

If AIG Was A Pro Football Team | Allan Besselink

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<p> As I read the ongoing drama (and outrage) about AIG , it all makes me think of pro sports. Let's just insert "pro football" as an example. I know, it seems like a strange association - AIG and pro football - but perhaps they could take note of some of the business practices that seem to be "acceptable" in the world of pro sports. It might just help solve the problem. </p> <p> If this was a pro football team: </p> <p> - we would expect a win-loss record that puts us into the playoffs, and we would pay for the employees (namely, coach and players and support staff) to get it done. Of course, that would be within any salary cap that is applicable. </p> <p> - many players and coaches presumably have a performance bonus in their contracts - for example, a bonus if the team makes the playoffs, or if the player attains certain performance criteria (number of catches, number of tackles, etc). </p> <p> - the fans think nothing of demanding a winning record, and also think nothing of removing [insert here - coach/player/water boy] if they aren't "delivering the goods" (or the water). </p> <p> - and when the aforementioned coach/player/water boy has his contract terminated abruptly, and he doesn't get his performance bonuses, we as fans really don't seem to care. It's accepted practice, isn't it? </p> <p> - if we expand this to college sports, how many college coaches think nothing of "jumping ship" when a better offer comes around, thereby not fulfilling their contract requirements - and nobody seems to care then either. </p> <p> So here's where the irony begins. </p> <p> If AIG was a pro football team: </p> <p> - we would expect them to utilize bailout money in appropriate avenues, and to pay the right employees to get this done. So how many of the employees have been re-assigned or fired for their lack of performance? And who has been called in to get this straightened out? My mind wanders back to the words of Ross Perot in one of his legendary prime time infomercials - "In America, we have a problem". Ross, need a new project? </p> <p> - last week, AIG paid \$165 million in bonus money - taken from the bailout. For "retention" bonuses. But it seems to me that "bonus" money should be for performing well, no? So there goes the idea of "pay for performance" - these are the same people that put the company (and the economy) in the mess that it's in! </p> <p> - the lawyers are concerned that by breaking these contractual obligations, an employee could sue AIG for the money and punitive damages. Of course, this would put the employee's name on the lawsuit - in full public view - and I can't imagine anyone wanting to do that in this day and age. "Yes, judge, my name is Fred Flintstone and am here to file a lawsuit to get my bonus money - and pay me for damages that this unreasonable error has caused me" ... any judge want to take that one on? I would suspect that Mr. Flintstone would end up in a program similar to the Witness Protection program after this - with the public outrage it would create. </p> <p> - the government owns 80% of AIG now - so that makes all of us the "owners" of this team. </p> <p> - and if it was a pro football coach that had his contract terminated, and his bonus contract broken - by the new owner - nobody would think twice about it since it's become accepted behavior in this situation! Suddenly everyone is concerned about "the legality of contracts", but has that ever been an issue in pro football? Besides - we want a winner! </p> <p> Of course, if AIG was a pro football team, and the coach was unceremoniously dumped in mid-season, they would probably just recycle some old coaching hack that's been out of head coaching for years and wasn't a winner even when he was coaching. New blood? New ideas? Nahh let's go back to the single wing, it got the job done back in the 60's ... </p> <p> Let's hope that AIG doesn't draw that parallel. </p> <p> ♦ </p>