

Exit Management Policy

For Australian Small & Medium Enterprises

Template Version 1.0 | December 2024

Important Notice

This template provides general guidance on exit management processes. It should be customised to your specific workplace needs and comply with your employment contracts, awards and enterprise agreements. Seek legal advice for complex situations.

1. Purpose

This policy establishes a consistent and professional process for managing employee exits from [Company Name]. It ensures that departures are handled respectfully, compliance obligations are met, company property is returned and valuable feedback is captured.

2. Scope

This policy applies to all types of employment termination including:

- Voluntary resignation
- Retirement
- End of fixed-term contract
- Redundancy
- Termination by employer
- Mutual separation
- Death of an employee

3. Resignation Process

3.1 Giving Notice

When an employee decides to resign:

- Resignation should be provided in writing to their manager
- Required notice periods as per employment contract must be provided
- Notice period begins from the date resignation is received
- HR should be notified immediately

3.2 Acceptance of Resignation

- Manager acknowledges resignation in writing
- Confirms last working day and any arrangements

- HR sends formal acceptance letter with exit process details

3.3 Working Notice Period

During the notice period:

- Employee continues normal duties unless otherwise agreed
- Handover activities should be prioritised
- Annual leave may be taken by agreement or paid out
- Company may agree to waive part or all of the notice period

4. Exit Checklist

4.1 Manager Responsibilities

- Notify HR and relevant stakeholders
- Plan knowledge transfer and handover
- Reassign duties and responsibilities
- Schedule exit interview if applicable
- Collect company property
- Approve final timesheet and leave records

4.2 HR Responsibilities

- Process resignation paperwork
- Calculate final pay and entitlements
- Prepare employment separation certificate
- Arrange exit interview
- Coordinate IT access removal
- Update employee records
- Provide information on ongoing obligations

4.3 IT Responsibilities

- Back up work files as required
- Remove system access on last day
- Redirect or close email account
- Collect IT equipment
- Update distribution lists

5. Return of Company Property

Employees must return all company property before or on their last day:

- Laptop, computer and accessories
- Mobile phone and SIM card

- Access cards and keys
- ID badges
- Uniforms and PPE
- Tools and equipment
- Company credit cards
- Vehicles and parking permits
- Documents and files (physical and electronic)

Unreturned property may be deducted from final pay where legally permitted.

6. Knowledge Transfer

6.1 Handover Requirements

- Document current projects and their status
- Provide access to relevant files and passwords
- Brief successor or colleagues on key responsibilities
- Update process documentation
- Introduce key contacts and stakeholders

6.2 Handover Document

A handover document should include:

- List of ongoing tasks and projects
- Key contacts and relationships
- Important deadlines and commitments
- Location of key files and resources
- Access details and passwords (to be transferred securely)
- Known issues or risks

7. Exit Interviews

7.1 Purpose

Exit interviews help [Company Name]:

- Understand reasons for departure
- Identify potential improvements
- Gather feedback on management and culture
- Identify any unresolved concerns
- Maintain positive relationships with departing employees

7.2 Process

- HR offers an exit interview to all departing employees
- Participation is voluntary
- Conducted by HR or independent party
- Feedback is treated confidentially
- Aggregate trends are reported to management

7.3 Exit Interview Topics

- Reasons for leaving
- Job satisfaction and engagement
- Management effectiveness
- Work environment and culture
- Career development opportunities
- Suggestions for improvement

8. Final Pay and Entitlements

8.1 Final Pay Includes

- Wages up to and including last day worked
- Accrued but untaken annual leave
- Long service leave if applicable
- Any outstanding allowances or reimbursements
- Redundancy pay if applicable
- Payment in lieu of notice if applicable

8.2 Timing

- Final pay processed on next regular pay cycle
- May be processed earlier by arrangement
- Final payslip provided
- PAYG payment summary provided at end of financial year

8.3 Deductions

Only authorised deductions will be made from final pay:

- Tax as required by law
- Overpayments with employee consent
- Unreturned property where legally permitted
- Other authorised deductions

9. Employment Separation Certificate

[Company Name] will provide an Employment Separation Certificate:

- Upon request by the departing employee
- For Centrelink or other official purposes
- Within 14 days of request

10. References

[Company Name]'s approach to providing references:

- Written references only provided with management approval
- References confirm factual information only (dates, position)
- Performance-related references require HR approval
- Verbal references should be directed to HR
- Former employees may be asked to sign a release

11. Ongoing Obligations

Departing employees are reminded of ongoing obligations:

- Confidentiality of company information
- Return of intellectual property
- Non-compete or restraint clauses if applicable
- Not soliciting clients or employees if restricted
- Cooperation with any ongoing investigations

12. Access Removal

On the last day of employment:

- Building access is revoked
- IT system access is disabled
- Email access is removed
- Remote access is terminated
- Third-party system access is revoked

Timing may vary for terminations with immediate effect.

13. Communication

13.1 Internal Communication

- Manager notifies team of departure
- Communication timing agreed with departing employee

- Key stakeholders informed directly
- Broader announcement if appropriate

13.2 External Communication

- Clients and suppliers notified as appropriate
- Handover to new contact arranged
- Professional tone maintained

14. Rehire Eligibility

Former employees may be eligible for rehire depending on:

- Circumstances of departure
- Performance history
- Conduct during employment
- Business needs

Employees terminated for serious misconduct are generally not eligible for rehire.

15. Death of an Employee

In the event of an employee death:

- HR coordinates with the family sensitively
- Final entitlements paid to the estate
- Death benefit paid if covered by insurance
- Support provided to affected colleagues
- Personal belongings returned to family

16. Review

This policy will be reviewed:

- At least annually
- When relevant legislation changes
- When business needs change
- Following significant feedback or issues

Employee Acknowledgement

I acknowledge that I have read and understood [Company Name]'s Exit Management Policy. I understand the process that applies when employment ends and my obligations during and after employment.

Employee Name: _____

Signature: _____

Date: _____