

“Oh sure, NOW you want me!”

Compelling reasons why counteroffers are counterproductive



It's a hotly debated topic that comes more into focus during tight labor markets... COUNTEROFFERS. Do they work and should they be entertained? Evidence shows that they don't work well, yet somehow employers keep trying. Below are some thoughts that help explain and support why counteroffers are generally a losing proposition (but may work in select instances):

The Blame Game

Once you show that you are willing to leave, you become the person who's always blamed when something goes wrong. Your reputation becomes tainted, and trust is lost on both sides. You are no longer a part of the "inner circle". People have long memories when it comes to any potential threats. You will now be expected to perform like a new hire, having to prove yourself all over again.

Why Now?

If you receive a counteroffer you must ask yourself one simple question, "Why am I NOW so valuable to the company?"

Bargaining Basement

If you are using a counteroffer as a bargaining ploy, be prepared to lose that bet.

False Promises

Most times it is easier for an employer to counteroffer than to replace. Once the situation has calmed down, odds are very high that promises may not come to fruition.

Good Companies Don't Counter

Well-managed companies rarely counteroffer. They have a sense of dignity and respect for individual employees who have the foresight to take their careers into their own hands. Good companies leave the door open for the employee to come back, and thank them for their service.

Reneging Harms Reputations

If you accept a counteroffer, you have acted unprofessionally by breaking a commitment to the prospective employer who has made an offer based on your wishes and career aspirations.

Nothing Personal

Employers will sometimes appeal to your sense of loyalty, ego or even guilt. At this point emotion must be taken out of the equation. It's time to move on (remind yourself why you wanted to leave in the first place), and offer everything you can to make a smooth transition for your employer.

The Counterpunch

Employers need to catch potentially dissatisfied employees long before they reach the counteroffer stage. They need to use regular and frequent performance reviews. If you are an employee entertaining a counteroffer, you must simply weigh the pros and cons of your current and potential new role. If you genuinely like your current role better, have an open and honest conversation with your boss. This is the rare case in which staying for a counteroffer may make sense.

The largest drawback to counteroffers is that they are often a short-term solution to a long-term problem. Statistics show that 80% of people who accept counteroffers do not continue that employment after 6 months (90% are gone within 12 months). If you want to play the odds, you know what to do.