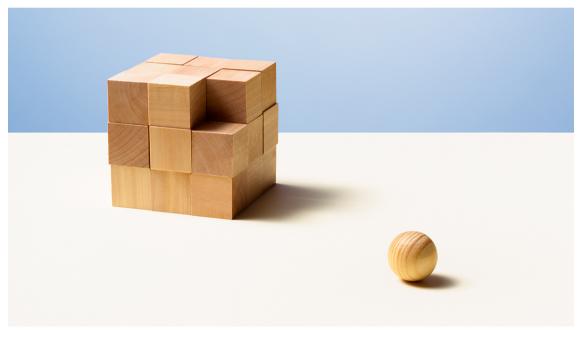


Employee Retention

To Retain New Hires, Spend More Time Onboarding Them

by Ron Carucci

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Summary. Talent management is one of the things CEOs worry about most, and yet companies often spend very little time onboarding their new employees. The most effective organizations onboard new hires for the duration of their first year – their most vulnerable period –... **more**

This year, the unemployment rate in the U.S. hit a 49-year low of 3.7%. The demand for companies to retain top talent is intensifying. One report suggests that employee retention is the number one issue on the minds of CEOs today — not just in the U.S., but around the world. And yet, companies often spend very little time onboarding

new hires. With up to 20% of staff turnover occurring within the first 45 days of employment, a standardized onboarding process is essential.

In my experience as a consultant for Fortune 500 companies, I've found that the most effective organizations onboard new hires for the duration of their *first year* — their most vulnerable period — and focus on three key dimensions: the organizational, the technical, and the social. By using this integrated approach, they enable their employees to stay, and to thrive.

Organizational Onboarding

Teach them how things work. The first and most common part of onboarding is teaching new employees the information they need to function day in and day out: where to park their car and get an ID card, how to navigate the building, how to enroll in health benefits and educate themselves on regulations and policies. Beyond this, it's also important to teach them your workplace "language." There's almost always a litany of cryptic acronyms that company's use for key processes or roles — decoding them can be one of the most distressing challenges for new hires. The more a new hire has to awkwardly ask, "Sorry, I'm new...what does SSRP stand for?" the more they feel like an outsider. Simple tools, like glossaries of terms, go a long way.

Help them assimilate. Organizations must be intentional about helping new hires adapt to organizational values and norms, especially during that first year. At key intervals — three, six, and nine months — hiring managers should formally engage them in conversations about the organization's history and brand, how performance is measured and rewarded, and how growth opportunities arise. You should also encourage organizational "heroes," or people held up as exemplary, to connect with new hires and share personal stories that demonstrate valued behaviors.

Technical Onboarding

Define what good looks like. Just because someone is hired for their capabilities and experiences, doesn't mean they know how to deploy them at your company. New hires with deep areas of expertise can become insecure when they suddenly feel like beginners. They may even resort to citing past successes as a way to prove their competence, which can alienate them more and exhaust their colleagues — who might get tired of hearing a new team member start each sentence with, "In my last job." To avoid this dilemma, communicate clearly from day one. Provide your new hire with a job description that includes well-defined accountabilities and any boundaries around authority or available resources they should be aware of. Clearly outline their decision rights to help them understand where their autonomy begins and ends. It's also valuable to schedule weekly coaching sessions to check in and ensure they have opportunities to make meaningful contributions as soon as possible.

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Set up early wins. Giving new hires clear goals is another powerful strategy because it allows you to share realistic expectations. An astounding 60% of companies report that they do not set short-term goals for new hires. A good way to start is to assign tasks with an expectation that they be completed at the three, six, and nine-month marks. Start with targets you are confident your new hires can meet. If all goes well, gradually increase the level of responsibility associated with each task. This will help build trust and show them that you are paying attention.

Through this process, you can openly discuss gaps in their skill set and work to close them. During check-ins, encourage them to share their growth areas and discourage them from "faking it." New hires that feel grounded in their contribution and understand how it fits into the larger organization gain confidence and feel loyal faster.

Social Onboarding

Build a sense of community. Recent research reveals that 40% of adults report feeling lonely. This sense of isolation is amplified for new hires — who often feel like a stranger in a foreign land — and can increase their chances of leaving a job.

Building relationships during their first year can help new hires feel less isolated and more confident. New hires, in partnership with their manager, should identify 7-10 people — superiors, peers, direct reports, and internal and external customers — whose success they will contribute to, or who will contribute to their success. The new hire should then craft plans to connect with each stakeholder, oneon-one, during their first year. This can be a short meeting over coffee or lunch — an opportunity to learn and ask for guidance. In addition to stakeholder cultivation, building social capital with teammates on a daily basis helps build camaraderie and trust. When new hires feel accepted and welcomed, they are less likely to feel like the new kid on the block.

If you want to retain the talent you spend good money to acquire, make sure a new hire's first year is positive and productive. Organizations with a standardized onboarding process experience 62% greater new hire productivity, along with 50% greater new hire retention. Those that invest time and effort in their new employees reap the benefits. If you want to be an employer of choice for top talent, make sure a new hire's organizational, technical, and social needs are well met.

Ron Carucci is co-founder and managing partner at Navalent, working with CEOs and executives pursuing transformational change. He is the bestselling author of eight books, including *To Be* *Honest* and *Rising to Power*. Connect with him on Linked In at RonCarucci, and download his free "How Honest is My Team?" assessment.