

## The Great Onboarding Disconnect: 3 Common and Costly Mistakes



According to Harvard Business Review, nearly half of all senior outside hires fail within 18 months of a new position. It's no shock that the resulting turnover has major implications for businesses—one of the most obvious and painful, of course, being a direct hit to the bottom line. From recruitment costs and training costs, to productivity loss and client disruption, the Center for American Progress reports that replacing each failed executive can cost a business up to 213% of his or her salary.

So what can organizations do to better ensure their new leaders thrive? One important place to start is by heightening efforts within the first 90 days of employment.

Despite wide acceptance that effective onboarding is vital to the success of new hires, a study by Aberdeen Group reveals that 32% of global executives rate the onboarding they experienced as poor. This means that many organizations are actually failing their new executives prior to their executives failing them.

To ensure your organization is properly poising its new senior leaders for success, below are three common and costly mistakes to avoid when onboarding:

### **Skimming the surface**

There is a drastic difference in depth between orientation and onboarding, and many companies today are leaving critical needs unfulfilled by offering employees something in the middle, at best. Today's senior level hires are craving deeper levels of engagement—telling *Executive Talent* they'd like more help developing plans for their first few months in the new position, along with assistance identifying key milestones and political and strategic issues to navigate. However, *Human Resources Today* confirms that a staggering 60% of companies aren't even setting milestones or goals for new hires. In fact, 25% of companies say their onboarding program does not include any kind of training, and 30% work at the level of "passive onboarding"—the idea that onboarding is simply a checklist of unrelated tasks to be completed with no overarching talent strategy in place.

There's no question a major gap exists between what senior hires are seeking from onboarding, and what is currently being provided. For new employees to succeed, organizations must not only provide clear expectations and performance goals, but also be prepared to follow up with the tools, training, and support necessary to achieve them.

### **Having a “sink or swim” mentality**

Although most organizations seem surprised when their new leaders don't succeed, 49% of new hires who fail to hit initial performance milestones weren't even provided any formal onboarding training. To make matters worse, many who did experience some form of onboarding describe their experiences as rushed, one-size-fits-all programs that failed to adequately prepare them for their new roles.

While companies are understandably eager to get valuable new executives fully active in their positions, the decision to fast track the process by offering limited or no onboarding is a consistent source of lost productivity and retention. Not only are employees over 50% more productive if they've completed a structured onboarding process, but according to a study from the Wynhurst Group, they are also 58% more likely to stay with that company three or more years.

### **Not considering it part of the search process**

When companies leverage executive search firms to fill senior level roles, they overwhelmingly agree that their top two metrics for success are long-term business results and tenure. Yet despite the well-proven fact that that proper onboarding positively impacts both, an AESC survey revealed that companies still don't consider the onboarding process as a factor when selecting an executive search firm. In fact, they often don't include their search partners in the onboarding process at all.

Most companies think they “have it covered” internally, and don't see a need for outside help. However, it's dangerous to overlook onboarding as the final stage of candidate placement, because it's during this critical time frame that executives are (or are not) successfully transitioned from new hires into active contributors. Not only do many senior leaders say they would prefer their search advisors stay involved to ensure this transition goes smoothly, but companies are also finding that having an outside resource dedicated to helping executives assimilate means increased peer acceptance, expedited timelines, and a quicker return on investment.

### *So what does this all mean?*

Insufficient onboarding is a common and costly culprit of executive turnover. According to UrbanBound, organizations with a standard onboarding process experience 54% greater new hire productivity and 50% greater new hire retention, yet most companies simply do not have strong, consistent programs in place to provide senior leaders with the roadmaps they need to succeed.

To recruit and retain top-tier talent, business leaders need to consider their investment in onboarding to be just as critical as their investment in recruiting. Both are part of a complete talent strategy, and only when the two work together seamlessly do leaders—and the organizations they contribute to—have the opportunity to realize their fullest potential.

***Could your organization benefit from a stronger onboarding strategy? When you partner with RRG, every executive search assignment includes 90 days of complimentary onboarding to assure new hires are seamlessly integrated and adding significant value in the shortest timeframe possible. To learn more, give us a call today at #708-738-5040, or visit our website at [RRGExec.com](https://RRGExec.com)***