

0025 Pay guaranteed, performance optional

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1. Pay guaranteed, performance optional

“TOO OFTEN, executive compensation 补偿（或赔偿）物；（尤指）赔偿金，补偿金；赔偿 in the US **is ridiculously 荒唐可笑地 out of line with** 与...不同（或不一致）；不符合 performance... **The deck（屋后供憩息的）木制平台 is stacked 使成叠（或成摞、成堆）地放在...；使码放在... against** 情况对...不利 investors.” It **was with these words** that in 2006 Warren Buffett, a legendary investor and red-blooded 充满活力的；性欲旺盛的 capitalist, **challenged the received (a.)被承认的；被一致认可的 wisdom** in corporate 公司的,法人的,社团的 America **about CEO pay. This maintains that** bosses deserve (v.) **generous rewards** because **these are tightly linked to** their companies’ financial performance. [Fourteen years’ worth of evidence later] the received wisdom **is still looking shaky** 不稳固的；不牢靠的；摇晃的；不确切的;成问题的；可能失败的.

Example 1. 标题

out of line (with sb/sth) :

not forming a straight line 不成直线 / different from sth 与...不同（或不一致）；不符合 .. London prices **are way out of line with** the rest of the country. 伦敦的物价与英国其他地方存在着很大的差异。

The deck is stacked against ...

deck is stacked against 是融合了两个固定搭配，一个是俚语 stack the cards，这个俚语表示作弊，暗中做手脚，to arrange something in a dishonest way in order to achieve the result you want.

另一个是固定搭配 the odds are stacked against someone，表示情况对...不利。

- deck is stacked against ordinary people 所表达的意思就是特权阶层在暗中享受优待，使普通人处于更弱势的状态。

“在美国，高管的薪酬往往与其业绩极不相符.....形势不利于投资者。”2006年，传奇投资人、热血资本家沃伦·巴菲特(Warren Buffett)就是用这句话，挑战了美国企业界对CEO薪酬的惯常看法。该惯常看法认为，老板应该得到丰厚的报酬，因为这些报酬与公司的财务表现紧密相关。但14年的证据表明，这个惯常观点看起来仍然不可靠。

In 2017 /MSCI, a research firm, published its analysis of **realised 实现的 chief-executive pay** /between 2007 and 2016 /at more than 400 big public American firms. At more than three-fifths of the firms, **it showed no correlation with** ten-year total returns /(see chart 2). Some firms overpaid lousy 非常糟的；极坏的；恶劣的 bosses; others underpaid successful ones. Pay-for-performance “may be broken”, MSCI concluded. 主 A recent paper /co-authored by Lucas Davis of the Haas School of Business /谓 finds “strong evidence” /that bosses of energy firms /see clear pay gains /when stock valuations (专业) 估价；估定的价值；估值 rise(v.) /**as a result of** an oil-price spike 迅速升值；急剧增值 /(which **they have no way to influence**).

Example 2. 标题

lousy :

/ˈlauzi/ a. very bad 非常糟的；极坏的；恶劣的 SYN awful terrible / [only before noun] used to show that you feel annoyed or insulted because you do not think that sth is worth very much (认为某物无太大价值而不满或感到受辱) 讨厌的，倒霉的

⇒ 来自louse,虱子，引申词义极糟糕的。

- What lousy weather! 这天气真糟糕！

- All she bought me was **this lousy T-shirt**. 她给我买的就这件破T恤。

2017年，研究公司摩根士丹利资本国际(MSCI), 发布了对美国400多家大型上市公司在2007年至2016年间变现的首席执行官薪酬的分析。在超过五分之三的公司中，他们CEO的薪酬与他们公司十年的总回报，没有相关性(见表2)。一些公司对糟糕的老板支付了过高的薪酬，而另一些公司却对成功的老板支付了过低的薪酬。摩根士丹利资本国际(MSCI)得出结论称，绩效薪酬的假象“可能已被打破”。哈斯商学院(Haas School Of Business)的卢卡斯·戴维斯(Lucas Davis)最近与人合著的一篇文章发现，有“强有力的证据”表明，当油价飙升导致股价上涨时，在能源公司的老板身上，能看到明显的薪酬增长，但是油价的飙升与否，是这些老板无法影响的。

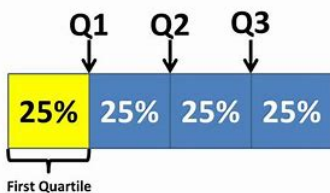
A fresh analysis by Equilar, commissioned 正式委托 (谱写或制作、创作、完成) by CalPERS, a big Californian **public pension fund** 退休基金,养老金基金, identifies similar trends. It looked at the past five years of realised CEO pay /for most firms /in the Russell 3000 /and compared this with the companies' **total returns**. The bosses **in the top pay quartile** 四分位数；四分位值 /**made twelve times** what those in the bottom quartile did, but **produced financial returns** only twice as good 和...一样好 . The bosses in the second-lowest pay quartile /made nearly three times /as much as those **in the bottom quartile**, even though their firms' total returns /were actually worse. “There is no evidence that /boards can tell in advance /who is a talented 有才能的；天才的；有才干的 CEO,” **sums up** 总结;概括 Simiso Nzima of CalPERS.

Example 3. 标题

quartile :

/kwɔ:rtəl,'kwɔ:rtl/ (statistics 统计) one of four equal groups into which a set of things can be divided according to the distribution of a particular variable 四分位数；四分位值

- women **in the fourth quartile** of height (= the shortest 25% of women) 身高在第四个四分位值的妇女 (即最矮的25%妇女)



加州大型公共养老基金CalPERS委托Equilar进行的一项最新分析,也发现了类似的趋势。它考察了过去五年罗素3000指数成份股公司中,大多数公司已变现的CEO薪酬,并将其与这些公司的总收益回报进行了比较。薪酬最高的四分位数的老板的收入,是最低四分位数的12倍,但产生的财务回报,却只有最低四分位数的两倍。薪酬排名在倒数第二个四分位数上的老板的收入,几乎是最后四分位数上格子上的老板的三倍,尽管他们的公司的总回报实际上更差。CalPERS的Simiso Nzima总结道:“没有证据表明,董事会可以提前判断谁是一位有才华的CEO。”

Critics 评论人士 **point to** problems /besides (prep.) **rewarding(v.) luck** instead of skill. One is rent-seeking 寻租行为 by bosses, who can **take advantage of** the opacity 不透明性; 模糊 /that tends to surround 与...紧密相关; 围绕 pay-setting. The process was long **a dark art**, explains David Larcker of Stanford University's Graduate School of Business. Lucian Bebchuk of Harvard Law School, another expert in the field, has argued that /American CEOs, who tend to **tower over** 高于, 超过 (附近的人或物) their boardrooms 董事会议室, **have too much influence over** this opaque process. He concedes 承认 (某事属实、合乎逻辑等) that /bosses retain “more influence over their own pay /than any other person”.

Example 4. 标题

tower over/above sb/sth :

(1) to be much higher or taller than the people or things that are near 高于, 超过 (附近的人或物)

(2) to be much better than others in ability, quality, etc. (在能力、品质等方面) 胜过, 远远超过 (其他)

- He **towered over** his classmates. 他的个儿比班里其他同学高出一大截。
- She **towers over** other dancers of her generation. 她远远超过同时代的舞蹈演员。

批评人士指出，除了存在“奖励运气而不是技能”的问题之外，还有其他问题。其中一个就是老板的寻租行为，他们能从薪酬设定的不透明上，获得利益。薪酬设定的过程就是个黑箱，斯坦福大学商学院研究生院的大卫·拉克解释说。哈佛法学院的卢西恩·贝布丘克(Lucian Bebchuk)是该领域的另一位专家，他认为，美国的CEO往往实际权力高于董事会议室中的其他人，因此对这个不透明的薪酬设定过程，有着太大的影响力。老板们对自己薪酬的影响力，是“比其他任何人都大”的。

Compensation committees often rely on advice — and **political cover** (n.) 掩护；防护 — from **pay consultants**. A recent study of 2,347 firms, by Kevin Murphy of the Marshall School of Business and colleagues, finds that 主 companies (using consultants) 谓 pay more. Independently, those (with higher pay and more complex pay plans) are also likelier to hire advisers. Most problematic (a.) 造成困难的；产生问题的 is their use of **pay benchmarking** 标杆分析法, which has led to **the ratcheting** (防倒转的) 棘齿; 棘轮-up (使) 逐渐小幅 **增长 of pay** for all bosses. As Mr Nzima of CalPERS observes, “Everyone is targeting [either] median [or] above-median pay, so median is always going higher **regardless of** actual performance.” Gregg Passin of Mercer, another consultancy (which advises (v.) clients on pay), accepts that **the ratchet effect** 棘轮效应 is real. “**I can’t deny it,**” he says. His firm recommends 劝告；建议 that /some bosses, such as first-time CEOs, should be paid below the median.

Example 5. 标题

benchmarking:

N-UNCOUNT In business, benchmarking is a process in which a company compares its products and methods with those of the most successful companies in its field, in order to try to improve its own performance. 标

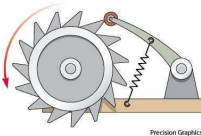
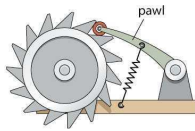
杆分析法.

标杆分析法,就是将本企业各项活动,与从事该项活动最佳者进行比较,从而提出行动方法,以弥补自身的不足。

ratchet :

/ˈrætʃɪt/ n. a wheel or bar with teeth along the edge and a metal piece that fits between the teeth, allowing movement in one direction only (防止倒转的) 棘轮, 棘齿

⇒ 来自法语 rochet,线轴,纺锤,词源同 rock,rocket.引申词义棘轮。插入字母 t,比较 bake,batch.



ratchet(v.) (sth) up :

to increase, or make sth increase, repeatedly and by small amounts (使) 逐渐小幅增长

- Overuse of credit cards **has ratcheted up** consumer debt to unacceptable levels. 滥用信用卡,使消费债务逐渐增加到了难以接受的地步。

Ratcheting effect :

棘轮效应,是指人的消费习惯形成之后,有"不可逆性",即易于向上调整,而难于向下调整。尤其是在短期内消费是不可逆的,其习惯效应较大。这种习惯效应,使消费取决于"相对收入",即相对于自己过去的高峰收入。消费者易于随收入的提高而增加消费,但不易于随收入降低而减少消费,以致产生有正截距的短期消费函数。这种特点被称为"棘轮效应"。

薪酬委员会,经常依赖薪酬顾问的建议和政治掩护。马歇尔商学院的凯文·墨菲(Kevin Murphy)及其同事,最近对2347家公司进行的一项研究,他们发现,那些使用了薪酬顾问的公司,支付给CEO的薪酬会更高。独立而言,那些薪酬更高、薪酬计划更复杂的人,也更有可能聘请薪酬顾问。使用薪酬顾问会带来的最大问题是,他们使用的"薪酬标杆分析法",这导致了老板们的整体薪酬不断上涨。正如CalPERS的Nzima先生观察到的那样,“每个人想要得到薪酬目标,要么是中位数,要么是高于中位数的,所以无论他们的实际业绩表现如何,薪酬中位数总是会更高。”另一家为客户提供薪酬咨询的咨询公司美世(Mercer),其格雷格·帕辛(Gregg Passin)承认,棘轮效应是真实存在的。“我不能否认,”他说。他的公司建议,一些老板(CEO),比如首次担任首席执行官的人,薪酬应该低于中位数。

America's influential Council 委员会 of **Institutional Investors**, which represents **big asset** managers, last year **called for** simplifying(v.) **pay structures** 薪酬结构. CalPERS wants to replace 代替; 取代 common **pay packages** 薪酬包, (such as those based on three-year performance), with plans ① reflecting rigorous 严格的; 严厉的 five-year **performance measures** 测量; 度量, or ② delay(v.) payouts 付出的巨款 from **equity** (公司的) 股本; 资产净值 **grants**(补助金) 股权补助 for at least five years. **It is also rebelling** 造反; 反抗; 背叛 **against** using(v.) **median** 中位数 **pay** as the favoured benchmark.

Example 6. 标题

美国具有影响力的"机构投资者委员会"(Council Of Institution Investors), 它代表着大型资产管理公司. 去年, 它呼吁简化薪酬结构。CalPERS希望用新的方式, 来取代老的"只看3年业绩"的薪酬方案, 例如, 用新的更严格的公司5年业绩方式, 或者将股权发放推迟至少5年。它还反对使用"中位数薪酬"作为受欢迎的基准。

2. <pure> Pay guaranteed, performance

optional

“TOO OFTEN, executive compensation in the US is ridiculously out of line with performance... The deck is stacked against investors.” It was with these words that in 2006 Warren Buffett, a legendary investor and red-blooded capitalist, challenged the received wisdom in corporate America about CEO pay. This maintains that bosses deserve generous rewards because these are tightly linked to their companies’ financial performance. Fourteen years’ worth of evidence later the received wisdom is still looking shaky.

In 2017 MSCI, a research firm, published its analysis of realised chief-executive pay between 2007 and 2016 at more than 400 big public American firms. At more than three-fifths of the firms, it showed no correlation with ten-year total returns (see chart 2). Some firms overpaid lousy bosses; others underpaid successful ones. Pay-for-performance “may be broken”, MSCI concluded. A recent paper co-authored by Lucas Davis of the Haas School of Business finds “strong evidence” that bosses of energy firms see clear pay gains when stock valuations rise as a result of an oil-price spike which they have no way to influence.

A fresh analysis by Equilar, commissioned by CalPERS, a big Californian public pension fund, identifies similar trends. It looked at the past five years of realised CEO pay for most firms in the Russell 3000 and compared this with the companies’ total returns. The bosses in the top pay quartile made twelve times what those in the bottom quartile did, but produced financial returns only twice as good. The bosses in the second-lowest pay quartile made nearly three times as much as those in the bottom quartile, even though their firms’ total returns were actually worse. “There is no evidence that boards can tell in advance who is a talented CEO,” sums up Simiso Nzima of CalPERS.

Critics point to problems besides rewarding luck instead of skill. One is rent-seeking by bosses, who can take advantage of the opacity that tends to surround pay-setting. The process was long a dark art, explains David Larcker of Stanford University’s Graduate School of Business. Lucian Bebchuk of Harvard Law School, another expert in the field, has argued that American

CEOs, who tend to tower over their boardrooms, have too much influence over this opaque process. He concedes that bosses retain “more influence over their own pay than any other person”.

Compensation committees often rely on advice — and political cover — from pay consultants. A recent study of 2,347 firms, by Kevin Murphy of the Marshall School of Business and colleagues, finds that companies using consultants pay more. Independently, those with higher pay and more complex pay plans are also likelier to hire advisers. Most problematic is their use of pay benchmarking, which has led to the ratcheting-up of pay for all bosses. As Mr Nzima of CalPERS observes, “Everyone is targeting either median or above-median pay, so median is always going higher regardless of actual performance.” Gregg Passin of Mercer, another consultancy which advises clients on pay, accepts that the ratchet effect is real. “I can’t deny it,” he says. His firm recommends that some bosses, such as first-time CEOs, should be paid below the median.

America’s influential Council of Institutional Investors, which represents big asset managers, last year called for simplifying pay structures. CalPERS wants to replace common pay packages, such as those based on three-year performance, with plans reflecting rigorous five-year performance measures, or delay payouts from equity grants for at least five years. It is also rebelling against using median pay as the favoured benchmark.
