

A Study on Why Talented Employees Quit: Perspective from Recent Employee Exits in the Organization

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Abstract— In today's competitive business landscape, retaining top talent has become a critical challenge for organizations. This study investigates the underlying reasons why talented employees voluntarily exit their roles, with a focus on recent departures within a mid-sized organization. Drawing on a mixed-methods approach combining exit interviews, employee surveys, and HR analytics the research identifies key drivers of attrition, including lack of recognition, limited career advancement, toxic work environments, and misalignment between personal values and organizational culture.

Findings reveal a significant disconnect between employer assumptions and employee experiences: while management often attributes exit to compensation or personal reasons, employees cite emotional burnout, poor leadership, and absence of meaningful work as primary motivators. The study also highlights the growing importance of non-monetary factors such as work-life balance, psychological safety, and flexible work arrangements in employee retention.

By analysing these trends, the research offers actionable insights for HR leaders and executives to redesign employee experience strategies, foster inclusive cultures, and implement targeted retention initiatives. Ultimately, the study aims to help organizations transform the "Great Attrition" into a "Great Attraction" by understanding and addressing the real reasons behind talent loss.

Index Terms—

- Employee attrition, top talent loss, retention challenges
- Exit drivers: recognition, career growth, leadership, burnout
- Work-life balance, culture misalignment, psychological safety

I. INTRODUCTION

Employee retention is one of the most critical challenges facing organizations today. Talented employees are the cornerstone of organizational success, contributing significantly to innovation, productivity, and overall performance. However, the increasing rate of employee turnover, particularly among high-performing individuals, has raised concerns among human resource professionals and management experts. Organizations invest substantial time, money, and effort in recruiting and training skilled professionals, only to find that many of them leave prematurely. This study titled "A Study on Why Talented Employees Quit: Perspectives from Exit Interviews" seeks to understand the underlying reasons behind such exits, focusing specifically on the insights drawn from structured and informal exit interviews.

In the current business landscape, characterized by intense competition, technological advancements, and a dynamic workforce, retaining top talent has become more challenging than ever. Companies that fail to hold on to their best employees often face disruptions in workflow, reduced morale among existing staff, and increased recruitment and training costs. Talented employees typically have a wide range of career opportunities, and their decisions to leave an organization are often influenced by multiple factors, ranging from limited career growth to dissatisfaction with leadership, lack of recognition, inadequate compensation, work-life imbalance, or even poor organizational culture. These factors not only influence their current job satisfaction but also shape their future career aspirations and mobility.

This study seeks to bridge that gap by analysing exit interview data and identifying recurring themes that

explain why talented employees decide to quit. The aim is to go beyond surface-level explanations and delve deeper into the psychological, structural, and cultural aspects of the workplace that contribute to employee dissatisfaction and eventual departure. By focusing on the voices of departing employees, this study offers a grounded and practical perspective on employee attrition, as opposed to theoretical models that may not always capture the nuances of real-life workplace dynamics.

Furthermore, this research is particularly relevant in the post-pandemic context, where hybrid work models, changing employee expectations, and a renewed emphasis on mental health and well-being have reshaped the employer-employee relationship. Talented employees today are looking for more than just competitive salaries; they seek purpose, flexibility, recognition, and inclusive work environments. Companies that fail to align their values with those of their employee's risk losing their most valuable assets. Understanding the reasons behind employee exits, therefore, is not just an HR concern but a strategic imperative for long-term organizational success.

The objectives of this study are threefold: First, to explore whether the lack of promotion and rewards is a significant factor influencing employees to quit. Second, to identify the main reasons behind the resignation of talented employees by analysing their own words and feedback during exit interviews. Third, to offer actionable recommendations to organizations on how they can improve their retention strategies and create a more engaging and supportive work environment for their top talent.

To achieve these objectives, the study employs a qualitative methodology, using structured and semi-structured exit interview responses collected over a defined period from a variety of industries. The data is then coded and analysed to uncover recurring themes and root causes. This approach not only ensures a comprehensive understanding of employee turnover but also allows for the identification of subtle organizational issues that may otherwise be overlooked. It also provides an authentic narrative that can guide decision-makers in designing more effective talent management policies.

In addition, this study highlights the importance of HR analytics and evidence-based management in understanding workforce behaviour. It argues that data

from exit interviews should not be confined to HR departments alone but should be shared with leadership and integrated into broader strategic planning. Transparent reporting and follow-up actions are key to building employee trust and creating a culture of continuous improvement.

II. RESEARCH OBJECTIVES

1. To examine the role of immediate vs. long-term rewards in influencing the retention of high-performing employees.
2. To identify the types of rewards (monetary and non-monetary) that most effectively contribute to retaining top talent.

III. RESEARCH AND METHODOLOGY

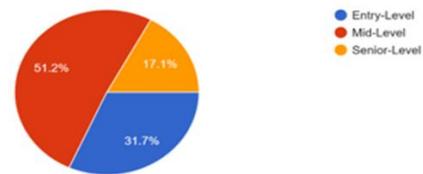
This study aims to explore the key reasons why talented employees resign, based on insights gathered from structured exit interviews. A qualitative research approach was adopted to understand employee perceptions and experiences. Primary data was collected through semi-structured interviews with 41 former employees across various departments. The sample was selected using purposive sampling to ensure the inclusion of high-performing individuals. Data analysis involved thematic coding to identify common patterns and reasons for resignation. Secondary data from HR records and previous research supported the findings.

Objectives

1. To study if lack of promotion and rewards makes employees quit.
2. To identify the main reasons why talented employees leave the company.
3. To suggest ways for the company to keep talented employees.

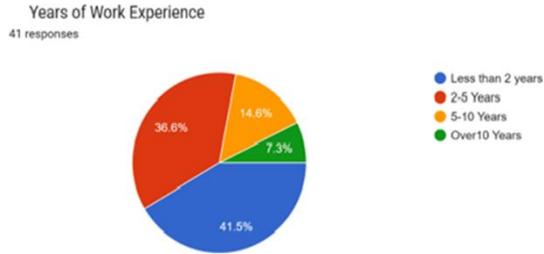
Methodology

Current Position Level:
41 responses



Interpretation

The chart shows that the majority of respondents (51.2%) are in mid-level positions, followed by 31.7% in entry-level roles. Only 17.1% hold senior-level positions. This suggests the survey primarily engaged professionals with moderate experience.



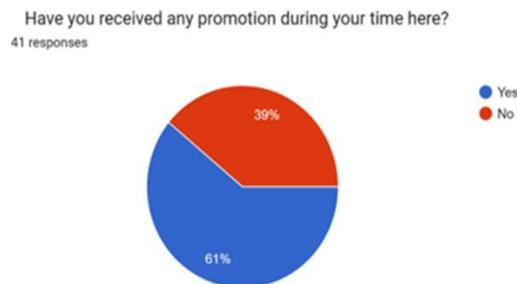
Interpretation

The chart shows that most respondents (41.5%) have less than 2 years of work experience, followed by 36.6% with 2–5 years. A smaller portion has 5–10 years (14.6%) and over 10 years (7.3%) of experience. This indicates the majority are early-career professionals.



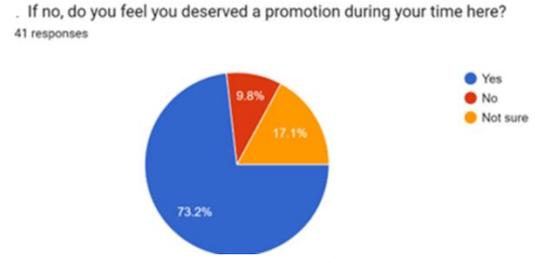
Interpretation

The chart shows that a majority of respondents (70.7%) rated promotions and rewards as very important (5) in their decision to stay in a job. Another 17.1% rated it as 4, indicating high importance. Very few considered it unimportant, showing that career growth and recognition are key retention factors.



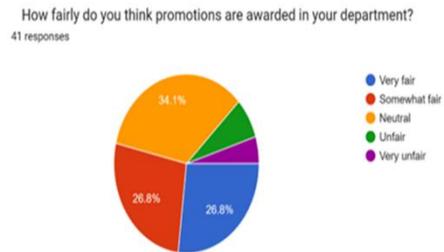
Interpretation

The chart shows that 61% of respondents have received a promotion during their time, while 39% have not. This suggests that a majority have experienced career advancement, though a significant portion still feels left out.



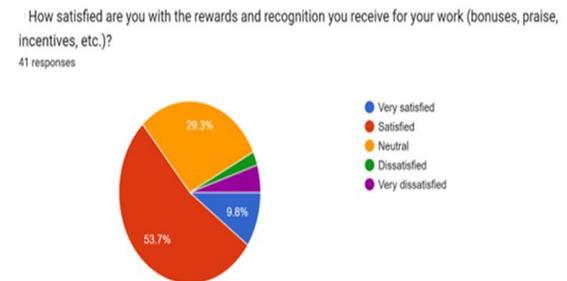
Interpretation

The chart shows that among those who did not receive a promotion, 73.2% felt they deserved one. This indicates a strong sense of dissatisfaction and perceived unfairness in the promotion process, which could affect morale and retention.



Interpretation

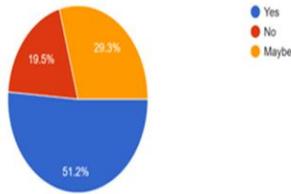
The chart shows mixed perceptions about promotion fairness. While 26.8% view promotions as very fair and another 26.8% as somewhat fair, the largest group (34.1%) remains neutral. A small but notable portion finds the process unfair (7.3%) or very unfair (4.9%), suggesting room for improvement in transparency and communication around promotions.



Interpretation

A majority of respondents (63.5%) are either satisfied or very satisfied with the rewards and recognition they receive. However, nearly one-third (29.3%) feel neutral, and a small portion (7.3%) express dissatisfaction. This indicates that while the system is generally well-received, there is room for improvement in addressing those who feel unrecognized or indifferent.

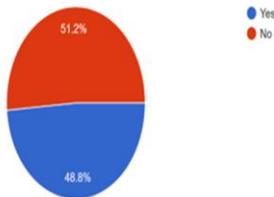
Do you believe the lack of promotion or rewards would make you consider leaving the company?
41 responses



Interpretation

The chart shows that 51.2% of employees would consider leaving the company due to a lack of promotion or rewards, while 29.3% are unsure and 19.5% would not. This suggests that most employees' value recognition and advancement, making promotions and rewards essential for employee retention.

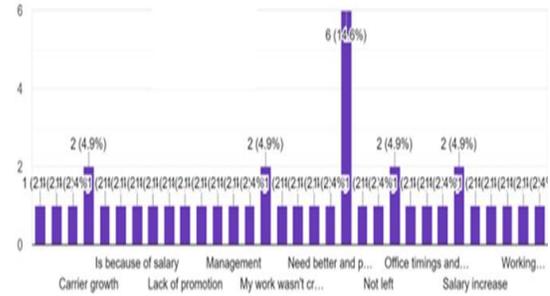
Have you ever left a job you liked because of issues other than salary?
41 responses



Interpretation

The chart shows that 51.2% of respondents have not left a job they liked due to non-salary issues, while 48.8% have. This indicates that almost half of the employees may leave even if they like the job, highlighting the importance of addressing factors beyond salary like work culture, management, and growth opportunities.

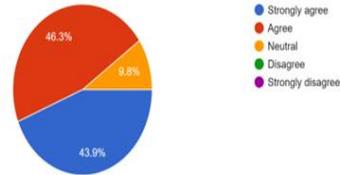
If yes, what was your main reason?
41 responses



Interpretation

The chart shows that the most common reason for leaving a job (14.6%) was the need for better and professional growth. Other reasons such as lack of promotion, poor management, office timings, and unrecognized work were each mentioned by a small number of respondents (around 4.9% or less), indicating varied but significant non-salary concerns influencing employee decisions.

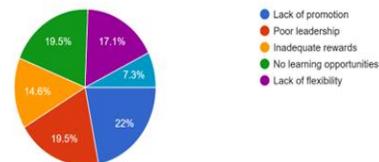
Do you think talented employees leave because their potential is underutilized?
41 responses



Interpretation

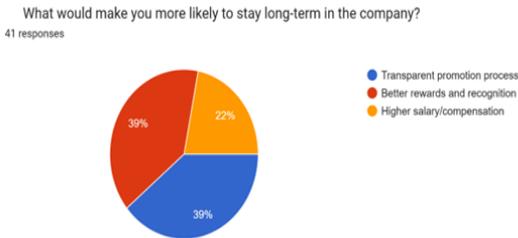
The chart shows that 90.2% of respondents (Strongly agree + Agree) believe talented employees leave due to underutilized potential, highlighting a strong perception that lack of growth or challenge drives attrition. Only 9.8% remained neutral, with no disagreement expressed.

Rate the following factors based on how likely they would make a talented employee leave (1 = Least likely, 5 = Most likely)
41 responses



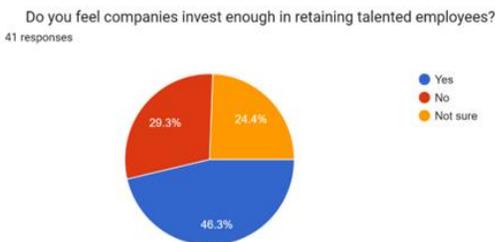
Interpretation

The chart shows that lack of promotion (22%) is seen as the top reason talented employees leave, followed closely by poor leadership and no learning opportunities (both at 19.5%). Other key factors include lack of flexibility (17.1%) and inadequate rewards (14.6%), while Option 6 was least impactful (7.3%). This highlights that growth, leadership, and development opportunities are crucial for retaining talent.



Interpretation

The chart shows that 39% of employees value a transparent promotion process and better rewards/recognition equally for long-term retention, while 22% prefer higher salary. This suggests that growth clarity and appreciation matter more than just pay for many employees.



Interpretation

The chart shows that 46.3% of respondents believe companies do invest enough in retaining talented employees, while 29.3% disagree and 24.4% are unsure. This indicates a mixed perception, with a slight majority feeling efforts are being made, but notable doubt still exists.

III. FINDINGS

Early-Career Focus: 41.5% have less than 2 years of experience, and 36.6% have 2–5 years most respondents are early in their careers.

Unmet Expectations: Among those not promoted, 73.2% felt they deserved one, pointing to dissatisfaction and perceived unfairness.

Promotion Highly Valued: 70.7% of respondents rated promotions and rewards as "very important" in job retention.

Generally Positive Perception: 63.5% are satisfied or very satisfied with rewards and recognition systems.

Room for Improvement: 29.3% feel neutral and 7.3% dissatisfied, indicating that some employees feel underappreciated.

Recognition Seen as Essential: Rewards and recognition are considered nearly as important as salary for long-term retention by 39% of respondents.

Non-Salary Issues Matter: 48.8% have left a job they liked due to issues unrelated to salary, such as poor management or lack of growth.

Top Reason for Leaving: Professional growth was cited by 14.6% as the main reason for leaving a job more than any other factor.

Growth Over Salary: Only 22% prefer a higher salary over transparent promotions and recognition showing that development matters more than just pay for many.

Retention Depends on More Than Pay: A strong pattern across findings suggests that leadership quality, growth opportunities, fairness, and recognition are more critical to retention than salary alone.

IV. CONCLUSION

The study reveals that while salary remains important, non-monetary factors like professional growth, recognition, and leadership quality are even more critical to employee retention, particularly among early-career professionals. A significant portion of employees especially those not promoted feel their efforts are undervalued, which fosters dissatisfaction and a sense of unfairness. With over 70% of respondents rating promotions and recognition as "very important" to staying in a job, it's clear that transparent advancement opportunities and fair reward systems play a major role in keeping talent engaged. Furthermore, nearly half of the participants have left jobs they liked due to non-salary-related issues, highlighting that to retain talented employees, organizations must go beyond compensation. They must prioritize clear career pathways, equitable treatment, strong leadership, and a culture that values contributions. Overall, retention strategies centered

only on pay are insufficient what employees value most is the opportunity to grow, feel recognized, and be treated fairly.

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