

How Exit Surveys can help you improve retention



People leave jobs all the time, it's a fact of life, something not worth worrying about, something we can't change right? Well, have you ever found yourself wondering why you keep losing good people who you would rather keep? Have you ever wondered what it costs to keep replacing people when they leave? If you haven't asked yourself the question before give it a go:

- how many people have left your organisation in the past year?
- how much did you spend on replacing them?
- what would have been the benefit if you could have retained some of those people?

Replacing people is expensive, not only in terms of direct recruitment costs, but also lost opportunity costs and the additional strain it places on the organisation.

People leave for a multitude of reasons, but the point is unless you know the reasons you will never have the chance to put them right and you will keep on losing people.

We argue that finding out why people decide to leave is not only good practice, but has the potential to add significant value to your business.

Exit Surveys

Many organisations, often larger ones with their own HR/Personnel departments, carry out exit interviews with people who are leaving. This is good practice and (in theory) allows them to record the reasons why people leave so they can find out how to do things differently in the future in order to retain people for longer. However, we often find that there are limitations to the exit interview:

- you need to dedicate resource to conducting the interview – which is why it tends to be done primarily in large organisations
- the information collected from the interview is not always fed back to the organisation, it just sits in a “file” somewhere - the box has been ticked
- the data collected is not pooled or analysed in any methodical way so trends are missed
- employees often feel uncomfortable sharing the real reasons they are leaving or think that it is pointless, so the reasons given are along the lines of “to pursue other career opportunities” etc.

The decision to resign is rarely taken lightly – it is invariably triggered by something or a series of events over a period of time. The reason *that triggered the decision* to leave is what we are really after, not what the person has decided to do having made that decision.

Of course many companies don't do exit interviews. If you are comfortable with the frequency with which people leave then that's fine (if it ain't broke don't fix it right?!), but we would challenge you not to be complacent – avoiding the loss of one good person will provide payback enough for taking the time to make sure.

The good news is that finding out why people are leaving needn't involve a formal interview or bureaucratic exercise.

What's the best way to do it?

The objective is to gather enough data so that trends can be identified and actions put in place.

The start point is to create a set of questions designed to find out why people are leaving. This questionnaire can then either be answered during a face to face interview or by asking the employee to complete the questionnaire in isolation.

There are choices associated with this such as:

- should the process be anonymous or not? A “public” process makes it difficult to be anonymous. If the employee does not trust how the data will be used or the person conducting the interview they may hold back.
- do we design the questionnaire with lots of “open” spaces so people can elaborate or stick to rating scales? Lots of text might provide more detail, but it makes data analysis difficult – at the end of the day we need to identify trends.
- who should administer the process? HR often get involved as it appears to demonstrate some impartiality. And, let's face it, line managers are too busy running the business to spend time on stuff like that! The real reason the person is leaving...??.
- how is the data used – if it is fed back immediately then the process can no longer be anonymous and trends can't be accurately identified

It helps to design the questions from the perspective of an employee. Too many exit surveys focus on questions along the lines of (flippantly) “was the coffee nice enough?”. We would challenge you not to avoid the uncomfortable issues. Think about jobs you have left – what were your reasons? They probably boiled down to your relationships with your boss, the nature of your job and the company itself. If the data you collect

is to be of real value it needs to reflect reality and not just be a tick box exercise. Remember what we said earlier – it is the reasons behind the *decision to leave* we are trying to track not the decision over what the employee decided to do next.

In addition it will help if the questions are applied consistently so you can gather the data in a standard format. This will allow you to analyse it in a number of different ways and reveal trends such as:

- are we losing people from a specific part of the organisation more than others?
- are we losing people from a certain level of the organisation?
- what is the average length of service of the people we are losing – is it after a short period of time?
- what are the key reasons people are giving for leaving?
- etc.

Review the data on a regular basis. Use it as a business metric along with your key financial data. If you have an issue it will be costing you money so the quicker you can identify trends and rectify them the better. As such treat the data as management data, not just HR data – it will tell you a story that your managers need to act on.

And now the tough bit – some of the issues might be down to managers themselves. Be prepared to handle the feedback sensitively and support managers who may need to review and change their management style.