You've heard about them. You've read about them. Maybe you have even tried doing them. But now, you are ready to officially start your Stay Interview program. OK – now what? It’s a question we hear a lot, so we wanted to create this guide to help you get started.

The goal of this guide is to take you from the stay interview idea to implementation in 5 simple steps that include:

- **Step 1: Setting Retention Goals**
- **Step 2: Scheduling Stay Interviews**
- **Step 3: 5 Key Stay Interview Questions**
- **Step 4: Building Successful Stay Plans**
- **Step 5: Forecasting Retention & Turnover**

At the conclusion of this guide, you will have everything you need to get started today. We will provide some quick tips, best practices and a little advice along the way that we have learned while working with a wide variety of customers. Regardless of your company size, turnover problems or technology – you can start doing stay interviews and we’re going to show you how!

We're going to start by assuming you understand the importance of stay interviews – so we’re going to skip all the startling statistics about disengaged employees and turnover costs (but we do have piles of data if you need to convince your colleagues). By this point, you have figured out that not only are stay interviews important, they are an integral part of any engagement and retention strategy. Now you are ready to implement them for your organization.

So, let’s get started!
What is a Stay Interview?

There are a lot of opinions on what a stay interview is (or is not). So let’s start first by dispelling some common misconceptions and clarify what a stay interview is with a basic definition:

Stay Interviews are one-on-one meetings between leaders and their newly-hired and continuing employees to improve engagement and retention.

These one-on-one meetings are designed to be conversations about what’s important to the employee, elicit feedback on how the organization can better engage them, and identify motivations for what keeps them from leaving (and what will continue to do so).

What a Stay Interview is NOT

<table>
<thead>
<tr>
<th>Stay Interviews <strong>ARE</strong></th>
<th>Stay Interviews <strong>ARE NOT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>a one-on-one conversation</td>
<td>asking for feedback at a team meeting</td>
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<tr>
<td>designed to build trust</td>
<td>designed to just get answers</td>
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<tr>
<td>about the employee</td>
<td>about the manager</td>
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<tr>
<td>structured meetings</td>
<td>casual discussions around the office</td>
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<tr>
<td>scheduled periodically (1-2 times/year)</td>
<td>only when there is a problem</td>
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<tr>
<td>open, candid conversations</td>
<td>about pay and performance</td>
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<tr>
<td>conducted by managers</td>
<td>conducted by HR</td>
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<tr>
<td>to include a Stay Plan for follow up</td>
<td>a personal development plan</td>
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<tr>
<td>about asking questions &amp; listening</td>
<td>about training &amp; coaching</td>
</tr>
<tr>
<td>brief &amp; focused: 20-30 minutes in length</td>
<td>long &amp; random rant sessions</td>
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Who Should Conduct a Stay Interview?

Since HR is typically responsible for executing engagement strategy, it’s reasonable to expect that HR is also responsible for conducting the Stay Interviews – but that’s not the case! HR’s role is focused on training all the leaders, from executives to first-line supervisors, to effectively conduct Stay Interviews with their direct reports. Training for these managers also includes:

- How to use the Stay Interviews to build trust with the employees
- How to ask probing questions and conduct effective, efficient Stay Interviews
- How to develop Stay Plans for employee and manager accountability
- How to accurately forecast each employee’s individual retention
Step 1: Set Your Retention Goals

As an HR leader, you understand the powerful impact that stay interviews will make for your organization. From higher engagement scores to lower turnover costs (and everything in between), the numbers don’t lie. The only thing is that retention results are not a commonly tracked metric for many managers. So that is where we will start – the numbers.

In the 7 Habits of Highly Successful People, Stephen Covey coined the simple but powerful phrase (Habit 2): “Begin with the end in mind”. And we must do the same with our stay interview program. Committing to doing the program is a great start, but being able to measure progress will hold your managers accountable and gain buy in from your c-level executives. Not to mention, everyone loves accomplishing a goal!

For stay interviews, the goal is quite simple: reduce turnover. Every organization has turnover, but not all measure it the same (or at all). Don’t let calculating this number perfectly stop you from getting started, but take some time to determine and estimate for your company. Here is the most accurate formula for determining the cost of turnover:

\[
\text{TURNOVER COSTS} = (\text{Cost Per Hire} + \text{Lost Productivity}) \times \text{Number of Lost Employees}
\]

You will want to establish clear and measurable retention goals for your managers to improve this number for their teams. These goals are key to getting them engaged in the stay interview process!

Below is simple process you can use for setting effective retention goals for your managers:

1. **Calculate their turnover costs for the average position on their team using: Cost Per Hire + Lost Productivity.**

2. **Identify the total amount of employee turnover in the previous period you want to track (previous quarter, year, etc).**

3. **Calculate the total amount of turnover costs for that manager.**

4. **Agree upon an improved retention percentage and timeframe for achieving it.**

5. **Help them create a simple action plan which consists of a stay plan for all new and existing employees over a certain period of time (90 days is a great start).**
Step 2: Schedule the Stay Interview

Like anything new, getting started is the hardest part. And since the stay interviews are conducted by your managers – they need to be scheduled by them. Therein lies our first step.

No manager wants another meeting on their calendar, but it’s important to help them understand this is not merely another meeting – this is probably the most important and insightful conversation they will have with their team members.

Here’s the good news – stay interviews are going to help you save your managers loads of time. Not only are the stay interviews themselves designed to be concise conversations, but they will save your managers tons of time (and costs) associated with things such as:

- Handling the unexpected loss of key employees
- Recruiting and hiring new employees
- Onboarding and training new employees
- Ineffective engagement and exit surveys

Here are a few tips to help get your first stay interviews scheduled:

**Schedule for 20 minutes:** To start with, an effective stay interview should only be 20 minutes in length. These are designed to be focused, structured conversations, not a casual chat by the water cooler, so they should be scheduled as such.

**Schedule for 1-2 times per year:** For most organizations, stay interviews need only to be scheduled once or twice a year for existing employees. It’s also a good idea to schedule one within 90 days of all new hires.

**Spread the Schedule:** Encourage your managers to spread out their stay interviews as there is no need to try and knock them all out in one day or one week. The goal is consistency with good follow up. Merely checking off the list will not yield the retention results you are looking for.

**Schedule before lunches & end of day:** It’s an age-old tip, but it works extremely well – schedule your stay interviews before lunches, breaks or the end of the day. This helps everyone stay on point and on time.
Step 3: The 5 Stay Interview Questions

Now it’s time to finally start the conversation! The key to step 3 is to set your managers up for success. This includes some basic training on how to conduct an effective stay interview, the right questions to ask, and how to probe for honest answers.

Once the Stay Interview gets started, there are 5 key questions that need to be asked. That’s it, 5. Not 7 or 10 or 3 – but 5. Why 5? These five questions have been developed from extensive research and testing from Dick Finnegan and his team at C-Suite Analytics and determined to be the five most important questions that need to be asked to elicit the responses we need to build the right stay plan. They are also designed to be asked in this order so the answers (and trust) build over the course of the stay interview. Lastly, there are a set of “probing questions” that help the manager break through the barriers often presented by employees to help identify the root issues.

Below are the 5 key stay interview questions to ask:

Question #1: When you travel to work each day, what things do you look forward to?
Probing Questions
What do you like most about working here?
What parts are the most challenging?
What do you like least about working here?

Question #2: What are you learning here?
Probing Questions
Is there anything else you’d like to be learning here but are not?
How do you learn best? By doing? By observing? By attending training?
Do you feel like you can advance your career here if you want to?

Question #3: Why do you stay here?
Probing Questions
Is that the only reason?
How much does the type of work you do impact your decision to stay?
How much do you stay because you like working with our customers? Our team?

Question #4: When was the last time you thought about leaving our team? What prompted it?
Probing Questions
Does this still concern you?
On a scale from one to ten with ten being “I’m staying for the foreseeable future” and one being, “I’m leaving ASAP,” how would you rate your intention to leave?
What’s the single most meaningful action I could take to address this issue?

Question #5: What can I do to make your experience at work better for you?
Probing Questions
What should I do more of? Less of? What do I do that frustrates you?
Is there anything I do that strikes you as particularly unfair or unreasonable?
Do you feel like I truly hear your concerns when you have them?

Note: some organizations prefer to add a couple extra questions specific to their company – this is generally OK, but does add time to the stay interview so be careful not to expand the question range too much.
Step 4: Build the Stay Plan

With the stay interview completed, the next step (and perhaps the most important) is to build a stay plan for the employee. Don’t let the title of this step overwhelm your managers – this is not an employee development plan, career plan, salary negotiation, dream board or anything else. This is a short list of actionable items that both the manager and the employee will work on together to address the ideas discussed during the interview.

Some examples of stay plan action items may include:

- Ideas for a flexible work schedule
- Options for their workspace or desk/cubicle location
- Ways to connect with them other tasks/departments to learn something of interest
- Suggestions for better work processes so they can achieve more work (the most common item)

Like any action plan, a stay plan should be simple, clearly defined and achievable. The manager is responsible to set these expectations with the employee and assign specific actions to be taken by each so they both have some “skin in the game”.

For best results, a stay plan should be created so that short term decisions and actions can be made. In other words, try to create items that can be followed up on and executed within 30 days. This creates a cadence of accountability for both the manager and the employee to follow and establishes a great deal of trust between the two, quickly separating stay interviews from “just another chat”. Employees see immediate action being taken on their feedback, and whether or not it results in exactly what they desire, they feel much more engaged in the process.

Word will soon spread to the rest of the team that things are different this time, and employees will look forward to their opportunity to connect with their manager.

Below are 5 key elements of a successful stay plan:

1. **The objective for each initiative (no more than 3)**
2. **Actions you as the manager will take**
3. **Ideally, actions the employee will take**
4. **Dates for each, and in some cases multiple dates for multiple activities**
5. **Everything put in writing with copies given to you and the employee**
Step 5: Forecasting Turnover & Retention

If step 4 is the most important, then step 5 is probably the most exciting because for the first time you will have accurate and actionable employee data that can significantly impact your retention results.

In step 5, the manager now can make an educated determination on how likely the members of their team are likely to stay or leave. This provides unprecedented insight for the managers, HR and the executive team, which help drive better business decisions and workforce planning.

There are 3 simple parts to turnover forecasting:

1. **Create a list of all employees that have completed the stay interview process.**
   *Note: if you have performance data on them to help identify your top performers, that is ideal.*

2. **Create a simple and consistent turnover scoring method.**
   We suggest the “stoplight” or heat map method that uses a color coding system to identify stages of turnover risk:
   a. Green – employee is likely to stay more than 1 year
   b. Yellow – employee is likely to stay 6-12 months
   c. Red – employee is likely to leave in less than 6 months
   *Note: This step is completed at the conclusion of the stay interview and is a subjective decision by the manager that completed the stay interview. It takes literally less than 1 minute.*

3. **Chart your results using a spreadsheet (or reporting tool in STAYview™).**
   This creates a graphical representation of your retention. At a glance you will now have the data to know who you need to focus on, and more importantly, what to do in order to keep them.

You will want to review the turnover forecasts with your managers on a regular basis to determine suggested courses of action and to also hold them accountable to their retention goals. A best practice for reporting is to also maintain an ongoing calculation of turnover costs by manager, department, division, etc.

You will most often find that your poorest performing managers have the highest turnover costs (no surprise there), but you may also find other correlations to your retention results that can prove to be quite helpful in coaching and motivating your other managers. Simply put, better data means better retention results.
Summary

Hopefully you can take away a few things from this guide:

1. **Stay interview programs are simple but strategic** – don’t let the simplicity of the process fool you, there is some serious strategy behind the scenes that will generate real results.

2. **Stay interviews have a specific structure** – if you try to “wing it” or do your own version, chances are you will improve retention but it won’t be nearly as effective as what we have outlined here. The foundation of the process presented here is based upon years of research, testing and implementing.

3. **Stay interviews work** – hopefully you had an “ah-ha” moment that made you realize the actionable data you will finally have at your fingertips and what that can do for your organization.

Most importantly, we wanted to provide you a blueprint for getting started. Stay interviews are not a fad or next “initiative of the month” – they are here to stay. The conversation is shifting because the engagement and retention programs of the past decades no longer work. The budgets are shifting from surveys to stay interview programs. The next step is to shift the thinking of your managers and executive team so they too realize the benefits of this powerful tool.

The best way to do that is with results. So start small, start focused, start with your most enthusiastic managers – but just start. Your retention revolution is just 5 simple steps away.
STAYview™ - The Automated Stay Interview Solution

There is good news about starting your own Stay Interview program: you don’t have to do it on your own and you don’t have to start from scratch.

At HRsoft, we have introduced the industry’s first complete Stay Interview System - STAYview™. This innovative, cloud-based solution gives HR and managers everything they need in one place to implement and manage an effective Stay Interview program – and comes with a 20% turnover reduction guarantee!

Co-developed with the premier Stay Interview expert and best-selling author, Dick Finnegan, STAYview is taking employee engagement and retention to a whole new level – guaranteed! We would love to show you how, and invite you to join us for a free demo of STAYview™ today.

About HRsoft

HRsoft is a cloud-based, High Impact Talent Management™ software company that specializes in improving employee engagement and retention for mid-large sized employers. Our High Impact Talent Management System™ includes modules for compensation management, applicant tracking, management software, total rewards, stay interviews, and content management.

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About the Author

Brian Sharp is the Chief Marketing Officer at HRsoft, a High Impact Talent Management™ software company that specializes in cloud-based software solutions to improve employee engagement and retention.

With over 20+ years of marketing and management experience, Brian has been involved in the start-up, development and successful exits of three companies. As an award-winning speaker, he is a frequent presenter and author on the topic of HR technology & strategy. At HRsoft, he is responsible for product marketing and company branding across North America.

Special Acknowledgment

Many of the concepts in this paper are based upon the books and training of Dick Finnegan, CEO at C-Suite Analytics.

Dick Finnegan is the author of The Power of Stay Interviews for Engagement and Retention which is the top-selling SHRM-published book in history. He is also the author of Rethinking Retention in Good Times and Bad which was excerpted by BusinessWeek which said “Finnegan offers fresh thinking for solving the turnover problem in any economy”. His new books in the first quarter of 2015 include The Stay Interview: A Manager’s Guide to Keeping the Best and Brightest, to be published in over 20 languages, and HR’s Greatest Challenge: Driving the C-Suite to Improve Employee Engagement and Retention.