

Exit Interviews

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ABSTRACT: The organizations are conducting exit interviews to gather data for improving working conditions, to find out the underlying reasons for employee turnover and also for retaining talented employees. This article focuses on the concept of exit interviews, their purpose, who should conduct, how to conduct, when and where to conduct and also how to use the data collected from exit interviews for the benefit of the organization.

The art of putting the right man in right place is perhaps the first in the science of management, but the art of finding a satisfactory position for the discontented is the most difficult.

I. INTRODUCTION

An exit interview is a meeting between the departing employee and at least one representative from the company (either someone from the Human Resources Department or the functional head of the employee). Employees who are leaving the organization voluntarily are sources of priceless information. Exit interviews can be termed as confessional interviews by the departing employee. The outgoing employees must be those who have voluntarily resigned rather than getting laid off or fired. It is an effective HR tool that is used by organizations to find out from an outgoing employee the reasons behind his leaving the organization. Exit interviews can provide valuable insights to the employers to know how to retain their talented staff and improve their work culture as well as the workplace environment. Previously exit interviews were not conducted on a routine basis because it was considered to be futile to ask the departing employee—"Why do you go?" The employers were more focused on getting the position filled as soon as possible instead of determining how the vacancy could have been avoided. Their approach was based on the assumption that the market was full of unscrupulous, unmanageable and unappreciative workers. With the passage of time, the organizations have now started to realize the significance of exit interviews. The type of exit interview method to be used depends upon the discretion of the top management and the HR department of the organization. Some of the methods available for conducting these interviews are:

- ❖ In-person Exit Interviews
- ❖ Telephone Exit Interviews
- ❖ Paper and Pencil Exit Interviews
- ❖ Online Exit Interviews.

II. PURPOSE OF EXIT INTERVIEWS

Exit interviews can provide vital clues on various organizational aspects like working conditions, interpersonal relations, pay packages, policies, etc. An exit interview offers an opportunity to:

- ❖ Find out the actual reasons for an employee's resignation.
- ❖ Gather trustworthy data on problem areas, in order to help the management take remedial actions.
- ❖ Retain a talented employee by finding the reasons for his dissatisfaction and agreeing on feasible solutions.
- ❖ Encourage good relations with the departed employee.

Who Should Conduct?

The definition of exit interview implies that exit interviews are conducted by the employer or the management to unearth the reasons for employee turnover. In case of in-person exit interview the company's representative may be either the functional head of the employee or someone from the HR department and not the employees' direct supervisor. In order to reap the benefits of exit interviews, the organizations can hire an experienced third party, a consultant or firm that

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specializes in conducting these sensitive interviews because most of the outgoing employees may not like to offend the management at the time of leaving the organization.

When and Where to Conduct?

The views of the employers regarding when and where to conduct confessional interviews may be different. It is always advisable to conduct the exit interview as soon as the employee puts in his papers. But the case will be different if the person has been handed over the pink slip. In such a situation, it is advisable to conduct the interview at a later date. The next important question is where to conduct these interviews. The interview climate should be positive and professional. The physical ambience should be given apt importance. The employers should avoid conducting the interviews in public places like coffee shops or canteens where they may be overheard by supervisors or other employees. It is always better to conduct them in the HR department's private office or on the premises of third party doing it. To provide flexibility to the employee some companies prefer to go for telephonic exit interviews so that the employee can avail the comfort of speaking from his own home. The next important question to consider is who will decide whether or not to participate in an exit interview. The answer is that it will depend on the outgoing employee and not the employer. The departing employee must consider whether he will benefit from an exit interview, the HR department will give importance to the employee's feedback.

A Situational Analysis

A website (www.globalcompliance.com/exit-interviews.html) explains a situation reported by the US Bureau of Labor Statistics. According to the US Bureau of Labor Statistics, the annual employee turnover rate for all areas of business in 2004 was around 37%. The most talented and the productive employees are regarded as the stars that drive the success of any organization and the failure to retain the same costs small employers thousands of dollars a year in the form of knowledge and experience. In case of large organizations, the price is even steeper costing millions of dollars. After identifying the apparent costs, the small as well as large companies are taking proactive steps to reduce employee turnover and retain talented workforce. Learning and understanding why employees prefer to stay or leave the organization is imperative to the success of any business. Many organizations are utilizing exit interviews to capture key information from employees as they leave the company. In order to prevent employees from following their colleagues out the door, the organizations can utilize the valuable information collected through exit interviews.

The solution provided by the same website (www.global.compliance.com/exit-interviews.html) says that the organizations can go for outsourcing the exit interview process to a neutral third party. This will make the employees feel more comfortable while providing the information. This in turn increases the quantity, quality and meticulousness of the information gathered. In this regard, Global Compliance™ provides exit interview services to help out the organizations in collecting information from the employees as they depart. This is being done by conducting interviews via telephone, utilizing a live interview technique or an Interactive Voice Response (IVR) system or through web interface. Thus by proper documentation of feedback obtained from the departing employees, the organization can identify and resolve key issues that may be influencing employee retention and at the same time control costs associated with employee turnover and training.

III. FORMAT OF EXIT INTERVIEW

Exit interviews should be used as a tool to build a parting relationship with the outgoing employees. These can serve as an eye-opener for the employers as they will come to know what their employees think about them. It is very much important for the organizations to find out why their employees leave the organization and as an employee's genuine reasons for leaving can be exposed in exit interviews so the employers must take proper care while deciding on the format of exit interview. The exit interview design should contain as many open-minded questions as probable so that the employee can express his views regarding the reasons for leaving the organization, his commitment towards work, his expectations from the job as well as from the organization, his career prospects, the work culture, the management style of his seniors, the training provided by the organization, the working environment, the pay package, etc. While the employer might have a lot

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of questions in mind, it is advisable not to ask unrelated questions regarding private life. Some of the questions which the employer would like to ask are as follows:

- ❖ Why did you join this organization?
- ❖ Is there anything that you like and dislike most about this company?
- ❖ Why are you leaving?
- ❖ If the reason behind leaving is getting higher placement then what prompted you to look for a new job?
- ❖ Do you feel that the training you have received is inadequate to help you do your job?
- ❖ Do you think that there should be any change in the employment practices followed by the organization?

Although these are some of the questions which are useful in getting the appropriate feedback from the departing employee, the list is not exhaustive as the organizations need to ask questions according to their requirements, so they can prepare their own questionnaire by keeping in mind their own features and experiences.

IV. HOW TO USE THE DATA COLLECTED FROM EXIT INTERVIEWS?

The purpose of conducting exit interviews will be fruitful when it is aimed at encouraging the retention of valued employees. To accomplish the rationale of exit interviews not only the HR department but everybody from the top-level management to the immediate supervisor must be involved in the process. Exit interview is a medium which can be used to find out how the company is being perceived by its human resources. The information gathered through these interviews is otherwise difficult or impossible to find out. They help avoid costly lawsuits down the line, caused by discontented employees. They also help assess the key areas of the company like pay packages, training and development, recruitment, infrastructure, supervision, HR policies, etc. The company can start the process of retaining the talented employees in the initial stage itself. A company has the liberty to choose from a range of strategies available which they consider to be the best suited for their organization.

- ❖ Talented worker should be given the freedom to choose his work schedule as ideas can be generated at any time. Hewlett Packard has initiated this strategy.
- ❖ The corporate houses can offer incentive packages to selected individuals.
- ❖ The need of the hour is to maintain a personal touch with the potential targets. Regular training sessions can be conducted help the employees achieve goals on their personalized career graphs. This has been adopted by Maruti Udyog Ltd.
- ❖ Positive and constructive feedback can be provided on a regular basis.
- ❖ Retention of talented employees can be enhanced by improving the process of socializing the new employee into the corporate culture.
- ❖ The senior management must play the role of a leader by demonstrating their own sense of commitment to the organization.
- ❖ The management must establish the practice of fair treatment of all the employees so as to foster a positive work environment.

Thus the proper implementation of feedback obtained from exit interviews is not only valuable for the departing employees, but also for the organization as a whole because exit interview is an important HR means for employee retention. Despite the merits above mentioned, some experts are of the view that exit interviews are a mere waste of time.

V. CONCLUSION

Exit interview is one of the effective ways by which the organization can retain the best. By proper documentation of feedback obtained from the employees as they resign from the organization can identify and resolve key issues that may be helpful in retaining valuable human capital. A well-designed plan of exit interview has the potential to become a valuable tool to help retain the talented workforce. Thus it has been truly said, "The Exit Interview is an opportunity to shake hands and leave as friends and not as enemies.



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