



Morale Killers: How to Fix Costly Onboarding Missteps

When you do onboarding right, you demonstrate a commitment to employees and set yourself up for higher productivity over the long term.

Key Takeaways

- First impressions are a big factor in determining longevity of an employee. Hurried and non-strategic approaches to onboarding not only create a lot of hidden costs but also unhappy and unmotivated employees from the start resulting in higher attrition.
- Some companies feel a 30 – 60 day onboarding period is sufficient, however, 20% of turnover happens within 45 days. The reality is employees evaluate whether a job is a good fit for up to a year or more. Keeping new hires engaged and growing over that period, the happier they will be longer term.

- Effective onboarding takes time and a valuable investment in employee growth. To get it right it is important to bring in the right balance of commitment, technology, skills development and cross-functional training.

If you're like most manufacturers, you want to see nearly immediate results from new hires

It's understandable because maximum productivity and efficiency are the name of the game. The problem is that this faster-is-better mindset typically leads to rushed onboarding processes and a vicious cycle that leaves new and existing employees alike feeling undervalued and frustrated.

When it comes to frustrated new hires, the top complaint we hear is usually related to hurried onboarding and the pressure of on-the-job training. Existing employees never forget their early experience and often quickly grow disillusioned when there is no clear structure supporting employee growth.

Despite whatever you may be seeing on the shop floor, there are also lots of hidden costs to hurried and non-strategic approaches to onboarding and ongoing training. Even if you have a great hiring process that brings in qualified people, **20% of turnover typically happens within 45 days of the hiring process**. What's more, **it costs \$4,659 on average to replace one blue-collar worker**. Ongoing absenteeism and turnover challenges related to the COVID-19 pandemic and the fact that nearly 30% of employees are likely either seeking or open to new opportunities only makes effective onboarding more urgent.

The great thing is that when you do onboarding right, you're not only demonstrating a commitment to employees, you're also setting yourself up for higher productivity

over the long term.

Onboarding 101

If you were to ask people in three different manufacturing organizations what onboarding is, you'd likely get three different answers. You might even get different answers from people in different locations of the same organization. Many organizations even view orientation as onboarding, so it's worth clarifying the differences before moving on.

- **Onboarding** is the strategic process used to impart the knowledge and teach the skills that are necessary for successfully integrating new employees into the organization. Many organizations view it as a one-to-three-month process, but there are good reasons to stretch the process out up to a year or more (more on that later).
- **Orientation** is a one-time event at the beginning of the onboarding process. New employees complete HR paperwork, learn important things about the company and their workspace, meet coworkers and more during orientation. The orientation itself, however, does little to actually integrate new employees into the organization.

How “onboarding” goes wrong

Here's a scenario we see frequently at our clients: Promising new hires are brought in and quickly taken through the orientation process. Often in a matter of a couple of days (sometimes even hours) the hires are placed next to mentors on the plant or shop floor and expected to figure out their job while watching others. Although their mentors are very skilled and do provide guidance, they may not actually be very good at training others.

The manufacturers who use this approach typically have a sink or swim mentality with new employees. They figure if an employee is worth having around, they will figure things out quickly.

The new employees, however, see things very differently. In most cases, they are immediately intimidated because they are watching employees who have perfected

their skills running at a very high rate of speed. Then when the new employees step in, they quickly get frustrated because they either slow down the process or make mistakes, which frustrates the rest of the line.

Different variations of this baptism-by-fire approach are all too common and they come with high costs. New hires and even employees who've been around awhile feel no sense of commitment from the organization. And when they also have little to no insight about other job possibilities within the organization and how they might work toward them, they have little reason to stay when a better opportunity comes along. For the business, that means starting over in the hiring process and incurring all of the costs and headaches that go along with it... and potentially repeating the same process again and again, even when good hires are made.

The value of thinking strategically about onboarding

Good onboarding processes can be game-changing for manufacturers dealing with high attrition; the majority of employees who experience them stay for three or more years. According to a [2019 Gallup poll](#), while 12% of employees reported that their company's onboarding program was good, they were 3 times as likely to say they loved their job. Overall, only 29% of employees felt they were given the tools and had the support to excel in their new role - leaving a lot of room for improvement. In our experience with clients a good onboarding plan not only creates a positive culture right from the start but it can also help create a more engaged workforce and flexible organization longer term. The key is developing a plan that is designed to be transformational rather than simply transactional.

Keep in mind that even if you set a 30 - 90 day probationary or onboarding period, employees may be evaluating whether a job is a good fit for up to a year or more. The more you can keep new hires engaged and growing over that period, the happier they will be.

That can mean doing things like:

- Creating a **buddy system** for ensuring new-hires have a go-to person for guidance when they need it

- Introducing new hires to different departments and providing **cross-training** in other positions
- Ensuring employees have **regular opportunities to interact with and learn** from department leaders and other higher ups.

In addition to helping with **employee retention**, taking steps to nurture utility players who can step into other positions is invaluable. Especially during unpredictable times like we've experienced recently. Think about being able to move someone from shipping and receiving into an operator role or having them drive a forklift. Or moving someone from the line to the warehouse for a couple of days. Sure, this takes extra time and training, but it also boosts employee morale and organizational flexibility.

5 keys to effective onboarding

By now you understand that effective onboarding takes time and a valuable investment in employee growth. To get it right, it's important to do the following:

- **Demonstrate commitment:** Make sure you provide new hires with a roadmap of the onboarding process and potential career paths within the organization.
- **Harness technology:** Take advantage of technology to provide deeper and more cost-effective training.
- **Build skills:** Embrace the potential of people to learn new technologies and skills and provide the tools and training to do so.
- **Branch out:** Expose new hires to different parts of the organization and provide cross-training wherever there are good opportunities.
- **Don't rush it:** Time and ROI are always important, but don't lose sight of the big picture and the equally or greater high costs of poor onboarding processes.

Solving the puzzle

In many ways onboarding is a shifting puzzle that requires you to weigh organizational needs against evolving labor market realities. Finding the right balance can be especially tricky when you are running behind and trying to bring in new people to catch up. If your organization is struggling with attrition and absenteeism and you think you could benefit from a better onboarding approach, **we can help**.



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