

Title: Public Relations Case Study: Employee Relations at Walt Disney World

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Abstract

This project investigates Walt Disney World's employee relations. The project uses communication practices, research and public relations practices to take an in depth look at how successful the practices of Walt Disney World really are in terms of its employees (cast members). A brief comparison between Walt Disney World and Universal Orlando is also presented.

The research performed was done through a variety websites including employee forums, corporate websites, YouTube, and general websites. Online communication has become essential to employee relations because it provides quick and easy access for the media, the employees themselves, and the public. The majority of the websites presented are extremely current. Additionally a personal interview and an employee handbook for the company provided a look on the inside.

The ethics of Walt Disney World were evaluated using the Public Relations Society of America's Code of Ethics which emphasizes advocacy, honesty, expertise, independence, loyalty, and fairness.

The research through all of these medias shows that while Walt Disney World used to have a grasp on employee relations, they seemed to have lost it over the years. Much improvement needs to be done specifically with wages and resorts and hotels. Ethical values also need to be reviewed and inputted.

The Walt Disney Company is easily recognized as one of the top companies in the world and is a Fortune 500 Company. The Walt Disney World Resort, part of Disney's Parks and Vacationing, is the number five vacation destination in the world USA Today (Baedeker). It lies only behind New York City, Washington DC, Boston, and Las Vegas. In terms of theme park attendance, it ranks number one. In fact, according to the Themed Entertainment Association, the Disney Company holds all five of the top spots (Brigante). With nearly 17 million guests each year in the Magic Kingdom (one of the four parks in Walt Disney World), the park sees almost 45,000 guests each day- only 45% of its holding capacity. With this large amount of people, employees or "cast members" as Disney refers to them, play a significant role in the company's success and growth.

The Walt Disney World Resort employs almost 60,000 workers ranging from managers department leads, and hotel staff to carpenters, painters, and topiary artists (Walt Disney World Resort). Much of the time, we as the public, hear stories as to why Disney customer service is the best. Many of us may have even experienced it. So many stories with happy endings must mean that Disney treats their employees with much respect, reward, and gratitude. However, as there are in all other businesses or organizations, sometimes mistakes are made which can lower the reputation of a company. Employee relations can affect everything in the commercial tourism business. Unhappy employees can mean unhappy guests; while also, the opposite is true.

According to the Walt Disney Company's 2008 Corporate Responsibility Report, they are committed to their employees just as much as they are to their guests, consumers, and audiences (2008 Corporate Responsibility Report). Many of their executives including those involved in theme parks and entertainment hold a variety of town hall meetings, open forums,

question and answer sessions, suggestion boxes, and more. The company assures its employees that they will not be censored and as long as they bring the issue up through one of the outlets listed above, there will be zero repercussions. The company states that it tries to involve its employees as much as possible. An example provided in the report states that during Disney's "Year of a Million Dreams," employees from all levels came together to brainstorm ways to make their guests feel extra special.

During a personal interview with a Disney cast member, Daniel Raymond, the director of select shows and attractions at EPCOT, explained how much pull a Disney employee really has (Raymond). "I have been here for more than ten years, and I can honestly say I feel valued. Starting out as a professional drummer in one Disney parade, they realized my potential and began to ask me to start choreographing my own drum show (Jamitors). From that point I got a raise which was nice. However, the better surprise was the amount of input Disney was requesting from me. They would ask me to come in and look at other shows and see what was missing or what could simply be cut. After five years, I wanted to return to drumming. I run a school in the Greater Orlando area. Disney said that they wanted to keep me part time and offered me the same benefits as full time. I now work three days a week in Disney and focus my career on my drum school." After speaking to managers of resorts within Disney, most said that they were happy with their jobs and did not say much more about it. Based off the fact that I only had one scheduled interview, I imagine they were busy with their jobs.

Disney rewards their employees in a variety of other ways as well. The Employee Policy Manual that was given to me states that all part-time and full-time employees will receive vacation based on their number of hours worked (Walt Disney Company). All full-time employees are granted insurance through the company with some restrictions and fees.

Additionally these full-time employees have the option of building a 401k plan and purchasing stock through payroll deduction. Employees are able to be awarded continuous service awards, free theme park tickets at any Disney destination around the world, educational reimbursement, and overtime pay. In 1995, Disney became one of the first ever companies to give benefits to gay partners. Additionally, the Corporate Responsibility Report shows that the executives of the company will participate in talent search with the rest of the company (2008 Corporate Responsibility Report). This means that the executives will spend time looking at qualified employees and place them on a track to move up within the company. This is similar to hiring within the company.

While everything seems to look like employees are living in a fairytale, there are certainly some downsides to being a Disney employee. One website devoted to sharing cast member secrets states that the dress code for employees is very strict. While this is more than a policy than an issue, the way it is handled is poor. One employee of Disney's Haunted Mansion had a very tiny string hanging off of his jacket. Instead of having someone merely cutting the string, the employee was forced to return to wardrobe in order to receive a new jacket. This took more than thirty minutes of waiting in line behind other cast members.

Several employee-started websites also confirm that Disney is infamous for comparing their employees. On the milder side of things, depending on the amount of years working with the resort, the company will provide you with a select nametag (OC: Register...). This nametag allows all cast members to see how long you have been with the company. There have been complaints that this makes employees feel like they are more valuable than one another. The employees that have been with the company for ten years look down upon the employees that have been there five years or less. Another example comes from the resort housekeeping. In the

basement where all sheets, blankets, and pillow cases are watched and employee described the room as a giant competition. “Employees in the Anaheim hotels are required to key in their ID when they arrive, and from then on, their production speed is displayed for all to see. For instance, the monitor might show that S. Lopez is working at an efficiency rate of 37% of expected production. The screen displays the names of several coworkers at once, with "efficiency" numbers in green for those near or above 100% of the expected pace and red numbers for those who aren't as fast.”

In fact, many Disney hotel employees are kept at a low wage but with great healthcare benefits. Most employees were okay with this policy, and they understand that they are hourly. Recently, the company began to create plans to increase the cost of employee healthcare even after profiting more than \$3 billion last year. The union that protects these employees is working on negotiations with Disney however there has currently been only one proposal by Disney which turned out to cost employees even more in the long run. Therefore it was rejected by the union.

Walt Disney World's overall employee relations seem well thought out on paper; however other companies such as Universal Orlando seem to put them to shame (Universal Orlando Resort). One Universal Orlando employee states that while his pay is close to that of a starting job at Disney, he has a fantastic benefits package, lots of room for advancement, and most importantly, he feels valued at his job. After researching a number of hours, no employee story nearly matches that of what Disney hotels are going through. It seems like the company that was started by a man who focused on family values, people, and employees seems to have gone a bit adrift. Walt Disney was known for putting people before money. It seems since his death and a number of CEO changes including the infamous Michael Eisner, Disney has taken a

turn in not only its guest satisfaction, but its employee ethics and culture as well. While Universal Studios seems to suffer with employee clock-in issues, Disney's problems greatly outweigh Universal's in terms of being fair to their employees.

If I were to assign a letter grade to Disney's overall employee relations, I would have to give them a C-. As stated previously, while everything that Disney has looks great on paper, it does not match up to its competitors. Additionally, there seems to be some unfair practices going on with employees specifically within their hotels and resorts. While competition can sometimes be a good thing, Disney seems to blow this out of proportion. Having employees worry about their performance against each other, losing their jobs because of lower performance, and the rising costs of healthcare all seems like too much.

However, Disney does do some things very well. All of the options and benefits that the company provides or offers its employees are incomparable to other similar companies. I think it is safe to say that you are likely to get a variety of views depending upon who you ask and what position they are in. Clearly you will get a different opinion from hotel housekeeping compared to Daniel Raymond in EPCOT. Disney tends to have better media relations than other companies which could potentially make their employee relations look better. While their code of ethics explains that they are committed to their employees as much as their guests, I truly believe that they think this way. Due to the large size of the company, it is nearly impossible to maintain relations with every single employee. This is not acceptable. Disney does need to find a way to work with its employees. A YouTube video explains exactly why Disney employees are unhappy; particularly those on the lower end of the food chain (James).

If we look into Disney's Code of Ethics, it is obvious that they do not meet all of their own guidelines. Several things can be done to help improve Disney's employee relations. To

start, I think it would be incredibly beneficial to departmentalize employee concerns. Each manager in each department should be responsible for listening to their employees and then meet with executives to decide what can be done to address the issues. While some things that are in place that are incredibly beneficial such as stock programs and free tickets to friends and family, there are some things that only occur in certain departments. An example of this would be the resort and hotel staff. Clearly something in this area needs to be done with housekeeping and laundry. Perhaps it would be beneficial to instead issue each employee a performance report at the end of their shift or every week. This way, the stress implemented on the employees lowers during the work day. Cast members should feel like they can talk to their immediate supervisors so that problems get solved.

Disney already does provide a variety of mediums in which employees can voice their concerns. An in depth analysis needs to take place in order to discover whether or not these concerns are taken seriously. In order to do this, Disney might look into taking an outside public relations agency to take a serious look at their employee relations. They can look into both the company and the unions that are associated with it. Perhaps this company can decide what is ethical and assist Disney. The issue that may arise with this is that Disney is already very independent. They have a strong public relations department and may feel uneasy about bringing in someone from the outside. There are however specific companies that specialize in large corporations and employee relations. This could help to foster the relationship of Disney and its employees.

A whole separate issue is that of the wages of lower level employees. While it is probably not ethical by either the PRSA guidelines or Disney's own guidelines a fair solution to both parties must be reached. Disney is known around the world for its customer service. This

can be greatly affected by the company's employees. A strike would not look good for their employees or its publics that are attracted to the theme parks and greater Walt Disney World. Based on the information researched including Disney's financial analysis, they did indeed profit more than \$3 billion dollars in one year. This is actual profit. It seems unethical to build up money instead of distributing it to employees. These relations can also affect those of the stock holders and put Disney into a financial fallback if the investors stop investing.

While I believe that Disney's intentions are good, they do not follow that of their original founder, Walt Disney himself. It seems that the company has drifted from its original philosophy and not only the employees are noticing. Many forums are dedicated to the changes occurring in Walt Disney World. People are complaining that the park is becoming too focused around money. Employees are not nearly as friendly as they used to be. This could be due to the employees not being treated as well as they used to be. It used to be a privilege to work at Disney. However, now many see it as just a job. Perhaps making employees have a more favorable view of the company would be a good idea. This way employees would feel more valued because they work at a place that they appreciate and enjoy. In addition, specific goals need to be set for exactly what needs to be accomplished. Perhaps training employees in the laundry room to perform things in a certain order would increase productivity and take down stress.

Moreover, cast members need to feel like they are making a difference. Perhaps making several employee videos and releasing them to the media, both formal and informal, letting employees share how they make a difference from day to day can help make these people feel appreciated. They want to let the public know how they make a difference in the lives of their

guests. Additionally this would be a wise marketing campaign for Disney, attracting guests to a place where employees are sharing and wanting to make a difference in the lives of others.

According to the PRSA Code of Ethics, under the disclosure of information section, it states that “shall avoid deceptive practices.” In my opinion, Disney is not completely honest with its employees. It seems that they are involved with some deceptive practices including being fair to all employees equally. While some are way underpaid, executives receive bigger bonuses than they ever have before. In terms of conflict of interests, PRSA states that member should “avoid actions and circumstances that may appear to compromise good business judgment or create a conflict between personal and professional interests,” and “encourage clients and customers to determine if a conflict exists after notifying all affected parties.” Disney definitely does not encourage its clients or in this case its employees to determine if there is still conflict. Obviously there is still conflict. This does indeed compromise good business. If every employee were to tell one person how they were treated unfairly at their job, Disney would certainly suffer more than it already has. If they do not do something soon, the company is sure to be affected in the near future. With parks like Universal and their new “Wizarding World of Harry Potter,” guests will begin to turn to them. They are a more affordable, just as exciting theme park in the exact same area with hotels that are just as competitive as Disney’s. Employees control the outcome of this company. The one thing that Disney has held over so many other companies is their customer service. Without it, they will suffer.

Overall, the Walt Disney Company is doing a somewhat adequate job with their employee relations. However, there is still much to be done. In any organization, the employees play an important role in the success of a company. Previously, it seemed as if Disney grasped that. Present day, they seemed to lose grip on their values and ethics. With a carefully planned

out public relations plan focused on employees, this company can return atop the vast empire that they once ruled. While their attendance numbers are steady, employee satisfaction is dropping. Disney seems to evade the media due to regulations they place on their employees about talking to them. Additionally, in my opinion, Disney pays a large sum in order to have some information concealed. This includes lawsuits, employee issues and more. Research became difficult because of this reason.

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