Ageism and the Gender Pay Gap: Why Getting Older Can Be Problematic for Women

The U.S. workforce as a whole is getting older. Can we afford to discriminate against people, particularly women, on the basis of age?

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While, organizations, by law, may not ask about an applicant's age in an interview, a September 2018 AARP survey found that more than 90 percent of U.S. workers described age discrimination as "somewhat or very common" in the workplace, and 44 percent of older job applicants said they personally had been asked (illegally) for age-related information from potential employers.

In short, age and experience are often perceived as a negative, rather than a positive, by companies. In fact, according to the Equal Employment Opportunities Commssion, age discrimination has consistently been the focus of more than 20 percent of its discrimination cases. So, what does this mean for the older female worker?

Related: Ageism Is Hurting Your Tech Company's Hiring More Than You Realize

The National Bureau of Economic Research looked at the issue directly. Testing for the prevalence of age discrimination in hiring, it found that that the résumés of older women get far fewer callbacks than both those of older men and younger

applicants of either sex.

No big surprise there: Plenty of organizations have been perceived to be “clearing out” older employees. Ohio State University was accused of calling older staff “deadwood.” And, in the youth-oriented tech sector, HP has been accused of ageism practices, along with Google and Tinder. Some Facebook ads have not even been shown to older users, implying that ageism is literally baked into its algorithm; a lawsuit accuses Facebook of purposefully using algorithmic tools to feed job ads to younger workers.

Sex discrimination isn’t new, and neither, of course, is ageism. But, combined, they create the perfect storm for older women unfortunate enough to be looking for work.

The new age demographic of the workforce

Take a look at the overall data stemming from the population’s glut of baby boomers and our healthier lifestyles: The number of Americans aged 65 and older is projected to more than double, from 46 million to over 98 million, by 2060. And every day in the United States, 10,000 people turn 65.

For people born today, the likelihood that they will live to triple digits is strong: A child born in 2011 has a one in three chance of living to his or her 100th birthday. And, globally, the number of people aged 60 and older will increase to 2 billion by 2050. In other words, we are living longer; therefore, whether by choice or necessity, we are remaining in the workforce longer, and how we deal with this trend will determine how we ultimately deal with an older workforce.

Some companies appear to not be dealing with it well: In a lawsuit last November, Saks Fifth Avenue was accused of age

discrimination, when two employees, ages 68 and 70, said their younger counterparts had received help from supervisors. As a result, even though they kept up their sales, the suit says, these employees claimed they were “set up for failure” and unjustly terminated.

Related: An Employment Lawyers’ Perspective on Age Discrimination in Silicon Valley

Women and ageism

An old saying holds that, “Men age like a glass of wine, women like a glass of milk.” Why is it that as a society we perceive older men as experienced and successful while older women are viewed as a burden or a sector that no longer has a purpose?

Here’s the double whammy: When women are younger, meaning of child-bearing age, it is assumed that they will take time off to raise a family. Then, when those same women are older, it is assumed that not only did they take time off, but that they therefore have less experience or are less qualified than a man of a similar age.

In July 2016, female servers sued the Saks Fifth Avenue restaurants located within the flagship store in New York, claiming women over the age of 40 were unfairly terminated in favor of younger, more attractive male servers. In the lawsuit, the five women plaintiffs claimed they were let go because they were “not attractive enough” and “getting old.”

It’s all about the money.

Women live longer than men, so it’s fair to argue that they need more income to provide for their retirement. However, women get paid less than men for similar work. A lot of people quote the “80 cents to $1” number which has been the accepted measurement of the gender pay gap for years

Then there’s the recent study by the Institute for Women’s Policy Research, which analyzed a longitudinal dataset showing total earnings over the most recent 15 years for all workers who worked in at least one year.

That data, the Institute said, showed that women workers faced an actual wage gap of *51 percent* in the 2001-2015 time period. Its research also found the cost of taking time out of the labor force to be exorbitant for women. For those who took just one year off from work, the study said, annual earnings were 39 percent lower than those of women who worked all 15 years between 2001 and 2015.

So, what can we do?

I believe these issues of ageism and sexism all start with the one question: Who is expected to stay home and raise the children? Here’s how we can solve this question in a way that is more favorable to women.

We need paid family leave and affordable child care. The same research found that 43 percent of today’s women workers had at least one year with no earnings, which was nearly twice the rate of men with that experience. So, the conclusion is that we need to protect women’s earning potential when they are out of work because, well, they made a human.

We also need to encourage men to take family leave. I was at my company’s marketing kick-off recently, and we were talking about maternity leave. I live in Ireland, where we have six months’ paid leave (more, if we accept reduced pay). The United States is the only developed country that does not offer any federal paid parental leave! (Only five states and the District of Columbia have it.)

American parents rely heavily on the Family and Medical Leave Act (FMLA), which allows parents (of either sex) to take up to 12 weeks of *unpaid* leave without penalty in pay or position.

Often, men don’t take advantage of the family leave available to them because they are concerned about how it might impact their career. We need to change that.

So, we need to strengthen ageism laws. But one critical issue with really measuring ageism is that qualified candidates don’t even get to the interview stage. We need to change what is happening inside organizations. Leaders need to be on board; HR needs to ensure it reviews a balance of resumes when hiring for a new position; and promotions need to reflect the diversity of people in the organization.

Finally, we need to train workers better to counteract unconscious age bias. As an executive myself, I find this need particularly crucial. People have unconscious biases about older workers, especially older women. We need to change this and …

- Enable people to recognize their prejudices.
- Develop recruitment programs for older people (afterall, research shows that more diverse groups make better decisions)
- Adapt cross-generational mentoring, which has been shown to increase retention rates.
- Recognize the research that shows the value to companies of a more diverse employee profile.

As Jo Ann Jenkins, AARP CEO, has said,“Studies have shown that the productivity of both older and younger workers is higher in companies that have mixed-age work teams than in companies that do not and that age diversity within a team heightens performance in groups that must undertake complex decision-making tasks.”

Related: Combating Reverse Ageism as a Young Entrepreneur

In short, diversity is key – for all kinds of groups but especially considering that this is Women’s History Month, for women and older women, in particular.

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