

Doctoral Dissertation

E-LEARNING AIMED AT NEW HIRES IN JAPANESE COMPANIES

IVANOVA, Tsvetomira

Graduate School of Social Sciences

Hitotsubashi University

SD072003

SUMMARY

This study investigates the e-learning and onboarding environment in large Japanese companies. It explores the potential for large Japanese companies to adopt e-learning as part of their onboarding process. It seeks an academic explanation (based on the theory of organizational socialization) for the relationship between e-learning and onboarding. Finally, it aims to establish a theoretical and methodological basis for future empirical research on e-learning and onboarding in enterprises.

This thesis consists of four chapters and conclusions. Chapter 1 aims at introducing facts about the main topics examined. Chapter 2 investigates the history and evolution, and also the contemporary dimensions and benefits of e-learning. The main goal of the chapter is to generate a new, holistic definition of e-learning based on a wide survey of the relevant literature. Chapter 3 covers the main features of the onboarding process; investigating its flow and content. The main purpose of this chapter is to picture the reality of companies' onboarding process in Japanese as well as foreign companies. Based on the literature review

in Chapter 2 and the empirical study in Chapter 3, Chapter 4 provides the theoretical grids and design of an integrated e-learning – onboarding model. Unlike Chapter 2 and Chapter 3, this chapter proposes an academic explanation of the relationship between e-learning and onboarding. This chapter also proposes variables and hypotheses for further research on the topic.

Finally in the conclusion, the author discusses the main findings of the study as well as limitations and implications of the thesis.

The background for the research is the role of information and knowledge in the global emergence of new markets and the transformation of old ones. Enterprises and countries that have invested in education and in the utilization of information technologies, have managed to adapt quickly to changing economic circumstances and to offer high quality and reasonably priced services in diverse sectors. The “knowledge-based economy” and “life-long education” have become fundamental parts of company philosophies worldwide and Japanese companies have also been a part of this trend. The world famous Japanese management style is based on a significant amount of employee training, but the above mentioned trend had challenged the effectiveness of in-company learning. Japanese companies were no longer able to provide their employees with the traditional extensive training, because of the competitive advantage that countries like China and India gained, thanks to adopting technologies and knowledge-based approach in managing their human resources. It is argued that in the recent ten to fifteen years Japanese companies were not strongly motivated to provide their employees with training partly because they were not sure if the training and skills gained would not become obsolete in a period where technology is changing drastically, and because they were afraid of trained employees quitting their jobs in the future.

In order to profit from this trend towards knowledge-intensification across all industrial sectors, companies worldwide need to recruit, retain and retrain employees capable of understanding and adapting to fast-changing business processes and technologies. Enterprises are clearly investing a lot in finding the right personnel. On the other hand, assimilation of employees, which the author considers as important as recruiting, is often neglected or takes longer than companies would prefer it to last. Without effective assimilation process, companies may not obtain sufficient return on their investments in expensive workers.

HR (human resources) terminology names the process of adaptation new hires “onboarding”. Onboarding should be a part of any strategy that is focused on workforce retention and productivity, as well as brand management.

Onboarding is another business process into which new technologies are gradually being introduced. In this study the author examines the connection between onboarding and e-learning. Based on the facts that onboarding is a complex process interwoven with other business processes, on one hand, and that e-learning can be utilized in any company process related to knowledge, information and skills transfer, on the other hand, the author suggests potentialities for increasing efficient interactions between onboarding and e-learning.

The key terms of this study are “onboarding” and “e-learning”. The author defines onboarding as the adaptation process of new hires as well as business processes “naturally” interwoven with other company processes and linked to company strategy. E-learning is defined as a “system” which includes learning/ knowledge/skill transfer elements directly applicable to company/business processes.

The author chose large Japanese companies as main object of research for the following reasons:

First, employees hired in large Japanese companies are the majority of the Japanese work force and it is among them that the most extensive training is concentrated. Although many researchers have reported changes taking place in the Japanese labor market in the last ten to fifteen years, it is still characterized by a lack of mobility and large Japanese companies still prefer to hire long-term employees especially when it comes to their core management.

Second, recent graduates form the main group of new hires in large Japanese companies. In order to enter the labor market, university graduates become a part of the “shyushoku katsudo”¹ system, jointly developed by large Japanese companies, universities and the state over the years. Large Japanese companies’ recruitment systems require large groups of people to be trained together during a certain period of the year – usually each April following the entry of recent graduates. That fact forces companies to conduct mass training events. Since e-learning enables synchronous or asynchronous training of large groups of people anytime and anywhere, it is a possibility for large Japanese companies to adopt e-learning in their onboarding process as an alternative for the traditional classroom system or blending those two training systems in order to gain competitive advantage in terms of time and expenses.

Third, a fully developed onboarding process is typical for the large companies and pertains to well-educated, white-collar occupations.

All large Japanese companies have similar systems for adapting and training new hires. Newcomers undergo intensive induction training which includes both skill transfer and socialization followed by on-the-job training, where new hires can experience different sides of the company environment on a rotational basis. The author argues that onboarding process

¹ Job hunting process

activities are strongly institutionalized in Japanese companies and considers this strong institutionalization as the main characteristic of the onboarding process in the large Japanese companies.

This study analyses the results of a July - August 2009 survey (questionnaires and interviews) focusing on understanding the level of adoption and utilization of e-learning tools and systems, and the quality of execution of the organizational onboarding process of new hires (referred to as ‘onboarding’) in twelve large Japanese companies (over 1,000 employees), in different sectors. The study also assumes a positive effect (acceleration and effectiveness) of e-learning utilization on the onboarding learning factors such as training, understanding, coworker support and future prospects, suggesting a hypothetical e-learning-onboarding model for further research.

In order to challenge the institutionalized large Japanese companies’ onboarding environment, this study is answering the question whether e-learning could mediate the interaction between companies and newcomers in order to allow newcomers to act more individually during the adaptation process and thus influence their learning in the institutionalized large Japanese companies’ onboarding environment which means that the study uses content approach to investigate the onboarding process.

In order to meet the goals of this study, the author proposes a holistic e-learning definition after performing a qualitative analysis. E-learning literature is also reviewed in order to clarify the “systemic” nature of e-learning and its accelerating effects on organizational learning.

The author sets the frames of the contemporary onboarding process. Through literature review of the business theory of onboarding the author explains its flow and content, and clarifies onboarding interrelations with various business processes in the company.

The author conducted a survey in order to research large Japanese companies' e-learning and onboarding environment. The survey consists of three main parts: (1) the implementation and dissemination of e-learning in large Japanese companies; (2) the onboarding process in large Japanese companies; (3) the relationship between e-learning and onboarding - this part of the survey covers existing e-learning utilization in the onboarding process, and also investigates e-learning characteristics (variables) that could play mediation roles in the newcomers' adaptation process.

Finally, the author proposes an integrated model of e-learning and onboarding model where hypotheses regarding effects of e-learning implementation in the onboarding process are suggested.

Various methodologies are adopted in this study in order to meet its complex goals. Although longitudinal designed study is more appropriate for empirical examining of the onboarding process, the author chose observational case studies as a central method for the thesis because the aim of the study is to create rather than test a hypothesis.

A survey and, following the survey, one-hour interviews with managers of large Japanese companies (n=12) from different sectors - finance, heavy industry, manufacturing, services, mining and gas, were conducted for the aims of this study. The survey is focusing on investigating the level of adoption and utilization of e-learning tools and system and the quality of execution of the onboarding process of new hires in order to define variables for further research on e-learning utilization in the onboarding process.

Qualitative analysis is also used in order to examine e-learning definitions and to report author's findings from the survey.

Data presented in this study supports the statement that e-learning is not commonly utilized in Japan, indicating low level of adoption in the examined companies.

The current research provides data that defines the onboarding process in Japan as strongly institutionalized and influences newcomers' proactive tactics and thus, onboarding results.

Based on the above findings, the author discovers a niche for future research on the relationship between e-learning and onboarding in large Japanese companies. After examination of e-learning and onboarding theories and research of practice within Japanese companies, the author created an e-learning – onboarding model trying to explain the following hypothesis:

The adoption of e-learning in onboarding will provide (thanks to the characteristics of e-learning) to more opportunities for newcomers to act individually, without the need to individualize the large Japanese organizations' institutionalized onboarding environment, thereby improving onboarding efficiency.

A full-scale study to prove this hypothesis is beyond the scope of this thesis. Instead, using the survey as a pilot study, I aim to provide a theoretical basis and methodological framework for further research in the field.

Since the integrated model in Chapter 4 presents in detail the “e-learning – onboarding” connection, the author suggests six sub-hypotheses deducted from the main one.

