

A common misconception that employers often have concerns departing employees. Frequently, when an employee leaves an organization, he or she will give one or both of the following reasons to their manager or human resources (HR) for taking a new job with another company: It was more money and/or an opportunity they could not pass up.

These reasons are easy for an employer to accept. They can be written off as situations beyond the employer's control and no blame needs to be accepted. In reality, though, these reasons are not usually why the employee left. The fact alone that they made an effort to look for another job should be a red flag to an employer.

Certainly, more money is a determining factor in a job, but what provoked them to look for another job with a different company? The real reasons people leave companies are usually completely different from the ones they tell their employers. A hostile work environment, poor managerial skills from supervisors, uneven company policies and lack of challenges are some of the main reasons employees look to move out of their current place of employment.

In this article, managerial consultants discuss the importance of exit interviews and gaining insight into the mind of the departing employee. The information gathered from these interviews can provide a valuable resource in retaining current staff and preventing any further employee departures.

It's Not Just "Goodbye"

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A Lasting Impression

It's hard to solve a problem if you don't even know it exists. While timely staff reviews and employee surveys can alert managers of potential problems that can be remedied before they have a chance to escalate, an exit interview can have a more lasting impression, depending on the departing employee's comfort level in discussing concerns and issues relative to the company's well-being. The power of an exit interview is two-fold: It determines why an employee is leaving and that information can be used to ensure that current staff is retained. This preventive measure is essential in reducing employee turnover and the high costs associated with it.

"The real benefit of exit interviews is what can be learned," says Sandy Zeimet, senior human resource consultant for Minneapolis-based Ceridian. "You can use the feedback received

from departing employees to improve the workplace for current employees. I often tell the departing employee that I understand it's too late to keep him or her, but we want to make it a better workplace for the coworkers they leave behind. A lot of times the person leaves behind friends, so they want to help."

Ron Selewach, founder and CEO of Human Resource Management Center, a developer of automated candidate employee screening systems in Tampa, Fla., says that a lot of the data he has seen collected from exit interviews is used to validate that the company was not at fault for the employee's leaving. He says these companies may phrase questions in a way that will further exonerate them from any wrongdoing.

"But to try to salvage a person from leaving at this point is nothing more than an insult," says Selewach. "Here, they've been



Using exit interviews to your advantage

By Tom Schaffner

working for you all this time, and after they turn in their resignation, then you ask them ‘What’s wrong?’ An exit interview should be nothing more than the final interview in an entire series of chats and surveys where you’re trying to find out the person’s opinions of the company and the work environment,” he says.

Selewach says it is important to focus the interview on things the company can change. “If there are policies or legal issues that can’t be changed, then there is no point on dwelling on it,” he says. Focusing on things that can be remedied, like a recent policy change that didn’t sit well with the staff or an errant supervisor who needs some coaching, are a better use of interview time in order to retain current employees.

Face to Face

Finding the best time and method to conduct an exit interview is a tricky thing. Even the interviewees for this article varied on their opinions of the best time to conduct the meeting. But no matter when and where you decide to have the meeting, the goal is to put the departing employee in a relaxed frame of mind in order to get the most honest feedback.

The most common form of exit interview is a face-to-face meeting with either a supervisor or member of the HR department. In-person interviews allow the interviewer the opportunity to probe the employee on their answers – to seek out clarifications or further information on a topic of concern, says Lynda Ford, SPHR, president of the Ford Group, Rome, N.Y.

Ford provides an example of how probing helped clarify an initial comment made by an exiting employee. "The employee said, 'I left because my boss just kept harassing me,'" Ford recalls. "When you hear the word 'harassment,' it sends up a red flag. Now imagine if that person filled out a form and said, 'I'm being harassed.' That doesn't allow any room for immediate probing. But when you are talking [face-to-face with] someone, you can immediately say, 'Could you give me an example of how he was harassing you?'"

Ford says the employee explained that she was written up three times the week before she resigned for coming in "only five or 10 minutes late" each day. "So what the employee termed 'harassment,' the company considers as the boss doing his job," Ford says.

In-person interviews also allow the manager a chance to observe an employee's non-verbal cues, such as uneasiness when asked about their manager or rolling their eyes when asked if they felt they were fairly compensated.

Although in-person interviews have their advantages, there are certainly disadvantages as well. Selewach says that face-to-face interviews can be uncomfortable on both sides of the desk.

Questions That Garner Useful Insights

- ▶ What three aspects were the most positive about your employment here?
- ▶ What three recommendations would you make to improve this workplace?
- ▶ How would you rate the organization in terms of management, processes, compensation and benefits, employee development and/or innovation (Note: These categories would change depending on what the company values.)
- ▶ Would you consider working here again at some point in the future? Why or why not?

▶ *Helen Cooke, MS*

"You're not likely to get real candid feedback either," he says. "People don't want to burn their bridges. They're not going to have make negative comments if they fully realize the value of a good reference from a former employer."

Selewach promotes the use of automated follow-up interviews to get more candid feedback from exiting employees to ensure anonymity and encourage more open comments. "We perform automated interviews either on the Web or on the phone and get much more candid answers [from the employees]."

Honest Feedback

The big "if" when it comes to conducting exit interviews is the employee's willingness to talk freely. Selewach says that having a third party conduct the exit interview is one option to consider.

He says that when his company is hired to conduct third-party interviews for departing employees, he will send out a letter to the

individual that introduces his firm, explaining that management is interested in their opinions and will keep the information confidential.

"We won't reveal the source of the information – [the comments] will be combined with the information from other exit interviews, so management won't be able to identify the specific answers from the individual," Selewach says. His company will also include a prepaid long-distance calling card with the letter as an incentive for the employee to complete the survey. The card is activated after the employee has successfully completed the form. Knowing that their information will not be shared directly with their bosses and giving them an incentive to respond are two good reasons for an employee to talk honestly, Selewach says.

"Explaining that management will not be seeing the individual responses can really make a big difference in the feedback you receive," says Helen T. Cooke, MS, managing director of Cooke Consulting Group, Haddon Heights, N.J. If a third party is not an option or the company prefers to conduct their own interviews, then Cooke suggests that a person who is not in a direct reporting relationship to the employee conduct the interview.

"Frequently, this is someone in HR," she says. Using a person not directly linked to the employee job-wise may improve the chances that the exiting employee will give candid feedback. It also offsets the chance that if a negative comment is made, such as a comment made about the immediate supervisor, that it will be recorded instead of ignored.

Cooke promotes giving the employee a list of the questions to be asked in advance in order to let them prepare and formulate their answers. But it is really still up to the employee whether they are going to give honest answers or just say, "No, it was all terrific," she says.

"Still, the person conducting the interview should reinforce that the company is doing this because we want to identify trends for how we can continue to improve the organization," Cooke says. "We try and do things well and, of course, that doesn't mean that everything is meeting expectations. So to that extent, if you can give us candid feedback, we will benefit, and we will appreciate it."

Let's Talk

Timing is everything. Selecting the right time to talk to your departing employee can make the difference between honest answers and simple courtesy responses.

The time to conduct the interview really depends on the interviewer, says Mike Horne, PhD, founder of Leadership Acts, a Pleasanton, Calif.-based company that provides organizational culture services to Fortune 100 firms.

"If it's an internal interview, do it as close to the employee's announcement of leaving as possible. Depending on the employee's position and [possibility of] future hire, the employer may have a risk management issue," says Horne. "The departing employee may also act as a recruiter for his or her new employer."

On the other hand, Horne says, if a consultant is engaged to conduct the interview, the best results come three to six months

Ways to Make Exit Interviews More Effective

- ▶ *Always ask for examples or specifics.* If a person says they didn't like the office environment, ask for examples of what they didn't like. If they say they didn't like working with a certain person, ask what they specifically didn't like about working with this person. Specifics can go a long way in helping to sort out whether it is a "feeling" the departing employee has or a legitimate issue.
- ▶ *Ask follow-up "Why did you leave?" questions.* For example, you may ask, "Why did you leave your job?" and the departing employee may say, "I got a better offer." Some follow-up questions would then be, "What was better about the offer?" "What are you getting through your new offer that you weren't getting here?" or "What caused you to seriously consider the new offer?" Also, find out if there was a "defining moment," or "the straw that broke the camel's back." Often, the response that the person left for more money is really a statement of, "You don't pay me enough to deal with (fill in the blank)." Find out what that blank is.
- ▶ *Fifteen minutes isn't enough, two hours is probably too much.* Use judgement in how long an interview should last. Our experience shows that to gather useful information, at least 25 minutes is needed. Depending on the issues raised, the interview could be an hour and 45 minutes.
- ▶ *Make interview questions reflective of what's important in your company's culture.* If you value open communication, then ask open-ended questions that will get you information that can be used to enhance the level of communication in the company. Look at your mission or vision statement and the key result areas in the organization's strategic plan.
- ▶ *Even if it seems obvious, end each interview with having the interviewee complete the sentence, "I would have stayed at XYZ Company if...."* This will help to crystallize what it was that caused the person to leave.
- ▶ *Report results of interviews as closely as possible to what the person said, even if it means grammatical errors.* The feelings behind the words are just as important as the words themselves. If questions are summarized in graphical format, include the narrative the graph represents.

▶ *Lynda Ford, president of the Ford Group, a management and human resource consulting firm and author of Transform Your Workplace (McGraw-Hill, 2005)*

following the employee's departure. "The degree of candor goes way up in that timeframe, according to research and our experience," he says. "You need at least a three-month period to increase psychological safety. Beyond [six months though], memories begin to fade," he says.

Lynda Ford, however, does not want a cooling off period before interviewing an employee. "I want to capture the emotion of the moment that made them say, 'I'm outta here.'" The Ford Group reports a 93 percent success rate in getting interviews when contacting the employee immediately upon giving their notice. (The Ford Group does not call employees at work. The interviews are conducted via phone outside of the office to encourage the person to speak more freely).

"What our experience shows, however, is that with each week that elapses after a person leaves, the likelihood of making contact decreases," Ford says. "By the time one month goes by, our contact success rate is down to about the 55 to 60 percent range. Past one month, it goes to the 35 to 45 percent range."

However, if the setting for the interview is in the office, then these experts suggest finding a quiet, neutral setting where the employee does not feel intimidated, such as a secluded part of the cafeteria, a picnic area outside of the building or in the employee's office.

Zeimet suggests preparing a list of open-ended questions to ask in the meeting, such as "What did you like about the company?" and "Why did you choose to leave?" "Asking questions like this and having individuals expand on their responses helps us pinpoint the areas that our organization needs to improve," she says.

Information Management

"There are many reasons to conduct exit interviews," says Horne. "Unfortunately, few in HR or management do it well or use the information in any substantive way. The data should be compiled and maintained so that it connects to the general ledger and other important business metrics. Otherwise, it's likely to be an interesting source of data in the HR department on a soon-forgotten Excel workbook."

At Ceridian, Zeimet says that if they see an issue commonly mentioned in several exit interviews, they take the issue to executives and work with them to determine a plan of action to improve the situation.

"As a result of some of the feedback we've received in the past, we've taken measures such as providing more management education and employee training," Zeimet says.

Exit interviews can be used to get to the root causes that contribute to employee defection, says Horne. "Because turnover is costly and reductions in undesirable turnover can yield a positive impact on a business' bottom line. Exit interviews can also create a bridge between the employee and the company if the employer wants to use a process as a means to retain its current staff and attract the best talent for its organization."

▶ *Tom Schaffner is the editor in chief of RT Image. Questions and comments can be directed to tschaffner@rt-image.com.*