



Four Articles on Issues Relating to Counteroffers

1. Counteroffers: Should I Stay or Should I Go?

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After working for your current employer for nearly a year, you've decided your position isn't the right fit. Because of this, you've spent the last month or two interviewing for jobs and landed a position at a new company you love. When the time comes to approach your current employer with a letter of resignation, the least expected happens -- your boss gives you a counteroffer.

Just when you thought you'd be able to [leave your job](#), your employer is making an irresistible offer in order to convince you to stay. *Doesn't this counteroffer sound like a coincidence?* Maybe you should think about this for a minute.

If you're ever given a counteroffer, it's important you don't fall for this trick. According to the National Employment Association, [80 percent of employees](#) who decide to accept a counteroffer are no longer with the company six months later. This could be because the employee loses the trust of their employer or becomes an outcast in the company after accepting the counteroffer.

When presented with a counteroffer, there are some important factors you need to consider to help you decide if you should stay or go:

The Employer's Benefit

Employers often turn to the counteroffer because it's their last ditch effort. They fear losing a valuable asset to their company, and they feel that offering you a raise or promotion will make you stay.

However, you need to ask yourself: *Why am I just now finding out my true value at the company?* If your employer saw you as a valuable asset, they would have made this offer before you were out the door. Now that you're leaving, they should respect your personal needs and not bribe you to stay.

It's an employer's worst fear to lose their brightest and most talented employees. When one of their best employees leaves, it forces them to search for a new person to fill their shoes. If your boss is relentless about convincing you to stay with the company, here are a couple methods he might try to get you to accept a counteroffer:

Bait and Switch

The first thing your employer might attempt to do is give you a raise. Although this sounds like a tempting offer, your employer is only trying to prolong the search for your replacement until you finish your current projects. Then, after they've found a suitable replacement, you will be let go.



Let's say you accept the counteroffer and this happens. Chances are you already burned bridges with the other company that offered to hire you. Now you no longer have a choice between two jobs *and* probably have to start a completely new search!

If you suspect a bait and switch, confront your employer directly about the situation during the counteroffer talks -- before you become the victim.

Manipulation

Some companies may appeal to your sense of guilt, loyalty, or ego -- even all three! Here are a few examples of things they might say:

- "You can't do this to us! There's so much unfinished work you'll be leaving."
- "You've been with us so long! How will we ever replace you?"
- "You're our best worker! We'll do whatever it takes to keep you."

When this happens, you can't allow them to control you, but you also want to be careful not to burn any bridges. Approach each objection as carefully and analytically as possible, trying your best to leave emotion out of it.

Here are a couple ways you can attack these objections:

- If there's a manageable amount of unfinished work, offer to finish it. If there's too much, let them know you're more than willing to help guide whoever they pick to replace you.
- If they attack your loyalty, thank them for the experience, and tell them the company and workers will always have a place in your heart, but it's simply time to move on.
- If they appeal to your ego, thank them for the recognition and kind offer, but tell them it's simply time to move on. Don't let them take advantage of you. Stand up for yourself in the most respectful way possible!

The Employee's Loss

Weigh the Options

Think about the new company you're turning down. If you were interested in *their* offer, there must have been some benefit they had that your current employer didn't. Is it really worth foregoing new and rewarding career opportunities for a little extra cash and/or responsibility with a company you don't completely enjoy?

If you were given more money to stay, but the real problem was incompatibility with the culture of the office, then nothing was actually solved. You're going to end up in a slightly better paid position that you actually don't want to have.

Weigh the pros and cons of each company, their offers, and room for career advancement. You may find your current company's counteroffer is the missing puzzle piece you've been searching for the whole time. But remember, more than 80 percent of employees who decide to accept a counteroffer are no longer with the company six months later.

Don't Burn Bridges

Of course, there are the people who use the threat of leaving the company as a sort of "blackmail" in order to get more. While this may seem like a feasible option, do you really think your employer won't remember what you did and hold some sort of a grudge if you pull it off?

This will put you at a disadvantage when it comes to getting promoted in the company, since your boss won't want to invest in training you if they think you might just walk away any time. Your coworkers will also look at you through much different lenses -- after all, who could trust you as a team player if they knew you were looking to join the opposition?

If you do decide to stay, don't be naive. You're going to have to remain constantly alert, and you'll have to prove your loyalty and value *that much more* to be considered for future opportunities. It will be an uphill battle, but getting back in your boss's and coworkers' good graces is possible; it'll just take patience and time.

Counteroffers are often the poison apple of the workplace. Of course, while there are exceptions, it's not a risk you should take unless you've completely thought it through. Be smart, educate yourself on the offer, and if you *decide* to accept, be able to handle the consequences.

About Heather R. Huhman:

[Heather R. Huhman](#) is a career expert, experienced hiring manager, and founder & president of [Come Recommended](#), a content marketing and digital PR consultancy for job search and human resources technologies. She is also the instructor of [Find Me A Job: How To Score A Job Before Your Friends](#), author of [Lies, Damned Lies & Internships](#) (2011) and [#ENTRYLEVELtweet: Taking Your Career from Classroom to Cubicle](#) (2010), and writes career and recruiting advice for [numerous outlets](#). Follow Heather below to receive all her articles!

2. The dangers of accepting a counter offer. Four out of Five Leave within 12 months.

[James Phillips](#) SRS

"They'll be sorry when I leave!"

All too often, employers do seem sorry - suddenly offering the kind of salary, promotion or opportunity for recognition that they had refused to grant before. Of course, they're sorry. You're about to leave on your timing, not theirs. There is probably work to be done, which they were counting on you to complete. You have just fired your boss, when he or she would prefer to have the right to fire you. You have created a vacancy, which they will need to fill at some expense. And if you weren't a terrific person, they wouldn't have hired you in the first place.

They say:

"You can't do this to us." (Have a nice guilt trip.)

"We need you" (until the project is done, and we can find a replacement).

"We never realized you were unhappy." (Our employee communications are not the best.)

Surprisingly, the very best companies rarely make counter-offers. They believe they treat their employees fairly and wish them well if a better opportunity exists elsewhere. If you work for one of them, don't be disappointed if you fail to receive a counter-offer.

But if you do receive one, take a moment for a reality check:

First, executive search consultants know from long experience that there have to be strong reasons for leaving a job before most employees will consider taking a new one. If that is true in your case, have those reasons disappeared? Will staying on the job solve them?

Second, if the counter-offer includes salary or job enhancement, what is the source? Are you simply getting your next raise or promotion in advance? And will you have to accept yet another job to get the raise or promotion after that?

Third, your employer may appeal to your sense of loyalty. Ask yourself how loyal the employer has been to employees.

Fourth, statistics are not in your favor. **Four out of five people who accept counter-offers are gone within the year.** Like Caesar's wife, you cannot flirt with another and still be considered virtuous. Rest assured that your employer will assume you'll look again.

Finally, let's not forget that new job. Just as there are reasons for leaving your current company, you have seen significant opportunities at your new company - or you would not have accepted the offer of employment. These do not disappear the moment you receive a counter-offer.

The best way to avoid the messy, embarrassing situation of a counter-offer is to take charge of the situation.

Here are a few tips:

Resign in writing but hand the resignation to your boss. This helps you keep the initiative and stay in control. Tell him or her that you've carefully weighed the merits of the two positions and have chosen the new one. State specifically that you neither seek nor want a counter-offer and hope instead for an amicable departure. Last but not least, avoid the temptation to recite a list of grievances. They will only provide your employer with ammunition for a counter-offer.

To quit or not to quit is often a gut-wrenching decision. It involves one of those "passages" in life that require abandoning the comfort of the old and assuming the risk of the new. Also, there may be guilt about leaving your tasks to others, not to mention the "buyer's remorse" that accompanies most big decisions.

3. Why Counteroffers Don't Work

by [Tony Beshara](#)

Two or three times a month we get a call from a person who wants to leave their job primarily because the counteroffer that he or she agreed to three or four months earlier had, agonizingly, not worked out. Their approach is usually accompanied by an attitude of anger, disappointment, and disgust that they are back looking for a job with more determination than ever. The perceived promises in the counteroffer they accepted didn't materialize and they are really committed to leaving their job . . . this time.



“Buying” an employee back when they try to resign, a counteroffer, rarely works out, even in the short run. Ninety-eight percent of the time, the employee leaves within six months, and often with more acrimony than the first attempt. Counteroffers rarely work out because:

1. Management makes a counteroffer to solve an immediate problem. You got caught with your pants down. It couldn't have come at a worse time. You had to do something quickly. You put your finger in the dike. Later, you realize you were blackmailed. You were held up by an employee who was unhappy and leaving. You needed them more than they needed you. You wake up and realize you were “managed!” And you are damn mad about it!
2. The relationship that you had with this employee is not the same anymore. This employee, in essence, fired you and the company. Or, at least, tried. You and your company, as with anyone else, don't like being fired. It dawns on you, a few days after your counteroffer was accepted, that this person doesn't give a flip about you or your company. You did what you had to do to hang on to them, but, we are not “all in this together” any more.
3. Money and title, the two most popular tools used in a counteroffer, are temporary. Most of the time, the adjustments you made to keep this person are cosmetic and will rarely overcome the underlying reasons as to why the person wanted to leave in the first place. Your company, the job, personalities, etc., may have been given a couple of minor changes, but the underlying nature of your company hasn't changed. After the “glow” of the importance of money wears off, your employee is mentally and emotionally right back where they were before.
4. Now that the “tail” has wagged the dog, everyone in your company, in spite of what you think, knows what this person did, and it is just a matter of time before others are going to try it in their own way. You and your company have lost the respect of the employees who are aware of the counteroffer. The fear of this happening again is driving you nuts.
5. The emotion of the moment forced you to make this person feel special. But, how long is that feeling of euphoria going to last? What is going to happen when it wears off?
6. An employee leaving never comes at a good time. Here is what you will eventually say to yourself: “How could he/she do this to me? . . . It couldn't have come at a worse time. . . . What am I going to do if they do it again? So, when (not if) is this person going to do it again? If that happens, I'm gonna look like a real schmuck and nobody is going to respect me as a manager.”
7. Normally, for the counteroffer to be successful, you had to involve other managers, including those one or two levels above you. What are they going to think of you if this happens again, not only with the person you just bought back, but also with others in the organization? Even though they all bought into it because they had to, you are going to be held responsible for all of the problems this has created. When/if this person eventually leaves anyhow, your management acumen will be questioned.
8. Good companies don't buy people back. In your heart, you know that. So, the insult to injury is that, not only were you blackmailed, but you know that you and your company are not considered to be well managed.
9. The employee that you bought back probably got a significant increase in salary. That fact is going to eat at you, and when the salary reviews come around again, you're going to remember how you were leveraged. You are going to feel like the employee already got a raise. The employee doesn't feel that way at all. He or she is going to expect a raise like everyone else. It is a “no win” deal.

Counteroffers rarely work. It seems like a good idea at the time. If you have to do it for sheer survival, start looking on a confidential basis for your employee's replacement. We know because we work with hundreds of “confidential” searches every year. Many times they are “successful” counteroffers being replaced.

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Since 1973, Tony Beshara has placed more than 7,000 people on a one-on-one basis, in more than 100 different job categories. His candidates have accepted positions earning minimum wage and salaries up to more than a million dollars a year. Tony has directly worked with more than 24,000 hiring authorities, at 21,000 different hiring organizations. The system he has developed has helped more than 100,000 people find jobs. Tony's first book, *The Job Search Solution*, was one of the top ten best sellers in 2005 in its category and its success led to the creation of TheJobSearchSolution.com, a web-based training program believed to be the first of its kind for people going through the job search process. His second book, *Acing the Interview*, was released in January 2008 and has received very positive reviews from critics. He is president of Babich and Associates.

4. Counteroffer – Should I Entertain a counteroffer? What do you do if your employer beats a new job offer?

By Scott Love, Columnist

You have just accepted a position with another company and are in the process of turning in your notice. It was a difficult decision, and you thought long and hard about what path you would take. But you have decided to leave. In your resignation meeting, you tell your employer you have decided to leave the company to go to another opportunity.

Your employer interrupts you by saying, "I can't believe that today is the day you are telling us you are leaving. What a coincidence. Tomorrow we were going to promote you, and the next week we were going to give you a top-secret bonus. Why don't we just give you those things today and forget about you leaving? What sort of offer did they make you? We'll match it." That was easy, you think to yourself. Now you have received the raise that you didn't get before and a promotion to go along with it. Companies try to keep their staff as long as they can, and when a desirable employee turns in his or her notice, many times a well-intentioned manager will try to talk the employee out of it with a financial incentive to stay.

But before you accept that counteroffer, consider the following reasons why that last-minute decision could be one of the last decisions that you make with this company:

1. Your employer will no longer consider you part of that "inner circle" of his trusted confidants. If you have been flirting with other companies, then the trust is always going to be weakened. Your employer might say he'll forget about the whole thing, but every visit to the dentist will be viewed with suspicion.
2. Your manager's effectiveness is judged by how well he keeps his staff happy and by how long he keeps his staff. He could be afraid that his competence as a leader will now be in question, which could damage his own chances for advancement.
3. It's easier to keep you with a counteroffer than replace you. The cost of recruiting and placing a qualified candidate can be significant.
4. If you have to turn in your notice to a company just to get a raise and a promotion, then is that the type of company you really want to work for? The promotion and raise your employer is giving you is not based upon your merit. If that was the case, then you would have already received it. Instead, because of the timing of this advancement, the reason is to keep you. Once the crisis has quelled and the status quo is back in place, then the odds are very high that this raise and increased remuneration could be revoked. Why should a company keep



someone who didn't deserve a promotion and instead received it in reaction to a fear of departure? When the crisis is over, so will be the incentive to keep you.

5. They won't respect you. They know that they are the ones who really call the shots in your career, not you. Well-managed companies rarely offer counteroffers to their staff. Instead, they treat them with the dignity and respect of an individual who has thought long and hard enough to take his career into his own hands. The healthy companies will tell you, "Thank you for your service, and we hope that you have become a better person by working here. Consider us if you ever want to come back. We'd love to have you here again." Leaving a company is something that happens to everyone in the world of work. Minimize the potential career damage and your anxiety in this transition by having the confidence to stick with your decisions.

It's nice to be wooed back but don't expect to stay long.

A tax accountant with a Chicago based public accounting firm accepted a top corporate position at a local manufacturer that paid \$15,000 more than he currently earned. But the accountant changed his mind after his firm's senior partner made him a counteroffer.

The partner dangled a plethora of incentives, including the promise of a partnership in the near future. Three months later, after the tax season ended, the accountant was fired.

A manufacturing manager with a medium-sized metal products company in Albuquerque, N. M. accepted a new position that included a higher salary and better benefits. But he decided to stay put after his company agreed to match the offer and told him of great things on the horizon. However, he wasn't told that the firm might be merging with another. Six months after the executive decided to stay, he was merged out of his job. Following nine months of unemployment, he landed a lower-paying position.

Ask any executive recruiter and you'll hear dozens of heartbreaking stories like these involving counteroffers. Unfortunately, more executives seem to be getting and accepting them because of the inconsistent economy. Companies are operating with reduced staffs and any defections from the ranks create problems for those who remain. It's much easier for employers to sweeten the pot to keep executives from deserting than to conduct grueling and expensive searches for replacements.

Mathew Henry, the 17th-century writer, said, "Many a dangerous temptation comes to us in [many colors] that are but skin deep." The same can be said for counteroffers, those magnetic enticements designed to lure you back into the nest after you've decided it's time to flyaway.

But in good times or bad, the dictum remains constant. Counteroffers should never be accepted. . . EVER! Those few rare instances where accepting one is beneficial occur about as frequently as being struck by lightning.

The Right Perspective

A counteroffer is an inducement from your current employer to get you to stay after you've announced your intention to take another job. It doesn't include instances when you receive an offer but don't tell your boss, or when you tell your employer about an offer you never intended to take in a classic "they-want-me-but-I'm- staying-with-you" ploy. These are merely positioning tactics that can reinforce your worth by letting your boss know you have other options. Mention of a true counteroffer, however, carries an actual threat to quit. Interviews with employers who make

counteroffers, and employees who accept them, have show that accepting a counteroffer – tempting as it may be – is tantamount to career suicide. Consider the problem in its proper perspective.

What really goes through a boss's mind when someone quits?

"This couldn't be happening at a worse time." "He's one of my best people. If I let him quit now, it'll wreak havoc on the morale of the department." "I've already got one opening in my department. I don't need another right now." "This will probably screw up the entire vacation schedule." "I'm working as hard as I can and I don't need to do his work too." "If I lose another good employee, the company might decide to "lose" me too." "My review is coming up and this will make me look bad." "Maybe I can keep him on until I find a suitable replacement." "My word, we're working with a skeleton crew already. If I lose this one, we'll all be working around the clock just to stay even."

What will the boss say to keep you in the nest?

These comments are common:

- "I'm already shocked. I thought you were as happy with us as we are with you. Let's discuss it before you make your final decision."
- "Aw gee, I've been meaning to tell you about the great plans we have for you, but it's been confidential until now."
- "The V.P. has you in mind for some exciting and expanding responsibilities."
- "Your raise was scheduled to go into effect next quarter, but we'll make it effective immediately."
- "You're going to work for whom?"
- "How can you do this in the middle of a major project? We were really counting on you." (They're always in the middle of one.)

Just a Stall Tactic

Let's face it. When someone quits, it's a direct reflection on the boss. Unless, you're really incompetent or a destructive thorn in his side, the boss might look bad for allowing you to go: It's an implied insult to his management skills. His gut reaction is to do what has to be done to keep you from leaving until he's ready. That's human nature.

Unfortunately, it's also human nature to want to stay – unless your work life is an abject misery. Career change, like all ventures into the unknown, is tough. That's why bosses know they can usually keep you around by pressing the right buttons. Before you succumb to a tempting counteroffer, consider these universal truths:

- Any situation is suspect if an employee must receive an outside offer before the present employer will suggest a raise, promotion or better working conditions.
- No matter what the company says when making its counteroffer, you'll always be a fidelity risk. Having once demonstrated your lack of loyalty (for whatever reason), you will lose your status as a team player and your place in the inner circle.
- Counteroffers are usually nothing more than stall devices to give your employer time to replace you. Your reasons for wanting to leave still exist. They'll just be slightly more tolerable in the short term because of the raise, promotion or promises made to keep you.

Counteroffers

Counteroffers are only made in response to a threat to quit. Will you have to solicit an offer and threaten to quit every time you deserve better working conditions.

By accepting a counteroffer, you have committed the unprofessional and unethical sin of breaking your commitment to the prospective employer making the offer.

Decent and well-managed companies don't make counteroffers. . .EVER! Their policies are fair and equitable. They will never be subjected to counteroffer coercion, which they perceive as blackmail.

If the urge to accept a counteroffer hits you, keep on cleaning out your desk as you count your blessings. And, if you decide to stay, hire a lawyer to put your newly won promises in contract.