Wall Street Journal, Page B14, Thursday, February 15, 2001

Nine Ford Workers File Bias Suit Saying Ratings Curb Older Staff

By Norihiko Shirouzu

DETROIT — A group of salaried workers at Ford Motor Co. has sued the automaker, charging that it used an employee-evaluation system to weed out older workers.

The complaint by nine workers comes against the backdrop of unease inside Ford about the new review policy, which marks a sharp change from the company s previous practices and is a highly visible symbol of Chief Executive Jacques Nasser s crusade to overhaul the 98-year-old company s culture. The policy, a merit-based review system, was instituted at the beginning of last year.

Under Mr. Nasser s evaluation system, which affects some 18,000 Ford salaried workers around the world, employees are graded A, B or C. Last year, 10% of salaried workers received A grades, 80% got B s and 10% received C s. The auto maker altered the system, analogous to the grading system on a curve used in school, for this year s evaluation so that only 5% of the affected workers would receive C s, and 85% B s and 10%A s. According to the company those who receive C s are not eligible for pay raises or bonuses, and those who get a C ranking for two years straight may be asked to accept demotion or leave the company.

Ford spokesman Ed Miller declined to comment specifically on the age-discrimination case, but noted that the new evaluation system is not biased against older executives and engineers. This suit attacks diversity, but we see diversity as being diverse in race, gender and age, he said. Ford is committed to becoming a diverse company, racially, ethnically and along genderlines, age and sexual orientation

But lawyers for the plaintiffs in the age-discrimination complaint, filed earlier this week in the Wayne County Circuit Court, say Ford is using the evaluation system to systematically pluck out older managers.

We believe the new evaluation system was deliberately designed to reduce Ford s work force based on age, said Sue Ellen Eisenberg, one of the three principal lawyers for the plaintiffs. Ford Motor Company and I analogize this to ethnic cleansing is trying to assess its workers by stereotypes such as beliefs that older people are slow to embrace new learning opportunities, or slower to upgrade skills, or reluctant to become involved with change initiative.

One of the plaintiffs in the age-discrimination case, John Wyrwas, 60 years old, said he has successfully completed training for Ford s six sigma quality-improvement program and was carrying out a project last year to improve the product-prototyping process as a

black-belt candidate in the quality initiative when he received a C grade. Ford has said

the black-belt status is intended for top-performing employees with leadership and extensive knowledge in math and statistical analysis.

The process under which he was given a C grade was devoid of any objective criteria, Mr. Wyrwas said.