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## LOVE THY CEO: REPORT FINDS CEOS RUNNING LAY OFF AGENDAS RECEIVING HIGHEST PAY PACKETS

According to the report, month after month, headlines have blared the fact of CEOs suffering from the recession and headlines like "CEO Pay Rankings Dominated by Large Salary Cuts," or "CEOs See Pay Fall Again," were only too common. However, the exhaustive report authored by Sarah Anderson, Chuck Collins, Sam Pizzigati, and Kevin Shih, finds that corporate executives are enjoying better benefits than yesteryears and not suffering at all. This comes as a revelation at a time when U.S. Census data confirms that in 2009, U.S. suffered the largest number of people living below the poverty line as recorded in the last 51 years. With 43.6 million people living below the poverty line, and officially close to 15 million jobless (actual numbers including U6 would be way higher) it seems a cruel joke that CEOs "laid off thousands while raking in millions." After adjusting for inflation, it was found that average earnings of CEOs in 2009 was more than double that of CEOs in the 1990s, more than four times that of CEOs in 1980s and approximately eight times that of the average CEO earnings considering all decades from the mid-20<sup>th</sup> century. And this is *after* adjusting for inflation. Shows how tough the going was for CEOs shedding buckets of tears over departing employees. In contrast, the report finds, American workers, are earning less in terms of real pay (after adjusting for inflation) than what they did in 1970s. While in the 70s only top executives earned more than 30 times that of the average worker, in 2009, CEOs earned 263 times more in average than the American worker. That's your terribly-hurt, recession-struck, worker-loving American CEO. The most noticeable point unearthed by the report is that CEOs who slashed the payrolls of their workers more ruthlessly than others and cut more jobs than other CEOs on the S&P 500 list, also took home 42% greater pay than the average CEO who took less aggressive stances on layoffs and pay cuts. The report found that CEOs of 50 companies, which had the highest numbers of layoffs (minimum 3000 jobs slashed between November 2008 and April 2010), actually took home far greater pay than their less ruthless counterparts. Apparently, corporate America rewards its own. An example of this equation is GlaxoSmithKline, a company that made more than \$8 billion profits in 2009. To increase shareholder's already fat pockets by another \$500 million a decision was taken to layoff approximately 4000 people (official reports are unavailable). Within a month of pushing through the decision to lay off thousands, just to make fat pockets fatter, the CEO received a 76% raise in his salaries. Another example of corporate America rewarding unethical CEOs is HP's Mark Hurd who slashed 6, 400 jobs only in 2009, while taking home a salary of 24.2 million USD. Hurd resigned recently following an investigation into sexual harassment and reportedly was provided a parting compensation of over \$40 million after proof of his flagrant violation of ethics surfaced. Corporate America does protect as well as reward its own. So, it's better to love thy CEO than fight against him, for while he will manage to get off his misdeeds, the only thing an average worker will ever manage from a Fortune 500 companies these days is a lay off. This report, again, makes a good case for deciding to work under small businesses with greater transparency and direct employee to owner interaction.

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