Employee Turnover and the Exit Interview

JAMES G. NEAL

ABSTRACT

EMPLOYEE TURNOVER IS AN important measure of the health of an organization. All libraries should implement a three-step program of turnover management: the collection and analysis of data on turnover patterns, the identification of those factors contributing to turnover in the library through organization of a formal exit interview program, and implementation of remedial actions which address the main causes of turnover. This article focuses on the exit interview as an effective tool for documenting the causes of turnover in a library and for influencing management action. The exit interview must be based upon a standardized format, assure employee confidentiality, employ talented interviewing staff, involve periodic assessment of effectiveness, and provide for routine feedback to management.

INTRODUCTION

Libraries, despite a significant dependence on human resources and the substantial costs of personnel replacement, continue to operate without effective employee turnover management programs. Staff turnover—that is, the termination of employees and the hiring of other individuals to replace them—is a complex phenomenon requiring a systematic view and an awareness of many variables within both the work and external environments. Managers in all types and sizes of libraries must expand their understanding of the turnover process and its impact on the employee, the work group, the library, and the larger library community.

James G. Neal, University Libraries, The Pennsylvania State University, E505 Pattee Library, University Park, PA 16802

EMPLOYEE TURNOVER

Turnover is characterized by two key variables: job satisfaction and opportunity. Job satisfaction, the "push" of internal organizational factors, is the extent to which employees have positive and affective attitudes toward their jobs. Opportunity, the "pull" of the external labor market, is the extent to which alternative occupational roles are available. It is important to distinguish between voluntary and involuntary turnover, as well as avoidable and unavoidable separations. Avoidable separations relate to conditions the employer has some control over such as wages, benefits, and working conditions. Unavoidable separations generally are not controllable by management and include retirement, death and maternity leave. Voluntary turnovers, frequently referred to as quits or resignations, are initiated by the employee while involuntary terminations, such as dismissals or layoffs, are initiated by the employer. Most research on turnover focuses on voluntary and avoidable separations because they are more subject to control by management (Price, 1977).

The focus of management concern is the impact of employee turnover on organizational effectiveness and costs. Turnover can be seen as providing some benefits: helps keep salary costs down, creates opportunities for upward mobility, encourages staffing flexibility and organizational restructuring, brings employees with new ideas and experiences into the organization, and reduces the frustration created by dead-end jobs. The negative consequences tend to be more visible and the costs greater than anticipated. The fiscal impact, sometimes described as the positional replacement costs, can be summarized in several categories: costs incurred when an individual leaves, costs of advertising the position and recruiting and selecting a replacement, costs of new employee orientation and training, costs of equipment underutilization, and costs of lost production and productivity (Flamholtz, 1973).

In view of the significant impact of turnover and the value of turnover as a measure of organizational health, all libraries should implement a three-step program of turnover management: the collection and analysis of data on turnover patterns, the identification of those factors contributing to turnover in the library through organization of a formal exit interview program, and implementation of remedial actions which address the main causes of turnover. This article focuses on the exit interview as an effective tool for documenting the causes of turnover in a library and for influencing management action.

THE EXIT INTERVIEW

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. The exit interview should not be seen as an opportunity to retain competent employees by exploring the causes of dissatisfaction and seeking solutions to their concerns.

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 are 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 paycheck is issued.

The literature of librarianship provides little information on the use of exit interviews in libraries. A study completed during 1981-82 surveyed the management of 150 North American university libraries on turnover of employees in support staff positions. Findings indicate that approximately 50 percent of these libraries always carried out exit interviews, 36 percent sometimes, and 14 percent never. In addition, the individuals responsible for conducting the exit interviews were identified. In nearly 60 percent of the cases, the library personnel officer or a representative of the university personnel office was involved. The balance of the respondents cited a library administrator or the employee's supervisor as the interviewer, and in three instances it was the preference of the departing employee (Neal, 1982).

Critical to the success of an exit interview program is the structure and content of the contact with the departing employee. Key elements are the clear assignment of responsibility for conducting the interviews, effective scheduling procedures, the creation of a proper climate for the interview, and a productive format. The exit interview does not create a mutually beneficial condition, and, with little to gain from the experience, an employee may be unwilling to provide detailed and accurate information. If the interview is scheduled hastily and conducted haphazardly, it will be even more difficult to identify reasons for termination.

Exit interviews in an organization should be conducted by one individual, preferably a personnel professional who is knowledgeable about the work of the library, who is effective in a private and face-to-face interview setting, and who is trusted by the employees. Credibility and approachability are essential qualities. In some large organizations it may be necessary to share this responsibility by assigning one interviewer to each major employee group. In some small organizations, where a personnel professional is not on the staff, contracting with an outside office or individual may be appropriate.

An important initial question to broach is whether exit interviews will be optional or mandatory. The inclusion of a review of employee benefits and outstanding accounts as part of the interview promotes cooperation and participation. The exit interview should be scheduled in advance and the employee should understand the objectives of the meeting. The literature on exit interviews presents conflicting recommendations on the best timing, some advocating the last day of employment, while others favor a time earlier in the final week. The scheduling of the interview will enable the interviewer to gather information, review appropriate files, discuss relevant issues with the employees' immediate supervisor, and budget sufficient time for the meeting.

The interview should be conducted in a private office in an environment free of interruptions and which encourages an open exchange of information. The interviewer should clearly describe at the outset the format of the meeting, the expectations for the discussions, and the intended use of the information gathered. On this latter point, an employee must be confident that any negative points will not be immediately shared with management and attributed to the employee. Furthermore, because the exit interview is a confidential exchange, information obtained should not be available directly to unemployment compensation claim examiners.

The individual conducting the exit interview should be aware of several basic prejudices the departing employee may bring to the process. The employee may not perceive personal benefits of participation and thus make it difficult for the interviewer to obtain accurate information. A sense of failure or resentment may provoke the employee to exaggerate the difficulties encountered in the organization. If the employee feels that it is either too late or too difficult to effect constructive changes, then it might be viewed as wiser to leave a "clean" and noncontroversial record to avoid problems when applying for other positions.

The format of the exit interview is essential to its success. The interview should have previously defined objectives and subjects for discussion and should be structured and standardized so that generally all employees are asked the same basic questions. The basic purposes of the interview are to draw out the departing employee's opinions about the employment experience and to obtain through discussion an informed understanding of the reasons for termination. In this process, it is essential that the interviewer not introduce personal biases or take a value stand on the accuracy of statements presented.

A basic outline for conducting the exit interview should include the following elements: statement of purpose, relevant background information, positive aspects of the job, negative aspects of the job, critical incidents, reasons for leaving, suggested changes, and separation agreements. Some organizations have found it effective to distribute a pre-interview questionnaire and to use this information as a guide for the

interview discussions. Employees may be more willing before the interview to share opinions about the organization, their work, and their supervisors in a written format. The interview itself may be guided by a checklist of areas to be covered including: orientation to the library, on the job training, challenges and opportunities provided by job assignment, participation in broader library and professional activities, major strengths and weaknesses of the department, major strengths and problems of the library from both employee and patron perspectives, major individual contributions to the library, and benefits of employment (University of Michigan Libraries). A series of questions can be developed to serve as the basis for discussions such as:

—What did you like most about your job?
—What did you like least about your job?
—Describe the amount of variety in your job.
—How would you evaluate the quality of the training you received?
—What would you suggest that might improve the orientation/ training of the person who replaces you?
—What could be done to make your job easier/more challenging/more interesting?
—What improvements in communication would make this a better place to work?
—What resources might be made available to make this position better for your successor?
—What contributed to making your employment here enjoyable?
—Do you feel that performance expectations were reasonable and clearly explained?
—Did you receive clear and adequate directions regarding the specific duties of your position?
—How would you characterize the support you got from your supervisor?
—Was the feedback you received about your performance timely, helpful, and specific?
—What makes your new position more attractive than the present job?
—What factors contributed to your decision to leave (University of Indiana)?

Regardless of the structure of the exit interview, it should always include four basic elements: a diagnosis function, a therapy/improvement function, a separation assistance function, and a determination of reasons for leaving function.

THE POST-TURNOVER SURVEY

Many organizations employ a post-turnover survey as a substitute for, or as a complement to, the conventional exit interview. Several advantages are cited for the use of questionnaires. The lapse of time will encourage former employees to make more rational and honest assess-

ments of the employer and supervisor particularly if offering opinions from the security of a new position. If surveys are conducted anonymously, both the employer and the employee are relieved of the pressure of a face-to-face confrontation. The use of questionnaires enables the organization to sample consistently rather than depend on evidence produced by the sporadic statements of individual employees (Yourman, 1965). An effective cover letter can promote participation by stressing the survey objectives as improved employee performance and job satisfaction and by underscoring the anonymity or confidentiality of the responses.

The issue of exit interview versus post-turnover survey comes down to a choice between objectivity of data versus response rate. The effective design of the questionnaire in terms of choice of questions, layout, and language; the ease of completion and minimizing of time commitment; and the identification of the former employee with the objectives of the survey can help to maximize response. Many organizations now rely completely on the survey method and have canceled exit interview programs. Skilled interviewers, able to persuade departing employees to talk honestly about their experiences and decision to leave, are not always available. The unwillingness or inability of personnel managers to follow-up on information received in the interview and to communicate the findings to management compromises the entire process. The questionnaire results similarly should not digress into a record-keeping device, for if they do not prompt corrective measures, such surveys quickly become viewed as another futile personnel gimmick.

BENEFITS AND LIABILITIES OF EXIT INTERVIEWS AND POST-TURNOVER SURVEYS

Information gathered through exit interviews or surveys is invaluable management data. No exit interview program can proceed successfully without a clear organizational commitment to communicate and act upon the findings. Findings may take the form of aggregate summary reports for senior administrators which document important trends and patterns. This information can be used in departmental/unit reviews, in the identification of areas requiring policy attention, and in the targeting of positions or supervisors experiencing problems. Care must be taken to protect the confidentiality of the employee and to handle discreetly and in a positive manner the feedback of information to individual supervisors.

The exit interview results will generally target several key areas: management practices, employee placement, training and development, compensation and benefits, health and safety, job security, and supervisor/employee relations. Preliminary findings on reasons for turnover in libraries confirm this trend with the following factors most often cited as reasons for leaving (Neal, 1984):

—better opportunities elsewhere

—lack of job challenge
—unfair or unequal treatment
—poor supervision
—weak interpersonal relationships
—unsatisfactory salary
—inability to perform duties effectively
—moving/graduating spouse
—return to school
—inadequate selection/assignment procedures
—ineffective grievance procedures
—lack of well-organized training programs

The key element in the management of employee turnover is exit interview feedback to first line supervisors. They must be informed and knowledgeable about the technical and administrative aspects of their position and about organizational policies and procedures that affect their subordinates. They must be skillful in applying constructive discipline, effective in interpersonal communication, and creative in challenging committed and productive employees. But most importantly, they must understand the positive and negative aspects and impact of their performance as supervisors.

    Evaluations of exit interview programs have not been well-documented. Several studies suggest a considerable amount of distortion in the information gathered through exit interviews when compared with the results of surveys completed by the same employees. One study concluded that unavoidable terminations appear to be the only exit interviews that elicit accurate information. This may be due to the unambiguous nature of reasons such as moving or pregnancy. In addition, the extra-organizational nature of such turnover poses little threat when revealed to a management representative during an exit interview (Lefkowitz, 1969). Exit interviews tend to overemphasize the importance of personal reasons and dissatisfaction with work as reasons for terminations, and to underrepresent the desire for freedom of action and autonomy in career planning as well as the attraction of the job market.

    With the critical importance of the skills of the interviewer, exit interviews have been consistently criticized for the reliability and validity of the procedure. Furthermore, there is limited data on the extent to which information obtained in interviews has been useful in reducing turnover. In one study, Garretson & Teel (1982) sought to determine whether exit interviews are cost-effective; that is, do savings in turnover costs exceed the costs of the interviews? This investigation reached three major conclusions: for many organizations, the exit interview is a symbolic gesture because no use is made of the information obtained; many organizations are in fact securing information on a variety of factors affecting the quality of work life that could be used as a basis for turnover reduction programs; and little effort is being made to quantify

the costs of turnover thus making it impossible to determine whether exit interviews are cost-effective.

The importance of turnover management to organizational effectiveness and success led to a call several years ago for implementation of an action and research agenda on the part of individual libraries and professional organizations (Neal, 1982). These points are still valid. Library managers should begin to collect and analyze data on turnover for their employees and advocate organizationwide turnover monitoring programs. Procedures should be organized—preferably well-designed exit interviews—to identify those factors which are contributing to turnover problems in the library and remedial programs should be implemented which address these problems. Professional organizations must take a leadership position in the promotion of turnover management in libraries. The formulation of guidelines for the collection, measurement, and reporting of turnover data would enable and encourage the computation of benchmark statistics for groups of employees in libraries, for different size institutions, and for geographic regions. The profession must also promote substantive research on turnover-related topics including analysis of turnover trends in individual or groups of libraries and testing of the assorted variables related to turnover in library settings.

The exit interview is thus a central component of effective turnover management. By allowing an employee to obtain closure of employment with an organization, the exit interview provides for the establishment of good working relations with former employees, and furnishes useful management data. It must be based upon a standardized format, assure employee confidentiality, employ talented interviewing staff, involve periodic assessment of effectiveness, and provide for routine feedback to management.

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