

# Rehiring after Firing: Should You Ever Do It?



By Paula Santonocito

The practice known as boomerang hiring, where a company rehires a former employee, offers several advantages, including lower recruiting and hiring costs. But is it a good idea, especially if the employee was previously let go?

## **Advantages of Boomerang Hiring**

Interest in rehiring former employees among North American organizations varies greatly. Anywhere from 10 to 40 percent of employers, depending on the survey, say they plan to rehire laid-off workers, either now or when business improves.

Organizations that plan to rehire former employees consistently cite these among reasons:

- Familiarity with employee skills
- Fit with company culture and environment
- Effective way to address talent shortage when specialty experts are required
- Less risky than hiring new workers

“Less risky” carries a potentially high cost savings. Not only is it likely that a former employee will become productive faster, he or she is less likely to voluntarily leave the job. With the cost of employee turnover estimated by some experts at three times a worker’s annual salary, the impact on the bottom line is significant.

But there are other reasons to rehire former employees, according to HR recruiting consultant Dakotta Alex. Employees who leave and come back may have even more knowledge about the industry than before, he says, and may bring new approaches to business, technology, and management that will help the company.

Alex cites a number of additional advantages:

- Rehiring employees is a way to retain current employees through the telling of “war stories” from other companies.
- Employees who return will improve the company’s reputation for being a best place to work.
- Rehiring former employees sends a message to others who have left the company

that you are receptive to rehiring them, and they may want to return.

### **Disadvantages of Boomerang Hiring**

Needless to say, rehiring former employees isn't a slam-dunk. The company culture or the job may have changed since the employee last worked for the organization. On the flip side, the employee may have different expectations or different approaches to tasks now that she or he has worked elsewhere and may no longer be a good fit for the company.

HR may also come up against opposition to rehiring former employees from within the organization. Alex points out that managers are often wary of rehiring employees; they may feel an employee already had their chance or they may feel threatened by an employee who returns with a new skill set.

Similarly, other employees may feel it is unfair that former employees are hired back a higher salary or for a job at a higher level, Alex says.

### **Qualifying Employees**

Still, these issues can be addressed – and the advantages generally outweigh the risks. However, it's important to establish guidelines when targeting former employees for possible rehire.

Alex advocates rehiring only top performers, and only employees who have left the organization within the last two years.

When it comes to employees who were let go, granted, this narrows the field. But if your organization eliminated a department, say for the purpose of outsourcing, and is now ramping back up, your former all-star may be just the person to help the organization rebuild the function.

Of course, a former employee will respond more favorably to your renewed interest if you conducted an effective exit interview, one where you let her know she was still valued.

But if you parted on good terms, and left the door open to future possibilities, why not contact this top performer? A boomerang employee could help your business boom.