Your Deep Dive into the Onboarding Checklist

Why having a process is crucial

For those outside the sphere of staffing, recruiting and human resources, the idea that there needs to be any kind of structured process to onboarding might seem strange. After all, you just have an interview, sign some paperwork and then train your new hire — right?

HR professionals know better. When you wing the onboarding process, you don't just delay time to start.

You put your organization at risk by:

- **Failing to integrate new hires into their roles**
- **Driving inefficiencies and costs**
- **Non-compliance and legal risks**

And yet, research shows that only 1 in 3 companies have a formalized onboarding process in place. In the staffing industry (or any organization that hires frequently), maintaining a standardized process is key.

For staffers, it could be the difference between a referral and a bad review — or the difference between an engaged employee and one that's just there to clock out at the end of the day.

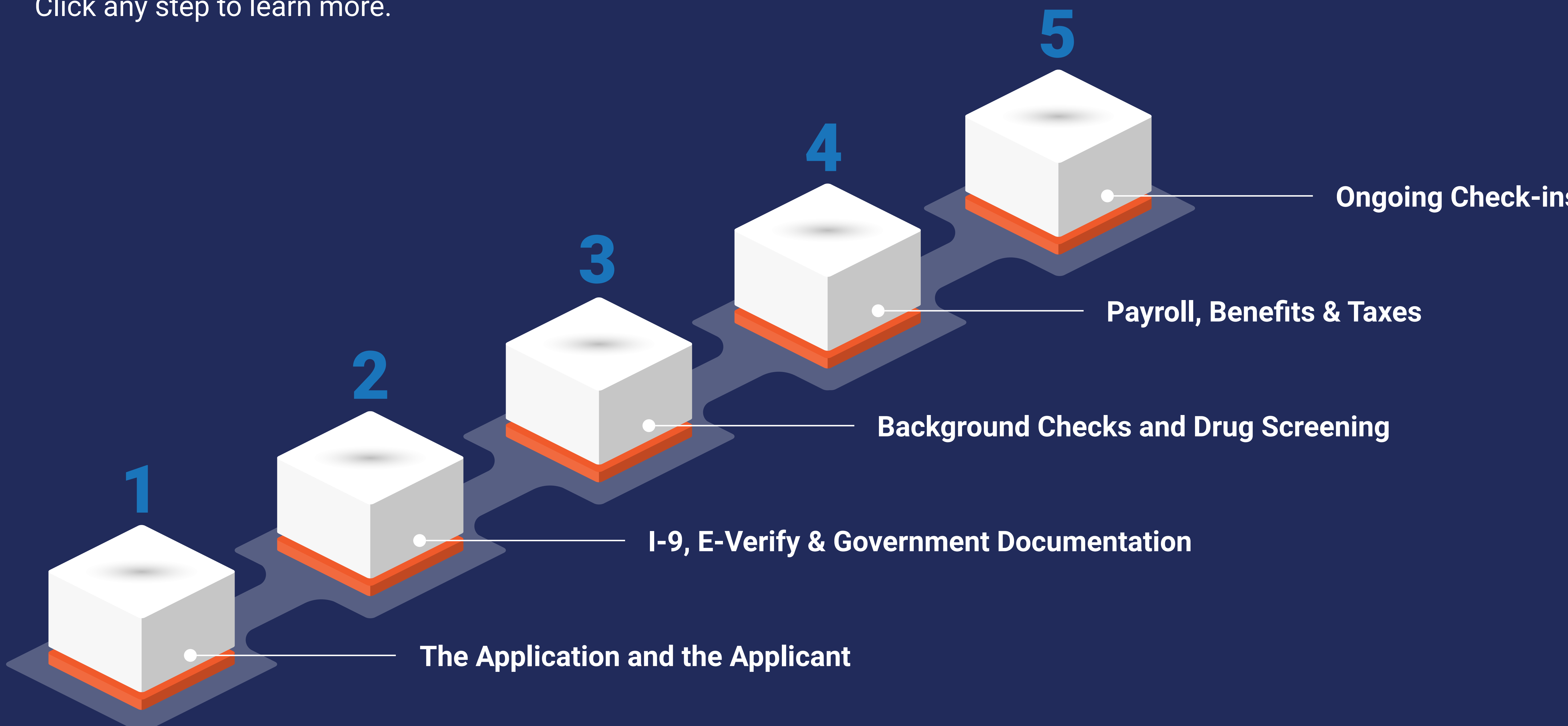
That's why the concept of the onboarding checklist exists.

By hitting each step on the checklist, you'll guarantee your candidates receive the attention they need to excel.

Use this checklist to guide your efforts when building out or improving your onboarding process. As we describe the individual steps, we'll call out key factors to keep in mind as well as useful tools that can support your efforts.

What steps make up the Onboarding Checklist?

Click any step to learn more.



1. The application and the applicant

Sourcing great candidates is always top-of-mind for you, but equally important are the steps that happen immediately after you've identified those candidates.

Maybe you've contacted a high-quality candidate over LinkedIn or email, or maybe they've come to you. Now it's time to assess them and their application to see if they're a good fit for your client.

KEY THINGS TO KNOW

Prepare your candidates

As a staffing professional, you aren't just the gatekeeper of talent. You're a facilitator that can help candidates become better fits for your clients.

Talk to your candidates about their potential role, company culture and other key information. That way, you'll deliver a candidate who's more likely to nail their interview and be ready to slot into their new role quickly.

And after hearing more about the company, if the candidate decides it's not a good fit, you've just saved some time for everyone involved.

Keep track of key documents

The documents that you receive from your candidate as part of their application will stay relevant later on down the line. You'll want to store data on resume, work history, education, references, certifications, licenses and any other relevant information in a centralized, easily accessible location. Here are a few reasons why:

- You'll be better prepared for government and client audits.
- You can streamline future onboarding steps with data pulled from the relevant documents.
- If the candidate performs well or poorly, you can evaluate their unique factors to tweak your sourcing strategy in the future.

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Communicate!

Every interaction you have with a candidate has the potential to inform your onboarding downstream.

They could offhandedly mention an interest that is highly relevant to your client, but wasn't provided in the job description. Or perhaps they'll say something that will shape the future steps in their onboarding process.

Most importantly, however, you need to demonstrate that you recognize them as a human being first and as a human resource second.

Establishing a relationship with your candidates is key to motivating them to be engaged with your client, excited about their new role, prompt in completing their requirements and enthusiastic about your performance as a staffing professional.

... especially if the candidate isn't a good fit

We get it — there's only so many hours in a day, and there are so many candidates who are close, but not quite right. As outlined in the previous point, there are some clear benefits to engaging with a candidate if they seem like a good fit. But sometimes it just seems easier for everyone to send a form letter if they don't fit your requirements.

Most staffing professionals seem to think this way — nearly 70 percent of candidates don't receive any feedback as to why they were rejected.

Aside from it being the decent thing to do, there are tangible benefits to treating candidates well even if they're not a good fit.

Providing feedback gives candidates the chance to improve and return to you when they've rounded out their skillset. And if not, no man is an island — most candidates currently or eventually will have a peer looking for work. If they feel positively about you and your organization, they may send a high-fit candidate your way.

> **"...recognize candidates as human beings first and as human resources second.**

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Tools that can help

If your job requires frequent hiring, then you probably already have an applicant tracking system (ATS) in place.

ATSs like Bullhorn, Oracle Taleo, IBM Kenexa BrassRing and TargetRecruit can make an HR professional's life significantly easier by facilitating candidate sourcing, mining resume data and so on.

Many also support portions of the onboarding process, such as communicating application requirements, keeping a record of candidate communication, storing data and more.

If you're thinking of adopting an ATS to support your onboarding checklist, just keep in mind that many of these systems are targeted towards specific industries — if you're a small staffing firm, for instance, a particular ATS might be more useful to you than to a technology enterprise.

2. **I-9, E-Verify & government documentation**

Form I-9 and the associated E-Verify system reduce employer liability for and likelihood of hiring ineligible employees. While only the I-9 form is required by law, many employers choose to input I-9 information into the E-Verify system, which compares I-9 data against government records to confirm that a candidate is eligible for work in the United States.

KEY THINGS TO KNOW

Go electronic for auditability

Every year, Immigration and Customs Enforcement (ICE) issues thousands of I-9 audits. If and when this happens, you do not want to sift through a mountain of disorganized papers pulled from a file cabinet. Not only does having your candidates fill out electronic I-9 forms enable greater searchability, but it also makes it easier for you to identify which I-9s need to be destroyed.

I-9s should be destroyed three years after the date of hire or one year from the date of termination, whichever comes later. You don't have to destroy these old I-9 forms, but if you don't, then you'll still be on the hook for those forms when you come under audit, even if that employee is long gone.

Filling out I-9s remotely is legal

If you've got a candidate in another state from your office or can't meet in person for any reason, you can still carry out the onboarding process.

Every section of the I-9 form can be filled out remotely with the exception of Section 2 — but that doesn't mean you need to be in the same room.

In order to stay in compliance when filling out the I-9 remotely, you need to designate a remote representative to review Section 1 and to complete and sign Section 2 while in the same room as the candidate. This can be anybody, including a candidate's friends or family members, a notary public or some other third party.

Tools that can help

I-9 and E-Verify services are often bundled into other software solutions, as is the case with TargetRecruit and many of the other tools described in this guide.

However, standalone solutions do exist, such as Equifax's i9Advantage or LawLogix's Guardian software.

These solutions can work well for companies who are just interested in gathering and storing I-9 forms electronically.

3. **Background checks and drug screening**

Although crucial, these aspects of the onboarding checklist can pose significant frustration.

To remain in compliance with state and federal regulation and guarantee accuracy, you need to use a reputable third party to carry out both background checks and drug testing.

Staffers have the additional challenge of managing all of their clients' varying requests:

Do they need to order a five-panel drug test or a 10-panel?

Should they run a county-level background check, state-level search, check government sanction lists, and/or look through international databases as well?

When you have to keep track of each client's strict requirements, things can quickly become confused.

KEY THINGS TO KNOW

Staffers can't report check & screening results to clients

If a client wants to know the details of a background check or drug screen, they'll have to order their own.

The pertinent regulation here is the Fair Credit Reporting Act (FCRA).

Under the FCRA, if the results of a check or screen are shared with another party, those results are then considered to be a consumer report — and your staffing agency is considered to be a consumer reporting agency, subject to the many, many regulations stipulated by the FCRA.

Since you're probably more interested in the staffing and recruiting business than you are in consumer reporting, it's best to just build a strong relationship with your clients so that they trust your candidates passed their tests.

How to stay in compliance

Even though you'll be relying on third parties to carry out your background check/drug screening, there are still important steps you need to take in order to stay in compliance.

Before administering a background check, you need to:

- Inform the candidate that you will be running a background check before it's run.
- Gain the candidate's authorization to do so.
- Inform the candidate of which third-party company will run this check.
- If applicable, follow federal adverse action guidelines.

An "adverse action" in this case would be denying the candidate a job due to the results of their background check (other cases of adverse action could include firing an existing employee, denying a promotion, etc.).

If you use information from the background check to take an adverse action, you must:

Before the adverse action takes place:

Give the applicant a "pre-adverse action disclosure" — a notice that includes a copy of the background check report and an explanation of the candidate's rights under the FCRA.

After the adverse action takes place:

Give the candidate an "adverse action notice" — this will include the contact information of the third-party company that ran the check, as well as a statement that the company did not make the decision to carry out an adverse action and that the applicant can dispute the accuracy or completeness of the report if they so wish.

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A note on California

If you're hiring in California, then you've got the added responsibility of complying with the Consumer Reporting Agencies Act, or ICRAA.

Its requirements are similar to that of the FCRA in nature, but are more restrictive in scope. Under ICRAA, disclosure notices must contain extremely specific information, and screening companies are limited in what information they can collect.

The specific requirements of ICRAA are numerous and fall outside of the scope of this guide; you can access the text of the act here.

Tools that can help

There are numerous vendors that supply background checks and drug screening information, some of whom even offer services pertinent to other parts of the onboarding checklist — notably I-9 and E-Verify services.

When evaluating these vendors, it's important to remain skeptical. Some vendors promise lightning-fast turnarounds at cheap prices, but this typically requires skipping some part of the screening process, whether that's imprecise drug testing, incomplete background checking or non-compliance.

At Essium, we recommend Sterling for background checks and drug screening, though there are many reputable vendors out there.

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4. Payroll, Benefits & Taxes

It's not the most exciting part of the work, but it's the reason why you and your candidate are here: getting paid. But before this can happen, your candidate needs to fill out their W-4 and provide you with banking information, and you need to be aware of any special tax circumstances that may apply.

NOTE State tax requirements can vary tremendously, so we won't be covering them in this guide.

KEY THINGS TO KNOW

Not all W-4 forms are made equal

Most employees will fill out their W-4 forms as accurately as possible in order to get the maximum pay without owing money once taxes come around. But some employees will — for whatever reason — refuse to fill one out, or alter their W-4 and refuse to fill out another one. In these circumstances, your duty is to withhold federal income as though they hadn't filed for any allowances and as though they were single.

Another unusual circumstance to look out for is locked-in withholding. Sometimes, the IRS will determine that an employee has been withholding too little and send you a lock-in letter. This locks an individual's withholding to a certain rate — though the employee can withhold more than that rate.

Some employees still need the option of a paper check

It's the 21st century, and nearly everyone receives checks via direct deposit. Typically, this requires authorization from the employee and a voided check to get the correct information on where you should send the funds.

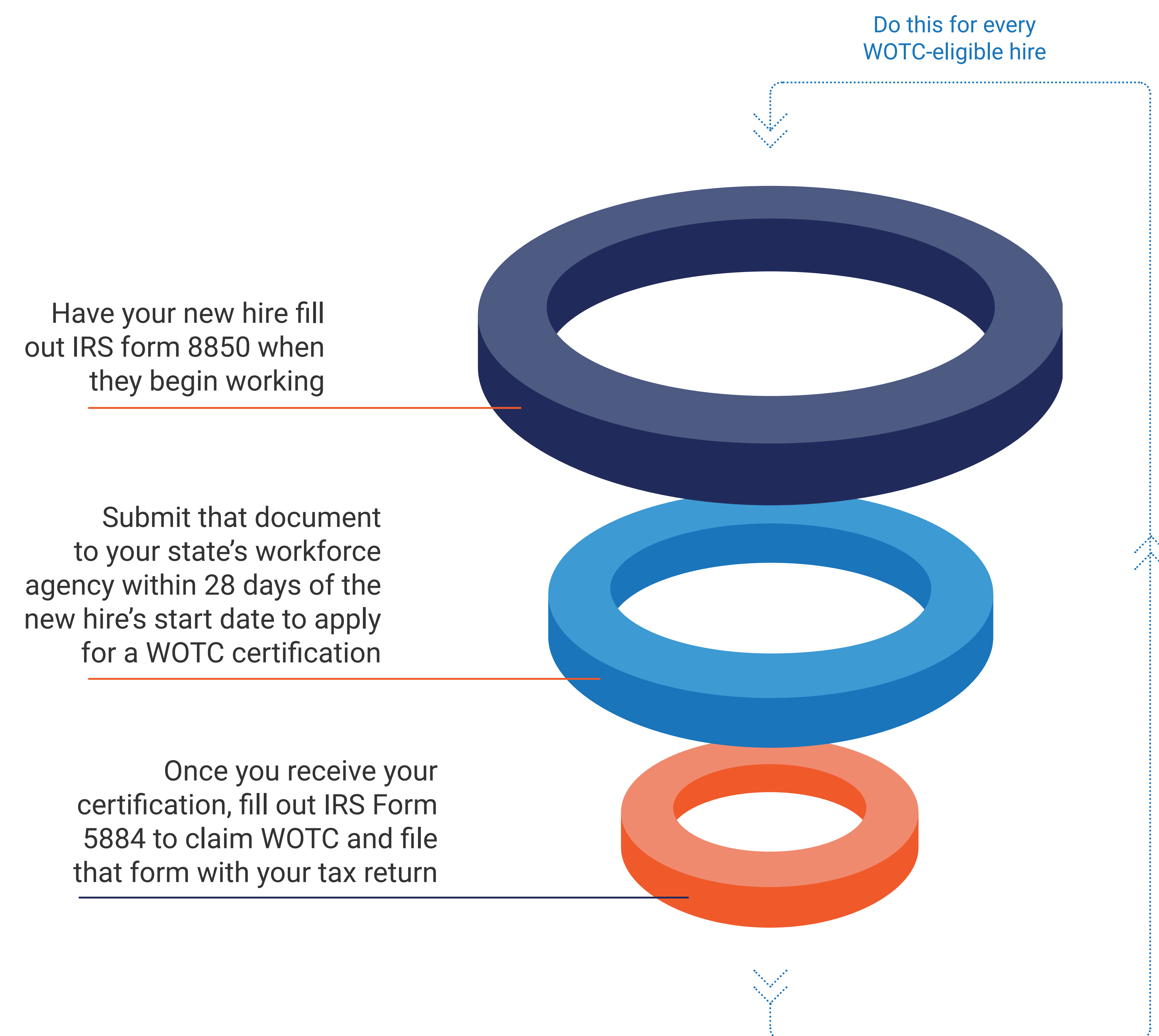
But you can't require employees to accept direct deposit, as not everyone has a bank account — roughly 7 percent of Americans do not, either due to mistrust, credit issues, lack of access to minimum funds or for any other reason.

Take advantage of WOTC

Though the Work Opportunity Tax Credit is a well-known program, some businesses still aren't taking advantage of it. When you hire from groups facing high unemployment such as veterans, youths and social security recipients, WOTC reduces your federal tax burden. In some cases, this could be as much as $9,600 per WOTC-eligible hire.

But ensuring you're getting the full tax reduction does require jumping through some hoops.

As you can guess, this process can become quite burdensome when performed on large volumes of candidates, but if you're not taking advantage of it, then you're overpaying your taxes.



Tools that can help

Onboarding candidates to payroll can quickly become a massive task as you grow, and any mistakes in this domain are highly visible.

Using software from vendors such as ADP or Intuit will make administering payroll and benefits far simpler. Often, payroll software will include functionality to catch any tax credits that you may be eligible for as well.

5. **Ongoing check-ins**

As a recruiter, it might seem like your job ends once your candidate is placed.

But if you're not staying in touch with your candidates as they explore their new role, you run the risk of damaging your client relationship and shrinking your future candidate pool.

KEY THINGS TO KNOW

Keep track of major milestones

Reach out to your clients and candidates at the end of their first day, first month and the end of the candidate's probationary period.

Both your candidate and client may be more willing to surface any issues with you as an outside party. Ideally, you can smooth over these issues before they grow into larger concerns that threaten the candidate-client relationship.

This is your chance to improve

Not only do regular check-ins help ensure that the candidate has a shot at success in their new position, it's also an opportunity to evaluate your own performance.

Is the candidate performing as well as you hoped? Is the client a good fit for them? What factors led you to making this placement, and are they having the effect you anticipated?

In this way, you'll learn what to keep an eye out for to maximize client satisfaction and candidate performance.

Nurturing the candidate relationship drives referrals

The more your candidates feel that you've got their back, the more likely they are to return to you when they're looking for work again or to send their out of work peers to you. If you put in the time to ensure their placement was a great fit, they'll remember that you treated them as a person, not as a source of revenue.

ONGOING CHECK-INS

Tools that can help

For this part of onboarding, your best tools are going to be your sense of empathy, communication skills and diplomacy.

The reason why staffing professionals should adopt software tools is to ensure they have the time and resources to focus on this portion of onboarding — it's where your unique skills have the opportunity to shine.

Your #1 takeaway?

The concept of an onboarding checklist is attractive because it compartmentalizes individual steps. But it’s important to remember that this is a conceptual tool. Onboarding isn’t just a series of steps; onboarding is a holistic process.

There are tools that can support you with applications, payroll, background checks and so on, but none of these tools support you with onboarding. We developed the Xenqu platform to:

- **Work within the onboarding ecosystem**
- **Integrate with these individual tools**
- **Truly enable staffing professionals to manage onboarding from a holistic perspective, start to finish**

Since every organization has their own unique approach to onboarding, it’s fully customizable, too.

ESSIUM

The competitive edge staffers need.

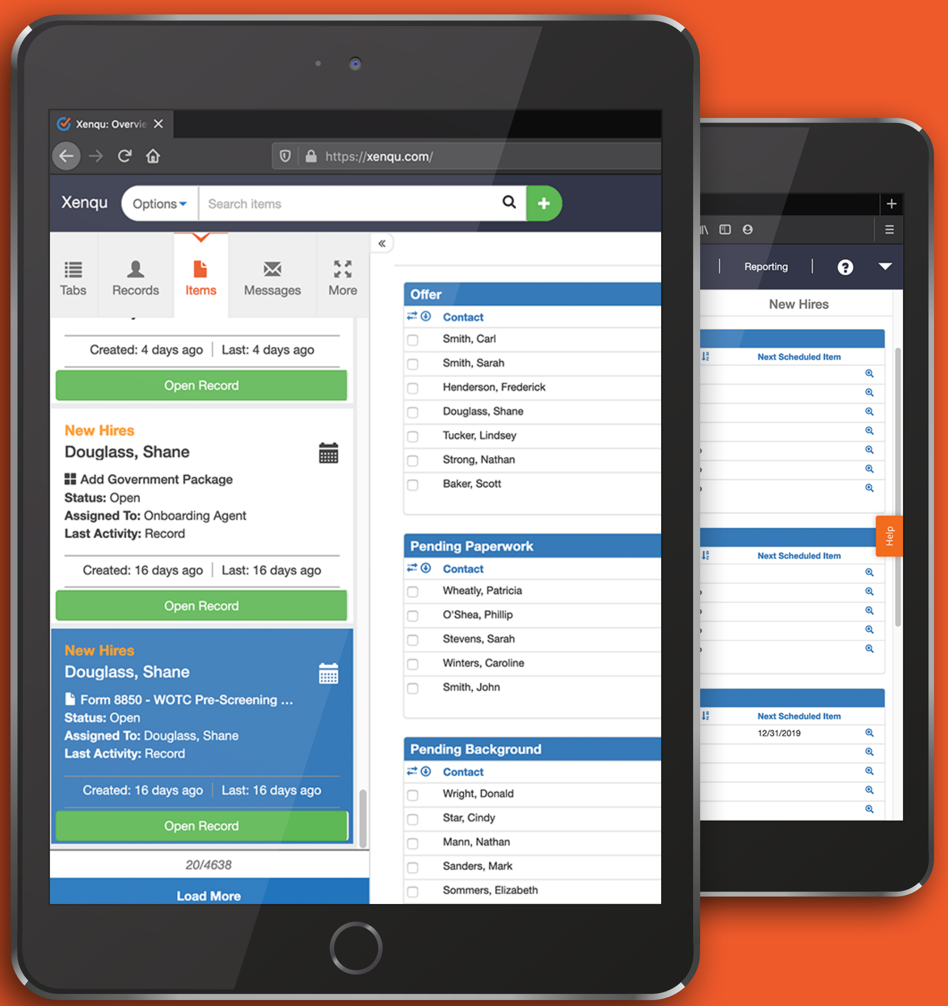
Xenqu automates the transactional tasks of onboarding, including I-9 and E-Verify, work authorization and visa management, FMLA tracking and compliance, license and credential management and benefits administration, among others.

What's more, Xenqu automatically adjusts processes according to the most recent regulations to ensure you're audit-ready. It stores your candidate records and continuously runs data audits, guaranteeing that your records are accurate and compliant, exposing you to the least risk possible.

Simply put, an onboarding process without a dedicated platform like Xenqu will have gaps. Individual solutions care only about their specialty, whether that's payroll, background checking or applicant tracking.

Our specialty is onboarding.

Get in touch with one of our experts to learn more.



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