

# **Executive Compensation**

## Winds of Change

Anubhav Gupta Research Study

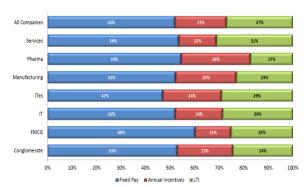
An improperly compensated executive can cost shareholders money and can produce an executive who lacks the incentive to increase profits and boost share price

The study focused on collating and analyzing compensation data across a set of 35 Management and Executive roles in an organization.

# Balancing Competing Objectives Shareholder Activism Performance Alignment Pay Parity Wealth Wealth

### **Key Takeaways:**

- Long term incentive plans has been mean weapon for creating wealth for executives
- Traditional industries are focusing on reinforcing there long tern plans to compete with new age industries



CEO Compensation Structure (Companies with LTI)

### **Competitive Landscape**

Compensation level are less correlated to size of company in India "Pay at Risk" highest in ITeS Sector followed by IT and Manufacturing The differential in CEO and CXO level pay is highest in the IT sector Listed companies focus more on long term incentive plans than other companies

### Cautious way to wealth creation

- The new age industries have impacted the wealth creation by amount of wealth and sped of wealth creation
- Companies are mixing instruments of LTI
- Full value instruments such as restricted stocks and performance shares are in fashion these days as LTI tools

