

How to handle a Counter Offer

Congratulations, you have successfully created interest from an employer. You have impressed them during interviews and negotiated a salary and benefits package that reflects your capabilities. You have received written confirmation of a job offer and have handed in your letter of resignation to your current employer. You are excited and relieved, but you're wondering how your boss is going to react when you resign. Will they be angry, shocked, understanding or dismissive? Upon resigning, your current boss asks you to stay.

This is known as a counter offer

So how do you prepare for the possibility that your resignation might be met with a counter offer from your employer who doesn't want to lose the skills and experience you have brought to your existing role?

Whether it is in the form of a salary increase, additional company benefits or a promotion, a counter offer involves your current employer attempting to rival the one you received from your future employer to try to persuade you to stay.

When handing in your resignation, consider what will go through the mind of your manager. If they see your resignation as a dramatic inconvenience to them, the likelihood of them making a counter offer will undoubtedly increase.

Reasons that companies make counter offers include: not wanting to have to fill a vacancy within the timescale dictated by your notice period; cost implications, such as advertising fees, agency costs, training expenses etc that will be incurred as a result of your departure; organisation of necessary cover while a replacement is being sourced; the loss of staff reflecting badly on the company and affecting morale; and the time taken to bring a new recruit up to speed.

"I thought you were happy here. I am shocked that you would try to leave us before bringing any concerns you have about your position to me!"

There are a variety of methods employers may adopt to try to persuade you to withdraw your notice: announcing their shock at your decision and insisting on a discussion about why you are unhappy; unveiling new plans for your current role that make it appear as though the new challenge that you have been seeking lies within their company; moving your annual pay rise forward; and even making derogatory comments about the organisation you will be joining.

If you have formed emotional attachments with current work colleagues, it can be even more difficult to make the move to another company and might increase the appeal of accepting a counter offer. However, it is important to remember that moving rarely requires ceasing all contact with the people you have formed friendships with.

When considering a counter offer, ask yourself the following questions:

- Why did I need to look to another employer in order to satisfy my career progression?
- Is an increase in salary really enough in the long term or do I need a new challenge?
- Will my resignation be interpreted as disloyal if I decide to stay?
- Is the counter offer a way for my employer to buy some time while they find a replacement?
- Does the counter offer eliminate my original reasons for wanting to leave?

Remember why your new position appealed initially and this about the opportunity you will be missing by accepting a counter offer.

Think about the past, present and future. How has your current company performed and behaved with you? What are your prospects for the future?

Then consider what you know about your potential new employer.

“We have been planning some interesting projects for you, but they have been confidential up until now”

Do you know anyone there? What has your research about the organisation revealed? These ‘intangible’ aspects of behaviour can be a significant determining factor when choosing a new company or accepting or rejecting counter offers.

It is a good idea to list the advantages and disadvantages of each situation and discuss these with someone whose opinion you value, you will need to make a decision about whether to accept or decline the counter offer. Usually the most suitable option for you will also be the most suitable option for your employer, whether or not this is immediately apparent to them.

If you have been headhunted or are working with a recruitment agency then they will often advise on counter offers. They will be experienced at such tactics that may be employed by your current company and will know how best to manage them.

“Your salary increase was set to take effect next quarter, but giving the circumstances we can make it effective if that means you will stay”

If you do decide to refuse a counter offer, ensure that you take charge of the situation. Thank your employer for the opportunity but reiterate your intention to leave. Deliver your written resignation to your manager in person, as this will help you to stay in control. Let them know that you have considered 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.

If, after considering the counter offer, you do decide to accept it and therefore remain with your current company, it is important to remember that even though you have accepted this offer your resignation has not been forgotten. You will need to work to regain your employer’s faith and a good deal of effort will be required to recreate the trust within your company.