

Creating a systematic induction program for AUVCO Oy

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Degree programme in International Business

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<p>Title of report Creating a systematic induction program for AUVCO Oy</p>	<p>Number of pages and appendices 24 + 13</p>
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<p>The objective of this thesis is to create a systematic induction program for AUVCO Oy. Purpose of a systematic induction program is to create committed and productive employees in shortest time possible.</p> <p>This thesis consists as first part a plan for a systematic induction program and as second part the systematic induction program for AUVCO Oy.</p> <p>This thesis is product-based study. As an outcome of this thesis a systematic induction program was created for AUVCO Oy. AUVCO Oy is a small retail company owned by the author and Kalle Auvinen with excessive employee turnover due to seasonal cycle of business.</p>	
<p>Keywords employee induction, orientation, AUVCO Oy, human resource management</p>	

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1 Introduction

Inducting large number of new part-time employees in a small company is a challenging task because the management must consider among other factors available resources such as time and money and return-of-investment. In order to unlock the potential in new employees the induction should be done, and it should be done well. With well-prepared systematic new employee induction program even a small company can utilize new employee induction to get the many benefits that it provides including motivated and productive employees in shortest possible time.

This thesis is a product-oriented thesis that was commissioned by AUVCO Oy, a company owned by author and Kalle Auvinen. A systematic induction programme for new employees at AUVCO Oy was created as a result of this thesis.

1.1 AUVCO Oy

AUVCO Oy specializes in retail and wholesale of berries, fruits, vegetables, and flowers (AUVCO Oy 2013). The company employs 2 people full-time (owners/managers) and seasonally 50-70 employees. Company has 13 sales points in Eastern Finland, which operate during the summer season. Majority of the employees are hired for 2-3 month period from beginning of June to end of the August. Some employees work from May to end of August. Most of the employees are completely new employees without experience from previous summers and usually without any kind of work experience. Typical employee is 16-17 year old female without previous sales experience or education.

Currently the process of familiarizing new employees to their job in AUVCO is one of the weakest points in the company. There is no documentation or unified process for the new employee induction in the company. At the moment informal new employee induction in AUVCO is done by managers with help from senior employees.

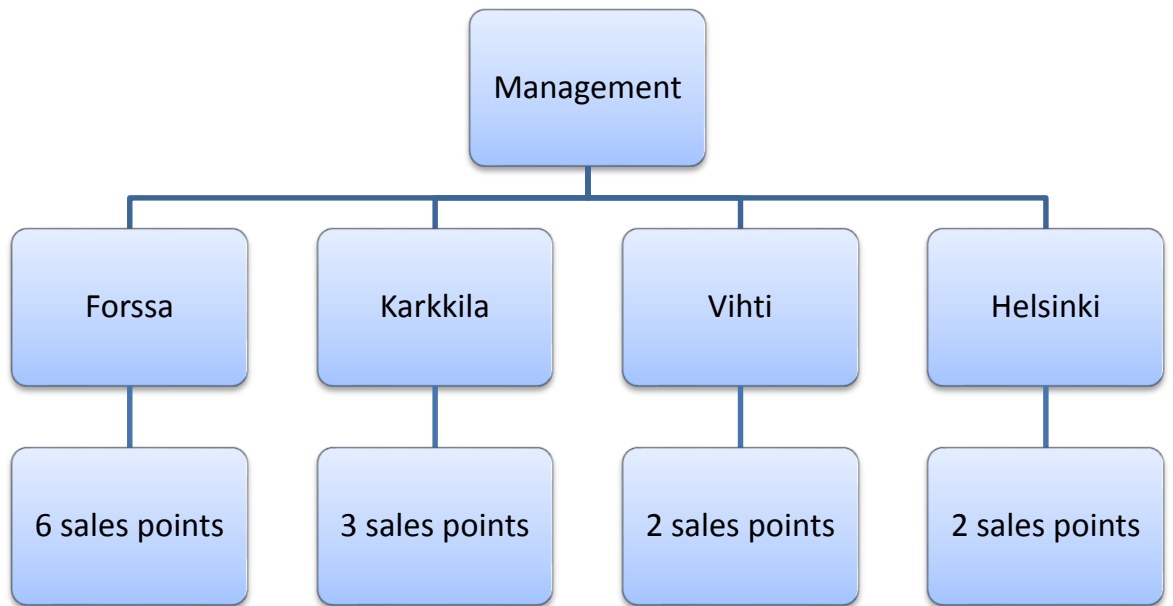


Figure 1. Organization structure of AUVCO Oy

1.2 Objectives of the thesis

The main objective of the thesis is to create a systematic induction program for AUVCO. The purpose of a systematic induction program is to create committed and productive employees in shortest time possible as presented in chapter 2.4. AUVCO currently doesn't have any formal induction program and the management has noticed a demand for more consistent approach to inducting employees to the company.

1.3 Key concepts

Induction can be described as a formal process of familiarizing new employees to the organization, their role and the role(s) of their work unit. (Compton, Morrissey & Nankervis 2010, 183.)

Orientation is the planned introduction of new employees to their jobs, coworkers, and the organization. Orientation is the most important and widely conducted type of training for new employees. (Mathis & Jackson 2011, 258.) Orientation aims to give necessary tools and skills for employees so that they may do their job in the company.

Induction process includes orientation as part of it. Many publications consider induction and orientation as synonyms (see Aswathappa 2005, 178), but in this thesis orientation is differentiated from induction program. Orientation is considered as one of the events/tools in induction process. Induction process continues all the way through the employment of new employee at AUVCO.

1.4 Structure of the thesis

This thesis has four main parts that are introduction, induction program, induction program for AUVCO and summary. Introduction part gives background information about the objectives of thesis, justification for thesis, AUVCO Oy and key concepts. Induction program gives theoretical framework for a systematic induction program and is divided into 7 sub-categories that discuss strategic choices in induction program, objectives of induction program, purpose of induction program, prerequisites for successful induction program, different delivery methods for induction program, induction process and evaluating induction process effectiveness. Induction program for AUVCO chapter focuses on giving framework for the actual induction program. This chapter is structured to be used for creating a systematic new employee induction program derived from theoretical framework of the thesis.

2 Induction program theoretical framework

Induction program is the first phase of employee learning and development that is often considered as the last phase of the recruitment and selection process. Induction aims to deliver new employees an understanding of how their performance at the job contributes to the success of the organization and how the company delivers value to their stakeholders.

New employees acquire the work culture in the organization, which will help make them productive members of the organization, through induction. This process, named socialisation, unifies individual and organizational goals if successful. Effective induction program can initiate socialisation process, since most employees desire to fit into the organization and work unit when they start at their new job. (Compton et al 2010, 183.)

2.1 Induction as part of the company strategy

Training and development functions are strategic investments for the organizations that yield long term benefits for the organization's success. The strategic purpose of training is often to help organization to reach its goals. Strategic training has multitude of benefits such as it involves different departments, like HR and operational departments, to work together to solve their common problems. This problem solving helps the organization considerably. (Mathis & Jackson 2011, 252.) Induction is perhaps the most regular part of training and as such is important part of the company strategy.



Figure 2. Types of training (Mathis & Jackson 2011, 251)

2.2 Strategic choices in induction program

Aswathappa (2005, 179) suggests that there are four strategic choices to consider before designing an induction program. These choices are:

- 1) formal or informal
- 2) individual or collective
- 3) serial or disjunctive
- 4) investiture or divestiture

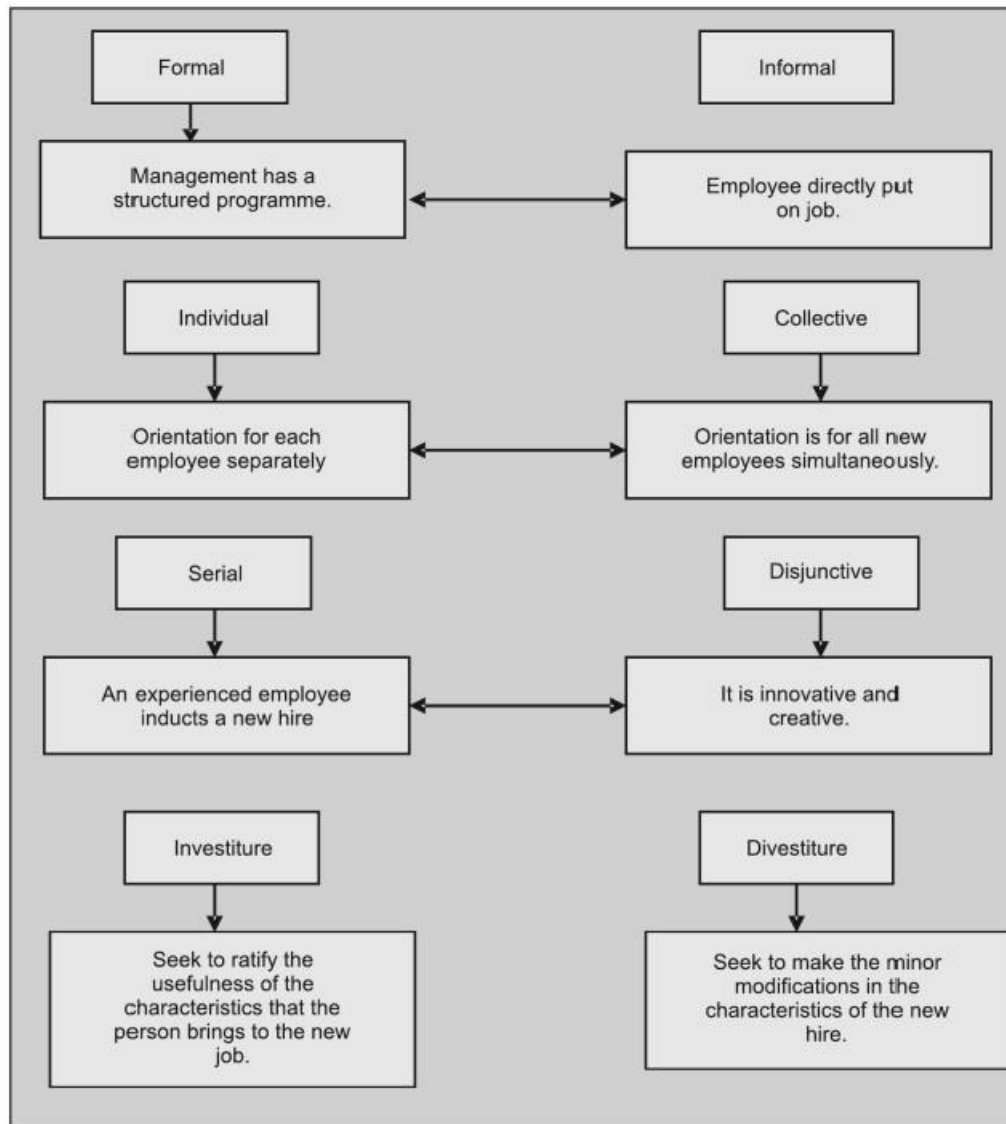


Figure 3. Four Strategic Choices of Induction (Kumar 2011, 130)

The first choice is between formal and informal induction. In formal induction the company chooses to create a structured program, where employee is inducted according to a plan. Informal induction relies of the employee’s ability to adapt themselves to the organization and their jobs. (Aswathappa 2005, 179-180.) AUVCO Oy has previously used informal induction and the management has noticed a need for more formal induction due to high employee turnover raising from seasonal work.

The choice between individual or collective orientation is the second strategic choice a company must make. Collective orientation is most probably going to cultivate more consistent results than individual orientation. (Aswathappa 2005, 180.) AUVCO Oy has traditionally used individual orientation approach, but the management has already

discussed the benefits of collective orientation. The management had intended collective orientation for the employees of 2013 summer season employees, but had to cancel the approach because of lack of induction documentation and time constraints.

The third strategic choice is between serial and disjunctive induction. In serial induction an experienced employee induces the new employee to the company. Disjunctive induction is from top-to-bottom induction when there are no predecessors to transfer knowledge. The benefits of serial induction is that the company traditions and customs are transferred effectively to the new employees. This kind of approach can hinder creativity and create resistance for change. Also, negative and unproductive ideas as well as apathy about the company can be transferred to the new employee. (Aswathappa 2005, 180.) AUVCO has relied in the combination of the two approaches, with weight on the serial induction. The main problem for the AUVCO has been in the transfer of necessary skills to new employees so that they can be productive. Company culture and traditions are almost solely learned from experienced employees so changing to fully disjunctive is not viable strategic choice.

The last strategic choice is among investiture or divestiture induction. Conventionally divestiture approach is used in introducing new hires to military-like organizations. In divestiture method the company seeks to make minor modifications in the personality of the new employee where as in investiture approach company seeks to endorse valueableness of the characteristics of the new employee. (Aswathappa 2005, 180-181.)

AUVCO tries to pass on necessary politeness required in customer service profession during the induction as well as the sales mentality required to make extra sales in each transaction. Other than that the company rejoices differences in the employees.

2.3 Objectives of induction program

It is necessary to define clear and achievable objectives when creating an effective induction program. Kumar (2011, 128) lists seven objectives for a systematic induction program for organizations.

- 1) Induction program should promote feeling of belongingness and loyalty to the organization between new employees. This is important so that the new employees don't form false first or last impressions regarding the company.
- 2) Induction program should create confidence in employee towards himself and the organization so that he may become a productive employee.
- 3) An effective induction program will create harmony in new employee's individual goals and organization's goals.
- 4) A successful induction program will give necessary information for the new employee concerning the organization, such as its structure, products, policies, rules, regulations and available facilities as well as possible employee benefits.
- 5) Induction program will introduce colleagues and supervisors to the new employee, and conversely.
- 6) Induction program will promote the idea of fairness to the worker is essential policy of the organization and as such produce a sense of security for the employee in his job.
- 7) Induction program will reduce the cost of replacing the employee early in the career because lack of information or business impression.

2.4 Purpose of induction program

Many employees face an induction crisis in their first six weeks of entering a new organization. This crisis can lead to employee leaving the company or losing commitment for the company. Causes for this are found in gap between official and unofficial expectations of the employer and employee. Other possible reasons can be that the employee doesn't fit into the organization, poor relations with managers and lack of fitting into the work group. (Cornelius 2001, 58.) The main purpose of the induction program is to create committed and productive employees. AUVCO's management considers this as the hardest challenge with their employees. The management has noticed that although most employees are committed and motivated during their whole employment some 5-10 employees every year lose their motivation after few weeks since beginning their job.

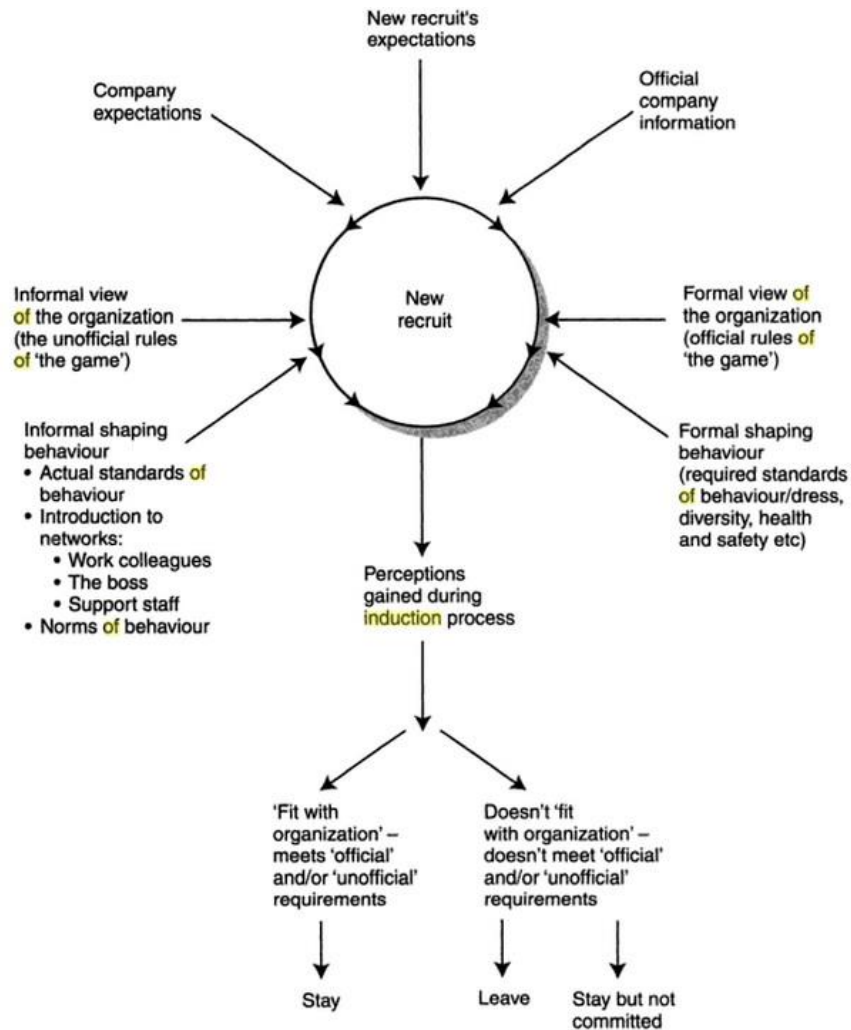


Figure 4. The induction dilemma (Cornelius 2001, 59)

Other purposes of induction process also deal with preparing new employees to work as effectively and as soon as possible in their new jobs. Induction process helps new personnel to accommodate emotionally to their new workplace and it gives chance to find help when hesitant about what to do. Induction also gives information about where things are and what are expected of the employee. (Hall, Taylor & Torrington 2008, 203.) In AUVCO majority of employees are taking their first steps in work life and are emotionally especially nervous. Huge partition of the managers' time early in the season goes trying to support employees to have self confidence in basic tasks.

Induction also works as a medium to talk about the company specific information that may contain rules, regulations, key issues, mission statement, purpose, etc. (Hall et al. 2008, 203.) At the AUVCO this is excellent situation to handout information packages

about the company's products, written rules and plan together with the employees the first month's shifts. Traditionally managers of AUVCO have individually had to go through such issues/questions as they are risen with each employee, because poor preparation and informal induction. These kind of employee issues requires on average 5-10 hours weekly from the management, because of large number of employees with just 2 managers.

2.5 Prerequisites for successful induction program

There are five prerequisites for a successful induction program that should be perfected before jumping into creating the program. Kumar (2011, 129) describes these five prerequisites as follows:

- 1) Organization must make strategic choice from one of the Four Strategic Choices of Induction presented in chapter 2.3.
- 2) Organization must prepare for new employee arrival. New employee should feel comfortable and safe at the first day at work.
- 3) Avoid excess information. It's essential to create an induction program that doesn't flood the new employee with too much information on the first day, but same time the program must provide the information that the new employee wants to know.
- 4) Plan how to present the information. Not all information is feasible to be told verbally, since most can be handed to employee in an information package.
- 5) Make sure all the vital paperwork is completed. It's important that employee salary and insurance paper work is in order so that the salary won't be late and that the employee is covered with mandatory insurances.

2.6 Preliminary plan for induction process

Like any good project when creating an induction program it may be feasible to create a preliminary plan for the project. It's important to investigate what should be included and how the information should be delivered. (Johnson & Westwood 2005, 6.)

Johnson and Westwood (2005, 6-7) lists ten guiding principles that should be considered when creating an induction plan.

- 1) Induction program should be part of the recruitment process. It's important to make possible future employees already feel comfortable at the recruitment.
- 2) Induction program should reflect the company culture. Company values should be involved in the induction materials and process.
- 3) Don't create an event, but create a process. It's important to understand that induction shouldn't be just another event in the schedule of new employee. Make induction modular with process-oriented approach.
- 4) Make induction well-timed and suitable. Make sure that resources are available to a new employee when they are needed.
- 5) Keep your induction program fresh. It's important that all available information is up-to-date and accurate.
- 6) Make your induction program interesting. Even the best induction program can fail if the stakeholders are not interested in taking part in it.
- 7) Use induction program to create a good first impression. It's imperative that the first impression to new employees is positive, because it will affect positively long into the future.
- 8) Involve all stakeholders. Many people have an important role to play in the induction process of new employee.
- 9) Design induction program to include all new employees. Every new employee needs to be inducted in order to make them feel welcome to the organization and unlock their full potential.
- 10) Use mixture of delivery methods in the induction program. It's important to have human touch in the induction, but it's not feasible to provide all information in person either.

2.7 Delivery methods for induction program

There are number of delivery methods for induction program to choose from and the best choice can often be combination of different methods. Each organization needs

to consider its size, geographic location, available technologies and culture among other things while choosing their methods of delivery. (Johnson & Westwood 2005, 7.)

Group orientation is a great way for new employees to learn about the organization, its culture and business practices while interacting with new colleagues. Group orientation approach provides great way to socialize and makes new employees feel welcome to the organization. Group orientation will be ineffective if there is a large gap between new employees entering the business. (Johnson & Westwood 2005, 7.) AUVCO will utilize group orientation as mentioned in earlier chapters because majority of the workforce starts at the same week, making this delivery method cost efficient and time saving for AUVCO.

One-on-One induction is the most common approach to deliver induction and it can be formal or informal. To get the most of this approach it should be structured with planned activities or done with a checklist. One-on-One induction is often used to deliver orientation to department, tools, processes, team and resources. (Johnson & Westwood 2005, 7.) AUVCO has traditionally used this delivery method, but without any structured plan or checklist. It's recommended that AUVCO will create a checklist for the managers to follow as both managers have their own order and way to do the orientation, but it's necessary to make sure that every new employee gets all the important information.

Important part of one-on-one induction is the on-the-job training. On-the-job training is planned training where supervisor or manager conducts training on the job making it very efficient way for employees to learn. On-the-job training is flexible and relevant training method for the new employees to learn necessary skills. (Mathis & Jackson 2011, 268.)

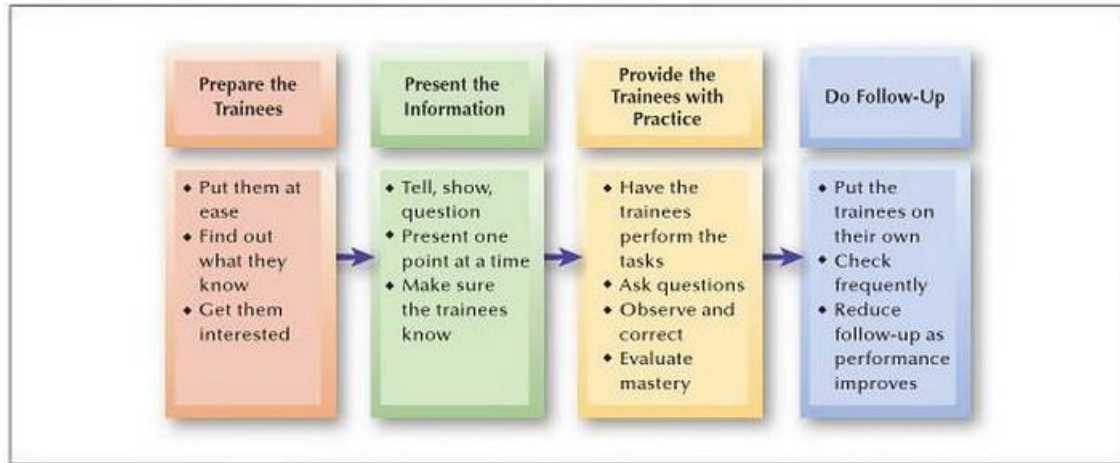


Figure 5. Different stages for on-the-job training (Mathis & Jackson 2011, 268)

Buddy programs are often used form of delivery method with approximately 40 to 50 per cent of companies using the method. Buddy programs are cost-effective and potent method of delivering orientation to new employees. It's important to select suitable employees to the mentoring position and it's vital to give them guidance to their role. (Johnson & Westwood 2005, 7.) AUVCO should utilize the potential in employees who have worked with the company in previous seasons, who have experience in the challenges facing new employees in the company. Most of the employees entering company for consecutive season are already trusted employees of the management and with little guidance they can be excellent mentors to the new employees. AUVCO has used this approach before, but has never really guided or prepared the senior employees for their role. It could be feasible to write a short introduction paper for the role that the senior employees can review before starting the mentoring.

Orientation kits are a package of key information delivered to the new employee at arrival. At its simplest orientation kit is a binder with key resources on paper, but it can be almost anything that contains the necessary information. (Johnson & Westwood 2005, 8.) AUVCO hasn't prepared an induction kit yet, but it's highly recommendable that the company will create documentation for this kit. AUVCO is missing documented employee manual and product manuals that should be created not only for the orientation but also for the other benefits they provide.

2.8 Induction process

Induction process consists of three phases that are Pre-Employment, Primary induction and Main induction. In addition to these 4 phases systematic induction process also includes evaluation stage that is presented in-detail later in the thesis. Figure below illustrates these phases.

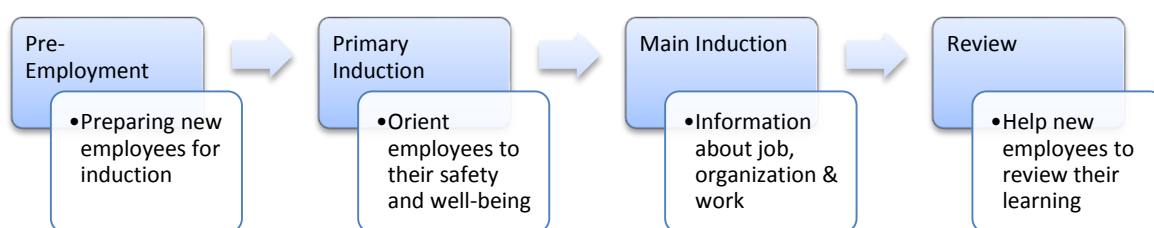


Figure 6. The induction process (Krishnaveni 2008, 117)

2.8.1 Phase 1: Pre-Employment

This phase starts already at recruitment and selection and is the time between acceptance of job offer and start of the employment. During this time the organizations have opportunity to help new employees to become swiftly assimilated into the organization. Recruits are often provided with information package about the organization that may include reference documents, employee manuals, etc. (Krishnaveni 2008, 117.) For the AUVCO this presents a chance to send employees preliminary work shifts, login information for the company internal website, contact information of colleagues and additional reading about the company and its products.

2.8.2 Phase 2: Primary Induction

This phase begins when the new employee joins the organization. At this phase of the induction there are two main objectives, which are to orient and to protect the new employee in the work environment. Two main objectives are:

- 1) In order to orient the employees there should be information concerning to their surroundings, safety and security precautions, facilities, working hours and patterns, and colleagues.
- 2) To protect the new employees in their work environment information should be given on code of conduct towards clients and the company, the relationship between employee and employer, and the responsibilities of the new employees in terms of safety and health. (Krishnaveni 2008, 117.)

The orientation should be done in small groups that consist all new employees at one town where the AUVCO operates. At the orientation part for the AUVCO there should be at least following topics covered. These topics help the new employee to better understand their responsibilities and rights in the organization as well as to get to know their colleagues and supervisors.

- 1) Basic company information
- 2) Company goals for the season
- 3) Employee rights
- 4) Employee responsibilities
- 5) Introduction of colleagues and supervisors
- 6) Working hours and shifts
- 7) Information about the labor agreement
- 8) Insurance and work health care explained
- 9) Introduction to internal website

2.8.3 Phase 3: Main Induction

Companies are made of people, and their well-being should be one of the focuses in main induction phase. New employees can be eased in to their new jobs by delivering information about hazards, sensitive issues they may encounter and by raising awareness of support networks or services that they can have when needed. At this stage new employees should receive information about the organization. It's also crucial to ensure that the new employees have information and skills to perform their particular jobs effectively. New employees need skills and resources to complete their tasks and must have knowledge of their role including what results company expects from them. (Krishnaveni 2008, 117.)

For AUVCO this phase is probably most time consuming and critical in order to make productive and self-reliable employees with enough skills and resources to do their job well. Managers are required to spend time with each new employee individually so that they may ensure that the new employee learns necessary skills. After the learning session with manager the new employee should shadow and work with more experienced employee for one or two days if possible. During this time, and after, a manager must follow the employee progress and intervene when necessary.

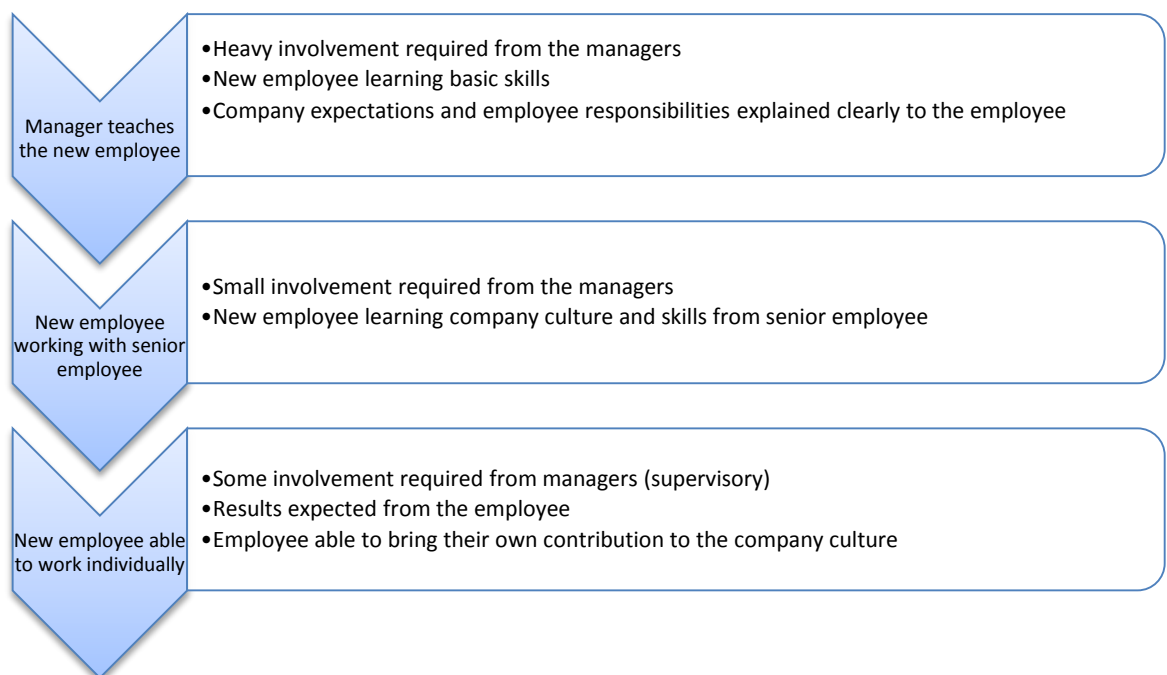


Figure 7. Orientation process

2.8.4 Phase 4: Review

Induction process must be reviewed regularly unless the company wants to waste the efforts spent on the previous phases. These reviews are done to enhance new employee's learning, to develop agreed targets for the new employee and to gain information for the evaluation process of induction program. (Krishnaveni 2008, 119.)

AUVCO can do these reviews by simple questionnaires at the company internal website. This way data can be collected and analyzed for further usage with minimal disturbance of daily work routines. Managers also meet employees daily and can informally question employees verbally to get more broad view on the topic. When questioned verbally the employees are more likely to raise questions that they need help with.

2.9 Evaluating induction process effectiveness

Although systematic induction program is imperative and can provide many advantages for organization and the new employees, it's important to measure and evaluate the effectiveness of the program. In order to evaluate programs effectiveness it's necessary to use specific metrics made to measure the program and the new employees. (Mathis & Jackson 2011, 259.)

List below shows some suggested metrics for AUVCO where the program main objective is to create committed, motivated, self-confident and productive employees who can do their job individually without excessively straining management with questions about the daily routines.

- How many hours are needed from management to instruct and help new employees at the beginning of the season?
- How many hours are needed for the same at middle of the season?
- How many employees know their rights and benefits after induction?
- How well employees know their responsibilities after induction?
- How many employees log in their work hours by online portal?

3 Induction program for AUVCO Oy

This part of the thesis focuses on creating the framework for induction program for AUVCO Oy. The goal of the AUVCO's induction program is to get part-time employees necessary skills to become productive as soon as possible with high motivation. AUVCO's induction program cannot be too excessive for the small organization with limited resources. The management needs practical tools and clear systematic process to handle induction with just two managers and large part-time workforce.

3.1 Stakeholders and tasks

In the induction program for AUVCO there are two major stakeholders that are the management, author and Kalle Auvinen, and the new employees. Management's role is crucial in a small company like AUVCO where there are more than 50 seasonal employees working during the main season.

Managers have a key role in the orientation. The manager sets tone for the relationship for new employees and often is the most significant individual in the beginning of the employee's career. It's essential that managers plan the employee's first day well, making sure that vital activities are included in the program for the first day. (Johnson & Westwood 2005, 10.)

Managers have many key roles in the induction of which some are the most common. Jonhson and Westwood (2005, 10) lists some of the ordinary key roles that managers have in induction.

- Managers need to make sure that new employees have access to correct tools.
- Managers should deliver instructions for the new employees.
- Sometimes managers need to safeguard induction program completion for new employees.
- Managers can offer orientation to the job.

- Managers should set performance goals to the new employee.
- Managers must provide support in all aspects of the induction program if necessary.

New employees are essential for the induction process as they are the ones that bring enthusiasm to learn to the process. Main task for new employee is to eagerly participate in all parts of the induction process absorbing as much information as possible. New employees also directly affect the culture of the company with their own personality and fresh perspective.

Senior employees are great help for the managers in inducting process as they directly bring the company culture and values to the new employees. It's important to prepare senior employees for their position in induction program by giving them guidance and resources to help orientate the new employees to the company. Senior employees' tasks include welcoming the new employee to the team, helping in daily work and mentoring the new employee by transferring their skills and knowledge to the new employee.

3.2 Strategic choices for AUVCO

The management has already chosen formal approach by commissioning creation of systematic induction program. Yet, some informal induction is going to happen in fast moving and flexible organization like AUVCO where two managers bring their personality to the process.

AUVCO will utilize both collective and individual strategic approach in the induction process. Management wishes to restructure the process by adding collective orientation in the beginning of the season when many new employees join the company simultaneously, but still a lot of the induction depends upon the management's involvement in tutoring the new employees individually.

Choice of serial strategic approach is natural for AUVCO where induction has been heavily influenced by senior employees before. In the AUVCO's induction program it's essential to include guidance to the senior employees for their mentoring tasks.

Investiture method is the strategic choice for AUVCO because the company relies on independent positive employees whom can operate in customer service and sales situations.

3.3 Mix of delivery methods for AUVCO

It's beneficial for AUVCO to utilize group orientation as one of the new delivery methods for the company. AUVCO has large number of employees joining the company concurrently so it is very feasible to partly orientate them in a group. This is major time saving factor for AUVCO that hasn't been done in the past.

AUVCO will also utilize individual, one-to-one, orientation as part of the induction program. This is effective way to make sure the employee learns necessary skills and have needed resources to do the job.

Buddy system is important part of the induction for AUVCO as senior employees can be utilized to deliver company values and culture and help new employees in socializing. Senior employees are also able to provide training in basic job related skills.

Induction kit would be an excellent tool for the AUVCO as part of the induction process, but currently AUVCO is missing many of the crucial documents to be included in the kit. It's recommendable for AUVCO to create these documents for further improvements for the induction program. AUVCO will should add induction kit to the company internal website. Some documents that should be included are:

- welcome letter,
- new employee manual,
- product manual,
- company phonebook

3.4 Induction process for AUVCO

Induction process for AUVCO is divided into four sub-categories that are after recruitment, day and 2 – orientation, day 3 to 5 – working with colleague and week 2 – individual work. Induction process will regardless continue even after the second week, but active involvement from management isn't required daily anymore at this point. All the online and offline resources will be available for the employees until termination of their employment.

3.4.1 After recruitment

After recruitment phase of induction process deals with the time from recruitment until the new employee joins the company for the first day. During this time AUVCO should send small information package in email that includes welcome message and some basic information about company and the employee's new job. In the email there should be also access information for company internal website so that the new employees can access available information on their own time. Employees should be encouraged to call the company with any questions or concerns they have regarding the job. The email should also include instructions for the first day such as location and time and perhaps even preliminary schedule for the day 1 orientation.

3.4.2 Day 1 and 2 – Orientation

First day at the job for the new employees should be reserved for group orientation so that all new employees can be welcomed to the company and they will have chance to get to know their colleagues. Senior employees should also attend the first day orientation. It is important that all stakeholders know why the day is organized to maximize the outcome of the day.

In the group orientation it is feasible to go through all the basic information about the company, company goals for the season, responsibilities of employer and employees, most frequent concerns should be answered and occupational health and safety issues should be presented. One part of the group orientation should include information about the labor agreement. Company internal website should be briefly introduced.

Second day of a new employee AUVCO should reserve for one-on-one orientation with the new employee and a manager. Focus on this day should be in teaching job related skills and giving resources for the new employee to conduct the job according to the set standards.

3.4.3 Day 3 to 5 – Working with colleague

The rest of the week AUVCO should reserve for buddy orientation approach where a new employee works with a senior employee. In this part the new employee will gain confidence by working with a colleague who supports the new employee by transferring skills and knowledge as well as company culture and values. It's important that the managers are also available to help when necessary. The new employee will learn by shadowing the senior employee who can mentor with his/her own example.

Senior employee should be prepared for this day by going through the expectations of the management and by guiding on how to mentor. Senior employee should receive small information package that includes good mentoring practices and answers to common problems in mentoring.

3.4.4 Week 2 – Individual work

First week of individual work is important milestone for the new employee as full responsibility is given and the management starts to expect results according to agreed standards. It's important that the new employee feels that there is help and instructions available when needed and that the new employee has required resources at disposal.

It's important for the management to encourage the new employee about the skills and knowledge he/she has learned.

3.5 Review and evaluation of induction process

After each part of the induction process the stakeholders should fill-in small online questionnaire in company internal website that collects relevant information about the success and failures of the phase. This information can be later used in evaluating the induction process at the end of the season for future development. It also gives managers a tool to notice where a new employee might need some more individual help from manager.

4 Summary

The main objective of this product-oriented thesis was to create a systematic induction program for AUVCO Oy. A systematic induction program produced as an outcome of this thesis is based on theoretical framework structured from several Human Resource Management publications.

Purpose of a systematic induction program is to create committed and productive employees in shortest time possible. This can be done by carefully planning the induction process to be modular and based on best practices.

Principal finding of this thesis is the importance of formal plan in all employee training, not just in induction process. AUVCO requires additional studies in creating new employee manual and product manuals that are also essential for developing motivated and productive employees.

The main lesson learned in the project of creating a systematic induction program for my own company was the depth of available bibliography in the subject of orientation and new employee training. Thesis opened my eyes to the importance of documenting the silent information even a small company has. In a small company majority of the time goes to daily routines, but if the management doesn't challenge itself to study, observe, write down and challenge the routines no development is going to occur in the company.

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Induction Program

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1 INTRODUCTION

The purpose of this induction program is to help create warm welcoming to our new employees. With systematic approach to induction we can unlock the full potential in all new employees and make them productive and motivated employees of AUVCO Oy.



2 INDUCTION PROGRAM

What is induction program? Why have one at AUVCO? Induction program is a process of orienting new employees to the company and beyond. For AUVCO induction program is thrive to create and maintain happy and motivated employees who can produce positive results for themselves and the company.

2.1 Goals of induction program

What we want from induction program? The goals for induction program are:

- 1) Induction program will create loyalty in our employees through promoting team mentality where every employee is part of the team
- 2) Increase confidence and happiness in our employees.
- 3) Give resources such as information and job related skills to our employees

2.2 Strategic choices

As a new approach we have selected a formal induction program that incorporates some of the elements from our traditional induction habits. Each year when new employees are about to enter the company we will organize an event where we will go through the basics of employment at AUVCO Oy collectively with all the employees from that town. Content of this event will be introduced in detail later in the document.

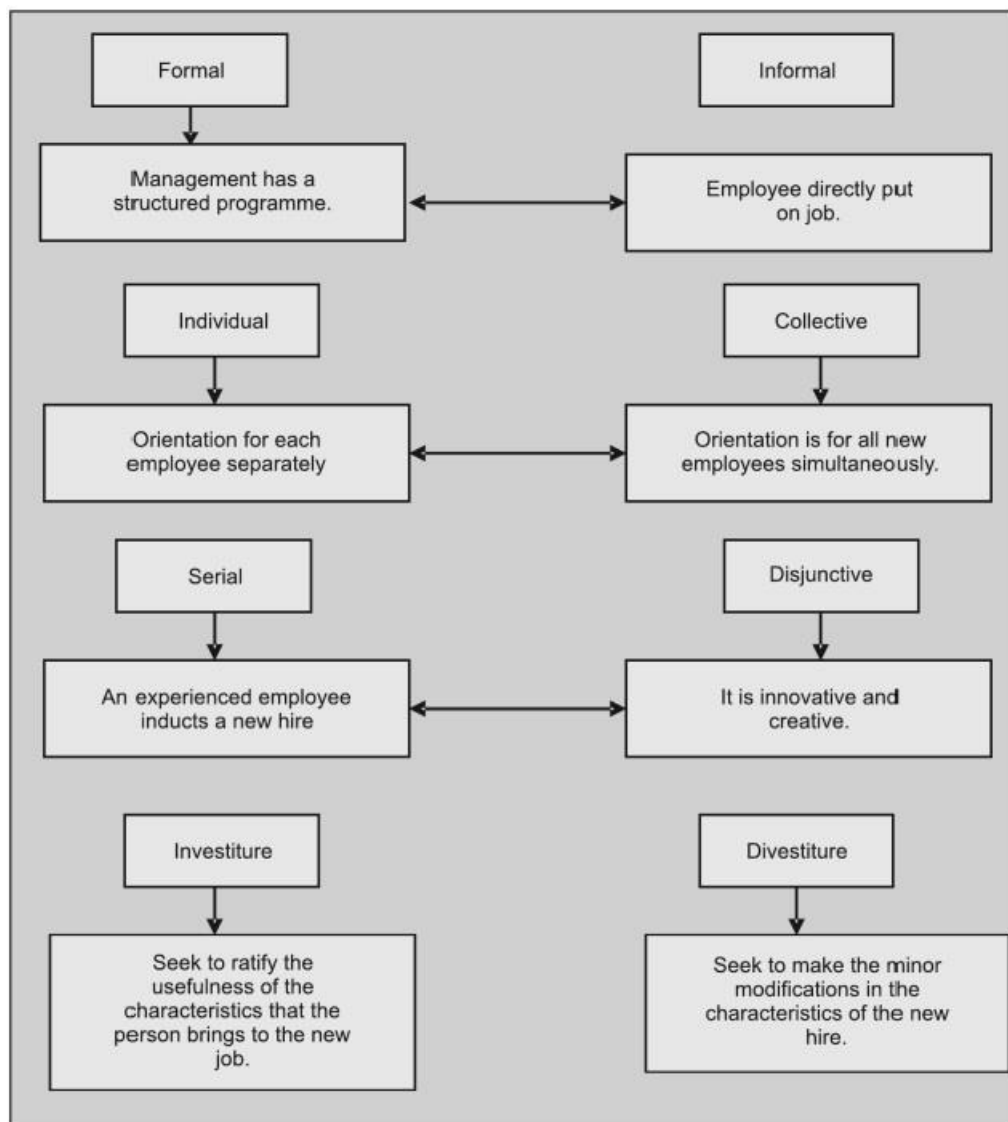


Figure 1. Strategic choices in induction program by Kumar, R.

Management will still play heavy role in orientating our new employees to working at AUVCO, but like before we will utilize our senior employees at the task when possible. We will aim to create best possible customer service and sales personnel achievable, but we will celebrate the great personalities that we have selected as part of our team.

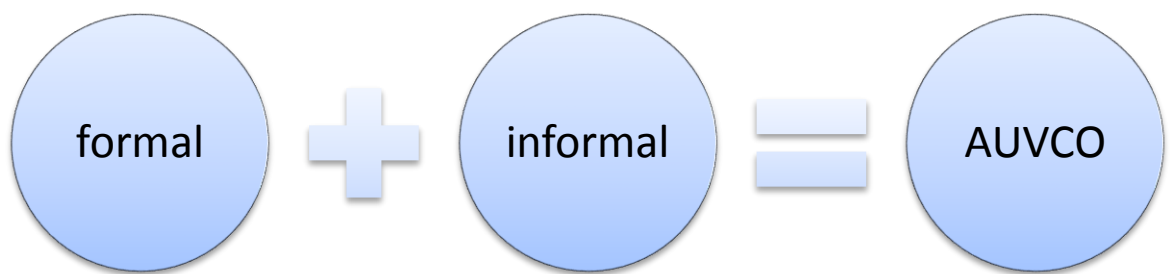


Figure 2. Strategic choice illustrated. Formal + informal = AUVCO Oy

2.3 Delivering welcome

The purpose of the induction is to create in shortest time possible committed, motivated, self-confident and productive employees who can do their job individually without excessively straining management.

The main benefit of the induction program is happy and motivated employees who know how to do their job and produce results towards their personal goals and with that help the company to get to its goals.

Employees are always nervous and eager when joining a new company. Our employees are in unique position more than often with no previous experience in working so how

we welcome our employees is their first impression of work life. There is a systematic planned process in sub-chapters below on how to achieve our goals.

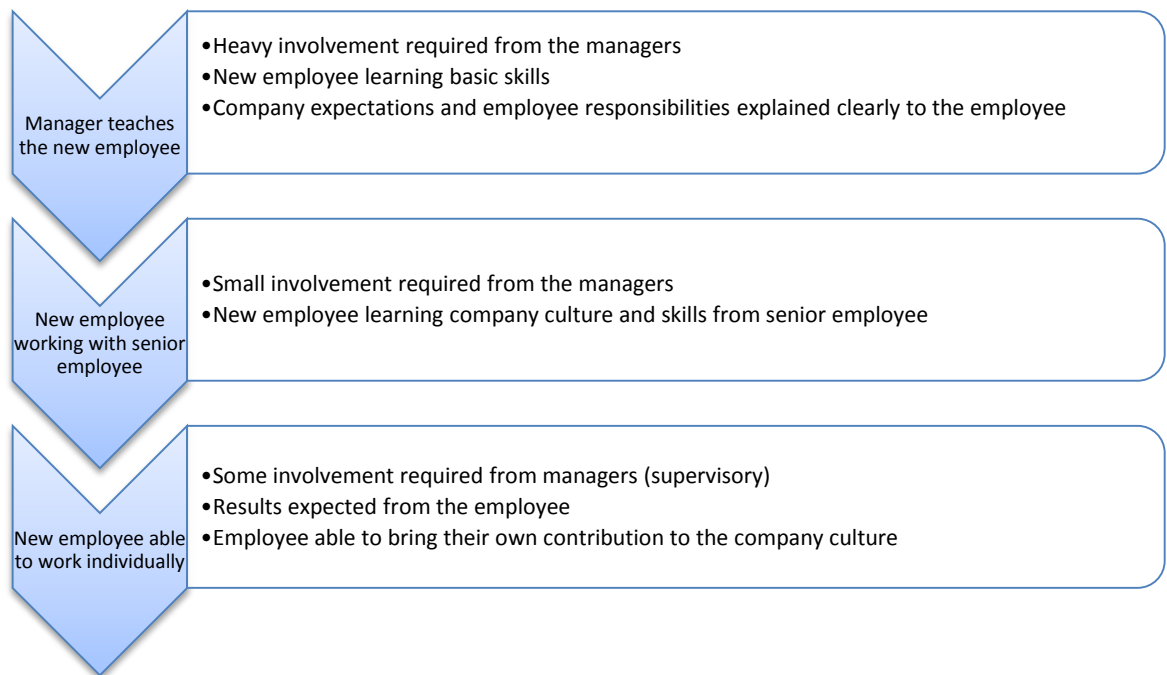


Figure 3. Training process in short with management's involvement estimated

2.3.1 After selecting new employees

We've selected an outstanding individual to work for us, now what? Before the employee comes to the orientation event we will contact them with email that includes welcome to the team message, manual for intranet, new employee manual and answers to most frequently asked questions in order to put the new employee at ease. Email will be designed with html to convey company visuals and relaxed, but professional, approach.

Email will include:

- Welcome message
- Short manual for intranet
- New employee manual
- FAQ
- Contact info with pictures
- Date for orientation event

2.3.2 Day 1: Welcome to the team – event

This is the big deal for the new comers, so it's important we are properly prepared. All materials need to be printed at least day before the event, slide shows and equipment tested and welcome baskets done.

Sample program for the day

- 12:00 Welcome – Serving coffee/tea and sandwich
- Introduction of management and company in short
 - Explaining why are we here today
 - Answering the most common concerns, and putting them in rest
- 12:30 Explaining daily routines
- What is expected from employees
 - What the employees can expect from the company (fair working environment, flexibility)
 - Where employees can get help for their questions
 - Other resources employees might need
 - Occupational health and safety
 - Salary and benefits
- 13:30 Getting to know each others
- A great activity is to let the employees plan shifts together (they're provided with template)
 - Answering questions

Handouts for the day

- Occupational health and safety information
- Collective Labour Agreement (TES)
- Map of town, with sales points marked
- Preliminary plan for working shifts with templates
- Company phonebook

2.4 Day 2: First day at the job

This can be nerve wrecking for the new employees, so let's do our best to soft land them to their jobs. First day at the sales point will be conducted with one of the managers and it focuses on actual job skills. Managers should do their best to make the employee relaxed, because most everyone has come to their first day eager and willing to learn, but terrified of all the new challenges.



Checklist for managers

- Use of cashier
- Basics of customer service
- Measuring and packaging products
- Cleaning the work environment
- Products and how to maintain them
- What to do when amount available products are decreasing
- Receiving products (checking quality!)
- Trash/Waste management
- Hygiene
- Complaints
- Hazardous situations
- Opening and closing the sales point
- End of the shift

2.5 Day 3 to 5 – Rest of the first week

Now the employee has dipped a toe to the job of sales and customer service. It's time to perfect those skills that the employee has learned in the first two days. It's also important that the employee feels part of the team and that his/her commitment doesn't go to waste but that his/her efforts help the team and eventually the company towards its goals.

Days 3 to 5 the new employee will spend with another, more senior, employee working, shadowing and learning. During this time the senior employee will transfer necessary skills, work ethics and company culture to the new employee. It's important to pick employees that are:

- Motivated
- Enthusiastic
- Productive
- Polite
- Prepared for mentoring

Preparing senior for new employee mentoring or "buddy program" requires management to pick right kind of senior employees who share the company values and have leadership qualities. Naturally, most of the senior employees are suitable because we've hired them for a consecutive season after their first summer.

How do we prepare a senior employee for this task?

- We will sit down and explain why the employee has been selected for the task (reliable, trustworthy)
- We will tell what we want from our new employees
- We will share our vision of company values and culture
- We encourage the new employee by being available to help when help is needed
- We will offer an incentive for successful mentoring

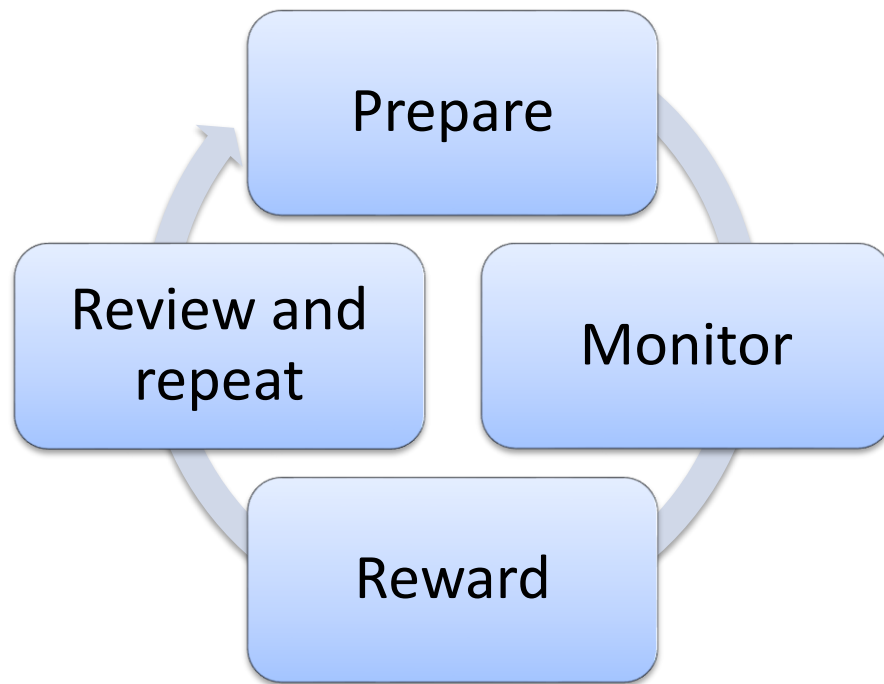


Figure 4. Preparing senior employee for mentoring task

2.6 Week 2: First week “alone”

First week alone is an important milestone in the new employee’s induction. Now we are giving “full” responsibility of the sales point to the employee. It’s important to remind what the company is expecting from the employee in job standards and productivity. It’s equally vital to encourage the new employee and remind him/her about the skills acquired and all the available resources. Managers should also ensure the new employees that it’s not sink or swim situation, but that there is constantly help available for all concerns and questions.

Important things to remind the employee:

- Work safety, how to get help in troubling/threatening situations
- Main responsibilities
 1. Sales and customer service
 2. Cashier
 3. Product placement
 4. Cleaning and hygiene
- Company expectations and “fair work” promise
- Incentives for job well done

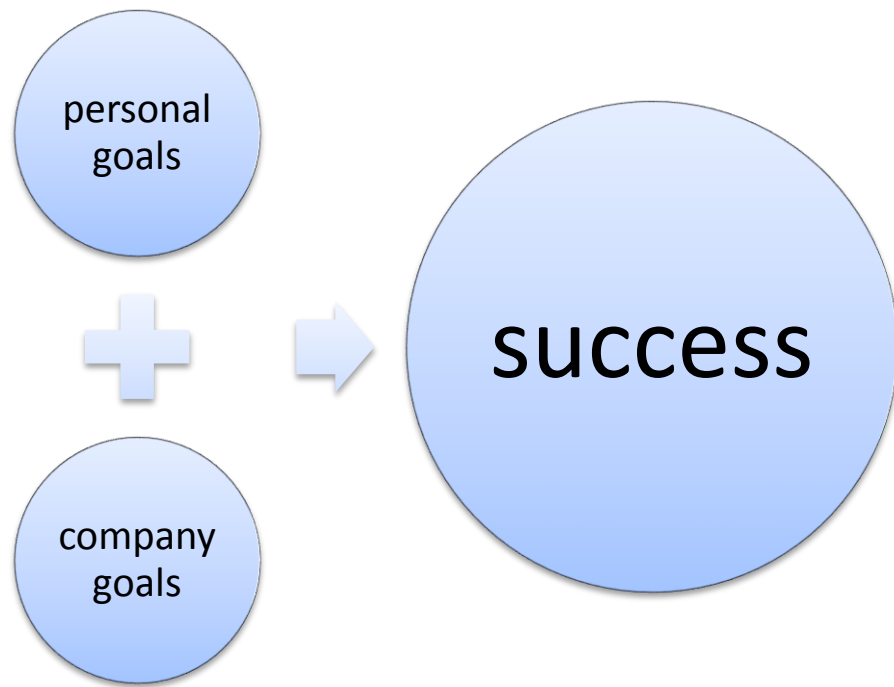


Figure 5. United personal goals and company goals to achieve success

2.7 Review and evaluation of induction process

So how did we do? Where can we improve? Was there any use for the induction program? These questions are essential questions that require an answer after each season in order to further develop the company and happiness of our employees.

It's important to review each part of the induction process always at the end. This can be best done by a short questionnaire in the intranet. Here is a sample questionnaire:

- How interesting was this part of the induction for you? 1-5
- How important was this part of the induction for you? 1-5
- Was the information relevant and adequate? 1-5
- Would you have wanted more training on the topic? yes/no
- Was there something missing in this part of the training? If so what? Open ended

In addition to questionnaire collected at the end of each part of the induction there should be one collected at the end of the 2 week period where the main induction process has been gone through. This questionnaire should focus on the learning outcomes of the two week training part of the induction.

Sample questionnaire:

- What are the main employee responsibilities?
- What are the company values?
- What are the main benefits for employees at AUVCO?
- Job related questions such as use of cashier, product placement, etc.

Managers should also keep a small journal during the induction process marking down hours spent on the induction process and any difficulties or successes. This is important data later when evaluating the induction process.

Evaluating the induction program should be done always at the end of the season when there is more time and perspective for this. Evaluating is an important part of the process that helps to further develop induction program. Any improvements should be written down to this manual.

Here are some metrics that can and should be analysed when evaluating the induction program.

- How many hours are needed from management to instruct and help new employees at the beginning of the season?
- How many hours are needed for the same at middle of the season?
- How many employees know their rights and benefits after induction?
- How well employees know their responsibilities after induction?

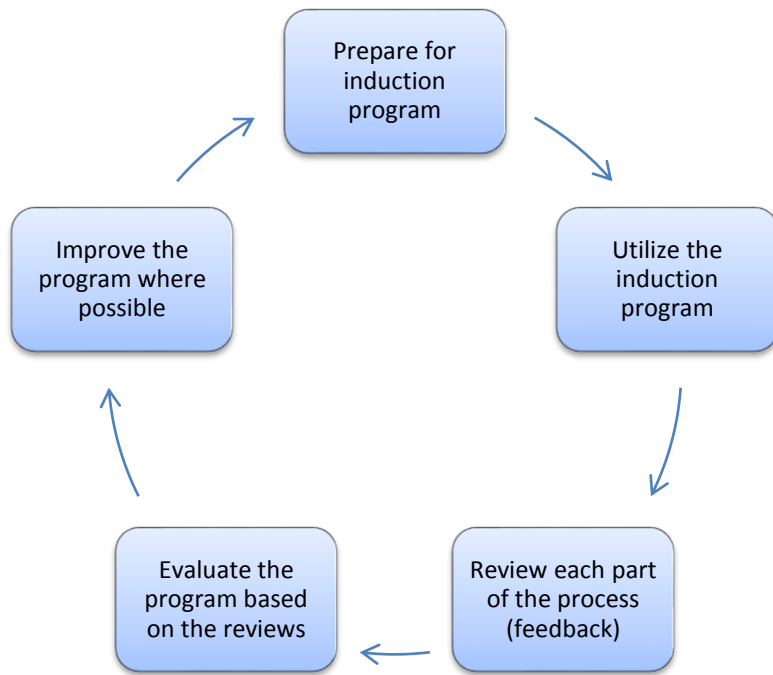


Figure 6. Yearly cycle of the induction program