Exit Interviews: time for a tune-up?

There tends to be little argument these days, even from CFOs and CEOs, that hanging on to talent is a core, high priority business issue. Yet many organisations are uncertain about which levers to pull in order to do this.

Rigorously conducted exit interviews are arguably the most reliable source of information for reducing staff turnover. While most organisations conduct exit interviews, very few are extracting the gold from them. A recent finding from SHRM was that 87% of organisations conduct exit interviews, yet less than 50% use the information gained. In reality fewer than 20% of organisations are likely to be conducting exit interviews in a way that validly identifies their "one thing" that will have the biggest impact on staff turnover.

There are four important features of a best practice exit interview process. They are:

1. asking the right questions
2. obtaining honest, complete answers
3. having ready access to user friendly, relevant reports
4. achieving a high response rate

Asking the right questions

There are three aspects to asking the right questions in an exit interview: quantity, quality, and structure. First, the quantity of questions needs to be sufficient to identify, not just what your problem is, but how to fix it. A recent trend towards on-line surveys is worrying on this front as they are acknowledged, even by their providers, to be limited in the number of questions that can be asked before Departers disengage from the process. So while they might help identify the right ball park in which to find your "one thing", they are unlikely to allow you to hone in on the detail needed to pinpoint it.

For example many organisations discover that the quality of management is an important driver of staff turnover. Yet few can pinpoint the skills gaps that are the culprit because they ask Departers for insufficient feedback on manager behaviour.

Secondly, to ensure quality, the questions should be based on empirical research on staff turnover and retention. This helps ensure that you target the issues that will in fact affect staff turnover, rather than aspects of staff satisfaction, productivity and other issues that are important but may not be the cause of turnover. The questions should also be based on practical HR experience so that important HR questions can be answered around recruitment, OD and L&D practices.

Thirdly, questions need to be structured in a way that allows you to hone in on your "one thing". The most common practice of simply asking people why they are leaving or asking them to choose from a variety of pre-set options, does not achieve this. Nor does asking them to rank their reasons in order of importance. To be able to validly identify your "one thing", true exit reasons need to be separated out from dissatisfiers (issues they were unhappy with but didn't necessarily <u>cause</u> them to leave) and the true exit reasons need to be weighted for impact.

Again, the absence of facilitation in online surveys means they are unable to deliver reliably, this kind of sophisticated questioning. It requires a human being to walk the Departer through a structured problem solving process to articulate clearly the root causes of their departure.

Obtaining honest, complete answers

Anyone who has studied empirical research methodology knows that the fastest way to fail the subject is to put insufficient rigour into your data collection method.
Departers often feel reluctant to speak freely about their reasons for leaving an organisation for fear of burning bridges or being "off side" with people in the industry.

To help Departers feel safe enough to be honest, a well structured disclosure control process is needed. The most effective way to achieve this, as concluded by a recent Mercer review of exit interview practices, is to outsource the process to an independent third party.

Involving a human being is also essential for obtaining honest, complete answers. A skilled Interviewer can detect signals that there might be more to the story, they can reassure the Departer of their safety, encourage them to be open, and in doing so, prevent the thoughtless "tick and flick" that can sometimes occur with an online survey in the last busy week of employment. They can also check for consistency in the story, for example where the quality of management was not mentioned, yet low ratings were given for management competence.

Exit interviews that are conducted internally often get a tick for involving human beings however they tend not to provide the safety needed by Departers nor the consistency required for rigorous data collection. Interviews are often poorly structured and Interviewers, while they often have the necessary interpersonal skills, are often not trained to conduct the interview using a consistent, structured process.

Ready access to user friendly, relevant reports

The most cleverly and thoroughly designed questions, with a rigorous interview process is still of dubious value if those who can act on the insights (management and HR) don't have ready access to the relevant exit data.

To be useful, exit data needs to be accessible at any time, commonly used reports should be able to be saved as templates, and users need to be able to slice and dice their data so that they can interrogate and understand it.

The basic access should include exit data reported by factors such as:

- age
- gender
- tenure
- time in role
- role type
- performance rating
- department
- location

Managers who have access to this kind of data can usually identify the ball park of the problem. However to go deeper and understand it fully, they need to be able to slice it further as the basic reports often raise more questions than they answer. Some examples of more sophisticated questions that exit reporting should answer are:

- which aspects of the organisation most affect Departers' willingness to recommend us as an employer?

- was the feedback different in any way between those who said they would rejoin us and those who wouldn't?
- for those who said we could have convinced them to stay, what were their main reasons for leaving? were they different to others?

There are many more questions that good exit data raises. The reporting system needs to be flexible enough to answer them.

Achieving high response rates

To validly answer the question "what's our one thing?" organisations need to have a high response rate with their exit interviews. Many organisations achieve response rates as low as 30%. To draw organisation-wide conclusions from 30% of the population is more than a little dangerous. A well structured exit interview process should be achieving response rates of around 90% of voluntary Departers. Organisations should also try to conduct the interviews prior to employees leaving as response rates diminish markedly once they have left.

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