

A blurred photograph of several business professionals in a modern office hallway. The focus is on the lower half of the people, showing their legs and feet as they walk. The lighting is bright and professional, with a clean, minimalist aesthetic. The background shows a glass railing and a bright, open-plan office space.

Minimising the Risk of the Counter Offer

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One of the most dangerous times for a recruiter is after you've filled a vacancy. You're celebrating, your client is happy and your candidate is happy. Your candidate has resigned and everything's going smoothly.

Then a week or two after the offer and acceptance, you get an email from the candidate: "Sorry but I've decided to stay where I am - I've been offered a promotion and a pay rise."

The dreaded Counter Offer.

It's very unpleasant and it's very costly for you. So let's take a look at a way to reduce the risk of Counter Offers happening.

We'll start by looking at why the Counter Offer is so common. This will help you to become more aware of the need to reduce the risk.

Then I'll introduce you to the Counter Offer seed - a powerful 4 stage method to remind the candidate throughout the interview process of reasons NOT to take a Counter Offer.

In addition to the four stage Counter Offer process, I'll also provide you with 10 reasons you can share with your candidates as to why it's not a good idea for them to take a Counter Offer.

So why is the Counter Offer so common ? Think about it - if you were an employer, you would know that the cost of recruiting someone and training them up is substantial (plus the time it will take you to recruit and train). So it might be better for that employer to give the current employee a pay rise and perhaps more remote work, promotion, a different challenge etc. Surely, if it's a superstar employee, you're not going to want to lose them if you are an employer? You will fight tooth and nail to keep that individual.

Minimising the Risk of the Counter Offer

There are many tactics that employers will use to keep good quality people. Sometimes, employers may even refuse to accept your candidate's resignation.

The employer might say – “I'm not going to accept your resignation, please sit down and have a coffee, take a break. I'll have a think about it, let's reconvene later”. Then they'll meet with a co-director, they'll get the promotion papers out and book a nice restaurant. Suddenly that person has been promoted, wined and dined, and they're staying where they are.

Employers regularly will give that pay rise, an extra bonus, maybe even equity or share options at a more senior level, but certainly employees can be given a new challenge and better job title, plus greater responsibility, as well as playing on loyalty and work friendships that have been built up over the years.

So this can be very, very dangerous for you unless you use the four-stage Counter Offer process to reduce the risk of it happening.

Let me introduce you to the Counter Offer Seed

Sow the seed (not to take a Counter Offer) at least 4 times.

Stage 1: Initial conversation or interview with you

For each candidate that I work with, I'm constantly seeding reasons not to take the Counter Offer - very early on in the candidate relationship. I'm doing it in interview preparation stage, I'm doing it offer stage, and I'm certainly doing it at resignation.

I'm going to explain to you how you can sow seeds in the candidate's mind to reduce the risk of a Counter Offer happening. So let's look at the first stage, the initial interview, when you first begin talking to a candidate.

Minimising the Risk of the Counter Offer

I'm going to find out, particularly if their reason for leaving is money, why can't they get what they're looking for within their current company? What steps have they taken so far to attempt to get that pay rise in their current company, who have they spoken to within their current organisation to try and get that promotion, that pay rise, that new job title or whatever it is they're saying to you that they can't get.

If they've not done those things, that's a bit of a red flag for me and I'm concerned about it. I'll be asking - what can your current employer do to keep you? I'm trying to get the candidate to visualise the future and getting them to see that actually this might happen quite quickly and they might get to the point where they're having to confront a resignation even within a week or so. How do they feel about that and how would their employer react to their resignation?

I'm also finding out what normally happens when people resign in their current company. So if the candidate says – “Well, actually, when people resign they're walked out of the building with their belongings in a plastic bag,” I'm pretty happy about that, in a nice way, but in reality that generally mainly happens in sales positions. If they say, “Well, what they're going to do is sit me down and try and persuade me to stay - and most people get offered a pay rise,” then I am very worried about that.

Occasionally, I even consider sending some candidates away at this point if I think that they're fishing for a pay rise and that's about the only reason they are looking.

To test this, I use what I call the scale of 1 to 5 and I would suggest you only really work with 1s and 2s in the main. So what I'm really saying to them is, “on a scale of 1 to 5, 5 being most likely, how likely are you to stay with your current company if they offer you that pay rise, or that promotion, that new job title?” Or whatever it is they told you about.

And if they're saying, “Well, actually I'm a 3 or a 4,” I'm probing further and I might then say, “I really want to help you find that next job but it might be better advice for you to go away and have a chat with your current boss and try and get that pay-rise from them now. If you get what you're looking for, that's great but if they refuse come back to me and I'll place you in a good company.”

Minimising the Risk of the Counter Offer

Now, that's unusual, but it can happen from time to time.

I want people who are really committed to making that move and leaving. And, psychologically, if their current boss has refused to give them what they requested, it's something I can use in my favour later down the line.

On the other hand, if the candidate at this stage is saying, "Whatever they do I will leave because of reasons I've given and even if they offer me £10,000 extra, or offer promotion I'm going to leave," then I'm pretty happy with that of course.

In addition, I'm now going to seed a reason not to take a Counter Offer. I'll choose from one of the 10 reasons at the end of this e-book:

I might say, "I don't blame you because, after all, what kind of company would only recognise your true worth at the point of your resignation?"

Or, "I don't blame you because, after all, where's the money coming from for that pay rise that they are giving you now which might be your next pay rise arriving early? Many companies have fairly strict wage guidelines and so how likely is it that you'll be stuck on that pay level for some period of time?"

Or, "I don't blame you, after all, they might start looking for a replacement for you after your pay rise 'gift' since they may now realise that you are unlikely to stay with them much longer".

"Plus of course when promotion time comes around, employers remember who was loyal and who was not".

Clearly these concerns may not apply in all cases and you have to be sensible and selective but these are genuine reasons why the candidate should be extremely wary and suspicious of a sudden change in package.

"When times get tough and when the market is not so candidate-friendly, your employer might begin cutbacks with those employees it considers less likely to be 100% percent loyal".

Minimising the Risk of the Counter Offer

Another reason (number 7, see all 10 below) is that history repeats itself – ie that “The reasons for wishing to leave are unlikely to go away. Statistics show that 78% of people who resign and then retract their resignation voluntarily, leave anyway bitterly regretting having stayed where they are”.

Number 9, “People who accept a Counter Offer often feel they've been ‘bought’ rather than rewarded for their effort”.

So these are a few examples of reasons not to take the Counter Offer. I would suggest you learn them and replay them in your mind to tailor to your delivery style - then use the appropriate ones in the appropriate situations so that you can just reel them off without hesitation.

In essence, you're sowing a seed in the candidate's mind that they are right to be suspicious of a Counter Offer. You are subtly reassuring the candidate that the decision they've already made is the right one.

Stage 2: Interview Preparation

So the next opportunity to seed a reason not to take a Counter Offer is usually when you're at the interview preparation stage. So, you've arranged the first interview with your client. Your candidate is now meeting with you to prepare for interview you're chatting through the role and so on.

(NB: there's a full, separate training module on interview preparation and I strongly recommend you improve in this area because it will seriously improve your interview to placement ratio as a recruiter).

So during that interview preparation session, I'm re-selling the benefits of the role and how my client's opportunity and other selling benefits negates any negatives they have about their current position (which of course is often why they may be looking at new opportunities).

An example would be that they're very ambitious but that career prospects are limited in their current company and the new role that you are presenting to them offers better career prospects. So, naturally, you're going to remind them of that. In whatever way the grass is greener on your client's side of the fence you should remind them – this is another factor in reducing the risk of Counter Offers.

Minimising the Risk of the Counter Offer

Also, I'm going to be asking them about how they feel because some people get a bit nervous and even worry about letting their current employer down by leaving.

So just ask them the question – “If you were to get offered this job at X salary, how might you feel about that?”

They might say, “I'll definitely take it.”

Now delve further by asking, “How are you feeling about leaving your current company?” and if they say something like, “No problem - I really want to leave,” reinforce that they're making the right decision. I often use ‘I don't blame you’ at this point....

“I don't blame you because [and now seed another reason not to take the Counter Offer].

Stage 3: Offer Stage

Let's now look at what happens at offer stage – let's say your candidate has been on a couple of interviews and they get offered the job. You really want to doublecheck when they can resign and start. You want them to start as early as possible so as not to give the current employer time to try and turn things around. Find out if they can offset untaken holiday against their notice period, find out if their notice period can be negotiable.

I also, don't like to give the offer until I'm confident they're going to accept. So I'm finding out how they feel about it once again. I'm trial-closing again at offer stage.

“So if my client were to offer you X salary, would you accept? And what's the earliest you can start?” Once again, I'm finding out how they feel about things. Followed by seeding another reason not to take the Counter Offer.

Stage 4: Resignation

Now, when an offer is accepted, I then want to help my candidate to resign and if you think about it at the offer stage there are a few possible outcomes :

One is – “Clear your desk and leave” (not uncommon in sales teams), or “Congratulations and good luck for the future”.

The employer might still try and turn that employee around though. One of the worst outcomes can be:

“I’m not accepting your resignation, please go and have a coffee and let’s think about it.”

And then, imagine the employer meeting his/her colleagues and arranging lunch or similar with promotion papers at the ready.

So – help your candidate to resign!

When I sense a Counter Offer coming, I often help the candidate to write their resignation letter so that it includes crystal clear reasons for leaving, with wording that essentially sends a message to the employer:-

‘I’ve thought this through very, very carefully and I’m not going to change my mind.’

So, as you can see, it’s really, really important to anticipate the persuasive tactics that employers might use in order to reduce the chances of your candidate being turned around.

Ideally, I like my candidate to resign at the end of the day.

The reason for this is - if you think about it - if somebody resigns from their job at the end of the day, they leave work and they’re travelling home, they’re going to be on the phone, messaging or calling their friends or family and so on. Plus, there is less time for the employer to attempt to change their mind.

Minimising the Risk of the Counter Offer

And what is the candidate likely to be saying to those friends and family?

“I hated that job and I'm glad to be leaving,” and now there's a little bit of peer pressure from friends and family who are probably saying, “Oh, you've made a good decision there, well done”.

If you prime your candidate to give their notice that at the end of the day, make sure that they're not enticed to go for a 'drink after work' with the employer. You need to brief your candidate that the employer may try this so you could pre-prepare them to respond by saying something like: “I'm really sorry, but I've got something on after work and I can't get out of that”.

This may sound extreme, but it has happened, trust me. Ideally end of the day is good for those reasons.

Now, after your candidate has resigned and it seems that everything's going smoothly it's very, very important to stay in touch with the candidate.

If you don't then certainly the current employer might be doing that. They'll be in touch trying to persuade your newly placed candidate to change their mind – and, of course, your competitors might be doing the same by presenting other opportunities to them. So I like to stay in touch through that resignation process and find out how it's going.

Has the paperwork come through? How about the offer letter, contract and so on? It's so important to check these things and to pick up any issues that you need to deal with.

Through these four stages you can reduce the risk of the Counter Offer. But, unfortunately, not every single time. Sometimes candidates are made 'an offer they can't refuse'.

The candidate might even say to you, “Look, I know this could be a mistake, but I'm going to stay anyway because it's a lot of money” - that can happen. So what do you do in that situation?

Minimising the Risk of the Counter Offer

Keep your cool, don't get annoyed about it. It's the candidate's life, not yours. You may have done everything possible but there is still an opportunity for you. Occasionally, you can turn this kind of person into a 'trusted candidate'.

What you could say is: "Personally I think you might be making a mistake, but I understand. I mentioned to you earlier that 78% of employees who accept a Counter Offer are back on the market within six months, time bitterly regretting it. I hope that doesn't happen to you but can I just say something to you? I've really enjoyed working with you and if you fall into that category and end up wanting to leave again, will you please promise me that you'll come back to me so that I can help you again."

Now, if that happens and they come back to you, you've got an opportunity to create what I call a 'trusted candidate'. For example, the candidate calls you a few months down the line.

"Well, I'm delighted to hear from you, I'm sorry that what we discussed happened to you but I'm more than happy to work with you again. With one proviso - could I ask you that if I have another candidate in a similar situation and they're going through that terrible dilemma that you went through would you mind if I get them to contact you to discuss your experiences of this?"

You're creating a third-party ratification that is not a good idea to take a Counter Offer.

Now that's an unusual scenario but it might happen to you from time-to-time and it can be very, very powerful in the right situation.

When Counter Offers happens it's horrible but hopefully you are now better prepared for them! Follow the 4 Stages and seed reasons not to take a Counter Offer and I guarantee you'll make more money for the rest of your career.

Ten Reasons Not To Take A Counter Offer

1. "What kind of company do you work for if you have to threaten to resign before they give you what you are worth?"
2. "Where is the money coming from for the Counter Offer? Is it your next rise arriving early?" (Most companies have strict wage and salary guidelines / budgets which must be followed.)
3. "They may start looking for a new person at a lower salary."
4. "From that day on your loyalty will be in question, won't it?"
5. "When promotion time comes around, employers remember who was loyal and who was not."
6. "When times get tough, your employer may begin the cutback with you."
7. "The reason you want to move will almost certainly repeat themselves, won't they, even if you accept a Counter Offer?"
8. "78% of people who resign and then retract their resignation voluntarily leave anyway within six months."
9. "People who accept a Counter Offer often feel they've been bought rather than been rewarded for the work they've done, don't they?"
10. "Once the word gets out, the relationship that you now enjoy with your co-workers may never be the same."

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