

Article: Never Accept a Counter-Offer.

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It's nice to be wooed, but don't expect to stay long!

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By Paul Hawkinson*

A tax accountant with 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 counter offer.

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, NM 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 counter-offers. 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 fine gay colours that are but skin deep." The same can be said for counter-offers, those magnetic enticements designed to lure you back into the nest after you've decided it's time to fly away.

But in good times, or bad, the dictum remains constant. Counter-offers 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 counter-offer 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 counter-offer, however, carries an actual threat to quit. Interviews with employers who make counter-offers, and employees who accept them, have shown that accepting a counter-offer 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 one right now."

"This will probably screw up the entire vacations 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."

"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 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 been meaning to tell you about the great plans we have for you, but it's been confidential until now."

"The VP 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 who?”

“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 small 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/her side, the boss might look bad for allowing you to go. It’s an implied insult to his management skills. His/her gut reaction is to do what has to be done to keep you from leaving until he/she’s ready. That’s human nature.

Unfortunately, it’s also human nature to want to stay—unless your work life is 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 counter-offer, 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 it’s counter-offer, 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.
- Counter-offers 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.
- Counter-offers 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 counter-offer, 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 counter-offers....EVER! Their policies are fair and equitable. They will never be subjected to counter-offer coercion, which they perceive as blackmail.

If the urge to accept a counter-offer 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 the form of a long-term no-cut contract.