# The Employee Exit Process

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**Abstract. –** Complete globalization of employee exit practices at a given company or throughout the broad service industry may not be possible, but we present a basic framework for employee exits that serves as a catalyst for global or regional/divisional hiring guidelines and support. The goal is to outline a set of guidelines that define a scalable process whereby closure on employees is maximized. Once this process is in place, offices and/or divisions are at their discretion to tailor and modify the process to meet specific needs.

## General Process of Employee Exit

A four-phase process is recommended to complete proper closure for employees:

- Begin transfer of employee knowledge
- Complete operational responsibilities
- Document the employee's key impressions of their employment experience
- Conduct a proper Employee Exit Interview to satisfy closure issues

## Model of four-phase process

**Knowledge Transfer Questions** ("setting stage for transition") →

**Operational Responsibilities** ("basic housekeeping") →

**Standardized Exit Survey** ("documenting employee's general impressions") →

**Face-to-Face Exit Interview** ("personal and professional closure") →

This model has a logical progression. First, employers are encouraged to set the stage for transition by learning from the departing employee any knowledge that can assist the replacement and improve the company's Standard Operating Procedures (SOPs). Second, immediately before or on the date of departure the employee attends to basic "housekeeping" issues. Third, employers document the employee's general impressions of his/her HVS work environment for later use in improving that environment. Fourth and finally, the employer and employee achieve proper closure with a face-to-face exit interview.

## Knowledge Transfer Questions

An overlooked component of employee exits is using a knowledge management tool – a way to capture crucial knowledge from departing employees about what it takes to do the job. Benefits include:

- Vital knowledge is not lost to the organization when people leave.
- The learning curve of new people joining the organization is shortened.

It is recommended that offices seize opportunities for knowledge-transfer prior to an employee’s departure. In the case of explicit knowledge, make sure the leaver moves relevant files – both hard copy and electronic – into shared folders or a document library. Ask them to prune and organize these files and to create role and task folders or notes for their successor. Review the key tasks the person does based on a job description or annual performance plan. You can then use that information as the basis for discussing how they go about those tasks, what knowledge and skills are needed and any problems or pitfalls of which to be aware. Find out about their network of contacts and sources of knowledge. If possible, create an overlap period between the leaver and their successor so that a “live” handover can be done.

The sample questions below are helpful to facilitate these goals. They should be used as soon as the employee and the organization know that the employee will be leaving. It is ideal not to leave these questions until the exit interview.

- “How might we benefit from your knowledge, experience, introductions to your contacts, etc., prior to your departure?”

- “Would you be happy to take part in a briefing meeting with managers/ replacements/ successor/ colleagues so that we can benefit from your knowledge and experience, prior to your leaving?”

- “What can we do to enable you to pass on as much of your knowledge and experience as possible to your replacement/successor prior to your departure?”

- “How and when would you prefer to pass on your knowledge to your successor?”

- “I realize that you'll not be happy with the situation surrounding your departure, however we would really appreciate it if you could help us to understand some of the important things you've been working on - how might we agree for this knowledge to be transferred?”

- “We would be grateful for you to introduce (name of successor) to your key contacts before you go - are you happy to help with this?”

You will derive most for the organization and be able to give most help to the departing employee by being positive, constructive, understanding and helpful, prior to and during the exit interview process. Treat people with integrity and decency, and generally they will respond in kind.

## Operational Responsibilities

After the issue of transferring employee job knowledge, it is necessary to address the practical details of departure. “Closing out one’s desk and computer” is often done the day before or day of departure. Many organizations have a series of standard “Exit Checklists” for use. Here is a suggested example:

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NAME: ______________________________
DATE:_______________________________

## MIS CHECKLIST

- ☐ Clean-up local hard drive
- ☐ Clean-up network drives (personal & jobs)
- ☐ Let MIS know what to do with network job files
- ☐ Return MIS manuals and disks
- ☐ Delete software form personal laptops or other home computers

**This checklist was reviewed by:** _________________________

## EXIT CHECKLIST

- ☐ Return Office Key:
- ☐ Clean out entire office (desk, files); return all supplies to production; take all personal belongings:
- ☐ Return Calling Cards or Company Credit Cards:
- ☐ Have address changed on bills/forwarded at post office:
- ☐ Hand in all copies of reports and manuals:
- ☐ File all work files, or arrange for someone to be responsible for filing work file when job is complete (do not leave any work files in office):

**This checklist was reviewed by:** _________________________

### REVIEW WITH ADMIN. DEPARTMENT

- ☐Leave forwarding address:
- ☐Telephone Number:
- ☐Facsimile Number:
- ☐Hand in appropriate COBRA forms for Insurance:
- ☐Hand in appropriate 401K forms:

**This checklist was reviewed by:** _________________________

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## Standardized Exit Survey

Forward thinking managers track the circumstances of employee exits as well as the outgoing perceptions of those employees. This information offers insights for enhancing SOPs, employee incentive programs and organizational structure and managerial approach, among other issues.

To ensure that basic employee exit information can be analyzed reliably with statistical analysis, it must be gathered in a standardized format. A standardized Exit Survey can meet this need, and it can be administered either hard copy or online. There are companies that specialize in this type of assessment, and commercial products are also widely available on the Internet. However, be extremely selective in your choice of provider. Like any other legitimate assessment, Employee Exit Surveys must meet professional testing standards and legal requirements. Dr. Houran is available for further details and consultation.

## Employee Exit Interview

The purpose of the exit interview is to provide feedback on why employees are leaving, what they liked or did not like about their employment and what areas of the organization they feel need improvement. Exit interviews are one of the most widely used methods of gathering employee feedback, along with employee satisfaction or exit surveys. Furthermore, exit interviews can result in the leaver having a more positive view of the organization.

Done correctly, exit interviews are a win-win situation for both the organization and the leaver. The organization gets to retain a portion of the leaver's knowledge and make it available to others, while the leaver gets to articulate their unique contributions to the organization and to "leave their mark."

*Options*

Exit interviews are best conducted face-to-face because this enables better communication, understanding and interpretation, and it provides far better opportunity to probe and get to the root of sensitive or reluctant feelings.

Think carefully about the information you would like to gather before the interview and start your preparations early. When conducting exit interviews, think carefully about who will be the interviewer. Traditional exit interviews are conducted by someone from human resources. Over and above the obvious interpersonal and interviewing skills needed, you also need to consider issues of trust and honesty. For example, if an employee has had a difficult relationship with a manager or colleague, that person might not be best placed to conduct the interview. Whoever you select, make sure they are appropriately skilled and trained.

*Points to remember*

- Traditional exit interviews are usually only appropriate for employees who voluntarily resign or retire rather than those who are fired or made redundant. In the case of the knowledge-focused interview, much will depend on the extent to which the organization has a culture that encourages knowledge sharing.

- Be clear about whom will use the knowledge gathered and how it will be used, before you begin to gather it; the purpose of the interview is not to gather knowledge per se, but to gather useful knowledge that will actually be used.

- The less you capture knowledge on a regular basis, the more you need to capture it at exit. However you may decide that you could gain more value from capturing knowledge at more regular intervals. For example, some organizations use exit interviews as one part of a series of “cradle-to-grave” interviews to collect knowledge, using a method called 3E. The three E’s are Entry, Expert and Exit. Entry interviews allow you to gather knowledge when employees first join the organization when they have “new eyes” and a fresh perspective, and also to ask them what they would like to know to help them “get up to speed.” Expert interviews are conducted as they develop skills and become experts in a particular role or field.

*Exit interviews aims and outcomes*

- They provide an opportunity to “make peace” with disgruntled employees, who might otherwise leave with vengeful intentions.
- Exit interviews are seen by existing employees as a sign of positive culture. They are regarded as caring and compassionate – a sign that the organization is big enough to expose itself to criticism.
- Exit interviews accelerate participating managers’ understanding and experience of managing people and organizations. Hearing and handling feedback is a powerful development process.
- Exit interviews help to support an organization’s proper HR practices. They are seen as positive and necessary for quality and effective people-management by most professional institutes and accrediting bodies concerned with quality management of people, organizations and services.
- The results and analysis of exit interviews provide relevant and useful data directly into training needs analysis and training planning processes.
- Exit interviews provide valuable information as to how to improve recruitment and induction of new employees.
- Exit interviews provide direct indications as to how to improve staff retention.
- Sometimes an exit interview provides the chance to retain a valuable employee who would otherwise have left (organizations often accept resignations far too readily without discussion or testing the firmness of feeling - the exit interview provides a final safety net).

- A significant proportion of departing employees will be people that the organization is actually very sorry to lose. The exit interview therefore provides an excellent source of comment and opportunity relating to management succession planning. Good people leave often because they are denied opportunity to grow and advance. Wherever this is happening organizations need to know about it and respond accordingly.
- Every organization has at any point in time several good people on the verge of leaving because they are not given the opportunity to grow and develop, at the same time, ironically, that most of the management and executives are overworked and stretched, some to the point of leaving too. Exit interviews are an excellent catalyst for facilitating greater delegation of responsibility to those who want it and identifying specific mistakes and improvement opportunities in this vital area of management development and succession.
- Exit interviews, and a properly organized, positive exit process also greatly improve the chances of successfully obtaining and transferring useful knowledge, contacts, insights, tips and experience, from the departing employee to all those needing to know it, especially successors and replacements. Most leavers are happy to help if you have the courage and decency to ask and provide a suitable method for the knowledge transfer, be it a briefing meeting, a one-to-one meeting between the replacement and the leaver or during the exit interview itself.

In terms of managing the interview, listen rather than talk. Give the interviewee time and space to answer. Coax and reassure where appropriate, rather than pressure a person. Interpret, reflect and understand (you can understand someone without necessarily agreeing). Keep calm, resist the urge to defend or argue – your aim is to elicit views, feedback and answers; the aim is not to lecture or admonish.

Take notes and/or use a prepared questionnaire form. Remember simple planning aspects such as arranging a suitable time and place, avoiding interruptions, taking notes, preparing questions, being aware of the body-language and feelings of the interviewee and adjusting your own approach accordingly.

Obviously the style of exit interview is different for someone who is being asked to leave, retiring, being made redundant, dismissed or leaving “under a cloud,” compared to an employee leaving whom the organization would prefer to retain. However everyone who leaves should be given the opportunity of an exit interview, and the organization can learn something from every situation. In certain situations (where appropriate) the exit interview also provides a last chance to change a person’s mind, although this should not be the main aim of the exit interview situation.

If there is some specific checking or follow-up to do then ensure you do it and report back accordingly. After the interview look at the answers and think properly – detached and objective – about their meaning and implications. Take action as necessary, depending on your processes for analyzing and reporting exit interview feedback. If there is an urgent issue, or the person wants to stay and you want to keep them, then act immediately or the opportunity will be lost.

*Suggested exit interview questions*

These sample questions are useful in face-to-face exit interviews, although some are more suitable for management employees. As a rule of thumb in face-to-face interviews:

- Use the word *why* if you want to probe, especially if the first answer is vague or superficial.

- Questions beginning with *what* and *how* are better for getting people to think about and convey their views to you properly and honestly.

- *When* and *where* are also more specific qualifying questions, unless of course they are used in a general context rather than specific time or geographic sense.

- *Who* should be used with care to avoid defamatory risks. Many exit interviewees will be uncomfortable if asked to name people or allocate personal blame. Exit interviews are not about blame, which is not constructive and should be avoided for anything other than very serious complaints or accusations, which must then be suitably referred as follow-up would be beyond the normal exit interview remit.

- When the interview is complete always say *thanks* and wish the employee well.

The sample question examples are not in any progression, but there is a broad logic to the order of the types of questions. There are many more questions provided than you would normally ask in a typical exit interview. Pick the questions that are most relevant to the leaving circumstances, the interviewee and your office.

- Tell me about how you have come to decide to leave?
- What could have been done early on to prevent the situation developing/provide a basis for you to stay with us?
- How do you feel about the organization?
- What has been good/enjoyable/satisfying for you in your time with us?
- What has been frustrating/difficult/upsetting to you in your time with us?
- What extra responsibility would you have welcomed that you were not given?
- How could the organization have enabled you to make fuller use of your capabilities and potential?
- What training would you have liked or needed that you did not get, and what effect would this have had?
- How well do think your training and development needs were assessed and met?
- What can you say about communications within the organization/your department?
- What improvements do you think can be made to customer service and relations?
- How would you describe the culture or “feel” of the organization?
- What improvement could be made to the way that you were inducted/ prepared for your role(s)?

- What can you say about the way your performance was measured, and the feedback to you of your performance results?
- What would you say about how you were motivated, and how that could have been improved?
- Can you provide any ridiculous examples of policy, rules or instructions you have encountered here?
- What examples of ridiculous waste (material or effort), pointless reports, meetings, bureaucracy, etc., could you point to?
- How could the organization reduce stress levels among employees where stress is an issue?
- How could the organization have enabled you to have made better use of your time?
- What can the organization do to retain its best people (and not lose any more like you)?
- Would you consider working again for us if the situation were right?
- Are you happy to say where you are going (if you have decided)?
- What particularly is it about them that make you want to join them?
- What, importantly, are they offering that we are not?
- (If appropriate) Could you be persuaded to renegotiate/stay/discuss the possibility of staying?

## Closing Thoughts

An Employee Exit process that incorporates the four elements of transfer of employee knowledge, completing operational responsibilities, administering a standardized Employee Exit Survey and conducting an Employee Exit Survey maximizes proper closure for both the organization and departing employee, while simultaneously fostering positive and professional ties between the two. On an operational level, proper Employee Exits also provide an opportunity for organizations to learn how to improve their SOPs. Forward-thinking companies continually evaluate and question the assumptions behind their business and HR practices. Therefore, take time to review – and, if needed, modify – your current employee exit practices. A well designed and implemented Employee Exit process is an investment in time and resources that can definitely make a healthy contribution to the bottom line and company culture.

## About the Authors

***James Houran*** holds a Ph.D. in Psychology and is President of 20|20 Skills™ assessment. He is a 15-year veteran in research and assessment on peak performance and experiences, with a special focus on online testing. His award-winning work has been profiled by a myriad of media outlets and programs including the Discovery Channel, A&E, BBC, CNN, NBC's *Today Show*, *Wilson Quarterly*, *Chicago Tribune*, *USA Today*, *New Scientist*, *Psychology Today*, Forbes.com and *Rolling Stone*.

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