

Failure to Attach: The Crisis for Pandemic Hires

A Perceptyx Insights Report

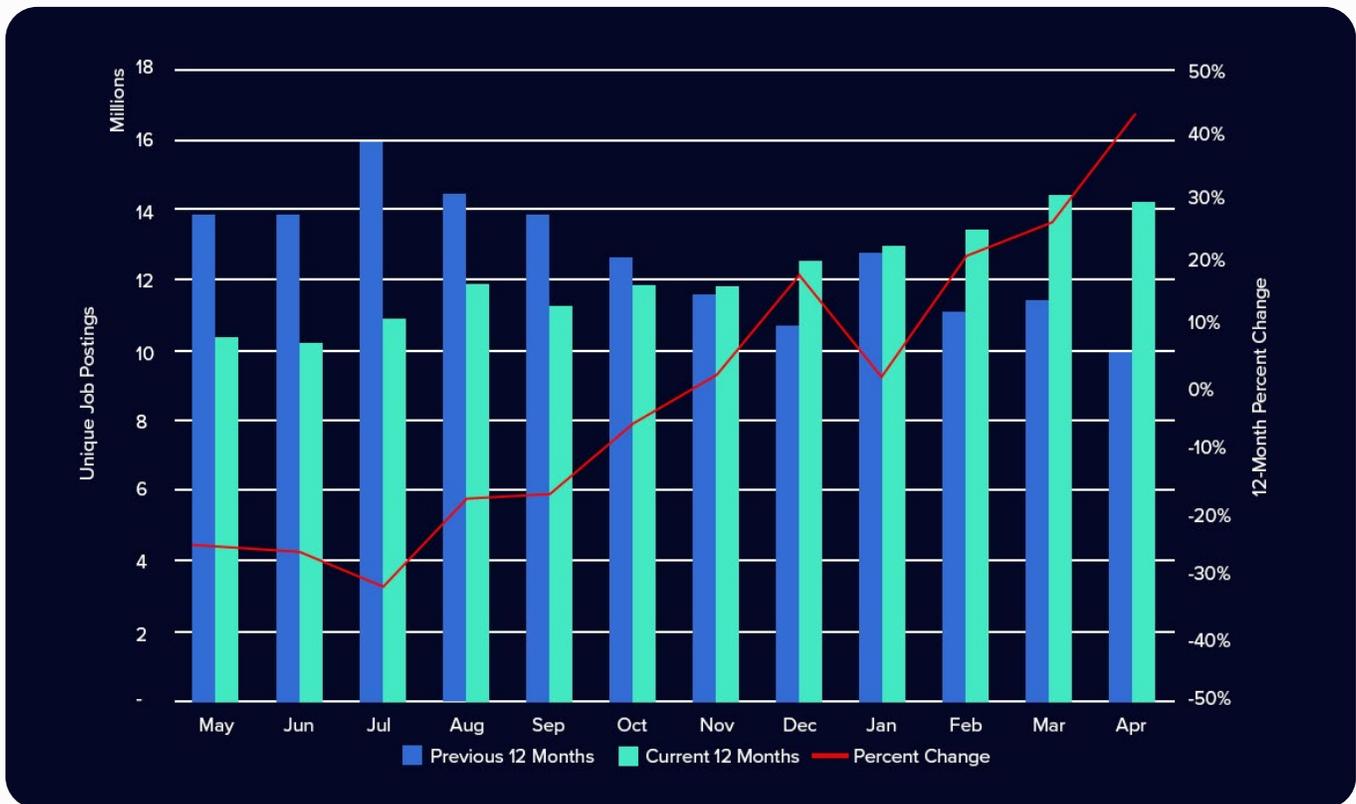
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U.S. Labor Market Bounces Back

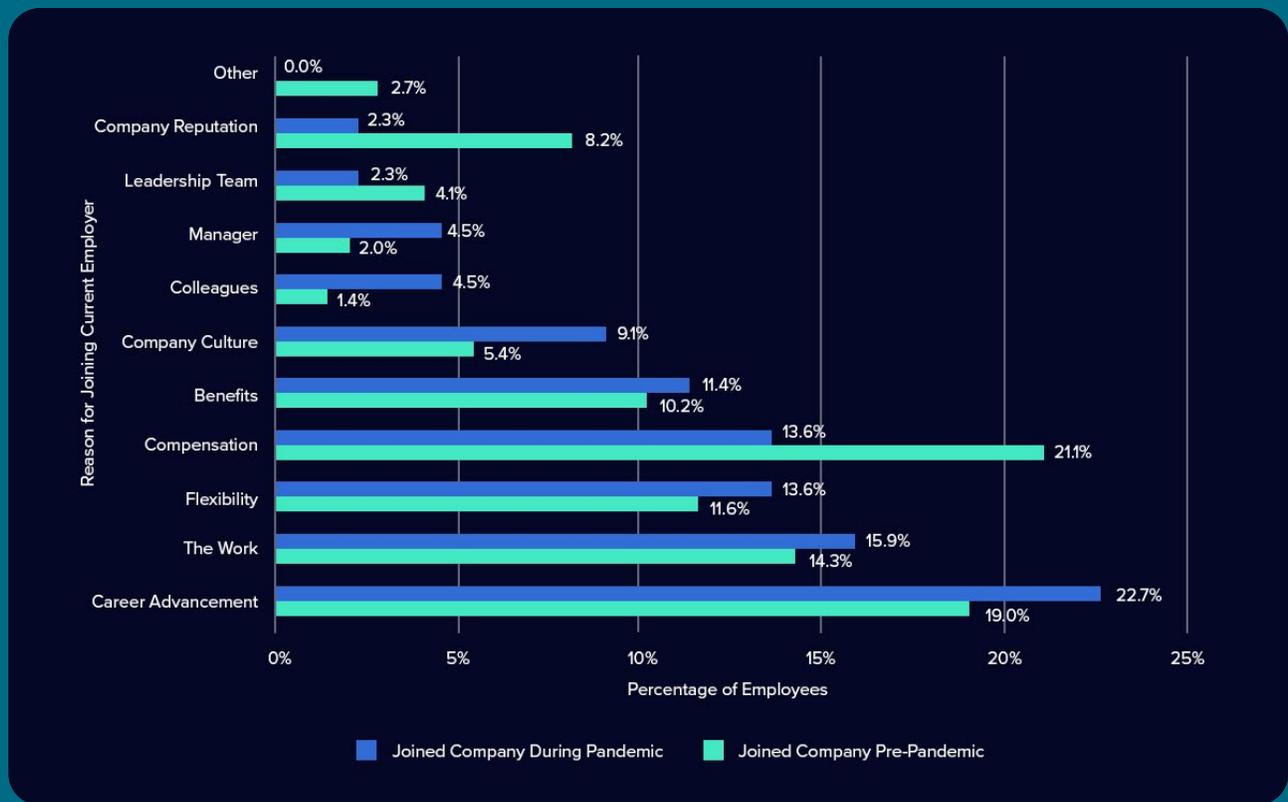
Flattening curves, lifted restrictions, accelerated vaccinations, and additional fiscal stimulus have all contributed to job growth momentum. The [U.S. Bureau of Labor Statistics](#) reported that total non-farm payroll employment rose by 266,000 in April, following increases of 770,000 in March and 536,000 in February. The unemployment rate was worse than expected at 6.1% in April 2021. Although unemployment is down considerably from its high of 14.7% in April 2020, it is still 3.5% higher than its pre-pandemic level in February 2020. Foreshadowing what the summer months may bring, data aggregated by [Emsi](#) suggests job postings continue to rise with more than 14.5M unique job postings, up 45% from last year. Top posted occupations include heavy and tractor-trailer truck drivers, registered nurses, software developers, quality assurance analysts and testers, and retail workers.



Organizations Lag Job Seekers' Need for Flexibility

Since the massive migration to remote work, data collected by Perceptyx indicate employees want remote-friendly policies, with the flexibility to work both in a physical workplace and from home. In our panel research study, we asked more than 1,000 working Americans where they would prefer to work in the future and two in three indicated they wanted to work remotely at least part of the time. Whereas remote-friendly job postings are up 224% from last year, only 8% of the current 14.5M job postings are remote-friendly. Even for the most in-demand roles of software developers, and quality assurance analysts and testers, less than 1 out of 5 unique job postings are remote-friendly.

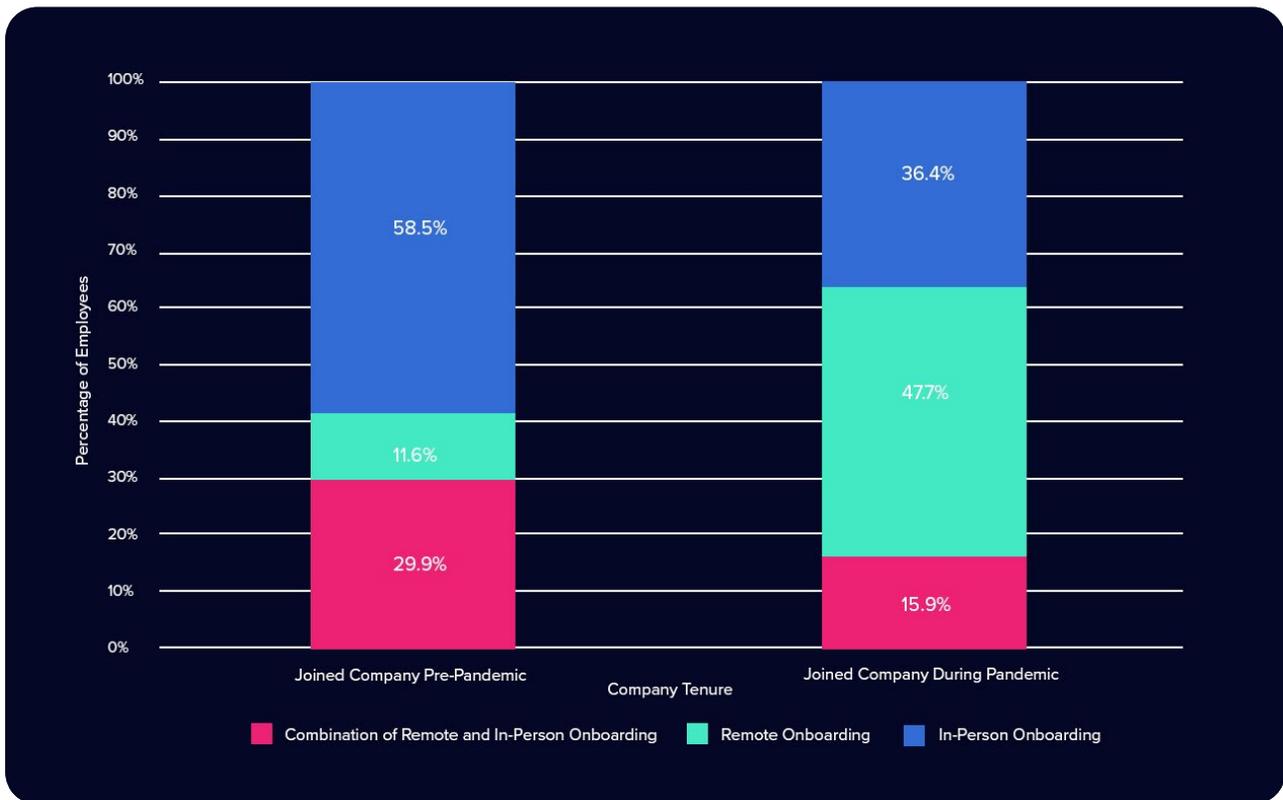
We also asked respondents to select the most important factor for choosing to join their current company. Employees who joined during the COVID-19 pandemic placed greater emphasis on career advancement, flexibility in where and how they work, and company culture, compared to employees who joined pre-pandemic that placed greater emphasis on compensation and company reputation. So, despite job seekers wanting more flexibility in terms of where, when, and how they work, the vast majority of organizations are not willing to consider remote-friendly roles.



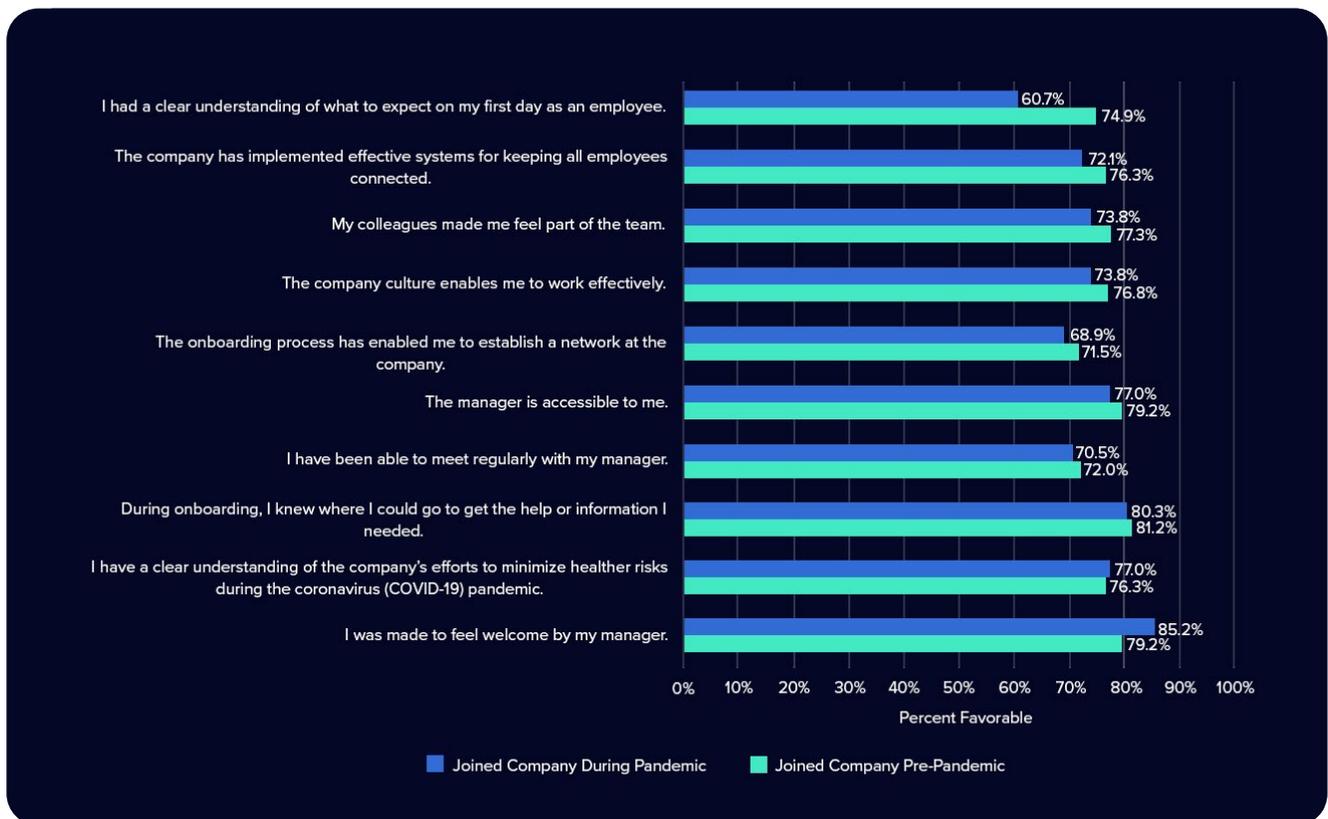
Disconnected Onboarding Experience During COVID-19

Once an organization has attracted the talent they're looking for, it's time to get them on board in a way that acculturates, [builds engagement](#), and helps them make a contribution quickly. [Human Interest Blog](#) names these goals: compliance, clarification, culture, and connection for an effective onboarding experience. For workers who were hired during the pandemic, many of whom never set foot in an office for months after joining, organizations need to think about how to achieve these goals in new ways. As employees continue to desire remote or remote-flexible working arrangements, what lessons did organizations learn? What practices should we keep as we enter the next phase of the workplace?

Probably the biggest single change in the onboarding process was doing it in a remote environment. Nearly half of employees who joined companies during the pandemic went through remote onboarding, more than 4 times the percentage of employees who went through remote onboarding prior to the pandemic.



Regardless of where employees sat during their onboarding process, differences in onboarding during the pandemic largely resulted in less favorable perceptions of the experience. Those from the research panel who onboarded during the COVID-19 pandemic compared to pre-pandemic had more favorable experiences with their manager making them feel welcome; however, they had less favorable experiences with their team and staying connected. Employees who onboarded before the pandemic felt the culture and connection in a way that those who joined since the pandemic began didn't experience. In addition, while employees who onboarded during the pandemic had clarification during the onboarding process - a clear understanding of COVID policies and how to get questions answered - they lacked the clarity and compliance once they began the actual work, with only 60% responding that they had a clear understanding of what to expect on their first day on the job, compared to 75% who onboarded pre-pandemic.



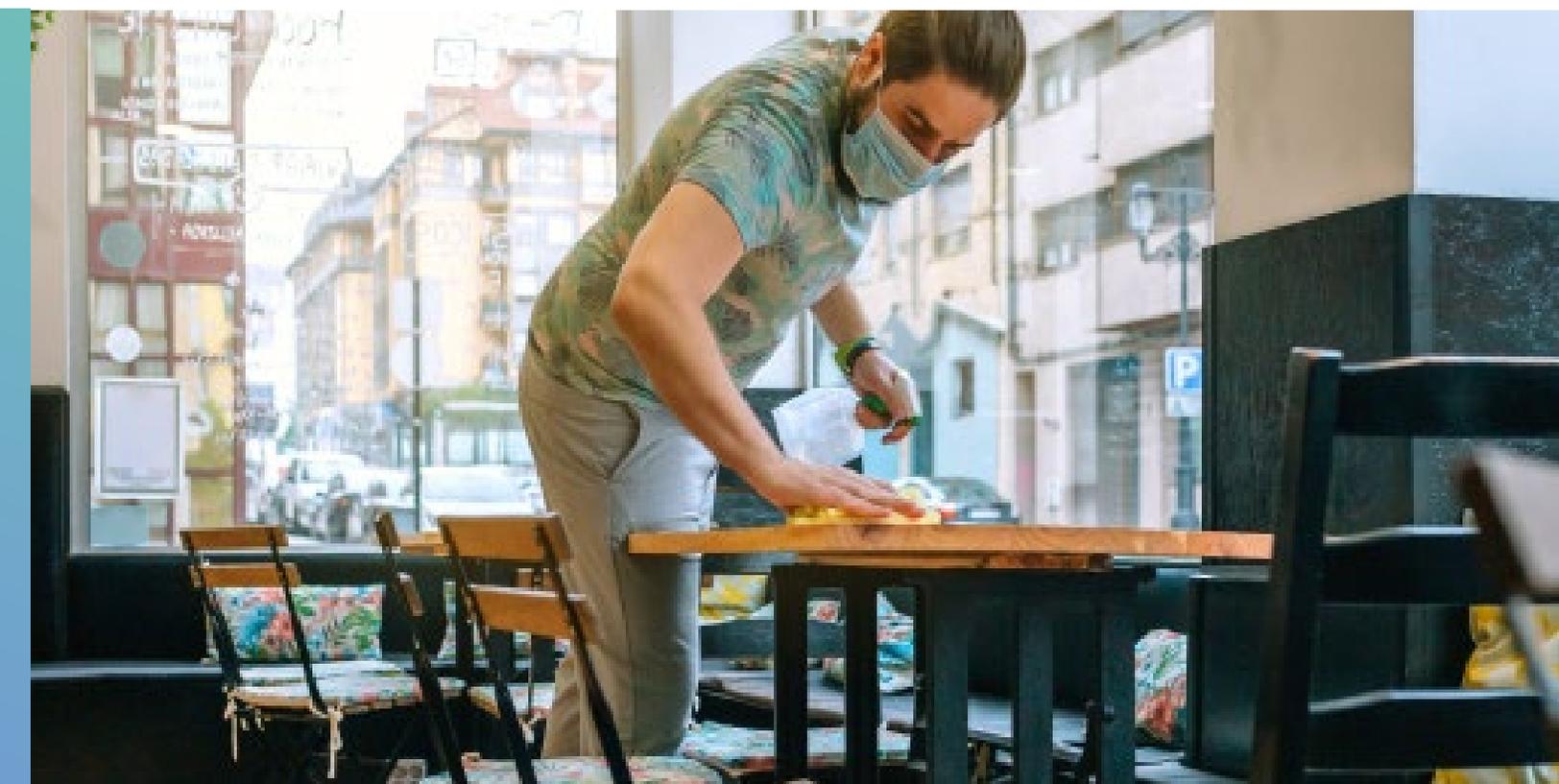
Across the Perceptyx benchmark database of nearly half a million employees who responded to surveys specifically about their onboarding experience, this pattern held true. Employees who onboarded prior to March 2020 reported significantly higher levels of favorability with aspects of the workplace community, whereas those who onboarded after March 2020 felt they were missing tools to do good work on day

one, they were confused about where to get any missing information, and were significantly less likely to feel welcomed and part of the team. It is not all bad news for managers and Human Resources professionals. Converting job training to a digital or individualized format improved the quality of the tactical job-training. Pandemic hires were 25% more likely to say they were provided with training to do a quality job and 21% more likely to be satisfied with the training they received.

Perhaps a silver lining of onboarding during the pandemic was adding process and structure to knowledge transfer that was often communicated person-to-person and error prone. In particular, employees who onboarded after March of 2020 were 14% more likely to understand their pay and 18% more likely to understand the connection between their job and broader company objectives.

Although employees who came on during the pandemic aren't feeling those deep, interpersonal connections, tactical manager connections are happening with greater frequency. Out of the nearly 150,000 employees Perceptyx has surveyed about their onboarding experience since the pandemic began, there has been an increase in:

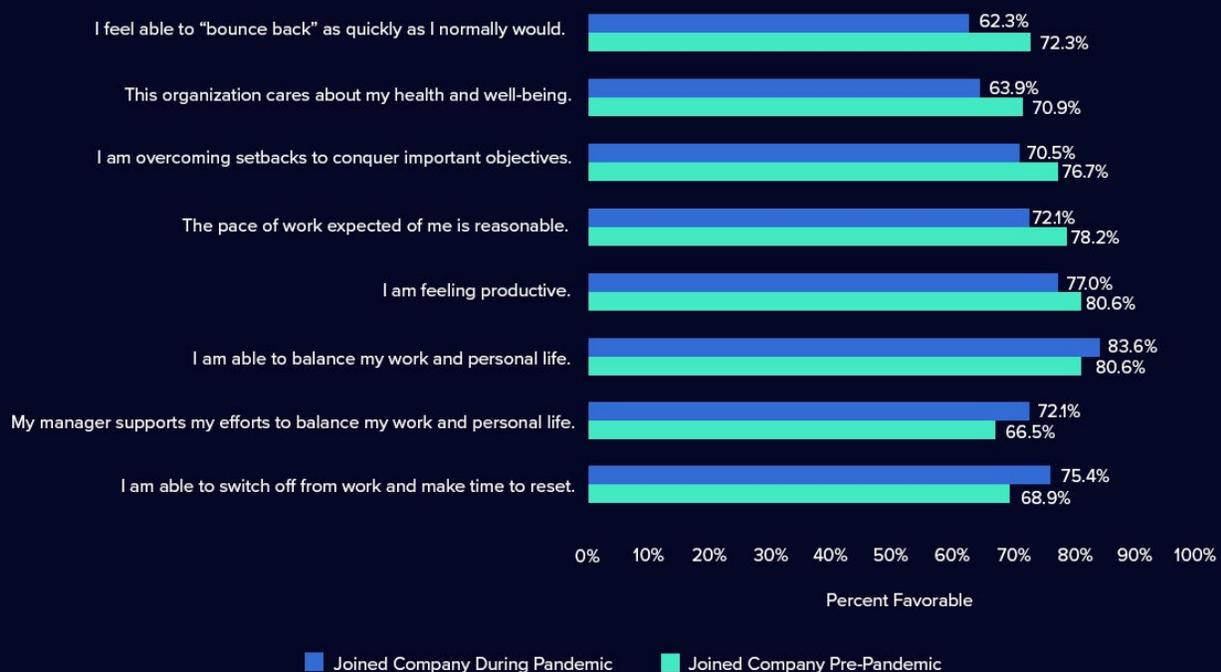
- My manager clearly communicates performance expectations,
- My manager gives me regular feedback on my performance, and
- I receive sufficient feedback on my performance, relative to their counterparts onboarded before the pandemic.





Well-Being from a Distance

This past year has brought renewed focus into the well-being of employees. Organizations are concerned with balancing home and work, employees dealing with additional caregiving responsibilities, grief over those no longer with us, and burnout.



This renewed focus has led to those joining during the pandemic reporting higher levels of work-life balance than those who joined in a more traditional work environment. Specifically, they are able to switch off from work and make time to rest, are able to balance their work and personal life, and feel more support from their manager. This makes sense, as new joiners are explicitly looking for this type of flexibility. However, across nearly all other aspects of well-being, pandemic hires are less favorable than those employees who have been with their organizations longer. Whereas new hires are able to switch off from work, it's taking them longer to "bounce back." What seems to aid well-being for new hires is the power of relationships, especially with one's direct manager. **Employees who believe their manager cares about them as a person are 5.5x more likely to believe they are able to balance their work and personal life.**

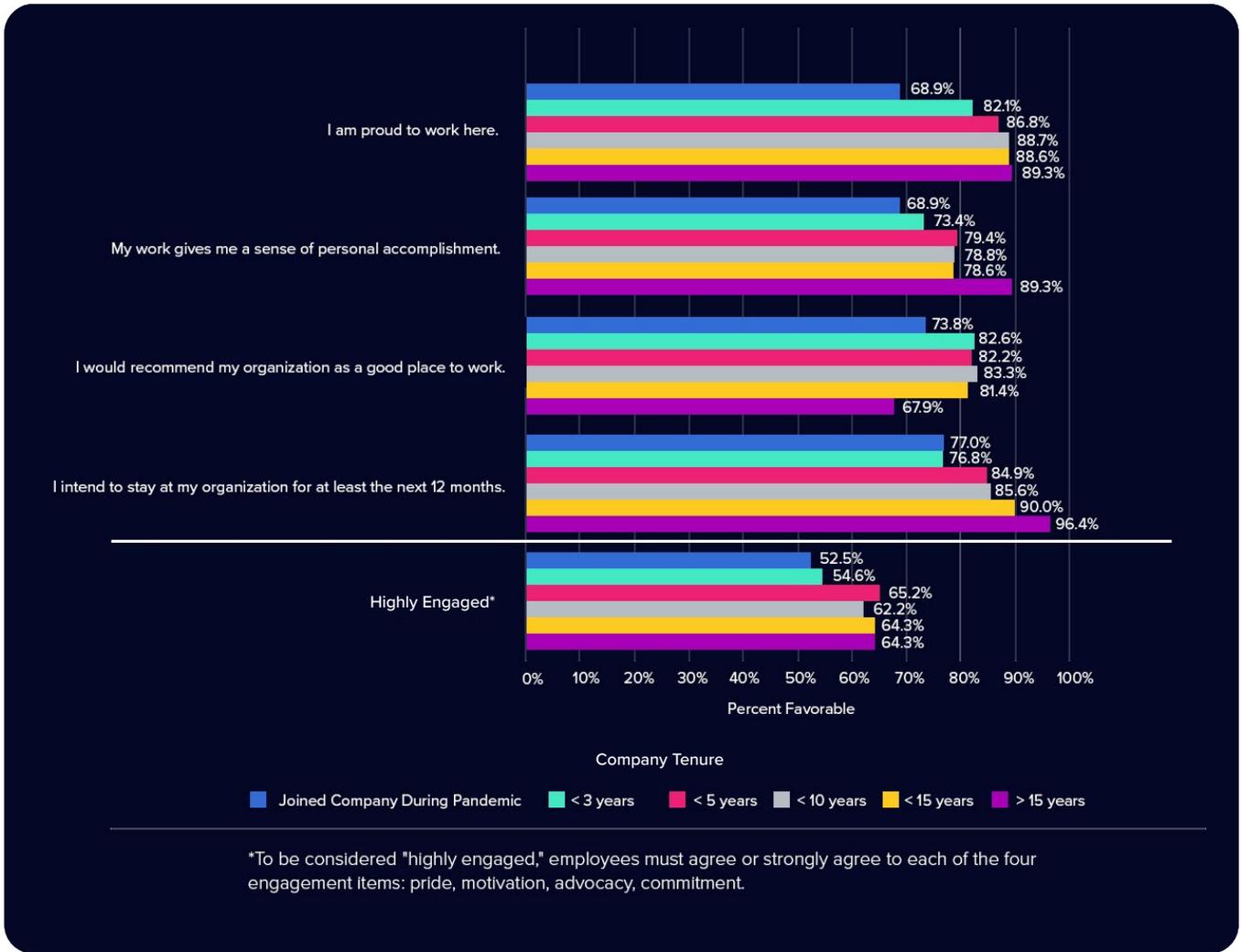
Employees who struggle with their well-being in the workplace, particularly during times of [stress](#), report more missed days, lower enjoyment of leisure activities, and more unhealthy behaviors outside of the workplace. For employees to bring their best selves to work each day, it's incumbent upon organizations to ensure that employees leave work with the highest levels of well-being possible.

Turnover Projected to Rise for Pandemic Hires

Perhaps the biggest challenge for organizations to contend with as they rethink their onboarding process, is the risk of turnover for employees who have joined, but failed to connect deeply with the organization. We know that voluntary turnover is back. According to the [U.S. Bureau of Labor Statistics](#), March 2020 saw a voluntary separation level across all industries of only 1.9% yet that's up to 2.4% for 2021. While there was some variability by industry, it holds that people are back to changing jobs at pre-pandemic levels.

Perceptyx has long studied the reasons employees have for quitting and moving on, and engagement is a key, leading indicator.

For employers, they often had some time to build and get that relationship right. Employees who join organizations are quite excited about the organization and that excitement translates into higher levels of engagement for the first year of employment. This "honeymoon" period is missing for those who onboarded during the pandemic, and they are the most at-risk of disengagement and likely turnover.



While those who joined before the pandemic are proud of their organizations and willing to recommend them to others as good places to work, the pandemic cohort report starkly lower favorability to these items.

The future impact of this for organizations cannot be overstated. Analyzing nearly one million employees and their turnover behavior in the six months following their engagement survey highlights this issue. For those who indicated they would recommend their company as a place to work, turnover following the survey was 45% lower than their counterparts who were unfavorable to that item. The same pattern holds true for those who feel pride in their organizations, with 21% lower likelihood of turnover.

Though organizations are starting from behind, it's not too late for managers to forge better, stronger relationships and ensure their employees are connected to the organization and to their teams. It may be more difficult in the hybrid environment, but it is possible - and necessary.

Rethink the Way Forward

As organizations transition back to more employees in the physical work space, it may be tempting to return to the onboarding they've traditionally done, but HR should take note. It doesn't have to be either/or - and if it is, they have wasted the unique education this year provided. Employees are clearer than ever on the performance expectations of their role and whether or not they are meeting them out of the gate. With this in mind, utilizing those learnings and combining it with the networking aspects new hires have been missing since the pandemic began, these employees are more likely to experience the best of both worlds and excel at all four of the onboarding goals of compliance, clarification, culture, and connection.



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The Pandemic's Impact on Talent Onboarding & Retention

Job seekers want more flexibility. Can employers meet their demands?

Pandemic job seekers said the most important factors in choosing a new position were career advancement, flexibility in where, when and how they work, and company culture. (In comparison, employees who joined pre-pandemic placed greater emphasis on compensation and company reputation.)

- 2 in 3 workers want to work remotely at least part-time.
- Yet just 8% of the current 14.5M job postings are remote-friendly.

Just 1 in 5 of the most in-demand job roles were remote-friendly, including software developers, quality assurance analysts, and testers.



Onboarding Failures

Nearly half of employees hired during the pandemic were onboarded remotely.

Just **60%** of employees onboarded during the pandemic had a clear understanding of what to expect on their first day on the job, compared to **75%** who onboarded pre-pandemic.



Turnover is rising

2020 voluntary separation was **1.9%**

2021 voluntary separation was **2.7%** (4M+ jobs) as of April



The traditional “honeymoon” period usually seen in new hires is missing for those who onboarded during the pandemic, and they are at the most at-risk of disengagement and turnover.

“ I am proud to work here.” Only **69%** of pandemic hires answered this way compared to **82%** of employees who have been with the company less than 3 years.



“ I would recommend my company as a good place to work.”

Only **74%** of pandemic hires answered this way compared to **83%** of employees who have been with the company less than 3 years.

Healthy Manager Relationships Means Healthier Employees

What seems to aid well-being for new hires is the power of relationships, especially with one's direct manager.

Employees who believe their manager cares about them as a person are 5.5x more likely to believe they are able to balance their work and personal life.

“ I am able to switch off from work and make time to rest.”

Joined pre-pandemic: **69%**

Joined during the pandemic: **75%**

