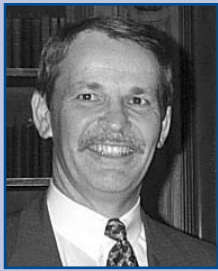




# THE COUNTEROFFER DILEMMA



**Bob Deissig**

The Ayers Group, Partner & President, Staffing Services  
Tel: 212.599.5656  
robert.deissig@ayers.com

After negotiating and accepting offers, many of the candidates we have recruited are accepting counteroffers from their current employers. As the market heats up, counteroffers are becoming the primary retention strategy for some companies. But counteroffers are not a win-win for everyone—and especially for the employee who accepts one. Why?

By accepting an outside offer, you've essentially blackmailed your boss—at least that's how he or she may view it. A counteroffer is usually a face-saving tactic that buys time to find someone to replace you and avoid disruption. Even if you aren't replaced, things will be different. How happy can you be with your old situation once you've ramped yourself up to jump? Even if the money is better, the other things that made you want to leave probably haven't changed.

For the record, some of our candidates who took counteroffers came back to us later and said, "Boy, did I make a mistake. Would they reconsider hiring me?" Statistics show that 80-90 percent of employees who accept counteroffers leave or are terminated in six months to a year. A *Wall Street Journal* survey put the number at 93 percent within 18 months, with the remainder actively in the market.

Getting back to our scenario, forget about a raise. The counteroffer was probably funded by what would've been your next raise. As for a promotion, bosses hold grudges and coworkers may no longer look at you as a team player. When it comes time to downsize again, you may very well find yourself first on the hit list.

Meanwhile, you've alienated your potential new employer, which invested time and money in recruiting and vetting you and still has a position to fill. So, the answer to the question our candidates posed is, "In

most cases, they will not reconsider you. And you may have damaged your reputation in the marketplace and your industry or field. It's a small world out there."

## Avoiding the counteroffer trap

We are trying to educate our clients and candidates about the pitfalls of counteroffers. When I sit down with candidates, I sound them out—up front—on the subject. And I talk to them about pushes and pulls. People usually change jobs because they feel either an overwhelming push (e.g., negative environment, poor relationship with manager, unchallenging job, uncertainty about the company's future) or an overwhelming pull (e.g., career advancement, learning a new business, taking on a new challenge). I prefer it when the pulls are the decisive factor, because in those situations candidates can make a more objective, intelligent decision. They're running to, not from, something.

Unfortunately, clients are all too often looking for candidates to do exactly the same jobs they've been doing elsewhere. They know it will take money to lure them away and that becomes the only pull. So when the candidates go back to their employers and receive counteroffers, they stay. Transitions are hard. All things being equal, why make the jump?

If you're hiring and want to avoid losing candidates to counteroffers, think about offering incentives other than money. If you're looking for a project manager, consider hiring someone one level below—a project leader—and offering the opportunity to take a step up. Or, if there's a candidate who meets eight of your ten requirements, offer training. Be flexible; load up the pulls. No one wants to take the time to train someone, but who has time to restart the recruiting process either?

If you're an employer and don't want to have to make counteroffers, fix the pushes. There is no substitute for creating the kind of work environment that makes people want to stay. ■

## PICKING UP THE PACE

“For the first time in four or five years, we’re seeing an increase not only in activity, but also in the pace of decision making—by consultants and clients,” says Donna Held, head of Ayer’s IT Consulting practice. “We’re clearly heading into a more robust market.”



**Donna Held**  
Managing Director &  
Sales Manager  
Tel: 212.726.6694  
donna.held@ayers.com

According to the Ayers executive, during the last boom, consultants would interview with two or three different companies, choose the best assignment and rate, and negotiate their way into the job. “It feels as if we’re in the precursor to that kind of market, although I’m not sure we’ll ever see anything like the good old boom days again,” she says. “Right now, consultants are jumping on offers as soon as they’re made rather than completing all their interviews. They’re afraid not to, because there’s so much competition. If they wait, someone else might step in.”

This trend has accelerated decision-making on the client side. “In the past few years, clients have tended to qualify people through telephone interviews before seeing them in person. Now candidates are getting snapped up in the interval. So if they want the best consultants, they have to compress the interviewing process and make offers more quickly. As a result of this competition for candidates, clients are seeing a little price pressure.” ■

For more information about Ayers’ IT Consulting, contact **Donna Held**.

### STAFFING ANNOUNCEMENT

We are pleased to welcome two new members of our Staffing Services group.

**Helene Ruggieri** has joined Ayers as Vice President, Technology Staffing Services. Her career spans more than 17 years in technology recruitment, including staffing in both financial and non-financial services. Helene brings to the firm strong relationships with clients in the legal, advertising, entertainment, commercial real estate, and service sectors.

**Charlene Santos**, a recent graduate with a B.S. degree in IT and management, is beginning her recruiting career as a Resourcer. ■

## COLLEGE DAY—TEACHING GRADS TO DIFFERENTIATE THEMSELVES ON THE JOB TRAIL

As they enter the working world, 2005 college graduates are finding corporate recruiters more eager to hire and at higher salaries than in recent years. A recent study shows that companies anticipate hiring 13 percent more graduates than in 2004, with the most positive outlook in the service and manufacturing sectors. By region, the Midwest is expected to offer the most opportunity, followed by the West and Northeast. Average starting salaries are on the increase, particularly in accounting, business administration/management, economics/finance, engineering, marketing, and software design and development.\*

This was welcome news for the 100 or so students who attended the annual Ayers’ College Day Seminar on May 31. This highly interactive, full-day program helps students prepare for the realities of a competitive job market by providing job-search tools, strategies, and market insight. Developed and presented by a team from the firm’s Career Transition practice, led by Shelli Kanet and Jim Shattuck, College Day was hosted by UBS for a third year.

The Ayers Group offers College Day on a pro bono basis for students nominated by members of its client firms and other constituencies. The program featured hands-on sessions devoted to market research, resumé and cover letter writing, networking, interviewing, and post-interview follow-up. HR, recruitment, and other executives from American Express, Fairchild Publications, Ogilvy Public Relations Worldwide, Time Inc., UBS, and Vault, Inc. participated in a college-recruiting panel discussion designed to provide the potential employer’s perspective.

The program drew kudos from attendees. A college senior credited his success in securing a part-time job to techniques learned during last year’s College Day seminar. The student indicated that because he was prepared for the interviewer’s question, “What do you consider to be your main weakness?” he made a strong impression.

Another attendee commented, “The panel was an especially good way to indicate how job searchers are received and what applicants can do to better their chances of getting hired.” A third attendee found the workbook to be so helpful she shared it with her mother, who is looking for a position. One student summed up the overall reaction: “This seminar made me feel a lot better about the job search process.” ■

\* National Association of Colleges and Employers (NACE) *Salary Survey*, Spring Quarter 2005, [www.naceweb.org](http://www.naceweb.org).

## RESPONDING TO NEW REALITIES

continued from page 1

different industries. Each is self-directed but facilitated by an Ayers consultant. Mutual networking support is the primary focus of the new groups. Members are expected to share networking connections and work their networks aggressively on each other's behalf.

- **ENT Yahoo Groups** serve as a platform that allows candidates to remain in contact with ENT colleagues when their formal outplacement programs are over and enables consultant/facilitators to provide ongoing counsel.

Ayers also has added hands-on workshops that provide simulated interviewing experience to supplement what candidates learn in formal seminars. In the workshops, candidates break into pairs and alternate in playing the role of interviewer and potential employee. Feedback is provided through mutual critiques and videotaping.

Wrap-Up Seminars, long a feature of outplacement at Ayers, have taken on new importance in the current market. These workshops put everything candidates have learned about job search into a framework and provide methodologies, strategies, and direction that will enable them to continue the process on their own once formal outplacement has ended. "Wrap-Up Seminars are intended to make people more active participants in managing their careers," Terry comments. "And, of course, candidates continue to have access to our online career tools 24/7 from anywhere after they leave us.

"What differentiates us is that we're flexible, adaptable, and customize our approach to each candidate and corporate client," he continues. "Our competitors tend to have structured, process-driven approaches. Most outplacement firms are rigidly standardizing their programs, minimizing contact with consultants, or in many cases, no longer assigning consultants to candidates.



**Terry Ebert**  
Managing Director  
Tel: 212.889.7788  
terry.ebert@ayers.com

"While they generally provide access only to the candidate's assigned office, we give our candidates access to all the office locations of Ayers and our CPI partners worldwide. This is important, particularly now, because people are more likely to relocate or travel farther afield in search of a job. Flexibility simply allows us to do a better job, and that's especially important in a competitive environment." ■

As career-management professionals, The Ayers Group is constantly monitoring and addressing job market trends that affect our clients and candidates. Following is an overview of four evolving trends and corresponding Ayers' initiatives designed to promote effective search strategies for our candidates.

<p><b>TREND</b> Five years ago, it cost a company or recruiter \$5-7 to discover a candidate's availability. Internet technology has reduced that to \$.02-.03.</p>	<p><b>JOB-SEEKER IMPACT</b> Candidates need to know how to leverage the Net to get their resumés in the right hands. Internet-savvy candidates have an advantage.</p>	<p><b>AYERS SOLUTION</b> Our job-search portal combines premier subscription-based services with best-in-class job-related Web sites and services. Our research team mines the Net to bring candidates the latest resources and news. Candidates participate in group and one-on-one training to learn how to tap the Net to conduct aggressive, productive searches.</p>
<p><b>TREND</b> Behavior-based interviewing is gaining favor. Intensive, two-hour+ interviews, known as chronological in-depth structured interviews (CIDS), are being used to "top grade" candidates in the top 10% of their field.</p>	<p><b>JOB-SEEKER IMPACT</b> In an increasingly competitive market, candidates who are prepared for a variety of interview techniques have an edge.</p>	<p><b>AYERS SOLUTION</b> We offer interviewing seminars, one-on-one role playing with trained career consultants, and videotaping exercises that enable candidates to practice interviewing in a supportive environment.</p>
<p><b>TREND</b> Employers are conducting more in-depth reference checking and even asking the references for additional contact names.</p>	<p><b>JOB-SEEKER IMPACT</b> Candidates need to actively monitor and audit the reference-checking process.</p>	<p><b>AYERS SOLUTION</b> We teach our candidates how to manage their references to ensure that both sides communicate a consistent message regarding the candidates' value added.</p>
<p><b>TREND</b> Employers increasingly look for a good cultural fit as well as the right skills.</p>	<p><b>JOB-SEEKER IMPACT</b> Job seekers must find ways to show how they can quickly add value to an organization and develop search strategies that differentiate them.</p>	<p><b>AYERS SOLUTION</b> Candidates partner with their consultants to define their personal brands; develop a consistent, targeted message; and communicate their value in resumés, cover and marketing letters, and bios. This significantly improves the chance of getting in front of decision makers.</p>

## SUCCESSFUL LANDINGS

Candidates increasingly recognize that the competitive nature of the job market—along with trends such as some financial-sector jobs moving away from the traditional Wall Street community to lower-cost areas—requires flexibility on their part and a willingness to cast a wider net. Following are several recent relocation success stories reported by Ayers consultants.

- A senior project leader in the Real-Time Equity Trading Systems Group of a major Wall Street firm recognized that jobs in his area of expertise were shifting from the New York City area to Florida, North Carolina, and Virginia. Although he preferred to remain in the Northeast for family reasons, he expanded the geographic scope of his search. Making use of Ayers' resources, the candidate identified target companies and worked with his Ayers' consultant to develop a presentation style conducive to effective networking. After four months, he found the perfect job as a Senior Business Analyst at a major financial services firm, to his delight, in Boston.
- As a senior marketing executive from the telecommunications industry pursued opportunities in California, Georgia, New Jersey, and Pennsylvania, Ayers helped him research local salary expectations and pre-



pare for interviews. One situation, at a telecom company in Pennsylvania, proceeded through several rounds of interviews. Ayers worked with the candidate throughout the offer evaluation and negotiation process, resulting in several valuable enhancements to the final offer. The candidate recently started his new job, and he and his family are enthusiastic about their new location.

- A New Jersey-based health insurance marketing executive wanted to see whether returning to his native California was a viable option for him and his family. After reviewing the candidate's situation, his Ayers consultant suggested a dual search supported by Ayers in the New York metro area and by the Career Partners International firm in Los Angeles. Happy with the CPI firm's analysis and plan, the candidate flew out to use its facilities and began networking based on research the firm supplied. He returned to New Jersey, where Ayers supported him in an interview with a major company. On a return trip to California, the candidate identified and accepted a long-term consulting assignment, with high potential to become a full-time position at a major health benefits organization. He is selling his home in New Jersey and purchasing one in California. ■

Candidates' names are withheld to respect their privacy. To arrange to speak with these candidates regarding their job search experiences, contact Doug O'Connor at [doug.oconnor@ayers.com](mailto:doug.oconnor@ayers.com)

## HOW TO NETWORK A ROOM SEMINARS

"Networking is one of the most effective job search tools there is, but surprisingly many people feel uncomfortable in networking situations," says Damon Montal who developed and conducts Ayers' new networking seminars. Offered in the New York office, the two-hour seminars teach candidates how to overcome the four hurdles to networking

- Being too inhibited
- Feeling uncomfortable talking with strangers
- Wanting to wait to be properly introduced
- Not knowing what to say

"Our objective is to show introverts that they have some advantages over extroverts in networking settings," Damon says. "We give them practical tips on how to start conversations as well as end them gracefully. We make them realize that networking is more than going to a meeting and handing out cards. It's about making real connections that result in strategic relationships." ■

## STAFFING NEWS

We are pleased to announce that Dr. Peter Olsinski has been promoted to Director of New York Consulting Services. In this new role, he adds oversight for all headquarters-based consultants in the Career Transitions Group to his portfolio. Peter will continue to be responsible for process quality assurance, working with consultants on quality assurance, process adjustments, candidate review, and related initiatives. ■

# PRESIDENT'S LETTER

*continued from page 1*

We are seeing the emergence of several trends that will have a major impact on our constituencies.

• **Employers are beginning to view candidates in a different way.** In a significant number of cases, our candidates are finding a major change between the specs of the positions they applied for and what they actually find at their interviews. It's as if they were interviewing for a different job. I think this may be occurring, at least in part, because many companies have a breadth of needs but are still under constraint. So when hiring managers recognize a talented candidate who seems like a good fit with the organization, they look beyond the specific position to find ways to apply that asset.

Obviously, this changes things from the candidate's perspective. A year ago, an applicant would not have gone to an interview without a specific agenda. If applying for a particular job is like shooting at a target, the advice was, "Don't bother unless you can hit the bull's eye. You'll waste everyone's time." Now that's changed to, "If you can hit the target anywhere, go for it!" As a result, candidates are becoming more aggressive about setting up interviews.

• **Voluntary turnover is on the increase.** Given all the new opportunities, employees—freed from the constraints of economic reality—are heading into the marketplace. We're hearing it from our candidates, who increasingly face competition on this front as well as from unemployed peers, and from the HR community as well.

These shifts require us to prepare our candidates in a different way. We're emphasizing a more sophisticated approach to interviewing that involves better preparation and a more flexible style. Candidates need to know as much as possible about the organization and its business from both the corporate and operating unit perspectives. They need to understand what the workflow is and who all the stakeholders are. They need to view themselves and what they bring to

the table in a broader context, because chances are they're going to have to field questions that go well beyond the job specs. We're also placing more emphasis on networking skills. The candidate who can gain first-hand knowledge of the target organization, how the hiring process works, and where the real needs are—or who has an ally on the inside who knows his or her capabilities—will be ahead of the game.

These marketplace shifts also have major implications for HR. As I mentioned in my last letter, it's time to refocus on retention and talent management, if you haven't already done so.

As the market heats up and you begin hiring, it's important to remember that an effective retention strategy starts with selection. It's far easier to hold onto people if they're the right people in the first place. That's why taking the time to properly vet candidates to ensure the right fit—in terms of culture as well as skills, experience, and personality—has always been a crucial part of our focus in Staffing Services.

Once you've invested in hiring the right talent, you need to protect that investment through onboarding. The cost of a failed hire has been estimated at anywhere from 14 to 28 times base compensation.

Your best defense as the battle for talent heats up will be a strong offense: a retention strategy based on talent management. It's the key to keeping your best assets from becoming someone else's. Right now, we're seeing too many organizations that are relying on counteroffers in default of a comprehensive strategy. Talent management has to be a continuous process of identifying employees with potential and creating development plans to help them achieve that potential.

As always, The Ayers Group is prepared to help you meet the breadth of your needs, whether in recruiting, outplacement, IT or HR interim staffing, or organizational development. ■

## SPEAKING CLEARLY MATTERS

Like anything in business, verbal communication requires a strategy to be successful. Understanding your audience and defining your objectives are the first steps in a strategic process. My job—whether I'm coaching as part of a personal-development plan or "event coaching" a team or individual—is to take the mystery out of that process.

Those who are not natural speakers *can* be taught to speak effectively. It's a matter of breaking the process into manageable steps and practicing and polishing key skills until they become second nature.

### Begin with the basics

In preparing for presentations, too many people begin with PowerPoint® instead of the basics: audience, message, and response/reaction ("R factor"). I'm often called in too late in the process to be much help—after the presenters have become exhausted from trying to make such a presentation work. I can be most effective at the idea stage, about a month out, when I can help the team or individual with both structure and delivery. This is important because substance and style should be addressed together. PowerPoint is a valuable component but comes later.

If I'm working with a team, I begin by speaking with the team leader to identify the expected outcome of the presentation and the challenges in reaching the audience. Based on those, I provide an outline of things to consider and gaps to address before the first meeting.

The next step is for the team to meet and reach consensus about the R factor. Not everyone has to sing the same song—conveying a sense of diversity, individuality, and variety of expertise is important—but all have to sing from the same choir book. If you're presenting as a team, you need to BE a team from day one to achieve a seamless, coherent presentation. Including speechwriters and slide designers in the initial meeting helps put everyone on the same page.

We walk through the components of a successful presentation: the headline, roadmap, detailed message, and punch line. Because people remember examples and images rather than numbers and data, I have presenters focus on using anecdotes, case studies, analogies, and examples to bring the content alive.



### Dealing with delivery

Early in the preparation process, I assess how people present and pull ideas together. Videotaping is a great tool because it enables individuals to see strengths they can continue to develop as well as where they need improvement.

In cases where executives are having trouble communicating, it's often a problem with style. Delivery gets in the way of the message because the individual is perceived as remote or, more often, lacking in passion.

Too many business people mistakenly think passion has no place in professionalism. By videotaping and comparing executives talking about personal issues in which they're emotionally vested versus talking about business issues, I can show what a difference it makes when they present with feeling, excitement, and a point of view. If you aren't fired up about your own message, how are you going to fire up an audience?

I give people several physical techniques to practice that revolve around eye contact. Most people are good one-on-one but have trouble with groups. The objective is not to scan your audience, but to create a series of individual conversations. The sign of a great communicator is when each member of the audience feels there has been a one-on-one connection and the speaker really cares.

### A process

My coaching is only effective if I convince the people I'm working with that this is a set of skills and a process to be honed in daily use—something with lasting impact. My advice always is, don't wait for the board presentation. Look at your weekly calendar in terms of *all* the communications opportunities it presents: staff meetings, teleconferences, etc. Take the time to plan a communication strategy for each. Remember, every time you communicate it's a one-on-one conversation. ■

*Depth of bench enables Ayers to match the right coach—specialist or generalist—to your coaching assignment. For more information, contact **Joan Caruso**, Managing Director of the Organizational Effectiveness Consulting practice at [joan.caruso@ayers.com](mailto:joan.caruso@ayers.com) or 212.889.7788.*

**Ellen Cahill** is a consultant in the business of speaking. She uses her background in PR, publishing, sales, and management to help professionals in a variety of fields communicate effectively.

# OD ON STEROIDS

When I entered the field of organizational development in 1979, what struck me was that people were searching for a magic bullet, a quick fix for accomplishing change. Based on what we've been seeing lately, they're still searching.

Case in point: the incredible shrinking training program. Remember when people went to two-week training programs? Admittedly too long, two-week programs became five- and then three-day programs. Now clients want us to achieve the same objectives in two hours—or less!

If you're in Learning and Development, I'm sure the following scenario is familiar. Your internal clients come to you and say they need training in a, b, c, and d. You propose a terrific two-day program that would meet all those needs. The response: "Two *days*? Are you kidding? We don't have two *hours*!" You probably get the same thing on the coaching side. Your CEO has a long list of developmental objectives but doesn't want to hear about a six-month coaching program. He'll only give up four hours.

This pushback is driving a trend that has put us in the uncomfortable position of saying "no" to assignments with unrealistic expectations—where we can't accomplish the desired objectives in the allotted time. We don't want to deliver something that isn't what clients really need, even if it's what they say they want.

Training and coaching both begin with objectives. All you can do in a two-hour training session is impart information. The client will get more out of reading a book. All you can accomplish in a half-day coaching session with a CEO is to clarify where he is, where he wants to go, and what he needs to do to get there. Will we provide a half-day of coaching or two hours of training? Of course! As long as everyone is absolutely clear about what the *real* deliverables are within the time frame.

## Coaching is *not* a quick fix

We didn't pull our six-month coaching model out of a hat. It's based on research from well-established organizations, such as the Center for Creative Leadership, which have spent decades studying how long it takes for executives to make and internalize behavioral

changes. This research consistently shows that, on average, it takes 90 days to change a habit and another 90 to internalize it.

Think about it. If your favorite time-management tool was a traditional booklet calendar and you switched to a PDA, you didn't adjust overnight. If you've ever been on a formal weight-loss program, you didn't just wake up one day, start a diet, and stick to it. In both cases, you had to unlearn the old way and learn a new one. In times of stress while you were in transition, you probably fell back on the old way. That's the norm until you internalize the new habits and behaviors.

Coaching is not a quick fix. You have to be clear and specific about what changes you want to make, identify the obstacles, get the support you need, and work on behavioral change one day at a time. A coach helps you not only reinforce change, but also communicate and demonstrate to others that you have changed. This is important, because the people around you are accustomed to the way you *were* and are waiting for you to go back to it. You just can't compress this into a half-day!

## Countering the pushback

So what can we and our HR colleagues do to counter the pushback? We need to help our constituents understand that whether they elect to change through training or coaching, it's about getting from a present to an intended state through a transition state. It's a three-step process, it takes time, and it requires commitment.

One reason why e-learning hasn't caught on as fast as anticipated is because people had the wrong expectations. They lost sight of the fact that whether the classroom is real or virtual, training is still a change-management process. The fruitless search for a quick fix is paradoxical. Change is happening all around us at a tremendous rate, but people simply don't change that rapidly. The process is still the process. ■



*The Ayers Group can help you with realistic solutions for your training and coaching needs. For more information, contact **Joan Caruso**, Managing Director, Organizational Effectiveness Consulting, at [joan.caruso@ayers.com](mailto:joan.caruso@ayers.com) or 212.889.7788.*