EXIT INTERVIEW – A STRATEGIC TOOL TO MEASURE ATTRITION

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ABSTRACT

People are important asset to the organization. Organizations invest a lot of time, money and energy to hire, coach and manage performances of their employees. At the end of the day an organization gets an identity and success only because of his employees. Therefore, there is nothing more challenging than to focus on employee retention and more upsetting to know that one of your team members is set to depart. Exit interviews are critical to any organisations as they provide an opportunity for the employees to express their reasons for exit and enable the organizations to review and improve upon their employee retention policies. This is an unique chance for an organization to understand the perception of departing employees who generally will more open and objective about their perception on organizational policies and practices. However corporate insecurity and defensiveness can act as a barrier in implementing exit interview process objectively. Also the feedback received from the employees during the process are masked due to their personal reason or simply not taking the exit interviews seriously. They even feel that it will block their re- entry in the organization, if so desired and may find it difficult to face an ex-colleague or manager in future if they cross paths.

KEYWORDS: Exit Interview, Attrition, Strategic Tools

INTRODUCTION

Over the years a great emphasis has been led upon to understand the reasons for employees exit. In order to understand this HR practitioners try to focus on the facts that come out as a result of exit interview. They do so due to the belief that an exit interview helps the organization to understand the reasons for voluntary employee turnover and also to gather the information whic can help to improve individual and organizational performance. The purpose of this study is to analyse the exit interview process of large professional organizations. By investigating the above said process the researchers will be able to throw light on reasons for exit and develop strategic tools to measure attrition and to reduce employee turnover. From the organizations perspectives the primary aim of exit interview is to understand the reasons for departure of an employee. As these reasons could become helpful drivers for organizational development. A good exit interview must focus on getting improvement on working environment, culture, systems and processes leadership and developmental opportunities etc.

This information could be a guiding tool for curving organizational attrition level. It has also been observed that employees generally overlook the opportunity they get in exit interview and choose not to comment on their pain points during the tennure in the organization and also the organisations miss to capture and analyse the opinions of departing employees who are more forthcoming, constructive and objective in their expressions about the organizational practices and procedures. From the above it can be inferred that If exit interviews are handled in a professional way it can help to improve work environment and reduce the attrition rate for the organization. With this background, the article attempts to

understand the importance of exit interview and also tries to understand how it can be helpful in building a healthy and productive future for the organization.

LITERATURE REVIEW

According to Van Wert, I. Gregg (2004) in his article" An evolving view of exit interviews" said that attrition is going to be there and it should there. The challenge of good management is to ensure that such attrition is acceptable, and that it stays that way, he added. The main purpose of the exit interview is to find out the reasons for their exit and to ensure they do so in an orderly way. Many managers try to avoid the exit interview because they feel that it may reveal their organisational limitations and failures, which may not be liked by the top management. He also suggested that Interview findings must be communicated in the form of recommendations and suggestions tor training. It was further substantiated by Neil, Martha (2006), the purpose of exit interview is to gather real information about their experience at the firm and also to understand why they are looking to leave and what led them to make that decision.

Levin Geg (2007) discusses the critical practices and components that should be incorporated into any exit interview strategy to positively impact on staff attrition. He suggested that using an independent third party to conduct exit interviews is the best way to make the departing employees at ease during the interview process and also to get best results in exit interviewing, standardizing the interview or survey process is important.

Faragher, Jo (2008) said in his article "Why staff really leave" that employee's real reasons for leaving a job are quite different to why human resource (HR) thinks they go. His article survey further revealed that 79 percent of organisations do not have a discrete budget for employee retention. He also said that anonymous data must be most valued, the organisation must not always try to find out fault in supervision and there is always a confusion on ownership of exit interview data.

Bhatnagar, Jyotsna. (2007) further added that factors of organizational culture, career planning along with incentives and organizational support must be focus of exit interview data. It was further mentioned in the article that the first two were indicative of high attrition.

In the words of Flamholtz. E. G (2003), the exit interview enables not only an improved understanding of the reasons why employees leave, but provides opportunities for effective communication in several additional areas as well. These include for example: clarification of complaints against employees being released; sharing of information about benefits, including maintenance of medical insurance, pension programs, and eligibility for unemployment compensation; promotion of positive relations with former employees; discussion of policies on references and eligibility for rehire; and identification of problem areas that require corrective measures.

Garretson, P., & Teel, K. S. (1992) pointed that the two major elements of the exit interview are discovery and communication. Neither the discovery of an employee's motivation for vacating a position nor the sharing of this information with management is easy tasks. A commitment of sufficient time and appropriate staff for dialogue, analysis, and feedback is essential. Staff understanding and cooperation are also critical so that the exit interview is viewed as more than another mandatory procedure that must be completed before a final pay-check is issued.

Relevance of the Study 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. Employees those leave have grounds for making their career choices. 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.

OBJECTIVE OF STUDY

- To examine the process of Exit Interview

- To understand the elements of Exit Interview and to integrate it with strategic HR activities of the organisation

- To ascertain the outcomes, pros and cons of Exit Interview

RESEARCH METHODOLGY

The research study is empirical as it tries to find out the opinions and perceptions of the employees of an organization. For the confidential reasons the names of the organisations have not been disclosed. Survey research methodology was adopted and the data was collected by both primary and secondary method. The questionnaire was prepared by exploring literature review in form of secondary information, which was collected with the help of published research papers, white papers and websites.

The questions in the questionnaire give the researcher a scope to find out factors that make the exit interviews successful and useful for the organisation. The attempt is to make it effective, so that the data extracted from the process can be used for various strategic HR initiatives. The population of the study consists of employees of various manufacturing organisations, operating in factory set up across country. The total sample size consists of 95 respondents. The sample selection technique adopted for getting the questionnaires filled is Simple Probability method.

DATA ANALYSIS AND INTERPRETATION

Table 1: Personal Reasons for Organisational Exit

|	
Relocation	14.00%
Intention to start own venture	19.00%
Health	37.00%
Family related problems	30.00%
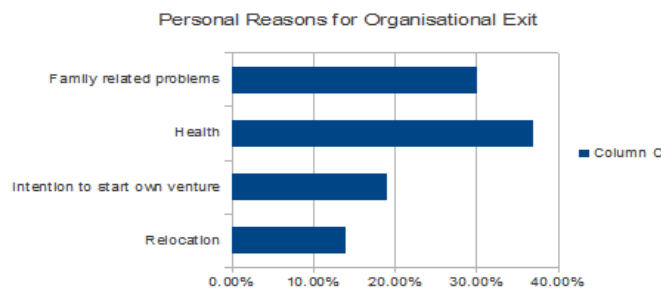
Figure 1

The above graph shows that health is the primary factor for leaving the organisation, followed by family related problems. Almost 67% of employees have respondents to the above as their reason for exit. As the respondents are from manufacturing set up, heath hazards are one of primary reason for their exit from the organisation.

Table 2: Exit Due to Professional Growth Reasons

Lack of T & D	7.00%
Self Employment	25.00%
Higher Studies	12.00%
Job Profile	19.00%
Low Growth Opportunities	14.00%
Lack of Challenge	20.00%
Others	3.00%
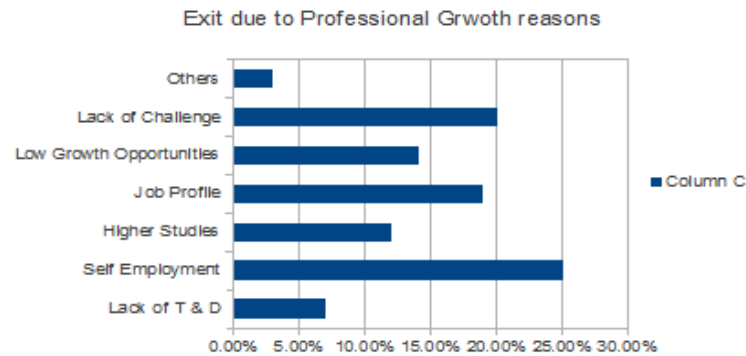
Figure 2

When the parameters were relating to professional growth, 25% preferred self employment, where as 20% and 19% respectively put lack of challenge and job profile as their preference. Similarly 14% also feel growth opportunities are very low. The above analysis shows that employees are most concerned for their professional growth in the organisation.

The hygiene and motivational factor operating in organisational space are the building block of professional environment. Organisational Policies, supervision, peer, recognition, rewards etc. Are some of elements of professional environment. 28% of respondents point out that there is delay in decision making, where as 23% and 20% respectively point out poor communication and lack of clear organisational policies are the factors for the people to leave the organisation. Very few ie only 2% respond partial behaviour of seniors is the reason for their exit.

The above graph shows that lack of clarity in reporting relations and ambiguous roles are the major focus areas of the respondents. 30% sighted unclear reporting structures while 49% sighted ambiguous role as their reason for exit. Whereas compensation releted reasons were not viewed negatively so much.

Table 3: Exit Due to Professional Environment Related Issues

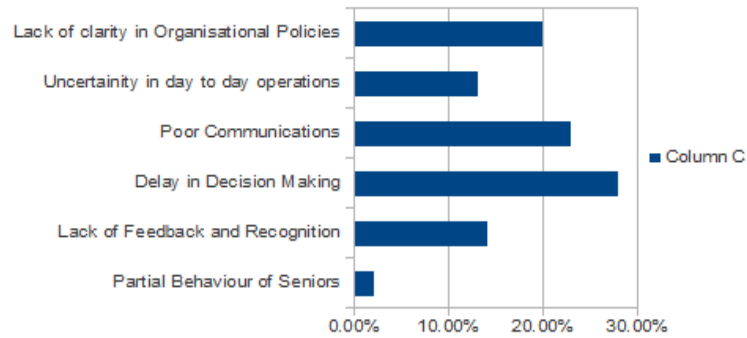| Partial Behaviour of Seniors	2.00%
Lack of Feedback and Recognition	14.00%
Delay in Decision Making	28.00%
Poor Communications	23.00%
Uncertainty in day to day operations	13.00%
Lack of clarity in Organisational Policies	20.00%

Figure 3

As most of the factories are situated away from the main cities, the employees find travelling combur some and stressful. There for 36% find difficulty faced in travelling and whereas 28 % feel that stress is a factor for leaving the organisation.

Table 4: Compensation and Role Related Reasons

Lack of clarity in Reporting Relations	30.00%
Ambiguous roles	49.00%
Inadequate incentives & Bonus	14.00%
Low Pay	7.00%
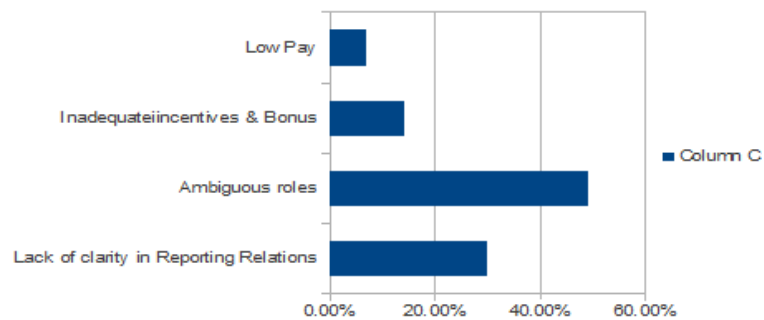
Figure 4

Table 5: Other Reasons for Exit

Pollution in the area	19.00%
Stress	28.00%
Travelling	36.00%
Non Fulfilment of Commitment by the Organisation	17.00%
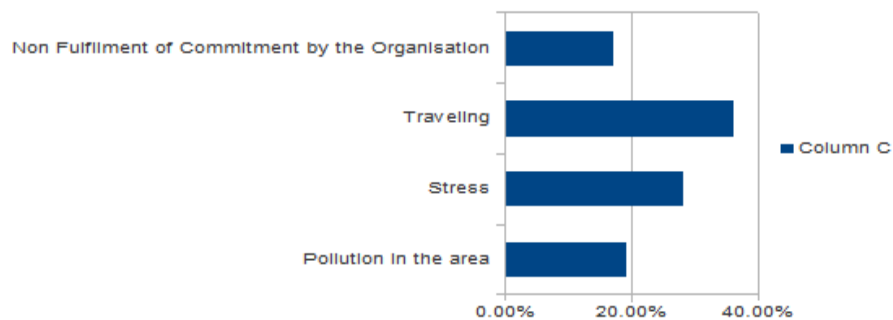
Figure 5

Table 6: Will you Rejoin the Organisation in Future?

Yes	92.00%
No	8.00%
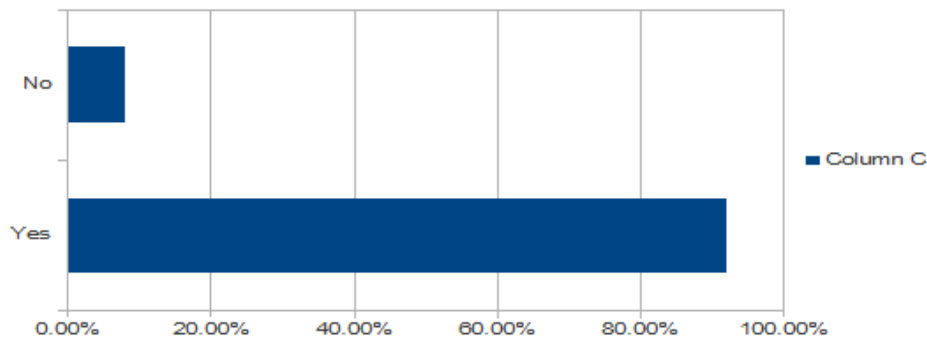
Figure 6

Table 7: Will You Recommend this Organisation to Others?

Yes	78.00%
No	22.00%
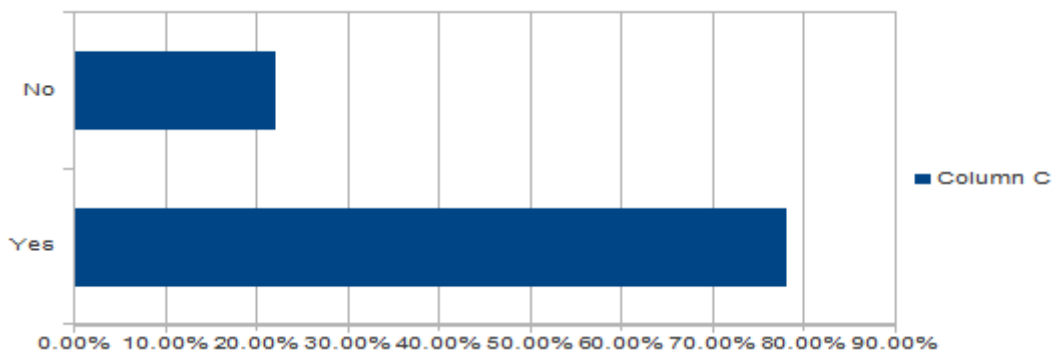
Figure 7

92% of respondents feel good to rejoin the organisation and 78% feel that they will recommend the organisation to others.

CONCLUSIONS

From the above primary and secondary data analysis it can be concluded that collecting accurate and reliable information is the key to effective exit interview process. In the survey the respondents have sighted various personal and professional reasons for their exit. Health, Self employment, delay in decision making, ambiguous roles, travelling, stress etc were sighted as some of factors due to which employees leave the organisation. But at the same time most of the respondents have found their stint in the organisation successful as they desire to rejoin the organisation in future, if the situation demand and also the majority were happy to recommend others to join the organisation. It can be further said that the overall level of effectiveness will be influenced by the reliability of response, as most of the time distortions may occur due to negligence or insecurities, fears etc in the minds of the respondents. This generally happens as the interviewees probably feel concerned about the possibility of their comments impacting on their remaining co-workers and there may be a felling of having forged strong co-worker relationships during their employment. The entire process

can be frutile if there is underutilisation of information gathered by human Interviewer. It is needless to say that if employees do not give accurate information in the exit interview, even if the information is fully utilised, efforts made on the way to reduce employee turnover based on the information will be ineffective as the decisions will be based on inaccurate and unreliable data.

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