

Big Burden for Ex-Workers of Enron

By JIM YARDLEY

It has come to this for Laura Chapa: After sending out more than 300 résumés since losing her job at Enron three months ago, she had gotten exactly two interviews and no jobs. Then she got a tip from her daughter, Bernadette, who works in a jobs program for college students that needed more people.

So Ms. Chapa, 40, who had been a software tester at Enron, drove to an interview on Thursday. She was one of 12 applicants for four positions. She wore a black business suit; the other candidates wore jeans. If she is accepted, the one-way trip from her suburban home will be 47 miles.

It would bring no benefits, no vacation, no sick days and half her salary at Enron. She would be required to enroll in a local college. But she is praying she gets it.

"It's a job, how's that?" Ms. Chapa explained.

For most of the 4,000 former workers who were laid off at Enron's headquarters here when the company filed for bankruptcy in December, the search for new jobs has been slow, painful and frustrating. Part of the problem is the slack local job market, which absorbed 20,000 layoffs last year. But many former Enron employees also say they believe that company's now-infamous tilted "E" logo, once a symbol of excellence but now synonymous with corporate corruption, has become a scarlet letter on their résumés.

Precise figures on the employment status of ex-Enron workers are not available. Some have found jobs, others are starting businesses. But the overwhelming majority are still believed to be jobless, most of them low- and midlevel employees who saw their retirement accounts decimated and are now struggling to pay their bills.

Some have sent hundreds of résumés without getting an interview. Others say that, during interviews, they have been quizzed about their ethics or chastised about Enron's corporate culture.

"You really can't find a job," said Gwen Gray, 42, who spent three years at Enron working as a senior human resources assistant and has already lost one clerical job because of her ties to the company. "I've been sending out résumés like crazy."

The frustration boiled over last Monday during a town hall meeting of about 320 ex-Enron workers with the company's acting chief executive, Stephen F. Cooper. The audience peppered Mr. Cooper with questions, including one man who rose to describe how Enron had not only left many of them penniless but had also unfairly stigmatized them in the eyes of other employers. The crowd gave him a raucous cheer of support.

A day earlier, a help-wanted advertisement in The Houston Chronicle seemed to smack of blacklisting. The Houston unit of a financial printing and information management business, Bowne & Company, was inviting applicants for legal clerking positions to attend two job fairs, with specific exemptions. "No current or former employees of Enron, Arthur Andersen or the U.S. Government will be considered," the notice stated.

But a Bowne senior vice president, Joseph O. Miles, said the jobs involved working on a temporary, confidential assignment with Arthur Andersen, the accounting firm embroiled in the Enron scandal. He said the



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caveat was necessary to avoid a possible conflict of interest, but that ex-Enron workers were eligible for other positions.

"We deeply regret any misunderstanding regarding that job fair," he said.

Local headhunters say they have been inundated with Enron résumés and noted that, in general, finding a new job often takes several months or longer, particularly for higher-level positions. One new nonprofit organization, the Resource Alliance Group of Houston, has been formed to help former Enron workers start new businesses.

Kathie Nordt, a headhunter who specializes in Internet technology, said most ex-Enron people have been well received but acknowledged that the corporation itself was resented by some other companies in town.

"There are a lot of people who were offended by the arrogance of Enron in the business world," Ms. Nordt said. Asked about a possible backlash against former workers, she said, "There may be a little bit of that."

As one former Enron employee who lives outside Texas put it, "The word Enron raises all kinds of negative things an employer might balk at." The former employee, who asked not to be named, is now a finalist for a job that would involve interaction with the media as well as with elected officials. He had no connection with or knowledge of the Enron scandal, but he said he could not escape it.

"They've told me directly that the one thing that I'll have to address about my background is the Enron factor," he said. "Either be prepared to defend it or at least understand that it is a factor that works against me."

Ms. Chapa, the software tester, had been recruited by Enron in December 2000 after spending two years as a software tester for a company doing research at the NASA space center in Houston. She had jumped at the offer because Enron doubled her salary and carried a cachet. Her résumé was pretty slim, since she had spent 15 years raising her three children. Now the biggest name on that resume, Enron, is hurting her.

"A lot of recruiters will ask you exactly what you know about this fiasco," she said. "I don't know anything."

Enron was known for paying top salaries and awarding generous bonuses, a positive that suddenly looks like a negative to many employers and job recruiters. Ms. Chapa said one recruiter complained that Enron employees were spoiled by high salaries and added, "Nobody gave me a job when I lost my job."

Cheryl Kuehl, an administrative assistant for Enron Energy Services, is still jobless after six interviews. "They say, 'We don't know what was going on there, but you guys were very overpaid,' "Ms. Kuehl said. "I think that's because none can offer as much as Enron did."

She said she is willing to take less money, but that even those lower-paying jobs are in high demand. In December, she received several calls for interviews, but now the market is tighter. She interviewed for one clerical position that paid \$10 an hour but found that seven other people were also interviewing.



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"I made four times that amount at Enron," she said.

As yet, the impact of Enron's collapse on the overall Houston economy has been difficult to gauge. Miné Yucel, a senior economist with the Federal Reserve Bank of Dallas, said unemployment, when seasonally adjusted, had barely risen in Houston, to 5.2 percent in January from 5 percent in December. For all of 2001, unemployment rose 1.5 percent in the city.

"Houston is a huge economy," Ms. Yucel said. "Yes, 4,000 jobs is quite a lot and a big hit, but compared to the whole, the effect is not that big."

The reception of ex-Enron employees by other energy companies in Houston has been mixed. Enron's collapse had an effect on companies like Dynegy Inc., the El Paso Corporation and the Duke Energy Corporation when the industry was in the midst of a downturn and had slowed hiring. Executives at these companies have taken pains to try to distance themselves from Enron's aggressive corporate culture. But they are also doing some hiring, particularly for energy traders.

Terry Francisco, a spokesman for Duke Energy, said the company had received more than 700 résumés from former Enron workers and had hired 50. He said many of the new hires were "people who had a professional relationship with our traders, who had some knowledge of their work habits and professionalism."

Edward K. Mills, the president of Aquila Inc., an energy marketing company based in Kansas City, Mo., said his company had received scores of Enron résumés and had hired about 20 people, some in Europe and others in the United States. "We're looking for their 'A' players who can embrace our culture," he said.

Robert C. Green Jr., the chief executive of UtiliCorp United Inc., Aquila's corporate parent, expanded on that thought: "We don't think we know everything. It may have been the culture issue that got them in trouble."

Adrian Woolcock, 29, ran right into that sort of skepticism. He had joined Enron directly out of Rice University, and after losing his job at Enron had several interviews with energy companies in Houston. But he is now moving to a new job as a power trader in Minnesota. He said the energy companies in Houston were just too wary of his Enron ties.

"The constant theme was, 'What happened? Did you know? What were you doing over there?' " he said.