

# Rehiring resigned employees: Good or bad policy?

By Rey Elbo | May 18, 2018 | In the Workplace

*Our CEO wants HR to rehire a young manager who resigned to join another major corporation. This guy wants to re-join us after only three months in his new job. It appears that he's having a conflict with his new boss. He's really good and is considered an important asset to any organization. I was asked by the CEO about my opinion on rehiring resigned employees. I told him there are pros and cons to it. Could you help us determine the best approach? — Second Thoughts.*



A man sitting under a walnut tree was wondering why God had placed a large pumpkin on a small vine and a little walnut on a large tree. While he was pondering that question, a walnut fell from the tree and hit the man on the head. The man rubbed his head ruefully and said: "I'm glad there aren't pumpkins up there."

Would you like a pumpkin or a walnut? The answer is crystal clear — it depends on certain factors. Let's say the pumpkin is your resigned employee who wants to come back and your walnut is the incumbent who took the job after the pumpkin's resignation, then who would you favor?

One of the trickiest situations in people management is where you may have to decide on a difficult situation like this. If you rehire the pumpkin, chances are the people would see it as a reward for his disloyalty and taking it against the incumbent walnut who has decided to stay with the company to take up the vacated post.

In the first place, imagine the trouble that a resigned employee has caused. Your company has been disrupted and you did your best to ensure business continuity. You hired from outside to cover the vacated position or else promoted someone to handle the job. Or you may have distributed the tasks to various people.

Everyone is happy with this setup and is working to normalize the situation until the resigned employee comes back to disrupt the situation — simply because he's not happy with his new job.

Of course, you must look at it from the perspective of how the rehiring could benefit the organization. If you rehire, what are the things to consider? What will the reaction of people who took the assignment and remain loyal to the organization be? Will this be considered a policy that could be applied to anyone in the future? What is the possibility of that person leaving the organization once again?

Above all, how is the incumbent going to meet, if not exceed the performance of that young manager who has resigned? These are important questions that must be answered before you can make a firm decision to rehire.

One more thing, your decision must be based on your current management policy, no matter how defective it appears to be to some people. This necessitates that you stick to the letter and spirit of your policy, assuming that you have one. If you don't have a concrete policy, then it's better for you to weigh the advantages and disadvantages of rehiring.

Rehiring resigned employees is a matter of business exigencies and practicality. If you don't rehire and don't have anyone better than the incumbent doing the job, then you need to make that decision to rehire, if it results in greater advantage for the company.

“Rehiring employees should be encouraged because it boosts (organizational capability) and the employee value proposition,” says lawyer Josephine Ferrer-Fernandez and a seasoned human resources expert in the banking industry. “Employees leave but eventually find the company better than where they went (before). This is the conclusion anyone can make.

“However, this policy should come with parameters (or conditions) to protect the incumbents who are considered critical talent. Policies in my previous companies allowed rehiring (subject to the) following parameters:

**“One, the employee will have to start at Day One.** There should be no carry over of his/her previous tenure and seniority rights.

**“Two, rehiring is applicable only for hot skills** which are not available among incumbents or the hiring of a new talent would be difficult, if not takes time to fill up.

**“Three, the employee to be rehired left the company without any bad record,** misdemeanor, or breach of policy, including those given a graceful exit.

**“Last, whenever possible, salary will be comparable to incumbents** with the same set of skills.”

There's real value in rehiring resigned employees, also known as "boomerang employees" or "comeback kids." In recent years, more and more managers would rehire for practical reasons especially if the reasons for the resignation include taking care of a seriously ill family member, pursuing post-graduate courses, or to join a migrating family elsewhere.

Resigned employees are easy to hire and almost risk-free. They're time-tested for their past work performance, and cost-efficient as the company need not spend money on hiring people off the street.

In a study by Kronos and Workplace Trends, covering "more than 1,800 HR professionals, managers and employees were surveyed. The results revealed nearly 76% of managers said they're more accepting of hiring former employees than they were previously. Similarly, employees report being less anxious about returning to a former place of work."

In conclusion, hiring boomerang employees offers many advantages to any organization. You should do it for practical reasons. While loyalty is an issue, it must be weighed carefully with other factors to get the total picture. If you rehire people, chances are you'll be giving them a second chance, which means, they would be very reluctant to go elsewhere next time around.

But before hiring that young manager, probe for the reason why he's having a conflict with his new boss. It could shine a new light on the situation.

**ELBONOMICS:** If you say "goodbye" to the old, don't forget to say "hi" to the new.

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