

COUNTER OFFERS ARE LOSE-LOSE PROPOSITIONS

Abbreviated article from Gaines Baty

Many employees who give notice are receiving counteroffers from their current companies to encourage them to stay. These proposals can include one or more of the following:

- **A pay increase**
- **A promotion and/or added responsibility**
- **A promise of a future raise, promotion or other incentive**
- **The creation of a new, more appealing reporting structure or organization**

An employer may accompany its offer with an added motivator, such as a special call or visit from the vice president or CEO and other flattering gestures. Or it may try to manipulate a departing employee by heaping on a sense of false guilt.

When your current company makes a counteroffer, you decide to renege and stay where you are. The popular notion is that you're the winner, but you aren't!

Any executive recruiters involved in the search lose as well. Counteroffers are a headhunter's nightmare. A recruiter can lose face with a client, a substantial amount of time and allocated resources and possible income when a candidate backs out after accepting.

What really happens?

Why should you care about the jilted company or the headhunter?

In business, your reputation can be your most valuable asset. By backing out of a commitment to a prospective employer, a candidate loses all respect from the firm's leadership.

Why should a candidate care what a recruiter thinks, especially if they had ever met previously? The value of a good search professional shouldn't be underestimated. He or she can do more for you during a career lifetime than you might realize. But out of concern for client companies, reputable recruiters avoid candidates whose word they cannot trust.

It's never the same again.

The current employer who gains back its staffer may seem to be the big winner, but winning back an employee is only a short-term fix. First, the company's relationship with the employee is never the same. Most employees who accept counteroffers leave within 6 to 12 months, merely deferring their inevitable replacement. "We never quite trust them, and immediately begin contingency planning for a replacement - on our timeframe". Ultimately, the integrity, loyalty, and commitment are forever in question after this perceived blackmail tactic. He or she will never be trusted or considered a member of the inner circle.

What should you do?

It's naïve for executives to be surprised by counter-offers these days. The offers are a popular retention tactic. But why would a company wait until the eleventh hour to keep someone it claims to value so highly? Obviously, the move is purely defensive. You may feel flattered, but don't be fooled. A counteroffer isn't about what's best for you; it's about what's best for the company.

Take an active part in your own career management. If your company is interested in your progression, you'll know

it before you decide to resign. If you change your mind and stay, your motives and methods will always be suspect.

By behaving honourably, you may have the option of re-employment with the company or to join a former boss elsewhere later on. You'll also have the chance to start a promising new role with additional challenges, an expanded network, an untarnished reputation and a clear conscience. Everybody wins.

by Simon Bois