# These 10+ Onboarding Statistics Reveal What New Employees **Really Want** in 2023

\*bamboohr®

#### Contents

- **e** Commitment
- **9** Benefits Enrollment
- **e** Employee Engagement
- **?** Company Culture

- **Recruitment**
- 🐤 Cost to Train a New Employee
- **?** Cost to Hire an Employee

#### If you thought the wave of resignations that began in 2021 was slowing, think again. According to a **recent survey of 2,500 U.S. workers**, nearly half plan to look for a job in 2023–including 60% of Gen Z workers and 56% of millennials.

In some cases, discontent started during the recruitment process. More than half of candidates (56%) say unclear or unreasonable job responsibilities would cause them to walk away from an opportunity.

This aligns with BambooHR's most recent research into employees' earliest days at their jobs. After a new hire accepts a job offer, a positive onboarding process can help them feel included, motivated, and confident in their decision—while a negative experience can send them running for the door.

But despite the critical importance of onboarding, just **12% of employees** believe their employer's onboarding process is adequate or successful.

To understand where companies are missing critical opportunities to engage—and retain—new hires, we gathered 10 onboarding statistics that reveal what workers really want.

Read on to learn how to improve your onboarding process in 2023.

#### The Definitive Guide to Onboarding



These 10+ Onboarding Statistics Reveal What New Employees Really Want in 2023

## What Employees **Really Want**, According to Onboarding Statistics

#### Onboarding Helps New Hires Feel **18x More Commitment** to Their Employer

According to **BambooHR onboarding stats**, employees who had effective onboarding feel **up to 18x more commitment to their workplace**, compared to employees who feel their onboarding was less effective.

This heightened commitment translates into all kinds of benefits for employers, including longer employee tenures and a growing number of brand ambassadors who can aid in your recruitment and customer marketing efforts.



#### Onboarding Helps **85% of Employees Understand** and Fully Use Their Benefits

Most companies include benefits enrollment as a step in their onboarding process—but that doesn't mean employees always understand the benefits they're offered.

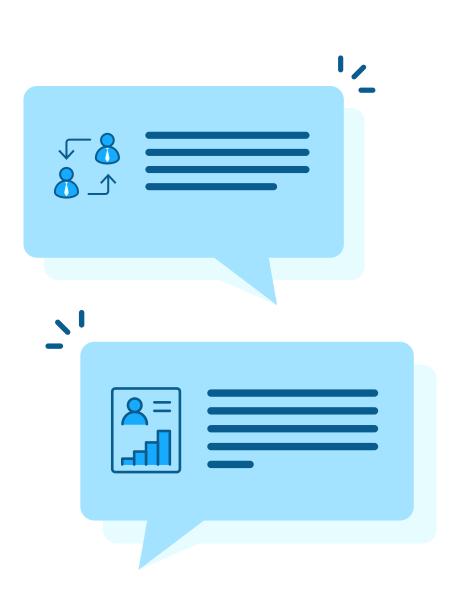
In fact, we found that poor onboarding processes can leave employees feeling confused about their benefits, or with the sinking feeling that they're missing out on opportunities for support. Clear communication about benefits helps employees feel better supported and better prepared to handle challenges that might take them away from their job.

In turn, using benefits helps employees stay healthy and productive. According to **research by MetLife**, employees who understand their benefits are 3x more likely to be "holistically well," which the report defines as mental, financial, social, and physical health.

## Do you know how employees **really feel?**

**Find Out Now** 

These 10+ Onboarding Statistics Reveal What New Employees Really Want in 2023



#### 89% of Employees Who Had An Effective Onboarding Experience Are **Engaged at Work**

If you're struggling with disengaged new hires or new employees who never seem to get the hang of their work, poor onboarding might be the culprit.

According to the employees BambooHR surveyed, 89% say an effective onboarding process helped them feel very engaged at work. In fact, these employees are 30x more likely to feel overall job satisfaction, compared to employees who feel their onboarding process was lacking.

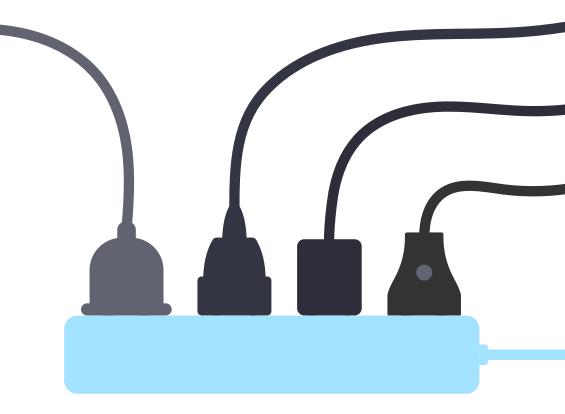
This may be because onboarding provides clarity about a new hire's role and purpose. 87% of employees who rate their onboarding experience positively say they also feel very clear about what their job entails.

#### 91% of Employees Who Receive Company Culture Training *Feel Connected to Their Workplace*

Company culture is essential for **both attracting and retaining new hires** so it should be a crucial part of your onboarding program.

According to **our survey**, 91% of new hires who received an effective introduction to company culture training feel connected to their workplace– compared to just 29% who say their onboarding experience was lacking.

"You want to know how every employee at your organization either adds to your culture or takes away from it," **says Anita Grantham**, Head of HR at BambooHR. "Turnover in the first 12 months is HR's responsibility."



#### A Strong Offer Letter Drives **17x More Emotional Connection**

Before new hires enter the onboarding process, consider how your recruitment process is setting the tone for everything that follows.

Among the employees we surveyed, those who received a highly effective offer letter were approximately 17x more likely to report feeling emotionally connected to their organization.

An offer letter is a great opportunity to channel the **fresh excitement and enthusiasm** you've generated during the hiring process—and it will help you sustain that energy throughout the entire onboarding process. At BambooHR, we make it simple to send offer letters that excite candidates. Our thoughtfully crafted templates automatically sync with our applicant tracking system, so you can generate and personalize offer letters with ease. For candidates, BambooHR's electronic signatures make accepting an offer as simple as sending an email—no printer required.

Get your free trial today!

 $\rightarrow$ 

# The Risks of a **Poor Onboarding Process**

## The Average New Hire Requires **\$1,207 in Training Costs**

Onboarding is critically important because the cost to train a new employee, both in money and time, is so high.

In 2022 alone, U.S. businesses spent an average of \$1,207 in **training costs** per employee. That adds up to more than \$100 billion in total training expenses—a record high since 2017, when costs totaled to \$93.6 billion.

As for **how long onboarding should take**, there's no one-sizefits-all answer. "It's important to base your onboarding time frame around your company's needs," **says Cassie Whitlock**, Director of HR and BambooHR. "It isn't as simple as choosing a 'good' or 'adequate' amount of time."



"It's important to base your onboarding time frame around your company's needs. It isn't as simple as choosing a 'good' or 'adequate' amount of time."

CASSIE WHITLOCK DIRECTOR OF HR AT BAMBOOHR

#### Subpar Onboarding Can **Cost Up to 200%** of an Employee's Salary

So what happens when people don't have a good onboarding experience and end up leaving? In that situation, your organization will pay the price.

According to **employee turnover statistics**, it takes 90% to 200% of an employee's annual salary to find their replacement. For an employee earning the **U.S. median salary**–just over \$70,000–you could spend between \$63,000 and \$140,000 to backfill their role.

But the high cost of bad onboarding doesn't stop there. In a **BambooHR survey**, more than half of employees who received ineffective onboarding (52%) also felt negatively about the organization as a whole. Specifically, they feel that their employers are poor performers in their industries and don't provide adequate support.

Worried you might be wasting money on manual onboarding? Use our free calculator to see how much you could save!



## It's Time to **Upgrade** Your Onboarding Process

An effective onboarding program is good for new hires and for business. To sum it all up, new hires want to:

- See Learn how to do their job fast and do it well
- Get involved and immersed in the company as quickly as possible
- Feel connected to the company and clear about their role



## Onboarding can be challenging, but BambooHRs makes it easy to **create a best-in-class experience.**

With BambooHR's award-winning software, you'll have the resources and tools you need to gather e-signatures, distribute company policies, and create personalized onboarding schedules—so you can start creating better first days.

# 1 in 3 employees have quit a job in the first 6 months. *Make sure yours don't.*

**Request a Free Demo Today!** 





### \*bamboohr®