



Ropella360

A catalyst for connection

> Offer Strategy Summary

Jane Smith



Candidate For

CEO

Location

Roanoke, VA

Congratulations on your successful search!

It has been a real pleasure partnering with you.

One of the key services we provide our clients at this stage of our SMART Search System is a thorough compensation analysis and, where possible or logical, an offer recommendation.

Throughout the search process, Ropella has had extensive conversations regarding all factors of Jane's compensation and it is now appropriate for us to share the complete details of these discussions with you. We provide this analysis with the belief that the information below should be quite helpful as your Company prepares a formal offer for Jane.

But first a disclaimer: This is not a mandate, but rather a position paper intended to start a dialogue about the offer and acceptance strategy. We understand that compensation discussions like these can sometimes get emotional and/or stressful for both sides (our client and the candidate - as well as their families, friends, and influencers). Please be aware that as your trusted partner, our loyalties are always 100% with you, our client.

For more information, contact:

Robbie Ropella, CEO

850.982.4027 | robbie@ropella.com

Candidate Overview

What's in it for teCHem Products:

- Out of all the quality candidates presented, teCHem has stated that John is the most capable and can do exactly what's needed in the President position.
- John has no problem taking a hands-on approach as a leader and can serve as a strong mentor for other members of the executive leadership team.
- His business acumen from prior high level positions will allow him to meaningfully contribute to leadership decisions right away.

What's in it for John:

- John feels a strong connection with the existing leadership team and really liked the goals they laid out.
- John likes the entrepreneurial ability to drive and grow the US business.
He is excited to move closer to Charlotte, NC, where he has a lot of family (kids and grandkids).

Offer Acceptance Strategy	Salary Scenarios	Offer Recommendation Details
A. Salary that Ropella can accept on candidate's behalf	\$260,000	teCHem Products offers a base of \$260,000. A package at this level can be accepted by Ropella on John's behalf, and we can go ahead and set a start date.
B. Salary that could still be considered viable	\$250,000	teCHem Products offers a salary of \$250,000. A package at this level could still be attractive to John, but it's more of a roll of the dice.
C. Salary that candidate will likely walk away from	\$240,000	teCHem Products offers an absolute minimum salary of \$240,000. A package like this would have John asking questions about teCHem's sincere interest in him.

Note: These recommendations are based on detailed conversations we've had with John. Our advice would be to come in with an offer at Option A, or Option B at a minimum. Ultimately, we will follow any final decisions you make and you can count on us to actively support you as we move forward together with the delivery and acceptance of your offer.

Offer Delivery Best Practices

Open Communication: Please set aside some time to get on the phone with us ASAP. Let's strategize together on next steps and confirm how we're going to present the offer in order to obtain a prompt acceptance.

Creative Solutions: If needed, consider creativity in the form of offer incentives. If scenario A is not possible, what can we do to build a bridge? For example, an increased sign-on bonus, an increased car allowance or upgraded car, a salary increase during a 6-month review, a guaranteed year one bonus, etc.

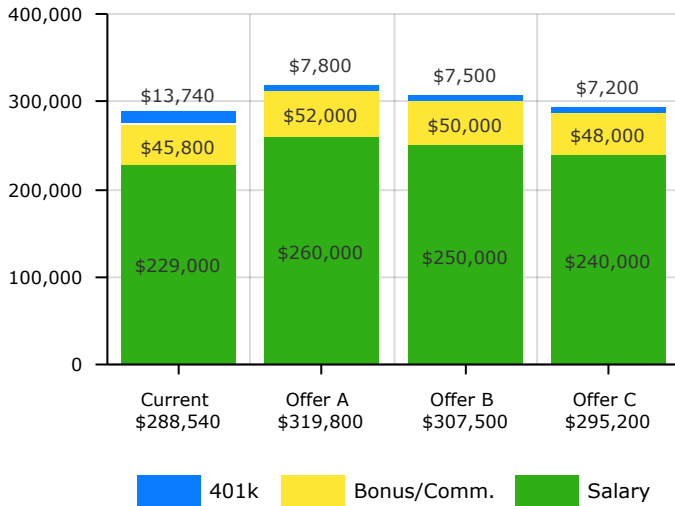
Sense of Urgency: Let's move fast. In today's competitive talent market, delays create a greater risk of candidates receiving competing offers, a counter-offer from their current employer, and/or second thoughts (often caused by the candidate's influencers).

Written Offer: We need to make sure we get a written offer extended to the candidate as fast as possible. Be sure to include all relevant benefit details/costs and relocation package information with the offer.

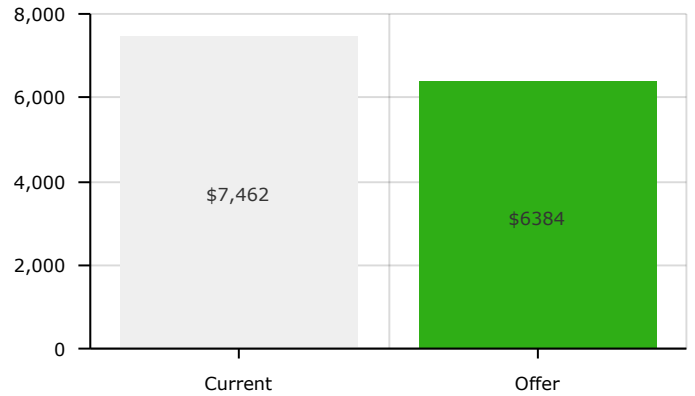
Warm Welcome: Upon offer acceptance, it's important to promptly have a top executive and/or the hiring manager reach out to say congratulations and to welcome John aboard.

Key Visual Comparisons

Salary, Bonus/Comm., 401k



Insurance Cost



Note: Insurance costs include candidate's annual premium expenses for medical, dental, and vision when available.

Relocation Coverage

Candidate Relocation Expectations:

- Packing of household goods
- Cost of moving household goods
- Lump sum for incidentals
- Temporary storage expenses

Important Topics To Be Aware Of

- These comparisons assume a realistic bonus potential at teChem of 20% and 4 weeks' vacation (matching that of his current position).
- John will be forfeiting his annual bonus if he leaves before May 2019. This will need to be compensated for, at least in part, with a sign-on bonus to help bridge the gap.
- John's expectations in regards to relocation assistance are realistic and a \$20,000 flat relocation package would suffice. We should strongly consider grossing it up to \$30,000 to eliminate the associated tax burden of 32% based on John's tax bracket.
- John understands that he will be forfeiting his annual stock options which are not yet vested. He will be losing 3 years of unvested stock options. A value of \$30,000.

Onboarding & Start Date

John would like to set a start date of May 15, 2019. He is willing to start right away, however, his bonus with ABC Chemical does not pay out until May 1 and he will lose this earned income should he leave prior to that date.

For John to start April 15, he will need a sign-on bonus to cover the loss of bonus from ABC Chemical.

It's important that we work together to remove all contingencies upon offer acceptance. We should be prepared to complete background checks, education verification, drug screens, physicals etc. in as timely a manner as possible.