



Employee Retention

# When an Employee Quits and You Didn't See It Coming

by Rebecca Knight

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**It's Friday afternoon and one of your** employees asks for a private meeting. Before you even close the door, she tells you she's found another job and is leaving the company. Once you get over the shock, how should you respond? How do you cover her responsibilities? And how do you make sure that the rest of your team isn't overburdened when she leaves?

## What the Experts Say

Unexpected resignations present big challenges for leaders, especially those unaccustomed to dealing with them. "It's probably a frustration you haven't had for a while — and if you're a relatively new manager, you might not have *ever* experienced this before," says Priscilla Claman, the

president of Career Strategies, a Boston-based consulting firm and a contributor to the *HBR Guide to Getting the Right Job*. Abrupt employee departures are especially hard on the psyche. If you've grown to really rely on that person, "you may feel deserted and alone," says Anat Lechner, a clinical associate professor of management and organizations at NYU Stern. "You're left psychologically and practically without a point person." Here are some tips to help you manage the separation and make the transition as smooth as possible.

### **Know the protocol**

It's important to first understand your company's HR procedures for handling these situations. At some organizations, policy dictates that the moment a person offers a resignation "you cut their employee ID card in half, call security, and escort them out of the office," says Claman. At others, people are required to work out a notice period — typically two weeks — stipulated in their employment contract. Two weeks is common, but if the employee is leaving for an internal position, "there is often some flexibility to negotiate for a slightly longer lead time," says Claman. Although you can always ask the employee to stay longer, "don't expect flexibility," Claman says. "They probably already have a start date at their other company." Besides, she says, when an employee blindsides you, "you need to ask yourself: do I want this person here anymore?"

### **Don't emote**

Once the news is delivered, Claman advises "muting your inner response of: What? Why? You didn't tell me!" Instead, she says, "breathe" and "even if you're upset" do your best to engage in a "warm and friendly conversation about [the person's] future plans." In the modern workplace, "people come and go over and over again so it's important to maintain relationships," she explains. If your interactions with the employee have been difficult and you sense hostility in the departure — in other words, he can't wait to leave — you need to "figure out what can be salvaged," says Lechner. She recommends saying something like, "I appreciate the contributions you've made and I understand that you've had a tough time

here. For the sake of your reputation and mine, let's take the high road." She adds, "Do things right so there's no bad blood."

### **Ask for a rationale**

It's still important, however, to try to "understand the why" behind the employee's decision, says Lechner. "Very often you can do nothing about it," she acknowledges. Sometimes the person simply got a better offer and her mind is made up. But, occasionally, you can discover new information that "will help you construct a solution." You may, for instance, learn that she's resigning for personal reasons: Her spouse is being transferred to a new city or she needs more time to care for an aging parent. In these circumstances, you could offer alternatives. Perhaps she can work remotely or take an unpaid leave of absence. "You can make the suggestions because the employee might not have thought about it before," Lechner says.

### **Consider a counter offer — or not**

Whether or not to make a counter offer comes down to "how critical this person is to you and how much of a disruption their absence will cause," says Lechner. But both experts caution that counter offers are often counter-productive. "It's like being on the verge of divorce and then reconciling," says Claman. "Once the other person has gone through the thought process of leaving, it's hard to fully trust them again." A better strategy is to "retain a relationship" with the departing employee and then "re-recruit them in a year," she adds. "Say: 'We've missed you. And we would love to have you back.'"

### **Collaborate and communicate**

You can't control how others react to the news, but you can control how it gets communicated. Claman suggests collaborating with your exiting employee on how to best present the departure. "Say, 'Let's talk about what you're going to say and what I'm going to say.'" Does the employee prefer to tell others one-on-one? Would you — the boss — like to make an announcement at an interdepartmental meeting? Should the news

circulate via email? Be honest and open when communicating the departure to other stakeholders, says Lechner. Explain the circumstance in plain language and assure them “you are working hard to find a suitable replacement and doing your best to make the transition as smooth as possible,” she says.

### **Transfer knowledge**

Now you have some difficult decisions to make about how to divvy up responsibilities while you're short-staffed. Acknowledge that your team will have a “workload problem” for a time and that people are likely to “feel overburdened,” but also use the departure as an opportunity to “talk to employees about their careers and opportunities for growth,” says Claman. “Say, ‘Frank is leaving. I want to talk about what that means for you. Is there something that Frank does that you have an interest in learning or trying?’” Then, during the exiting employee's notice period, set up an “extensive shadowing mechanism” so that those taking over his responsibilities can absorb what they need to, Lechner advises. The biggest challenge is transferring “the sticky knowledge — the things an employee knows that can't necessarily be shown on an Excel spreadsheet,” she adds. For this, you need to negotiate continued communication with the person “so you can tap their knowledge either by email or phone when problems arise.”

### **Make a hiring plan**

Claman recommends coordinating with HR to formally list a job opening as soon as possible. “This helps people on your team understand that this is temporary,” she says. Ask employees for input on what skills, experience and qualities they would like to find in the new hire. Perhaps they know people — inside or outside the company — who would be a good fit. Or an internal promotion might be in order, says Claman. “This could be a chance for someone to expand and grow” into the role. Lechner also recommends reconsidering your team configuration. “Ideally you should operate at some level of overcapacity so that when you lose an employee, you don't need to panic,” she says. “This little bit of redundancy doesn't

need to cost you more — think about whether you could hire two part-time people instead of one fulltime person.”

### **Have a party**

On the employee's last day, it's important to gather your team to “thank the person who's leaving and wish them well,” says Claman. It doesn't have to be a big party; “it could be coffee and donuts in the conference room.” But the act of celebration is key. After all, “it's not only about the person who is leaving. It's also about the people who are staying,” she says. “You are rewarding the people for whom it's going to be a difficult few weeks.” Failing to acknowledge an employee's departure and his or her contributions sends a bad message to your team, adds Lechner. “The subtext is that employees are a plug-and-play resource”: here one day, gone the next. She continues, “It's important to humanize the work relationship.”

### **Then take time to reflect**

Good managers should never be “truly surprised” when an employee announces she is leaving, says Claman. “As manager, you need to be aware of people's interests and needs. You should know what they want to do. And you should be able to tell when someone is tired of her job, has aged out of it, is not engaged, or has life changes afoot — like a move or a spouse transfer — that make a resignation likely, she says. If this news did indeed blindside you, “it is incumbent on you to start having more contact with your team so that you know what they want for their future” and can predict or prevent these situations going forward.

### **Principles to Remember:**

#### **Do**

- Immediately develop a hiring plan to replace the employee
- Frame the resignation as an opportunity for remaining team members to take on new responsibilities and learn new things

- Publicly acknowledge the employee's departure and his contributions to the team

### **Don't**

- Take the resignation personally; instead, retain your relationship with the employee by engaging in a friendly conversation about future plans
- Try to counter-offer unless it's absolutely necessary — you'll have more success if you wait a year and then try to recruit them back
- Be blindsided again. Make an effort to talk to your team about their professional interests and needs

### **Case Study #1: Be creative and accommodating about knowledge transfer**

When Kenneth Jennings, the CEO of Mr. Rekey Locksmith, a residential and commercial locksmith service, found out that his top finance person — we'll call her Louise — had accepted a new job, his mind reeled. "You put a lot of trust in your employees and so when they walk out without much notice, it's a bit of shock," he says.

Once the surprise wore off, Ken relaxed. "You have to remember in these situations that you're dealing with people. I want people to be happy, and I want them to have opportunities to move up in their lives," he says.

With a warm and friendly attitude, he congratulated Louise on her new job and asked what drew her to the new company. "I probed a little on what they were offering that we couldn't. It was a little like an exit interview; her answers gave me insights into what I need to do to retain people."

Louise was under pressure to start at her new company as soon as possible, but Ken explained that he needed her help in bridging the transition. As a compromise, she worked part-time for both companies for two weeks and agreed to make herself available should questions arise after her departure.

Ken made a companywide announcement about Louise's resignation. "I wanted to open the lines of communication right away so that everyone would think: What do I need from this person before her departure?"

He also immediately began looking for a replacement. He even asked Louise if she knew of anyone who would be a good fit for the job in front of his whole team. "I wanted everyone to know that we are *all* engaged in looking for a replacement," he explains.

### **Case Study #2: Preserve professional relationships — even long after the resignation**

René Banglesdorf, the CEO and co-founder of Charlie Bravo Aviation, an Austin-based company that buys and sells private jets and helicopters, was taken completely aback when her executive assistant resigned after only six months in the job.

Julie\* told René she was leaving the company for her dream job in the fashion industry. Outwardly, René took the news well. "I didn't want to react negatively. I told her I was happy for her and asked when her last day would be," she says. But the news was a blow. Julie handled everything from scheduling travel to creating market reports for the eight-person company. "Her leaving meant that all that work would be on my shoulders," René says.

Previously, she asked resigning employees to leave immediately so as not to dent morale, but she asked Julie to work during her two-week notice period mainly because she "needed her to keep doing everything she had been doing," she says. During this time, René got in touch with a former Charlie Bravo employee, Mary\*, who had left the company on excellent terms a few years earlier. The two women had stayed friendly on Facebook and recently bumped into each other. René knew Mary was looking for a new role.



“She knew our company and she knew our culture,” René says. The day after Julie left, Mary took over her job. “It worked out amazingly well,” says René. “When I was younger, I took it personally when people resigned. I don’t do that anymore. From a professional standpoint, it’s so important to maintain relationships because you never know when you might need that person in the future.”

\* Not their real names



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