explore the depth data and information available which essential for the validation of the issue at hand and the comprehensive interpretation of the findings.

1. LITERATURE REVIEW

This chapter encompasses the realm of the study objectives through secondary sources of data in articles published in various scientific and peer -reviewed journals, internet and books.

1.1. Employee Retention

According to Aguenza (2018) employee retention can be defined as “the effort that a business makes towards maintaining an environment and procedure that supports the current staff while encouraging them to remain as the employees of the company”. The ability to keep the employees with the organization for longer than the competitors is a classic definition of employee retention (Lee, 2018). According to many studies conducted in the field of management, controlling employee turnover has become an immense challenge and organizational management has to employ different approaches to deal with it (Zheng, 2010).

Employee Retention is also a cost-effective approach as it reduces the costs that are associated with the hiring and training of new employees (Sinha, 2012). It is one of the major issues being faced by corporate leaders. It is primarily due to a shortage of skilled professionals that there is an influx of career opportunities for individuals that are well qualified. The demand for skilled labour has increased more than ever (Goos, 2018).

Employee turnover refers to the ratio of employees replaced in a specific period of time to the average number of employees (Shuck, 2014) . The figures for employee turnover of an organization indicate whether the employee retention strategies of a firm are effective or need to be reconsidered. When an employee decides to leave his job, there are a number of factors at play. Individuals tend to leave their jobs due to job dissatisfaction, low salary, unhealthy working environment, as well as limited options for career development. Every time an employee leaves the job, it puts an extra burden on the organization as it then has to train the new-hires all over again. Monetary as well as human capital is wasted as the organization has to hire a substitute. Once the

employee leaves the job, the skills and knowledge he learnt as per the employer's requirement, are also lost. Thus, it takes a lot of time to train the employee up to the mark. So, it is very important to retain the employee for company's benefit (Yamamoto, 2011). According to a study carried out by (Wang, 2013) increased rate of skilled employee turnover can be harmful for the organization, since human capital is utilized in the training of the new-hires. These trained individuals are then re-employed by the competitors of the company becoming a threat for the organization. To retain the employees, it's important to provide a flexible, creative and productive environment for the employees and employ programs that will help embed the culture and vision of the organization in the individuals. As the opportunities for a trained employee increase, several challenges arise for an organization.

Retaining talented employees has become a major challenge especially for start-ups where budgets are tight. Turnover is a major issue; hence a great deal of focus is put on retention strategies. When an individual leave a job he takes the culture and values of the organization as well as his experience and knowledge with him. This can be later used by the competitors of the company. Thus, employee retention plays a vital role in the growth and stability of an organization (Sandhya, 2014).

1. Factors affecting employee retention

In management literature, the job embeddedness (JE) theory provides a lot of insights into lowering the turnover rates of the employees. It explains some of the factors that may urge an employee to stay with an organization. This model is considered by some to be more relevant to the phenomenon of employee retention. It sets forth some determinants that enable the workers to stay in a given organization. These determinants include both internal and external factors that may or may not be interdependent (Holtom B. C., 2004). According to this theory can be easily explained through three constructs namely fit, link and sacrifice.

1. **Fit.** This represents the level of alignment an employee feels with his workplace. It is mostly concerned with his internal goals, principles or capabilities. It means that the employee should feel that his workplace supports his personal goals and future growth plans.

2. **Link.** This part of the model shows the connection of the employee with the external environment. His ability to integrate into the community and respond to family pressures.
3. **Sacrifice.** This factor is concerned with the benefits that an employee stands to lose if he leaves his current workplace. They mainly involve the intra colleague networks and social connections inside or outside his organization.

According to the job embeddedness theory, the employer needs to invest on such activities that increase the employee's fitness (as mentioned above) within the work space, and to help them in building deeply rooted connections. With these actions, the employer can bring the employee close to the organization. With such moves, the employee feels that they have to make a greater sacrifice in case they want to move from the organization. (Zhang, 2012)

Although this is a relatively new theory, it is still being considered very relevant to managing the employee turnover rate. Its components can be taken as a guideline to develop employee on boarding processes to establish strong connections for them within the organization to enable them to value its work environment. If they feel disgruntled at leaving the social connections and colleague networks they might decide to stick with their current organization. (William Lee, 2014)

According to Das (2013), factors affecting employee retention include compensation, growth opportunity, benefits and security and merit orientation (ibid). Effective communication, workforce diversity, recruiting skilled workforce and training of the employees are determinants for employee retention (Nawaz, 2012). Retaining an existing employee is more cost effective than hiring a new employee. Organizational culture, compensation, flexible working, career growth opportunities and communication affect employee retention. (Sandhya K. &, 2011) found that training and development, career development opportunities, performance appraisal and employee recognition are some of the employee retention strategies that an organization must employ. (James, 2012)

There are several different factors that an organization in general and a start-up in particular need to focus on in order to make sure that an effective employee retention process is in place within the company. A study conducted by (Inabinett, 2014) revealed that employee retention is affected by the corporate culture and hiring practices of the organization. The human resource strategies of an organization comprise of the vision, mission, goals and objectives of the organization. According to the human resource strategy is initiated with the hiring process and continues with training and practicing programs for effective employee engagement and employee productivity. (Anis, 2011) Moreover, communication plays a vital role in retaining the employees. Communication creates an open and honest environment, and helps in improving employee engagement (Sinha C. &, 2012). Training and development programs for the employees make them confident about their jobs hence increasing employee commitment, consequently they tend to stay with the organizations (Singh, 2012). According to Aruna (2015) it's better to retain an employee rather than hiring a new one and wasting resources on their training.

It has been observed that the performance of an employee is directly related with the level of commitment towards the company (Anitha, 2014). Therefore, it remains an organization's best interest to investigate what generates the loyalty of an employee. For example, there are several start-ups that were able to kick off as successful businesses not because of the monetary benefits but because of the commitment that its employees depicted (Shields, 2015). An employer, it is understood, can only foster loyalty if he/she is flexible, supportive, and understanding of the needs of an employee. There are certain values that an organization needs to maintain such as “equality at work”; which are in alignment to its workforce in order to make sure that employees believe that they are working at an organization that is a translation of their own ideology and vision. It is essential to help build a personal attachment between an employee and an organization. Talent management is one of the most important factors in today's employee retention programs. As it is required in order to attract, identify, develop, engage and manage retention of the employees and individuals who are of value for an organization due to their high potential for the future as well as the current organizational goals. It can also be said that talent management is managing the right talent, at the right time and the right place as per the required competences and according to the varying levels of an organization. A human resource department can also be effective and efficient if it is

able to maintain and retain the workforce at the different levels of the hierarchy within an organization. (Bloom, 2011).

2. Job Satisfaction and employee retention

Employee loyalty, productivity and engagement is increased and improved when employees are satisfied with their jobs (Terera, 2014). The term employee satisfaction is used to explain the contentment of employees about their jobs and whether the job is fulfilling their requirements and desires. A job experience that results in a positive and pleasurable emotional state can be defined as job satisfaction (Kwenin, 2013). According to (Raziq, 2015), job satisfaction is the combination of “psychological, physiological, and environmental circumstances” which ensures that an individual is truly satisfied by his job. On the other hand, Feldman and Arnold (Neog, 2014) describe job satisfaction as an “overall positive affect that an employee may have towards his job”. According to the studies conducted by (Waltman, 2012), an individual can be dissatisfied by his job due to many insecurities of the employee.

Individuals who are satisfied with their lives are consequently satisfied with their jobs, and those who are satisfied with their jobs are satisfied with their life as well, hence it can be said that job satisfaction and life satisfaction are directly related with each other (Haar, 2014). (Liu D. M., 2012), stated that there are three factors that affect the satisfaction level of an individual with their job; job pride, interesting job and appreciation. Many researchers are of the view that the job satisfaction of employees is a major determinant of motivation. Naturally an employee tends to perform more efficiently when he/she is appreciated for his services as his morale gets boosted at the workplace (Hofmans, 2013). Elements like respect, employee recognition, employee empowerment, competitive salary and compensation, perks and bonuses play a key role in employee satisfaction. With employee being satisfied with his job, it is more likely that he delivers his best and achieves the targets the way his employer wants (Tanwar, 2016).

However, it is important to note that the employee satisfaction does not alone come from the salaries but it includes several additional activities that compel an employee to

stay. Herzberg's two factor theory takes into account two types of factors to understand job satisfaction. These were called: 1. Motivators. 2. Hygiene Factors (Alfayad, 2017).

According to Shobe (2018), "the motivators were elements that enriched a person's job. Five factors in particular were strong determiners of job satisfaction: achievement, recognition, the work itself, responsibility, and advancement. These motivators (satisfiers) were associated with long-term positive effects in job performance while the hygiene factors (dissatisfiers) consistently produced only short-term changes in job attitudes and performance, which quickly fell back to its previous level". The Hygiene factors involve conditions around the job such as work conditions, relationship with colleagues and boss, work pay etc.

This two-factor theory explains the premise of an on boarding program to be absolutely crucial for employee retention. It serves as a hygiene factor whose absence can lead to discontent in the workers. Some of the most studied relationships in this regard include security for job and employee retention, satisfaction with the work and employee retention, ability to maintain work life balance and employee retention and compensation and employee retention (Das B. L., 2013). Employee Recognition can be defined as "a return on an employee's effort, dedication at work and results" (Bradler, 2016). Another important aspect for a start-up in this competitive environment is the employee recognition, as it allows the employees to know that their work is being appreciated and is of value to the company. This allows for the employees to have a boost in their morale while their motivation becomes high and the chances for employee loyalty also increase. Employees develop a sense of ownership, and help in creating a work environment which is supportive and conducive (McCarthy, 2010).

In today's business world, the demand for talent supersedes the supply. Whereas, the competitive environment requires employees with skills and competencies that can be maximized to obtain a competitive advantage. Organizations are now required to reward and recognize their employees to be able to establish a balance between the goals of and employee and the organization. Positive reinforcement can be defined as "the addition of a reward following a desired behaviour". Positive reinforcement is a form of recognition that serves as encouragement for an employee. It can further help in developing job satisfaction while making sure that an improved behaviour is maintained

between the employees at all levels. There is no denying the fact that an employee with a positive attitude and high morale will perform better while being clear about the expectations that an organization holds for him. Displaying appreciative behaviour seems like a simple gesture but is clearly a significant tool in enhancing the psychological as well as physical wellbeing of an employee. (Rossi, 2013)

Organizations that provide opportunities to its employees to express their dissatisfaction are more likely to retain their employees (Gupta, 2015).

1.2. Onboarding

To deal with the challenges a new-hire may face, onboarding processes are established. Onboarding refers to all activities that assist a new-hire to understand his role, the environment as well as the working community of an organization (Klein H. J., 2015).

Vanderslice (2014) stated that onboarding comprises of the experiences a new hire adapts and responds to in the first year. While Ferri-Reed (2013) refers to onboarding as the process through which a new hire conforms, and starts contributing to the organization in a brief period, enhancing employee productivity and retention. According to Fagerholm (2014) onboarding refers to “the process of helping new-hires adjust to social and performance aspects of their new jobs quickly and smoothly”. Onboarding can also be explained as organizational socialization, orientation and assimilation process. Fagerholm (2014) defines onboarding as “the induction and assimilation of a new employee into a company or organization”.

Caldwell (2018) defines the onboarding process as “acquiring, accommodating, assimilating and accelerating new team members”. The administrative process involved in the setting of a new employee in his new job role is known as the onboarding process. (Smith, 2012) states that the onboarding process revolves around the recruitment, hiring and assisting the new-hire “reach full productivity as quickly as possible. Klein (2012) states that onboarding or induction is a process that helps the new-hire to understand and familiarize himself with the new environment of an organization for the employee to achieve full productivity.

The onboarding prepares the employee for his job. While some employees are provided a detailed overview of the organization and the duties expected of him, others are

expected to figure it out themselves. In both cases, the new hire is expected to perform his duties effectively while ensuring that he adjusts to the environment, builds confidence and establishes relationships. Each organization employs different strategies to help the new-hires get accustomed to the environment. (Johnson, 2010) states that onboarding is imperative for human resource management strategy. Effective integration of new employees is important to make sure that the employees perform to their full potential.

The on boarding processes can be understood on the basis of their ability to fulfil the employees' needs specially their levels of self-actualization (Sandhya & Kumar, 2011). In 1954, Abraham Maslow described a hierarchy of human needs that if satisfied can contribute to a person's motivation. In the hierarchical pyramid of needs by Maslow, all the lower level of needs must first be met in order to move to the next level (Kaur A. , 2013) . At the bottom of the pyramid are the physiological needs such as air, food, water etc. Then comes the safety needs. So, once an employee's basic physical needs are fulfilled, he may feel motivated by the fulfilment of his security needs. Once, these needs are satisfied, he moves on to the next level which is the 'affiliation needs'. After his sense of belonging is satisfied, his esteem needs to be boosted in the form of recognition of his efforts. And finally, after all these needs are fulfilled, he needs to realize his full potential in order to reach a state of self-actualization. (Sadri, 2011) states that in 1970, Maslow added aesthetic needs and cognitive needs to his hierarchy. Aesthetic needs cater to the sense of beauty and balance around an individual while cognitive needs deal with the urge to receive knowledge.

The onboarding process differs from organization to organization depending on what is best for it. According to the existing literature there are various kinds of onboarding process that the top management can employ. However, it is important to develop a baseline that will provide common knowledge for all new hires. The onboarding can be either a formal or informal process, or the extent and span of this process also depends on the organization and its objectives (Klein, 2012)

As the term suggests, an informal onboarding process does not provide the new-hires with any clear organizational plan, while the formal onboarding process gives explicit and well-written policies and procedures to the new-hires which helps them in adjusting

in the new job environment, in terms of their responsibilities as well as socialization. (Cable D. M., 2013)

A written onboarding program is a formal document contains details about the goals, objectives, duties and support for the new-hire to understand. For an onboarding program to be effective, written plans are suggested since they can be handed out to all the new hires and a follow-up can also be done. Onboarding can be performed through face to face interaction as well as using the technology, such as automate basic forms which track the progress and help the stakeholders decide what new incentives and support should be provided to the new hires (D'Aurizio, 2007). Meetings can also be carried out to ensure that the new hires receive required information timely.

Confidence and clarity are two things that should be present in a new hire, for him to perform the role assigned to him successfully. Training and onboarding becomes necessary for the employee to cope with the responsibilities and perform as expected. Training can assist the new-hire in adjusting resulting in successful onboarding (Kumar N. &, 2017).

On the other hand, stakeholders are important for successful and effective onboarding of new-hires since they can act as a role model for them and can help manage them to meet the expectations. Being experienced, they can be helpful by teaching the culture and values of the organization. By offering advice and clarifying job instructions the stakeholders can become an important part of onboarding. Moreover, informal interaction with the co-workers can also assist the new hire to adjust in the new environment. (Bauer T. N., 2011)

Conducting performance appraisal is also important. These appraisals are usually carried out by the organization once or twice in a year which can be helpful for effective onboarding (Cable, 2013)

Stages of Onboarding Process

As already established, onboarding can prove to be beneficial for the new-hire as well as the organization. It is a strategic tool utilized so that the organization benefits from the employees fully by ensuring employee engagement and their growth. According to Carter (2015) there can be a huge difference between the onboarding processes of different organizations; however, effective onboarding process has some common features. They are “comprehensive, structured and strenuously monitored”. It is important to customize the onboarding process according to the type of your organization and the kind of employees you want to recruit; all effective onboarding processes have certain common attributes. A successful onboarding process can comprise of 5 stages:

1. Preparation: The new-hire is provided with “background material” and a detailed plan of what to expect during the onboarding process.
2. Orientation: A session is conducted which provides information regarding the history, mission, vision, values, and culture of the organization.
3. Integration: This process aids the new-hire in adjusting to his job role and environment, while he socializes with colleagues and managers.
4. Engagement: The onboarding process can last for weeks, since the new-hire may have queries regarding his job which need to be addressed.
5. Follow-Up: A follow up is conducted by the manager or the human resource director to monitor the progress of the new hire, and examine whether he has understood and adjusted to his duties or not. (Krasman, 2015)

there are four stages of an effective onboarding process also known as the 4 C’s of onboarding (Kumar, 2017) ,

1. Compliance: The new-hire is provided with the basic set of rules and policies of the organization.
2. Clarification: It is ensured that the new-hire understands his responsibilities and expected goals.
3. Culture: This stage helps the new hire adapt to the values, norms, and culture of the organization.

4. Connection: It refers to the new-hire establishing relationships and information networks with his co-workers. (Weckstrom, 2010).

Recent trends in onboarding Programs

According to a survey by Equifax (Karhunen H. , 2017) more than half of all employees left their jobs within their first year in 2016 and more companies are focusing on their onboarding process to ensure employee retention. The trends in onboarding programs include introducing the new-hires with the work-place culture (Apostolopoulos, 2019). It puts focus on mentoring and buddies which have a positive effect on onboarding process. Mentorship programs can be developed to integrate the new-hires into the organization. A new-hire needs to have a mentor with him who can inform him and familiarize him with soft-skills. To implement effective onboarding, the “First 90 Days” technique will be followed in cooperation with the team members of an organization. From the starting day to the Day 90, all essential details will be provided that will affect the course of job. This will help them adjust in the culture of the organization. It will be made sure that the first 90 days provide a progressive experience and sets a positive precedence for the new-hire (ibid).

The appropriate information and support will be provided for the new-hire so that he can perform efficiently. It's important for the employees to have clarity of the goals and objectives therefore, right tools are necessary to attain the goals. Companies can also hire onboarding coaching and support to assist the new hires in adjusting in the new environment. Onboarding is a critical success factor and it can be difficult for the managers to invest in individual onboarding, hence external onboarding support is employed to assist the new-hires (Bauer, 2010)

AAC Global, a successful company providing marketing and e-learning services carried out a survey in Finland in 2017 at the Manager & Personal fair (Esimies & Henkilöstö Messut) and in LinkedIn to find out the trends in the onboarding process and how companies use the onboarding process. The findings of the study suggested that the use of traditional documents, video tutorials and digital content for the onboarding of employees is usually not very successful. (Renz, 2014)

The leading organizations in the world put emphasis on an effective and tailored Employee Onboarding Program to ensure that the new hire accultures himself with the vision and values of the organization. Many companies make the mistake of not investing in employee onboarding programs only to experience difficulties in employee retention. Successful organizations like Google, Pinterest, Quora, and Twitter ensure a structured onboarding process (Kumar N. &, 2017). For example, Quora values productivity, and prioritize its newly recruited employees by assigning a mentor to each new-hire. Structured and detailed documents are given to the new hires so they easily understand the concepts, values, and culture of the organization. Quora implements onboarding program to “steer new hires towards what the team believes matters most” (Sapling, 2019).

Twitter has 5000 employees in 35 offices around the world. It has around 75 steps and handoffs between recruiting, HR, IT and other facilities. LinkedIn, on the other hand, has around 13000 employees in 30 cities around the world. Employees are given a 90 days new hire onboarding plan, formulated to assist them in getting accustomed to the norms and values of the firm. Facebook, too has 13000 employees. It makes use of a six-week boot camp for the new employees to help them get comfortable with their role in the organization. (ibid).

1.3. Significance of Employee Socialization Strategies

The employee socialization process is a very important factor in an efficient onboarding program (Cooper-Thomas, 2011). There are several theories that describe the process but there are three stages of this process. These are:

1. **The pre arrival stage:** This stage involves the employee selection process where it is determined whether the selected candidates match the organizational culture and requirements. Their abilities and predispositions are considered critically to ensure that they will feel comfortable to stay long term with the company. They experience the socialization setup through the hiring process and thus are familiarized with the organizational core values, culture and job requirements.

2. **The encounter stage:** this is the stage where the employees actually come into contact with the actual organizational settings. They get to meet their bosses, subordinates and colleagues. They receive formal and informal orientations and compare reality and expectations.
3. **Metamorphosis:** This is the stage where the socialization process is used to transform and train the employees to become more at ease in their current environments. This is done through various strategies such as stories, rituals, mentorship and meet ups. (Verduijn, 2013)

If the on boarding process incorporates successful socialization strategies, employees are more likely to bond with their environment. It is also suggested that intra-organizational social networks contribute to reducing employee turnover by allowing them to associate with the social web (Filstad, 2011).

1.4. Organizational Culture

Organizational Culture refers to the beliefs, assumptions, values, and ways of interaction that contribute to the social and psychological environment of an organization (Schein, 2010). Organizational culture can affect the behaviour of a new-hire and his productivity. Organizational culture directly affects the employee and his adaptability; “managers should be sensitive towards the fact that they are creating norms and expectations among employees around this notion of adaptability, and to make sure those norms are widely shared” (Mujeeb, 2011)

Work environment is one of the causes that affect employee retention. A competitive onboarding process guarantees that the new hire will perform and contribute to the organizational culture positively (Shahzad, 2012),. Studies have found that a lack of strong organizational culture may cripple the performance of a new hire resulting in alliance failure (Hayes, 2015).

Organizational culture may directly or indirectly influence the motivation of an employee as well. The Expectancy theory of motivation postulated by Victor Vroom

states that employees are expected to perform better if they expect to receive something of value in return. If their effort, performance and the results are positively interlinked they may be more inclined towards staying with the organization. They may attach more importance to staying with that particular organization if they believe that the efforts they put in are provided with intrinsic or extrinsic rewards to which they associate a value. This theory maintains that employees will exert effort when they believe that they will be rewarded accordingly (Johennesse, 2017)

Hence a strong organizational culture is vital for employee retention, employee productivity, and a successful onboarding program. Organizational culture affects the conduct of an employee, hence assisting in aligning individuals' skills and contribution. (Prajogo, 2011)

The organizations operate in challenging environments all across the globe. They need employees who can adjust with the changing requirements of their jobs. If their personalities are in line with the organizational culture, they feel more inclined to remain in their jobs when circumstances fluctuate. Person-Organization fit is defined as the compatibility between people and organizations. It determines that those employees are more likely to stay with an organization whose personalities match with the goals and values of the organization. (Sutarjo A. , 2011). The on boarding processes can ensure this P-O fit so that employees who are a good fit for the organization can be prevented from leaving and retained within the organization (Liu B. L., 2010).

1.5. Employee Retention in Estonia

According to Human Capital Report Estonia is ranked 15th globally in regards to human capital potential maximization. (Kurilova, 2019). Despite being a small state, HR practices, policies, and strategies have somewhat stabilized. There are immense job opportunities due to emerging businesses in the state. As per the Statistics Estonia, there were around 11,450 job vacancies in different organizations in Estonia, in the first quarter of the year 2019. This is a trend prevailing since the year 2017. Recruiting new staff is a costly process and it becomes even more exorbitant if the already recruited staff decides to leave. According to specialists “4% of newly hired staff leave on their

first day while 40 % of senior managers hired from outside the organization fail during their first 18 months” (Boettcher, 2009)

Once new talents are recruited organizations need to ensure that the employees don't leave the firm prematurely, perform efficiently and decrease their time to value. “33% of new hires look for a new job within their six months on the job” (Lucca, 2012). Organizations in Estonia need to develop and implement successful onboarding processes to retain new hires. New hires that have had a bad experience with the onboarding process tend to prematurely leave the organization. Corning Glass Works; a well-functioning firm, during the study, found that employees who went through a formal and structured onboarding process were 69% more likely to stay with the firm than those who did not participate in the process. (ibid) Estonia is facing challenges in the labour market, experiencing a shortage of highly skilled labour due to emigration. Since local labour does not fulfil the needs of the growing Estonian economy, the shortage can be met by foreign employees, entrepreneurs, and students (Kirss, 2014). McKinsey & Co coined the term “global war on talent” in 1997, which refers to strenuous competition between companies for the most talented employees. However, with time this “war” is being fought globally where countries and regions have become involved and according to (Iles, 2010). “We are entering an era of talents or new Human Age when human capital will dominate over financial capital” (Noe R. A., 2017). Skilled Labour is a key to success for any organization; consequently, a shortage of skilled and qualified labour will cause hindrance in the economic advancement and development of any country. “A nation global competitiveness will depend on its capability of retaining, attracting and developing talents” (Stahl, 2012).

With an ongoing war for talent in the global market, it becomes vital for a small estate like Estonia to ensure that the recruited talent is retained. Creating and maintaining a high performing workforce is at the core of nearly any new business strategy, and the rewards for doing it right include increasing employee satisfaction, reducing turnover, optimizing productivity and positioning the organization for growth (ibid).

For an effective onboarding program, efforts must be made by the management, organization and the newly recruited employees. Designer Blinds in Omaha implemented an onboarding process for new-hires and they reduced turnover from

200% to less than 8% annually, hence lowering the recruiting budget from \$30,000 to \$2,000. (Noe R. A., 2017)

According to a survey conducted by Equifax, in 2016 half of the employees left their job during the first 12 months. Hence, organizations are establishing programs that help in employee retention, onboarding process being on top of the list (Karhunen, 2017)

The onboarding process is necessary to build on the core employees. Organizations believe that they have an onboarding program, however, what they have is only employee orientation. Organizations need to realize that there is a difference between orientation and onboarding. More time is being spent on “training” these employees rather than on their induction into an organization, resulting in high employee turnover. Organizations are responsible for building a healthy relationship with the new-hire. An effective onboarding process can benefit the new-hires as well as the organization and reduces staff turnover significantly (James L. &, 2012). In the current growing economy, the talent must be retained. An unstructured onboarding process can result in a negative experience for the new-hire, creating challenges for both the employee as well as the organization (Pike, 2014)

2. STUDY METHODS

2.1. Background of the company under study “TransferWise”.

TransferWise, which is now headquartered in London, United Kingdom, is a money transfer service that works online. It was founded by two Estonian entrepreneurs, Kristo Kaarmann and Taavet Hinrikus in January 2011. There are a number of salient features of this company that makes it different from ordinary money transfer services. TransferWise deals with over 750 currency routes around the world. The currencies include USD, GBP, AUD, EUR and CAD. Moreover, the company offers multicurrency accounts. The company serves in the US, Europe, Canada, Latin America and Asia-Pacific. The headquarter of TransferWise is in London, United Kingdom. More than 1900 employees are currently working in TransferWise. Kristo Kaarmann is the chief executive of company. According to a report presented in 2018, company’s net profit touched \$8 million with the customer base of 6 million. Estimates also say that every month these customers transfer \$4 billion through TransferWise. The total annual revenue was recorded as \$236 million. The ideology behind the money transfer service is to have a small commission by using interbank exchange rate (Dumas, 2014).

Like all the other big companies, TransferWise has People Development team, which can also be known as Human Resource Department. There are further sub departments within the people’s team, but the one that takes care of the company’s overall onboarding is called ‘Learning and Development Team’ or also known as ‘Onboarding Team’. This team is responsible for overall onboarding experience of all the new joiners in TransferWise. There is one head of the team and two subordinates who, in coordination with all the relevant colleagues, plan, execute and evaluate all the onboarding sessions.

Usually the onboarding process involves many events within the span of 90 days, including kick-off event, training, mentoring and evaluation. Many events are squeezed into the first few days of the joining date for any new employee. All the teams work

together to contribute in a hiring experience of each individual, but onboarding teams cooperate with colleagues to and schedule and conduct all the onboarding events. Results and analysis section will discuss in detail how the processes are laid out in TransferWise.

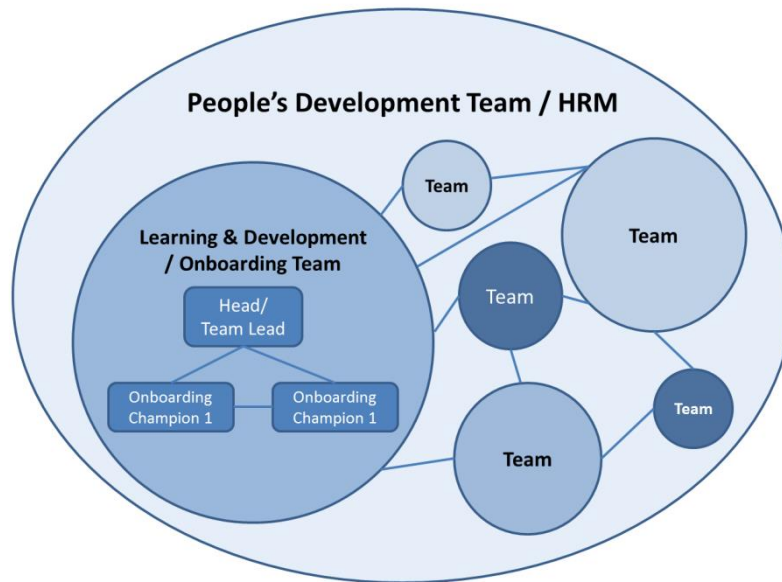


Figure. Illustration of onboarding team structure within People's Development Team in TransferWise. (Hassan, 2020)

Structure of the Onboarding Team

Henri Lempu is Learning and Development Specialist / Onboarding Team Lead. His responsibilities include developing and implementing strategies and functions of management related to overall onboarding experiences of all newly hired employees. Functions include planning, organizing, leading, and controlling on a broader level, however strategies may include continuously improving the processes based on analytical data and evaluating performance of the team. He has been part of the Learning and Development team since January 2017 and achieved internal growth to become the team lead.

Ms. Sidra Azmat Butt and Mr. Alexander Hunt both are part of the team as Onboarding Champions. They are first line employees who are responsible for carrying out all the designated processes for company's onboarding sessions, including direct engagement with new recruits as well as other ancillary tasks such as scheduling with presenters,

trainers and mentors, caterers, and other office management colleagues as well as outside partners for the seamless execution of all the events. Since they are responsible for first hand contact with the new employees, they conduct the feedback and follow up events eventually becoming the go-to personnel for the new employees in case of any problems or difficulties.

2.2. Research Design

For this research, a mix of both quantitative and qualitative approaches are followed which allows the researcher to study employee behaviour and believes while also being able to back it up through proven facts and figures. Mixed method research is defined as a “methodology that includes collection, analysis, and integration of both quantitative and qualitative methods where quantitative method comprises of experiments and surveys, and qualitative method comprises of focus groups and interviews. (Zohrabi, 2013)

The qualitative research method for example, includes action research, and case study research (Silverman, 2016). A case study allows the researcher to explore a phenomenon or theory within its context while making use of various different data sources (Johansson, 2007). This allows for the researcher to ensure that the problem at hand is explored through different angles and variety of facets of the case is revealed in the process. The case study basically is based on constructivist paradigm, which claims that the truth is relative and is mostly dependent on the perspective. This helps in identifying the importance of the subjective human relativism. The main advantage of this approach is the close relationship which is maintained between the participant and the researcher, while enabling the researcher to gain first hand insight and knowledge into the participants’ reality allowing him/her to develop a better understanding of the participant’s actions.

For this paper author analyses single case study where we can explore the attributes and procedures as applied in a successful start-up organization. This can help us to draw valuable comparisons which are imperative for the chosen case and can help a researcher to predict results that are similar for other cases as well or predict contrasting results.

Data, in this approach, is collected through a setting where the researcher has minimum control over the events as it is based on real events. This thesis covers the current onboarding processes in one start-up organization within Estonia. Hence it is important to understand what onboarding processes are and why is it important to have effective onboarding processes in place. In order to do so, a “Program Effects” approach is utilized which helps us in determining whether the current processes may result in success or failure. The data collected for this purpose is then further utilized in order to make sure that the information is used for maximum benefit and more effective processes.

As a research incorporates both qualitative and quantitative methods, the main sources of data collection are chosen to be interviews and questionnaires. Interviews are conducted at one of the Estonian start-up ventures. It serves as a main source of information and method in order to understand the current onboarding processes applied by the various organizations in the country. It should be noted that the interviews do not collect information that may be proven to be scientifically correct but they are effective for case study research method. It remains as one of the most efficient sources of information, and helps in better analysing the processes in effect in different companies.

The research furthermore explores the current policies and ecosystem in successful Estonian start-up organization. The population or subjects under study in this case include a group of individuals who are directly related with the topic, which include: new and old employees as well as management currently employed at TransferWise, Estonia. The conceptual phase of the research links to the abstract theories and ideas as produced by different philosophers.

2.3. Research Strategy, Methods and Analysis

It is essential to make sure that the tools and techniques applied serve as an aid to the type of enquiry and are in conformity with the intention behind the study. For this study, author looks for information that helps in developing a structure, involving both

employers and employees in the process. The nature of the study is pragmatic, and empirical approach is applied for to facilitate a process that is data-driven.

Different researchers presented various types of methods and steps applied in order to conduct a research. However planning research and devising strategies, has multiple benefits. When the research stays on track, the researcher keeps his mind open for new ideas and possibilities (Marczyk, 2005). The formulation of research strategies has significant importance as it explains the preparation of the all the activities that have to be completed for the research. If this strategical planning is impertinent or unreasonable, then it is quite possible that the research goes in/ends up in wrong direction. The prime intention of pre-planning and devising research strategies is to maintain the track of research.

2.3.1. Qualitative Research

In order to gather empirical data from the both view-points of a startup organization it is important to include the insight of both the first-line employees and also the senior management of the organization. Hence, the interviews were conducted with the senior manager (head of the onboarding team) as well as two first line employees in the onboarding team. Structure of the onboarding team and background of participants are discussed in detail in the previous chapter (chapter 2.1). Face to face Interview with the Team Leader was scheduled to take place in the TransferWise office which included 35 minutes of discussion. One interview took place over a phone call with the first line employee that lasted about 30 minutes whereas the interview with other first line employee was arranged in the participant's house, which also included 20 to 25 minutes of discussion. All the interviews were recorded in audio clip and then manually transcribed. (Appendix. 4)

Total of 19 questions were chosen to be asked from the interviewees, in which participants are asked to shed their opinions and acquired knowledge on the onboarding and retention programs in their companies and their relationship with employee loyalty, satisfaction, and retention against both open and closed ended questions. (Appendix - 1)

First question tries to break the ice and urge participants to describe chronologically the overall onboarding process and all the activities involved in it. Following question enquires about whether or not there are any dedicated KPIs involved to evaluate the processes. Moving further, author attempts to investigate the initiatives that were taken or introduced to ensure the most suitable welcome environment for the employees. Furthermore, inquiry into steps that ensures that employees connect with the mission and vision of the company was made. Moving onwards, questions are more narrowed down and attempt to inquire about orientation program or the kickoff events, as in how are the activities and sessions are planned and how they are evaluated. Some questions invited the participants to talk about knowledge gained through experience, for instance how they ensure they employees are following and grasping the content during the presentation sessions, however few other questions were aimed at getting the participants to talk about their opinions, for example whether they think that further improvements in the onboarding processes are possible, how and what impacts they think it may have on retaining the talent.

Largely, the author attempted to indulge participants in talking about following topics.

1. Length and shape of processes/Activities.
2. KPIs or evaluation procedure.
3. Unique initiatives for the TransferWise welcome environment.
4. Support and Guidance to new employees.
5. Shared and perceived values.
6. Orientation program and value delivery paradigm.
7. Examples of stimulating activities/Employee engagement.
8. Communication effectiveness.
9. Mentoring/Training programs.
10. Link between Structured Onboarding and Employee Motivation & Satisfaction.
11. Talent retention strategies through effective onboarding and challenges.
12. Shortcomings and improvement strategies.

As the questions begin to be more specific and attempt to inquire information required related to subject, through the combination of open, closed ended as well as continuing

questions, participants were invited to possibly talk about all the aspects related to the onboarding.

There are many tools and techniques to analyse the data in a qualitative research. For this study, RQDA is utilised. RQDA is an R package for computer assisted qualitative data analysis or CAQDAS. It is installable from, and runs within, the R statistical software. Once data is collected in form of opinions and words, it is translated into codes and numbers.

The six essential steps taken for the analysis using RQDA include familiarization, generation of codes, themes application, themes reviewing, theme definition, and report generation. It is to be noted that during the analysis of the in-depth interviews several codes are identified and applied. The recognized codes from the transcripts were then further categorized into related themes in relationship with the research.

2.3.1. Quantitative Research

The questionnaire consisting 20 questions was created on Google Forms since it is an effective tool for conducting online surveys. All the questions were carefully selected and presented in the form, keeping in mind the objectives and main goals of this research. (Appendix 2)

After assuring the respondents the anonymity in a clause in the introduction, the questionnaire begins with question related to shared and perceived values. Following question is related to inspiration for achieving the organizational goals which gauges employee's motivation. Some questions asks respondent to gauge their satisfaction with their roles and responsibilities.

There are few questions that inquire the level of support and guidance to new employees receives during their onboarding tenure. Further on, some questions require respondents to provide feedback on the orientation program and value delivery system of the organization. Some open ended questions which ask respondents to bring out examples of stimulating or interesting activities as well, which were purposefully asked to investigate employee engagement. Moreover, communication effectiveness related

questions were asked to ensure the communication paradigms were effectively incorporated. Some questions were included which invited respondents to provide feedback on the mentoring and training programs of the company. Eventually, respondents were asked to provide suggestions related to improvement of their onboarding through few open ended questions to gather their opinionated input as a data.

Types of questions used for the survey questionnaire include dichotomous or two-point questions where the answer is one of the two given options such as Yes or No, Multiple-Choice questions where the respondent has the liberty to choose from several different given options such as A,B,C,D, as well as Scaled Questions which included Likert Scale (1-5 and 1-10, for different questions) and differential scales were used. (Link to the Appendix) The questions collected were kept short, comprehensible and included both open and close-ended in order to be able to draw statistical analysis.

In attempt to collect the quantitative empirical data, the survey web link is posted on Slack Channel of the company, which is an official messenger application used for internal communication. There is one specific channel within slack, which is a formal group of all the current employees of TransferWise, which means if one posts a message in this group, it is visible and accessible to all the group members. There, a formal request is made to fill out the questionnaire with the help of employee who author's acquaintance. However, participation is voluntary and kept completely anonymous.

To analyze the empirical data, results are gathered in Google spread sheet, and after that they are processed in Google excel sheet (Appendix. 5). Every question from the survey is analyzed for the relation of percentage, frequency, etc. with distribution, dispersion analysis based on descriptive statistics and central tendency. Figures are used to present the relevant data.

3. RESULTS AND ANALYSIS

The chapter includes the facts, characters and the composition of the essential factors and processes in a start-up organization of Estonia. The current onboarding procedures used in start-ups in general and TransferWise in particular are explained. It helps in providing with the necessary information that explains how the current processes and structures are inadequate in organizations hindering organizations to achieve employee retention, motivation, and satisfaction. The results that are discovered in the previous chapters are presented in the study and then furthermore, discussed. At the end of the chapter a thorough interpretation of the results is discussed, whereas the literature is analysed to make sure that the findings for the research questions are validate. The chapter utilizes concepts of validity in order to make sure that the research is properly validated.

3.1. Analysis of the Interviews

The interviewees selected were team leaders and line managers in charge of the onboarding process at TransferWise. Their responses showed high levels of relevance to the questions investigated by the study.

3.1.1. Results

The section that follows presents the results and discusses them further. These results are formed on the base of the themes and the categories as displayed (Appendix. 6). These codes and themes enable us in generating logical results and inferences from the results gathered.

Current Onboarding Process	Communicating the company vision and mission
The Organizational Culture	Formal Vs. informal onboarding activities
Mentoring and Training	Feedback and continuous improvement
Pre-Boarding Process	Socialization and Network Building Opportunities

3.1.2. Onboarding Process

As discussed in the initial part of the study, onboarding processes are an essential part for employee retention in order to make sure that an organization is able to reap the benefits of the right talent while keeping them motivated and satisfied with their job.

Currently the onboarding processes being followed at start-ups such as TransferWise are extensive but it can be further improved to achieve more effectiveness, as per the information gathered from the respondent, Mr. Henri, who was a senior manager as mentioned before, says that *“we define onboarding a process of ninety days. There are several events. Of course, it depends on teams. But one thing that all of our joiners go through is as a general onboarding which lasts for three days”*. ‘General Onboarding’ is the kick-off session and comprises most of the major events. The time duration and the events are same for employees of every department. This general onboarding session includes many presentations from leads of different departments, who describe what their teams do and how they do, as well as free group lunches, many interactive and fun games and socializing opportunities, for instance the grand onboarding dinner. Henri believes, all of this helps the new recruits to get familiar with the new environment and with their employers as well as their colleagues.

The onboarding session/time is itself is a welcoming initiative. The employees are not asked to start the job on-very first day. So, the on boarding session is meant to bring people close to each other and make them familiar with the atmosphere. Then gradually the responsibilities are shifted to them. As, Ms.Sidra, who is the first line manager, from TransferWise explains in the interview, *“there's an onboarding dinner at which about every one from the team is invited, now there's about thirty to forty people just sitting together they're having a really nice time having wine so they all loosen up and by the next day what I have seen usually is that they are or they're already in love with TransferWise and they start to feel like they are part of it do you have an orientation program in TransferWise”*

TransferWise also manages clubs to make the employees relaxed. For example, if an employee likes football, he can join football club, or if he likes any other games, like board games or swimming, there are options available for them as well. There is another

essential benefit of the onboarding system. The employee is told about the company mission. The employees are briefed about the product pillars and are assigned the particular target. After that there are weekly team meetings in which all the employees are called and they discuss their progress and the related concerns. There are different topics but they all revolve around the same mission. Also, there are bi-annually missions, in which the employees have a meeting with the employers to discuss the speed, cost, transparency involved in the missions. Thus the prime motive of TransferWise is not just to impose the project onto the employees but also to connect them with the project and the target achievement. In order to keep them motivated and connected to the mission, there are quarterly meetings so that the employees always remember the importance of the mission. Employers also make an effort to make the employees feel valued. Giving them work recognition and appreciation works a lot. This is mostly done by analysing their and giving them feedback. The feedback becomes most effective with one to one meeting with the team leaders. This way the team leader actually helps the employee by giving him confidence about his work, and the on-board process more effective.

The onboarding process becomes more interesting and interactive when it is informal. So rather than just presenting bundles of knowledge during the process, the session needs to be interactional. The group activities are a big plus. Then there is another question, what is more important, to connect the employee with organization first or with the work/goal first. With the on boarding process, the employees get related to the workplace and so the targets.

Even after a thoughtful drafting of an onboarding processes and general onboarding in start-ups like TransferWise the interviewees agree that there is a lot of improvement that needs to be done in order to make it more effective. One idea is to introduce pre-boarding which will allow the employees to build up expectations and anticipations accordingly, without having the feeling of apprehension about the new job and the workplace environment. Another one of the suggestions put forward during the interviews were to introduce team leads with the newly appointed members in order to break the ice and develop a healthy relationship from the start. After reviewing and analysing the data collected from the interviews, we can safely state that a formal structure and measure is not put in place in these organizations. The need here is to ensure that the process is continuous and not limited to a certain number of days while

there are several essential factors that still like even in a progressed and successful organization such as TransferWise in Estonia.

3.1.3. Organizational Culture

Organizational culture is the behaviour of individuals who are part of an organization and the meanings that the people attach to their actions. All organizations around the world have a culture and maintaining this culture has gained great importance in today's globalized world. The organizational culture directly affects the behaviour of an employee towards his responsibilities. The business world has become competitive and there are many great opportunities available for individuals, hence employees don't give a second thought before quitting their job if they feel that organizations values and vision do not align with them. There is a direct relationship between employee retention and the organizational culture, therefore it's recommended that organizations focus on developing innovative strategies in order to stay strong in the competitive business world. The environment of an organization influences the performance and productivity of an employees. If the culture does not align with the values and mission, it can negatively affect the organization. Employee commitment, engagement and productivity is directly influenced by the culture. An organization is strong if it has consistent mission and values and adapt to changes well. Moreover, successful organizations have a clear mission, and a sense of purpose which assists them in the development of its objectives and goals. All of these qualities help in creating and maintaining a culture that has mission and consistency and allows the employees to learn from their mistakes. Organizational culture can be considered an important tool that helps an employee stay committed and loyal to the company. TransferWise, has an informal environment where employees are allowed to take risks and learn from their mistakes. According to the interviews, TransferWise supports and promotes a casual environment where the individuals feel comfortable with its top management and are able to communicate their concerns and apprehensions. As per Mr.Henri *"first of all we talk about the mission itself during onboarding. Hopefully it's also something that will come through during them during the hiring and going to the process and so we will do little bit of talking then our mission is split into, like, for product pillars and every team's work feeds into one of those pillars."*

Different activities are carried out throughout the year to freshen up the employees and ensure that they have fun along the work. This kind of a culture keeps the employees

relaxed yet at the same time committed to their work, consequently retaining the employees. The onboarding program of any organization plays an imperative part in cultivating and fostering the culture of the organization. If an employee has detailed knowledge about the company's culture it will become easier for him tune himself accordingly and adjust into his new role. To ensure smooth and successful integration of the culture in a new- hire, ensure that there is effective communication. A new-hire will have a better first day at his new job if detailed information regarding the culture is provided. Secondly, all tools should be provided beforehand. Policies and any other information such as history of the company should be provided. Thirdly, regular communication through question answer sessions between the new hires and company's management should be scheduled to get the required feedback. Nurturing and encouraging the new-hires as they try to get onboard and get comfortable will create a culture of adaptability, consequently, positively affecting employee productivity and his behaviour towards his responsibilities. Praising the organization and constantly reminding the employees regarding the positive experiences of the employees of the organizations will encourage a positive culture creating a positive environment. It's important for the organizations to integrate the newly hires as soon as possible by keeping the channels of communication always open and promoting the company's culture. As Ms. Sidra from TransferWise explains *"there's a session in which we basically give them the overview of the values which are for and then we also say that if you stick to these values you basically you basically perform towards the mission so as the company grows then the team expands"*.

3.1.4. Mentoring and training

The on boarding process in any organization can be used to make the new employees feel welcome in their new setting. Mentoring and training programs are important tools to ensure that the new recruits are prepared for the roles they are supposed to play in the organizational dynamics. Training programs are formally designed according the skills required for the specific task at hand. Just as one of the participants of the interview mentioned that the newly hired employees need to go through a rigorous process of learning and training before they actually start performing their actual duties. Training sessions are usually pre designed programs that are structured in line with the various job descriptions. Mr. Henri from TransferWise mentioned that *"if an employee is recruited in a customer support capacity, he will have to go through various programs*

that are tailored to make him accustomed to the tasks that he is supposed to perform. He will have to go through a classroom training session of about one and a half week so that he learns the necessary skills for his job. These sessions ensure that his skills are aligned with his job requirement and he faces no ambiguity when performing the tasks assigned to him.” In the continuously changing work environment characterized by technological innovation, the new employees need to be updated in their capacities to effectively perform their roles. So, the classroom training sessions have to be planned accordingly. If the employee feels that he can successfully perform the duties required of him, he would be more inclined to continue his job.

The interview participants also mentioned that they assign a mentor for two weeks to the new appointee after his class room training sessions. For example, the new recruit in Customer support will learn to deal with various kinds of customers with a mentor by his side for two weeks so that he learns the ropes from somebody who has already mastered the job. This way the mentor provides support to the new comer and helps him build confidence. He joins his teams formally after the four-week training and mentorship program. While training sessions are more formal and structured, mentorship allows for flexibility and informality. The employees get a chance to interact with their co-workers in a one on one manner in their learning capacities. With a mentor by their side they do not feel alienated and isolated. It helps them build rapport with their co-workers and learn to deal with work situations more confidently. This can be a very strong contributing factor to the overall new employee motivation. If they feel that their workplace offers them support in the initial days, they may feel more disposed to continue working in their current workplace. The training and mentorship agenda need to be formulated carefully for the new employees as this can help in determining how valued they feel by their organization. If they feel valued and are not overwhelmed with their new environment, they may adjust easily into the system and be able to perform better with better levels of job satisfaction and motivation.

3.1.5. Pre-boarding Process

The foundation of the on boarding process lies in the pre boarding setup as well. This involves the basic route of hiring and recruiting new talent. For start-ups like TransferWise that are very knowledge intensive, it is crucial that the employees hired are scrutinized for the right match between their job description and technical expertise.

This way if it is determined that their own personal goals align with the organizational objectives in the long term as well as the short term, they will be intrinsically motivated to retain their jobs. However, as one of the interviewees mentioned that the start-up culture in Estonia has made it very difficult to hire new talent. In the fast-paced work environment, the onboarding process needs to be preceded by a well-researched and carefully executed pre-boarding procedure. This requires rigorous background checks and a meticulously planned hiring process. This needs to take into account the current job market trends, employee expectations, the skills available in the job market and the packages that competitors are offering to the prospective employees.

For most start-ups retaining the relevant talent is always a challenge. As already discussed, if there is a good match between the person hired and the organizational objectives, the chances of turnover are minimized. This highlights the significance of the hiring procedure and the modus operandi of identifying talent by the Human Resource division. The interviewees mentioned the costs and resources invested by them organization in recognizing and recruiting talented individuals who have a potential to contribute towards the overall goals of the organization. This sets the precedent for a well deliberated and extensive onboarding experience for the new hires. The hiring process requires effective two-way communication for the understanding of individual and organizational goals and expectations. This constitutes the pre-boarding stage of the on boarding procedure.

Choosing the right people is the basis of an effective onboarding process. An interviewee pointed out that once it is established that they are the right matches for the organization, the onboarding course of action becomes relatively less complicated for the start-up. With the competitive job market, organizations need to keep reinventing their edge in the hiring system. Although the pre-boarding procedures are very crucial for employee retention, they cannot undermine the value of well thought out on boarding experiences. Investing on the pre-boarding part of the process and leaving the employees clueless, once they formally join in can have catastrophic effects on employee loyalty and retention. Nevertheless, both the processes are dependent on each other and one cannot deliver without the other. Each should be developed by integrating the underlying principles of the other otherwise both could be rendered dysfunctional. A

strong and well-established pre-boarding process ensures that the new recruits have positive first impressions of their workplace.

3.1.6. Communicating the company mission and vision

The company mission and vision strategies have a great impact on the day to day activities of the organization. As it has been discussed earlier, if the organizational mission resonates with the personal goals of the employees then they are more likely to feel motivated towards their job. An optimum person-job fit means a higher chance of new appointees staying with the organization. Communicating organizational mission to the new employees ensures that they are aware of their roles and can identify with their new workplace. At TransferWise, the value of conveying the company mission to new recruits is considered to be an important part of the onboarding process. Mr. Henri from TransferWise explained that they talked about the mission during the onboarding as well as the hiring or pre boarding process. He further mentioned, *“There's a bi-weekly team call where all the team comes together and they share mission updates. The topics vary but there's always something around mission. Then there is mission days two times a year, which is like a dedicated conference on how we are doing on speed, how we are doing on costs, how we are getting the transparency, those kinds of things. So, when it comes to this mission, it's not just saying it or presenting to your new joiners and then getting a check on it. But you have to get their buy-in. They have to believe in it as much as you do and hopefully that will come through the hiring. They need to understand this and then you need to find ways for them to remember this again and again, whether this is in the form of mission days, informal team calls or in the form of a quarterly mission update.”* (Galvin, 2018) stated that communication is a two-way process. There is a lot of information that is being presented to the new employees regarding the organization, its goals, mission and vision. It is imperative to make sure that they are internalising it.

Ms. Sidra from TransferWise mentioned that they make sure that the data and information being presented to the new recruits is understandable and precise. She further elaborated, *“We usually judge from their questions how much interest they were taking. If they have really fruitful questions, we get the point that they were listening.”*

One of the highlights of the onboarding activities is the propagation of company mission and vision and a wide array of tools are employed for this. An interviewee from

TransferWise stated that a variety of audio-visual tools, presentations, written literature and interactive sessions were a part of the onboarding process to make sure that the company mission is clearly articulated. Although it takes some time for the new hires to understand and relate to the mission, a lot of emphasis is laid on communicating it. Many activities during the pre-boarding and onboarding phase revolve around the mission and long-term goals of the start-up so that the new employees can effectively internalise it. It is also important that the new employees contribute actively in these activities so that their understanding of the mission and vision is also evaluated by their peers and team leads.

3.1.7. Formal Vs Informal onboarding activities

The onboarding process involves a broad spectrum of activities initiated at the pre-boarding and hiring stage. The structure and undertone of these activities can determine the level of engagement of the participants. According to the interviewees, the new employees are provided with formal orientation sessions to introduce them to the company's background and work culture. During the first three days they receive formal presentations about general information about the company and how various departments work. They get to know about their own divisions and also about how other departments of the organization work in collaboration with their own division. Ms. Sidra from TransferWise mentioned that the onboarding process has been evolving over the years. A few years back it involved a formal office tour for the new recruits which was boring and less engaging. They would just roam around the office and get to know about all the floors and important locations. However, now a very interesting game named "mission impossible" has been introduced. This is an attempt to make onboarding less formal and more flexible and creative. The new employees are supposed to look for answers for various questions. The questions range from the difference between finance and compliance to the methods of making coffee in the office.

The informal structure of the activity allows new recruits to get accustomed to their new workplace and make friends along the way. They can make sense of their surrounding environment in a casual manner. They can see how their teams fit into the overall bigger setup of the organization. While discussing the formal sessions, an interviewee said,

“we basically give them the overview of the values. We also say that if you stick to these values you basically perform towards the mission. So, as the company grows the team expands, but something that we actually believe in is the culture and the culture is made through those values. We say that if we stick to those values we'd end up being a part of the mission. During the entire onboarding, mission is something that is being stated to them on and off. We also have mission days that help them revise it late in the future. It's not just something that we teach them during the onboarding it's something that goes on as part of their job for the rest of the time in the company.”

So according to the interviewees, the onboarding activities are more effective when it has an informal structure like the game, they have introduced instead of the office tour. But a degree of formality is also required to communicate some of the necessary information about the organization and its values and culture. So, the process can be more effective if it is interactive, two way and more engaging for the new employees.

3.1.8. Feedback and continuous improvement

While the new employees are at the receiving end of the on boarding process, the organization needs to set some KPIs (Key Point Indicators) to make sure that it is being well received. The interviewees mentioned that the participants of the onboarding activities are given feedback forms to analyse the efficacy of the process. Follow up emails are also generated for the feedback. This feedback is a valuable source of improvement for the start up. They get to assess the success of their onboarding process and incorporate creative ideas into the development of their onboarding program. However, data from the interviewees did not indicate any well-defined KPIs for judging the fruitfulness of the process. They mentioned that the employee engagement was gauged on the basis of the quality of questions that they asked during the interactive sessions. This evaluation can be misguided and is totally dependent upon the personal judgement of the moderators conducting the sessions. There is no formal structure for evaluating how well received the whole set of activities is.

3.1.9. Socialization and Network Building Opportunities

One of the most important aspects of an onboarding program is to satisfy the employees' need to belong. A very crucial step in career development and progress is network building.

Generally, people consider this step very difficult to associate with their fellow workers during the initial days. However, networking is not as tough as it sounds if opportunities for socialization are created by the organization itself and employees do not have to make extra efforts for it. The interview participants explained that the new employees attend a variety of office lunches and dinners to allow socialization and network building opportunities. Mr. Henri states that *“And then there's obviously, like, thousands of social activities people can do if they just look for the right one. You like football, also do the Football Club. You want to go ice swimming during the winter, there is a club for that. You want to do I, don't know, board games, there's a club for.”*

The personal growth of employees is near to impossible without professional networking opportunities. When a group of people gets connected with each other for different work-related reasons, then it is called professional networking. The term 'contacts' is used for the members of group who are related with each other because of business reasons in the professional networking. Usually they share work related information with each other as well.

The shared information is not just about the particular business, or project or development but the contacts also guide each other about solutions to different problems, recommend improvements and in some cases provide important information about potential employers and the clients. Networking plays a key role in business and career advancement. For example, the professional network can surely give leads to a job seeker and help him getting the right job, similarly professional networking can lead a person to make positive advancements in his/her career. Every contact can lead a person to some more contacts, and these contacts can help the career growth in many ways.

As already discussed, a person has many opportunities while building the network. He can start with the colleagues. The co-workers and then the former co-workers can be a good start in building network. Conferences and meetups like the ones arranged by TransferWise in the onboarding process which can play a vital role in making contacts and network. The conferences, dinners and lunches are mostly arranged by the professional associates, so one can increase his network in his respective field. In these meets up, one can introduce himself to others and get to familiarize himself with his colleagues and team leaders.

3.2. Analysis of the Feedback from the Survey

In order to support the analysis from the gathered data of the in-depth interviews, a survey was also conducted from the employees of a start-up organization in Estonia, the results gathered from the survey are discussed in detail as follows. The survey is designed to analyse and assess the efficacy of the company's onboarding process and the connected factors that help in motivation of employees.

The first question is about the self-assessment of employees in terms of being valued at the work place. The question is important for the author as it provides the feeling of association an employee has towards his job and organization. In response to this question, about 32.2% said that they feel extremely valued at work. 27.4% chose the option 9 from the scale, whereas 15.1% chose option 8, shows their little dissatisfaction about being valued. 17.9% selected the option 7, showing this percentage of employees think that they should be valued more. 5.7% chose option 6 followed by 2.8% selecting option 5, shows their kind of neutral or average response as '5' comes right in middle of the rate scale. Only 0.9% chose option 3 showing their obvious dissatisfaction for being not much valued at the work. The good thing is none of the employee chose option 1 meaning they do not feel valued at all.

How valued do you feel at work?

106 responses

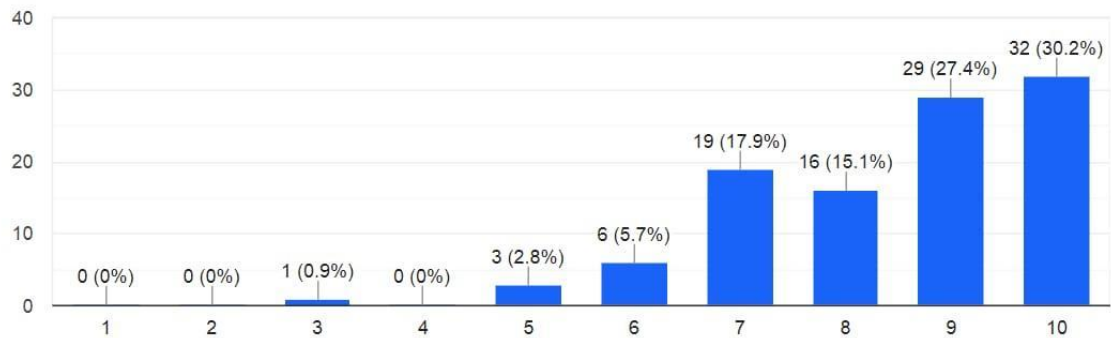


Figure 1. Being Valued at Work

Source: Compiled by the author through survey question 1

The second question has a significant importance as it is the prime objective of the employers to encourage their employees towards target/goal achievement. The employees were asked about their motivation towards achievement of goals on daily bases. In response to this question, 51.9% of the employees strongly agreed that they motivated towards achieving the set targets every day. About 39.6% also gave good response and agreed to the statement about being inspired to the goals at work daily. 7.5% respondents stayed neutral. Only 0.9% disagreed to the statement saying that do not feel motivated to meet the targets at work on daily bases. None of the respondents chose the 'strongly disagree' option.

The third questions show satisfaction of the employee towards his /her job position. Employees were asked whether they are happy/satisfied with the responsibilities, roles and duties the company has assigned them or not. The employees were asked to rate their happiness on the scale of 1-10. 28.3% showed the extremely happy response and other 44.3% selected the option 9, meaning they are also satisfied with their job responsibilities. 13.2% chose the option 8, followed by 10.4% that selected 7. 1.9% of the respondents chose the option 6 showing little dissatisfaction with the job responsibilities. 0.9% (1 respondent) went for option 5, as they liked to stay in the middle of scale showing neither very happy nor much unhappy. Another employee selected number 4 showing more of his unhappiness from the job than happiness. None of the respondents chose options from 1-3.

You are happy with roles, responsibilities and duties you carry out for the company?

106 responses

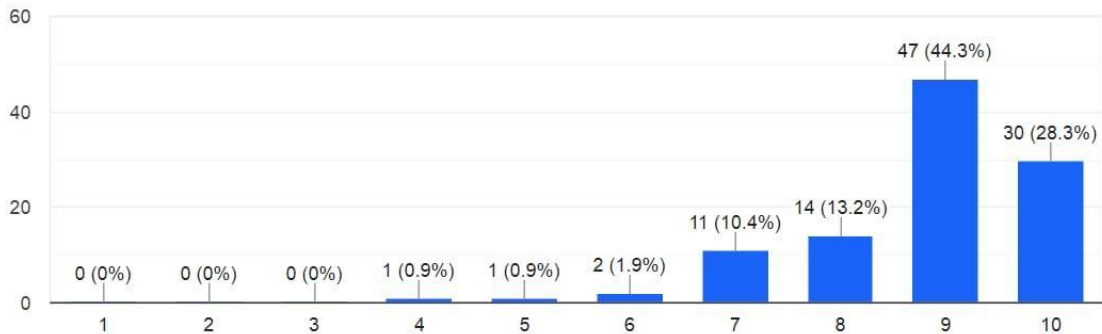


Figure 3. Satisfaction with job roles, responsibilities and duties

Source: Compiled by the researcher through survey question 3

The fourth question is about the onboarding process. The researcher asked the employees that how welcomed they felt when they first joined their jobs. On the scale of 1-10, 58.5% of the respondents said that they were welcomed very warmly by selecting the number 10. 21.7% also said that they were welcomed well by choosing option 9. Other 11.3% thought that they were received little less warmly by selecting the option 8. 4.7% chose the option 7. 2.8% chose the option 6. Only one respondent, that makes 0.9% of total, chose the option 4, showing his/her dissatisfaction with the reception. None of the respondents chose options 1,2,3 or 5.

In the fifth question, the employees were asked if they had a knowledgeable appoint of contact for any questions, he/she had before or during the first day. In response, 52.8% strongly agreed to the statement. 37.7% also agreed. 6.6% showed the neutral trend. Only 2.8% disagreed to the statement.

The sixth question is directly about the motivation of employee. Its asks the employee whether his onboarding mentor is active in giving him feedback about his performance. In response to this question, about 67.9% of employees favoured the mentor by strongly agreeing to his efforts in giving active feedback on daily performance. 26.4% also agreed to the statement, however 4.7% of the respondents stayed neutral by selecting the number 3 on the scale from 1-5. Only one respondent out of 106 respondents disagreed to the statement with a viewpoint that the onboarding mentor is active in pervading feedback on performance.

The seventh question of the questionnaire is about pre-hand information of employee. Employees are provided some information about the work and organization before they start their job. So, they are asked if the information helped them to understand their job, expectations and targets. In response, about 59.4% of the employees strongly agreed to the statement that the information they received before the first helped them in understanding their job. 34% also agreed to the statement. Four respondents, making percentage of 3.8 stayed neutral by selecting the option 3. 1.9% disagreed to the statement, whereas 0.9% strongly disagreed.

The eight question asks the employee about his satisfaction towards the content of information provided to him during the onboarding process during his onboarding process. In response, 43.4% strongly agreed to the statement, and thus showing their satisfaction about 42.5% also agreed to the statement. 11.3% selection the middle option, that is option 3. 2.8% disagreed to the statement.

Are you satisfied with the content of information you received for the job role during the onboarding?

106 responses

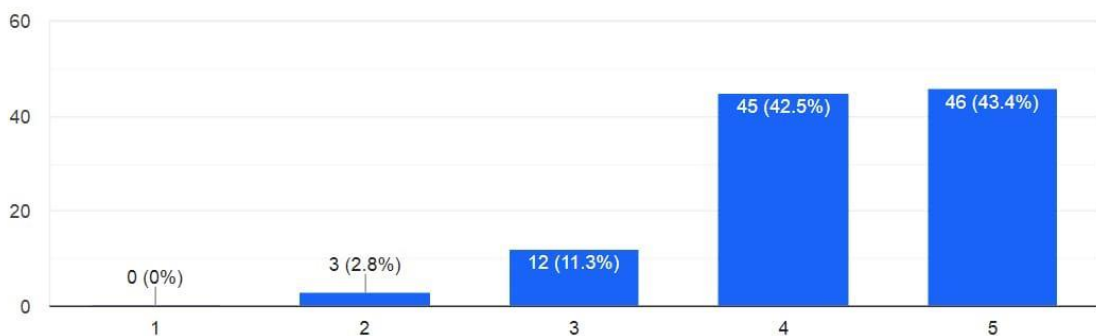


Figure 8. Employees' satisfaction with the content of information provided during onboarding process.

Source: Compiled by the researcher through survey question 8

The next question is about the availability of mentor for the employee. It asked the employee whether the mentor was present and ready to help the employee at all times. The graphical representation shows good results by 76.4% strongly agreeing and favouring the mentor. 19.8% also agreeing to the statement. The remaining 3.8% chose the neutral option. None of the employee disagreed with the statement.

Your mentor was ready to provide guidance and help at all times

106 responses

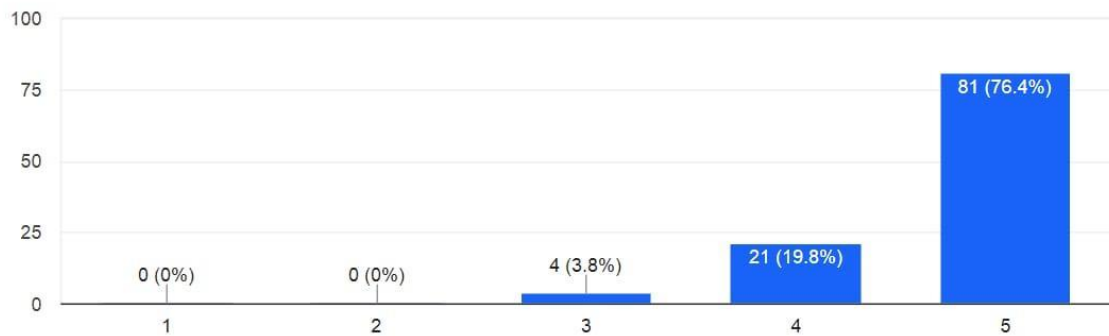


Figure 9. The mentor was ready to help and guide the employee at all times

Source: Compiled by the researcher through survey question 9

The next question is about the culture and value of work place. Employees were asked if they were explained in detail about the culture and value of work place during the onboarding process. In response, 62.3% strongly agreed to the statement, whereas other 26.4% also agreed to the statement. 7.5% stayed neutral. 1.9% of the employees disagreed to the statement and the other 1.9% strongly disagreed to the statement.

The next question was about the coherence between the job description/ interview and the current job. 50% of the respondents strongly believe that the job description given to him initially is in coherence with the current job. 39.6% also agreed to the statement that the job description and interview process were consistent with the current job. 8.5% of the respondents stayed neutral. Only 1.9% disagreed to the statement. None of the respondents out of 106 respondents selected the strongly disagree option.

The job description and interview process were consistent with what you are currently doing.

106 responses

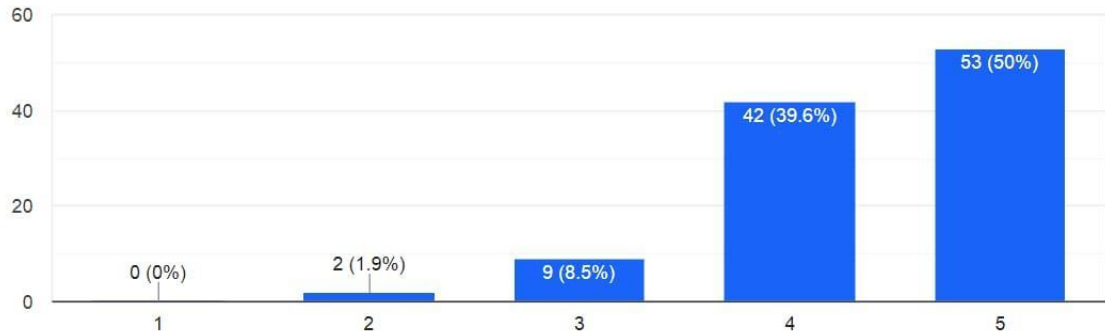


Figure 11. Consistency between job description/ interview and current job.

Source: Compiled by the researcher through survey question 12

The next question was about the mentor guidance, follow up or feedback to employee in the first few months of job. In response to this question, 75.5% said that the mentor contacted them for feedback and guidance at least once a month during the first few months of the job. Only 17% said that the mentor used to visit at least once a week. The other 7.5% said that the mentor visited once in few months. None of the respondent said that a mentor never visited the new recruits.

The next question enquires about the overall employees' satisfaction with the onboarding process. 65.1% showed strong satisfaction with the overall on boarding process. 22.6% said also showed satisfaction with the onboarding process. 7.5% gave the neutral response by selecting the option 3. 1.9% showed dissatisfaction with the onboarding process. 2.8% were strongly dissatisfied with the onboarding process.

The next question is extremely important as it is about employees' motivation after the first week of job. It is a major problem in many organizations that employees' morale starts showing downward trend after the first week of job. Thus, it is significant that employees stay motivated so that they keep on achieving the targets. In response to this question, 64.2% strongly agreed to the statement saying that they feel motivated even after the first week. Other 28.3% also agreed to the statement. 3.8% showed the neutral response by choosing the option 3. 2.8% showed disagreement showing less motivated

after the first week of job. Another 0.9% showed strong disagreement, saying that they do not feel motivated at all after the first week of job.

The next question is about the future planning of employee, as it asks him about his plan to stay in the current company. 57.5% said that they have plans to stay in the current company for more than a year. 35.8% said that they will stay in the current firm for more than 3 years. Very few opted to stay for more than 5 years. About 10% said that they would stay less than a year. More than half of the employees responding to the survey revealed that they were have planned to continue to work in the same organization for more than one year. This shows how most of the employees may at the time of even filling the questionnaires be looking out for more attractive job opportunities which are abundant in the era of globalization.

The last question shows the level of employees' satisfaction with the organization. It asks the employee whether they would like to recommend others to work in the same company or not. 70.8% said that they would strongly recommend others to join the same organization. 20.8% also agreed they would like to recommend others. 6.6% selected the neutral option. Only 0.9% disagreed, and said that they would not recommend others to join the same from, another 0.9% strongly disagreed to recommend others.

3.3. Discussion and Limitations

This study has been conducted to understand the onboarding process in start-ups in Estonia in general and TransferWise in particular. The organization under discussion faces similar challenges as faced by all technology intensive firms all across the globe. For this purpose, the findings of the interviews conducted and the survey questionnaires present a reasonably comprehensible picture of the on boarding process in TransferWise.

The interview candidates have provided detailed answers about the on boarding process and it is imperative for the purpose of the study the study to align the interview findings with those of the secondary sources and the survey results. According to most of the interviewees, the organization's management understands the importance of employee

onboarding programs to develop high retention rate. Their responses revolve around the general features of the company' onboarding process. Most of them considered it a good enough program that required little or no improvement.

The respondents of the survey indicated a different pattern of thought. As discussed previously, when they were asked as to how long they planned to stay in their current workplace, a majority had responses like less than a year and more than a year. Very few were willing to stay for more than 5 years. These responses pose a very big question mark on the effectiveness of the on boarding program, since a major objective of such processes is to increase employee retention rate. On the other hand, when asked about how they felt about the company's onboarding process, significant number of the sample of participants responded that they were satisfied with the current procedure. As the results of the survey show 75.5 % of the employees are contacted by their mentors once a month only, whereas only 17% get in touch weekly. As discussed, earlier mentoring and training play an essential role and are significant for employee retention and motivation. The results show how there is only once in a month contact between the employees and the mentors, which maybe can be increased to a biweekly schedule in order to ensure a more effective communication.

The data collected by the study supports the fact that high levels of job motivation, satisfaction and loyalty can lead to higher employee retention rates but the empirical data has been unable to establish a strong connection between the retention rate and the onboarding process. The relatively novice concept of Job Embeddedness as discussed in the theoretical framework of the study suggests that social connections and colleague networks play an important part in retaining the employees. However, creative and effective ideas to establish such networks need to be further probed. Apparently, the methods and procedures devised by the organization to inculcate such social connections are not delivering their purpose. Sources specify TransferWise's onboarding process to be in line with those of globally successful firms like Quora, Facebook and Twitter, yet it seems that it is not creating a direct impact on the employee's decision to stay.

This indicates that if employees are able to form strong social connections within the organization, they will be least likely to leave. However, the results of the thematic

analysis and survey questions hint towards a gap between the expected and actual outcomes of the onboarding process. Onboarding may or may not have a direct impact on employee retention rate, but there might be some other external factors that need to be further explored. Being a relatively new concept, further research is required into the effectiveness of onboarding processes.

The study also has some limitations that may have affected the outcomes. The interview respondents all belong to the team management of the onboarding process. They may have their biases towards the effectiveness of the program that they manage and implement. Since they are part of the team implementing the program, they may be biased towards the flaws of the system. Their feedback collection and processing also need an evaluation so that they may get a more realistic outlook regarding their program.

The survey respondents have been selected randomly across board at TransferWise and have been kept anonymous to maintain the authenticity of their responses. Further information regarding their designations and divisions can help in better evaluating the strengths and weaknesses of the system.

3.4. Recommendations

Organizations should improve their hiring process to avoid job-hoppers and offer competitive benefits and rewards to help reduce the job-hopping trend. Finally, it will be favourable for the start-ups to assess and re-evaluate the currently employed onboarding process and make changes accordingly based on the following recommendations. These recommendations are prepared, using the findings of the study, to provide a road-map that will help achieve the objective of this study that is to improve the “new hire productivity and retention”. Different perspectives and techniques are discussed in the following section with relevance to the previous chapters as well as the findings of the study. It put forwards a notion that will help in formulating a strong onboarding process and improve employee retention.

Establish an effective onboarding program:

As discussed in the literature review of the study, onboarding programs significantly increase the employee engagement, productivity and retention levels (Aberdeen Group, 2013). Hence to ensure employee retention it is important for the start-ups to design an effective onboarding program that proves to be successful in the induction of an employee in the firm. Firms usually provide an informal onboarding program to new hires, and expect a high level of performance from the employees from the first day of their work. For greater employee productivity and commitment, a firm should take into consideration the following points, while designing an effective onboarding program:

1. Individuals from different generations face different challenges and have different needs which should be taken in regards while designing an onboarding program.
2. Make sure that the employees are clear about their roles and expectations of the firm from the employee are also clearly communicated.
3. Ensure that the employees feel welcomed in the new environment and establish all the links necessary to perform his duties.
4. The mission, vision, values and culture of the organization should also be clearly communicated and a detailed instruction should be provided regarding the policies of the company.
5. It is important for an organization to ensure that the employee has access to training lessons and coaching so that he has the prerequisite knowledge.

Re-evaluating the Onboarding program

Onboarding programs are not evaluated by the firms, and they keep implementing the same program without updating and improving it according to the needs of the time and changing dynamics of management and human resource policies around the world. In today's globalised world, where organizations are constantly competing with each other to acquire top talent from around the world, employee turnover can prove to be risky. In a high-tech world where technology is becoming advanced and there are new inventions on a daily basis, it's important for the organizations to keep up with the pace.

For re-evaluation of an onboarding process, the following points should be taken into consideration

1. Ensure that the onboarding process is current to ensure its effectiveness.
2. All stakeholders should contribute in the development and of the onboarding process, giving an opinion as to why should be included and what is necessary for a new hire in an onboarding program
3. Flaws and weaknesses of the onboarding program should be rectified accordingly by regularly assessing its effectiveness by regular evaluation of training sessions and the progress of the new hire.
4. Use of automation technology should be made to track onboarding events.

Develop Strategies to Prevent Job Hopping

Job hopping is a major issue in the current generation that affects employee retention directly. It has become a new trend in today's workplace and is emerging as a serious problem for organizations especially start-ups. It is important for an employer to recognise the problem and ask himself the reason for the prevalence of this trend in his organization. Retention issues can be resolved by employing better hiring practices. Hiring the first candidate that matches the qualifications required for the job is not wise. A detailed assessment of the candidate must be carried out to ensure that he is the right fit.

CONCLUSION

In the world of today where everything has been globalized, there are now countless opportunities for talented individuals. This makes employee retention a task that of eminent importance, whereas, many times it is something overlooked and ignored by the organizations. Estonian start-ups on the other hand as witnessed through the study and analysis have realized the importance and are working their way towards onboarding and retention programs that will help them retain the right talent for a longer period of time.

What steps do start-ups follow for the implementation of an onboarding process?

There are several steps that are implemented for an effective onboarding process in a start-up organization. As analysed, at TransferWise, there is a dedicated department that formulates steps and programs; revising them accordingly in order to ensure that the process stays relevant and effective. The onboarding starts from the first day of the employee at the company, where there is an orientation. This is followed by 2-3 days of activities, and introductions that allows the employees to socialize and settle down in an otherwise new and alien environment. It can be noted that the company like many others is already working hard for its onboarding program. However, there are still a certain area that can be looked into for a process that reaps even better results. One such example is the amalgamation of a pre-boarding program which can allow a future employee to familiarize himself/herself with the company even before his/her first day at work.

How does onboarding process increase employee satisfaction, loyalty, and motivation in a start-up organization?

The onboarding process is an investment in the employee and their experience at the new job which helps them feel more committed. It also enhances the confidence and skills of the employees since they feel more empowered to perform their duties. Job training assists the employee to perform better and contribute more in a short period of

time. An effective onboarding process creates a healthy relationship between the manager and the new hire, making the new-hire clearer and more confident about his role. The feedback from the employees at TranserWise depicts how employees feel motivated and valued by the efforts made by the management for their onboarding.

Does an onboarding strategy in a start-up organization help in retaining talent?

The onboarding process is an investment in the employee and their experience at the new job which helps them feel more committed. It also enhances the confidence and skills of the employees since they feel more empowered to perform their duties as seen in the case study of TransferWise. Job training assists the employee to perform better and contribute more in a short period of time. An effective onboarding process creates a healthy relationship between the manager and the new hire, making the new-hire clearer and more confident about his role. This suggests that a long-term action plan should be in place in order to retain the right talent for a longer period of time.

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APPENDICES

Appendix. 1 Questions for interviews

1. How does the company's on-boarding process look like?
 - a. How long does it last?
 - b. What activities are involved?
2. What are the KPIs currently in place for the onboarding process?
3. What initiatives have you introduced in order to create a more welcoming environment for the new-recruits?
4. How do you help new recruits connect with the mission of the organization?
5. How do you make sure that the employees feel valued?
6. Do you have an orientation program?
7. How do you make it more interesting and interactive?
8. How do you decide whether the processes should be employee-centric or employer-centric? Why?
9. How do you ensure that information is effectively delivered? Also how do you ensure support and guidance?
10. How do you ensure that the new hires share their experiences and their progress with you?
11. Are there any mentoring programs that your company offers? How it is done?
12. Do you think that the current employees in your company are satisfied?
13. How important in this time and era do you feel it is to retain the right talent?
14. What difficulties do you face in recruiting and then retaining the right talent?
15. Do you think a well-structured on-boarding process plays an important role in employee retention in your company?
16. Do you think that the current on-boarding process in your organization is effective enough in terms of employee retention objective?
17. What steps do you take to keep employees motivated during the first month of their job?
18. How do you ensure that the employees working in your organization are happy and less likely to switch?
19. How do you think the onboarding process can be improved?

Appendix. 2 URL Link to the Questionnaire (for survey):

<https://forms.gle/5rZq4XQcnUieKfai9>

Appendix. 3 URL Link to the file from RQDA

https://drive.google.com/open?id=1r_oI98EmuXWOFY9UJiunSPBsLFPGIMg3

Appendix. 4 URL link to the Interview Transcriptions

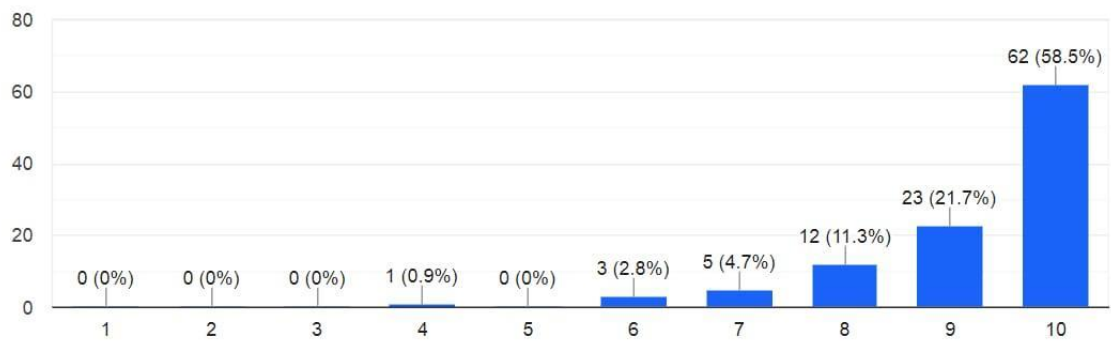
<https://drive.google.com/open?id=1YuXaZkvPAaKYxjljL8U8mzAbKc-6C03N>

Appendix. 5 Results and Analysis of the Study

How welcomed did you feel in the company when you first joined?

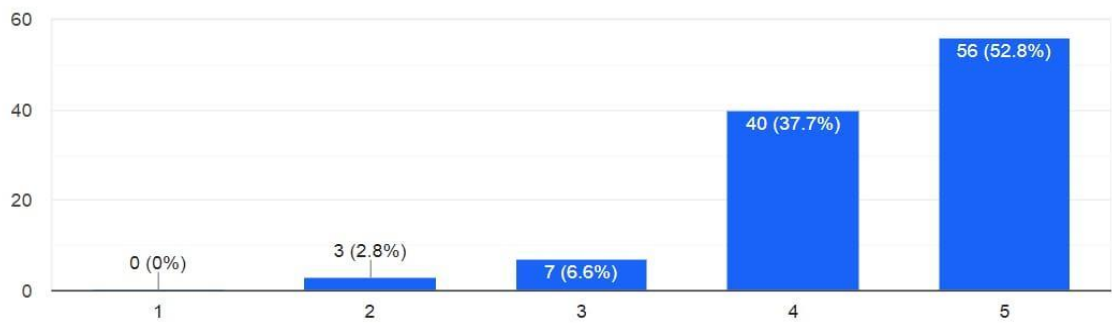


106 responses



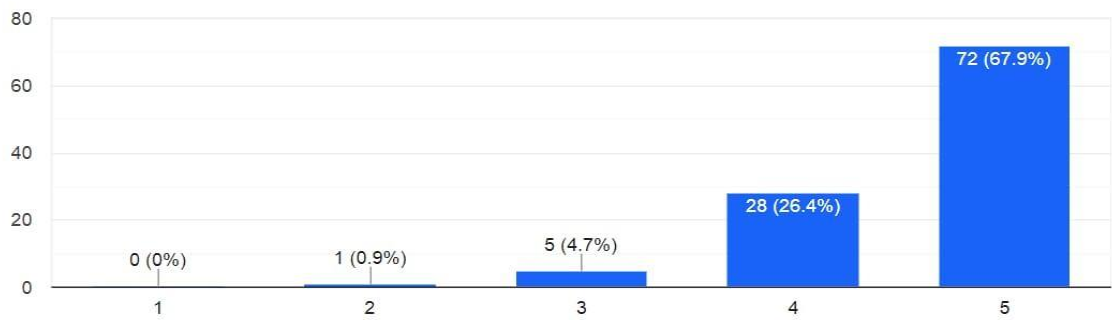
You had a knowledgeable point of contact for any questions you had before and during your first day.

106 responses



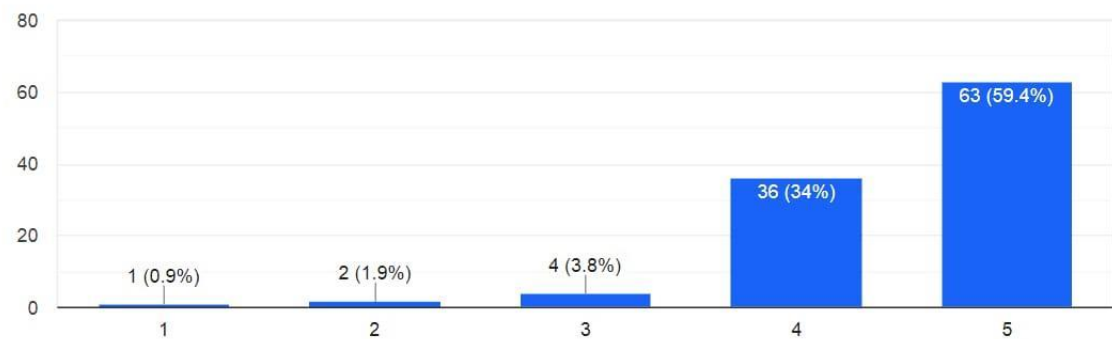
Your on-boarding mentor effectively provided you with regular feedback on your performance.

106 responses



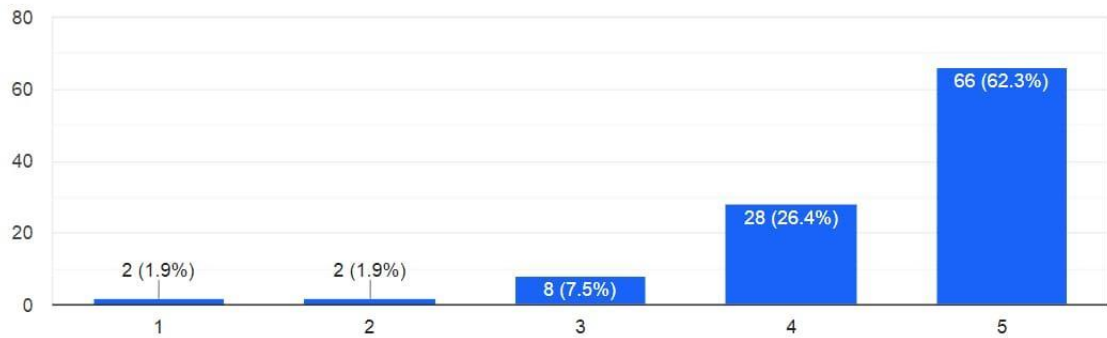
The information you received before your first day helped you understand what to expect and where to go?

106 responses



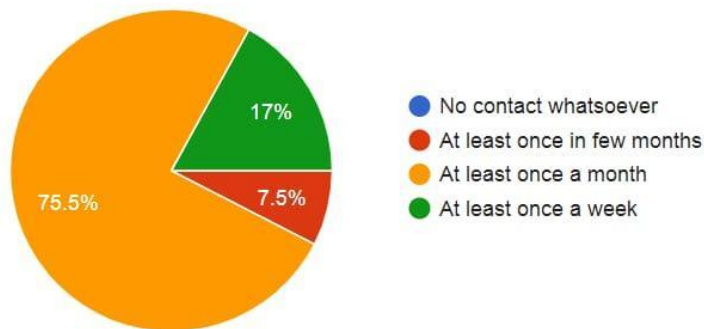
The company culture and values were well elaborated during the on-boarding?

106 responses



How often did your mentor contact you during the first few months of your job, for any guidance, follow-up or feedback session?

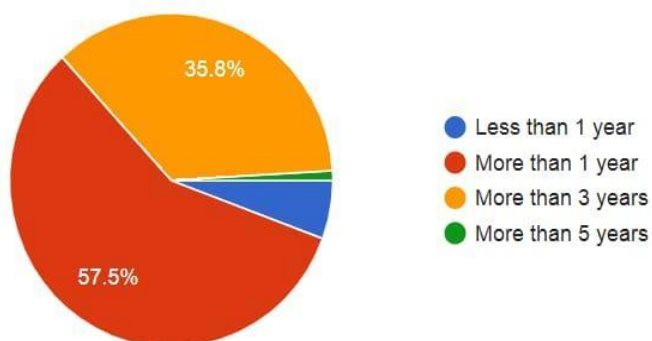
106 responses



Activat

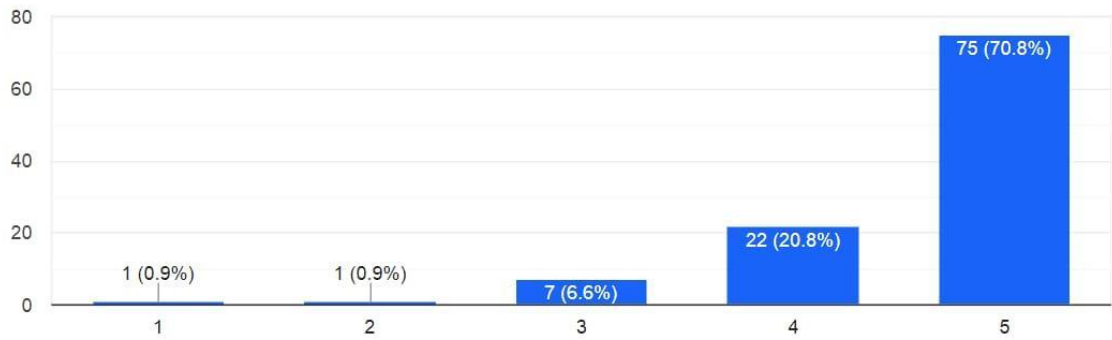
How long are you planning to work in your current company?

106 responses



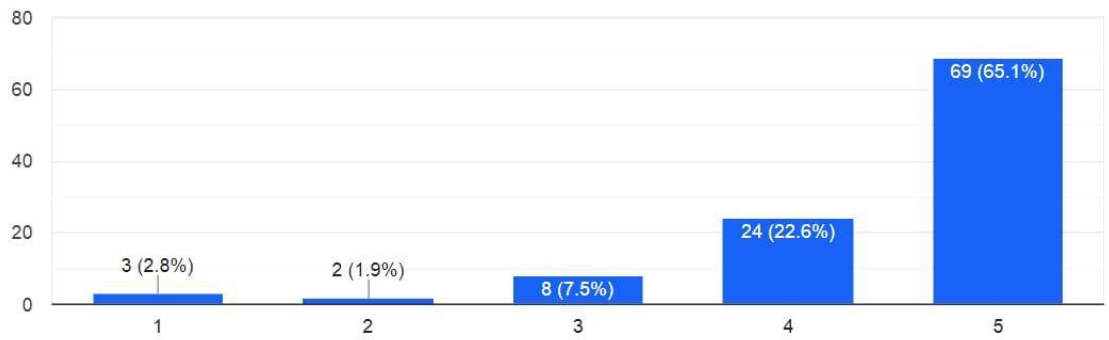
How likely are you to recommend your organization as a great place to work for, to your friends?

106 responses



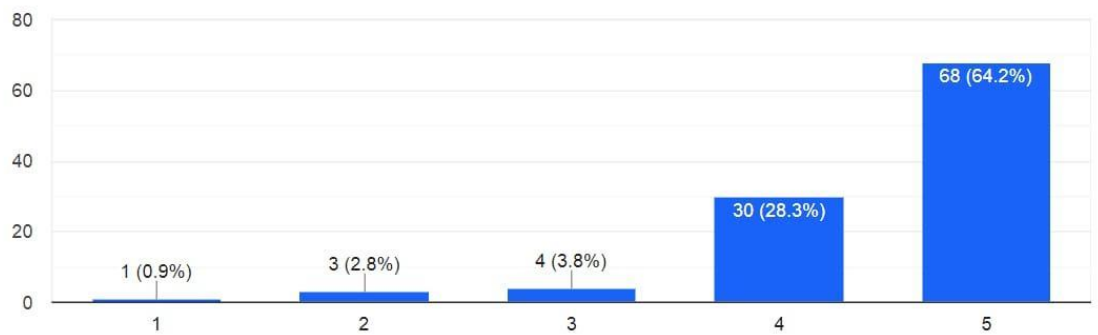
How satisfied were you with the on-boarding experience in general?

106 responses

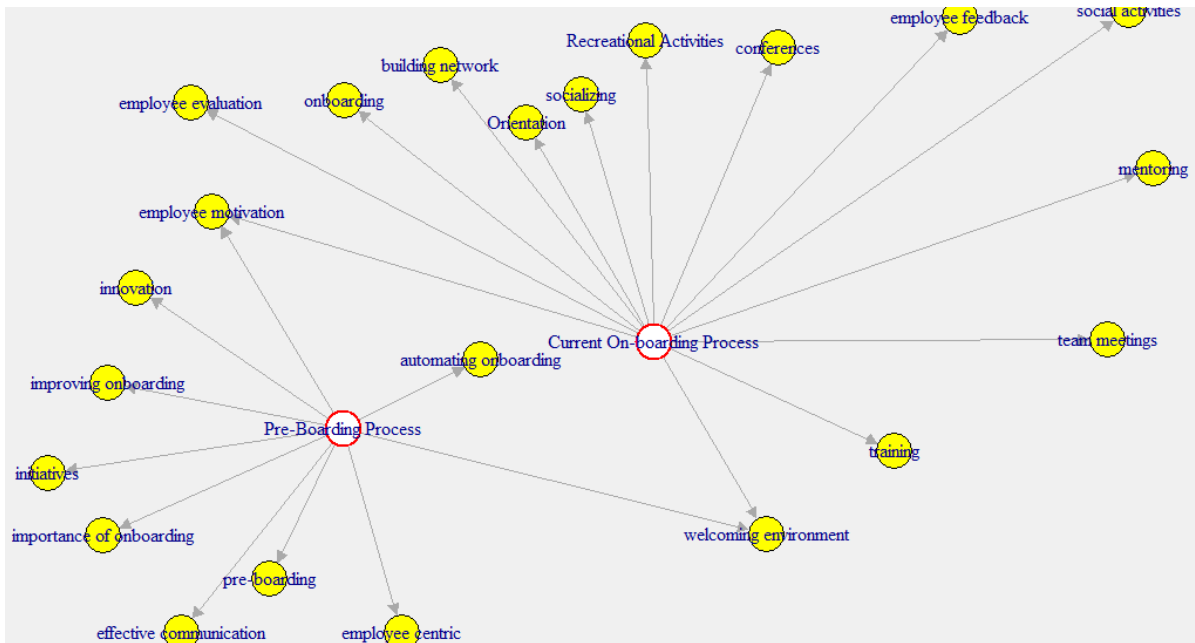


You felt motivated for your job after the first week of your on-boarding?

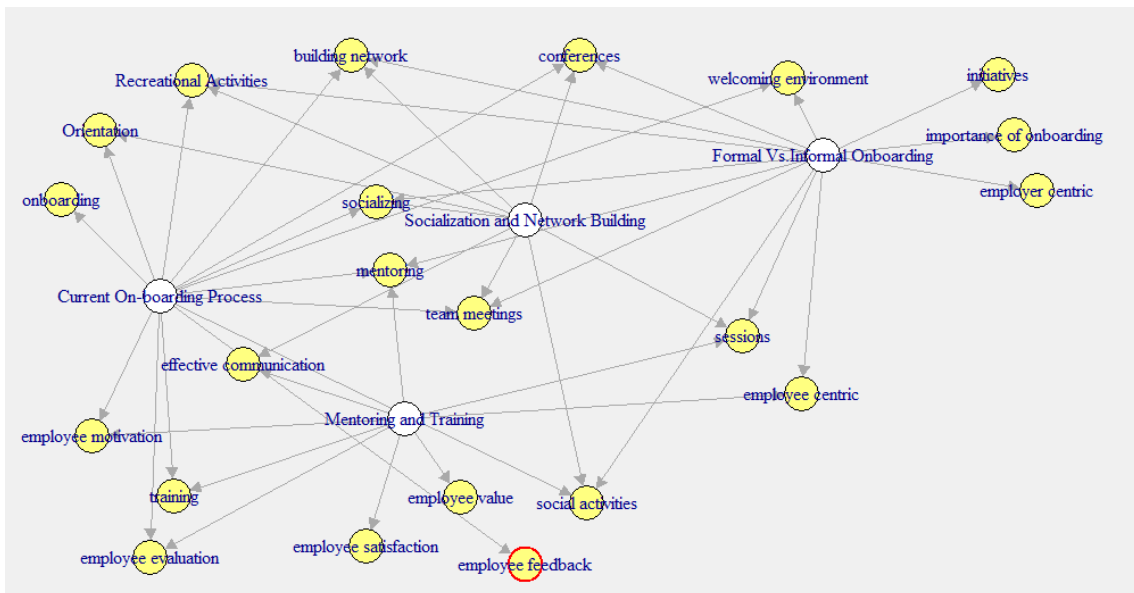
106 responses



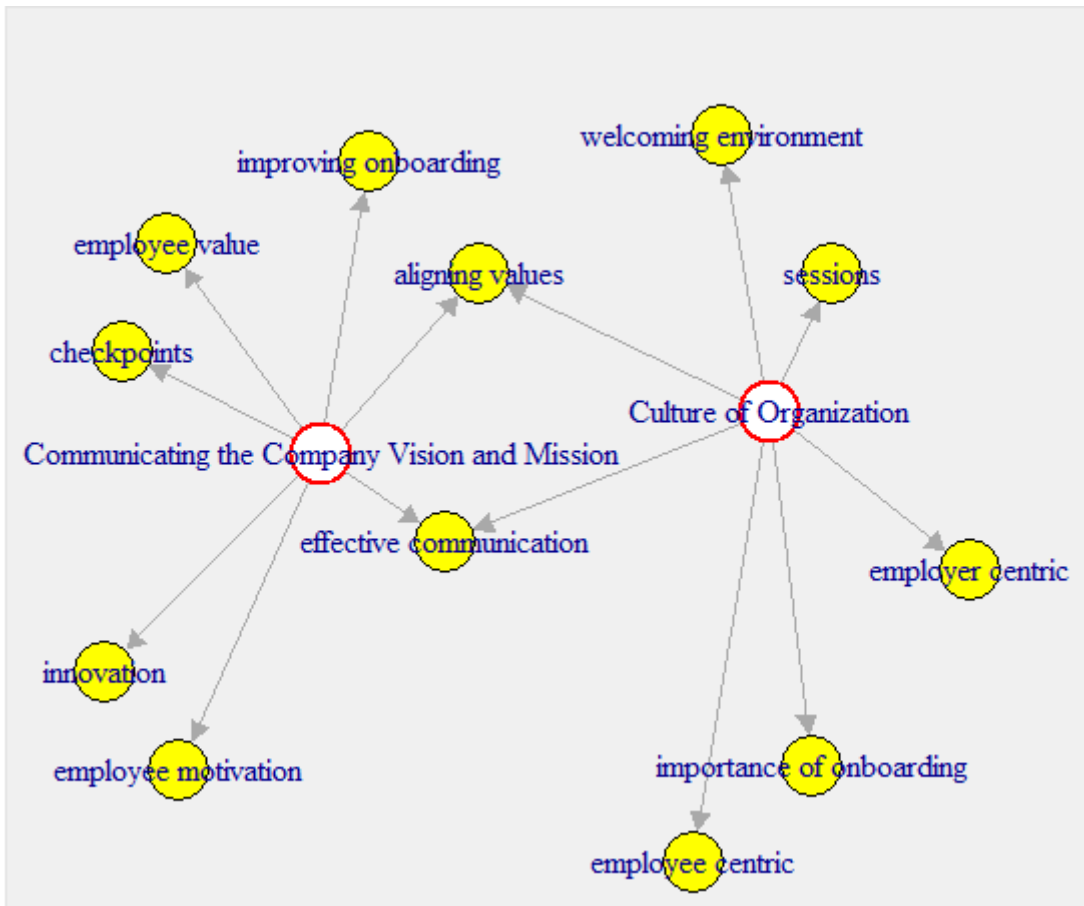
Appendix. 6 Thematic Analysis Plots



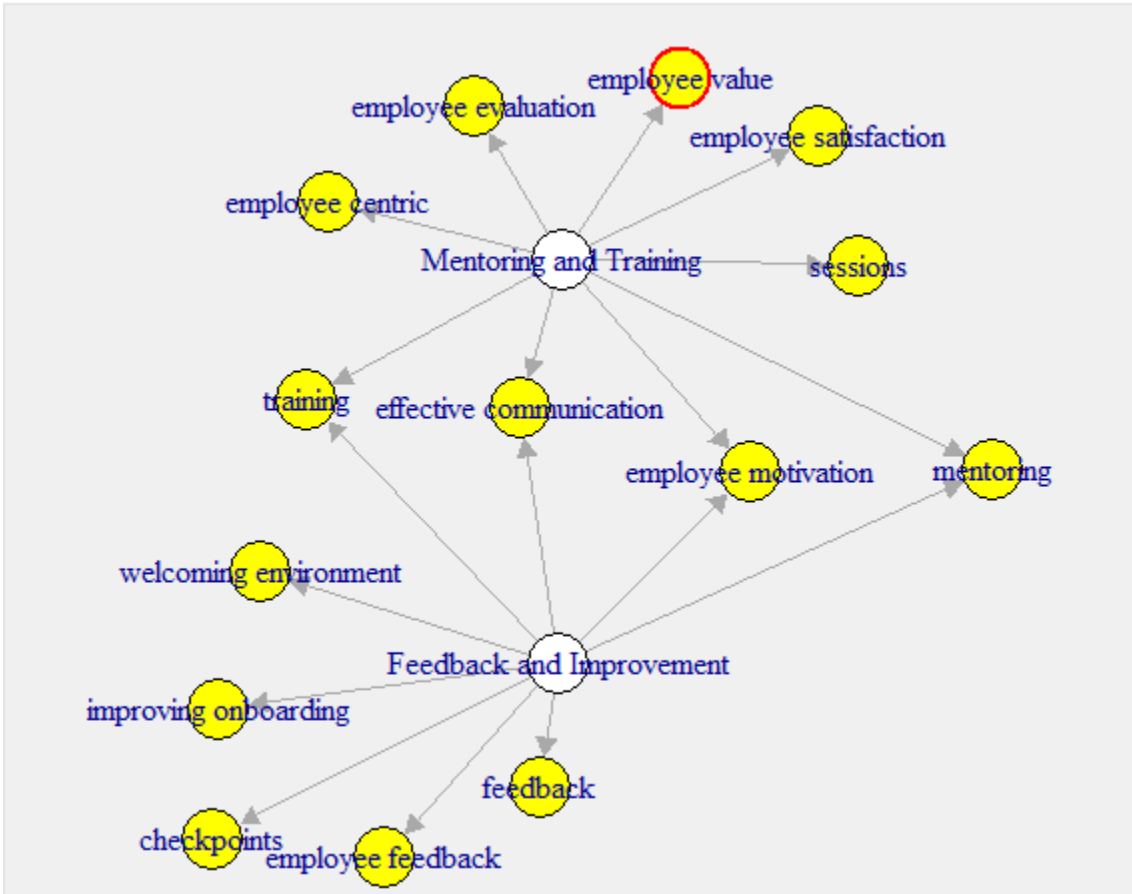
Code Categories: Current Onboarding Process & Pre-boarding Process



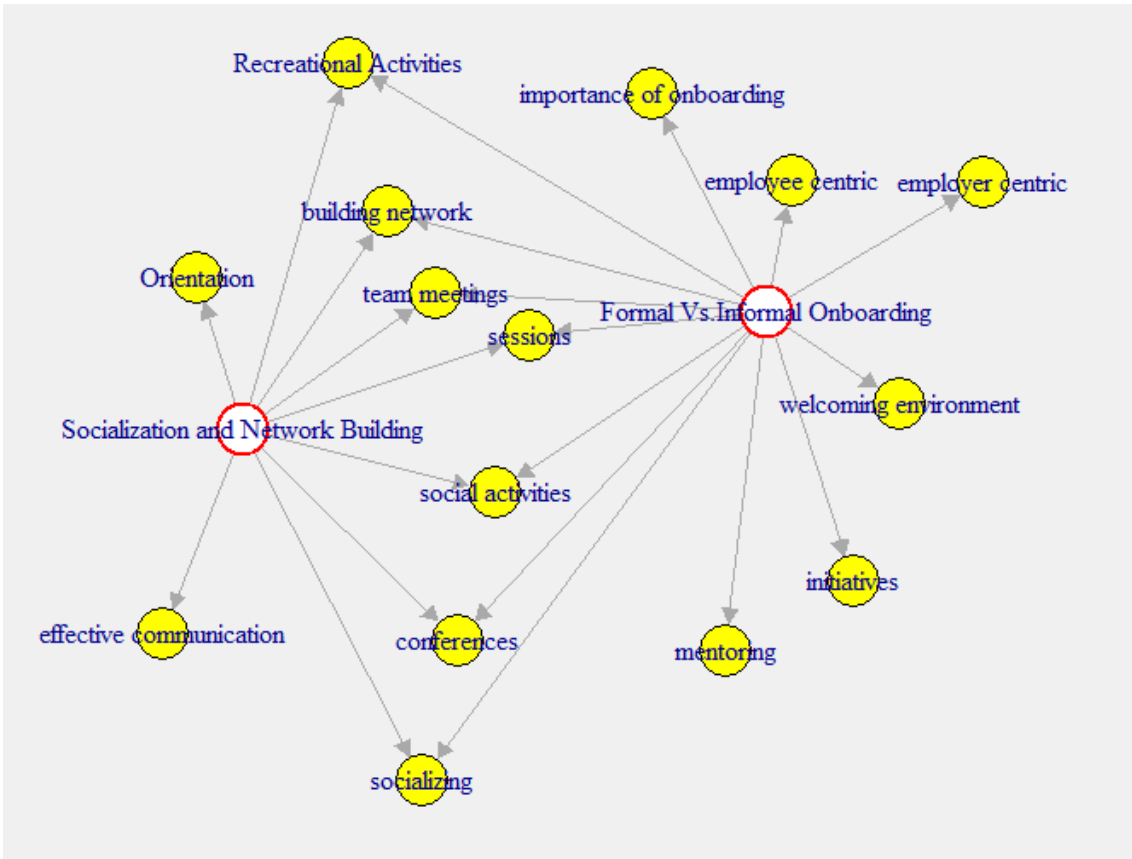
Code Categories: Mentoring & Training, Formal vs. Informal Onboarding, Current Onboarding Process



Code Categories: Communicating the Company Vision & Mission, Culture of Organization



Code Categories: Mentoring & Training, Feedback & Improvement



Code Categories: Socialization & Network Building, Formal Vs. Informal Onboarding

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