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It Was Never the Money

Why exit interviews produce polite fiction, and what to ask instead

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The short version

The exit interview asks the wrong person at the wrong time. The person leaving has already decided, already accepted an offer and still needs a reference.

Most turnover is preventable, and most companies never ask. In Gallup's 2024 research, 45% of people who quit said no manager or leader talked with them about their satisfaction or their future in the three months before they left.

Pay is the easy answer, not the whole answer. Pay was the top single fix in Gallup's data, but about 70% of preventable exits needed something other than money.

Ask the people who are still there. Stay interviews, plus tracking where your former employees actually go, tell you what an exit interview never will.

The ritual

It is someone's last day. They have turned in their badge. The new job starts Monday.

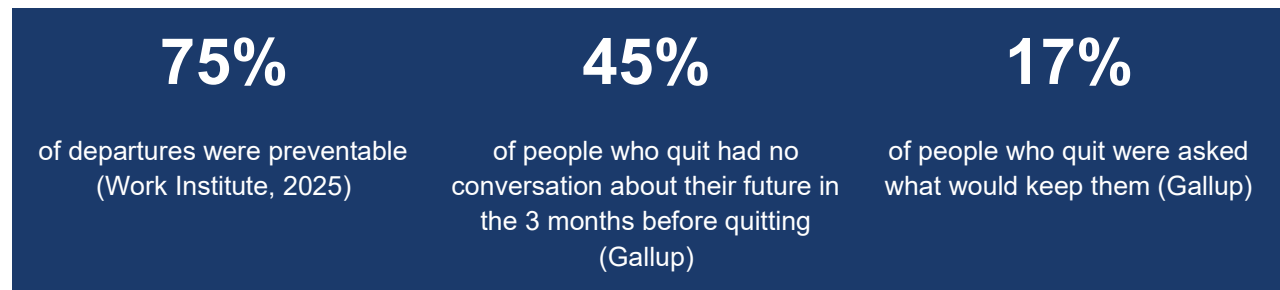
An HR coordinator asks why they decided to leave. They say it was a better opportunity. The commute. A little more money.

None of that is the real answer. The real answer is a supervisor who only spoke to them to point out mistakes in front of the team. An equipment request submitted three times with no reply. A question about a lead role that got brushed off.

They will not say that. They might need a reference someday. So they give a clean story nobody can argue with. The coordinator types "compensation" into the form, and it becomes data.

The exit interview is a ritual, not a research method. It asks someone who has already decided, already signed somewhere else and has every reason to stay polite. Pay is the most socially acceptable exit story there is. It names a need without blaming anyone.

What the research says



Work Institute analyzed more than 120,000 exit interviews for its 2025 Retention Report. It found that 75% of departures were preventable, and it pointed to leadership, culture and career development as the levers. Those interviews were run by a neutral third party, not the employer. That matters. People tell an outsider what they will not tell the company they are leaving.

Gallup's 2024 study of people who quit found that 42% said their manager or organization could have prevented it. Then it asked what happened before they left. 45% said no manager or leader talked with them about their satisfaction, performance or future in the three months before they quit. Only 17% were asked what would keep them. 36% did not talk to anyone at work before resigning.

Pay does matter. In Gallup's data, better pay or benefits was the most common thing that could have prevented a departure, at 30%. But that means about 70% of preventable exits needed something else: a better relationship with a manager, a fix to an organizational problem, a path to advance, or a workload that made sense.

Read those numbers together. Most people who leave could have been kept. Most were never asked. And when the answer is pay, it is usually one reason among several, not the only one.

What I learned in 20 years of operations

Before I founded EIP, I spent 20 years leading operations and employee experience at a Fortune 10 company. Two stories from that time changed how I think about exit data.

The Amazon story that was not true

A distribution center that supplied my stores was a full day behind on trucks. It did not have enough people. Stores I was responsible for had 12 feet of empty shelving. Turnover at the center was 97%.

The explanation everyone repeated was Amazon. Amazon was hiring nearby and paying more. The exit data seemed to agree.

So we skipped the exit interviews and asked a different source. We asked employees who were still there where their friends had gone. Of the last 30 people who left, only 2 went to Amazon.

The real causes were inside the building. The hiring pitch promised a family culture. Day one was mandatory Saturday overtime. Managers were so short-staffed they were working the line themselves, with no time left to check in on anyone. Half of the people with more than a year of tenure had not had a raise, while new hires with sign-on bonuses could out-earn them. Without meaning to, we had built a system where quitting and getting rehired paid better than staying.

We ran stay interviews with the people who were still there, then fixed what they told us. Turnover fell from 97% to 51% in three months.

Pharmacists who took a pay cut to leave

When a new competitor opened a large facility in our market, my region lost 72 of its 348 pharmacists in six months. Many took pay cuts of up to 15% to leave. They would not come back even when offered raises.

If pay were the real reason, a raise would have worked. It did not. They left for working conditions. Our annual engagement survey had flagged "not enough tools and resources," and the natural read was that people needed better technology. The real cause was that many stores had lost their lead technician role. After we rolled out fixes, pharmacist turnover fell to 18% within about three months, then went as low as 9%.

In both cases, the exit story pointed at someone else. Amazon. A competitor. Money. The causes we could actually fix were inside our own walls. The people who were still there knew exactly what they were, and once we asked, they helped us fix them.

Where the real decision happens

Every resignation has three layers.

1. **The result.** Someone quits. This is what the exit interview studies.
2. **The behavior.** Before that, they start applying elsewhere, taking calls, leaving right at five and going quiet in meetings.
3. **The thinking.** Before that, the real decision forms: I do not have a future here. Nobody is going to fix this. I deserve better.

Most companies only manage the result. They react to resignations, run exit interviews and make counteroffers. By the time the letter arrives, the thinking is usually weeks or months old. The window to change it was open, and nobody walked through it.

The resignation letter is not the event. It is the receipt.

What to do instead

1. **Ask the people who are still here.** Run stay interviews with your current team, starting with the people you can least afford to lose. Use four questions: What makes you come back here every day? What would make this job better? Is anything frustrating you that we have not addressed? What would it take for you to still be here a year from now?
2. **Do something within two weeks, and say so.** Every stay interview should produce one specific action with a date. When it is done, tell the person. A conversation with no follow-through teaches people that honesty produces nothing.
3. **Find out where your former employees actually went.** Track where your last 12 voluntary departures landed. If three or more went to the same place, you have a competitive pattern. If they scattered, the cause is probably inside your walls.
4. **If you keep exit interviews, change the question.** "Why are you leaving?" invites the clean story. "What would it take to get you back?" goes straight to the conditions, because it is about the future, not blame. Use a neutral third party if you can.
5. **Talk before the 90-day window closes.** Gallup found that 77% of people who quit either left within three months of starting to look or never actively looked at all. If the first real conversation happens after the notice, it is too late.

Take action this week

CEO: Commission one round of stay interviews this quarter. Put the themes next to your last exit survey. The gap between the two is your blind spot.

Manager: Ask each direct report the four questions this month. Bring the top two themes to your next leadership meeting with an action attached to each.

Supervisor: Ask one person today: if you ever left, what would the real reason be? Make it safe to answer. Then do one thing about it.

How EIP helps

Exit data tells you why people say they left. EIP finds out who needs a conversation now, and why.

Flight Risk Score™ (patent pending) scores each employee from 0 to 99 for the next 90 days, using HR data you already have. It flags who needs a conversation and what to raise. No surveys and no integration.

Honest Read™ gets the answers employees will not put in an exit interview, through stay interviews and small listening sessions run by people outside your chain of command.

Our Council of current and former executives reviews the findings before anything is recommended. Then we stay with you through the fix.

Start with a conversation: eip360.com | hello@eip360.com

Sources

Work Institute. 2025 Retention Report. March 2025. workinstitute.com

Tatel, C. and Wigert, B. "42% of Employee Turnover Is Preventable but Often Ignored." Gallup, July 9, 2024, updated February 16, 2026. gallup.com/workplace/646538

Stories are from the author's own career at a Fortune 10 company. Names, places and identifying details are withheld.