

THE EXTRA POINT

BY JERRY ROBERTS



365 When Publicity Isn't Good, How Do You Handle it?

You're the CEO of one of the biggest and best known corporations in the world. One day, somebody famous calls you out over your pay and the pay of your workers, and the story ends up going viral. What do you do? I'm Jerry Roberts and we'll find out what Bob Iger, head of the Walt Disney Company, decided to do, next on The Extra Point.

The subject of CEO salaries flares up into the news once in a while and it happened again a few days ago, when an heir to the Disney fortune, Abigail Disney, took to the media to criticize Bob Iger, Walt Disney Company CEO, over his salary, which is reported to be \$66 million a year and is 1,000 times more than the average pay for Disney employees in 2018. We've seen similar discussions surrounding Wal-Mart and Amazon, and both have raised pay for their lowest income workers.

Iger and Disney have been the target of Abigail Disney's scorn before, as she claims that many Disney employees are struggling to make ends meet with minimum wage jobs and poor working conditions, a very different situation from what her grandfather Roy O. Disney, and great-uncle, Walt Disney, had sought to create in building the company.

Miss Disney said she visited the Anaheim location of Disneyland, speaking with many workers, claiming every one of them had grievances over low compensation.

So where was Iger's mistake? Before making her public statements, Abigail Disney sent him an email on the issue and he ignored it. Instead of connecting with her directly he had his HR department contact Miss Disney and cite their \$150m funding for employee education. When she emailed again and asked for a reply, he again ignored her. This wasn't Joe Average Citizen reaching out, this was a member of the family of the original owners of the company.

Even if you know she's going to end up causing you a headache, I think you have to answer her email. Maybe with something like this:

"Thanks for the note, Abigail. As you know, my compensation is set by the Disney board of directors, who felt the package was fair. You and I share the belief that all workers should be paid fairly and our team consistently reviews our practices to try to achieve that," etc.

Instead, the issue goes public and now Iger and his company are caught in a media firestorm. They call Miss Disney's accusations baseless and egregious, a grossly unfair exaggeration. They continually discussed their educational initiatives, yet they never referenced the pay issue. They skirted around it, which has not been lost on the public.

Many online comments reference Disneyland's high prices, long lines for rides, an increasingly poor overall experience, and singular focus on generating profits for their shareholders at the expense of customers and employees.

Iger and the Disney company may not have been able to avoid the unfavorable publicity in any case, but avoiding the pay issue has resulted in additional scrutiny, and now they appear evasive. That's not a good look when you tell the world that yours is "The Happiest Place on Earth." Perhaps there's a lesson or two in here for the rest of us.

That's The Extra Point. Get out there and make something good happen today. For 93.3 and the Ray Gibson Show, I'm Jerry Roberts.

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