

THE SACRAMENTO BEE

Personal Finance: How Disney gets its 'hiho' worker enthusiasm

BY CLAUDIA BUCK - CBUCK@SACBEE.COM 03/24/2013



Doug Lipp points out some of his Disneyland memorabilia. A former Disney employee, he structures his business consulting practice around the principles espoused by Walt Disney.

"What would Walt do?"

For decades, that was the magic, pixiedust question that permeated the Walt Disney empire of animated cartoons, films, toys and theme parks. As the creator and visionary behind the brand, he worked hard to ensure that Disneyland's guests felt ensconced in the "Happiest Place on Earth."

But it didn't happen at the touch of a fairy godmother's wand. Behind the fantasy world, Disney laid out a serious training program for ensuring upbeat, friendly, customerfocused employees who could "create happiness" on the job.

That training program, launched in early 1955 as Disneyland was hiring for its Anaheim opening, eventually became officially known as "Disney University."

Today, it's offered to Disney employees worldwide, as well as to outside companies through the Disney Institute in Florida. But that training is also spread by former Disney execs like Doug Lipp, a Fair Oaksbased business consultant. He travels the globe, from Denver to Dubai, conducting Disneystyle leadership and customer service training for CEOs and employees of Fortune 500 firms, universities, hospitals and other businesses.

In his new book, "Disney U," which debuts this month, Lipp details how Disney University got its start and the secrets to its success. Part memoir, part management bible, it's based on interviews with 25 former Disney executives.

What's made Disney's management style so envied around the world?

"It's a balance of head and heart. It's a balance of rides that don't break down and Snow White never has a bad day," said Lipp, 57, who works and writes from his home office.

In other words, all the technological details of running a theme park – or any business – need to be in place, along with engaged employees whose positive outlook extends to every customer interaction.

While Walt Disney had exacting standards for everything from cleanliness to friendliness, there was an underlying belief that if employees were happy, it would spill over to their customers.

Lipp, a Sacramento native whose parents and older sister still live in the area, left Disney more than 20 years ago to go into private consulting. But his years at Disney left an indelible imprint.

With more than 800 clients, he's delivered the Disney message both locally and globally, from Jackson Rancheria casino in the foothills to CocaCola in Peru. Last week alone, he spoke to 6,000 McDonald's franchise owners in Las Vegas and 550 human resource managers in Toronto.

He and his wife, Pam, who met as fellow "cast members" at Disneyland in the early 1980s, are a MickeyandMinnie team, professionally and personally. They run G. Doug Lipp & Associates from their tasteful home, tucked along a quiet, rural street near the American River bluffs. While he's on the road, she's his "Geppetto behind the scenes," managing his bookings, billings and travel arrangements.

Fresh out of college and fluent in Japanese, Lipp was hired full time by Disney as an interpreter for Japanese officials arriving in Anaheim to start planning the first international Disney theme park in Tokyo. Eventually, Lipp spent two years in Tokyo, helping hire and train 4,000 Japanese employees. After returning stateside, he spent the next few years at Disney U in Anaheim. In a "gutwrenching" decision, he left Disney to join a Stanford University professor in a global consulting business. Lipp later took a job with NEC, the Japanbased semiconductor company that was expanding in Roseville. He turned to private consulting in the early 1990s when the Pebble Beach Company hired him for a "Disneyesque" training session.

In Lipp's book, he details many of the initiatives that "Disney U" embraces. Here's a sample:

WALK THE PARK

Disney, who died of lung cancer at age 65 in 1966, was known for strolling the grounds to talk with employees. On one occasion, he showed up at the Fantasyland gondola ride, where an 18 yearold ride operator was loading passengers. Disney had a single question: "How would you improve this ride?" The startled worker answered candidly: The gondola rooftops were too low and guests frequently hit their heads when trying to enter the hanging cars.

Based on that chat, the gondola ceiling heights got changed, Lipp said, and the worker got promoted.

Too many corporate CEOs, said Lipp, forget they need to get out of their offices and walk their workplaces, interacting with employees and customers.

"A lot of business leaders confide in me they don't go out and 'walk the park.' They know they should but aren't compelled because of ego, pride or other factors."

KEEP IT HUMAN

Customers aren't "attendance numbers" or "per capita units." Lipp says he makes the same point, whether he's talking with McDonald's franchise owners or doctors' groups. "We get so focused on processing hamburgers or processing patients we forget we're dealing with humans. They're not just numbers on a spreadsheet."



EVERY JOB MATTERS

From the scuba diver who scrubs the underwater submarine rides at night to the custodian who sweeps Main Street at 3 a.m., Disney believed everyone's job was equally important.

At one point, Lipp recounts, executives became aware that workplace resentments were developing among employees in different job categories. "The maintenance crews viewed the ride operators as 'button pushers'; the ride operators saw maintenance as 'bolttighteners.' They didn't understand each others' jobs."

That led to teambuilding activities, as well as job shadowing, where employees spend time on shifts completely unrelated to their regular job. "It let you see the joys and frustrations in every job."

Although the Walt Disney Company has had its share of ups and downs in the decades since Walt's death, Lipp says there is an underlying workhard, playhard ethic that's still intact today. In Walt's view, "You hire the attitude. You can train the skill."

DOUG LIPP

Age: 57, lives in Fair Oaks

Education: Del Campo High School and Long Beach State University, degree in recreation administration; fluent in Japanese.

Company: Founder of G. Doug Lipp & Associates, business consultant, author and speaker on Disneyinspired customer service and leadership for corporate clients worldwide.

Clients: More than 800 companies, from Denmark to Venezuela, including IBM, Intel, Coca Cola, Ford Motor and Verizon, as well as banks, hospitals and universities.

Disney history: Following a Disney college internship, started full time in Disney's training department in 1981. Spent two years in Tokyo, helping hire and train 4,000 employees for Disney Tokyo's opening. Helped develop Disney University, the company's onsite training center for employees and managers.

Family: Married with three collegeage kids. Hobbies: Camping, skiing, scuba diving.

Favorite Walt Disney quote: "Develop your sense of humor and eventually it will develop you," penned on a drawing by a teenage Walt about 1917.

Books: Author of eight business books, including three in Japanese. Lipp will sign copies of "Disney U" at 1 p.m. Saturday at Barnes & Noble bookstore, 6111 Sunrise Blvd., Citrus Heights.

DISNEY TRIVIA QUIZ

1. What term does Disneyland use for "employees"?
2. What was the name of Walt Disney's first animated cartoon company?
3. Where and when did Disney's five theme parks open? Where is the next one opening?
4. What two years did the "Happiest Place on Earth" experience labor strikes?
5. How do Disney's costumed characters travel unseen at Walt Disney World in Florida?
6. What was the company's first blockbuster Rated film?
7. What beverage got Disney in trouble with the French before Paris Disney opened?
8. Name the Walt Disney Company's last three major acquisitions.
9. Disney holds a record for the most Academy Award nominations and awards. How many?
10. Where is the Walt Disney Family Museum, created by Walt's daughter?
11. What was Mickey Mouse's original name and who changed it?
12. What actor will play Walt Disney – a cinematic first – in a December 2013 movie?



DISNEY QUIZ ANSWERS

1. Cast members
2. LaughOGram in Kansas City
3. Anaheim (1955), Florida (1971), Tokyo (1983), Paris (1992) and Hong Kong (2005). Next: Shanghai in 2015.
4. 1941 and 1984
5. Via underground tunnels
6. "Pretty Woman"
7. Wine
8. Pixar (animated movies), Marvel (comics) and Lucasfilms ("Star Wars")
9. 59 and 22
10. In San Francisco's Presidio at 104 Montgomery St.
11. Mortimer, until Lillian Disney, Walt's wife, said it sounded too pompous and suggested Mickey instead.
12. Tom Hanks in "Saving Mr. Banks"