

Bank Commits Daylight Robbery

When is a bonus scheme not a bonus scheme? When staff covered by that bonus scheme earn too much money and the Bank decides to change the rules two-thirds of the way through the quarter. Today MSM's and ASM's will be told that the bonuses they expected to earn in Q3 under the revised bonus scheme are going to be slashed and a less generous bonus scheme is going to be introduced for the remainder of the year.

Badly Designed

At the beginning of Q3 the Bank increased the payment weightings for mortgage cross sales within the MSM and ASM bonus schemes. Not surprisingly given that bonus schemes are designed to change behaviours, MSM's and ASM's, through the Mortgage Specialist population, refocused their attention and have been very successful at increasing mortgage cross sales. However, that success has highlighted a significant design flaw with the Bank's bonus schemes for MSM's and ASM's. The Bank has said that the schemes are producing too much money for performance over 100% and it wants to reduce the level of payments significantly.

No To Retrospection

We accept that there will be occasions when mistakes are made in the design of bonus schemes and that the Bank will want to rectify those mistakes once they become apparent. In respect of the MSM and ASM schemes we accept the Bank's argument that the revised schemes being announced today will produce on average bigger bonuses than were being earned in Q2. **However, what we find completely unfair and unjust is that the Bank wants to change the bonus schemes retrospectively. So the bonuses MSM's and ASM's think they earned in July and August will now be reduced. 107 MSM's and 17 ASM's will be impacted by the changes and they will see their bonuses reduced by up to £6,000. That is unacceptable.** MSM's and ASM's have earned those bonuses and the Bank cannot simply come along and take money which staff have earned through hard work.

Tell Us What You Think

MSM and ASM's with any comments on the Bank proposals can either contact me directly at Mark.Brown@ltu.co.uk or phone the Union's Bedford Office on 01234 262868.



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