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MAIN ASPECTS OF EMPLOYEE SEPARATION AND RETENTION

There are many ways to lose a job. Employment separation occurs when the employment contract or at-will agreement between an employee and his or her company comes to an end. Some separations will be forced by an employer, including getting fired or laid off. Other separations, like retirement or resignation, will be voluntary.

Separation is a situation when the service agreement of an employee with his/her organization comes to an end and employee leaves the organization. In other words, separation is a decision that the individual and organization part from each other [1].

In practice, employees may be separated, or say, may move out of organization for a variety of reasons like retirement, resignation, suspension, discharge, dismissal and layoff. Be whatever the types/forms of separation, separation becomes important and sometimes traumatic event for both the employee and organization.

Because of the critical financial and personal risks associated with employee dismissal, it is easy to see why organizations must develop a standardized, systematic approach to discipline and discharge. These decisions should not be left solely to the discretion of individual managers or supervisors. Policies that can lead to employee separation should be based on principles of justice and law, and they should allow for various ways to intervene [2].

1. Principles of Justice

The sensitivity of a system for disciplining and possibly terminating employees is obvious, and it is critical that the system be seen as fair. Employees form conclusions about the system's fairness based on the system's outcomes and procedures and the way managers treat employees when carrying out those procedures.

There are several main principles as outcome fairness, procedural justice, and interactional justice. Outcome fairness involves the ends of a discipline process, while procedural and interactional justice focus on the means to those ends. Not only is behavior ethical that is in accord with these principles, but research has also linked the last two categories of justice with employee satisfaction and productivity.

People's perception of outcome fairness depends on their judgment that the consequences of a decision to employees are just. Another basis for outcome fairness is that everyone should know what to expect. Organizations promote outcome fairness when they clearly communicate policies regarding the consequences of inappropriate behavior. Finally, the outcome should be proportionate to the behavior. Terminating an employee for being late to work, especially if this is the first time the employee is late, would seem out of proportion to the offense in most situations. Employees' sense of outcome fairness usually would reserve loss of a job for the most serious offenses.

People's perception of procedural justice is their judgment that fair methods were used to determine the consequences an employee receives. The procedures should be consistent from one person to another, and the manager using them should suppress any personal biases. The procedures should be based on accurate information, not rumors or falsehoods. The procedures should also be correctable, meaning the system includes safeguards, such as channels for appealing a decision or correcting errors. The procedures should take into account the concerns of all the groups affected – for example, by gathering information from employees, customers, and managers. Finally, the procedures should be consistent with prevailing ethical standards, such as concerns for privacy and honesty.

A perception of interactional justice is a judgment that the organization carried out its actions in a way that took the employee's feelings into account. It is a judgment about the ways that managers interact with their employees. A disciplinary action meets the standards of interactional justice if the manager explains to the employee how the action is procedurally just. The manager should listen to the employee. The manager should also treat the employee with dignity and respect and should empathize with the employee's feelings. Even when a manager discharges an employee for doing something wrong, the manager can speak politely and state the reasons for the action. These efforts to achieve interactional justice are especially important when managing an employee who has a high level of hostility and is at greater risk of responding with violence.

2. Legal Requirements

The law gives employers wide latitude in hiring and firing, but employers must meet certain requirements. They must avoid wrongful discharge and illegal discrimination. They also must meet standards related to employees' privacy and adequate notice of layoffs.

3. Progressive Discipline

Organizations look for methods of handling problem behavior that are fair, legal, and effective. A popular principle for responding effectively is the hot-stove rule. According to this principle, discipline should be like a hot stove: The glowing or burning stove gives warning not to touch. Anyone who ignores the warning will be burned. The stove has no feelings to influence which people it burns, and it delivers the same burn to any touch. Finally, the burn is immediate. Like the hot stove, an organization's discipline should give warning and have consequences that are consistent, objective, and immediate.

The principles of justice suggest that the organization prepare for problems by establishing a formal discipline process in which the consequences become more serious if the employee repeats the offense. Such a system is called progressive discipline.

4. Outplacement Counseling

An employee who has been discharged is likely to feel angry and confused about what to do next. If the person feels there is nothing to lose and nowhere else to turn, the potential for violence or a lawsuit is greater than most organizations are willing to tolerate. This concern is one reason many organizations provide outplacement counseling, which tries to help dismissed employees manage the transition from one job to another.

Outplacement Counseling – a service in which professionals try to help dismissed employees manage the transition from one job to another [3].

Organizations also may address ongoing poor performance with discussion about whether the employee is a good fit for the current job. Rather than simply firing the poor performer, the supervisor may encourage this person to think about leaving. In this situation, the availability of outplacement counseling may help the employee decide to look for another job. This approach may protect the dignity of the employee who leaves and promote a sense of fairness.

Some organizations have their own staff for conducting outplacement counseling. Other organizations have contracts with outside providers to help with individual cases. Either way, the goals for outplacement programs are to help the former employee address the psychological issues associated with losing a job – grief, depression, and fear—while at the same time helping the person find a new job.

Usually, the outplacement process involves seven steps

- 1. Summarizing the previous work activity of the discharged employee. This stage is basic because the following phases (career project development, strategy definition and job search methods) are directly derived from the candidate's previous job evaluation. The result of this stage is a balance of the opportunities of the discharged employee, based on his/her personal characteristics (experience, motivation, limiting factors, potential opportunities) and objective conditions in the labor market.
- 2. Develop a project or several variants based on balance sheet data.
- 3. Evaluate the project using the strategic marketing method. Employee opportunities can be presented in the form of a graph on one of the axes of which fixes the value that characterizes the situation in the labor market, and on the other the chances of this candidate. The variant of the project in which the position of the employee is most favorable is chosen.
- 4. Defining a strategy for finding a new job based on the content of the career project, the labor market

sector, the type of job, the goals of the organization and individual candidates.

- 5. Training candidates for job search methods. The choice of methods depends on the type of strategy used. Both traditional methods (candidate's CV, market needs analysis) and less well-known but sometimes more effective methods, such as network graphs, are used. Psychological preparation of candidates is carried out, their interpersonal contact skills are taught.
- 6. Involvement of the candidate in the prompt search and use of electronic computers (conducted under the supervision of a consultant).
- 7. Control of the candidate's actions on the basis of systematic analysis of the results and, if necessary, adjusting the search plan (for example, in connection with receipt of new information, change of search methods). At the same time, the consultant acts as a partner of the candidate, discussing with him emerging problems, evaluating the offers of the employer, analyzing the points of contracts. The outplacement service keeps the candidate in view for a year from the time of new employmen On the other hand, classical functions of outplacement counseling may be kept valid.

Three fundamental components: assessment of professional and personal qualifications (strengths and weaknesses), development of a future plan for reemployment and assistance for transition to a new career are being deployed by all major outplacement companies. Although not every outplacement company includes psychological support as a separate element of counseling package, counselors deal with candidates' emotional problems like anger, anxiety and depression. Psychological support works as a combining tool and it is important that counselors develop empathetic relations with candidates and be understanding, flexible and warm to them [4].

In recent years, with the high levels of attrition in the service sector, it has become imperative for firms to have a structured separation plan for orderly exits of employees. Of course, the concept of "pink slips" or involuntary exits are another matter altogether and involve some bitterness that results because of the employee losing his or her job. In conclusion, it is our view that employee separations must be handled in a professional and mature manner and though attrition is a fact that concerns everyone in the industry, once an employee decides to leave, the separation must be as smooth as possible.

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