

Fact Sheet

The final stage of the Employee Lifecycle is separation. Your business should do everything in its power to ensure valued employees stay with you for as long as possible. However, many will decide to continue their careers elsewhere at some point, for example due to retirement, better working conditions in other businesses or simply for personal reasons.

If the previous stages of the Employee Lifecycle are implemented correctly, then staff turnover will be at a far reduced level, although never zero. Treating the separation process with the same importance as previous processes, as well as being equally as strategic, is critical. When a team member leaves, it has an effect on other members. You always have to prepare for employees leaving and ensure it is as smooth and non damaging as possible for both parties.

An employee's departure doesn't have to be a negative experience. Instead, it should be considered as a learning opportunity.

It's a chance to learn some possibly unknown truths about your company through exit interviews. It is also a chance to turn your former employee into an advocate for your company by parting ways on a positive note. An amicable separation should be utilised as a golden opportunity to enhance your reputation.

The employee would also appreciate a positive separation so it would not sabotage a possible character reference going forward. When an employee leaves, an exit interview should be utilized for gaining truthful reasons behind the departure. The employer should also ask for honest feedback about what the company does well and what it could improve.

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A departing employee is far more likely to divulge uncomfortable information than a current one, due to fear of reprisal. Exit interviews should be balanced and honest. The impact of either party being harsh during an exit interview can also be very damaging.

Overly positive exit interviews are not particularly useful either as, although reassuring for the employer, it could give them a false sense of security. If an employee's departure has unsettled the team, maintain their morale by staying positive and motivating them to keep looking ahead. Terminate your relationship with the departing employee positively, and then relay your focus back to your current employees.

STATISTICS

- The biggest draws for leaving an employer were higher salaries, career progression, and a better work-life balance (HR Barometer Report)
- More than 50% of all organisations globally have difficulty retaining some of their most valued employees (Willis Towers Watson)
- 87% of HR leaders consider improved retention a critical or high priority for the next five years (Kronos)
- At least 25% of establishments do not conduct any exit interviews with exiting employees (Harvard Business Review)
- Only 60% of HR professionals take necessary action after an exit interview (OfficeTeam)
- The cost of recruitment in Ireland has increased to €7,491 per employee, up from €4,215 in 2021 (HR Barometer Report)
- Over 50% of employees have admitted leaving a job due to their manager at some point in their career (Gallup)
- 91% of Fortune 500 companies adopt exit interviews (Burke Incorporated)