

Exit Interviews

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It's time to work on you, so sit back and listen to practical, actionable advice to accelerate your progress.

We all want to feel appreciated and supported to reach our potential at work. A year after completing a graduate trainee program, Matthew, a Chartered Accountant, decided to leave his job. Matthew explains

I just didn't find the work I was given rewarding or challenging. In my first two years with the company, I really thrived and was excited about my future there. But in the last 18 months, I began to feel side-lined by a new manager. The higher profile and more complex work seemed to be given to colleagues with the biggest personalities. As a quieter member of the team, I felt ignored.

When approached by a recruiter for a job with a competitor who promised him more interesting and complex opportunities, Matthew decided to go. An exit interview carried out by a member of the HR Team was a missed opportunity for his employer. Rather than having an open discussion about his reasons for leaving, Matthew was asked set questions and cited an increase in salary as the determining factor. But this wasn't the whole truth. Matthew says

While there was a lot that I would have liked to have said about management style, I knew that I could easily run into that manager again or want references from her, so I kept quiet.

When carried out effectively, exit interviews are one of the most effective tools for discovering why employees leave a company. Unfortunately, too few leaders pay attention to them. If Matthew had felt able to express the actual reasons behind his resignation, his employers could have taken steps to prevent additional members of staff who felt the same from leaving. Perhaps they could have even got him to change his mind and stay. Companies want to retain valued employees, particularly their top performers, so it is crucial to find out why they are leaving.

Opinions on the value of exit interviews are mixed – some regard them as a waste of time, while others see them as a valuable staff retention tool.

According to research done by Everett Spain and Boris Groysbe for HBR:

...many companies don't even conduct these interviews. Some collect exit interview data but don't analyze it. Some analyze it but don't share it with the senior line leaders who can act on it. Only a few collect, analyze, and share the data and follow up with action. [1]

Those companies who do are all the better for it.

Today, we'll cover how you can make sure your company conducts effective exit interviews and makes the best use of the information collected. We'll be focusing specifically on six goals outlined by HBR for exit interviews [1]. So, let's begin.

The first goal is to uncover HR issues.

Too often, exit interviews focus too much on salary and benefits, assuming that an employee is leaving because they have been offered more money elsewhere. However, studies show that this is often not the case. Research by employee recognition company OC Tanner found that 79 per cent of employees who quit their jobs claim a "lack of appreciation" was a major reason for leaving [2]. Furthermore, a Glassdoor review in 2021 found toxic work culture to be the biggest factor that led people to quit (and ten times more important than pay in predicting turnover) [3]. Make sure, therefore, that your interviews allow your departers to cover other HR-related issues.

The second goal is to understand employees' perception of the work itself.

Through your exit interviews, aim for departers' honest thoughts on working conditions and office culture. The rapidly shifting landscape means that employees' priorities are changing. The COVID-19 pandemic resulted in people re-evaluating their lives, with working from home or hybrid working becoming important to many. You can use the information gleaned to make changes to improve motivation, efficiency, and the performance of remaining and future staff.

The third goal is to gain insight into managers' leadership styles and effectiveness.

Sensitive and meaningful conversations during exit interviews can lead to the identification of potentially ongoing problems. Where there is a problem - such as that experienced by Matthew - you may take steps to resolve it with training and development if necessary, thus likely improving job satisfaction and staff retention.

Fourth is learning about HR benchmarks (salary, benefits) at completing organisations. Though salary may not be the number one thing that drives valuable employees to leave, it is still important. During exit interviews, you can discover whether your terms and conditions are competitive and whether particular companies are poaching your staff.

The penultimate goal is to foster innovation by soliciting ideas for improving the organisation.

Don't limit the exit interview to simply the departer's immediate experience. Take the conversation into broader areas such as company strategy, and ask what they would do, given the opportunity and responsibility.

The final goal is to create lifelong advocates for the organisation.

You want your departers to leave with high regard for your organisation, a champion for your products and services. If you ensure that they leave the exit interview feeling their feedback was appreciated and used, they are more likely to become a lifelong advocate for your company.

Various methods are used for exit interviews, including face-to-face conversations, telephone conversations, questionnaires, and surveys. Often, it's a combination of these methods.

Most experts believe that the best way to create rapport is through a face-to-face interview. This method allows for a less structured discussion where the interviewer can dig deeper into issues raised and gain unexpected and helpful information. In their piece for HBR [1], Everett Spain and Boris Groysberg advise that:

...telephone interviews and web surveys are typically best used as complements to face-to-face interviews, and at least one in-person interview is essential to promote long-term ambassadorship.

The interviewer's manner matters, too – they should be pleasant and friendly with excellent listening skills. Questions they ask should be open-ended, with the departer being encouraged to speak, while the interviewer simply prompts or steers the discussion towards an important subject.

While you can gain valuable insights from these unstructured discussions, the drawback is that it is harder to consolidate the information gathered and to spot trends. A combination of face-to-face and questionnaire or survey is therefore recommended.

Natalie Wickham of *Quantum Workplace* [4] asserts that

The advantages of exit questionnaires and surveys are that they allow you to gather standardised data and dive deeper into employee responses. Survey consistency also allows for trend analysis. Look at your exit data by demographic, tenure, employee performance, and roles or functions in order to tell a more compelling story about employee turnover and engagement. Understanding trends that tend to repeat year

after year can better help you understand turnover and adjust your retention and hiring efforts accordingly.

Take care, however, that employees don't regard them as a meaningless exercise. Explain that the information requested helps make the company a more desirable place to work.

What is the advantage of carrying out more than one exit interview? Many experts promote scheduling several interactions—an face-to-face interview, a phone call, a questionnaire—pre- and post-departure.

Joel Lefkowitz and Myron Katz, in their study *Validity of Exit Interviews* [5], found that 59% of former employees who answered a questionnaire - mailed several months after their exit - supplied different reasons for their departure from those they'd offered initially. Equally interestingly, every employee who had earlier failed to cite causes for leaving mentioned specific reasons on the questionnaire.

You must consider who is best to carry out interviews. Who will obtain the most helpful information while managing the process, and how will this be used? In Spain and Groysbe's HBR study [1], they found that:

- 70.9% of exit interviews were carried out by HR
- 19% by the employees' direct supervisors
- 8.9% were delegated to the direct supervisor's manager
- and 1% used external consultants

One senior executive [6] reported:

I've done a few exit interviews in my time and seen them done by the organisations I've worked for. If they're conducted by HR alone, action rarely ensues. They become a wasted opportunity and nothing changes.

Practice and opinions vary around which employees are given exit interviews. While some, for reasons of cost, only interview their most valued employees, others interview all their departees – thus signaling that the opinion of staff at all levels is valued by the company.

The world of work is changing, and employees have different expectations of what they want from their job. The retention of high potential employees is vital to the success of your organisation, so finding out why they are leaving is key. As we've discussed, when done well, exit interviews will provide you with the information that you need to make necessary and positive changes. Who knows, with a more effective exit interview, Matthew could now be enjoying a successful career with his former employer.

When managing an exit in the future, take care to consider the goals we covered today and, this week, have a think about times where an exit interview might have revealed something that otherwise took much longer to come out. If you're already in the process of managing an exit, seriously consider offering an exit interview to the person departing.

That's all for today. Thanks for listening.

[1] *Making Exit Interviews Count*, E. Spain and B. Groysberg (2016)

<https://hbr.org/2016/04/making-exit-interviews-count>

[2] *5 HR Challenges. 5 Ways Recognition Can Help*, O.C. Tanner (2024)

<https://www.octanner.com/en-uk/white-papers/5-hr-challenges-5-ways-recognition-can-help>

[3] *Why Every Leader Needs to Worry About Toxic Culture*, Donald Sull, Charles Sull, William Cipolli, and Caio Brighenti (2022)

<https://sloanreview.mit.edu/article/why-every-leader-needs-to-worry-about-toxic-culture/>

[4] *Pros and Cons of Exit Interviews and Surveys*, Natalie Wickham (2021)

<https://www.quantumworkplace.com/future-of-work/pros-and-cons-of-exit-interviews>

[5] *Validity of Exit Interviews*, J. Lefkowitz and M. Katz (1969)

<https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1744-6570.1969.tb00345.x>

[6] *Exit interviews – a tool for staff retention or just a waste of time?* Olive Keogh (2022)

<https://www.irishtimes.com/business/work/exit-interviews-a-tool-for-staff-retention-or-just-a-waste-of-time-1.4791769>