

EXIT INTERVIEWS AND REHIRING DECISIONS: A REVIEW BASED STUDY

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ABSTRACT

In the era of “War for Talent”, Employees shifting jobs and profiles are among the noticeable Industry trends. Employee turnover has become a matter of serious concern and the organizations are constantly coming up with innovative measures to retain their talented minds. The departing communication, often stated as Exit Interview brings in light the causes which make the employee put down his/her papers. Employee Departure costs heavy to the giant corporates, and here comes the idea of welcoming the Former back, which is also termed as Boomerang Hiring. Exit Interviews can be a powerful tool to decide on Rehiring and henceforth it is essential to guarantee it’s accuracy in terms of responses gathered since the elements discussed in the interview are quite intense in nature. This paper brings in light the essential elements to be incorporated in the process which will ensure its effectiveness in attracting the ‘EX’ workforce.

Keywords- *Rehiring, Exit Interview, Employee Turnover, Former Employee, Boomerang Employee*

INTRODUCTION-

The issues surrounding Employee Turnover have always been a crucial aspect in HRM. Especially, considering the composition of the present day working population where Job-Hopping is a common phenomenon. Out of various methods, Exit Interview is used as one of the ways for combating this issue, as it probes into various areas of organizational inefficiency and is conducted during the time of employee’s departure (Hossain, Himi, & Ameen, 2017) .Inputs generated during the course of Exit Interviews are of immense importance for creating a Better Place for the manpower resources. The expanding importance of Exit Interviews has been highlighted as one the prime determinants for making Rehiring Decisions (Raj & Hundekar, 2013). Also, known as Boomerang Hiring, former employees are hired back for the present organizational requirement (Ayyar, 2017).Taking the ‘Formers’ back on board also yields suitable results in terms of Human Capital enhancement as the employee will be in the position to pass on his additional skills acquired outside to the fellow colleagues. This practice of embracing former employees has gained

decent popularity in the past few years. In fact, the glorious past of the ‘Giant Corporates’ has number of instances of ‘Comebacks’. Exit Interview in a way gives a glimpse of employees’ previous tenure which becomes important while reappointing the former folks.

REVIEW OF LITERATURE-

Rehiring practice is favored by organizations primarily because it results in significant amount of saving in terms of cost involved in training and recruitment of the employee, as they are already familiar with the organizational culture (Raj & Hundekar, 2013).It happens in two ways- Strategic Boomerang(employers actively targeting skilled former employees) and Reactive Boomerang(Ex-Employees applying for positions in their previous organization) (Duff & Barragan , 2015).Organizations like-Mc. Kinsey, Allen & Booz, E&Y, Deloitte, Bain and Da Vita have Rehiring as one of their prime recruitment methods(Sullivan, 2018).Ex-employees are no longer considered as ‘traitors’ and the employers are more open in taking them back (Radha, 2018).It is important that the willingness for Rehiring should be communicated in the Exit Interview stage itself (Kumavat, 2012). Exit Interview holds its roots back in 1920 where the method was used by US personnel managers to probe into the issues of labor turnover (Gordon, 2013).With subsequent periods, it is mandatorily used by many corporations, around 80% of the companies conduct them with respect to voluntary employee turnover (Beth, 2011).Responses can be collected by using methods like-Personal, Telephonic, Paper-Pencil & Online mediums (Jadhav, 2017).Exit Interview also enables in unfurling insights about the elements an employee likes about the organization and of course the area which needs attention. Conducting Exit Interview while making rehiring decisions, serves two purposes-capturing correct causes(real & anticipatory), as it brings light to the information which otherwise would not have been shared, secondly it can be used as paper trail in the future when the former employee considers the decision to get rehired (Speed, 1999).Exit Interviews also enable employers to ascertain which category of departing employees can be prospective Boomerangs and the members for the ‘Alumni Club’ (Shipp, Holloway, Harris, & Rosen, 2014).Organizations should ensure that their managers are well-versed with respect to conducting Exit Interviews, ensuring that the employees don’t leave on any negative note, thereby paving way for favorable Post Exit relationship (Kulik, Rae, Sardeshmukh, & Perera, 2014).

TECHNOLOGY INCORPORATED EXIT INTERVIEW

By automating Exit Interview process, organizations can identify patterns leading to turnover and also find out ways with which response rate can be improved (Beth, 2011).This brings into light the growing omnipresence of analytics in Human Resource Management. With proper record-keeping and databases, it becomes easier for an organization to identify a predictive trend and pattern with the responses given by various exiting employees. This facilitates the organization to derive meaningful insights with respect to the growing or declining instances of employee turnover, the period when employee leaves and the reasons behind the same. A complete, comprehensive and thorough understanding of the same, makes it easier for an organization to

devise strategies for rehiring and an attempt to have a cordial employee-employer relation thereby improving the overall environment and organizational effectiveness. Additionally, such method might also provide space for questions which will enable the organization in assisting further communication, thereby laying the ground for Rehiring (Anonymous, 2005).

PROBLEM STATEMENT-

The importance of the study lies in the fact that Exit Interview has been traditionally used as a way to ascertain reasons behind Employee turnover. Employees departing is not completely avoidable and is bound to happen. During such course, the organization might lose some of its bright minds that is where the practice of “Opening Doors for the Formers” comes to relevance. The practice of Rehiring is gradually gaining momentum and Exit Interview can be of immense importance in this regard.

OBJECTIVE-

To understand the prerequisites for effective conduct of Exit Interview that will help in making sound Rehiring Decision.

METHODOLOGY-

The study relies primarily on secondary sources like- Scholarly articles, Newspaper columns, Web resources, Case Studies. The final view lies on the basis of the above mentioned.

DISCUSSIONS-

Reaching out to the root cause is an important aspect for various issues and Exit Interview is not an exception. Gathering accurate response during Exit Interview is one the major challenges (Pace & Kisamore, 2017). Employees might be reluctant in sharing actual feelings (Giacalone & Duhon, 1991). There comes the responsibility for the employers to ensure proper conduct of the process. Few considerations which the businesses might ensure are-

1.) *Devising Exit Interview objectives as per Organizational Goals*- A significant number of Exit Interviews fail because of their lack of alignment with organizational mission (Pace & Kisamore, 2017). Hence Exit Interview questions decided as per organizational mission will eliminate the chances of unnecessary aspects. It is important that the questions are aligned with the Core values, Vision, mission, objectives and goals of the organization as it is only then it will serve the larger purpose and effectiveness of Exit Interviews.

2.) *Timing of Conducting Exit Interview*-According to Professor John Sullivan conducting Post Exit Interview (PEI) elicits more accurate response than the Standard Exit Interview. The reason being, an employee might need reference from his previous employer while moving to a new job, the fear of missing out from the favorable opinion of his former employer might restrain him from revealing actual reasons behind the departure (Sullivan, 2017). Duration after which PEI should be conducted is again an important aspect especially when the organization has to decide after what

period it will be ideal to conduct PEI. In case if the organization is following a standard time for kinds of departures in a period, it is may so happen that not every employee who has left in a period are placed with another organization and is still seeking for opportunities. Again, another literature argues that Exit Interview should be conducted right at the time when the employee is putting down his paper as he will have fresh recollection of the events following his departure (Jadhav, 2017).

3.) **Parties Conducting Exit Interview**- The type of Interviewer involved has a great role to play in the course of Exit Interview. A good number of studies suggest that conducting Exit Interviews through a third party agency cultivates more effective results than an internal manager as it eliminates the chances of biasness. (Brooks, 2007; Hameem Khan, Sgultana, & Narayana Reddy, 2019; Spain & Groysberg, 2016; Sullivan, 2017) .A study by Harvard Business Review reports that variation of responses lies within the organizational hierarchical structure, which includes designations like- Direct Supervisor, Manager of Direct Supervisor and HR Manager. When the manager of supervisor is conducting the interview the responses are more effective as one layer gets eliminated (Spain & Groysberg, 2016).

TYPE OF INTERVIEWER	MERITS	DEMERITS
Organizational managers	Cost effective, complete orientation of organizational vision mission policies and objectives, more personal approach as internal(establish a connect)	Involvement of prejudice and biasness
Third party agency	Specialization, Bias-free, more professional	Costly, lack of complete awareness about organizational policies, culture and goals.

Source: Compiled by authors.

4.) **Surrounding**- The employer should ensure that the venue where such interviews are happening does not have any possibility of the conversation getting overheard. (Jadhav,2017) For this it is advisable that the interview is conducted at the private office of the employer or at the venue of third party interviewer (Neal, 1989). The overall ambience should be comforting to both the parties as that will be a step forward in ensuring more candid responses being elicited from the interviews.

5.) **Confidentiality**- It is essential that employer assures the confidentiality aspect (Jadhav, 2017) so that whatever information is being collected will be restricted for development of organization and not made available to any platform which otherwise might cause any sort of harm to the departing employee. Hence level of secrecy is of paramount importance in this regard.

6.) **Employee Flexibility and Timing**- It is advisable that the Exit Interview is scheduled at a timing which is convenient to the employee (Khan, Sgultana, & Reddy, 2019) as well as the interviewer.

7.) *Clearance of previous settlement and dues*- Ensuring that all the claims – both monetary and non-monetary are settled, which will ensure smooth flow of the process (Khan, Sgultana, & Reddy, 2019).

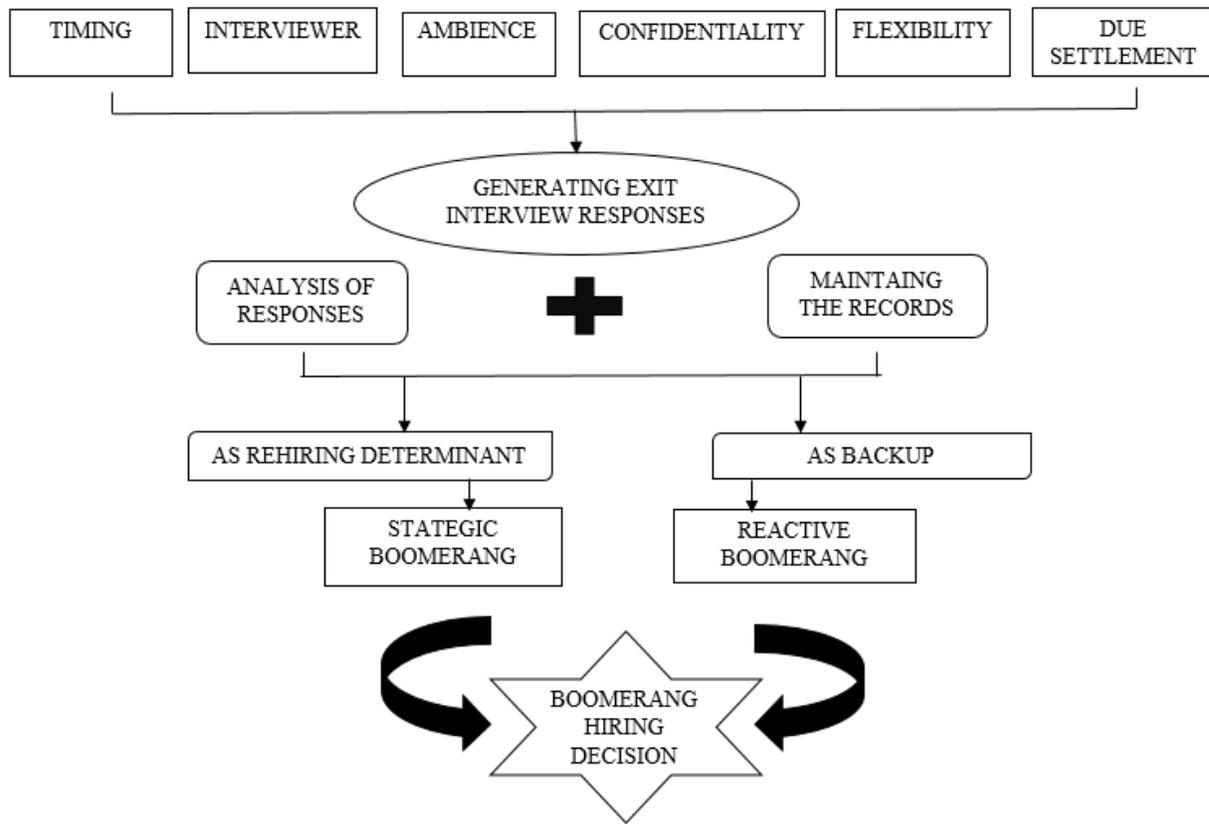


Fig. Exit Interview flow leading to Boomerang Hiring.

Source: Compiled by Authors.

ANALYSIS OF RESPONSES-

The collected Exit Interview responses should be thoroughly analyzed in order to derive meaningful interpretations out of it. For this, the organization might adopt ‘The Unfolding Model Decision Path’, which assesses the departing employees by grouping them into five pathways, each of which describes the reason leading to turnover. The study reports employees under Pathway 1 and 3 left the organization with more enthusiasm while Pathway 2, 4a, 4b left with a note of dissatisfaction (Kulik, Rae, Sardeshmukh, & Perera, 2014). Thus, the organization can also ascertain maintaining relation with which category of former employee will be useful. It will have greater role especially with respect to Strategic Boomerang.

RECORD KEEPING-

A significant number of Exit Interview records are piled into file stacks without the necessity to be looked at in the subsequent stages, this deteriorates the quality of Exit Interview (Beth, 2011)

.With the employers aiming to generate value from the former workforce, should aim in proper maintenance of Exit Interview records (Raj & Hundekar, 2013). It will be viable to store details in electronic media, something in the form of database so that it becomes to retrieve as and when needed. It may facilitate-

i) Strategic Boomerang- Based on Exit Interview record, the employer can find out reaching to which former employee will maximize entity return after accounting for factors related to the skill advancement.

ii.) Reactive Boomerang- For the situation, when the former employee is applying, the Exit Interview can always act as a reference point, enabling the employee to get a brief glimpse of the previous tenure and decide on the worth of taking him back on board.

By establishing accurate flow between all the aspects as well as the stages the Employer can make important decisions on the hiring of Ex-Employees.

CONCLUSION-

Gathering Exit Interview accurate responses is one the challenging organizational tasks which must be conducted with utmost care. Such interviews if conducted properly will aid not only in terms of devising ways to combat employee turnover but also act as a crucial Rehiring Determinant since it gives a brief glimpse of employee's previous tenure, thus enabling the organization to generate value from investments made in former employees by the way of skill enhancement.

LIMITATION-

The study primarily relies on reviews, conducting empirical study and analyzing the same with statistical tools will provide more accuracy. Further conducting studies for specific sectors will provide more clarity in terms of Industry Requirement for such concept.

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