Pearl Meyer

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On Point Survey: Clearly Communicating Executive Pay

Sharon Podstupka

MANAGING DIRECTOR

Aalap Shah

MANAGING DIRECTOR

Boards—and compensation committees in particular—thoughtfully develop executive pay programs with attraction, retention, and motivation in mind. But is there a commensurate amount of investment and effort dedicated to communicating the details and the potential value of those programs to the executive team? If not, boards may be missing an opportunity to engage with their leaders and boost the effectiveness of executive pay.

Pearl Meyer recently conducted a survey to learn:

- How boards and their management teams are educating participants about their executive compensation opportunities;
- If boards and their management teams believe their executives understand how their compensation is structured and delivered; and
- If boards and their management teams believe executives appreciate the value of their compensation and how it compares to their internal colleagues and external peers.

The bottom line is that this data provides boards and management teams with an opening to align their perceptions and revisit their communication strategies. It will be time well spent if executives better understand and appreciate the overall value of their compensation opportunities.

About the Authors

Sharon brings 25+ years guiding executive and broad-based pay communications and disclosure, helping boards and management manage change and respond to investor and proxy advisor scrutiny.

Aalap specializes in executive compensation strategy—governance, pay-for-performance, and incentives—helping companies align business, people, and compensation strategy for effective programs.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management helping organizations build, develop, and reward great leadership teams that drive long-term success. Our strategy-driven compensation and leadership consulting services act as powerful catalysts for value creation and competitive advantage by addressing the critical links between people and outcomes. Our clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private organizations to the Fortune 500.