Are You Guilty of Poor Onboarding? The Consequences Are Worse Than You Think.

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Starting a new job is like diving into a swimming pool. A refreshing and invigorating dive can make for a memorable experience, while a belly flop can leave you in pain and feeling embarrassed. The onboarding process is the dive, and just like a dive, when done poorly, it can leave lasting consequences on new hires, especially remote and hybrid workers. A recent survey by Paychex reveals the effects of poor onboarding on new employees and their inclination to stick around.

First impressions matter: The onboarding experience

Picture this: You're attending a party, and the host greets you with a warm welcome, introduces you to the guests, and offers you a drink. You'd feel comfortable and well-received, right? Onboarding should be like that — a seamless, positive and engaging experience. But the reality is different for many employees.

Only 52% of new hires feel satisfied with their onboarding experience, with 32% finding it confusing and 22% disorganized. Remote workers fare worse, with 36% of them finding the process baffling. It's like trying to assemble an IKEA furniture without the instructions.

Interestingly, 54% of finance industry employees are most likely to be satisfied with their onboarding experience, compared to only 31% of employees in the business industry. Generationally, Gen Zers are the happiest (62%) while Gen Xers lag behind (43%). This generational gap is a crucial factor for HR departments to consider while designing their onboarding processes.

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Onboarding gone wrong: The fallout

A poor onboarding experience is like an ill-fitting shoe; it leaves employees feeling uncomfortable and dejected. The most significant impact is that 52% of new hires feel undertrained, with small company employees (66%) and remote workers (63%) suffering the most. It's like trying to win a marathon with flip-flops.

The generational factor also plays a role, with 58% of Gen X feeling undertrained compared to 45% of millennials. Addressing these gaps is vital for companies to retain their workforce and maintain productivity.

Pushing new hires out the door

An undertrained and disoriented new hire is like a fish out of water – they'll flop around, gasping for air, and looking for an escape. In this case, escape means quitting. A staggering 50% of newly hired employees plan to leave their job soon, skyrocketing to 80% for those feeling undertrained due to poor onboarding. On the flip side, only 7% of well-trained employees plan to leave soon.

Size does matter, as small-company employees are more likely to quit (59%) compared to those in large companies (38%).

Surprisingly, despite feeling satisfied with their onboarding, Gen Zers are the most likely to plan a swift exit (58%). It seems that onboarding is a crucial make-or-break experience for new hires, particularly for older generations.

Re-onboarding is like giving your employees a second chance at a first impression. By taking all employees through the onboarding process again, you can re-engage and revitalize your team. The results are impressive: employees become more focused (47%), energized (42%), productive (34%), and efficient (33%). Plus, re-onboarding increases employee retention by a whopping 43%.

Case studies of poor onboarding

I've seen a number of case studies of poor onboarding harming companies. For example, a middle-market SaaS firm experienced high turnover rates among its remote and hybrid employees due to a poorly executed onboarding process. New hires were not provided with clear guidelines, expectations or adequate training. As a result, employees felt undertrained and undervalued, leading to a lack of engagement and commitment to the organization. Within six months, the company saw a 60% turnover rate among remote and hybrid employees, leading to significant recruitment and training costs.

A large marketing agency encountered growth challenges due to its poor onboarding process for remote and hybrid workers. New employees were not equipped with the necessary skills and knowledge to succeed in their roles, leading to subpar work quality and missed deadlines. The company's reputation suffered as clients became dissatisfied with the level of service provided. The agency struggled to attract new clients and retain existing ones, which hindered its growth and expansion plans.

A mid-sized financial services firm faced compliance issues due to poor onboarding of its remote and hybrid employees. The

onboarding process did not adequately cover essential policies, procedures, and legal requirements, leading to errors and oversights by the new hires. The firm was eventually penalized by regulatory bodies for non-compliance, causing financial strain and damage to their professional reputation.

In each of these case studies, the organizations faced significant challenges due to poor onboarding of remote and hybrid workers. Proper onboarding is crucial to ensure employee satisfaction, productivity, and company success in today's increasingly remote and hybrid work environments.

The psychological pitfalls of onboarding

In addition to the logistical challenges of onboarding new remote and hybrid hires, cognitive biases can also play a significant role in shaping the experience. These biases can cloud judgment, hinder decision-making, and create misconceptions about new employees' performance and potential. Let's explore two specific cognitive biases and their impact on the onboarding process: the halo effect and optimism bias.

The halo effect occurs when an individual's positive qualities or achievements in one area influence our perception of them in other areas. In the context of onboarding, a new hire with an impressive resume or a glowing recommendation might be seen as more competent and capable than they actually are. This can lead to unrealistic expectations and a lack of appropriate training and support during the onboarding process.

For example, a remote employee who is an expert in their field may be assumed to excel in all aspects of their job, including time management and communication skills. However, they may struggle with the unique challenges of remote work, such as staying organized and maintaining a healthy work-life balance.

Failing to recognize these potential shortcomings due to the halo effect can lead to insufficient support and training, ultimately affecting the new hire's performance and job satisfaction.

To combat the halo effect, it's essential to provide equal training and support to all new hires, regardless of their past achievements or qualifications. This ensures that each employee receives the necessary resources to succeed in their role, setting them up for long-term success.

Optimism bias is the tendency to overestimate the likelihood of positive outcomes and underestimate the probability of negative ones. In the onboarding process, this bias can manifest in several ways, such as underestimating the time and resources required for effective onboarding or assuming that new employees will easily adapt to their new work environment without much support.

For instance, a manager might be overly optimistic about a hybrid employee's ability to balance their time between the office and remote work. This misplaced confidence can result in inadequate training and support, causing the employee to struggle with time management, communication and collaboration.

To counter optimism bias, it's crucial to approach the onboarding process with a realistic mindset, recognizing the potential challenges that new hires might face, especially in remote and hybrid work settings. By proactively addressing these issues and providing appropriate training and resources, you can create a more supportive and successful onboarding experience for your new employees.

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How to optimize your onboarding process

Having worked with a number of large and middle-market companies to optimize their onboarding process for hybrid and remote staff, I can say that a successful onboarding process should be like a warm embrace, making new employees feel welcomed, informed and valued. By refining the onboarding process, you can boost employee retention, morale and productivity. Customizable onboarding software and tailored approaches can help create a smoother experience for all employees, especially remote and hybrid workers who require extra attention. By focusing on the unique needs of employees in different industries, generations, and company sizes, you can ensure that everyone has the support and resources they need to succeed.

Here are some tips to enhance your onboarding process:

1. Prepare a comprehensive onboarding plan

A well-structured onboarding plan is like a roadmap, guiding new hires through their initial days and setting them up for success. Outline the goals, key milestones and timelines for new employees, ensuring that they have a clear understanding of their roles and responsibilities.

2. Assign buddies or mentors

Pairing new hires with experienced colleagues can provide invaluable support and guidance during the onboarding process. This mentorship can help them quickly navigate the company culture and address any concerns they may have, fostering a sense of belonging and camaraderie.

3. Offer continuous training and support

Onboarding isn’t a one-time event, but an ongoing process. Regularly provide new hires with opportunities for growth, skill development and support, ensuring they feel well-equipped to tackle their roles. This can be particularly crucial for remote and hybrid employees who may need additional resources to succeed in a virtual work environment.

4. Encourage open communication

Establish a culture of open communication, encouraging new hires to ask questions, share their thoughts and seek help when needed. This can help employees feel more comfortable in their roles and promote a sense of trust and transparency within the team.

5. Gather feedback and iterate

As with any process, there’s always room for improvement. Gather feedback from new hires on their onboarding experience and use this insight to fine-tune your process. By continually iterating and adapting, you can ensure that your onboarding experience remains fresh, relevant, and effective.

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Conclusion

A thoughtful and engaging onboarding experience is the foundation for employee success, particularly for remote and hybrid workers who face unique challenges. By investing in a comprehensive onboarding process and providing ongoing support, companies can foster a motivated, well-trained and loyal workforce that is ready to contribute to the

organization’s growth and success. Just like a well-executed dive, the right onboarding process can make a splash and leave a lasting impression on your new hires.

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