# Article information:

High CEO-to-worker pay ratios negatively impact consumer and employee perceptions of companies - ScienceDirect  
<https://www.sciencedirect.com/science/article/pii/S0022103118300829>

# Article summary:

1. The U.S. CEO-to-worker compensation ratio has increased exponentially over the last several decades, with estimates ranging from 271:1 to 361:1.

2. This sharp increase raises important questions about its impact on consumers and employees, such as whether it influences consumer evaluations of companies or employee well-being.

3. The 2015 SEC ruling requires all publicly-traded companies to publicly disclose their CEO-to-worker compensation ratios, making such ratio information more accessible than ever before.

# Article rating:

May be slightly imbalanced: The article presents the information in a generally reliable way, but there are minor points of consideration that could be explored further or claims that are not fully backed by appropriate evidence. Some perspectives may also be omitted, and you are encouraged to use the research topics section to explore the topic further.

# Article analysis:

The article is generally reliable and trustworthy in its presentation of facts and figures regarding the increasing CEO-to-worker compensation ratio in the U.S., as well as the 2015 SEC ruling requiring all publicly traded companies to disclose their CEO-to-worker compensation ratios by early 2018. The article also provides a brief overview of research examining the impact of this ratio on consumer perceptions and behavior, as well as employee well-being.

However, there are some potential biases present in the article that should be noted. For example, while the article does mention legislation proposed to set boundaries on CEO pay (e.g., Democratic Representative Martin Olav Sabo's Income Equity Act), it fails to mention any potential counterarguments or opposition to such legislation, which could lead readers to believe that there is unanimous agreement that such legislation is necessary and beneficial for society at large. Additionally, while the article does provide evidence for its claims (e.g., citing studies by Kiatpongsan & Norton (2014) and Dawes et al., 2007), it fails to explore any potential counterarguments or alternative explanations for these findings, which could lead readers to believe that these findings are definitive and unquestionable when they may not be so clear cut in reality.

In conclusion, while this article is generally reliable in its presentation of facts and figures regarding CEO pay ratios in the U.S., there are some potential biases present that should be noted when considering its trustworthiness and reliability overall.

# Topics for further research:

* CEO pay ratio legislation
* Impact of CEO pay ratio on employee morale
* CEO pay ratio and consumer behavior
* CEO pay ratio and corporate performance
* CEO pay ratio and shareholder value
* CEO pay ratio and economic inequality

# Report location:

<https://www.fullpicture.app/item/6e7d404e613fae48c46bdb0b11f1ce2d>