



What to Do When an Employee Resigns

Many of us have heard the words “I quit” over the years. When an employee has made the decision to leave and informs the employer of his or her intentions, many questions arise.

Should you get the resignation in writing?

Yes. A written resignation documents the fact that the employee quit and was not involuntarily terminated. This can be helpful when defending any claims made relating to the separation, such as discrimination or unemployment insurance.

Should you honor the notice period, or require the employee to leave immediately?

This depends on the situation. Is the worker leaving on good terms? Does staying through the notice period raise any security issues regarding the building, the computer system, or confidential file access? Will the employee’s behavior during the notice period be disruptive or cause morale problems? Is the employee going to work for a direct competitor?

Keep in mind that if you do not permit the employee to complete the full notice period, you could be changing a voluntary quit into an involuntary termination, and in doing so, may make the individual eligible for unemployment insurance. One way to eliminate that possibility is to have the employee leave immediately, but give them pay-in-lieu of work for the full notice period.

If you decide to have the employee leave immediately, you should have their computer password changed at once to prevent any further access. Obtain all keys, pass cards, credit cards, cell phones, laptops and any other company property. Evaluate the situation and decide if you will allow the individual to pack up items from their work space with little or no supervision.

Sometimes, departing employees want to use up their earned, unused vacation or PTO during their notice periods. Generally, this is not a good idea. If both parties agree to the notice period, the individual should actually work it. The notice period is intended as a time to complete projects and transition work, which cannot be accomplished if the employee is using up vacation or PTO days.



Should you try to talk the employee out of leaving?

Depending on the circumstances, it might be in everyone’s best interest for the individual to stay. If you can get the employee to open up and be truthful about why he or she plans to leave, you might be able to address the source of dissatisfaction. Usually, the decision is not made simply because the employee can get more money elsewhere. Be aware that in many cases where an employee tells you he/she is leaving because of money, but then stays because of your counteroffer, that employee ends up leaving the company within a year anyway, simply because the real issues that caused him/her to look elsewhere in the first place have never been resolved.

Should you permit an employee who has resigned to rescind the resignation?

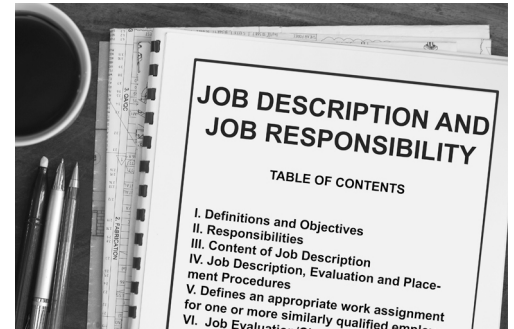
Sometimes, an employee will have second thoughts and want to rescind the resignation and stay in the job. An employer has no obligation to permit the individual to stay. Your response may depend on the quality and value of the employee, but in many cases, it is better not to permit the individual to rescind the resignation. Keep in mind that if the work conditions have not changed, the worker will be no more satisfied with the job than before.

Should you pay out earned, but unused vacation pay on termination?

This is a matter of state law. Some states require a payout or have specific criteria to allow or disallow forfeiture so employers need to check state law first.

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Catalyst for job improvement

In closing, losing an employee through an unexpected resignation can actually be a catalyst for improving the organization. Before filling the job opening, take some time to examine the job being vacated. Is that job still necessary? Can the work be eliminated, automated, or divided among other employees? It becomes a great time to review and update the job description, and perhaps make some needed changes.

MRA's HR Hotline can help you!

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