You're Too Old

You're doing a great job leading your company. Your workers know it, your shareholders know it, even your competitors know it. Most of all, *you* know it. And what you'd like most is to take your company to the next level. There's just one problem: You're 65. Sorry, old man, it's time for you to go.

"Says who?" you might ask defiantly. Well, say Altria, Merck, Intel, Dial, Target, ExxonMobil, General Electric, and many other Fortune 500 companies that set a mandatory retirement age for their top executives. But is such a policy antiquated, even discriminatory? You may find your answer by looking up—to Canada, where lawmakers, businesses, and workers are currently battling over the future of mandatory retirement.

"You get your gold watch, and then what you do is you retire and play golf?" asked Thomas d'Aquino, 64, president and CEO of the Canadian Council of Chief Executives, in *Maclean's*. "I think that's a very outdated concept. My definition of leisure is to be able to do what you want, as opposed to the ability to do nothing." Indeed, many policy-makers want to do *something* to end mandatory retirement. While some Canadian provinces outlawed mandatory retirement years ago, others are debating whether their human-rights codes should cover workers over 65. In many parts of Canada, including Ontario, age-discrimination laws cover only people 18 to 65. Notably, Paul Martin, the nation's prime minister, opposes mandatory retirement. He's 66.

Back in the United States, mandatory retirement has been illegal ever since 1987 for everyone except police, firefighters, airline pilots, air traffic controllers—and individuals who are prominent decision-makers within their company. Ironically, the more influence you wield over corporate policy, the less likely you are to be protected by age-discrimination laws—one reason why why many CEOs' employment contracts stipulate a mandatory retirement age.

Sixty-five seems to be the magic age at which executives evidently lose their health, lose their energy, lose their ability to connect with younger staff, and lose their ability to reason. Consequently, they should lose their jobs, right? Yet at 65, Jack Welch was more energetic and competent when he left GE than most younger CEOs ever are. Qualcomm chairman and CEO Irwin Jacobs, 71, is still working hard. And 81-year-old media mogul Sumner Redstone continues to lead Viacom against rival News Corp., run by 73-year-old Rupert Murdoch.

Furthermore, 65 isn't what is used to be, thanks to advances in medicine and a longer expected life span. According to the Social Security Administration, a 55-year-old man in 1960 faced the same likelihood of dying as a 62-year-old man today. With people living healthier, longer lives, shouldn't they be able to work longer too? Yes, says the SSA, which is one reason it raised the age for benefits qualification to 67.

So are youthful executives better at managing a company? Most companies seem to think so, given that the seven hundred largest U.S. companies saw the average age of their CEOs drop from 59 to 56 over the past twenty-five years, according to executive-search firm Spencer Stuart. And more than half of Fortune 300 CEOs are in their 50s. Which isn't to imply that youth guarantees superior leadership—just look at Jeffrey Skilling, only 47 when he resigned (and 50 when he was indicted). So, if generalizations about aging CEOs are the basis for mandatory retirement, then should firms likewise generalize about the inexperience of youthful CEOs and establish a mandatory *minimum* age requirement to lead a company? —Vadim Liberman

ican Express Financial Advisors) and ending up as head of marketing for ten thousand financial advisers. During those years, Mandell says, there was "stuff roiling around inside me" that demanded expression, and which found it in sculpting, painting, and drawing. For Mandell, "It was like the call of the wild," and he answered by retiring in 2001, at 59, in order to pursue art full-time.

In some cases, the dreamed-of new life is domestic—not a new life, exactly, but a resurrected old life interrupted by career. It is a rare executive who does not profess a desire to spend much of his new free time with his family (even if his word doesn't carry quite the same authority at home as it does at the office). This is usually in the hope of balancing accounts after years of slighting duties as husband and father for the sake of career. Families have long suffered for the sake of the household head's career, as biographies of business titans grimly confirm. More and more retirement announcements allude frankly to the marriage that needs more time than a busy spouse can give it, or to the troubled kid who needs a full-time parent.

The more sophisticated career-transition planners urge that families be included in the process. Boston-based New Directions describes its clients as "senior-level executives, professionals and their families." LeaderSource's Joe Eastman says, "We encourage the spouse to be a co-participant in the process." Jefferson Welch says that the Center for Executive Options sees its job as helping not only executives but their spouses—and sometimes even adult children—plan for the day when each is likely to play a bigger part in each other's lives.

Frozen in Fear

Not all senior executives know exactly how traumatic the change from a too-full to a too-empty life can be, but most sense the danger and shrink from it. "It's quite remarkable how frequently we see clients who put off any serious consideration of career transition until the eleventh hour," Welch says. Nor is this merely an I-don't-want-to-get-my-teeth-cleaned kind of procrastination. "In most cases," he says, "they are frozen in fear."

The business press is filled with laments from newly retired CEOs about the unexpected difficulties that attended