

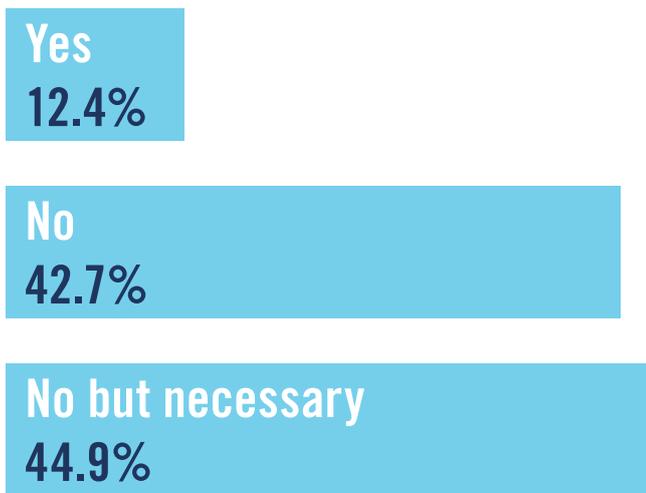
2017

COUNTER
OFFER
SURVEY
RESULTS

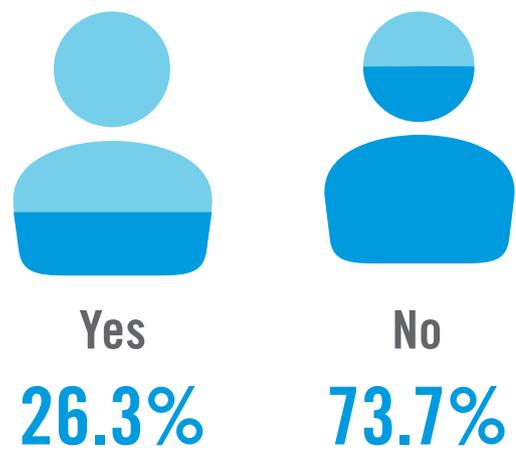
BRIGHTWATER Counter Offer Survey Results

THE FACTS

Do employers believe counter-offers are a good thing?



When resigning from their last job, did employees hope that they would be given a counter-offer?



of those responding to the survey worked in IT



of respondents worked in financial services (banking, insurance & funds)

Financial Services and IT are the areas where counter-offers are the most prevalent borne out by our own experience recruiting this year. This is possibly due to the shortage of experienced candidates willing to move in these areas. Employers in the financial services sector may well be able to overcome this by looking outside the sector for a wider pool of candidates.

THE EMPLOYER

Do companies have a policy against counter-offering?



15.7%

Yes



71.9%

No



12.4%

Considering It

Most employers admitted they "start looking to replace the employee who has accepted their counter-offer".

Yes
82.7%



71.6%



trusted their staff less after a counter-offer

29%



of employers won't engage in a "Dutch Auction" if an applicant is counter-offered by their current employer

It is interesting to note that nearly 30% of employers will not "counter" counter-offers. This figure may well rise due to the increase in companies considering implementing a policy against counter-offers in the coming year. Worth noting also is that nearly 83% of employers start looking to replace their employee who has accepted their counter-offer, highlighting the fact that the trust and relationship has irretrievably broken down.

BRIGHTWATER Counter Offer Survey Results

THE EMPLOYEE



look for a new job within 18 months of accepting a counter-offer



of those who accepted a counter-offer felt their employer either didn't or only partially fulfilled all their promises



felt they were more valued after accepting their counter-offer



believe their employer / employee relationship was adversely affected after accepting a counter-offer

When considering accepting a counter-offer, think about all the implications. Do not let yourself be swayed by a counter-offer; make the decision to go or stay **BEFORE** you resign.

COMPANIES: Could counter-offers cause problems?

Yes 67.8%

(with other staff members)



Yes 22.9%

(lower productivity, negative attitude, difficult annual reviews)

No 9.3%

Nearly 72% of employers trusted their employees less, over 80% start looking for their replacement even if they do accept a counter-offer and over 90% believe that counter-offers create internal problems.

Avoiding a counter-offer situation as a potential employer

The danger of counter-offers exists in every hiring process especially when hiring a key person for your team as their current employer will suddenly recognise their full value. One way to avoid this is to ask the question after the initial interview and start the conversation. By asking how they will handle a potential counter-offer, the interview will start a process of getting the candidate to commit to them. Always ask why they want to leave their current employer in order to get a full understanding of their motivation. One key thing to remember is to always keep in touch with the candidate in the weeks between making the offer and their start-date.

Retaining your top talent

Counter-offers are rarely just about salaries for those handing in their notice. The decision to leave or stay with an employer is overwhelmingly an emotional decision. An ideal way for an employer to avoid the drama and potential damage of a counter-offer is to have performance appraisals on a regular basis. That way, issues such as security, new challenges, new responsibilities and career progression can be addressed fully before valuable employees start job-hunting elsewhere.

EMPLOYEE RESULTS

Raw Data (738 respondents)

Q1. In what sector do you work?

- IT **20.4%**
- Banking **19.6%**
- Fund Services **22.3%**
- Insurance **14.5%**
- Legal **4.3%**
- Accountancy **9.2%**
- Human Resources **2.4%**
- Sales & Marketing **3.2%**
- Engineering **2.7%**
- Other **1.4%**

Q2. Have you ever received a counter offer?

- Yes **55.2%**
- No **44.8%**

Q3. What did your employer offer you?

- Less than 10% remuneration increase **35.8%**
- 10-20% remuneration increase **28.5%**
- More than 20% remuneration increase **18.9%**
- Change in title & promotion **29.2%**
- More responsibility **28.3%**
- Flexible hours **17.3%**

Q4. How did your counter offer make you feel?

- Valued - (increased feeling of being appreciated by employer) **39.4%**
- Under-valued - (why did it take an ultimatum to be offered this) **46.4%**
- Flattered **14.2%**

Q5. Did you accept your employer's counter-offer?

- Yes **49.4%**
- No **50.6%**

Q6. Why did you accept your counter-offer?

- The offer was too good to turn down **31.8%**
- I felt appreciated again **19.7%**
- I didn't really want to move **30.2%**
- My concerns were dealt with **18.3%**

Q7. In the weeks after accepting your counter-offer, how did you feel?

- Increased motivation **49.7%**
- Decreased motivation **1.9%**
- Regret - I should have left **18.3%**
- No different **30.1%**

Q8. How do you think your employer viewed you after you accepted your counter offer?

- My employer trusted me less and valued me less **8.5%**
- My employer trusted me less but valued me more **25.7%**
- No different **53.2%**
- My boss trusted me more **12.6%**

Q9. After you accepted the counter-offer, did your employer fulfil all of its promises?

- Yes **41.9%**
- No **31.5%**
- Partially **26.6%**

Q10. After accepting your counter-offer, how long until you were looking for a new job again?

- 0-3 months **7.4%**
- 3-6 months **12.5%**
- 6-9 months **7.3%**
- 9-12 months **18.7%**
- 12-18 months **29.2%**
- I haven't looked again **24.9%**

Q11. If you have received a counter-offer, when did you receive it?

- On handing in notice **60.3%**
- During notice period 1-3 weeks **28.5%**
- Final week notice (4/8/12 weeks) **11.2%**

Q12. What might have made you stay?

- Nothing **47.1%**
- Increased salary / benefits **22.3%**
- New role **14.8%**
- Promotion **10.7%**
- Promotional prospects **5.1%**

Q13. When you last changed job, were you hoping to be counter-offered?

- Yes **26.3%**
- No **73.7%**

EMPLOYER RESULTS

Raw Data (362 respondents)

Q1. In what sector is your organisation?

- IT **18.3%**
- Banking **18.2%**
- Fund Services **16.5%**
- Insurance **11.8%**
- Legal **13.7%**
- Accountancy Practice **9.4%**
- Engineering **7.1%**
- FMCG **3.2%**
- Other **1.8%**

Q2. Does your company counter-offer?

- Yes **49.3%**
- No **50.7%**

Q3. What is your maximum counter-offer?

- Remuneration rise to 10% **48.3%**
- Remuneration rise 10-20% **18.4%**
- Remuneration rise more than 20% **2.7%**
- Additional benefits **8.5%**
- New role **7.8%**
- Increased promotional prospects **14.3%**

Q4. As an employer, has your number of counter-offers gone up in last 12 months?

- Yes **43.5%**
- No - stayed the same **40.9%**
- No - decreased **15.6%**

Q5. Does your company have a policy against counter-offering?

- Yes **15.7%**
- No **71.9%**
- Would you consider implementing this option? **12.4%**

Q6. How often do staff accept your counter offer?

- 0% **9.3%**
- 1-20% **57.2%**
- 20-50% **22.3%**
- 50-75% **7.1%**
- 75-100% **4.1%**

Q7. As a precaution, do you start looking to replace the employee who has accepted your counter-offer?

- Yes **82.7%**
- No **17.3%**

Q8. If an applicant to your company is counter-offered by their current employer, are you prepared to increase your offer?

- Yes **22.3%**
- No **29%**
- Depends on their skill level and our need at the time **48.7%**

Q9. If you do counter-offer, when do you make it?

- The day the employee hands in their notice **49.2%**
- During notice period (1-3 weeks) **32.5%**
- Final week notice period (4/8/12 weeks) **18.3%**

Q10. Do you trust an employee after he / she has accepted a counter-offer?

- Yes **28.4%**
- No **71.6%**

Q11. For how long do you expect an employee to stay after he / she has accepted a counter-offer?

- Indefinitely **17%**
- Up to 6 months **22.6%**
- Up to 1 year **41.2%**
- Up to 2 years **19.2%**

Q12. In your experience, could counter-offers create internal problems?

- Yes - with other staff members (eg. they believe they deserve a pay-rise as well or a promotion) **67.8%**
- Yes - with the staff member in question (reduced performance, negative attitude, with difficult annual reviews) **22.9%**
- No **9.3%**

Q13. Do you believe counter-offers are a good thing?

- Yes **12.4%**
- No **42.7%**
- No but necessary **44.9%**

