SOME QUESTIONS AND PROBLEMS RELATING TO LEAVING MANAGERS AND EMPLOYEES FROM THE COMPANY

**Summary.** The theory of human resources management has relatively well-developed functions: recruitment, selection, reception, training and use of personnel. However, more thorough analysis and formulation of the
theoretical basis for the transfer or replacement of personnel is lacking, in particular the planning of the departure and replacement of the most important corporate people, i.e. top managers in different positions, such as: company presidents, CEOs, executive directors, etc.

The practice shows that departure of staff and planning their replacement are of the same importance, or it is even more important of the above mentioned activities. In other words, retaining strategic managers, dispatching them and appointing a new manager is even more subtle activity than the previous ones.

The paper deals with the reasons for the departure of managers and employees from the company and the organization of testing as an important instrument of organizational learning.

**Keywords:** departure of managers, outgoing test as learning tool.

1. **Introduction.** Career planning for managerial staff is a common practice in business organizations. This job is inevitable, because the managerial management structure goes away, due to transferring to another company, due to a biological retirement, or due to getting fired by the employer. Departure due to transfer to another company cannot be planned, but administrative or supervisory boards must anticipate and have an adequate replacement. Departure for biological reasons is predictable and no longer poses a particular problem, as it is determined by the legal regulations, or the health status of top management.

The estimate is that approximately 10 percent of managers leave the company. The highest percentage of executive directors gets dismissed due to dissatisfaction of stakeholder with the results achieved. According to research, the biggest changes of executive directors on this issue occurred in 2015.

Research shows that administrative authorities are reluctant to set up a new executive director, even when the existing one is ineffective. Thus, every change of the company’s first man causes certain disorders, and often the fall in stock prices on stock exchanges, which leads to great losses. The second problem is whether the executive director will fit into the existing organizational milieu, but also to what extent will the employees accept the new manager. It has been determined that the adjustment time varies, which is conditioned by numerous factors and personal characteristics of individuals. That is 18 months on average. For the specified time, the managerial elite do not work at full capacity, which can negatively affect business performance.
Hence, replacements, cancellations or health status of executive directors or presidents of companies are kept as a strict business secret, as each departure leads to disturbances in the functioning of the system. In some companies, even when unsatisfactory effects are achieved, the committees do not give up executive directors, as they are assumed that they have given the company enough, that after the first failure they should not resort to a cancellation measure. In other words, it seems to be necessary to give a new chance and in such conditions the executive director will gain trust from the board of directors.

According to surveys organized by the Heidrick and Strugales research firm and Rok Center for Corporate Governance at Stanford University in 2010, more than half (54 percent) of the committee did not prepare the successor for the position of executive director, and 39 percent of the respondents said there is no high quality internal candidate that could replace the executive director when the need arises [1].

Another problem regarding the replacement of executive directors is that poor planning of the leadership of the management structure leads to the appointment of worse candidates in substitutes for executive directors. Therefore, executive boards fail to designate an adequate replacement within a reasonable time. That’s why they opt for candidates who have not been tested, which creates new problems. The above indicates and proves that career planning and the replacement of the first people of the company is a serious matter and that it is necessary to make the right candidate, and then prepare it, so that the replacement is as painless as possible. In other words, the preparation lasts for years, not months, with more and more international experience being required, since business is increasingly becoming global.

However, planning candidates for the highest hierarchical level can be problematic, as this eliminates other pretenders and competitors from the race for the front position, which creates the conditions when numerous “poison arrows” are directed at the potential candidate. Another way is that the pretender for the executive director gradually progresses through the stairs of the hierarchical pyramid to the place of the deputy of executive director, after which he would be appointed at the leading position in the company. Both solutions have their own good and bad sides, so the board of directors remains to look at them and make the appropriate decision.

2. Reasons for the departure of executive directors from companies

The CEO can leave the company at any time, for several reasons and in different ways. He can leave with and without notice, due to
canceling a work contract by the board, for biological reasons, due to his health, family reasons, etc. Each of these reasons has certain specificities and for every reason in the organization there should be prescribed procedures; the departure of the manager will be correct for the satisfaction of the outgoing people, but also the organization. In practice this is not the case, causing numerous problems in organizations.

In a large number of organizations, no satisfactory attention is given to departing people, as well as strategic managers. It is often considered that is better not to talk with those who leave the company, and the outgoing strategic leaders often resort to court disputes in which certain phenomena are processed and therefore disregard their work in this way.

The most favorable situation for the organization is when the CEO leaves the company due to retirement, because then the exact date of leaving the company is known, and it is possible that the board of directors plans his replacement. A more unfavorable way is when the director general voluntarily leaves the company with the prescribed deadline, while the worst situation is if the executive director gets fired, leaving the company suddenly, without notice, because often the organization is in the problem of finding an adequate replacement in time.

Accordingly, organizations must be provided with possible surprises, even when it comes to leaving the first man of a company. In this context it is necessary that the managing authority has reliable and timely information from the organization on important developments and intentions in the company. This involves the formation of special intelligence agencies, or persons who can warn the owners of the management’s intentions or other important individuals from the company in due time, such as, for example, the director of development who can take on innovations that are in development and thereby jeopardize the future of the company. This is not spying, as many think, or indecision, but a logical measure, which could warn to a potential problem in time, which could damage the organization with far-reaching consequences. It turns out that capital is too expensive in order to be left over to coincidences, surprises and functioning according to the principle “let it go as it goes”.

The departure of an executive director from a company must be dignified, as any inconvenience on this issue can cause a great harm to the company. The well-known story of Li Ajakoki [2], which Ford did not endure and who drove this great automobile manager away from the company. Lee went in a Chrysler, competing company and
became Ford’s biggest competitor, as he used everything in the new company that Ford did not allow in his empire. It is not a good decision to fight with leaving top management because they can make life for the former company miserable. This is understandable if one takes into account that: People leave managers, not companies. So, if there are problems in fluctuation, first of all it is necessary to look at managers “because they are the most common reason for employees to leave.”[3]

3. Outgoing test as an organizational learning tool

Every employee’s departure from the company is difficult and sad. This is true even when it comes to important reasons, that is, when employee leaves company out of anger, an inadequate treatment, or other reasons. However, departures are an integral part of life and work, as that shows there is no employment without departure, i.e. there are no departures without employment. The problem of this phenomenon is that a large number of employees are not taught to leave the company, i.e. to live with change and has no ability to quickly adapt to new organizations and modes of operation. [4]

Regardless of the reasons for the departure of employees or the manager of the strategic level, the managing authority should organize an outgoing test to determine the actual reason for leaving. Both are necessary because it turns out that many go away, but the management or board of directors are not interested in knowing the reasons and thus not doing enough to reduce the fluctuation of employees.

Employees leave the company because of low salaries, insufficient motivation, lack of recognition, poor relationships between employees and top management, poor interpersonal relations, inability to learn and further education, unfavorable organizational climate, etc. These reasons or factors do not act individually, but are often in symbiosis, which increases the likelihood of increased fluctuation. For example, small wages often result in conflicts between employees and management, that is, between the top management and management board, which again create an unfavorable organizational climate for the performance of work tasks [5].

Outgoing text could be a significant instrument of organizational learning. A small or insufficient salary can be a potential reason for leaving, but this reason should be seen from multiple parties. A small salary causes dissatisfaction of employee, or top management, especially if salaries of the same profession and for the same job in the environment are greater. Top management for employees and board of directors for strategic leaders should monitor salaries in the
environment and ensure that earnings and other benefits are at least at the level of the environment. If this is not provided, the company will have a problem with fluctuation, which will adversely affect business performance.

Testing can be different, by the different organs, at different times, in different places and with different tests. Testing can be carried out by personnel departments, or psychologists, pedagogues, anthropologists, along with other experts. It is also possible to hire special agencies. It is not recommended that testing be done by direct managers or officials from the management structure, since individuals usually leave the company because of direct managers or top managers, so the answers would not be objective.

The test time should be determined in agreement with the person that leaves, and it may be organized immediately before departure, at the time of departure and after departure. Each of these timing has its own pros and cons. However, it is recommended that the best time for testing is after the departure of an employee or a manager, because testing before or at the time of departure is unsuitable because of emotions that are objectively present with each person that leaves, since every departure is difficult and sad, especially for those who spent a long time in the company and created certain friendships.

After the testing of the strategic manager and the processing of the test itself, it should be considered at the level of the administrative or supervisory board in order to take corrective measures to eliminate the causes of the company’s abandonment. In this way, tests, testing, analysis and corrective measures to eliminate the causes of abandonment of the firm become actually a learning tool, which will increasingly be necessary for the future participation of the organization. [6]

4. Summary. Based on the above, it can be noted that the outgoing tests performed by people leaving the company are useful and can be a significant learning tool because it provides a good basis for the elite management to get information about the reasons for leaving the company in order to eliminate the contributing factors.

Countries in transition, among them Serbia too, do not have the culture and practice of organizing outgoing tests because it is considered a bad idea to talk with those who leave; it is considered they belong to past and that it is not good to waste time and energy on them. In non-market countries, there is a saying, “Long absent, soon forgotten”. It is clear that such an approach is wrong and harmful and that it causes great damage primarily to the organization, since the relationship between management or administrative board for people
that leave the company are viewed by other employees and reason that they will also experience the fate of their predecessors.

That is why researching the reasons for leaving employees and managers from companies is important through outgoing tests, interviews, written reports, etc. These instruments are useful because they are best to learn from them, since they point to organizational errors and failures that need to be eliminated, in order to reduce the fluctuation of managers and employees and keep them as long as possible in the company.

References


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SOME ASPECTS AND PERSPECTIVES OF USING MARKETING IN TOURISM

Abstract: Tourism is complicated and complex system, because its effective functionality is connected to activities of enterprises of different sectors. The Implementation of marketing concepts and principles in tourism is characterized by peculiarities, which is related to the specifics of this field. Mar-