In this issue, *Nicola James*, Managing Partner, Thomas Brooke International, looks at why some employees leave their new company after a short time

On-boarding and retention: the other side of hiring

Few things are more frustrating than investing in a new employee who leaves the company after a short time.

Yet almost anyone who has managed people has experienced this. Sometimes you have a level of concern from the beginning of the individual's employment, other times it can come as a complete surprise. While it's never a good thing in itself, it is always worth taking a serious look at the situation to see if something can be learned for the future to prevent the same thing happening again. It can be uncomfortable to do this objectively, because it's rare that the employee has no good reason – usually there's something (or someone) within the company that is the primary motivator for their departure, though not always. Let's look at a few of the most common scenarios and what you can do about them – or hopefully, how you can avoid them by learning from others' bad experiences!

Over the years recruiting in the industry, I've had a few occasions where an employee left the company after only a short stay. They almost always fall into one of two categories:

- This job is not what I thought
- Someone else offered me a way better opportunity

Usually there's an element of both. Let's look at a couple of examples and see what we can learn.

SALES REP

Katy joined her new employer to build sales in a new channel. She knew there was a big hill to climb and she had positive expectations because she had previously led similar initiatives. In fact, she was eager to meet the challenge and had the right contacts on the customer side to get traction almost immediately. This seemed like her dream job and she fully believed in the benefits of the product and its positive environmental impact. She fitted well with the team at the corporate office and also with the executive leadership of the parent company. Yet after only two months, she tendered her resignation for a job outside the industry altogether. The President, to whom she reported directly, had no idea there was a problem until she walked into his office on Friday afternoon to give notice. What went wrong?

First of all, in this instance, the other opportunity was immensely better financially – more than a 50% improvement in salary plus potential for some ownership in the company. That is hard to beat, certainly. But why was she even willing to listen to another company after so short a time on her existing job? This is where the story gets more uncomfortable but also where we can learn something.

Everyone knew there was a lot to do to get this new line of business going. But even the President – who is relatively new to the company – underestimated the resistance internally. The long-time Location Manager at one of the key facilities manufacturing the products had previously been responsible for putting together pricing and capacity information. He was unwilling to change his ways and pass on the information required by prospective customers to figure out the size of orders that could be reliably fulfilled. The entire facility, under his leadership, had a very poor attitude, was unresponsive and unhelpful to Katy as she opened doors with prospects and she found herself unable to fulfil the basic promises she made about providing clear price, volume and delivery commitments.

Since the Location Manager did not report to her and the President did not take aggressive action to require an improvement in his performance in this regard, there was nothing Katy could do. There were no consequences for this manager and he just kept doing things the way he had done them for years before Katy showed up, which was basically to do as little as possible. She had never met with him during the interview process and, thus, his resistance was a major difficulty she had no way of anticipating.

Katy had no support internally; and while she was constantly trying to find ways to get the information, even offering to do the calculations herself if the location would provide the raw data, she began to see the road ahead as much longer than she had anticipated. Instead of a positive challenge to lead growth of an environmentally friendly product line with a group of people committed to making the world a better place, she found herself in a no-win situation where, despite her ability to create the opportunities, she was being undermined internally. When the President failed to take action to deal with the situation, despite being aware of it, she understandably began to wonder what else she would come up against that hadn't been disclosed during the interview process. When the new company approached her with an enticing offer, she was willing to listen.

Would Katy have left even if the situation at her existing employer had been different? Maybe. But I am not so sure. Having talked with her extensively before the hire, I knew she was truly excited about the role and the financial opportunity was a good one. It would take a while to reach its potential but it offered uncapped commissions and real growth potential. Being a loyal individual she really wanted to make it work. But when I called Katy for our six-week check in after hire, I could tell she was surprised and disheartened by the very avoidable issues she was facing internally. There was no inherent reason why the product could not be sold to this new channel and Katy was actually opening doors sooner than anyone had expected to generate real orders; yet this key individual internally, who had direct influence on her ability to succeed, was effectively sabotaging her efforts even without being intentionally malicious (let's assume the best of this individual).

What can we learn from this? As we have to refill this position, I can guarantee you that conversations with the President about consequences for the Location Manager's attitude and lack of co-operation will be front and centre. That individual needs to understand they have to improve or move on. But knowing what we now know about the culture of the organisation, I will also be looking for candidates who are stronger leaders and drivers, who will take a more aggressive approach to getting what they need or escalating the situation until something is done. And here, much of the key to the solution is in making sure someone knows what they are getting into before they start. That is really the biggest issue Katy encountered; and this type of surprise more often than not leads to a quick exit. I am much more likely to dig deeply in interview questions about someone's past success overcoming internal resistance. That may be the greater decision factor than their ideal channel experience

or product knowledge, in fact, because the key to retention is most likely going to be the ability to get around or over the unhelpful Location Manager. I wish it were otherwise but unless the President takes action that would be completely out of character for him, that's unlikely. So, our only option is to look for a tougher person for the job. Not as exciting as the coalition for world harmony we had going earlier but more realistic to be sure.

Another learning opportunity from this experience is that if you are being seriously considered for a new position yourself, it certainly pays to look wider than your immediate team members and ask questions about other key relationships with people who influence your ability to succeed in the position, so that you are not unknowingly stepping into a more difficult situation.

CUSTOMER ON-SITE MANAGER

Xiangfeng joined his new employer with great enthusiasm leading a major strategic initiative. He was well qualified for the position and had been through a battery of interviews with everyone from the President to the complete support team; he even met with key people at the major customer his team would be supporting. Coming from the customer side of the business, he understood their needs. Everything started off well and Xiangfeng loved the less-stressful environment of his new company compared with the previous employer. He was thrilled that his boss gave him a lot of room to do things how he wanted and wasn't a micromanager. The new job enabled him to move back to his home town and closer to family, which had been an express wish.

After just seven months, Xiangfeng left to go back to the customer side of the business, complete with the greater stress, longer hours and all the negatives that had seemingly motivated his move to the new company. How could that happen? He was not a job-hopper and had a stable work history prior to this move, so obviously something was amiss. As with Katy, a major increase in salary was a factor in the decision but not the only reason he moved on, since the quick departure obviously left a bad taste in everyone's mouth in an industry where reputation is critical. So there had to be a more compelling underlying reason.

During the exit interview, I discovered that while the hands-off style of his boss had been an attractive quality in the beginning, there was a less favourable side: lack of responsiveness and lack of clarity. In difficult situations when Xiangfeng needed answers from his boss on how to proceed or needed guidance on a critical decision, the boss was slow to respond or didn't respond at all, leaving Xiangfeng to figure out a solution and then have to live with the consequences if it wasn't the right one.

Xiangfeng found himself unable to rely on his boss to provide key input at important times. On the other side, the boss said he had been hearing from some other employees that Xiangfeng wasn't always in the plant when he was supposed to be and that they didn't know where he was. Both of these situations had become chronic and overall they completely degraded the trust factor that was critical to Xiangfeng's success in the job. Xiangfeng clearly needed more structure and clear direction than his boss was providing; not that he lacked initiative but going from a situation where his every move was watched over to a new environment where things were much looser, created just the wrong dynamic. While it's only hypothesis to suggest that he would have stayed had management been clearer, it was definitely a major factor in causing him to feel vulnerable and isolated enough to consider jumping back to familiar, though not necessarily easy, territory.

Many studies of a variety of industries over many years consistently indicate that employees stay when they feel valued, challenged and understand what is expected of them each day. When someone doesn't know what is expected of them, the slow drip drip drip of uncertainty inevitably affects their attitude. In this instance, the boss didn't know what was needed either and was probably hiding from the difficult decisions himself; also being responsible for a large piece of the business, he was spread pretty thin and had limited time to give to individual situations. He pushed off a lot of decisions to Xiangfeng, which was fine but there was no clear mechanism for Xiangeng to be able to flag and get answers on the critical things he really needed.

So what is the learning from this situation? Closer communication. Would it definitely have saved the situation? No – but like any important relationship, nurturing it in the early stages is important and with hindsight everyone made the mistake of thinking lack of communication equated to freedom. In a new relationship – whether a marriage or an employment relationship – if the parties don't communicate a lot in the early months of the relationship, errors and misunderstandings can creep in and continue to grow, like weeds in an untended garden. By the time someone notices, the weeds have choked out the plants and what was a fertile bed has become unproductive.

Going forward, it will be absolutely critical for the boss to stay in closer touch with his new person in order to provide the sort of framework necessary for that individual until he or she develops their own internal structure and ways of doing things. Over time, the parties can operate with greater freedom because both know what is likely expected and can trust each other to do what is needed to keep the team and the business driving forward; but in the early days of the relationship, neglect can be a dangerous thing.

SUMMARY AND KEY TAKEAWAYS

• Most of the reasons we see premature departures are in some way connected to a poor on-boarding experience. Not to say that the fault lies with the company or the boss necessarily – but a lack of recognition of the vulnerability of the first few months (ie lack of a strong on-boarding process) is one cause we see almost every time – something went wrong earlier than people knew.

• Accurate risk perception for both sides is important. Someone who accepts an offer thinking the job is one thing and discovers otherwise is a high flight risk.

• Clarity about what's really expected is critical – bad surprises kill motivation far more than knowing about a challenge up front. Yet many companies hide the negatives from potential employees in the hiring process. The ostrich approach doesn't work and tends to blow up at exactly the wrong moment. Much better to be clear and open about the real challenges and bring in someone willing to accept them.

• Communication in the early days of the relationship is also absolutely essential to getting a new employee off on the right foot. You cannot be too busy for this or you will be even busier later when they leave. Providing support and backup to new employees is critical if you want to set them up for success. Expecting them to fend for themselves is very risky and has high negative ROI compared with carving out some extra time to work with them early on to secure their foundation.

• Despite your best efforts and exemplary on-boarding process, there will be occasions when the proverbial 'offer too good to refuse' comes along and someone leaves. You can't control that. But it is important to be confident that you didn't open the door.

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