



ExecuNet Employment Intelligence Report

Age Discrimination in the Executive Job Market

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About ExecuNet:

Founded in 1988, ExecuNet is the leader in providing job and networking opportunities for the \$100,000+ executive and senior-level manager. It is the "first source" executive and corporate recruiters use to find top executive talent. For the latest in job market intelligence, or to learn more about ExecuNet's services, visit us on the Web at www.execunet.com.



Forewarned is Forearmed!



The results of the September 2003 ExecuNet survey of 278 senior executives came as no surprise to me. For more than fifteen years ExecuNet has been supporting executives in their job search and in advancing their careers; and during this time I've heard hundreds of stories of blatant and subtle age discrimination.

The sad but true fact is this, as job seekers hit the late 40s, age bias becomes a significant factor in their job search and in other employment-related actions. Although there are laws to protect us, such bias is subtle and hard to prove, and the personal time and financial resources needed to challenge an employer or recruiter action is not a path most of us are willing or able to pursue.

So what to do? Focus on the positive where you will find a fountain of youth.

An ageless wonder, Sophia Loren has this to say about age:

There is a fountain of youth: it is your mind, your talents, the creativity you bring to your life and the lives of people you love. When you learn to tap this source, you will truly have defeated age.

As often as I've heard tales of age discrimination, I've heard just as many success stories from 50+ executives. Often the spirit of these stories reflects the enthusiasm and passion of the job seeker. These successful job seekers have effectively communicated their enthusiasm and passion for their work, shifting the focus away from gray hair and to the talents and value they have to offer.

Be forewarned that age discrimination begins when you are in your 40s. Be forearmed by working on staying fit and maintaining a very positive, enthusiastic attitude, and a strong circle of network contacts who can do wonders to make certain that it is your accomplishments and value that ultimately land you a great job.

I am grateful to all of the survey respondents for their time and thoughtful consideration in sharing their opinions.

Sincerely,

A handwritten signature in black ink that reads "Dave".

Dave Opton
Chief Executive Officer & Founder
ExecuNet

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Look for this symbol! If you see this symbol on a page, it means that the **blue text** on the page is a link to the ExecuNet website or other Internet sites for more information.

It's The Same Old Story: Age Discrimination Alive And Well In Today's Executive Marketplace

The results in the new ExecuNet survey of 278 senior executives are as clear as a new gray hair on your head or a wrinkle around your eyes: age discrimination in the workplace is widespread, difficult to challenge, and possibly more common today than ever before in our nation's history. For starters, consider that a whopping 82.4 percent of those surveyed said age discrimination is a "serious problem" in today's executive job market — up from the 77.7 percent who answered that way in our May 2001 survey. The survey respondents in 2003 and 2001 came from more than a dozen industries and nearly all were 40 or older (see sidebar on page 7).

"People who think that there isn't age discrimination actively working in the recruiting and hiring process are kidding themselves," said a survey respondent, a 60-year old Information Technology consultant who, like others in our survey, agreed to be quoted anonymously. "Anyone 45 and older must be ready to deal with age bias for a surprising number and types of jobs. Part of this bias may be currently for salary/compensation reasons, but another large part is simply lack of appreciation for what the 'older' worker can bring to the employer's table."

Expert observers of the executive marketplace tend to agree with our survey respondent's perspective. "Discrimination against middle-aged and older workers has long been a common practice of American business firms," noted Raymond Gregory in his landmark *Age Discrimination In The American Workplace: Old At A Young Age* (Rutgers University Press). He bluntly writes, "Nearly all middle-aged and older workers, at some time during their work careers, will suffer the consequences of age-based employment-related action." Even though there are laws on the books to protect workers 40 and above from age discrimination in the workplace, "middle-aged and older workers are nevertheless subjected to adverse employment decisions motivated by false, stereotypical notions concerning the physical and mental abilities of older workers," Gregory said. "As a consequence, these workers are routinely ushered into earlier than planned retirements, are denied promotions or terminated, or are otherwise adversely affected by decisions based on their age."

Some of the stark findings in the ExecuNet survey bear out that negative view. A significant majority — 65.4 percent of those surveyed — said they had encountered age discrimination in a job search; that's also up from the 58.2 percent who expressed that view in our May 2001 survey of 199 executives.

And in 2003 an even larger group — 72.8 percent — said they had been unable to overcome the interviewer or employer concerns regarding their age. That's up slightly from the 71.1 percent responding that way in May 2001.

IS IT GETTING WORSE?

Recruiters and hiring managers are increasingly skeptical about older workers in today's market, and getting interviews is tougher, survey respondents told us. The good news is that if you are able to get past this "screen, convincing is easier," an ExecuNet survey respondent told us.

"Never did I think I would be in this situation," another senior executive added. Unfortunately, executives hitting their 40s or beyond should expect that kind of hurdle to come up more often as they get older. "Age discrimination is a serious problem at the pre-interview stage," a female senior executive told us. "I think that if you get past the resume review stage to an actual interview, it is a lesser issue, because employers value relevant experience. It is interesting how some potential employers try to dance around age discrimination by soliciting responses to positions by graduates of a certain year or only 'x' number of years of post graduate experience."

These survey findings are not a big surprise to ExecuNet CEO Dave Opton. "Anyone who is out there in the upper ranks of the job market today knows that things are only getting more and more competitive. Regrettably, age is often an issue used either subtly or more brazenly by hiring managers to quickly 'weed' out candidates in order to save time in the short-term." The survey found that an overwhelming 94 percent felt their age had resulted in their being eliminated for a particular position — up from 90 percent in our May 2001 survey.

But it is one thing to believe you did not get a job purely because of your age; it is quite another to prove it or do anything about it, our survey and other experts agreed. That's because usually the age discrimination is not overt. "Part of the problem is since so many companies have reduced headcount with early retirement offers, that hiring managers and internal staffing personnel are predominately younger," an ExecuNet survey respondent told us.

Largely gone are the days when a hiring manager demonstrates blatant age discrimination, experts and survey respondents told us. While a few senior executives told us they have actually been directly asked their age in a job interview — which is completely illegal — most said their experiences with the discrimination had been much more subtle. As one survey respondent summed up a recent experience when he was interviewed by someone younger, "they asked me, 'so what do you do for exercise to keep yourself in shape?' I am absolutely certain such a question would not have been asked of an individual significantly younger," he said. "Do I believe I may have been discriminated against in a job search...the answer would be yes."

"I can only suspect age discrimination, I can't prove it," another survey respondent, a 56-year old in healthcare management, told us.

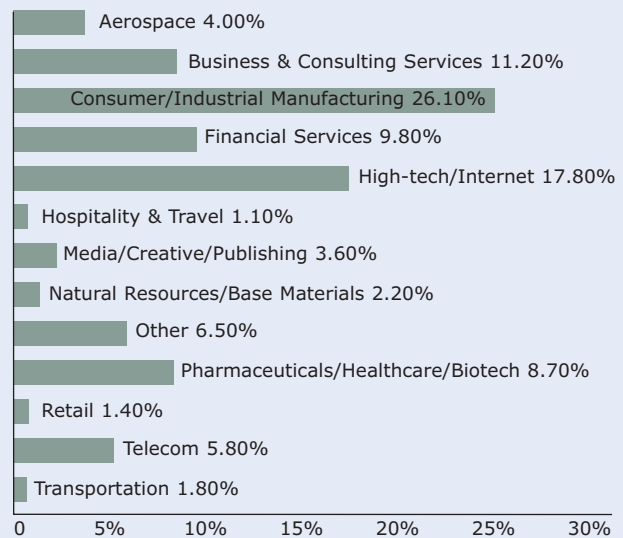
"Recruiters are well informed and careful to screen candidates," said another survey respondent. Among other tactics used to try and tease out an age without directly asking, executives told us they often see ads that specify a certain number of years post graduate school experience. That's one way for the recruiter or hiring manager to do some quick counting on their fingers to figure out how old an applicant may be. And that kind of discrimination will be difficult if not impossible to prove.

The age discrimination may not even be intentional in many cases. Younger hiring managers may "naturally feel more comfortable with people their own age or younger," one senior executive told us. "They may also not appreciate fully the experience and skills that older workers bring to their workforce. In a healthy employment market, they would by necessity be forced to consider older workers."

SURVEY RESPONDENTS ON THE 'FRONT LINES'

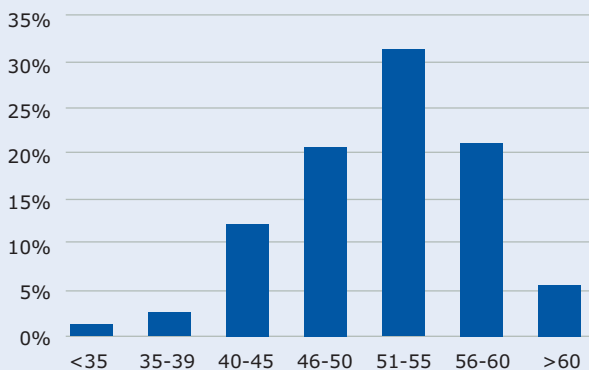
Respondents to the ExecuNet survey on age discrimination had generally reached the age to be feeling the first effects of the unfortunate phenomenon — nearly 95 percent are 40 or older. In addition, 70.3 percent were either in transition or expect to soon be in transition (see chart below). “These are the senior managers on the front-lines of this increasingly tough battle against age discrimination,” notes ExecuNet CEO Dave Opton. “The opinions and experiences they shared with us are an invaluable wake-up call to anyone who doesn’t think their age will be a factor as they try to advance in their careers.”

Most Recent Employment, by Industry

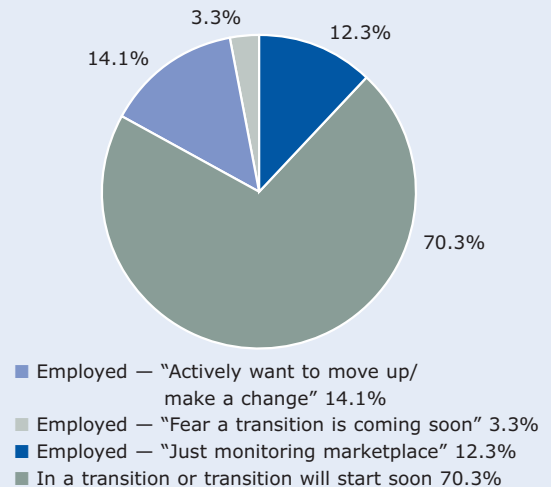


Those surveyed came from more than a dozen industries. At the top of the list — with 26.1 percent — were those engaged in consumer or industrial manufacturing, followed by 17.8 percent engaged in high-tech or Internet firms, and 9.8 percent in financial services.

How old are you?



Current Employment Status



WAITING FOR THE MARKET TURNAROUND

But even as that stronger employment market materializes (see Finally, Some Good News on page 12), executives who believe they were discriminated against based on age are fighting a battle with long odds. “If a worker is able to prove that his discharge was based upon or motivated by...age...he may recover monetary damages or attain other forms of relief against his employer. He may even be able to force his employer to rehire him. But probably fewer than one in ten of

those dismissed are able to garner evidence of discrimination sufficient to file a claim against his or her employer," Gregory writes.

But that hasn't stopped employees from trying. In the past twenty years, federal and state courts, the Equal Employment Opportunity Commission (EEOC), and various state fair-employment-practice agencies have been inundated with employment discrimination cases. Between 1970 and 1989, the number of filings of employment discrimination cases in the federal courts increased almost 2,200 percent, while all other types of cases rose 125 percent. "Not least among these job discrimination cases were those advancing allegations of age discrimination," Gregory writes. "While the number of race, sex and other discrimination cases is not expected to rise significantly in the near term, a massive increase in age cases appears to be on the horizon."

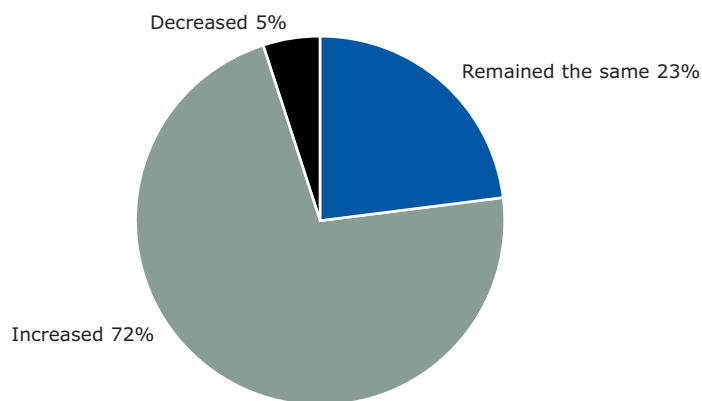
Even a casual glance at the business section of the local newspaper shows that age discrimination suits are out there in force. For example, in June, Capital One Financial Corporation settled a class-action age discrimination lawsuit filed by nearly 60 employees alleging systematic firings of employees 40 and older and using a performance-based ranking system to justify the firings. AARP, which acted as one of the attorney's representing the older workers, said in March that Capital One has masked "a desire to jettison older workers and other employees, even if they have previously received high ratings."

In the final settlement, which all parties agreed to keep confidential, both parties said there were no losers. "This settlement with Capital One represents a positive resolution of this case," said AARP managing attorney Stuart Cohen. "We are pleased that the company's management has expressed a desire to receive our input regarding age diversity issues."

"Capital One will continue to improve its training efforts both in its evaluation process and in diversity awareness, especially with regard to age issues," spokeswoman Tatiana Snead said, adding that the suit was resolved on a "mutually-beneficial basis."

LAWSUITS ON THE RISE?

Age Discrimination — Last Five Years



In fact, if recent history and future demographic indicators are considered, we're likely looking at a rise in age discrimination challenges and lawsuits for many years to come. Respondents to our

ExecuNet survey said loud and clear that they feel as if the situation has deteriorated for older workers: 89.8 percent said the current economy and related downsizing have put them at a greater risk for age discrimination. Nearly three-quarters — or 72.3 percent — said age discrimination has increased in the past five years.

“As our population grows older — as it is now doing — the incidence of acts of age discrimination inevitably will rise,” Gregory said. More than eighty million Americans now living were born during the two decades following World War II. The baby-boomer generation, far more numerous than any generation either preceding or following it, will be the largest segment of a population growing increasingly older over the next twenty-five to thirty years. The oldest baby boomers — those who turned fifty in 1996- turned fifty-five in 2001 and will be sixty-five in 2011.

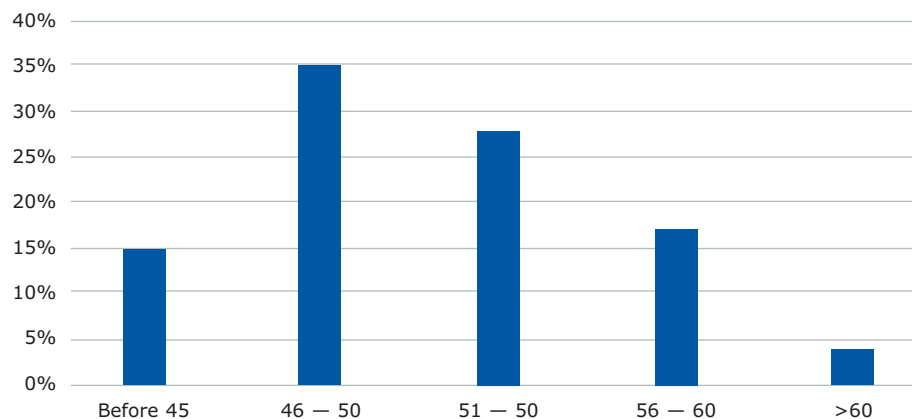
“I believe that the current difficulty with age is exacerbated by the poor employment market of the past couple of years,” an ExecuNet survey respondent said. “With so many candidates for every position, it is easy for a company to discount older workers. In a healthy employment market, I think older candidates would be more seriously considered. Unfortunately, we are all aging further while waiting for an upturn in the employment market.”

HOW OLD IS OLD?

There’s that well-known aphorism that you are only as old as you feel. But for executives in the job market, that should probably be amended to you are only as old as you look to the recruiter or hiring manager. While a youthful appearance and outlook is a combination of many factors — including healthy diet, a positive attitude, and plain old good luck in your gene pool — age discrimination tends to begin to rear its ugly head for executives in their late 40s and early 50s, executive performance coach Dr. Tom Massey said.

In the ExecuNet 2003 survey, the largest group of respondents — 35.7 percent — said they believed age became a “significant” factor in the hiring decisions about them between ages 46 and 50. The second largest group — 27.6 percent — said they first felt it emerging as a big factor from age 51 to 55.

When Age Becomes a Factor In Hiring Decisions



On a positive note, you can do a lot to battle against being perceived as old, Massey said. “You can control whether it will happen to you or not by taking care of yourself and preserving your energetic outlook on life and work. I see people in their 70s who are vibrant, energetic and in great demand” in the corporate ranks, he said. “I also see ‘old’ 50-year olds who are burned out.” Much of his advice for how to avoid age discrimination comes straight from the family doctor: Take care of your health, exercise, get good sleep and eat right. “Your marketability will be judged on the energy you project, not your calendar age,” he said.

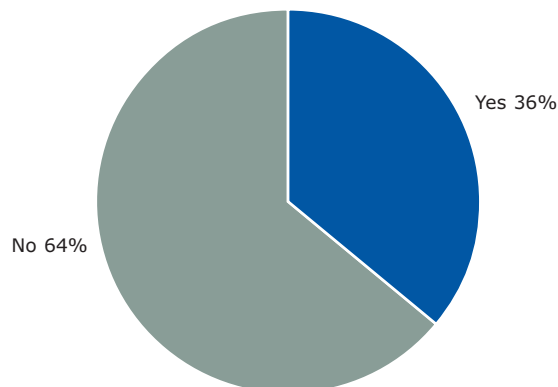
Some industries seem to have more of an obsession with winnowing out “older” employees, e.g. fashion and dot.com and technology. “However, an individual can still overcome the problem by displaying the right skills, and understanding of the business, along with passion and energy,” a senior executive in transition said in the ExecuNet survey.

Another senior executive searching for a new job agreed that, while age discrimination is “rampant,” older employees still have some tools to leverage in their job search. “I believe if you display energy and have the skill set that an employer desires, you will get hired at any age...it’s all about business and making money; and if you can do that, you will be needed.”

“There’s never a bad time to start your networking activity just as there is really never a good time to stop,” notes ExecuNet President Mark Anderson. “But strong networking might be at its most valuable to senior executives just as they begin to hit this invisible ‘age wall’ that otherwise threatens to stall out their careers.”

Survey respondents know on some level that age discrimination is a factor that could impede their professional progress: 72.4 percent said they fear being victimized by age discrimination, while 40.4 percent said they feared they would be forced into early retirement because of their age. More chilling perhaps, over a third in our survey — or 36 percent — said they feared they were getting too old to find a new job.

Too Old To Find A Job?



But an executive with a strong circle of connections — fueled by networking and other personal outreach — is in a much stronger position to make certain that recruiters and hiring managers focus more on their competency and accomplishments, Anderson said.

SO, IS THERE A 'PERFECT' AGE?

Like beauty, opinions about age are arguably in the eye of the beholder. An October survey conducted by the Harris Poll asked, "If you could stop time and live forever in good health at a particular age, at what age would you like to live?"

The answer: 41 years old. Harris cautions that this average is based on replies which vary from those younger than twenty-one to ninety or over, so there is certainly no consensus.

But in the survey, many people did choose an ideal age that is close to their own. For example, most people who are 18 to 24 (66 percent) or 25 to 29 (62 percent) would choose an age in the twenties. The older people are, the older their ideal age. The average age chosen by people aged 30 to 39 is thirty-seven; the average chosen by those aged 40 to 49 is forty and so on. However, as people get old, they tend to choose an ideal age that is somewhat younger than their own. The average age chosen by people aged 65 or over is fifty-nine. And the average age chosen by people aged 50 to 64 is forty-four.

Small, but not insignificant, numbers choose remarkably old ages: perhaps they paid special attention to the wording of the question which said "in good health." One in twelve people (8 percent), including 20 percent of those now 65 or older, see ninety or older as the ideal age if you are healthy.

While your current age has a big influence on what your ideal age is, it is not much influenced by anything else we have measured. Whether you are rich or poor, African American, White, Hispanic, Republican, Democrat or independent, highly educated or not, it doesn't much influence your preferred age. However, there is one modest difference — and a surprising one perhaps — in that women's ideal age is forty-three, four years older than men's ideal age, thirty-nine.

This question on the ideal age was the idea of the distinguished social scientist Leo Bogart. "People are living longer, with better healthcare and new medical advances," he said. "Yet most of us, until we reach middle age, would like to stay at our present age. American culture has always emphasized youth, but the elderly wouldn't want to go back to their twenties and almost no one wants to start life over again as a child or teenager. Most of us seem to be comfortable with where we are."

The survey is the result of a nationwide Harris Poll conducted by Harris Interactive among 2,306 adults nationwide who were surveyed online between September 16 and 23, 2003.

HOW TO FIGHT BACK

The survey may have also highlighted something of a "disconnect" between how senior executives feel about themselves and the way others — especially younger managers — might view them. While only 21.8 percent said they feared their skills were becoming outdated, a much higher percentage told us they felt they'd been victims of age discrimination. It is quite possible that these workers are not demonstrating their enthusiasm and knowledge effectively to those around them.

Failing to show that you are young in professional spirit can have dire consequences for your career. Some search firms actually break out older employees and have acronyms for them like TFO for "Too F***** Old," said David Carpe, principal at Clew, and a human resources and management consultant. While a lawsuit or other action may ultimately catch up with a recruitment firm or business that plays that way, Carpe advised senior managers to hold fast to their belief that they are good and valuable. "Wait for those who value you" for who you are and what you bring, he said. Forget about the superficial stuff like cosmetic surgery and dying your hair, he said. "It all comes out and you look insecure and desperate for trying," said.

Others in the ExecuNet survey said they handle their advancing age delicately. "I recently started work at a new company as an officer. The majority of officers are in mid 30s to mid 40s. I have grandchildren the same age as their children and stepchildren their age. I am very cautious about mentioning my older children and grandchildren. I fear that there will be an assumption that I am over the hill if they know my true age. I look younger and am very competent in my profession but that fear of discrimination lingers. I hear the comment often that 'we are a young group.' I don't volunteer info in conversations about the 1960s or 70s. Age discrimination is very real."

Another senior survey respondent had a slightly different philosophical take on the situation. "Over 50, make the best of your situation. Play the hand you are dealt. Consider starting a company or working with a smaller, newer company where equity makes the overall compensation attractive. Personally, I like the environment at smaller entrepreneurial companies over larger ones."

Age becomes more of a factor if you are seen to lack the energy to do the job, several respondents told us. As one summarized, "so this could be a factor when you are 45 (and do not have the physical capacity to do what the job takes), at the same time you could be 60 and seem to be very fit and get the job (provided you have the skill sets that they are seeking)."

Agreed another survey respondent, "age is really a problem when you physically look or appear to act old, that's a reality. Old is out, youth is hip. So if you have aged well, keep fit, have high energy, and a global perspective, age will be never be a problem...well, maybe not 'never,' but should not cause major concern."

FINALLY, SOME GOOD NEWS

You can't stop getting older, but you can take comfort in the fact that you are not alone as an older worker in today's market. In fact, you may be able to leverage that fact to your advantage in the years to come. The retirement of massive numbers of experienced workers throughout this decade and beyond is likely to create widespread skill shortages in many companies, The Conference Board said in September.

Their findings are based on a survey of 150 human resources officers, recent Conference Board meetings with business executives, and ongoing Conference Board research. It finds that the impending retirement of 77 million baby boomers — the largest generation in American history — could wreak havoc in the large number of firms that do not have action plans to stem this retirement tidal wave.

"The leading edge of boomers, now in their mid-50s, are beginning to retire," said Howard Muson, author of the report, "and not enough people are coming along in the much smaller Generation X,

now 25 to 38 years old, to replace them. The unprecedented turnover rates in recent years among younger, mid-career employees will further shrink that pool of qualified replacements at many companies. There is a real question as to how many companies are prepared for the retirement tidal wave already underway.”

The Conference Board report shows that while companies devote significant time and money to find replacements for outgoing CEOs and other top officers, they are expending far less resources to groom successors for highly skilled professionals and making sure that invaluable knowledge is passed on to younger workers.

Among the 150 companies covered in the report, 66 percent do not keep age profiles of their workers, 63 percent do not maintain inventory banks listing the firm’s available skills, and 49 percent do not assess their companies’ training and development needs.

Clearly, age discrimination is for real. Workers in their 40s and beyond are likely to encounter stubborn yet subtle roadblocks thrown down by younger managers and hiring personnel. But equally clear is the fact that a positive, enthusiastic attitude and a strong circle of network contacts can do wonders to make certain that it is your accomplishments and value that ultimately land you a great job.

RESOURCES: WHERE TO GO FOR MORE INFORMATION

Resources cited in the EXECUTIVE JOB MARKET AGE DISCRIMINATION SURVEY 2003 include:

- Age Discrimination in the American Workplace: Old at a Young Age by Raymond F. Gregory (2001, Rutgers University Press)
- The U.S. Government’s Equal Employment Opportunity Commission — A good place to start is its job discrimination Q&A
- AARP — www.aarp.org
- The Conference Board — www.conference-board.org/
- Harris Poll Online — <http://vr.harrispollonline.com/register/main.asp>
- David Carpe, Principal, Clew, LLC — www.clew.us



YOUR AGE CAN BE AN ADVANTAGE IN YOUR JOB SEARCH

If you are 40+, you may be knocking up against the “gray ceiling”. How do you overcome subtle bias and the objection that “you’re overqualified” and take advantage of your age in making a successful job change?

Learn how to prepare to overcome the possibility of age bias in your job search by attending an ExecuNet online seminar taught by Jean Erickson Walker, author of *The Age Advantage: Making The Most of Your Midlife Career Transition*. Walker, a career management expert, whose special area of interest and expertise is focused on the 45+ age group, provides practical and inspiring advice on how to shine a positive light on your experiences and sell your skills in today's job market.



Walker presents two unique seminar programs, **The Age Advantage: 12 Rules of a Successful Search** and **Making your Age a Search Advantage: Tips & Techniques that Work!**

These fast paced 1 1/2-hour workshops are **LIVE** events and are specially priced at \$29.95 each. All you need is your phone and access to the Internet to participate.

Examples of some of the topics:

- › Recognizing midlife hiring blocks
- › Identifying powerful selling points
- › Taking the initiative
- › Preparing the package
- › Targeting the market
- › Selling the brand promise

Check out ExecuNet's schedule
of online seminars at
[www.execunet.com/e_network.cfm!](http://www.execunet.com/e_network.cfm)

Feedback from prior sessions:

- › “Great Job!”
- › “It was a great experience and I have gained some valuable information.”
- › “A very worthwhile session!”
- › “I think this is a great idea and an inexpensive way for people to network with experts and consultants in the field...first time for me, and I will use it again.”

Dates:

- › Jan. 14: The Age Advantage: 12 Rules of the Road for a Successful Search
- › Feb. 4: The Age Advantage: Tips and Techniques that Really Work
- › Feb. 25: The Age Advantage: 12 Rules of the Road for a Successful Search
- › March 10: The Age Advantage: Tips and Techniques that Really Work
- › March 31: The Age Advantage: 12 Rules of the Road for a Successful Search

