

Bonus backlash: Setting the record straight

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Dona Roche-Tarry

With 'bonuses' out of fashion in the tabloids, how do you communicate and justify using bonuses as reward in your organisation? Engagement has a part to play, says Dona Roche-Tarry.

Whilst it may be some consolation to recession-struck workers that new research shows that overall boardroom pay across the FTSE 350 has fallen "significantly from last year", while average bonuses are down by a quarter and total pay is down by 10%, CEO salaries are still a world apart from average pay packets.

The media portrayal of "fat-cat pay" means that for many employees perception is reality – leaving many employees disengaged, regardless of the facts. As such it falls to HR along with the marketing communications team to ensure the right messages get through to staff. The key to this is effective communication and transparency of information. A good number of executives have chosen to take no increase in salary and zero bonuses for the good of the company. HR must communicate that they have done so because they are concerned about the company and want it to be successful in the long run.