THE Hr SUITE

FOR PEOPLE AND BUSINESS

Stage 6
Separation

FROM
THE HR SUITE

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.

Fact Sheet

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)

Tips to Separate Amicably

1. **Stay calm and respectful**
2. **Conduct an exit interview**
3. **Complete all paperwork**
4. **Be honest**

Stay Calm and Respectful

The number one thing not to do when separating with an employee, for both parties, is to be abusive or toxic. It serves no benefit to anyone. Although the employer may be hearing some harsh truths about the employee's reason for leaving, they should be calmly taken on board with the aim of improving the organisation going forward.

The employee will also ought to remain composed as it allows them to finish their employment with the company on a satisfactory note, as well as not jeopardising a possible character reference in the future. One's working life is very long. An employee doesn't need to close the door on possibly returning to the firm in the future.

On top of that, everyone has contacts in an industry. A prospective future employer might have close ties with your previous employer. Going out on a negative note with one employer could sabotage your chances of employment with another.

Conduct an Exit Interview

Like a lot of things in the professional landscape, exit interviews are a divisive subject.

Undeniably, there are a considerable number of reasons why they are worthy and advantageous to a business. They are arguably the most accurate type of feedback available to an employer.

Tips to Separate Amicably

They improve the business as a whole if the information revealed is investigated thoroughly and rectified. It improves a business as a whole in countless ways, for instance lowering staff turnover and gathering feedback on employees throughout the company.

They are also an opportunity to hear the positive aspects of how the company runs as well, including company culture and performance. Whether the employee is proclaiming positive or negative statements, they should be supported by proof. Exit interviews are a pristine opportunity to learn from your mistakes and better the company going forward.

Complete all Paperwork

When it has been decided that the employee will no longer work for the company, whether by the employer or the employee, the employer must take care to protect themselves by assembling detailed documentation that shows you followed company policy through the termination process.

Place a record of the effective date of termination along with all other relevant information concerning the termination in the employee's file. Provide an official termination letter to the employee including the date of termination and outline of their benefits status. If the employee resigns, be sure to obtain a letter of resignation.

Be Honest

For an effective separation process, there has to be honesty on both sides. If you are firing an employee, there needs to be detailed and honest reasons given, backed up by proof. If the employee is resigning, they owe it to you to provide a truthful reason for their choice.

Tips to Separate Amicably

If you genuinely value that employee as an important asset to the company, you must let them know how much you value them in the hope of changing their mind. You must also be up front about any concessions you are able to offer.

You should thank the employee for their service, and outline all their strengths that they showed throughout their time at the company. You should also outline whether you are willing to provide a reference moving forward, or anything else that may be required of you.

Employee Separation Checklist

Name:
Job Title:
Department:
Date of Separation:

Departing employees have an obligation to complete this checklist prior to their separation date. This form is to be checked by the appropriate supervisor and signed off on by the supervisor and employee.

- ☐ Obtain letter of resignation
- ☐ ID card returned
- ☐ Keys returned
- ☐ Parking permit returned
- ☐ Company credit cards returned
- ☐ Company vehicle and keys returned
- ☐ All company electronics returned (i.e., phone/laptop etc)
- ☐ Uniforms cleaned and returned
- ☐ Desk has been cleaned and cleared
- ☐ Personal items removed from office
- ☐ Exit interview has been completed
- ☐ Forwarding address has been left with Human Resources
- ☐ Employee has been paid all outstanding wages and holidays

Employee Signature: **Date Signed:**
Employer Signature: **Date Signed:**

THE Hr SUITE
FOR PEOPLE AND BUSINESS

Exit Interview Sample Form

Employee Name:
Job Title:
Date of Termination:
Reason for Termination:

What is your primary reason for leaving? If multiple, please specify.

Would you consider returning to work for this company in the future?
What did you find most satisfying about your job?

What did you find most frustrating about your job?

Did you express your concerns before? Were they dealt with?

Were you given clear goals and objectives?

Were there any company policies or procedures that made your job more difficult?

Did you feel equipped with the right tools to do your job here?

How would you improve employee morale?

Did you receive feedback to help you improve?

What would you change about your role?

Did you feel like you were a valued member of the team?

Do you feel your job description changed since you were hired? how?

Exit Interview Sample Form

Did you feel comfortable talking to your manager? Were they approachable?

How would you describe our company culture?

Would you recommend this company to friends or family as a good place to work?

Is there anything the company or the manager could've done to prevent you from leaving?

Do you have any suggestions over how the company can improve satisfaction in your position?

Employee Comments

Interviewer Comments

Employee Signature:
Date:
Interviewer Signature:
Date: