



## To Retain New Hires, Focus on an Employee's First 90 Days

by [Steve Brown](#)  [human resources](#) [employees](#)

**Summary:** For CFIs struggling to compete for talent in the tight labor market, retention of new hires is especially important. Paying close attention to the first 90 days on the job can help improve retention rates, because those who stay at least that long are more likely to remain on the job.

The [first revolving door in the US was installed in Rector's](#), an upscale restaurant in Times Square, in 1899. This invention, patented by Theophilus Van Kennel, was an instant success and earned its creator awards for its usefulness to society.

Its metaphorical counterpart is much less helpful to companies. The work world's "revolving door" has become a major concern for employers, who are struggling to retain new hires in the wake of the Great Resignation.

In a tight labor market, filling open jobs can be difficult and holding onto new hires is critical. The unemployment rate stood at a mere [3.5% in July](#), making competition for workers especially intense. About a third of new hires traditionally [leave within the first three months](#). Research shows that workers who stay with a company past this critical window are likely to stay on much longer. That's why so many companies focus on the first 90 days.

What happens during those first 90 days is a combination of the new worker evaluating the job and the company, and the company evaluating the new employee. A worker dissatisfied after being hired by one community financial institution (CFI) probably has a good shot at immediately jumping to another bank — or to a job in another industry.

Paying close attention to the so-called "90-day rule" could help CFIs improve retention of new hires. Better retention will reduce churn, cut down on hiring costs, and potentially improve service levels as new hires become more adept at carrying out a CFI's tasks and services.

But [40% of onboarding typically lasts less than a week](#). To attract and retain good talent in the current job market will take extra effort from your CFI. It could mean anything from some tweaks to your tried-and-true system to a complete overhaul of your hiring and onboarding process.

Here are **five action items to consider** for CFIs looking to optimize their 90-day retention record:

1. **Start with hiring top talent and having an effective hiring process.** A new employee's first impression will be with a CFI's hiring staff and process. In today's tight labor market, CFIs need to reevaluate their hiring process to make sure each step is valuable, efficient, and thorough. Most importantly, "*be transparent about who you are, how you act, what you do,*" advises one executive coach to companies like Oracle and Amazon. After all, one of the top reasons new hires leave is the position not being as advertised.
2. **Fine-tune the onboarding process.** Go beyond the basics of pay, benefits, and work requirements, and start the process of engaging with the new employee. Introduce the new worker to a wide range of

coworkers. Provide background on the company, its ethics, and your customer or client base. Encourage questions.

3. **Consider assigning a mentor to the new employee.** That can be beneficial to the new worker and can also advance engagement with the existing employee. It provides the opportunity for the mentor to pass along their expertise and the new hire to learn the ropes and the company culture from an experienced coworker.
4. **Consider financial incentives.** Bonuses and other freebies that are given once an employee completes 90 days on the job are good options.
5. **Provide sufficient training and tools.** Make sure new hires get the training they need to perform their jobs, and provide ongoing learning opportunities to them — and to all workers. Also ensure the new hire has all the equipment, digital access, and resources required.

Finding workers to fill open slots is tough in a tight labor market, but retaining new hires can be equally challenging. CFIs that put more effort towards employee engagement and training during the first 90 days may be rewarded with better retention and less of a struggle to find new talent.

It's crucial to make sure your new hires understand what your company stands for, what your company does, and what is expected of them in their new role. Once this is conveyed, prioritizing adequate training, whether through mentoring or self-guided learning, is key. If your new employees have a good sense of their new position, the company, and what their role is in the company's success, your CFI may discover the perfect recipe for attracting and retaining the right talent, no matter the job market.

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## ECONOMY & RATES

Rates As Of: 08/26/2022 05:42AM (GMT-0700)

Treasury	Yields	MTD Chg	YTD Chg
3M	2.88	0.47	2.82
6M	3.25	0.34	3.06
1Y	3.31	0.38	2.92
2Y	3.36	0.47	2.62
5Y	3.16	0.49	1.90
10Y	3.05	0.40	1.54
30Y	3.26	0.25	1.36
FF Market	FF Disc	IORR	
2.33	2.50	2.40	
SOFR	Prime	ORER	
2.28	5.50	2.32	

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