

# May I Ask When You Are Retiring?



*"No, really, may I ask? Isn't that one of those questions that is fraught with peril? Don't I risk an age discrimination lawsuit if I ask an employee when he plans to retire? Yet I'd really like to know."*

So goes a common question which will become even more common over the next decade as baby boomers enter retirement in record numbers and employers are left with big shoes to fill—and quite a few pairs of empty shoes.

### Focus on business needs

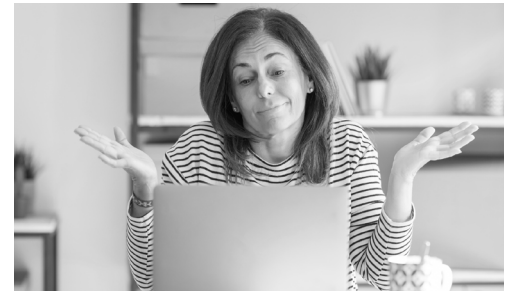
Your approach to discussing future plans with employees, in line with legitimate business reasons, will keep the focus off an employee's age, gender, or any other characteristic protected by anti-discrimination laws. From a knowledge-retention standpoint, employees have a tremendous wealth of knowledge and subject matter expertise when it comes to their own jobs. And where knowledge-retention is concerned, employers need to know what their employees know in order to keep that knowledge working for the organization.

In tough economic conditions, employees may not provide more than the requested two-week notice in order to protect their employment. Or exiting employees may want to ensure their last day of work occurs after key dates, such as the annual 401(k) contribution date or a spouse's retirement. Other times plans change or perhaps the employee is truly undecided about when retirement makes the most sense.

### There's good reason for a two-week notice

Employers may be tempted to ask retiring employees to give a longer notice of their intent to leave. In some cases, an extended notice makes business sense to the employer and personal sense to the soon-to-be-retired employee. Traditionally, a two-week notice assists both the employer and employee in transitioning workload, finding and training a replacement, and honoring an employee's contributions to an organization. From a practical standpoint, however, a two-week notice is not always honored, nor should it necessarily be honored in sensitive terminations or where organizational security is a factor.

Do we really need retiring employees to give a lengthy notice of their intent to leave? A best practice approach is to view retirement the same as any other reason for leaving the organization. If the employer finds itself in peril because an employee has announced his or her retirement (or separation from employment to work for another organization), the employer's poor replacement or succession planning may be to blame.



### May you ask when an employee plans to retire?

By all means, yes. However, evaluate your reason for wanting to know first. If your need to know is pure curiosity, some things are best left unsaid. If your need to know stems from a replacement planning or succession planning perspective, an organization likely will be asking many employees (not just those nearing retirement age) about their career plans. Career plan discussions are often part of the organization's performance appraisal process.

Here are strategies for retaining knowledge of retiring employees:

- Consider offering phased-retirement so that the employee may ease into retirement by working a reduced or flexible schedule.
- Determine whether the retired employee is interested in training his or her replacement. If the retirement date is firm and the employee is unwilling or unavailable to train the replacement, collect as much knowledge as possible about the employee's job before retirement day approaches.
- Focus both the organization and the retiring employee on the onboarding of the replacement to ensure effective knowledge transfer.
- Offer the retiring employee a consulting role, or continue his or her employment in an on-call status if ongoing support of the replacement is needed.

By all means, you may ask employees when they plan to retire. But don't be surprised if you're the last to know.

Have more questions about preparing for employee retirement? MRA can help with succession planning!

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Here are a number of ways an employer may approach the issue of employee separations, regardless of the reason:

- Ask all employees during performance reviews, "What are your career plans over the next year or two?"
- Ask probing questions of employees who talk about retirement or leaving the organization such as, "So we may transition your workload as effectively and efficiently as possible, I'd appreciate you letting me know whether or when you decide to part ways."
- Where possible, cross-train employees so other employees are able to step in until a replacement for the departing employee is selected and trained.
- Make sure your succession planning is up to date.

### MRA's HR Hotline can help you!

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