



Can I offer certain incentives to specific groups of employees only?

Many benefit and incentive structures are tiered, with access to certain benefits being limited to particular groups of employees or levels of seniority. Does this pose a legal risk?

Well in most cases, it shouldn't. The fact some businesses take this approach suggests there are ways that this can work and there are potentially numerous justifiable reasons why some groups of employees might receive something others don't. For example, LTIPs are designed to attract and retain senior and key talent so understandably are not available to all. Commission is generally only going to make sense for those selling so participation in commission schemes is equally limited. And there may be reasonable explanations why some roles can be afforded more flexibility to work remotely where as others require a greater or permanent presence in the workplace.

Care should always be taken though when planning and implementing your incentive structure. It may, for example, prove more difficult to justify differences between staff groups with certain benefits, such as annual leave and enhanced parental leave entitlements. Such differences could therefore lead to discontent and, in the worst cases, grievances and threats of constructive dismissal.

As always, it's important to also be alert to potential risks of discrimination. It's sadly a reality that in many businesses, certain roles will be more predominantly comprised of individuals that share a particular protected characteristic. For example, in many businesses, secretarial or administrative functions are predominantly female and many junior and graduate roles will naturally be largely comprised of younger employees. It's therefore crucial that there isn't a discriminatory taint to the different benefits that are provided.

With a little thought, we've always found there is a way of navigating these sorts of considerations in a way that is fair and minimises risk.