

Commercial Banking Staff's Verdict On 'Pay Pot Deception'

LTU has received an unprecedented amount of feedback from members working across Commercial and Business Banking, to our Newsletters exposing how Top Management has been operating a secret pay policy for at least three years within the business unit.

The feedback has been overwhelming and provided by staff from across the whole breath of the business unit; from those staff in the lowest grades to those working in the upper echelons. And - so far with just two exceptions - the overwhelming majority are highly critical of how staff have been mistreated and misled by Top Management.

So far in our Newsletters, LTU has both exposed and examined the facts that:

- **By David Postings' own admission, Commercial / Business Banking has held back a significant part of its Pay Pot allocation for each of the last three years. It has secretly 'creamed off' at least £1.6 million from salary increases that should have been paid over the last three years.**
- **The business unit has operated a 'Secret Sixth Rating' - known as 'Strong Met' - in order to manipulate the Performance System.**
- **Many Commercial / Business Banking staff who have been promoted have been paid significantly less than the 5% pay rise they should have been entitled to.**

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Members' Comments on David Postings' Pay Policy

In each and every one of these cases, the manipulation of the Pay Policy within Commercial/Business Banking has been outside of official Bank-wide policy and without notification to either the Union or staff.

Confidence In Top Management Undermined

A consistent theme that has run throughout our feedback from members is that Commercial Banking Staff no longer have much - if any - confidence in how they are being treated and managed by Top Management.

This is a particular disappointment since there are clear indications that, from a commercial perspective, the business unit has been well led over recent years. This is reflected in the impressive profits growth which has justified higher bonuses.

But Mr Postings needs to understand that this progress is at risk of being unwound if he fails to recapture the confidence of staff. This requires urgent action that must involve repatriating the £1.6 million in pay rises that have been wrongly denied staff over the past three years. LTU believes this money should be returned to staff in the form of a 1.6% across-the-board pay increase to all staff.

Staff Verdict On Commercial Banking

Since LTU began exposing how Commercial Banking's Top Management has deliberately misled parts of the Bank, we have had an unprecedented level of response from Commercial Banking staff.

"Whilst bonuses are welcome, incremental pay rises are more important in respect of pension / final salary"

"Salary is very important. Senior management treat this issue glibly at their peril. No amount of badgering and bullying will obtain proper lasting results if salary is pegged back. The good people will move on and others will lose pride in work achieved and look to do the minimum necessary".

"My performance apparently improved last year but my bonus went down 6.5% ... It is a sick joke. I work in excess of 45-50 hours a week and most of my colleagues do more!!!"

When the Management are 'requesting' better OBV scores as to how they treat the staff, this type of thing is why staff mark them so low."

"I am an SBM with XX years service with LTSB and quite frankly am appalled how Eric Daniels via the HR publicity machine can publish a Pay Pot % and then tolerate Directors who deliberately set out to underpay staff and do so on the quiet"

"Whilst I did receive a healthy bonus, this is of no use to my pensionable salary and is, of course, a 'one off' payment. The knowledge that there should have been more to go around is de-motivating".

"Very underhand and disappointing".

"Mr Postings' comments are patronising in the extreme. I am appalled by Commercial Banking's actions, but sadly not surprised. This flagrant breach of agreement should be referred to ACAS ASAP. David Postings 'talks a good game' in appearing to care about staff but his pronouncements on Interchange show this is just a facade".

"Why is Mr Postings treating his hard working staff so badly?"

"Postings' comments are insulting. We all know that irrespective of his performance he will walk away with a handsome pay-off ... Many staff (myself included) are effectively working for less and less year on year".

"... Commercial had an excellent year – "the best on record" we were told – I achieved an "exceeded expectations" rating and yet I received ... the equal lowest pay rise I have ever had - which is going backwards in my mind. Not only is this de-motivating, but it also makes a mockery of the ratings – what's the point of attaining "exceeded expectations"? I might as well underachieve and then at least I would expect a low pay rise or nothing at all!"

"How can this be right and motivating?"

"I have worked for the Bank for nearly XX years and never previously seen a time when staff have been treated so dishonourably ... Most long term staff I know are furious ... Unbelievably, management cannot understand why their OBV rating is so low"

"I am worried by the number of good experienced staff leaving Lloyds guaranteed bigger salaries and bigger bonuses by competitors. I myself have been approached twice this year ..."

"Why, when we are constantly asked to do more (with less), are we treated in this way?"

"I can't believe that our present leader can mix payrise monies with bonus payouts and think there is nothing wrong with doing so ... A 'pay Pot' is a pay pot. If we have been shortchanged (by diverting funds anywhere else) this should be rectified by an across the board salary increase this summer to correct the anomaly".

"... 'robbed' Commercial staff of £1.6m, breaking many of the Bank rules in addition to clear deception and dishonesty. If any member of staff were caught doing this it would be instant disciplinary action. So what action is the Board to take ...?"

Do you have a view on how Commercial Banking Pay is managed ... whether in or out of the bank? We would like to share your own experience? Whatever is the case, LTU welcomes feedback. Please complete the enclosed Comments Form. We guarantee that all feedback provided will be treated in confidence.

Commercial Banking's Pay Policy

Excessively restricted the level of pay increases staff receive compared to other Commercial Banking Staff. Here's a flavour of our feedback from members:

"I know of BM's who are working 60 hours per week ... The support to BM's is still poor - causing too much paperwork/stress ... Package is average compared to similar roles/pressures elsewhere ... That's why everybody moans".

"I find David Postings' concerns of 9th March are very unprofessional and does not inspire confidence going forward. Withholding salary is disgraceful".

"It is not even the money or lack of pay rise (and yes I did get a nice bonus to which I am grateful) but it is the deception of 'advertising' a pay pot that is not all then distributed in the way it should be that aggravates staff so much" .

"... disgusted at the lack of pay rises. I have always had a Very Good or Excellent in my appraisal and I will do anything the union will do".

"... no more 55+ hours per week for me!"

"This Pay Skimming is quite honestly literally 'Stomach Sickening'. I work hard, and long hours, some 15 hours a week more than I am paid for, and expect to be rewarded by at least the headline Pay Pot figure. Firstly to do it to us, and not admit that you are doing it at the time is dishonest. Then when you are caught having done it not once, but three times, to try and justify it by saying we got bigger bonuses, does make me worry about the message our leaders are giving out to the staff, at a point in time when they are expecting us to gain more and more business from our competitors and grow our market share dramatically."

"To my mind this is almost dishonest. As to where the money has gone, it's given Commercial a bigger profit and therefore a bigger bonus for senior management ... Mr Postings must fully answer the staff's concerns and give us the missing pay rises now".

"An absolute disgrace. What a way to develop trust / commitment of staff. We would be sacked if we 'fiddled the books' like this".

"The Bank never ceases to amaze me when it comes to money saving tactics! When given my bonus and salary figures like many in my department I thought they'd got them the wrong way round! As most of the Bank will agree I would rather of had the pay rise I was expecting (as this will remain constant) than the bonus (which is subject to fluctuation)!"

"... disgraceful state of affairs"

"If pay is being withheld then time it was stopped. The Bank is losing too many good people to the competition where pay and bonuses are better. Advertised roles are not getting applicants, proving quality is leaving and I am not sure we are recognising the problem".

"I would like to know how Mr Postings reconciles a commitment to our corporate values, which are underpinned by integrity, with such an unprincipled and underhand approach to such a key area as staff salaries".

"I applaud you for bringing this into the open - for every person who writes to you, there are many more dissatisfied (I can assure you!)."

"I was truly shocked by such dishonesty emanating from a senior level within the Bank. LTU have produced a damning analysis raising many valid and detailed points. The Bank's response (on Interchange) is bland in the extreme and does not answer, or even attempt to address, any of the points raised".

"Mr Postings has shown he is untrustworthy. How can we ever again trust anything we are told".

"We need to fight this or we will be continually walked over ... I would support industrial action".

Support or against the approach adopted by Top Management? Or would you speak from members to Steve.Tatlow@ltu.co.uk or by returning by Post or Fax the sheet with complete anonymity assured.