

COUNTER-OFFERS: “The Kiss of Death”

THE COUNTER-OFFER

No matter what kind of relationship you had with your boss before your resignation, some of the following thoughts are now going through his/her mind:

- This couldn't have happened at a worse time!
- Boy, this will really screw up the vacation schedule.
- I can't lose one of my best people. It will destroy morale in the whole department.
- I already have one opening in my department. I don't need another one now.
- I don't have time to interview, hire and train a new employee.
- I've already got too much work to do. I can't do his/her work in addition.
- My boss isn't going to like it if I lose another good employee.
- My annual review is coming up, and this could put my job in jeopardy.
- Maybe I can keep this person until I find a suitable replacement.



These thoughts are running through your boss' head, maybe now, or within a few days, and evoke one of the following responses:

- "I'm really 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 wanted to tell you about the great plans we have for you, but they've been confidential. Let's discuss them now."
- "The V.P. has you in mind for some really exciting possibilities. Let's meet him now."
- "You know that the General Manager and I have been discussing a raise and promotion for you. I think we could make them effective immediately."

This is called Damage Control, which is better known by its more socially acceptable name as a COUNTER-OFFER. Face it. When a valued employee quits for any reason, the direct supervisor must take responsibility for it. His/her gut reaction is to do what has to be done to keep you from leaving until it's more convenient. **That is human nature and the way most corporations work.**

Unfortunately, it is also human nature to want to stay unless your work life is abject misery. Career change, like any worthwhile venture into the unknown, is tough. That is why employers know they can often keep you in the nest by pressing the right buttons.

Before even contemplating that tempting counter-offer, consider the results of a study recently published in the *Wall Street Journal*. In this study conducted during a three year period, over 50% of the individuals accepted counter-offers after turning in their resignations. Within eighteen months, 93% of those accepting counter-offers had left, some voluntarily and some fired. All the remaining 7% were actively seeking new employment.

How could something seemingly as flattering as an attractive counter-offer produce such disastrous results? There are many reasons. Consider the following:

- In the best case, assume your boss has honorable intentions in convincing you to stay. What happens, however, in six months when an attractive promotion becomes available? Will your boss risk giving more responsibility to someone who previously intended to leave the company, when more loyal employees are available? Doubtful. Even if your boss would promote you, your boss' boss would not allow it. It's just too politically risky and potentially embarrassing.
- Now take the worst case. You're enticed to stay with the company by a nice raise and go happily back to work knowing how highly the company regards you. Meanwhile your boss is quietly looking for your

replacement through a confidential third party recruiter or some blind newspaper advertising. Three months later, you are quietly replaced for some minor breach of company rules. You are now unemployed without any immediate job prospects. This sounds vicious and unethical, but it happens in the nicest of companies.

- A variation on the theme above, is the “I need you” gambit. This may indeed be true. Your boss has just lost another employee and is now about to lose you. Your boss has always been fair and honorable in all your dealings, and you have resigned because of the company, not your boss. Here your sense of loyalty may be sorely tried. Unfortunately, if you are leaving because of the company, there is an excellent chance your boss is also actively, but confidentially, in the job market. When he/she leaves, what will you do?
- The best reason to refuse a counter-offer is that most, if not all, the conditions at your present company that prompted you to look at new opportunities, still exist. Does the counter-offer really change anything? Does a little more money, or even a lot more money, really offset the opportunity you saw in your new job? Will you need to quit every time you want a raise or promotion? A \$12,000 annual increase is only worth \$3,000 if you are gone in three months!
- When economic slow-downs occur, you could be the first to go. You indicated your intention to do so once before, so it is only natural that your position be eliminated in a slack period.
- **Most respected and well-managed companies don't make counter-offers . . . EVER.** Their policies are fair and equitable to everybody, and they won't make exceptions under the duress of a resignation.

Make your decision to accept or not to accept a new position by weighing all the evidence before notifying your company of your resignation. Once a decision has been made, stick to it. Accepting a counter-offer may very possibly be the worst mistake of your entire career! If the urge to reconsider strikes you, just keep cleaning out your desk, while you count your blessings for the new opportunities which lie ahead.

DICK WILLIAMS & ASSOCIATES A High Technology Search Firm

Check our web site: www.dwasearch.com

5776 Stoneridge Mall Road, Suite 295 ▪ Pleasanton, CA 94588
Phone: (925) 468-0304 ▪ Fax: (925) 468-0306 ▪ Email: info@dwasearch.com