University College London

Department of Information Studies

How can employers effectively approach the management of their older employees, and do so in a way that maintains the employee's relationship to the organisation that employs them?

Module leader:

Dr Elizabeth Lomas

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1. INTRODUCTION

We are in the first quarter of the 21st century. The way we spread and access information, work-life balance, work habits, methods of socialising and much more have been re-shaped by the increasing sophistication of technology. As a result of such technological achievements, along with increasingly advancing health care services, the population of Earth is growing, and people are living and working longer. It is predicted that the world's population will peak or settle by 2050, following hundreds of years of growth, largely due to a declining birth rate in most economically developed countries (UNDESA, 2019), (WHO, 2018). Due to these lower birth rates and the prevalence of better health care, the Earth is seeing the emergence of an ageing population, and thus so is the global workforce. Such an ageing workforce has brought about a major issue for individuals, organisations and countries alike, and has led to both an increase in the retirement age and new challenges arising for HR managers (White, et al., 2018). This brings about the question this piece is focused upon, of how employers can approach the management of older employees in a way that maintains their relationship to the organisation that employs them. In order to answer this question, is it essential to introduce a technique used primarily in Human Resource Management (HRM) – age management. This is a method that helps support and manage age diversity in the workplace and is a response to the development of the ageing demographic within the world's population. The criterion for the designation of an "older worker" is often understood as the physical (calendar) age of a person, according to their year of birth. According to (Britanicca, 2020), for statistical and public administrative purposes, old age in the UK is frequently defined as 60 years of age or older. The terms "old" or "older" used in this essay have no pejorative connotation. This piece aims to map the literary sources that deal with the topic of age management, and then continuing from this find the issues contributing to, and the effects of, an ageing workforce on individuals, organisations and society as a whole. These issues will then be addressed in significantly more detail in the following sections.

2. AGE DIVERSITY

Age diversity represents not only the diversity of workers in terms of their gender, age, nationality, ethnicity, language, education, experience and behaviour, but also the diversity of their life experiences and lifestyles. The general view of what 'diversity' means has been evolving since the 1980s (Gilleard, 2004). At first, this term was used mainly to refer to the inclusion of minorities and women among workers. For a long time, it was also common opinion among managers that diversity in the workplace could be achieved simply through increasing the proportion of the workforce that were of a certain gender, nationality or ethnic origin (Naegele & Walker, 2006). The current philosophy of diversity, however, also includes approaches focused on age management, i.e. management concerning the age of employees. The issue of age diversity is becoming an important and increasingly topical subject, as in some fields it is very difficult to find workers who both have the required education and skills, and are also prepared for practice (Dychtwald, et al., 2007). The contributions of this approach to diversity, and to both intergenerational cooperation and workplace relationships, is therefore consistently increasing in importance.

Management and development of human resources within the context of age is closely related to Corporate Social Responsibility (CSR). It is an emerging business practice, focused on integrating sustainable development into the business model of a company. It has positive effects on social, cultural and environmental factors and includes a variety of topics, such as environmental protection, employment rights, fights against discrimination and for transparency, and even matters such as socially responsible investment policies (Garriga & Melé, 2004). The following paragraph will thus describe the current individual generations, their characteristics, and their approach to working life.

As of 2020, the following generations can meet in the workplace (Kogan, 2001):

1. Silent generation (1925-1942)
2. Baby Boomers (1943-1960)
3. Generation X (1961-1981)
4. Generation Y (1982-2001)
5. Generation Z (2002-2013)

As Kogan (2001) points out, for the first time in history, a total of five generations can commonly meet in the workplace. From sociology, a 'generation' means a certain group of people born at the same time interval and/or those who experienced the same events (Ryder, 1965), (Nilsen, 2014), (Buonocore, 2015). It is this theory of generational positions that points to the fact that individuals belonging to the same (generational) cohort can share a common view of the world and have similar memories of historical events (Buonocore, et at., 2015). Hence, experiencing the same events shaped them through the creation of their own opinions, views and values, which are reflected, among other things, in their attitudes to their work and professional career. Today, therefore, organisations face a challenge in the form of diverse employees, all representing different attitudes to the work, and all with the need for different leadership styles and organisational approaches (De Hauw & De Vos, 2010), (Kogan, 2001), (Gilleard, 2004). It is therefore necessary to take into account the need for an individual approach, both in the context of generation and with regard to the individual (the generational view may be authoritative, but each person is unique and excessive generalisation could be counterproductive). Managers are usually aware of the differences between employees of different ages, but do not always know how to solve the problems and pitfalls associated with such differences (Čiutienė & Railaite, 2015), (Pitt-Catsouphes, et al., 2011). Therefore, age management includes several pillars that organisations should take into account in their HRM strategy when dealing with intergenerationality at their workplace. In the next chapter these pillars will be introduced, and then explored in more detail. 4.

3. AGE MANAGEMENT

The current trend in the field of HRM is an adaptation to the needs of the individual, which is reflected in the concept of the Employee Life Cycle. This is a concept in HRM that describes the stages of an employee's time with a specific company, their engagement with the organisation they are part of and the role that the department of HR plays at each level. This is where age management in the Employee Life Cycle is being implemented to support employees, in the context of experiencing age/cross-generational discrimination and inappropriate working conditions (Smither, 2003), (Pritchard, 2008). Moreover, it also focuses on the progress of people as

the foundation of their employability throughout their lives (Dychtwald, et al., 2007). This cannot be ensured by individual measures but is achievable through the use of a holistic and comprehensive solution (Naegele & Walker, 2006). In the following paragraph, the pillars of age management along with its tools and measures are discussed.

3.1. PILLARS OF AGE MANAGEMENT

In the associated literature, we encounter many approaches to age management. Age management should be seen not only as a practice that helps companies to retain valuable and experienced workers, but also as a solution to the challenge of a general ageing workforce (Sousa, et al., 2019), (Pitt-Catsouphes, et al., 2011). In practice, this means avoiding problems such as the loss of skilled workers, inadequate evaluation of their potential, issues with equality and cross-generational team conflicts (Čiutienė & Railaite, 2015). It is necessary to keep in mind that this form of management is not just about working with older workers (although these workers are probably those who benefit most from the introduction of age management, as they are primarily threatened by discriminatory practices), but also considers an individual approach from HR managers to all employees regarding their age and its related needs and expectations (White, et al., 2018).

As Figure 1 shows, the implementation of age management has many phases, and they are best summarised by Field, et al., (2013) and Naegele & Walker, (2006) who propose seven dimensions of age management as follows:

1. Recruitment
2. Training and life-long learning
3. Flexible working times
4. Health management and workplace accommodations
5. Career management and re-deployment
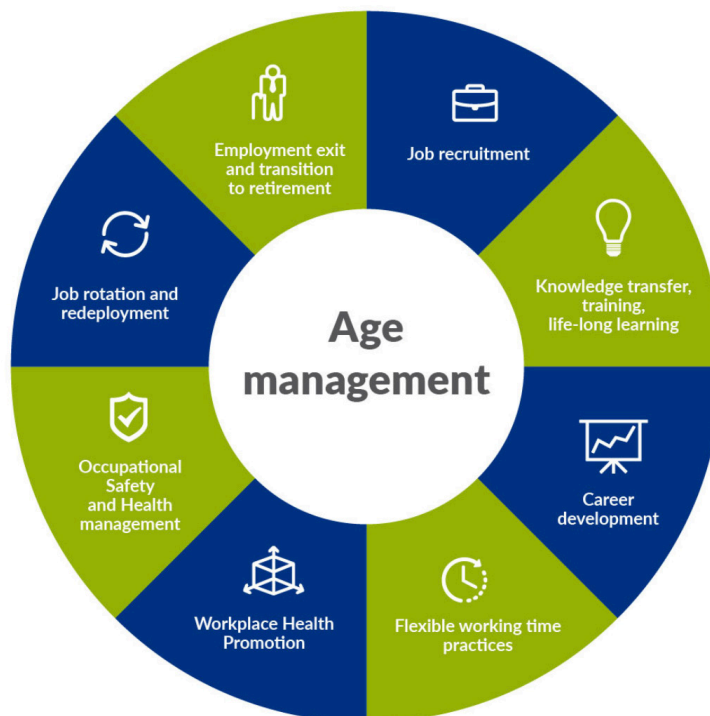6. Transition to retirement
7. Comprehensive approach.

Figure 1 Pillars of Age management (EU-OSHA, 2017)

In the following paragraphs, each pillar, specific measures and tools that fulfil the principles of age management in practice are discussed.

3.1.1. RECRUITMENT

Common mistakes when hiring new employees are issues such as the incompleteness of the list's requirements for the candidate, the need to employ people as quickly as possible and the overall insufficient planning of the employer's recruitment strategy. Diversity should naturally be ensured within the team. For HR Managers, it should no longer be a matter of "employing a woman" or "having a certain percent of employees be of a particular age in the team" (Bornstein, 2017). The aim should rightly be to maximise the area in which they seek talent, and to adapt the methods of finding the right candidates to the particular situation (Field, et al., 2013). The added value of this strategy is usually the generally increased competitiveness of the company in the job market and the increased likelihood of finding the candidate who best meets the requirements of a particular position, not just items from a list of criteria for ensuring diversity in the workplace (Bornstein, 2017) (Naegele & Walker, 2006) (White, et al., 2018).

Recruitment of older workers can, for example, help to solve the long-term problem of a limited labour supply while also promoting age diversity, resulting in a positive change to the organisation's image (White, et al., 2018). Additionally, the synergy of both new and existing skills can also escalate an organisation's productivity, leading us on to the following paragraph.

3.1.2. TRAINING AND LIFE-LONG LEARNING

As mentioned before in the introduction paragraph, nowadays organisations are characterised by rapid changes in business processes and growing customer demands, therefore it is necessary for them to focus on their employee's training and lifelong learning to keep up with industry standards and competition (Čiutienė & Railaite, 2015). In recent years, HR managers have placed increasing emphasis on sophisticated systems of employee training. The choice of the form of business education should be based on the purpose, goals, content, time available and physical capabilities of the participants, but should also consider any specific needs of older employees (Armstrong-Stassen & Templer, 2005). The implementation of good age management practices for older workers has shown that updating existing workers' skills, training for specific age groups and job rotation all increase the qualification level of employees, resulting not only in higher performance and productivity, but also in employee's increased loyalty, satisfaction and commitment towards the company (White, et al., 2018), (Field, et al., 2013). Thus, it is very important that organisations support lifelong learning and that employees themselves actively participate in the system.

3.1.3. FLEXIBLE WORKING TIMES

Flexible forms of work enable employees to achieve a work-life balance for the mutual benefit of both the organisation and the employee. Flexible working practices can be used throughout an employee's career, and represent an important tool to facilitate their transition to retirement, such as enabling mothers to look after their children or offering stability for older workers in work, even in the late stages of the work cycle (Kattenbach, et al., 2010), (Sousa, et al., 2019). Organisations may start implementing sabbatical systems, working time accounts, job sharing or work from home as part of their flexible working schemes. These can be extended through special bonuses, like eldercare unpaid leave. Introduction of such schemes in the company supports the reconciliation of an employee's family and work life, and has proven positive effects such as improved motivation and health, increased wellbeing and an overall richer quality of life for employees (Sousa, et al., 2019). These will be discussed in more detail in the paragraph that follows.

3.1.4. HEALTH MANAGEMENT AND WORKPLACE ACCOMMODATIONS

Employers have a legal commitment to ensure workers ' safety and health in all ways related to their work. The Equality Act 2010 protects older people with disabilities against discrimination and organisations have to make adjustments and ensure that reasonable steps are taken to avoid discrimination (White, et al., 2018). However, (EU-OSHA, 2017) argues that to ensure full equality in practice, the standard of equal treatment does not prevent organisations from embracing specific compensate for specific disadvantages linked to employees' age or disability. Workers aged 50 or over usually do not experience more injuries or take more sick leave than their younger colleagues. However, when an older worker is injured, their recovery time is significantly longer than that of younger individuals (Dychtwald, et al., 2007), (Field, et al., 2013). Various studies have shown that the main reasons for older workers to retire are either for their health or due to a stressful work environment (Pillinger, 2000). For organisations, this means both the use of preventative methods and the solution of existing health problems for employees are essential, such as the optimal design of an organisation's work processes and workplace environment, or the introduction of corporate health initiatives (White, et al., 2018). This may result in shorter recovery times, meaning a reduction of performance differences between older and younger workers alongside improved health, motivation and job satisfaction. Organisations may promote their workers' health through a variety of procedures

and measures, including the preparation of several health reports, employee surveys and workplace health risk studies (Field, et al., 2013), (Naegele & Walker, 2006). The creation of health management techniques should not only focus only on older employees, but should target all age groups instead.

3.1.5. CAREER MANAGEMENT AND RE-DEPLOYMENT

It is common practice for an organisation to create employee career plans that are related to the organisation's business needs. However, organisations should also integrate sub-principles and elements of age management into this process, to retain their older workers and achieve a more balanced age structure to ensure that all age groups have equal access to job opportunities (Sousa, et al., 2019). Employees aged 50 or over should have a promising and realistic image of their development within the company. It does not have to be a hierarchical career advancement, but, for example, a relocation of an employee to a different job area, which may be more suitable for their older age, and strengthens the employee's sense of job security and safety. For example, some workers may become instructors or mentors and may train or help younger or older employees (Naegele & Walker, 2006). However, Field, et al., (2013) argues that such policy may lead to older workers becoming overly aware of their age situation, or becoming too dependent on such specially designed services. It is important for employers when restructuring to monitor how employee productivity has changed after their relocation, as a change in job performance is not often simply a result of just ageing. Another indicator is the rate of absence due to illness, which should ideally decrease after relocation. It is also worth noting how employees themselves perceive the relocation in terms of their future work development.

3.1.6. TRANSITION TO RETIREMENT

Enabling a smooth transition between working life and retirement proves to enhance companies' internal and external social responsibility image. In particular, early retirement is a common reason for organisations to start considering changes in their staffing policies (Sousa, et al., 2019). A successful redundancy and pension policy makes it possible to better find replacements for vacant positions, and avoids a crucial loss of knowledge in older workers. (Naegele & Walker, 2006) recommend that organisations follow the correct procedures for the implementation of a personnel and pension policy. These include preparatory phases for future retirees, such as workshops, counselling activities, enabling pensioners to maintain contact with former co-workers, trial forms of retirement or gradual reduction of working hours (Field, et al., 2013), (Gardiner, et al., 2007). Layoffs and retirements should be given due consideration by organisations, as job loss might be a traumatic occasion for both a young and old employee alike.

3.1.7. COMPREHENSIVE APPROACH

The last age management pillar considers the issue of employee ageing in a broader context. The quality of HRM in an organisation is not only determined by the quality of individual measures, but by their collaboration as a whole. Each individual part of the process, from the recruitment of workers to the policy of retirement, should be interconnected and balanced. For example, flexible forms of work can be combined with changes in the work environment, and health care and skills adjustments can be implemented through employee training. Recruiting younger workers can be complemented by programs for the transfer of organisational knowledge and know-how between different age groups (Sousa, et al., 2019). In addition to financial evaluation and progress within the organisational structure, support for career development can be enriched with other motivational factors, such as opportunities for further education and training or a change in work organisation (Naegele & Walker, 2006). A necessity for such an approach is a good knowledge of the age structure of the organisation, an understanding of the individuality and diversity of an employee's abilities and skills, and the application of strategic thinking. The result can be an improvement in working conditions and quality of life not only for older workers, but potentially for workers of all ages within the organisation.

4. CONCLUSION

In this essay, I have introduced a very current and pertinent topic applied in the field of HRM called Age management. It is a response to the demographic development of an ageing population and the associated ageing of the workforce. In a company context, this is a challenge to face in terms of a growing number of older workers, and thus dealing with an increasing number of cross-generational relationships in the workplace. This essay brings together the pillars of age management with the implications of and recommendations for each pillar. Specifically, several visions were mentioned to show direction, open discussion and help organisations to formulate tools and methods leading to successful age management, such as (1) understanding the needs and expectations of different age groups, (2) nurturing age-friendly work environments, (3) ensuring a functional recruiting strategy and retirement policy, (4) introducing the possibility of work relocation or flexible working times, (5) giving realistic career goals. Every employee in a workplace is unique, and it is necessary to approach each and every one individually. The HR professional should be aware of what employees should achieve in the company and what their needs and expectations are. Additionally, workers of all ages have been shown to perform best when their work conditions are adapted to their age. Thanks to the fact that managers and executives are aware of the specific needs of individual generations, they have the opportunity to use their strengths, motivate their subordinates and achieve the best result for their company's business objectives as a whole.

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