SHRM
SOCIETY FOR HUMAN RESOURCE MANAGEMENT

SHRM 2015 ANNUAL CONFERENCE & EXPOSITION

June 28 – July 1
Las Vegas

STOP Doing Exit Interviews & START Doing Stay Interviews

Dick Finnegan

June 30th, 2015

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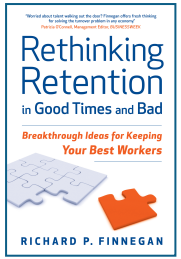
Finnegan Bio

"Recovering HR director" solved turnover for Siberian banks, African gold mines, Chinese multi-national corporations…and the CIA

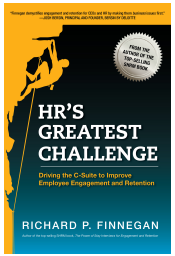


Author, *Rethinking Retention in Good Times and Bad*, excerpted by *BusinessWeek*; "fresh thinking for solving the turnover problem in any economy"

Author, *The Power of Stay Interviews for Engagement & Retention*, top-selling SHRM-published book in history

Author, *The Stay Interview*, published in 20 languages + audio book

Author, *HR's Greatest Challenge*, distributed free to top US HR executives



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Today's Agenda

Stay Interviews: What & Why?

↓

Trust Building Essentials

↓

Stay Interview As A *Process*

↓

Stay Action Plan & Retention Forecast

↓

What Makes People Happy?

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Have Exit Surveys Made Your Company Better?

1. Please raise your hand if your company conducts exit interviews

2. Please raise your hand if conducting exit interviews has made your company significantly better

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Have Exit Surveys Made Your Company Better?

1. Please raise your hand if your company conducts exit interviews

2. Please raise your hand if conducting exit interviews has made your company significantly better

- **6,900** HR executives have answered this question
- **13** have said "Yes, exit interviews have helped my organization"
- **6,887** have said "No".

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Why Do Exit Surveys Fail?

1. Too long
2. No truth
3. We accept “better opportunity”
4. No accountability
5. Autopsies but not as effective

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Stay Interviews

A Stay Interview is a structured discussion a leader conducts with each individual employee to learn the specific actions she must take to strengthen that employee's engagement and retention with the organization

Stay Interviews…

- Bring information that can be used *today*
- Focus on *individual employees* including top performers
- Put *managers* in the solution seat

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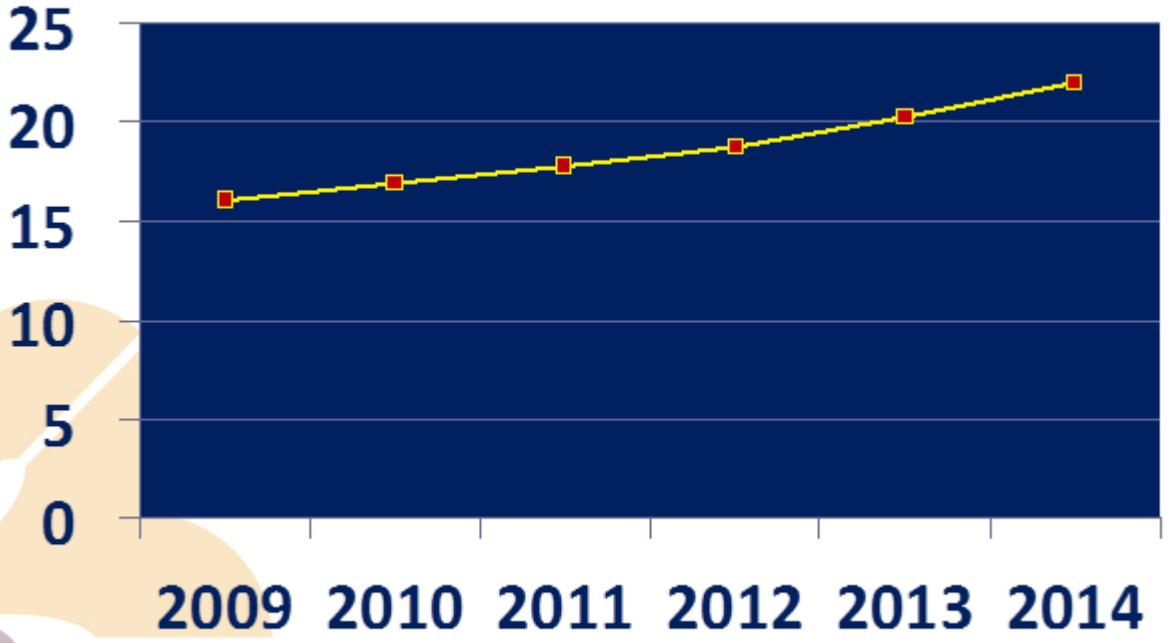
U.S. Voluntary Quit Percentages, Post-Recession... U.S. Bureau of Labor Statitics



Young U.S. workers will hold 10-14 jobs by age 38

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Report Turnover in Dollar$

Actual client turnover costs by job:

- ✓ Physician…$225,808
- ✓ Software engineer….$131,000
- ✓ Call center representative…$29,447
- ✓ Truck loader/unloader…$4,955

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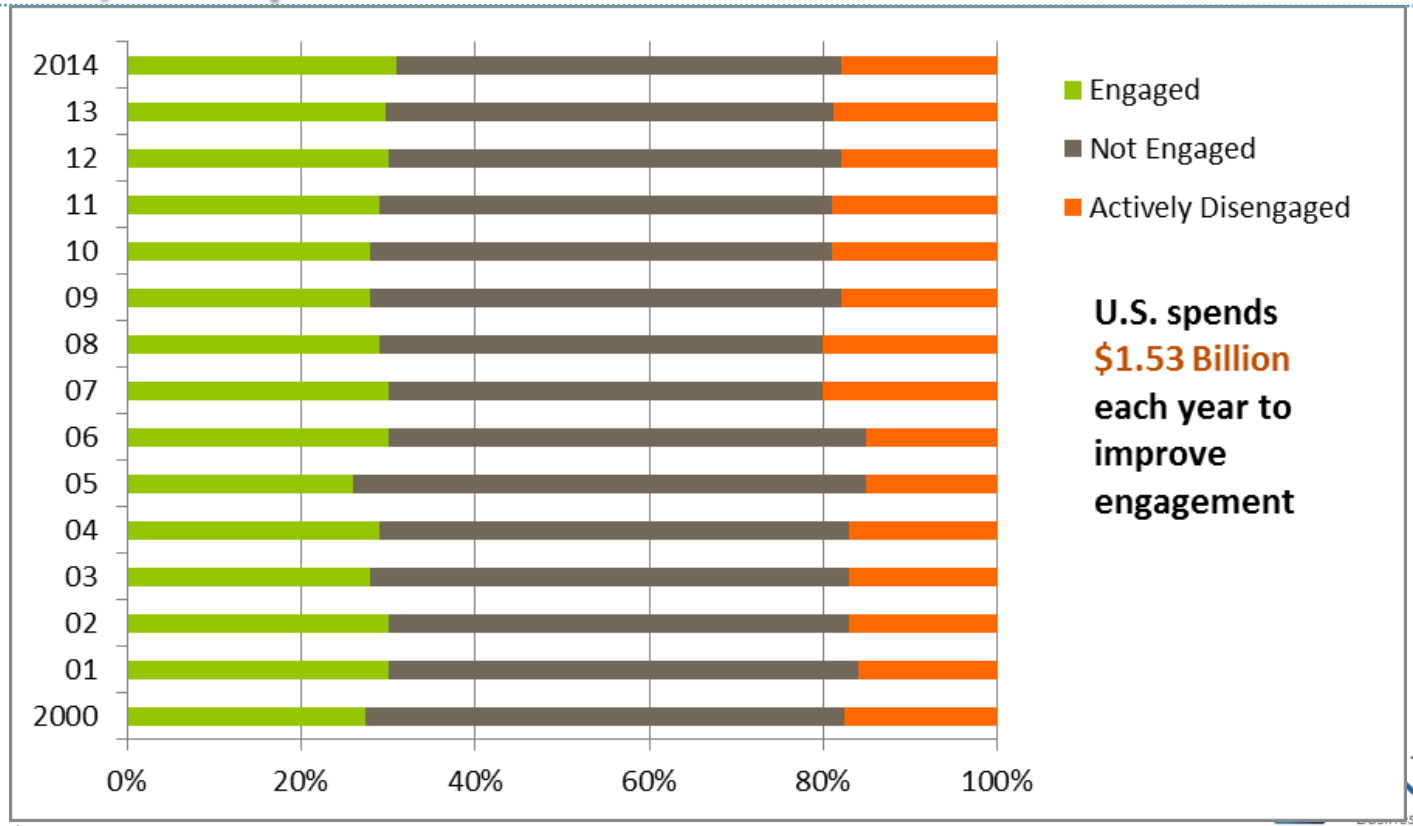
Engagement Stuck

Bersin/Gallup



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How Much More Do Engaged Employees Produce?

- Gallup: 22% more profitability/lower turnover (TO)/higher earnings per share (EPS)
- GPTW Institute: 20% more productivity/ lower TO/higher EPS
- Hewitt: % engaged correlates with higher shareholder returns (S/H)
- Kenexa: double S/H returns
- WorkUSA/Watson Wyatt: 26% more revenue per employee

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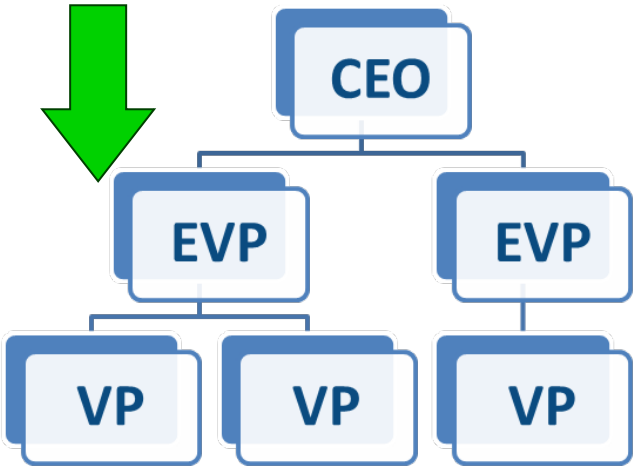
Are Your Retention Efforts Driven By Accountabilities or Programs?

Business Accountabilities

driven by executives from the top like service, quality, & safety



OR…

Retention Programs

driven from the side like town hall meetings, employee appreciation week

86% of the time

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Supervisors' Impact on Engagement & Retention

"If you have a turnover problem, look first to your managers"…Gallup

Employees stay for managers first and co-workers second… salary.com

Employees' levels of engagement higher when their supervisors had higher levels of engagement…DDI

"When employees stay, it is because of their immediate managers"… National Education Association

Employees who stay primarily for their supervisors stay longer, perform better, and are more satisfied with their pay…TalentKeepers

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The Real Power of Supervision

A global consulting firm interviewed 1,000 recently-quit employees and asked about pay, benefits, development, advancement and relationships with supervisors…and found *supervisor relationships influenced all other opinions, concluding…*

"Offering a higher salary or developmental/advancement opportunity may not be enough to retain employees"

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Which Side Matters More?

Pay, benefits, bonuses,
Employee appreciation week,
Employee of the month,
Brown bag lunches,
Leaderboard winners, career
Ladders, employee surveys,
Exit surveys, onboarding,
Training monitoring sessions,
Team meetings, all-hands
Meetings…and almost everything else

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Employees trust their direct supervisors on all levels throughout your organization

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Supervisors vs Programs

Good Programs + Good Supervisors =

Retention & Engagement

Good Programs + Poor Supervisors =

Turnover & Disengagement

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Introducing the Power of Trust

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Why Was Your Best Boss Your Best Boss?

My best boss ever was my best boss because…

1._____

2._____

3._____

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Why Was Your Worst Boss Your Worst Boss?

My worst boss ever was my worst boss because…

1._____

2._____

3._____

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The Fortune Top 100 #1 2012-2015

Baby bonding bucks, 12 weeks paid parental leave, horseshoe pits, Africa volunteering, subsidized massages, 3 wellness centers, 25 free cafeterias…and free eyebrow shaping

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"Two-thirds of a company's score is based on the results of the Great Place To Work's Trust Index Survey"

"Any company can be a great place to work. Our approach is based on the major findings of 20 years of research – that trust between managers and employees is the primary defining characteristic of the very best workplaces." ***The Great Place to Work Institute***

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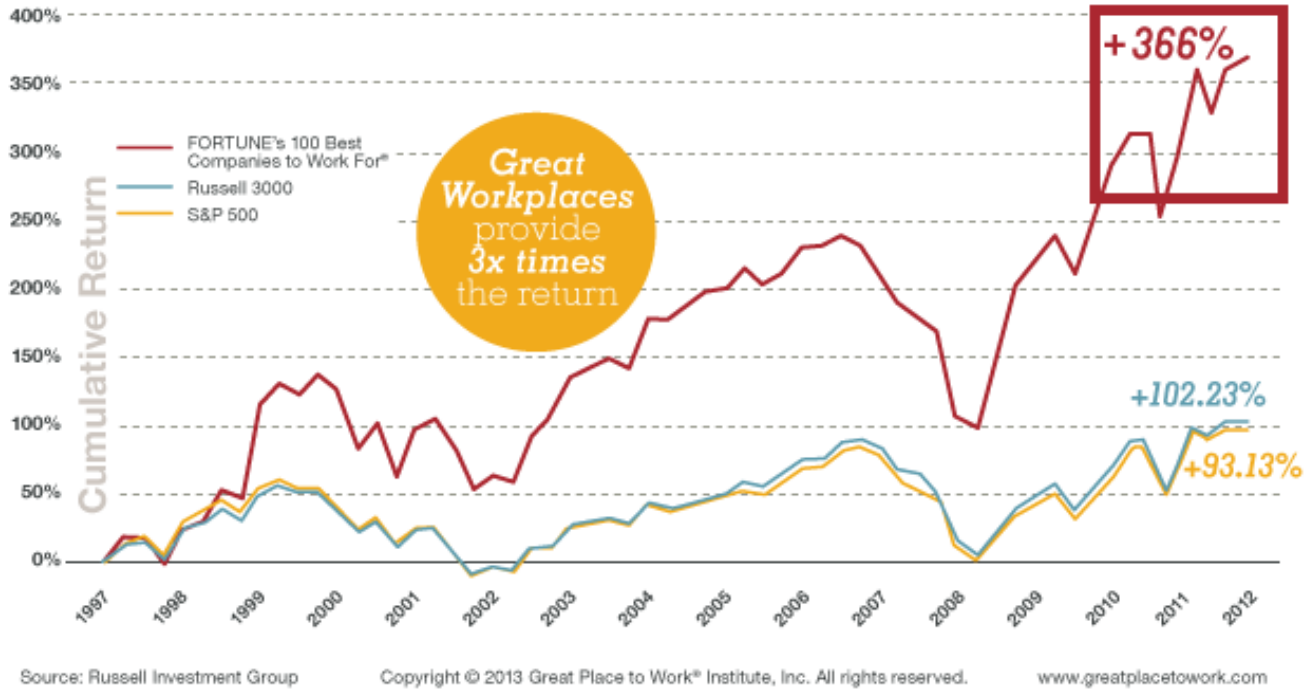
Building Trust 1-1 Builds Profits

Comparative Cumulative Stock Market Returns



Source: Russell Investment Group

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www.greatplacetowork.com

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Google's Quest to Build A Better Boss

What Makes A Great Boss At Google?

As published in The New York Times, March 12th, 2011

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Google's Quest to Build A Better Boss

"Technical expertise – the ability, say, to write computer code in your sleep – ranked dead last among Google's big eight. What employees valued most were (1) even-keeled bosses who made time for one-on-one meetings, (2) who helped people puzzle through problems by asking questions, not dictating answers, and (3) who took an interest in employees' lives and careers."

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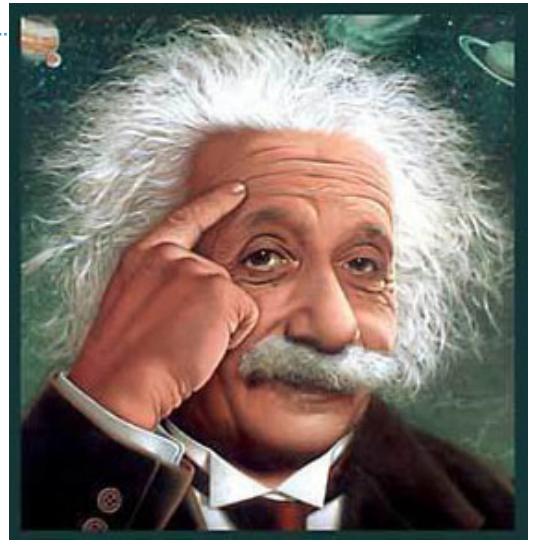
One Big Lesson Learned

It's not what you give them…
it's how you treat them…
and firstline supervisors most influence employee's relationships with managers, colleagues, and duties



***Insanity*: Doing the same thing over & over again & expecting different results**

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3 Stay Interview Success Stories

Florida Hospital Zephyrhills…All turnover 37%; nurse turnover 70% ↓ ↓

Burcham Hills Retirement Community…

Nurse turnover ↓ 70%; 100% retention first 180 days

Novo 1 Call Centers… Agent turnover ↓ 20%

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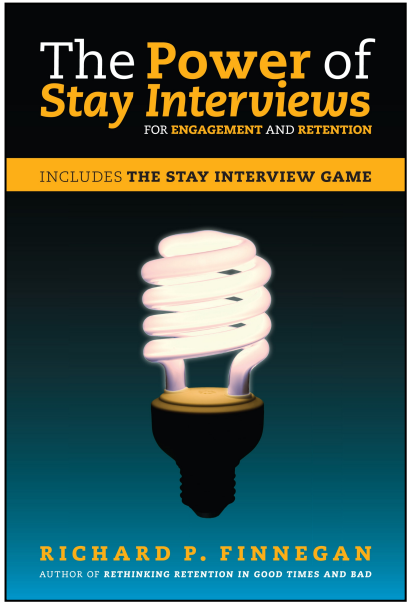
To (1) Build Trust, (2) Gather Information



Top-Selling SHRM-Published Book In History

- **Conducted by supervisors, not HR**
- **Separate from Performance Review**
- **Repeat each year for existing employees / 2 times for new hires**
- **Create individual Stay Action Plans**
- **Managers Forecast Retention**

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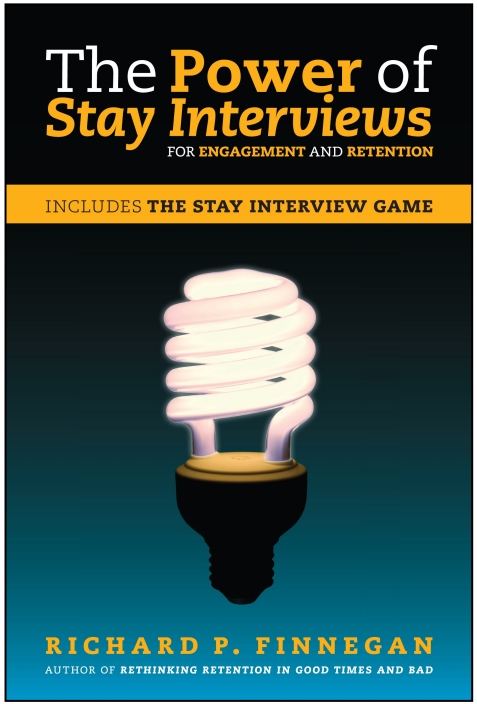
Stay Interview Top 5 Questions



Top-Selling SHRM-Published Book In History

1. What do you look forward to each day when you commute to work?
2. What are you learning here? Want to learn?
3. Why do you stay here?
4. What could cause you to leave us?
5. What can I do to make your job better for you?

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Probing Builds Stay Plans!

- ✓Communication
- ✓Development
- ✓New Role/Promotion
- ✓Pay
- ✓Recognition
- ✓Too Much Work

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Subject	Probes	Solutions
Communication	✓ What information do you need? ✓ How do you like to receive information? In meetings? One-to-one? By email? ✓ What are subjects for which you want to provide input?	✓ Schedule weekly individual meetings ✓ Solicit input for team meeting agendas ✓ Commit to communicating specific information more quickly ✓ Nominate employee for a specific-topic input group

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Subject	Probes	Solutions
Development	✓ If you could learn about just one additional topic, what would it be? ✓ How do you learn best? By listening? Observing? Doing? ✓ How can I know that our plan is working, that you are learning what we both want you to learn?	✓ Assign a mentor for a specific number of hours each week for a specific period of weeks ✓ Work with employee to identify relevant books and websites ✓ Recommend internal and/or external courses.

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Subject	Probes	Solutions
New Role/ Promotion	✓ Tell me the perfect job for you. ✓ Why is that job so appealing to you? ✓ What skills do you have that qualify you for that job? What skills would you have to build?	✓ Ask employee to meet with/ shadow incumbent in desired job and report back on 5 most important skills ✓ Give employee specific feedback on her skill levels and skills needed. ✓ Build plan to develop skills via mentoring, coursework, and feedback.

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Subject	Probes	Solutions
Pay	✓ How much money do you think you should be making? ✓ What actions do *you* see that you can take to increase your pay? ✓ What skills can you build that would make you more valuable to our company?	✓ Check employee's pay against same-performing peers ✓ Design development plan targeted toward more pay if employee has talent ✓ Ensure employee knows all incentive opportunities for shorter-term rewards

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Subject	Probes	Solutions
Recognition	✓ Tell me a time when you should have been recognized but you were not? ✓ How do you like to be recognized? In public or privately? ✓ How does recognition motivate you to perform better?	✓ Commit to lending a sharper eye to identify achievements & recognition opportunities ✓ Ask employee to tell you about achievements you might overlook or not be visible ✓ Consider employee for monthly or annual achievement awards

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Subject	Probes	Solutions
Too Much Work	✓ Which assignment gives you the most stress? ✓ What are the three most important assignments in your job? ✓ What can you stop doing that won't be missed?	✓ Address stress first by coaching on skills ✓ Eliminate unnecessary assignments ✓ Re-assign less important assignments that are lesser fits with employee's skills

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Retention Forecast "HeatMap"

Leader: Rodriguez	Perf Rating/ 5 Hi, 1 Lo	Green 1+ yrs	Yellow 6-12 Months	Red 0-6 Months	Retention Plan
Kim Johnson	4				Provide mentor for…
Burt Brown	5				Develop skills for possible promotion to…
Cindy Stone	3				Pleased with current role & circumstance
Ralph Jimenez	2				Coaching for performance

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A Better Way: The Manager/Supervisor Exit Interview

1. Why do you think this employee left?
2. What retention forecast did you assign to this employee?
3. Did you fully carry out your stay plan with this employee?
4. What lessons can you learn from this exit?
5. Might there be other employees on your team who plan to leave for the same reason?

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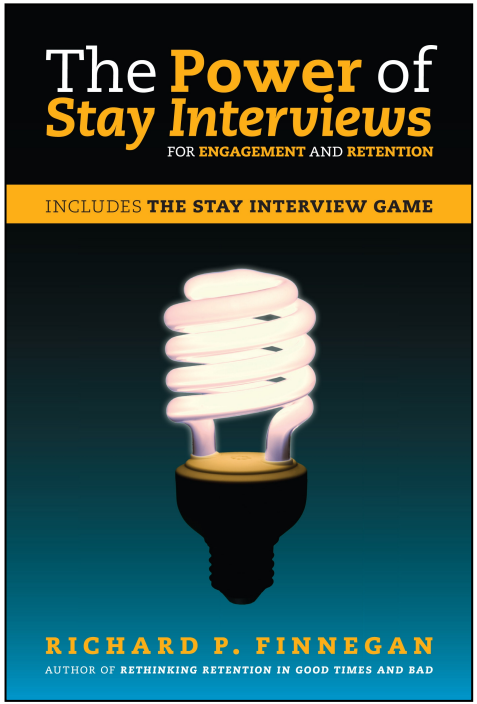
Practice The Top 2 Questions



Top-Selling SHRM-Published Book In History

1. What do you look forward to each day when you commute to work?

2. What are you learning here? Want to learn?

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Gallup's 100 Year Commitment

Surveying citizens of the world over 100 years to learn what is most important, brings most happiness. So far the answer is which?

a. Good health
b. A good job
c. Love and respect from others
d. Money for needs and more
e. Better life for your children

GALLUP

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Gallup's 100 Year Commitment

a. Good health

b. A good job

c. Love and respect from others

d. Money for needs and more

e. Better life for your children

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Blunt Finish

Jim Clifton, CEO, Gallup…

"Let's get rid of managers from hell, double the number of great managers & engaged employees, and have those managers lead on what actually matters…The country's employees will be twice as effective, they'll create far more customers, companies will grow, spiraling healthcare costs will decrease, and desperately needed GDP will boom like never before."

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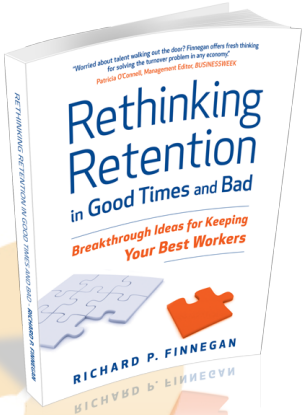
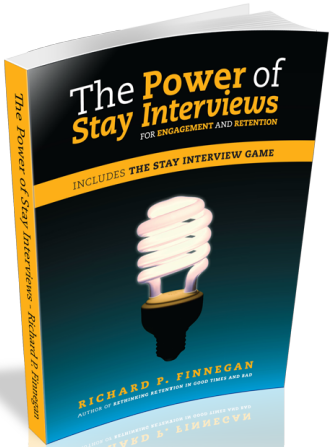
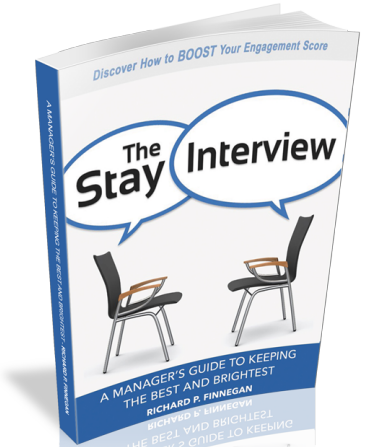
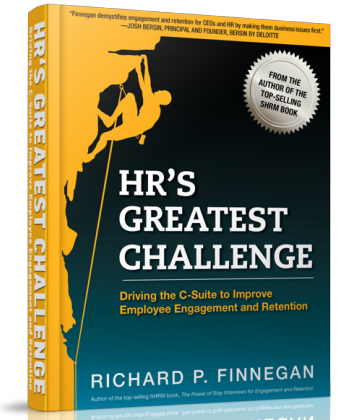
Book Signing 8:15 AM









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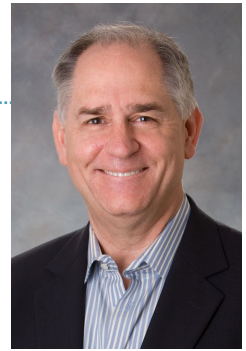
To Obtain



✓ How to Cost Turnover & Engagement

✓ Engagement Correlations to Productivity

✓ The Stay Interview Manager

Training Game

✓ The Best Engagement & Retention Job Description

Please Give Me Your Business Card

Include # of Employees

DFinnegan@C-SuiteAnalytics.com

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