

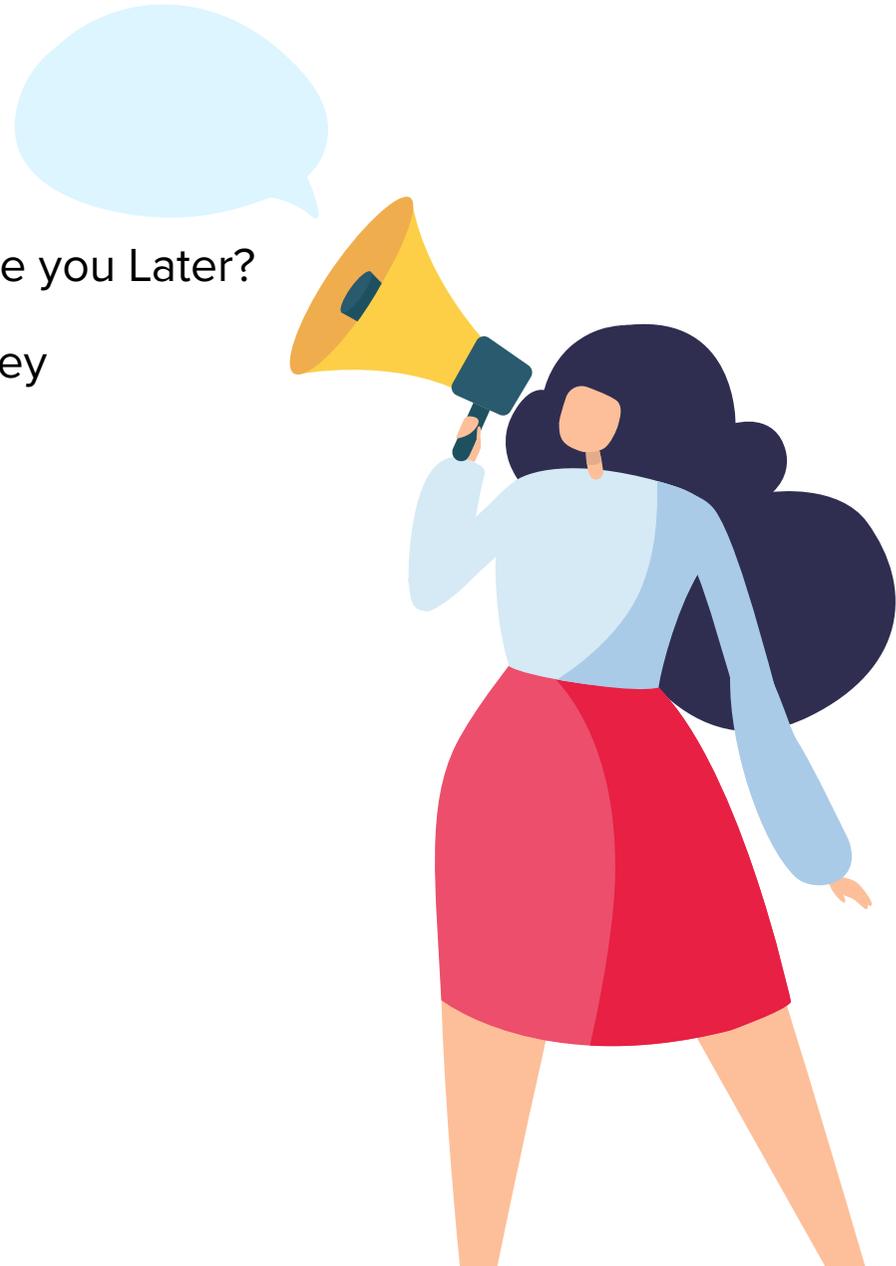
THE OFFBOARDING GUIDE

**A Nice Goodbye
to your Employees
Will Strengthen your
Business, Brand, and
Recruitment Skills**



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Intro

Offboarding - Goodbye and (Maybe) See you Later?

Nothing lasts forever, and this is definitely the case when we talk about employment. Every hour 95 Danish people change jobs, and 43 percent of the millennial generation are expected to change jobs every second year. And so, what? To what degree should you as an employer relate to these facts? And is it even possible? When all comes down to it, is it not about the employees who stay, and not the ones who is on their way out the door?





The answers are: To a very high degree, yes and yes. Offboarding is a field a lot of companies underestimate both in terms of scope and implications thereof. Deep down it is often about a basic lack of understanding of how important the signals you send as an employer are. And what these signals mean outwards as well as inwards.

Each time you send an employee out the door – or the person choose to do so herself – a story gets in the market as well. A story about an employment, about your company, or your company values, about your company's management style, and about all possible relations, which

tell about, who you are. And whether you have a good workplace at all. These stories are crucial for your value at the market for bright and skilled candidates. Attractive employees are a small resource, and in the United States there is talk about a war on talent. And that is why the last thing you need is a bad reputation because you are better at starting a relationship than ending it. A bad reputation which will make the remaining employees consider if they should say yes to some of the coffee dates from competitors, just lying there waiting in the inbox at LinkedIn. And who really want to stay if the partner has been rough in the past relationships?

Offboarding is the final step in the employee journey, but it is also the potential first step for the next talent, who will look at the story former employees tell about you. And maybe the first step for the former employee, who potentially want to return to the employer who kissed properly goodbye after the first round. And offboarding is the right place to set in for turning down expenses, but up for the effect of goodwill and reputation. This we will go deeper into in this guide about the good offboarding process, where we also will look at the compliance aspects of saying goodbye (and maybe see you later).

Enjoy.

The Missed Stop at the Employee Journey

While there traditionally have been posted big amounts in recruitment, onboarding, and development of employees, offboarding is rarely a post that takes up a lot of space in the budget. This might not be as surprising – the potential seems a bit bigger in the other cases – but nevertheless it is a practice, which can be quite expensive measured at different parameters.





In a time, where a battle is going on for the attractive employees, you must as an employer look closer to recruitment, retainment, and departure as parts of the same chain. The employee journey is – and should be – cyclic, because the talent pool is not infinitely big, and the employee who steps out the door, can be worth a lot of money on a long-term basis. Like the person can cost you a lot more than just a settlement agreement and some flowers. An employee, who leaves the company takes something with her, no matter who she is, what role she has, and the way she felt her departure was handled. A senior or key employee takes away a lot of experience,

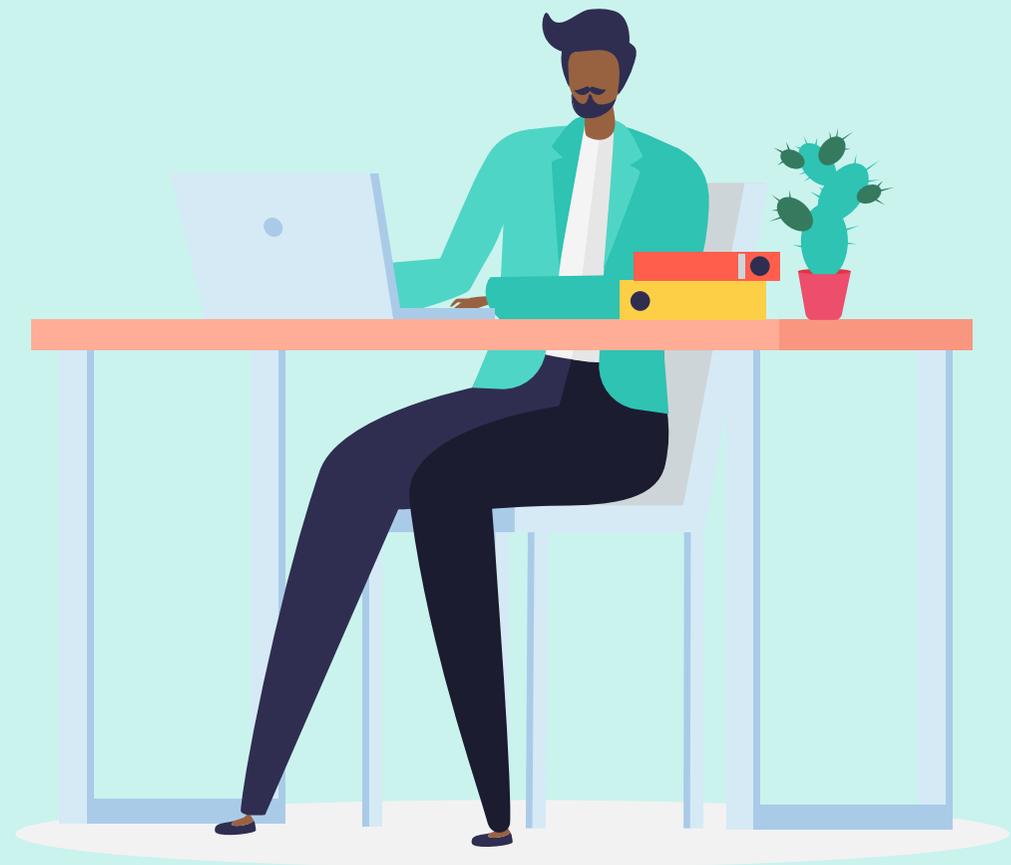
knowledge, and knowhow. And a less ‘heavy’ employee carries a lot of costs in terms of training, and ‘dead hours’ as a result of the learning curve’s slope at the beginning of the employment.

The lack of focus on offboarding gives intuitively good sense. It is natural to focus on the employees remaining in the company, and the ones who join in, but it is necessary to view the offboarding as an element in a cyclic process. Both to consider the previously mentioned experience and knowledge, which we by the way will return to in the next chapter, but also to consider the fact that skilled employees are a small resource. Besides

taking a lot of knowhow out the door, the former employee will take a very valuable asset with her – the brand of you as an employer. Let’s make one thing straight: Offboarding is not a manoeuvre with the purpose of convincing your former employee to tell a delightful story about how awesome it has been to work for your company. Offboarding in an employer branding connection has the aim to ensure, that the employee actually has experienced a proper, respectful, and meaningful process. The story about your company must of course be positive, but first and foremost it must be genuine and real. And it is your responsibility to ensure that both are the case.

Empty the Hard Drive and the Head

When an employee has turned in his key and walks out the door for the last time, it is not only an employee number that disappears. It is also a lot of knowledge and experience which disappears, and in best case can be built up again over time, but in the worst case it just disappears.





This is why it is key, that you have a plan to ensure the information, so you can get the productivity – and development level going. At least in the cases where the employee possesses what we call Deep Smarts – meaning, experience based knowledge that is critical to the company. Here, it is absolutely crucial that you ensure a systematically and organized offboarding process. You cannot clone the employee, but you can put the knowledge sharing into system.



- **Make a plan**

Plans give overview, and overview give the best starting point to make the right decisions at the right time. You need to know timelines to create a bigger picture of what knowledge must be passed on to who.

- **Get a hold of IT**

Have a specific plan for when the employee cannot access the company systems anymore. It is crucial that you quickly and thoroughly get a hold of what knowledge is saved digitally. Make sure to have all relevant files, folders, and document in place at your company drive, and map out whether the employee has a lot of passwords to company systems, which must be passed on to others – and of course be changed.

- **Think compliance**

There is a lot of compliance aspects tied up to an employee leaving the company, and it is your responsibility to ensure that everything is straight. Create an overview of compliance related relations. If your company has an HR – or a legal department, you should team up with the experts, on all thinkable matters – like preservation of the employee's personal data, the employee's access to other people's personal data, access to company secrets, etc.

LEARN



- **Motivate the leaving employee**

Under the circumstance that the 'divorce' is happy, it should not be a problem to get the employee to pass on knowledge, but it is crucial that you take a lead on making it happen. It is not given, that the leaving employee is aware of, how important this is, and you must step up to handle the task.

- **Create over-the-shoulder practice**

If the employee's replacement is found internally, you should have an arrangement, where the rookie employee follow the leaving employee closely in the period up to the last day at the workplace. A lot of knowledge should be experienced hands on, and a close collaboration up to the last day can contribute to a smaller gap of lost knowledge.



- **Team learning is key**

If the replacement is found externally, you should consider how to retain the leaving employee's knowledge and knowhow. Make a team, which can take over the knowledge, and they should all help each other to do so. Carry out an interview-session where the entire team can ask the leaving colleague about everything from work processes to information sources and different do's and don'ts.

- **Sort out in the demands**

It is easy to ask the leaving employee to document all work processes, flows, and so on, and it could seem like a good idea. But consider when enough is enough. If time is short at hand, it is better spent through dialogue than writing down a lot which does not really make sense or is not that important at all. Make an ar-



angement where you can call the leaving employee, if a specific question should come up afterwards.

- **All the practical stuff**

We have already mentioned the aspect of IT, but in a lot of companies it is not only computer, phone, and a key there must be turned in. Maybe there is also a car, a uniform, other equipment, and so on, and here, it is important to have control of the details. Make sure the employee can work as long as possible and make clear arrangements about what must be turned in to who, when, and where. In that case, the employee knows how to relate, and the company knows that the stuff is turned in. Arrange in the same run, how the final day must come about, whether you should throw a gathering and so on. Everybody likes clarity.



● **Remember the remaining employees**

When one or more employees leave the workplace – no matter the reason – it will typically affect the remaining employees. The changes can cause discomfort and a sense of unsafety; what affect will it have on the individual, when employees are replaced, and what about the tasks that now must be solved by others? Have respect for that the sense of unsafety must be handled, and that this task lies with management. Prepare answers for the questions, which you know will come, and remember by the way that calmness and stability are golden in this situation. Talk about the former employees with respect but be sure to send a clear message that you are comfortable with the remaining team.

A small, but nevertheless important point: Now and then an employment ends on less good terms. If an employee is fired, and the layoff is due to criminal relations or the like, it is a particular situation, which is tricky to have a specific guideline for. Here, you need to have a standard operation process, where you need

to shut out specific employees from the system as quickly as possible. But if the layoff is due to re-structuring or cutbacks, you need to view the process in the same way as if the employee chose to walk out the door herself or chose to retire. For everyone's sake you must send them off in the best manner as possible.





Outplacement





If a company must terminate employees' contracts, it can be a good idea to look at an outplacement-program – for more reasons. Outplacement is all about offering employees who has been laid off a program, where they get helped on their further journey at the job market through a professional, individual, counselled program. Either through your company's own HR department or with counsel from an external partner. An outplacement-program typically gives a long range of elements like a profile test, counsel, one-on-one conversations, and relevant courses – often guided with digital tools.

Outplacement can also target managers, who want to handle laid off employees and those who resign themselves, in a situation where resigning is a part of everyday life in an organization.

But is outplacement even something, you should relate to? Is it not just an expense?

The answer is no, and it has both soft and rough edges. The soft arguments are about employer branding. You need to send former employees out in a world, where they talk well about you as an employer. And it about contributing to the good vibe, which you are very dependent on to make people prioritizing passing on their experiences and knowledge to their co-workers. You do this best by investing in sending people out the door in a good manner and actively helping them getting to another job quickly. And exactly investment is key when we talk about the rougher edges.

In a scientifically article published by the Federal Reserve Bank of Chicago, John A. Challenger from the outplacement company Challenger, Gray & Christmas Inc. defines how an outplacement program can reduce costs as a cause of for example absence, expenses for unemployment– and healthcare insurances,

and productivity loss. Maybe not a surprising message from a vendor of exactly outplacement–programs, but the points are well argued for, and it makes intuitively sense – even with the clear differences at the labour market (and the legal systems) in both USA, Europe, and globally. The soft and the rough flows together, because the essence is, that employer and employee agree upon getting the process running in a way that benefits both parties.



Veterans Are Golden

In the world of academia, a tradition rules, which many companies can be inspired of: Alumni Communities. An alumni is a person who has graduated from an educational institution and who still is in touch with the institution through a union. And alumnis can become a potential goldmine for companies in terms



of boomerang-employments, where former employees come back to the company after they have been with other companies. According to Talya N. Bauer, Professor at Portland State University, the savings on the recruitment account are between 33 and 67 percent, when it is a boomerang-employee, who is returning home. A company like Deloitte has saved 3.8 million dollars on that account, and Shell has invested in a digital platform to keep in touch with their alumnis. Even if the former employee never returns to the fold it can be a good idea, financially, to invest in an alumni network. Because if the employee has left in good spirit it is obvious that the employee can become a client or customer if your product matches her new company's demands. Or her husband's, friend's or her entire network's demands. We are back at the ambassador point: You get what you give. So be generous.





If we are talking about an employee who leaves for retirement, there are some other mechanisms to be aware of. Here, you cannot expect to get the employee back, but maybe you can make a deal and let you both be better off than the alternative. Let's assume that you have an employee who retires after a long career in your company. The rocking chair and the grandchildren are calling, but there is so much stuff you need to get out of his head, and you do not have the time to do so. Maybe you can get inspired by Ford, who has a special retirement program. That program gives retirement-ready employees the possibility to work half of the time for a half a year but for a full salary. It can seem like an expensive deal for the employer on paper, but on the other hand, as we already talked about, it will in many cases be far more expensive not to do so, because the knowledge and knowhow the skilled employee has can be very valuable – and maybe impossible to reinvent for a replacement.

The Good Offboarding Checklist



When it is time to say goodbye to an employee there are several things you must remember. We have been around most of them in this guide, but you also get them as a list of do's and don'ts, because many years of experience with learning tell us, that it works. And we will start with the stuff you should not do.

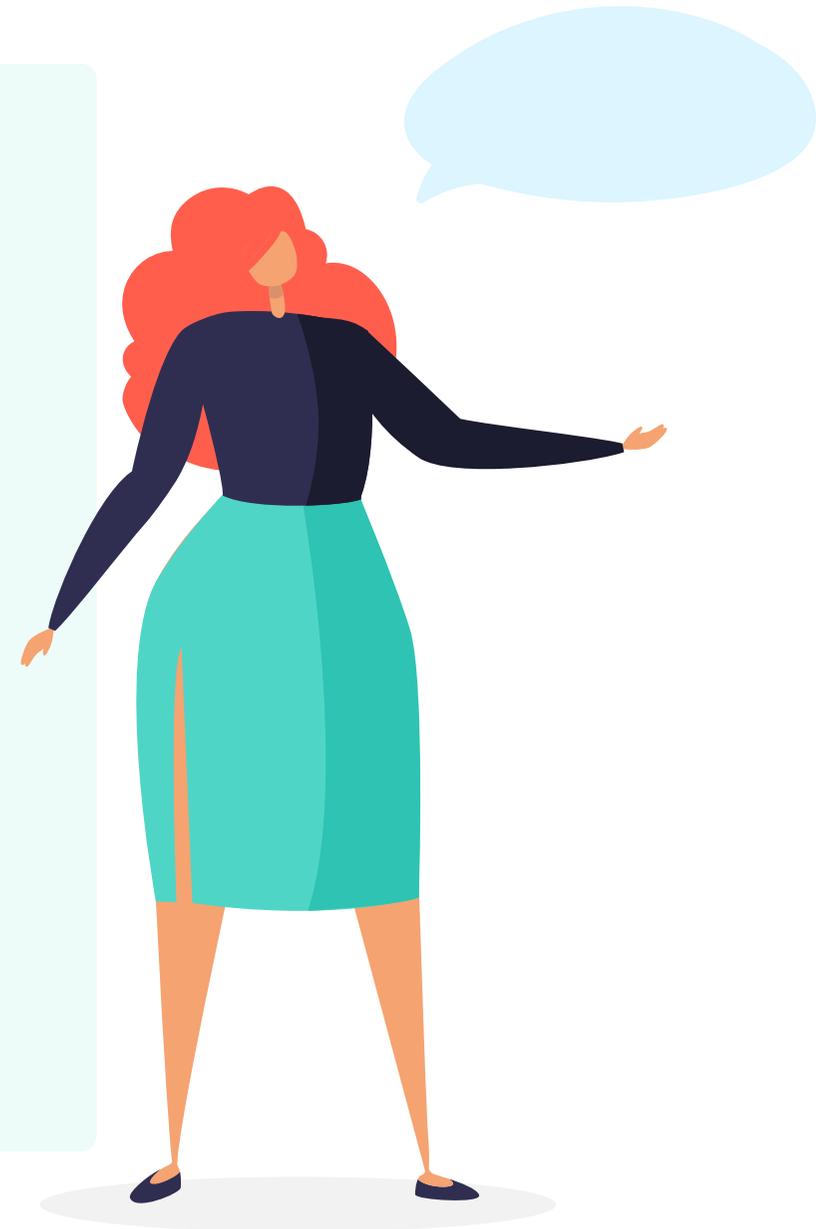


Don'ts

- Don't panic. It is natural that people change jobs, and both you and the former employee will move on.
- Don't force the employee to spend her last time in the company by typing down all work tasks and processes that she is doing. It is a waste of time and demotivating. You need to pull in the same direction.
- Don't get mad. The deselection of you and your company is in most cases not really about you. Often it is not about a deselection, but a selection of something different. Maybe something better, maybe not, but something else. And you cannot change exactly that.

Do's

- Show a surplus energy. Make sure that the employee leaves the company with a smile on his face. It raises the chances of you getting most out of his final days in the job, and for him to return as an even more appreciated employee. And for the one who got laid off, a good goodbye raises the chances of him talking well about you and making him a great ambassador for your company brand.
- Make sure to create over-the-shoulder training for the less skilled employee during the final time, so the experience-based knowledge can pass on in the organisation. Written directions are always up for grabs but remember the old saying: Show it – don't tell it. It lasts!
- Keep the door open. The most efficient recruitment is the boomerang-employee, so make sure to stay good friends, and make an alumni network available, so there is an environment for former employees circling your business.
- Carry out exit interviews to get insights about how the departing employee has made her choices. These interviews can give you a priceless insight in your own company, and they can be carried out face-to-face or through a learning platform.





Offboarding – in Everybody’s Interest

It is rarely nice to say goodbye. Now and then it is just necessary, and whether it is you or the employee who hits the breaks, you both have a common interest in that the split and the period up to the final handshake becomes as painless and respectful as possible.

Offboarding is one of the least prioritized stops on the employee journey, if it even gets any attention, but hopefully this guide will provide you with a picture

of that it is something that has even as great implications as the other phases – both recruitment-, preboarding-, and the onboarding-phase. Good luck with your offboarding – may all parties get out strengthened on the other side.

Create the Best Learning Experiences for Your Employees

learningbank 

Støberigade 14
2450 København SV

+ 45 71 999 123
info@learningbank.io
learningbank.io