



What You Can Learn from Exit Interviews

Former—or soon-to-be former—employees can teach you which aspects of your company procedure, policies or culture might need to change.

By Robert McGarvey

Employees quit; others are fired—those are business realities. The question is: Are you making the most of this opportunity?

"Most companies don't see the advantage of asking departing employees for information," says Roger Herman, a Greensboro, N.C.-based human resources consultant. "They don't know how to do exit interviews and if they do them, they don't interview well. Going through perfunctory motions won't get you the information you could be getting."

Honest Feedback

Departing employees can give you insight into your management strategies. Freed of politics, fears and a need to be polite, exiting workers are positioned to offer candid commentaries on what is right and what is wrong with their work group.

"Exit interviews provide you with valuable feedback," says Greta Cairns, executive vice president of human capital for SCI, a professional employer organization that offers Web-based HR technologies and expertise in HR management to more than 1,000 clients. "Done properly, exit interviews will pinpoint internal vulnerabilities, they will give you information regarding the skills of individual managers, and they will tell you about job and workplace conditions."

"Exit interviews tell you what could go wrong," adds Donna Flagg, a principal in The Krysalis Group, a New York-based human resources and management consulting firm.

Cairns says terminated employees may have a chip on their shoulders. "They may have a great deal of emotion about leaving," she says. Their feedback about the boss that fired them has to be carefully sifted. But Cairns advises conducting essentially the same exit interview with those who are leaving voluntarily and those who are asked to go.

Why? Sometimes fired employees reveal crucial information—the boss may have sexually harassed them, perhaps the boss misrepresented the job responsibilities in the hiring process, maybe the boss never delivered on promises to train. That information could be sour grapes, which is why every expert advises careful analysis of the data that is collected. "You need not only to collect information but think about it," Flagg says.

Get Over It

If exit interviews are so good, why do many small and medium-sized businesses skip them entirely? Most large corporations generally conduct exit interviews. The bigger the company, the more probable are they to use them. Workplace expert Kerry Patterson, co-author of *Crucial Conversations: Tools for Talking When Stakes Are High*, flatly says, "Small business owners don't do exit interviews because they are anxious about what might be said."

That is understandable but short-sighted. Knowing why people leave is the fast-track to controlling the high costs involved in turnover, says Gregory P. Smith, president of Conyers, Ga.-based employee retention firm Chart Your Course. He adds that it costs between \$4,000 and \$7,000 to replace one hourly employee.



Ask the Right Questions

Experts caution that exit interviews need to be done properly to produce useful information. Use a script, don't improvise. Exit interviews are delicate and are no time to shoot from the hip. Smith fires off some of the questions he recommends asking:

- Did you get the training you needed to do your job properly?
- Were your contributions recognized?
- Did the methods used to award pay increases make sense to you?
- Was your salary competitive?

Then ask questions that focus on the worker-manager relationship:

- Did your manager give you the support you needed?
- Would you say you had a good, strong relationship with your manager?

Keep probing—15 to 30 minutes should suffice—and, where possible, experts say build the session around questions that can be answered with a "yes" or "no." That makes crunching the resulting information much easier.

Think strategically about the information that is collected, Flagg adds. Don't just gather gossip. Hone in on questions (and answers) that will let the organization perform at a higher level.

Will They Talk?

Many companies say they shy away from exit interviews because employees play mum. But, as Flagg says, "People want to vent if they are asked right."

Other companies take a backdoor route. "In some cases we send via mail a questionnaire with a self-addressed, stamped envelope perhaps 30 days after the employee leaves," Cairns says.

Still other companies now turn to outsourced exit interviews conducted by trained, third-party interviewers via telephone. "This is a growing trend," Herman says. The advantage is when an outsider is probing, some employees are apt to open up more.

"Just asking for this feedback shows that the organization is concerned about the welfare of its employees," Cairns says.

"Exit interviews are your last chance to gather candid information about your company from this employee," Herman says. "That makes this an opportunity you need to seize."

Why Workers Leave

Why do workers leave jobs? Some are terminated, of course, but what about the voluntary departures? Gregory Smith, president of Conyers, Ga.-based employee retention firm Chart Your Course, bluntly asks thousands of workers this question: Why would you leave your present employer for another?

The answer most given, at 64 percent, is more money. (Ticking off multiple answers is acceptable, so numbers exceed 100 percent.)

From there, matters take unexpected turns. In second place, named by 57 percent of respondents, is career advancement. That's followed by challenging work (45 percent), work/life balance (44 percent) and a higher calling/sense of mission (40 percent). Job security tallies 17 percent.