



To Counter Offer or Not:

At the beginning of the year, Express conducted a survey asking if employees would job hop in 2010 if they found a better opportunity. The result was that 82% of respondents said, "Yes." Then, in July, we followed up and asked if companies had seen their employees voluntarily leaving. That survey revealed that 57% of respondents have already seen employees leave, while 19% said it was common knowledge that people were looking for new opportunities.

This means sooner or later you may experience that dreaded moment when a key employee walks into your office and announces his resignation. And, when it happens, you will be faced with a decision. Do you make a counter offer or not?

Before you decide, you should try first to determine the reason for their resignation. That means you should ask, "Why are you leaving?" And don't just accept the cliché answer of "more money." Rarely do employees leave for just a bigger paycheck. While pay may factor into it, more than likely the reasons include one, or a combination, of:

- A perceived lack of opportunity
- Poor management
- Mismatched culture
- Long commute
- Need for flexible hours

Based on the employee's answer, you then need to consider what you have the power to change. Do you have the authority to:

- Alter upper management
- Create a new managerial position
- Provide a flexible schedule
- Accommodate telecommuting

Be honest with yourself. Because, if you counter with only money and the employee accepts, you still haven't fixed the real issues and the initial negative feelings the employee had will continue.



Once you pinpoint the employee's real reason for leaving, and if you can amend the situation, decide whether you should. Are the employee's demands best for the company? If you knew about the problems before, why didn't you act earlier? Has the employee been searching for a new job for a while or were they approached by a recruiter? Is convincing them to stay a short-term or long-term solution?

All of this information affects whether or not you extend a counter offer. So make sure when you're in this position you don't act hastily or out of desperation. Consider the repercussions of your decisions and don't be afraid to gracefully let employees leave. It's natural for employees and companies to part ways through the years. And, sometimes it could be for the best.

Source: <http://www.refreshleadership.com/index.php/2010/08/counter-offer-counter-offer-question/>