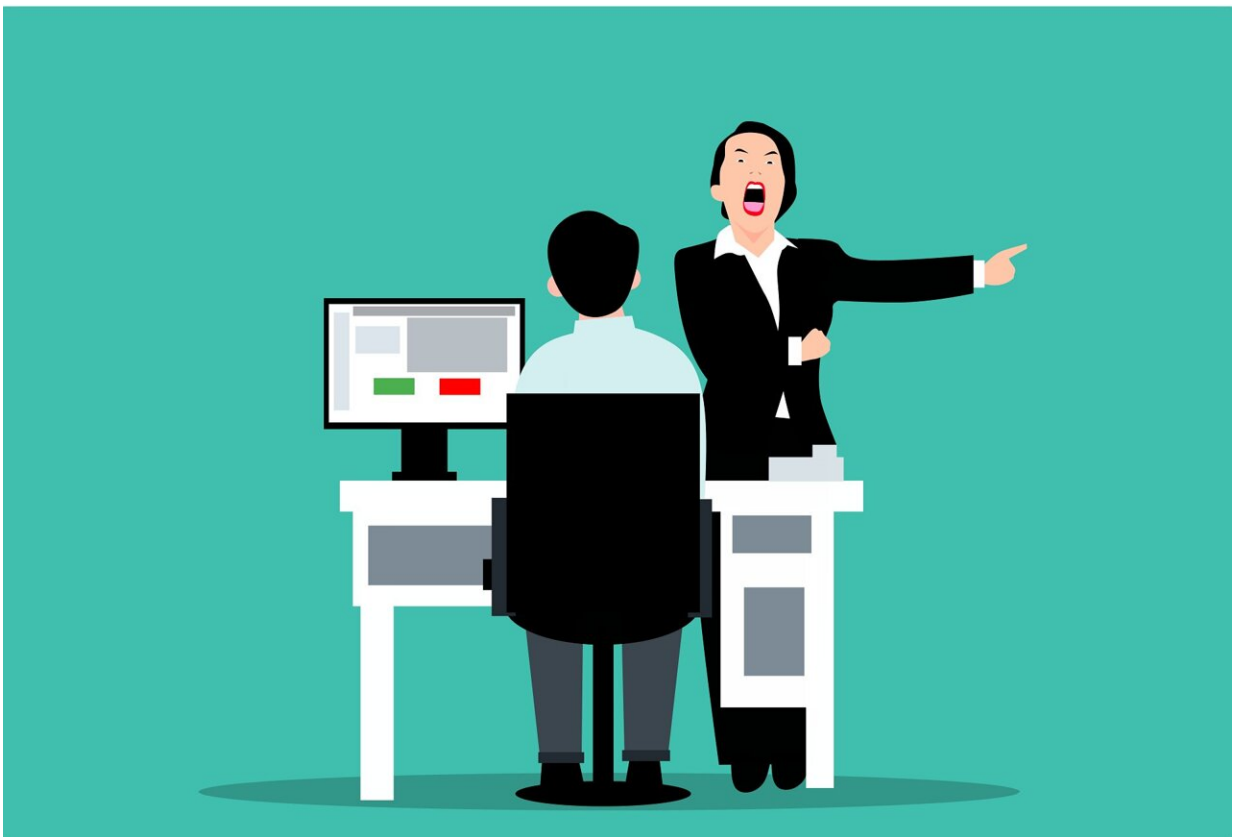


Keeping in touch: Why businesses are cultivating relationships with former employees

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For many people, leaving a job can be like leaving a family—and

because of the personal and professional bonds they've forged, many naturally stay in touch with their former coworkers and keep apprised of what's happening in the organization.

But what happens when companies make a concerted effort to bolster those bonds, help former employees in their careers, and keep them in the loop? According to new research from the UBC Sauder School of Business, it can have big benefits for both employees and employers.

For the [paper](#), researchers studied a wide range of businesses—from top law firms to Starbucks—to understand why organizations are putting time and resources into solidifying ties with ex-employees, also known as alumni.

The researchers propose that alumni-organization relationships (AORs) are particularly important to companies because alumni have a unique mix of insider knowledge and outside-world information and contacts. This can be valuable if employees return as contractors or move on to companies that might do business with their former employer.

Companies can also gain a boost to branding and reputation because maintaining these relationships shows they support employees even after they move on.

"Traditionally, AORs were most common in professional service firms. But as it becomes more common for workers to job hop over the course of their career, we are seeing more organizations investing in relationships with alumni," said UBC Sauder assistant professor Dr. Rebecca Paluch.

For some organizations, AORs help generate new business. Many law firms support AORs because junior lawyers move on and end up in general counsel roles in new organizations. If they need to hire outside counsel, the continuing relationship with their former employer may

encourage them to hire that firm.

Companies like Starbucks appreciate the fact that AORs boost their brand image in the community. "They call all of their stores 'third communities' because they want to make people feel welcome and like they're part of something when they visit the stores," said Dr. Paluch, who co-authored the study with Dr. Christopher Zatzick of Simon Fraser University and Dr. Lisa Nishii of Cornell University. "AORs are in line with the overall branding of building community and keeping people connected."

Programs that support AORs can offer a variety of benefits to alumni, including newsletters and updates about alumni and the company, career resources, job boards, training and development opportunities, and in-person networking.

One of the primary challenges in forming AORs is there is no set playbook, said Dr. Paluch. There are established norms for [employee](#) management when it comes to practices like hiring, compensation, and benefits, but standard practices don't exist for managing relationships with alumni after they move on.

In order to develop successful AORs, organizations need to think about their outreach to alumni through broad communication with a wide range of alumni, as well as strategically target alumni who can bring back the most value to the company. It's also important to encourage current employees to stay in contact with alumni so they can help bring knowledge and resources back into the organization.

The most successful programs, she adds, involve input from former workers. "It's important to make sure the organization is getting alumni feedback so they're meeting their needs and not just offering things because some other company is doing it," advised Dr. Paluch.

One of the biggest mistakes employers make is not supporting workers on their way out and then turning around and saying they want to stay in touch. "If employees are having terrible exit experiences, then it shouldn't be surprising if they don't want to stay in touch after they leave."

The idea of cultivating relationships between alumni and organizations might seem counterintuitive because it can make leaving more palatable, said Dr. Paluch. But savvy companies realize today's workers are highly mobile, so it makes sense to keep a [positive relationship](#) even after they're gone.

"We've been seeing tenure decline over the past few decades, and most employees move on to a new company after four or five years," said Dr. Paluch. "Strategically, organizations might as well consider, 'If we can't keep them in the organization, how can we at least keep them connected to the organization?'"

More information: Rebecca M. Paluch et al, A Cross-Level Theory of Alumni–Organization Relationships, *Academy of Management Review* (2024). [DOI: 10.5465/amr.2021.0523](https://doi.org/10.5465/amr.2021.0523)

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