EXIT INTERVIEW: AN APPROACH TO EMPLOYEE RETENTION

SreeYuktha. T
Mount Carmel College, Autonomous, Bangalore

ABSTRACT: Skilled human resource is one of the factors contributing to organization success and sustainability but retention of qualified employees on board is a challenging and complicated endeavor for the organization. The HR department is in charge of implementing corrective programs on turnover administration; one way to do this is through official exit interviews. EI is a formal conversation between the management and departing employee it stipulates the company a chance to assess the opinions of departing employees and improve the business environment. This study has been carried out at a manufacturing unit in Bengaluru. The main objective of the study is to determine the impact of exit interview as a strategic approach for changes in retention policies. Samples were collected from 87 employees through a structured questionnaire. Hypothesis were tested by using Regression Analysis. The results indicate exit interview has been shown to significantly affect staff retention policies and reduce annual employee attrition.

KEYWORDS: Exit interviews, Employee retention, Employee attrition.

I. INTRODUCTION
The organization’s approach to handling Human Resource functions has changed considerably during the last few decades (Kin, Ahmad, & Nor, 2022). Employee acquisition and retention are the most key concerns for any organization driven by growing competition and globalization (Arubayi, 2022). One of the key sources for the growth of the economy is thought to be the human resource. But in the highly competitive corporate environment of today, it is vital to retain the workforce and lower employee turnover. (Deshpande, Tekwani, & Raghuvanshi, 2022). The frequency with which employees leave an organization is known as employee turnover. In order to increase their employees’ motivation, many businesses do not pay close attention to their resentment. Additionally, businesses frequently put employees under pressure, either directly or indirectly, which encourages them to quit. Voluntary turnover refers to a staff who decides to quit the company on their own. Likewise, it is known as involuntary turnover when an employee is fired by their employers. (Hosen, 2022). Identifying the risk of personnel turnover has remained a significant managerial challenge as workforce leave their positions for various reasons. (Saeed, 2022). It has been generally noticed that organization’s financial losses may be caused by a high level of turnover. As a result, it may have a detrimental effect on the company’s commitment, laborers’ drive and existing employees’ morale. Therefore it becomes imperative for organizations to examine the reasons for major chunk of turnover of workforce, as it may aid the organization in improving and devising retention strategies for retaining the existing employees. (Nusratova & Khadjieva, 2020) Exit interview is one such tool that will help the organization is determining the reasons for quitting. Providing employers information to help avert the loss of future employees is one of the main goals on conducting exit interviews (S & Ganesh, 2018). Although exit interview do not result in retention of departing employees, organization can utilize the data received from such surveys to assess the efficacy of HR practices and initiatives, identify problems within the company and rectify them. (Rangarajan, 2015).

II. LITERATURE REVIEW
EXIT INTERVIEW
An exit interview is an” interaction or conversation between the employer and employee” who is departing the organization for any number of reasons (Mokibelo, 2020). Employee surveys and exit interviews are the primary tools used to combat turnover (Feinberg, Jeppeson1, & Nina, 2000). In a non-litigation setting, it is one of the last possibilities to get vital information from the departing employee. The goal of the exit interview is not merely to gather feedback from exiting workforce that can be utilized to improve the organization, while also to demonstrate that the staff members are valued. It is rarely used as a direction to attempt to prevent the departing employee from leaving (Kumar & Jagdale, 2018). Professionals in human resource are tasked with compiling information about leaving and responding to such surveys. However, given the actual causes of the departure are not disclosed, skeptics of this procedure raise valid concern about the validity of the evidence (June, 2009). Likewise, exit interviews have been criticized for invading an employee’s right to privacy (Parker, Harris, & Williamson, 2011). When confidentiality is preserved and when there is a pleasant relationship between the departing employees and management, employees are more likely to disclose their true reasons for quitting the validity of genuine is questioned otherwise (S & Ganesh, 2018). Despite its shortcomings, one of the main goals of exit interview is to discover why workforce quit, is not the intention of these interviews. But obtaining such details from departing employees could help prevent dysfunctional turnover in the future. (Johas, 2004)

EMPLOYEE RETENTION
An organization’s voluntary effort to foster an atmosphere where employees are engaged over long term is known as retention. Preventing competent personnel from leaving the organization is the major goal of retention because doing so could have a negative impact on efficiency and profitability (Samuel & Crispen, 2010). According to (Ruchi & Sinha, 2012), retention methods successfully meet the demands of employees, which improves businesses’ capacity to more successfully adjust to continuing change. One of the traditional methods of managing staff turnover and retention was utilizing the organization’s reward system (Komal & Samina, 2018). According to (Kynd & Dochy, 2008)organizational commitment is a key sign of employee retention.
Researchers have found a number of elements that influence employee retention (Nasir & Zafar, 2016). Employee retention is affected by factors relating to work concern, including leadership, career growth, work-life balance, and rewards (Houssein, Singh, & Arumugam, 2020). (Alkahtani, 2015) Additionally stated that in order to keep workforce, businesses must prioritize development and training. Organizational factors including encouragement, a willingness to learn from others, seniority, and self-perceived leadership abilities are other drivers of employee retention (Das & Baruah, 2013). Younger employees’ propensity to change professions has made it extremely difficult for businesses to keep these new generation personnel. A departing employee causes a significant loss to the company in terms of knowledge, skills, and networks (Samuel & Crispen, 2010). Most of the time, a rival organization gains access to these qualities and may use them to their advantage. As a result, businesses should develop their strategies based on multiple variables rather than just one for retaining workforce (Siddqui & Yousuf, 2018).

III. RESEARCH OBJECTIVE
• To determine the impact of Exit interview on Changes in Retention policies

IV. RESEARCH METHODOLOGY
A Structured questionnaire was employed in order to collect data from primary sources; the Sample size was 87 employees of a manufacturing firm in Bengaluru; and Regression Test utilizing SPSS 29. Version was used to test the hypothesis.

V. HYPOTHESIS
H₀: There is no significant impact between exit interview and changes in employee retention policies
H₁: There is significant impact between exit interview and changes in employee retention policies.

VI. CONCEPTUAL FRAMEWORK

```
EXIT INTERVIEW
DATA

Valuable Information

Career Development
Superior Support
Work-Environment
Work-Life Balance

Changes in retention Policies
```

VII. ANALYSIS
Regression analysis was carried out in order to examine the relationship between variables and ascertain whether the aforementioned variables are significantly related. The analysis’s findings, which are displayed below, are as follows,

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.856*</td>
<td>0.732</td>
<td>0.718</td>
<td>0.306</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), WLB, CD, WE, SS

MODEL SUMMARY
The R-Value in the model summary demonstrates the connection between both the independent and dependent variables. A value that is more than 0.4 is considered for further investigation. In this case, the value is .856, which is a good result. The generic variation for the dependent variable that the independent variable might account for is shown by R-Square. A value greater than 0.5 suggests that the model can acknowledge the relationship. In this case, the value is .732, which is a good result. The adjusted R-
square in multiple regression illustrates the generalizability of the results or the variance of the results from the population. There must be at least a minimal separation between R-Square and Adjusted R-Square. In this case, the number is .718, which is acceptable because it is close to .732.

Table ii

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>20.444</td>
<td>4</td>
<td>5.111</td>
<td>54.599</td>
<td>&lt;.001b</td>
</tr>
<tr>
<td>Residual</td>
<td>7.489</td>
<td>80</td>
<td>0.094</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>27.932</td>
<td>84</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Exit Interview Data
b. Predictors: (Constant), WLB, CD, WE, SS

ANOVA TABLE
It determines whether the model is credible enough to forecast the outcome. Sig value and P-value is 5% level or the 95% confidence interval is typically chosen as the study’s significance threshold. The p-value must therefore be less than 0.005. In the table above, it is .000. The result is important as a conclusion.

Table iii

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.080</td>
<td>0.245</td>
<td>4.415</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>CD</td>
<td>2.265</td>
<td>0.668</td>
<td>1.884</td>
<td>3.392</td>
</tr>
<tr>
<td>SS</td>
<td>-2.334</td>
<td>0.816</td>
<td>-1.939</td>
<td>-2.861</td>
</tr>
<tr>
<td>WE</td>
<td>1.051</td>
<td>0.392</td>
<td>0.914</td>
<td>2.680</td>
</tr>
<tr>
<td>WLB</td>
<td>0.022</td>
<td>0.035</td>
<td>0.039</td>
<td>0.629</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Exit Interview
b. Independent Variable: CD, SS, WE, WLB

Coefficient TABLE
The table displays the strength of the relationship, or how significant a variable is to the model and how much it influences the dependent variable. This analysis aids in a study’s inferential analysis. In the process of interpretation, only the significance value matters. The value must be less than the 0.05 threshold of significance that is considered acceptable for the study. The significance value establishes the viability of the null hypothesis. The null hypothesis is rejected in this study because data from exit interviews revealed significant improvements or changes in career progression, superior support, and work environment for employees employed by the organization. Career development has a value of 0.001 which is 0.05, superior support has a value of 0.005 which is 0.05, and work environment has a value of 0.009 which is 0.05. the value of 0.531, which is more than 0.05 and suggests there is no influence between the independent and dependent variables in the instance of work-life balance, however, may imply that the business has not significantly improved its work-life balance policies.

VII. CONCLUSION
In today’s world of fierce business competition, survival of business is imperative. For business to become successful retention of skilled employee and reduction of attrition is top most priority. With the aid of exit interviews, an organization can determine the areas that require improvement. The exit procedures as gained importance as much as the hiring process. The main causes of, are compensation, job relocation, employee health and so on. According to employees, exit interviews give the organization a chance to develop employee-based work practices, the methods used to conduct exit interviews are simple to use, and the information collected is put to beneficial use by enhancing workplace amenities. Employees are more likely to provide genuine feedback if exit interviews are conducted by independent third-party interviewers (Khan & Sgultana, 2019). To check the validity of response organization must conduct post exit surveys as per the convenience of exiting employees (Feinberg, Jeppeson1, & Nina, 2000). As a result, properly constructed departure interview is a useful tool for aiding the business in reaching goals of growth, stability and contented personnel. Exit interviews are an asset to a business and very effective in attaining corporate goals if handled professionally and positively. Despite being advantageous to the organization, the findings of (Feinberg, Jeppeson1, & Nina, 2000) imply that information gleaned through exit interviews may not be reliable. As a result, any decision, initiative, or adjustments that are the result of knowledge gathered in this manner may be effective, inefficient, or worse, work against lowering turnover (Johas, 2004), this is because exiting employees exhibit impression management and are adamant that offering an honest or unfavorable review would “burn bridges” and be detrimental to their interests. (Sengupta, 2018)

In light of this, management should never rely solely on exit interviews and should instead combine them with other, more trustworthy techniques, such as follow-up surveys and attitude surveys (Siyanbola, 2015), in order to get a more comprehensive understanding of the opinions of exiting employees with a view to revise retention policies.

REFERENCES