

Dear All,

It's hard to believe we are six months into this pandemic. Summer break is over and kids are starting a new school year under unprecedented conditions. We hope they all have a blessed and safe year. Here at L&A we are preparing for the busy fall season as we gear up to help our clients navigate the challenges this year has brought.

In this month's L-Blast we would like to share a case study for one of our recent clients involved in a restructuring. This case was focused around the reasonableness of the compensation package payable to the executive team. L&A served as the compensation expert and conducted a detailed analysis that resulted in significant savings for the client and a performance-based compensation strategy that benefitted all parties.

The next article is particularly important during this time, as companies start to plan for next year's compensation strategies. This piece offers ways to manage pay decisions amid the current uncertainty that will help companies thrive in a post-pandemic marketplace.

Lastly, in the final article we take a look at shareholder activism during this year's proxy season. Although 2020's proxy season has been unlike any other, interestingly, activism did not see a decline. Market volatility gave way for many activists, both in distressed sectors and in high-performing businesses that saw temporary value disruption. And in 2021, we may see a surge in activism, much like we did after the 2008 financial crisis.

We hope you all continue to stay safe and remain optimistic. Don't hesitate to reach out to us if you have concerns about your compensation programs, or if a restructuring is imminent in your organization, we are here to help.

Sincerely,



Brent Longnecker and the L&A Team
Chairman and CEO
Longnecker & Associates



Restructuring Compensation – Reasonable Compensation Case Study

Recently, Longnecker & Associates was engaged by a Fortune 500 telecommunications company for a project based on the compensation payable to the executive team through a restructuring. The noteholders believed the compensation recommended by the debtor advisors to be unreasonable relative to performance expectations outlined in the restructuring business plan.

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Developing a Post-Pandemic Pay Strategy

Companies have an opportunity to reset ties between work and rewards

Making decisions about employee pay is among the biggest challenges facing organizations in the wake of the coronavirus shutdown. There is no road map. Any recovery in specific businesses, markets and industries is very much an ongoing process. With unemployment topping 13 percent according to the U.S. Bureau of Labor Statistics, and the rate considerably higher in some analysts' view, keeping pay tied to the market is difficult at best.

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A Look Back at Shareholder Activism During the 2020 Proxy Season

The past four months have brought unprecedented change to the capital markets and the world at large. As the global COVID-19 pandemic spread throughout the world, the economic disruption was significant, and a decade-long bull market was transformed almost overnight. The proxy season that has followed has been unlike almost any other, but also reassuringly familiar. Despite predictions to the contrary, activism in the United States remained persistent; many large activists were limited in their activity, but the occasional and first-time activists that picked up the slack found considerable success in achieving their objectives.

[READ MORE](#)

Bankruptcy and Restructuring Assistance

We know many organizations are facing financial turmoil and as a result may need to restructure or file for bankruptcy. L&A is a leader in this space and is here to offer support and professional guidance through this process. In addition, we develop post-emergence plans and full compensation programs aimed at retaining and motivating the team to rebuild and generate significant shareholder value. Learn more about our restructuring capabilities, or contact us if you are ready to get started.

[LEARN MORE](#)

[GET STARTED](#)

281.378.1350

VIRTUAL EVENTS

(Events listed are in central standard time)

[SHRM Webcast – The New Dimensions of Work: Are You Prepared? How to Plan for a Post-COVID-19 World](#)

Available through November

Learn how technology innovations are being used to solve critical workforce challenges and explore how these solutions are helping organizations confidently execute on their HR visions during these critical times.

[REGISTER](#)

[NACD Webinar – ESG as a Framework for Resilience](#)

Tuesday, September 15
11:30 a.m. – 12:45 p.m.

Coronavirus and social unrest is testing both the "S" and the "G" in the ESG trio of responsibilities. In this webinar, hear from board members on how they are helping the organizations they serve become more agile, sustainable and resilient.

[REGISTER](#)

[NACD Webinar – Compensation Committee Series](#)

Thursday, September 24
1:00 p.m. – 2:00 p.m.

Leading perspectives and practical guidance on the key trends shaping executive and director compensation. Board members and compensation experts offer insights and actionable information to help compensation committees develop pay programs that drive business and leadership strategy.

[REGISTER](#)

Let's Work Together

We know what it takes to attract, retain and motivate key talent. Contact us to develop a customized plan that works for your business.

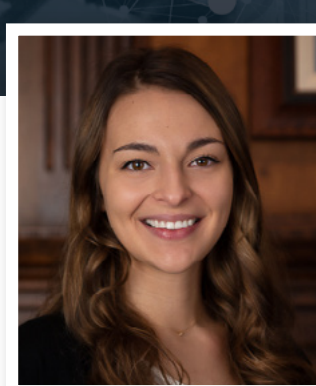
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[GET IN TOUCH](#)

Compensation Services
Incentive Plan Design
Litigation Support
Strategic & Governance Advisory
Restructuring Services

Get to Know Us

Madison Lewis
CONSULTANT



Alma Mater: My alma mater is Texas Tech University – Wreck 'em always!!!

What is the best advice you've been given?

Choosing a job is so much more than just the work you do. Look for a job that feels like home.

Pets: I have two furry children. Two domestic shorthaired cats named Chance and Mae. They were both rescued while I was in college.

What are you passionate about?

I am extremely passionate about adopting a healthy lifestyle that works for you. I love eating healthy, working out, and doing yoga to de-stress and wind down.