Case Study | Decision Making Resignation - Counteroffer, Rejection -Re-request

"One of your key employees had submitted his resignation, and despite your efforts to retain him through a counteroffer, he remained firm in his decision to leave the company. Initially, you felt disappointed by his choice and, admittedly, frustrated with his approach.

Approaching the end of the notice period, the employee approached you expressing a desire to withdraw his resignation by accepting the counteroffer provided earlier.

How would you make a decision in such a situation?"

Considering the situation, there are several positives and negatives to weigh when deciding whether to accept the employee's request to reconsider his decision to leave the company.

Positives:

1. Retaining Institutional Knowledge: The employee likely possesses valuable skills and knowledge about your company's processes and operations. Retaining him could

Shekhar Ganagaluru

HR & IR Professional | Author | Motivational Speaker | Storyteller | Mentor | Trainer | Social Worker | Me - Safety - Family Ambassador | Safety & Motivation Quotist

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- prevent a loss of this institutional knowledge, which can be critical, especially if he holds a key role.
- 2. Cost-Effectiveness: Hiring and training new employees can be costly and time-consuming. Retaining an experienced employee can save the company money in recruitment, onboarding, and training expenses.
- 3. Maintaining Team Dynamics: Employee departures can disrupt team dynamics, especially if the departing employee has strong relationships with colleagues. Retaining him could help maintain stability within the team.
- **4. Employee Morale:** If the team is aware of efforts to retain the employee, it might boost morale, showing that the company values its employees and is willing to invest in retaining talent.
- **5. Fulfillment of Organizational Needs:** If the employee possesses skills that are currently in high demand or is working on critical projects, his retention could be vital for the company's immediate needs.

Negatives:

1. Resentment Among Other Employees: Granting special treatment to one employee might cause resentment among other team members. They might feel that their efforts and loyalty are not being equally recognized or rewarded.

Shekhar Ganagaluru

HR & IR Professional | Author | Motivational Speaker | Storyteller | Mentor | Trainer | Social Worker | Me - Safety - Family Ambassador | Safety & Motivation Quotist





- **2. Potential Repeated Behavior:** Accepting the employee's reconsideration might set a precedent, encouraging other employees to use resignation threats as negotiation tactics, making it challenging to manage the workforce effectively.
- **3. Trust Issues:** The employee's initial decision to resign and then reconsider might raise concerns about his long-term commitment to the company. Trust issues could affect his working relationships and team dynamics.
- **4. Impact on Company Policies:** Granting exceptions to company policies, especially regarding resignations, might create confusion and erode the consistency of HR policies, making it difficult to enforce rules uniformly across the organization.
- **5. Uncertainty:** Even if the employee decides to stay, there might be lingering uncertainty about his commitment, affecting the overall stability of the team and the workplace environment.

In this situation, it's crucial to carefully assess the employee's value to the company, the reasons behind his initial resignation, and the potential impact on team dynamics. Consider having an open and honest conversation with the employee to understand his motivations better and address any concerns. Additionally, think about the long-term implications of your decision on company culture,

Shekhar Ganagaluru

HR & IR Professional | Author | Motivational Speaker | Storyteller | Mentor | Trainer | Social Worker | Me - Safety - Family Ambassador | Safety & Motivation Quotist



policies, and employee morale before making a final choice.

Shekhar Ganagaluru

HR & IR Professional | Author | Motivational Speaker | Storyteller | Mentor | Trainer | Social Worker | Me - Safety - Family Ambassador | Safety & Motivation Quotist

begreatseries@gmail.com

in SHEKHAR GANAGALURU