

WHAT'S ALL THE FUSS ABOUT... CURBING EXECUTIVE PAY



With inflation rising faster than wages and growing discontent over austerity measures, the government has been under pressure to take action over the pay awarded to chief executives. Recent research by Incomes Data Services showed that executive pay at the UK's top companies rose by 49% over the last year, and the news has been exacerbated by some CEOs seen as being rewarded for failure.

Following recommendations by the High Pay Commission, Nick Clegg has announced the government is to "get tough" on executive pay. Speaking to the BBC's Andrew Marr, he said: "We now need to get tough on irresponsible and unjustifiable behaviour of top remuneration of executives in the private sector."

Though Clegg said the government "may legislate if necessary", he didn't suggest they should set pay themselves. Rather, he said the government will publish proposals to make sure that pay is linked to success. Clegg indicated the proposal could include a call for remuneration committees to open themselves up to workers. He added that shareholders should have a greater say over pay and that companies should publish information on the gap between average earnings and top earnings to encourage openness.

"The key message that there's a commitment to introduce accountability is a positive message in most people's view," says Esther Smith, employment partner at law firm Thomas Eggar. "But there needs to be the ability for shareholders to veto the board's proposals if these mechanisms are to have any real teeth." Smith is cautious about workers being on remuneration committees. "I do not necessarily think that employees are best placed to appreciate the contribution of senior executives, or assess the value they bring to the shareholders. I do not think this would enhance the accountability exercise, but would do great harm to the industrial relations within the business."

The government's proposals are due to be published in January.

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MANAGING MY WAY

NANCY TRAVERSY
CEO/CO-FOUNDER, BAREFOOT BOOKS

Tessa Strickland and I started Barefoot Books back in 1992 with the goal of creating children's books that feed the imagination, while instilling a respect for diversity and a love of the planet. Nearly two decades later, and having created more than 500 books, we think of Barefoot Books as more than just a publisher, but a way of life.

Our children were definitely our biggest inspiration for starting Barefoot. As new mums, we were having a hard time finding books that would teach them about the world through stories from different cultures, and inspire their creativity with artwork that was intrinsically connected to the stories and spoke

as much to them as the words on the page did. We were also in need of high-quality books that we would never tire of reading to our children.

One of the things I love most about running Barefoot is that I don't have many typical days. There is also a very blurry line between my home and work life, probably because I ran the business from my home for the first eight years and my family have grown up with Barefoot. The pace is fast and the days are long. The work doesn't stop when I leave the office, but I don't really mind that.

Open and collaborative
I think, because I started running Barefoot from my home in

North London, my management style is very open and collaborative. After so many years of having the Barefoot team work so closely with me and grow up with my family, I avoid the hierarchy, compartments and boundaries that are common in more traditional organisations.

I tend to set high expectations for my team and the business moves at a very fast pace. However, I also think that Barefoot is a fun and dynamic place to work for a passionate group of people who really believe in what we're trying to accomplish.

What I try to bring to the table is a commitment to a big picture vision, without losing sight of our attention to detail and high standards. In a publishing world that is changing fast and in this challenging economic climate, we've had to think out of the box to thrive as a high quality, independent children's publisher, while staying true to our core values.

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