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FOR IMMEDIATE RELEASE

Please Don't Go: Companies Increasingly Conduct "Stay Interviews" To Keep Key People

CHICAGO, April 28, 2016 – While many American workers may be familiar with the concept of the exit interview, a tightening labor market is prompting employers to initiate "stay interviews" as a preemptive means of hanging onto talent.

In a new survey of human resources executives conducted by global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc., more than 50 percent of respondents said their companies were already conducting stay interviews or planned to start doing so in the near future.

"Exit interviews with departing employees can be enlightening, but the obvious downside is that any useful information gleaned from it is too late to keep the person from leaving. As talent becomes more scarce, it is critical that companies be more proactive when it comes to retaining their best workers," said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

The survey, conducted in March among approximately 100 human resources executives, found that 27 percent of companies were already conducting stay interviews to reduce turnover. Another 24 percent of respondents indicated that they plan to implement such interviews.

Has your company utilized "stay interviews" in an effort to reduce turnover?	
Yes	27.3%
No	48.5%
Not yet, but we plan to	24.2%

Exit interviews have long been a part of the human resources toolbox. Conducted when an employee leaves an organization, the exit interview helps companies determine what they are doing well and identify areas to improve; confirm skill sets, experience, and attributes best suited for the position; and capture useful knowledge, contacts and tips from the departing employee. Most importantly, exit interviews provide insight on why the employee is leaving.

Stay interviews, as the name suggests, are intended to provide all of this insight before the employee leaves. It is important that organizations understand why employees stay and what might compel them to leave.

Following are some sample questions for stay interviews offered by the Society for Human Resource Management (www.shrm.org):

- **What do you look forward to when you come to work each day?**
- **What do you like most or least about working here?**
- **What keeps you working here?**
- **If you could change something about your job, what would that be?**
- **What would make your job more satisfying?**
- **How do you like to be recognized?**
- **What talents are not being used in your current role?**

“Incorporating the stay interview process has had a positive impact on retaining our key employees,” said Mary C. Shinsako, Manager, Human Resources for ArcelorMittal USA, a global steel and mining company with North American operations headquartered in Chicago.

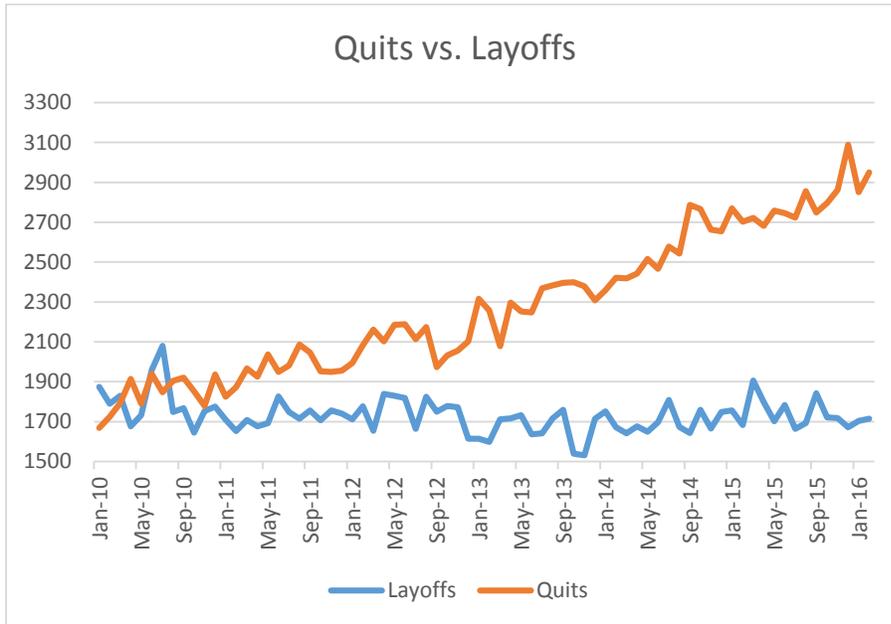
“The most critical step in the process is the action planning phase. After conducting the stay interview, the manager identifies the action steps that will be taken based on the feedback received,” Shinsako added.

Stay interviews are likely to become more widely used as labor markets get tighter around the country. As of February, there were 63 metropolitan areas with an unemployment rate of 4.0 percent or lower, according to the latest data from the US Bureau of Labor Statistics (BLS). There were 97 more with a rate below 5.0 percent.

Furthermore, the pool of available talent with a college degree is also getting particularly shallow. Among Americans 25 and older with a four-year college degree, the unemployment rate is just 2.6 percent.

“At these levels, it is undoubtedly getting more difficult for employers to find candidates. Particularly, those in industries requiring highly educated and highly skilled workers. In this environment, retaining talent is just as important as bringing in talent,” said Challenger.

Retaining employees is indeed getting more difficult. The latest BLS Job Openings and Labor Turnover Survey shows that 2,950,000 Americans quit their jobs in February. That was up 9 percent from a year earlier when 2.7 million people voluntarily left their employer. As the following chart illustrates, the number of monthly quits has been rising steadily since 2010.



Source: Challenger, Gray & Christmas, Inc., with seasonally adjusted data from the US Bureau of Labor Statistics

“Some assume that the best way to hold onto talent is to simply increase wages. However, raising salaries does not necessarily lead to improved engagement and loyalty. There are plenty of highly-paid workers in America who are not happy in their jobs. The stay interviews are designed to help employers determine what is most likely to increase job satisfaction and engagement,” said Challenger.

“Employees are not identifying salary and benefits as their main reasons for staying with our company. The retention categories identified most include flexibility and autonomy, work-life integration, and the ability to develop knowledge and skills through challenging work assignments,” said ArcelorMittal’s Shinsako.

Indeed, in one of the most comprehensive surveys on job satisfaction, a 2014 survey of 200,000 people around the world by [Boston Consulting Group](#) found that the top factor for employee happiness on the job is to be appreciated for their work. Salary ranked eighth on the list of top 10 factors.

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