

THE FIRST REPORT

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FIRST TRANSITIONS STUDY FINDS SEARCH LENGTH AFFECTED MORE BY SALARY LEVEL THAN BY AGE

Many older job hunters complain that age discrimination lengthens their job hunts. Media reports often support this view with anecdotes about older job hunters who can't find work. But the older candidates we work with at First Transitions generally don't search for much longer than the younger ones.

To find out what was really happening, we tracked the job-search time of all our candidates between June 2004 and November 2005. The results of these 434 professionals and executives indicate that **age has less effect on search times than salary.**

We believe the study shows that lengthier searches are due to old-fashioned supply and demand. Older job hunters typically seek senior level jobs that pay well, and competition is greater for them than for lower-paying positions.

We found that:

- The average search length for all candidates was 5.62 months.
- In the aggregate, candidates needed to hunt one month for every \$20,000 they earned in annual salary in their former positions. This means the old rule of thumb – job hunters can expect a month of search time for every \$10,000 in salary they earn – appears to be no longer true.

- Job seekers who were 61 and older **took less time** to find new roles than some job seekers in younger age groups.

- The women candidates we helped found new positions slightly more quickly than the men, primarily, we think, because their former salaries were lower than the men's.

First Transitions works with candidates nationwide until **they secure new jobs.** Our clients generally receive extensive one-on-one help from counselors, including advice on setting career objectives, resume writing, networking, interviewing and negotiating.

Job hunters as a group, particularly those who don't receive outplacement help from their companies, don't receive this type of aid. Therefore, their search times may differ from those in our study.

Still, our research may help minimize the perception among older job seekers that widespread

age job discrimination will prolong their searches. We hope it gives them more reason to be hopeful about finding new employment. We believe that if all candidates work hard and smart at their job hunts, they have every hope of receiving good offers in the times shown in our findings.

Please turn to page 3 for a chart showing the full results of our study.

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FIRST¹ TRANSITIONS

CAREER TRANSITION PROGRAMS FOR:

Executives

Senior Managers

Directors

Managers/Supervisors

*Exempt and Nonexempt
Group Workshops*

FIRST¹ STRATEGIES

Executive coaching

Career assessment

*Organizational career
development programs*

Leadership programs

Succession planning

Retention strategies

360-degree performance appraisals



THERE'S NO SUBSTITUTE FOR THE HUMAN TOUCH

England may be famous for keeping a "stiff upper lip," but employees there want their outplacement assistance to have a softer human dimension.

Penna PLC, a London-based human-resources consulting firm, asked ex-employees and their companies what each valued most about outplacement. About two-thirds of employees say their personal coach was the most valuable part of their program, and 86% noted that a personal review with this coach was essential.

Employers said their goal for outplacement was to send a positive message to their remaining employees. And while more than 90% of employers expected their former employees to use outplacement to find new jobs as fast as possible, only 65% of individuals said this was their main goal. Other individuals wanted to assess their career options or change careers or lifestyles.

DON'T UNDERESTIMATE THE POWER OF (WORKING) WOMEN

U.S. women have fought big government and won.

In mid-2005, the Labor Department's Bureau of Labor Statistics decided to stop collecting monthly payroll data on the number of women workers. The bureau felt a separate monthly survey provided equal or superior data on women and that not asking about women workers would put less of a burden on companies reporting the monthly data.

Women disagreed. After an outcry from women's groups and nearly 5,000 comments (90% opposed) to the change, the BLS is reinstating this part of the earnings and employment survey, which covers 400,000 establishments monthly.

HR EXECS: EMPLOYEE REFERRALS KEY TO HIRING TOP TALENT

If you want to land a good job, get a current employee to refer you, U.S. human resources executives say. In their view, employee referrals are the best way to recruit top candidates, according to a survey by Harris Interactive for Spherion Corp., a Fort Lauderdale, Fla., staffing firm.

Some companies need to improve their image among current employees to get those referrals, though. Only 52% of workers say they would refer friends for jobs at their companies, while about two-thirds say their companies don't offer incentives, such as referral bonuses, for them to do so.

HR executives cited the following as other top methods of recruiting employees: the Internet/job boards (34% of HR executives); classified advertising (33%); internal recruiters (29%); professional associations (14%); staffing/recruiting agencies (14%); and temp-to-permanent hire (9%), Spherion reports.



EMPLOYEE COMPUTER GAMES: LOOKING FOR NEW JOBS?

Nearly one-fourth of U.S. employees say they look online for new positions during work hours, according to a three-day poll of workers who use a computer cited by the Society for Human Resources Management. Women and younger workers are most apt to do so, the Hudson poll reveals.

Job hunting during the workday is widespread even at companies that monitor employees' computer use. More than a fourth of employees who say their Internet use is watched say they still looked online for jobs, according to the survey.

Supervision aren't setting a better example. Hudson found 24% have used the Internet at work to look for other employment.

Employees may want to be more careful, however. Among human resources professionals surveyed in 2005, 30% said their organizations disciplined and 20% said their organizations fired employees for nonwork-related Internet use.



ARE BUYERS GETTING THE TRUE VALUE OF OUTPLACEMENT?

Many organizations offer outplacement services to "manage" their reputations with former employees who are terminated; maintain morale among existing employees; and ensure a positive reputation in the community, according to a 2004 survey by Right Management Consultants Inc.

This large outplacement firm followed up in 2005 by surveying employees using outplacement services to confirm that those who are well-treated during a transition will hold their former employers in higher regard and tell others about their feelings.

The subsequent survey found that:

- 40% of surveyed employees felt more favorably about their former companies because outplacement was provided.
- 56% would recommend their former employers to a friend seeking employment.
- 62% still met frequently with colleagues at their former companies.

The first two percentages strike us as dismal, and certainly far too low for the fees companies are paying to send employees for outplacement counseling. For instance, if 40% of employees felt

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better about their former employees because of outplacement, what about the remaining 60% of those receiving outplacement? Do they feel worse about their companies after getting outplacement aid?

And if 56% of employees would recommend their former employees to friends seeking employment, would 44% discourage friends from working for their prior companies?

Our feeling is that these findings cast a poor light on the outplacement industry as a whole. What other company could survive with such a poor outcome? Note also that those receiving outplacement services – candidates themselves – aren't the ones paying for them. If candidates paid the same fees for outplacement as their companies do, their opinions might be even lower.

First Transitions works with candidates until they find new positions. But most other companies in our industry don't offer this policy. Indeed, at most outplacement firms, assistance provided to employees below the senior executive level lasts between three and six months on average. Not surprisingly, employees surveyed by Right Associates who are in programs of shorter duration indicated they were less satisfied with the assistance they received than those being helped longer.

JOB-SEARCH TIME BY AGE AND SALARY FOR FIRST TRANSITION CANDIDATES

AGE	MEN		WOMEN	
	Average annual base salary in prior job	Average time to find new position (months)	Average annual base salary in prior job	Average time to find new position (months)
35-40	\$90,000	5.60	\$80,000	4.60
41-45	\$132,200	5.13	\$103,750	4.80
46-50	\$135,882	6.00	\$112,142	5.00
51-55	\$117,272	6.30	\$110,000	6.40
56-60	\$99,800	5.88	\$101,750	6.10
61+	\$93,300	6.10	\$98,700	6.20
Overall age (men & women)	Overall prior annual salary		Overall search length	
50.2	\$112,552		5.62	

Source: First Transitions Inc., Oak Brook, Ill., January 2006



Our day-to-day activities, our dealings with each other and our relationships with customers/clients must be governed by a passionate and unwavering commitment to a set of values, which are:

QUALITY

Take time to do things right the first time.

SERVICE

Render intelligent, timely and considerate service to all.

CONCERN FOR PEOPLE

Treat clients, program participants and employees with honesty, trust, fairness and respect.

COMMUNICATIONS

Communicate with our clients, program participants and employees in ways which will assure mutual understanding.

CONSISTENCY

Insure that our behavior each and every day supports our values, goals, and standards.

SIMPLICITY

Conduct our business in an easily understood manner.

REALISM

Acknowledge that our success will come through intelligence, hard work, patience and experience.

RECOGNITION

That our clients and participants trust us with the most highly confidential information they have.

RESPONSIBILITY

Encourage individual responsibility and decision making.

FLEXIBILITY

Recognize the necessity to be open to change for the mutual benefit of our clients, program participants and our organization.

RESPECT FOR TRADITION

Understand what created past success.

INTEGRITY

Consistently practice the utmost modesty and integrity in serving our clients, our participants and ourselves.

COMMITMENT

Take the plunge - there is truth in the theory that there is "strength in numbers."

And finally, never sacrifice these precepts for the short-term.





*If older job seekers
believe the cards
are stacked against
them because of age
discrimination,
they will likely see
everything through this
prism and they won't
present their best
selves to employers*



GOOD NEWS FOR OLDER CANDIDATES

Dear Friends and Colleagues:

The First Report is in its seventh year of publication. We always hope it provides human resources professionals and job hunters with thoughtful information about the employment market and outplacement.

I am especially proud of this issue, however, since it addresses an issue I feel strongly about: The widespread misperception that older candidates can't find work because of age discrimination. This pervasive belief has contradicted what we see month in and month out at First Transitions – that over-50 candidates in our offices don't have more difficulty landing new jobs than candidates in any other age bracket.

So why does this myth persist nationwide, giving older job hunters a reason to be negative and to avoid examining their job-search strategies and presentations? Primarily because, until now, no accurate surveys of job-search length have been conducted.

Prior surveys of job-search lengths published by outplacement firms have been inaccurate and misleading because they don't include candidates whose programs ended before they found new positions. (With these job hunters out of the database, published search times have been suspiciously fast. In fact, some of these surveys indicate that, on average, executive-level candidates found jobs within three or four months – faster than the hiring process at many companies!)

We decided to conduct a statistically accurate survey that followed candidates until they landed new positions (this wasn't difficult since all the people we work with stay in our program until they land). We tracked their search lengths by their age and salary level. We found what we suspected: Older job seekers find jobs in about the same amount of time as younger ones. The results also show that salary correlates better with search lengths than age.

The results of our study were included in an article on www.careerjournal.com, a free Web site published by the online Wall Street Journal, and many older readers wrote in support.

If older job seekers believe the cards are stacked against them because of age discrimination, they will likely see everything through this prism and they won't present their best selves to employers. Don't fall for this myth.

Russ Jones



FIRST¹ TRANSITIONS

First Transitions, Inc. has been a provider of career-transition services since 1981. We have completed consulting assignments for more than 400 organizations in 35 states. Our uniqueness has been in the caring, nurturing approach we have taken in assisting individuals in attaining life goals, personal and professional.

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