

How to Design and Implement Effective Exit Surveys

A white paper by
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The usefulness of exit surveys in organizations has been an area of great controversy for HR professionals. Those who passionately reject their value claim the questions are usually trite and the responses are less than forthcoming:

"... I know that HR 101 says we are supposed to do these, but my experience is they are a waste of time. Most of the questions tend to be trite - "what did you like...what would be the one thing you would change...". I have never seen any data arise that wasn't already known (or purposely ignored) and I have never seen an organization make a significant change based on exit interview data."

- Anonymous, SHRM bulletin board, 11/26/2007

"Exit interviews are worthless. You'll never get an honest response and since exit interviews are traditionally used as a company barometer your data is worthless therefore any actions around the data will be the same."

- HRPro, SHRM bulletin board, 8/1/2007

By creating your exit survey based on four critical components, you can overcome these challenges and implement exit surveys that provide insightful data and result in information that is actionable. These four key areas are:

1. Content
2. Administration
3. Analysis
4. Strategic Integration

Although each of these components is a critical element of a successful exit survey program, none are sufficient enough on their own. The four areas work together to produce the results you need to identify and prioritize strategic decisions and actions that can help you retain employees.

White Paper

Content

It is important to frame exit survey questions in a way that provides valuable insight. There is a saying applied to many scientific domains: “garbage in, garbage out.” In the context of organizational surveys, this saying means that when the survey is designed with low-quality or ineffective questions (garbage in), then the information produced by survey results will also be low-quality (garbage out). There are three areas related to content where traditional exit survey design can be improved:

- Ask specific questions
- Focus on the importance of organizational factors such as pay/benefits and career development in addition to satisfaction with them
- Don't ask questions regarding the departing employee's new job

Exit surveys are often quite general in terms of the organizational factors they measure. For example, “How satisfied were you with your benefits?” or “How satisfied were you with your manager?” With the impact today's economy is having on human resources decisions (layoffs, reduction of healthcare benefits, etc.), it is becoming increasingly important to capture employee data at a more granular level. For example, American Express has realized that the questions on its engagement survey are too general and is now asking more specific questions in follow-up surveys to determine which benefits are most important to employees and which they'd be willing to give up.¹

Likewise, exit survey questions should focus on specific organizational factors. If your exit survey reveals low satisfaction with “career development”, do you really know what to do about it? In this case, the term “career development” could apply to many different types of activities: training, mentoring, promotional opportunities, cross-training assignments, etc. Each of these elements of career development should therefore be asked about in a separate question, and the same approach should be taken for other areas covered on the survey such as benefits, culture, the job itself, etc.

White Paper

Secondly, the focus should be shifted from satisfaction alone to importance and satisfaction together. The practice of asking departing employees, or “leavers,” only how satisfied they were with a given organizational factor is based on research from the 1970s and 1980s which found that employees with low levels of job satisfaction are more likely to leave their jobs than those with higher job satisfaction. However, there is a growing body of more current research related to voluntary turnover finding that job satisfaction is just one element of a more complex decision-making process that is often (but not always) prompted by a significant event or “shock.”² Additionally, there has been strong reliance on satisfaction level alone as an indicator of how important that factor is to employees. Action planning that occurs as a result of this flawed or false data interpretation data may be expensive, unnecessary, and potentially harmful.

This point is applicable not only to exit surveys but to engagement surveys of current employees as well. A report by the Corporate Leadership Council (CLC)³ cites an example of an organization that constructed a child care facility in response to engagement survey data which reported low levels of employee satisfaction due to the lack of child care facilities provided by the company. When the CLC performed additional research at the company, it found that although employees were dissatisfied with the organization’s child care facilities, the issue was of little importance to them. Instead, there were other issues that were more important to them, such as paid time off. Had the organization known this earlier, it likely would not have decided to build a very expensive child care facility that was of little importance to employees.

Finally, exit surveys typically ask leavers about the qualities of their new job/employer. At first, this may sound like a useful piece of information; if you can find out what the leavers’ new employers are offering, you can offer those same things and make it harder for employees to be lured away in the future. However, this is only useful when leavers receive unsolicited job offers. Leavers that initiate their own job search do so because something inside the company is driving them away. Thus, the qualities of a leaver’s new job/employer may not reflect the reasons that led to the decision to leave in the first place. For example, an employee may decide to leave the company because of an abusive manager, but a key point of

White Paper

attraction to the new company is that it is 15 miles closer to home. Further, even with an unsolicited job offer, the employee still performs a comparison of the pros and cons of each company, and it is the cons of the employee's current company that are most important in the exit survey. Thus, the exit survey should focus on what transpires inside the organization before the decision to leave is made, not after it.

Administration

Once the content is determined, the administration process is another key factor in the overall success of exit surveys. The most critical administration issues are 1) whether to include employees who have been involuntarily terminated; and 2) timing of the administration.

There has been a lot of debate over whether to include involuntarily terminated employees in exit surveys. Those who support inclusion of them believe it is important to capture data from as many employees as possible. Their position is that regardless of whether they were "fired" or not, these people were still employees of the organization who had their own opinion about the quality of their employer. Those who oppose inclusion of involuntarily terminated employees in exit surveys believe that in all likelihood, such employees will be angry and jaded, and therefore will contribute more negative feedback. Indeed, there is research to support this.⁴

We recommend excluding involuntarily terminated employees, but our rationale is different. The goal of the exit survey is to find out why employees choose to leave. Though involuntarily terminated employees may have valid opinions, they do not experience the same decision-making process, weighing the pros and cons of staying or leaving, as voluntary leavers do. Put bluntly, you should not be concerned with what was important to them and what they were satisfied with, because these are not the employees you are trying to retain. Your mission is to retain employees who do their job, not those who have performance problems.

A separate point is warranted regarding employees who are laid off, particularly during these tough economical times. Although employees who

White Paper

are laid off are technically, involuntarily terminated, they may not have the same performance issues as employees who are “fired.” Because each organization will have unique circumstances surrounding its layoffs, the decision as to whether to include those employees in the exit survey should be carefully examined. In short, “it depends.”

Another important administration-related decision in exit surveys is timing. Some organizations conduct the exit survey during the departing employee’s last few days on the job as a mechanism for ensuring survey completion. Others administer the survey anywhere from two weeks to six months later to allow departing employees some time for their thoughts to change from emotional to reflective.

Our recommendation is to administer the exit survey approximately two weeks after departure. Although participation would certainly be higher through mandatory administration while departing employees are still on the job, research indicates that when departing employees believe their survey responses will be identifiable, they respond less honestly than they do under conditions of anonymity or confidentiality⁵. When exit surveys are administered during departing employees’ last days on the job, they are typically done through the Human Resources separation process (turning in keys, signing paperwork, etc.). It would be difficult to convince an employee that his/her survey responses will not be identifiable under these circumstances. Honest responses are also more likely after the employee has left the company because once the employee has officially left the company, s/he has “less to lose” than while still on company payroll, even on the last day of employment. Two weeks is appropriate because this timeframe is far enough after the departure that strong emotions should have passed, but close enough to the departure that important experiences and feelings are still readily available for recall.

Analysis

It is important to understand what kind of information will be revealed through the exit survey as well as what will not. Therefore, you should consider all of the options for analysis and prioritize the most significant based on your desired outcomes and how you want to use your data for

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decision making. A successful exit survey program includes development of an analysis plan and reporting structure prior to survey implementation, not after. When analysis and report planning is done at this point, it is possible to modify the content and/or administration to allow for the type of analysis that is desired. For example, if separate breakout reports by department or business units are desired, that information must be captured either on the survey itself or through the administration process. Failure to consider these issues prior to survey implementation may result in the absence of that information from the analysis and reporting, which could lead to less than actionable results.

Typically, reports are comprised of response frequencies in pie charts or bar charts, question by question. Although there is nothing wrong with these types of reports, the analysis should not stop at this point either. Interpretation of exit survey data is most meaningful with advanced levels of analysis that provide you with deeper insight about your organization. For example, with the proper content, you could examine interrelationships between different categories/questions, compare responses between different types of employees, identify trends and themes through analysis of written comments, etc. It is also possible to combine individual responses to a set of questions into an overall score which can result in more actionable conclusions. For example, it was suggested earlier that exit surveys should include ratings for both importance and satisfaction rather than just satisfaction alone. With advanced analysis, rather than simply looking at the average or the frequency of responses for importance and satisfaction separately, the two ratings can be applied to a formula that calculates an index score. With the index score representing the combined effect of the two ratings, areas of priority can be established. Advanced levels of analysis can therefore guide strategic decisions.

Strategic Integration

Perhaps the most critical component to a successful exit survey program is strategic integration – the linkage of survey results with action planning tied to organizational strategy. Regardless of the type of content, administration, and analysis, if no action is taken as a result of the feedback, the program is indeed useless.

White Paper

With proper strategic integration, exit survey data can contribute not only to your retention strategy, but to other types of human resources programs, functions, and initiatives. For example, if your exit survey reveals departing employees' jobs were not what they expected, and also that this area is important to them, realistic job previews could be built into recruitment processes. If your exit survey reveals that managers did not spend much time coaching or developing departing employees, development programs or a curriculum for skill improvement could be created. If your organization is undergoing a culture change initiative, the exit survey could serve as a data point for evaluation of progress. When the content is designed with the organizational strategy in mind, making the leap from interpretation to action will be a natural outcome of the exit survey process.

Conclusion

The four critical components discussed in this paper - content, administration, analysis and strategic integration - are all essential requirements for successful execution of an exit survey program. Excluding even one of these requirements substantially reduces the effectiveness of your exit survey. Without them, you are simply "going through the motions," and missing out on an opportunity to obtain valuable, actionable feedback that could make a difference in your organization's human capital strategy.

About People Talent Solutions

People Talent Solutions is a human resources consulting firm that specializes in organizational surveys, assessment & selection, performance management, and succession planning. Its leadership and consulting teams are all industrial/organizational psychologists who have worked as internal consultants in human resources departments of Fortune 500 organizations. Clients range from financial services, hospitality, biotech, manufacturing, and government.

White Paper

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