



**WHITEPAPER**  
VOLUME FIVE

**EXIT INTERVIEWING**  
WHAT NEEDS TO CHANGE?

# WHITEPAPER

## EXIT INTERVIEWING

### WHAT NEEDS TO CHANGE?

CONTACT DRAKE FOR FURTHER INFORMATION ON HOW YOU CAN CONVERT EXIT INTERVIEWS INTO A VALUABLE MANAGEMENT TOOL.

**CALL +1 800 GO DRAKE**  
**WWW.DRAKEINTL.COM**

#### **DRAKE INTERNATIONAL NORTH AMERICA**

VANCOUVER • EDMONTON  
CALGARY • WINNIPEG  
LONDON • HAMILTON  
OAKVILLE • MISSISSAUGA  
TORONTO • BELLEVILLE  
BROCKVILLE • KINGSTON  
CORNWALL • OTTAWA  
MONTRÉAL • QUEBEC CITY  
MONCTON • HALIFAX  
PLANTATION • LOS ALAMITOS  
ARCADIA • IRVINE

# EXIT INTERVIEWING

## CONTENTS

- 1 :: INTRODUCTION
- 2 :: WHAT ARE EXIT INTERVIEWS?
  - WHAT IS THE PURPOSE OF EXIT INTERVIEWS?
  - WHEN SHOULD EXIT INTERVIEWS BE DONE?
  - AN IMPARTIAL PERSPECTIVE
- 3 :: STRUCTURING THE EXIT INTERVIEW
  - QUESTIONS TO ASK AT THE BEGINNING OF THE INTERVIEW
  - QUESTIONS TO ASK IN THE MIDDLE OF THE INTERVIEW
  - QUESTIONS TO ASK IN CLOSING THE INTERVIEW
- 4 :: CONDUCTING THE EXIT INTERVIEW
- 5 :: FILED AND FORGOTTEN? REVIEWING AND USING EXIT INTERVIEW RESULTS
- 6 :: MEASURING RETURN ON INVESTMENT
  - REDUCED TURNOVER
  - STREAMLINED TIME AND COST EFFICIENCIES
- 7 :: CONCLUSION
- 8 :: COMMON EXIT INTERVIEW QUESTIONS
- 9 :: TIPS AND CHECKLIST



## 1 :: INTRODUCTION

As managers and leaders our success is a direct reflection of the success of our people. We are responsible to hire, coach and performance manage people who will succeed in their roles, who will grow with the company as they develop their career, and who ultimately will progress beyond us in a succession plan. At the end of the day, our success is their success.

Therefore there is nothing more challenging or upsetting than having one of your team members resign. It is particularly tough if you don't see it coming and you don't have a grasp on why they are leaving.

A recent study by a leading management consulting company shows that 80% of employees would like to advance their career with their current employer - but 51% believe they will have to leave to achieve their career goals'. Could it be that the best and most motivated career conscious people may be leaving organizations unnecessarily?

Reducing the investment of time and money currently channeled into re-sourcing, re-hiring and retraining new employees because of unnecessary staff turnover can have a significant impact on your organization's performance.

# EXIT INTERVIEWING

The measure of success is not whether you have a tough problem to deal with, but whether it is the same problem you had last year.

- John Foster Dulles

## 2 :: WHAT ARE EXIT INTERVIEWS?

When you review the reasons why people leave your company, what would you find? Would it be helpful to have a snapshot of this data to review the trends and better understand the reasoning? Would it be valuable to have a method using this information to incorporate positive change into your hiring and retention programs?

Employees that leave each have grounds for making their career choices. An 'exit interview' is a structured process where the departing employee can openly discuss their reasons for leaving their job. They can review their employment history with the organization and smoothly and professionally work through transition details.

Exit Interviews are designed to help management determine the actual reason behind a person's detachment from the company. The aim is to provide people a comfortable environment where they can provide frank and honest answers on topics regarding the department, team, manager and company. They can share likes and dislikes on a number of fronts: Culture, People, Company Strategy, and Career Development. Finally, in a best case scenario they will take the time to share suggestions on what needs to be done to improve the company.

### What is the purpose of exit interviews?

The recipe for perpetual ignorance is:

Be satisfied with your opinions and content with your knowledge.  
- Elbert Hubbard

Being aware of the issues that lead to employees prematurely departing your company provides you and your organization with valuable information, information that you can use to positively apply to the future.

The purpose of exit interviews includes:

- uncovering possible organizational issues
- managing transition
- managing knowledge
- managing relationships professionally
- evaluating your sourcing and selection process
- providing feedback and suggestions on how to improve

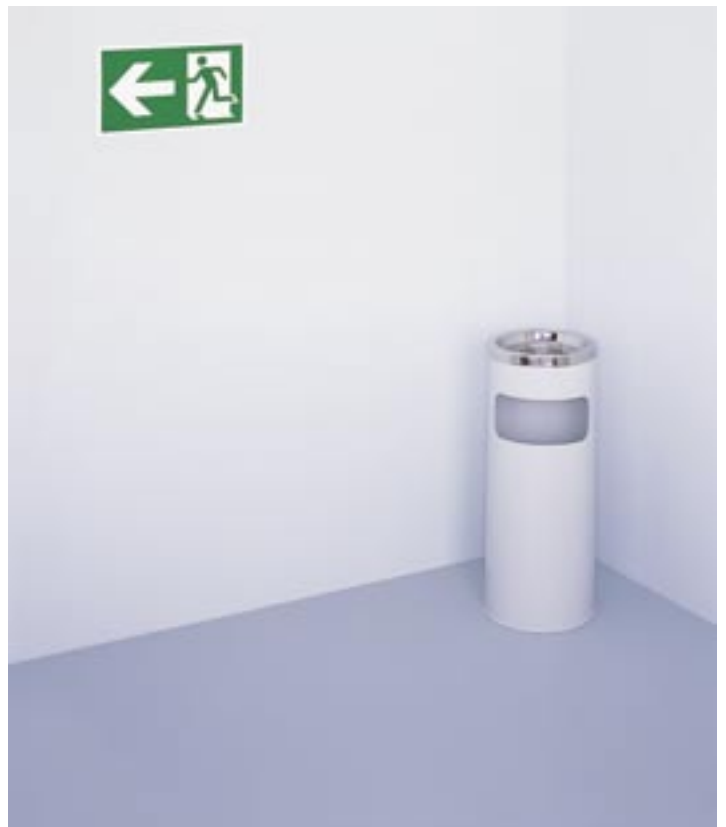
Exit interviews help to identify important organizational issues. Once uncovered, companies can begin the process of developing solutions to address the issues.

They can also help manage the professional transition of a

person ensuring that all the issues that should be addressed prior to their leaving are addressed via an exit interview checklist.

Exit interviews can be designed to bridge the knowledge gap that will exist once the person has departed. Departing staff know the status of projects and intricacies of the role better than even you do. This will likely include: general knowledge and tacit knowledge. General knowledge is already documented and includes: hard and soft files; e-mails; and knowledge that can be easily recovered. In addition, companies need to consider how to capture tacit knowledge (knowledge that is less easy to capture and that needs to be explained or demonstrated). The exit interview can capture knowledge and start the process of transitioning that knowledge to the appropriate person.

The exit interview can provide positive reinforcement of the company's desire to remain in contact and to develop the relationship further regardless of their employment status.



# EXIT INTERVIEWING

## When should exit interviews be done?

Every time an employee leaves the company an exit interview should be done.

Companies need to distinguish between the various categories of departing employees, as you will want to segment their responses to various questions pending the manner they are leaving the company.

You will want to consider segmenting:

- Employees that resign (voluntary termination)
- Employees that are terminated by the company (involuntary termination)

An exit interview shouldn't be confused with the communication a candidate or employee provides to his/her manager when they express their decision to leave the company. At that moment, emotions can run high and surprise can cloud perspective. The questions management ask when a person resigns are not usually prepared or recorded, and the answers are generally not useful to understanding the true root causes as to why they are leaving.

Some organizations conduct exit interviews before an employee leaves, folding it in with other administrative procedures, such as discussing final pay, references, and the return of company property. Other organizations conduct them well after an employee has left where challenges often arise - waiting too long risks having the ex-employee shift their focus and lose interest in providing valuable feedback. Ideally, exit interviews are conducted a few days before the employee's final separation with the company. Conducting the interview within this short period of time sends a positive message to the individual and throughout the organization that the employer is genuinely interested in learning about what went wrong, and that the company wants to maintain a professional working relationship. It also shows that the company has a sense of urgency with the situation. This timing will also allow the opportunity to encourage the employee to review their decision to leave if you disagree with their decision.

People will always leave a company spontaneously. Organizations should anticipate these situations and have an exit interview plan proactively in place. As soon as you are aware that a person is leaving you need to customize your plan to fit the needs of the particular person being interviewed.



- Who conducts exit interviews in your company today?

Creating an atmosphere that encourages the expression of frank, forthright opinions about the department, team, manager, company and the job itself should be the goal of any exit interview.

When conducting exit interviews companies should carefully consider who will conduct the interview. This decision should be reviewed for every exit interview. You should not apply a standard one-size-fits-all policy (i.e. The HR Manager always conducts exit interviews). Companies need to evaluate each situation in its unique light and decide who the best representative would be to effectively debrief with the employee.

Some thoughts to consider when debriefing a departing employee:

- The employee's immediate manager is ultimately the person who has had day-to-day contact and responsibility for this employee and may be a reason why the employee is not continuing with your firm. Is this the best person to conduct the exit interview?
- HR Managers are often viewed as a representative of 'management' and therefore may not be considered objective and impartial. Is this the best person to conduct the exit interview?

You need to consider how the person being interviewed will trust the interviewer. Will they be candid and truthful with their answers? People never want to 'burn bridges' and may therefore be hesitant to honestly share their opinions openly with someone who might take their feedback personally, out of context, or worse - make it political.

## An Impartial Perspective

To ensure you are capturing unbiased information it is preferable that someone other than the immediate manager conducts the exit interview. HR professionals suggest outsourcing exit interviews to an impartial third party. After familiarizing themselves with the employee's personal history and the responsibilities of the position, an objective third party exit interviewer can improve both the integrity and quality of information gathered. Bringing an impartial perspective to the process can ensure confidentiality and integrity of the facts since there will be no 'hidden agenda' or 'organizational filters' involved.

Third party interviewers are emotionally neutral and unlikely to pass judgment on people or organizational processes. This means departing employees can discuss sensitive issues in detail so that the interview can identify very specific problems. Confidentiality is critically important. A third party is committed to maintaining confidentiality and privacy.

# EXIT INTERVIEWING

## 3 :: STRUCTURING THE EXIT INTERVIEW

Before beginning, plan carefully. - Marcus T. Cicero

The structure and design of the questions are the foundation of any successful exit interview.

A template of exit interview questions customized for your company should be created in advance. You can further customize the interview questions to specific individuals based on why they are departing the company (voluntary vs involuntary termination), their role, seniority and other relevant circumstances.

When compiling your company's questions keep in mind the end goal - to learn as much about your company (or the perception of your company), the elements of the relevant job and other factors that influenced this person. A random list of questions quickly put together will likely not lead to valuable answers. Questions need focus and should follow a logical order.

Some areas around which you will want to consider constructing exit interview questions include:

**The Organization** - workplace environment questions will prompt for information around such topics as culture, compensation, working conditions and opportunities for advancement. While almost everyone at one time or another complains about not earning enough money it is seldom the major reason people leave a company.

**Management** – another common factor associated with job dissatisfaction is an employee's immediate manager. This is a person who can strongly influence an employee's job satisfaction, making it either wonderful or miserable. Exit interview questions should encourage information sharing and provide insight into managerial skills.

**Job Profile** – lack of necessary on-the-job skills often lead to job failure. Asking questions about skills and knowledge that are necessary to be successful on the job provide you insight into the individual's understanding (or lack of understanding) of the role requirements, and may even provide you with new information that of which you weren't aware. You will want to reference the 'ideal role profile'<sup>2</sup> when you are thinking about what questions to ask.

**Development** – poor training or lack of opportunity to develop and grow in a career often leads to a dissatisfied employee.

Effective exit interviews should be structured to include a selection of different types of questions. Specific questions

allow the company to collect specific answers, while questions that are more 'open-ended' create flexibility for the answers to lead feedback and opinions in various directions.

Structure the interview to establish rapport and credibility.

### Questions to Ask at the Beginning of the Interview

Get the respondents involved in the interview as soon as possible. Start with simple, easy to answer questions and then work up to the hardest. Before asking about controversial matters (such as feelings and conclusions), first ask about some facts. With this approach, respondents can more easily engage in the interview, warming up to the interview style and process before getting involved in more personal and controversial matters. A blend of multiple choice and specific fact questions at the beginning of the interview can assist in capturing extensive information. If the interviewee becomes disengaged at some point throughout the process, you can always return to some of these more comfortable questions.

### Questions to Ask in the Middle of the Interview

Next, build the depth of the interview by integrating the interviewee's opinions through open-ended questions, and by interspersing rank and rate statements. Ask questions about the "present" before questions about the "past or future". It's usually easier for them to talk about the present and then work into the past or future. This section of the interview should delve into questions about:

- The Job  
(responsibilities and expectations, training, preparation)
- The Supervisor  
(direct reporting, career development, support, communication)
- The Department  
(environment, culture, fellow employees, expectations)
- Management  
(management changes, expectations, visibility)
- Compensation and Benefits  
(increases, changes, overtime, benefit packages)

**Open-Ended Questions.** When creating open-ended questions allow for plenty of expression and try to find out if there are things the departing or declining employee would suggest to improve.

For example –

- Why are you leaving?
- What did you like most about the company / this role?
- Under what conditions would you have stayed?
- If you had had a magic wand, what would you have changed?

# EXIT INTERVIEWING

**Ranking and Rating Statements.** With ranking statements you could create a list of statements and then ask the individual to rank order them from most important to least important based on their opinion. With rating statements you would create a statement and then ask the individual to rate the statement using a 5 point scale, 1 being lowest, 5 being highest.

## For example –

Rank the following 6 statements in order of most true to least true. I decided to leave the organization because of:

- Compensation and Benefits
- Management
- Future Career Development and Opportunities
- Company Culture
- Job Skills
- Work Environment

Rate the following statements using a 5 point scale - 1 being least true, 5 being most true.

- I'm happy with the hours we operate
- My workload was reasonable

Adapt this process to have individuals expand upon their answers verbally, and address specifics that are perhaps not innate to the question. For example, if the employee does not agree with the statement “Work load was reasonable”, they can expand upon their thoughts, give details as to why the situation is considered unreasonable from their perspective and are invited to offer suggestions as to what can be done to make it reasonable.

## Questions to Ask in Closing the Interview

Closing questions should allow respondents to provide additional information they deem important, and their impressions of the interview. Responses to this section should be monitored for gaps in the survey itself. If a large percentage of people are using this section to make comments about a particular issue, it should be added as a priority to the sections above. For example, if a large percentage of people have comments or issues with working excessive hours, it usually makes sense to add that as an item in the interview.

A professional exit interview solution not only ensures questions will be proactively created and selected to suit concerns about your particular organization, but it can electronically warehouse your database of questions making it easy to access, customize and save your questions tailored to specific situation. Solutions like Drake's Web@ssessor technology make the design and development of survey questions efficient and effective for your company.

## 4 :: CONDUCTING THE EXIT INTERVIEW

Having a ‘friendly chat’ in the office before the employee leaves is a far cry from the comprehensive and purposeful exit interviews of today. Traditional exit interviews have been conducted using a variety of data collection methods, including:

- face-to-face meetings
- over the telephone discussions, or
- by filling out a standard written questionnaire

However, the most effective exit interviews combine a 2-step process integrating:

1. A self-administered web-based survey - allowing a declining or departing employee to record answers to customized questions simply and easily at any computer, anytime. Using a web-based survey such as Drake's Web@ssessor technology, the self-managed survey increases survey participation by having them complete the survey whenever and wherever they would like, within an agreed timeframe
2. With face-to-face and telephone follow-up meetings

By combining together a web-based survey followed by face-to-face and/or telephone meetings you enable the exiting employee to candidly respond to specific questions that you have designed for that individual, while being able to effectively probe further into their answers.

## 5 :: FILED & FORGOTTEN?

### REVIEWING & USING EXIT INTERVIEW RESULTS



Consider:

- How do you review your company's exit interview results today? What organizational changes do you make based on the exit interview results?

There is little point in conducting exit interviews unless the information is going to be used to help make your company become more effective. Without action and follow-through, there is no value to conducting an exit interview.

Shuffling through papers, reading tons of answers, sorting through forms, or listening to a series of recorded interviews is certainly not the easiest way to get a ‘birds eye view’ of your company's challenges and opportunity for change. While it may be easy to collect the data, how do you turn it into useful information?

# EXIT INTERVIEWING

While there is no question that the survey data must be analyzed and presented in a management report, the question is how do you do this efficiently, consistently and cost effectively? How do you keep on top of the information, without letting the process weigh you down? How do you consider confidentiality and privacy issues when deciding who should receive access to this information?

Over time, careful analysis and tracking of exit interview outcomes will identify trends and patterns as to why people leave your company. Whether turnover is higher in certain positions and divisions, whether there are management issues in certain areas, and whether you are offering remuneration which is in line with the competition, will all be made clearer when exit interviews are conducted properly and the results handled with due attention.

Management will want to monitor progress over time. Valid data comparisons can be made contrasting period over period exit interview results, and contrasting that with turnover levels. You can track whether the changes had the desired effect by comparing the ongoing exit interview results with the current employee satisfaction through employee attitude surveys.

Organizations welcome the opportunity to outsource the exit interview process, not only because of the objectivity associated to a third party partner, but because many small to medium sized companies simply don't have HR resources who can take responsibility for the task. While larger organizations have HR departments that can conduct the interviews, they do not have the time or resources required to effectively analyze the results within a reasonable time period. A specialized third party can deliver this and identify trends in employee issues so that management is continuously alerted to potential problems. Discoveries made by external, unbiased companies are often better received by management than from an internal report.

## 6 :: MEASURING RETURN ON INVESTMENT

- The last time you left a company, was the exit experience as comprehensive as this? If it had been, would it have made a positive impression on you?
- Imagine having this comprehensive an exit interview process integrated into your current organization, what positive impact could it make starting immediately?
- How does your organization measure its exit interview return on investment?

In measurable terms, return on investment is defined as - reduced costs, avoided costs, and potentially increased revenues.

Often there are large variable costs associated with implementing exit interview programs including time and salaries. As a responsible executive you need to be certain that your investment is wisely spent and will produce a significant return for you.



Consider:

What are some of these costs? How can you drive and measure a strong ROI?

We are confident that the return on investment from an effective exit interview program will far exceed your expectations.

These key areas are used to evaluate Exit Interview ROI:

1. Reduced Turnover
2. Streamlined Cost and Time Efficiencies

### Reduced Turnover

Exit Interview processes should be designed to address the needs, concerns and interests of your departing employees. As the economy improves and the labour market tightens, it is imperative to retain your employees. The first step to keeping employees is a process which will attract, hire, onboard and orient<sup>3</sup> talented people who are worth keeping. The most desirable workers are worthless if they leave the company too soon. But unfortunately every company does lose good people, likely all too often<sup>4</sup>.

Replacing employees is costly at any time, but can be particularly expensive within the first six to twelve months of their employment considering some of the following financial implications:

HIRING ACTIVITY	HYPOTHETICAL COSTS
Advertising	\$400
Screening	\$570
Interviewing	\$990
Orientation	\$112
Equipping/Administration	\$1 300
Training	\$10 571
<b>Total Cost of Recruitment</b>	<b>\$13 943</b>

<sup>†</sup> The above table highlights a range of typical costs associated with employing someone for a secretarial position worth \$35 000 per annum who reports to someone earning \$55 000 per annum. The figures are based on an actual case study within the insurance industry. The cost this company spends on replacing someone for this position is \$13,943, in addition to the individual's salary. Using exit interviews to learn from your past departing employees provides you with techniques to reduce your turnover with existing staff.

# EXIT INTERVIEWING

## ROI Calculation

500	The average number of employees in your company
x % 20	Multiplied by the average annual employee turnover in %
= 100	Equals the actual number of people that depart your company annually
x % 10	Multiplied by the reduction % of staff turnover Exit Interviews can produce
= 10	The number of people Exit Interviews can 'save' per year
x \$ 13 943	The average cost of a replacing a person Equals the Exit Interview savings
= \$ 139 430	
- \$ 5 000	Minus cost of an annual Exit Interview program to company <sup>5</sup>
<u>\$ 134 430</u>	Equals the Return on Investment (2689%)

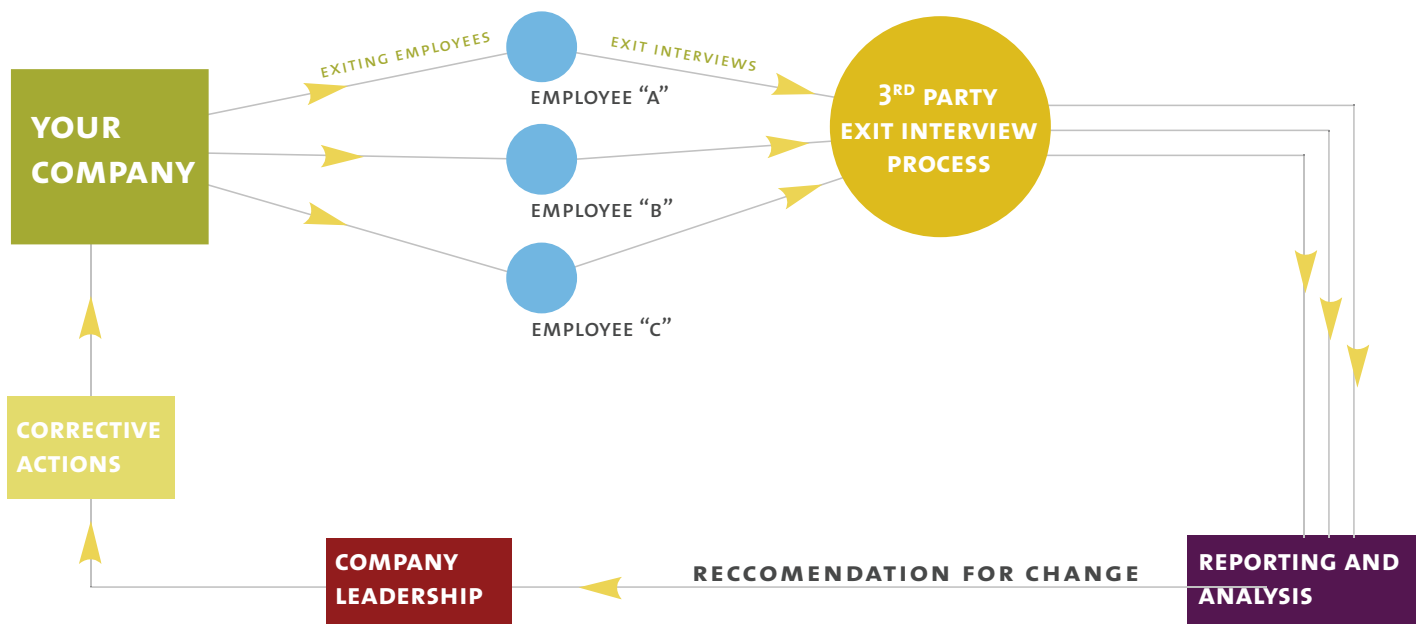
## For example: Streamlined Time and Cost Efficiencies

- Cost of the time spent by trainers and managers to be involved in the programs preparing and transferring knowledge, not including the opportunity cost lost when they are not productive themselves
- Cost to company based on reduced knowledge and morale from staff turning over
- Cost of the time spent by recruiters and hiring managers 'selling' the company, the vision, and the future opportunity to candidates

We appreciate that traditional exit interviews in themselves may accomplish little, except to provide an indication of corporate concern and interest to the departing individual. They might even invite a complaint session.

<sup>5</sup> :: Cost will vary depending on the customized program created for your company

## THE EXIT INTERVIEW PROCESS



# EXIT INTERVIEWING

## 7 :: CONCLUSION

What's ironic about exit interviews is that if the same amount of time and attention were dedicated to the existing employee as is suggested in our exit interview process, you likely would not have an exiting employee. All of this information should have been asked earlier, probably by the internal recruiter or the immediate manager and via a formal or informal progress review. The fact that we don't know the answers to the questions we are asking departing employees, that no one asked in the first place, is no doubt a partial indicator of why the person has chosen to leave in the first place!

However, by managing the process by the right person, at the right time, by asking the right questions, processing and responding to the answers, and using the information to create necessary change you can convert exit interviews into one of the most valuable management tools your company utilizes. If your company does not have an exit interview process or one that is not delivering the impartial results you were hoping for, take steps today to make this critical process a success.

Let Drake do the work for you. Our online, fully customizable Exit Interview process will deliver the results you need.

## 8 :: EXAMPLES OF COMMON EXIT INTERVIEW QUESTIONS:

- Why did you initially join this organization?
- What would you change about your job?
  - What was the most satisfying aspect of your job?
  - What was the least satisfying aspect of your job?
- Did your job responsibilities turn out to be as you expected?
  - Did you receive enough training to do your job effectively?
  - Did you receive adequate support to do your job?
- Were you satisfied with this company's performance review process?
  - Did you receive sufficient and regular feedback about your performance between reviews?
- Were you happy with your pay, benefits and other incentives?
- Did this company help you to fulfill your career goals?
- What would you improve to make our workplace better?
- What was the quality of the supervision you received?
  - What could your immediate supervisor do to improve his or her management style?
- Based on your experience with us, what do you think it takes to succeed at this company?
  - Did any company policies or procedures (or any other obstacles) make your job more difficult?
- Would you consider working again for this company in the future?
  - Would you recommend working for this company to your family and friends?
- How do you generally feel about this company?
  - What did you like most about this company?
  - What did you like least about this company?
- Before deciding to leave, did you investigate a transfer within the company?
- What message would you give to management upon your departure?
- Ask a "fantasy" question: If the CEO left and you took his/her place, what would you do?
- What is your primary reason for leaving?
  - Did anything trigger your decision to leave?
- What does your new company offer that this company doesn't?
- Can this company do anything to encourage you to stay?
- Do you have any tips to help us find your replacement?
- Any other comments?

## 9 :: TIPS AND CHECKLIST:

Here are a few pointers to make the Exit Interview process run as smoothly as possible:

- Have an agenda. Know what information you want to find out.
- Consider the format from which you are likely to get the most honest and effective answers. Online mediums generate fast and reportable results in a timely manner.
- Determine the most effective design of the Exit Interview which covers your bases on all sides of the issue.
- Begin your Exit Interview with the most obvious question first: ask them why they are leaving.
- Choose an objective third party who is not personally involved with the employee and therefore not clouded by an irrational approach.
- Realize that Exit Interviews should be conducted calmly, encouraging meaningful answers.
- Do not act shocked or become defensive when they tell you something you do not want to hear - what they are telling you is probably vital.
- Find out what would have made them stay – if anything.
- Let them talk about their contribution to the company, what they did in their role, what type of person would be suited to that position – learn about the position.
- Ask what they liked most and least about their role.
- Use the information wisely to make changes to improve job skill requirements, staff shifts or changes and training.

## ABOUT DRAKE

Members of The Drake International Group of Companies are global leaders in the field of human resources, consultative management, staffing and technology solutions. For more than 50 years, Drake International has helped North American businesses solve productivity problems and recruit the best people. We begin with a business needs analysis which pinpoints the optimal way in which we can help your organization achieve its strategic objectives and overall workforce optimization strategy.

Using a partnership approach to deliver measurable results, Drake optimizes a company's profitability applying a blend of flexible staffing, permanent recruitment and technology solutions. Using innovative strategies Drake reduces costs, increases revenue and customizes HR solutions including outsourcing of non-core business functions. Our unique vision plans to hire the right people for our clients the first time, thus saving them money by reducing their need for recruitment.

Drake's operating philosophy is based on the principle that organizations and people are at the highest level of productivity when they are working with the right skills, knowledge and behaviours, using the best processes and technologies.

We aim to assist your organization in achieving heightened productivity, performance and profit standards through the effective use of people and the application of proprietary technologies to help match workforce levels to workload. Allow Drake to help you and your company Outperform.

CONTACT DRAKE FOR FURTHER INFORMATION ON HOW  
YOU CAN CONVERT EXIT INTERVIEWS INTO A VALUABLE  
MANAGEMENT TOOL.

CALL +1 800 GO DRAKE  
[WWW.DRAKEINTL.COM](http://WWW.DRAKEINTL.COM)

## DRAKE INTERNATIONAL NORTH AMERICA

VANCOUVER • EDMONTON  
CALGARY • WINNIPEG  
LONDON • HAMILTON  
OAKVILLE • MISSISSAUGA  
TORONTO • BELLEVILLE  
BROCKVILLE • KINGSTON  
CORNWALL • OTTAWA  
MONTRÉAL • QUEBEC CITY  
MONCTON • HALIFAX  
PLANTATION • LOS ALAMITOS  
ARCADIA • IRVINE



COPYRIGHT  
©DRAKE INTERNATIONAL NA  
ALL RIGHTS RESERVED.  
DRAKE, ITS LOGO, AND  
DRAKE OUTPERFORM  
ARE TRADEMARKS OF  
DRAKE INTERNATIONAL.