



Zdzisława Przetacka
Independent business coach

Age diversity – managing age in organizations

Introduction

For the last few decades, the structure of employment in business has been changing. This process has been taking place all over Europe, including Poland. There is observed a growth in employment of females, national minorities, as well as the elderly. The labour force has been continuously supplying with new young generations.

However, not all companies are equally open and ready to employ such varied workers. Nevertheless, the companies have to face challenges issued by the ever-changing consumers and customers' market, which is requiring new, creative and innovative ways to satisfy their needs. Therefore, business organizations face a serious task; they have to ensure skilful and effective management of such diverse reality. However, only few companies are aware of the necessity to change the old strategies and the approach to managing human resources.

In Poland, managing diversity remains little known strategy of human resources management. The main assumption of this strategy is the belief that diversified personnel comprise the enterprise's resources that under favourable conditions may become the source of business assets and profits¹. Diversified staff results in higher effectiveness of the company, enriching it with a new, synergic value.

The objective of diversity management is establishing such conditions of working environment that will allow the best possible use of individual abilities and skills of the male/female employees in the process of accomplishing the enterprise's mission. Such approach serves to achieve the concrete and measurable effects and ensures a competitive advantage for the enterprise.

In Poland, age management, one of the elements of diversity management in organizations, is currently becoming to pose the challenge to the companies, their managerial staff and their HR sections.

The process of structural diversification of the labour force in respect to the employees' age will be continued. The number of older workers is increasing although there are still emerging many obstacles in their employment or continued stay in employment.

The society is ageing; therefore, the number of older employees in companies will be growing. The situation on the labour market, the actions initiated by the State on behalf of occupational activation of people who are over 55 years old, requirements deriving from the Community regulations will result in the increasing number of older workers.

Managing age – the labour market challenge

Both groups pose the new challenge for the employers: middle aged employees who are over fifty years old, and the young ones representing the Y generation just entering the labour market. In the near future, a significant aspect of the undertaken actions and developing human resources strategies will be the effective utilisation of the values of both groups and converting them into the company's benefits. Recognition of the positives attributes of both: the middle aged and the youngest groups of employees will become important. Also important will be separation of objective information from stereotypical opinions and unjust assessments. Developing teams comprising people who have different experience and outlook on life releases wide possibilities to create new solutions corresponding to changing market expectations. In order to maintain effectiveness and efficiency, the HR sections will be forced to introduce significant changes in the staff management strategies. They will also have to assert a desired influence on organizational culture. Both areas, employment strategies and organizational culture, maintain close relation in the process of carrying out the company mission and play a deciding role in enterprises' success and profits. The



informal aspect of the enterprise's functioning that is organizational culture, i.e. norms and values of the company and its staff, as well as their beliefs, customs and behaviours, has a significant impact on real functioning of work environment, which comprises a base for generating the company's profits. Only in a safe and friendly environment, the employed may feel that they are able to influence company's functioning and more willingly commit themselves to their tasks, which in turn will increase the enterprise's profits.

When introducing diversity management into the company, which in this case means managing age, the employer should focus on shaping organizational culture in order to create favourable working conditions facilitating the chances for the company's development and achievement of measurable business effects. The actions should be targeted at all employees, while their implementation should be based on the managerial personnel. The important element will comprise skilful involvement of employees aged over fifty in promoting changes, making them the beneficiaries and emissaries of the introduced changes.

As regard external actions, two factors play a significant role: the way of obtaining pro-active and experienced workers from the market and development of the company's image as the one that favours staff diversity. Undertaking large-scale actions targeted at obtaining diverse labour force will allow the employers to turn the current limitations, which among others present employment of people at the age over fifty, into the chance for the enterprise development.

Middle-aged employees on the labour market

When analysing the situation on the labour market, one may ask a question about the reasons for the sudden interest in the problems caused by employment of workers aged over fifty or the concerns stirred by the Y generation. What factors cause the issue of their employment to be such a "hot" topic, and at the same time an important and urgent problem to solve? What is worth and necessary to know in order to effectively prepare for development of new recruitment strategies and effective processes of managing personnel diversified by age?

The reasons for this interest should be viewed mainly in the socio-economic changes in the contemporary world, also including Poland. It may be even said that the changes are particularly obvious in our country due to the accelerated process of transformation after systemic transition initiated 20 years ago.

• Demographic reasons

Sharpening of the phenomenon of age related discrimination against employees (this concerns mainly older workers) followed ageing of the society. The

demographic changes, namely ageing of the generation born during the after-war demographic boom and developments in medicine and dietetics that result in good physical and health condition of this population, therefore in the growing number of the employed aged over fifty appearing or rather remaining on the labour market.

• Economical reasons

In Poland, the boomers' generation (persons born in the period of the after-war demographic boom) actively participated in the country's economic life. After the systemic transformation, they showed intensive attempts at development of their own professional careers. The market offered a wide range of opportunities, such as, e.g. western corporations entering the Polish market, privatisation of the Polish enterprises, and new ways for improving competences. Today, the members of the boomers' generation hold top rank positions, manage teams and are aware of their own value. They do not think about retirement as they feel in their prime and want to continue their participation in professional life, share their experience with the younger generation. However, they meet with the barriers in a form of the employers' reluctance and their stereotypical thinking regarding age respective limitations, as well as the legal barrier – lack of regulations that would encourage employers to change their attitude towards older employees of both genders.

• Social changes

Economically active women comprise a significant element of the increased supply of the labour force at the age over fifty. In the period of the Polish People's Republic, the economic situation to some extent enforced their paid work, whereas during the period of systemic and economic transition, women took advantage of the opportunities, developed their professional aspirations, attained competences and participated in promotions. Currently, they comprise a significant part of the labour force. Those who are better educated, hold managerial positions do not plan transition into retirement.

• Cultural changes

The post-transition changes were accompanied by cultural changes modelled on developed Western societies. There was also carried out the process of "making up" for drawbacks in many areas of social, business and economic life. The time came to promote an active lifestyle, focusing on personal development and taking advantages of developments in medicine and dietetics. Such attitude promotes professional activity – because of it middle-aged people may longer feel young and healthy, they may maintain social contacts, as well as perform tasks that bring them satisfaction.

• Financial reasons

The new active functioning styles were followed by the expansion of new consumption needs, seek-



ing higher standard of living and higher expectations concerning remuneration. The newly awakened needs do not facilitate decisions regarding transmission into retirement in case of the well paid and most often well educated people.

The mentioned factors significantly influence the increasing number of the middle-aged on the labour market. Socio-economic changes caused the changes in behaviours and the lifestyle of the society, which strengthen decisions concerning remaining on the labour market in case of a large number of older workers.

Currently a few companies realize the value of having the experienced staff and they do not dispose of older female or male employees. However, in most cases the group of employees aged over fifty feel their employers' reluctance concerning their continuous employment and believe that their competences are not used efficiently. The generation of "boomers" feel the threat of losing a job increasingly stronger which creates a dissonance with the awareness of their own professional value.

It should be added, that many older employees stay outside the labour market – dismissed by the companies at the earliest convenience, or taking early retirement because of the changes in legislature. Such *status quo* is not favourable for the society – as too large group of non-working people will be maintained by a declining group of the employed. Although it still is not a convincing argument for many entrepreneurs who think mainly in economic categories, the sense of social responsibility and the obligation to comply with the Union directives is the fact. Because of these reasons, age management in organizations is becoming a necessity.

The problem of age management in the context of the youngest generation of "millennials", i.e. people born in the years 1982–1997 (named the Y generation by sociologists), who in this millennium have just started entering the labour market, is connected to their defiant attitude towards employers. These young people are not easily harnessed to the corporate systems of work under pressure; they do not accept tasks that are not well justified. Moreover, they have a high level of self-awareness and deep feeling of sense, which makes them difficult co-workers. They also very often present over-exaggerated expectations towards the company and other workers. Nevertheless, they remain valuable job candidates because of their advanced skills, level of education, fluency in foreign languages and technological knowledge.

The outlined socio-economic reality is the reason that in the nearest future the HR sections will not be able to manage without carefully prepared human resources management strategies with special attention paid to age management.

The expectations of middle-aged employees

Many opinion polls carried out in the European countries among the employees who are entering their fiftieth year of age, particularly managers, targeted at the needs of this population, indicate the high level of expectations regarding remaining on the labour market². The observations of the Polish working environment and signals from recruitment companies, as well as from the interested parties themselves, confirm results of these polls, i.e.:

- these workers expect that their knowledge and experience, both professional and life one will be well used
- professional activity gives them sense of satisfaction, they feel needed and they are willing to share their achievements
- they feel a strong need for participation in professional life, they do not want to lose their professional or personal status
- professional work is for them a place of social exchange, contacts with colleagues, they do not want to be excluded from the mainstream of socio-occupational life
- performing professional tasks positively influences their vitality, health and satisfaction; it increases the quality of their life
- participation in professional life strengthen their feeling of self-worth
- active middle aged employees do not consider transition into retirement

Expectations of the employees from the Y generation

Young employees, currently entering the labour market, stir some concern of the HR sections, as well as their other co-workers. The observations indicate that they significantly differ from the older workers in respect to methods of work, approach to task performance and attitude towards the existing corporate standards. The members of the Y generation have a strong sense of their own value and they expect their achievements to be acknowledged and appropriately gratified. As the matter of great importance they consider to be presented with clearly and concretely defined tasks, which have both: sense and purpose. They question the authority of their supervisors – for them it is not a value in itself. From their employers they expect opportunity for development and professional challenges, accompanied with partnership and opportunity to have real influence on performed tasks. When negotiating employment they pay attention to a consistent system of remuneration and bonuses, as well as to forms of work and cooperation. They prefer



satisfaction in personal life to satisfaction with well-performed professional tasks; they value harmony between private life and professional matters. Their level of loyalty towards their employers is low, they easily change a job pursuing their own professional development and seeking better working conditions. Moreover, they openly and assertively communicate their expectations and want to use the attained knowledge and skills in performed tasks. They show creativity, multitasking and ability to use efficiently the most advanced technologies. They seek work based on personal ties; they cherish teamwork.

Young workers comprise labour force aware of their positive attributes, assertively demanding their rights and openly communicating their expectations.

Reactions of the labour market

The employers and managers are concerned, surprised and as yet not ready for managing labour force diversified by age. Most companies do not have prepared adequate recruitment or managerial strategies; only few consider reconstruction of organizational culture.

The established situation accentuates a certain paradox related to the reaction to changes. Organizations were and still are the places where such things as management flexibility and permanent openness to ongoing changes are promoted. Therefore, the employees and managing personnel are trained adequately and this is expected from entire organizations – being ready for the changes in business environment, or even anticipating and reacting in advance to forthcoming tendencies. It seems that in the context of generational diversity such attitude would be necessary and priceless on the labour market. However, the reality shows some inertness of the long-term planning processes and making strategic decision within these areas. Most companies have not moved to the next stage of staff management yet. They are still not ready for managing age diversity. There is still observed some stiffness of the recruitment processes and motivational systems applied in companies, which in no way support the new model of developing relations in diversified staff environment. The desired leadership competences are not promoted. There are no changes in organizational culture. All participants of the process – disappointed “boomers”, disoriented “millennials”, surprised and losing potential profits employers, already suffer the effects of delays.

The road to necessary changes is significantly hindered by the power of stereotypes concerning both generational groups. In case of middle age workers (over fifty), the following characteristic features are indicated:

- aversion to changes
- low flexibility

- problems with adaptation
- lower efficiency
- lack of readiness for development and further education
- higher absenteeism due to health related reasons
- higher cost (earnings, bonuses, benefits).

In turn, young workers entering the labour market are accused of:

- disloyalty towards the employers and low involvement in work
- over-assertiveness and over exaggerated expectations, demands
- lack of respects for authorities
- refusal to accept the already existing procedures
- introduction of chaos.

It may be seen immediately, that some things that are an object of criticisms in one group are strong point in the other, e.g. higher loyalty and commitment to performed tasks or respecting norms and deference to authorities among older workers, as compared to higher flexibility and efficiency or need for improvement – among the young. There is also obvious that skilful use of strong points of each group will allow obtaining value added. Whereas, the synergy evolving from diversity utilisation is the core of effective management of diversified personnel.

Stereotypes vs. reality

The power of stereotypes significantly influences perception of reality, therefore organizations and managers fail to realize new opportunities created by various groups of workers in their labour resources. Thus, are the realities of the enterprises' functioning in accordance with the stereotypical perception? Let us view middle-aged male/female employees from another perspective, not branded with stereotypes:

- Middle-aged employees comprise a generation who is both: used to and ready for changes – they participated in transition processes, took on challenges in difficult times, created present structures, and launched their own businesses.
- Middle-aged workers characterise flexible approach to new tasks – they promoted proactive attitudes and active lifestyle, educated through corporative training mi based on the Blanchard's and Covey's theories.
- They can adapt to work in mixed teams – they have already experienced this in the course of their career development; moreover, cooperation and relation building skills improve with age.
- They are aware of necessity for development and the appetite for knowledge – they had to overcome technological differences and foreign languages barriers, they were promoted, attained new skills, and they still expect to do it.



- They effectively and efficiently carry out tasks; even though in the process of ageing the reflexes and operational memory are decreasing, the ability to view reality in a broader context, to anticipate effects of actions, verbal expression and culture of work are improving.
- They are loyal, and have withdrawn from the race for status and positions.
- They are motivated to work – they have a strong need to participate in professional life, maintaining social contacts and are not ready for early retirement.
- They consciously maintain physical activity, care about their appearances and health.
- They are not always more expensive, they are often ready to change conditions of work and pay.

Whereas:

- The youth entering the labour market seek ambitious tasks requiring creativity, with clearly defined objectives, and exactly such are appointed to male/female workers by contemporary organizations.
- They are capable of multitasking, efficiently use advanced technologies – they are effective and shorten time of the task performance.
- They generate new solutions and expect implementation of new solutions; questioning the already existing organizational framework and presenting a different outlook to the old procedures they influence development of the companies, show new opportunities and increase enterprises' competitiveness.
- They seek work that guarantees the balance between private and professional life – which allows them to work more efficiently and generate higher personal satisfaction.
- They build personal ties in the place of work, which facilitates teamwork and turns the time spent in the company into pleasure.

Breaking behavioural stereotypes and seeing through the lenses of benefits that may be obtained from the evident strong points of both groups and the synergy resulting from their cooperation, the changes should be introduced into the approach to recruitment and development of managerial strategies. Viewing diversity of the staff through other lenses will allow creation of new standards of management in organizations requiring higher skills and leadership competences from the managers.

Managing age: strategy development

The aim of the enterprises is establishing adequate conditions in the working environment facilitating utilization of various characteristics of the personnel in a process of creative thinking and acting in organiza-

tions, as well as mutual learning. The process will be successful if particular conditions are met in the companies developing diversity management strategies, including age management.

One of the significant factors is the confidence of the company managers in purposefulness of actions targeted at diversity and active supporting of this process. The managers who understand the advantages of managing personnel diversified by age, are able to recognize chances, as well as facing them challenges. The critical condition is clearly defined and recognizable company's mission and precisely defined business goals. All company must be engaged in the process of creating and implementing the new strategy of managing age, as this task is not only for the HR sections personnel. The company's efforts should be directed, to the achievement of a permanent change in organizational culture.

The question that must be asked at the beginning of the age managing strategy development is whether we really need labour force diversified by age and why we need them. Then, it should be determined a degree of the company's adjustment to employ such male/female workers, therefore accepting existence of diverse needs and respecting it. One should be aware of possible tensions and problems arising in the process of integrating teams diversified by age, which requires introduction of the changes in management. Finally, the company should be aware of the fact that all its staff have to change, in order to successfully finalise the adaptation process of the new, more diversified personnel³.

Implementation of new solutions is the last step in the process. At this stage particularly significant is the role of the HR section, which actively participates in implementation of actions focusing on introducing the new managerial tools and improving the level of the employees' awareness. The important matter is introduction of the innovative elements into the recruitment processes. In order to obtain a positive recruitment result it is worth to take advantage of the support of a diversity team – dedicated to this task. The next element jest development and implementation of new and motivations systems strengthening usage of the diversified personnel's forte. The HR sections are also responsible for implementation of leadership development programmes within the range of managing age addressed to the top and intermediate managerial staff, training concerning construction of the teams based on the implemented strategy. There is also necessary to prepare the whole communication process in the company and the change of the tools used for assessment of the managerial staff. Beside training programmes, the important element of building the level of awareness in the organization is introduction of the mentoring programmes, role modelling and individual coaching processes.



Advantages for the company

The diversity policy in organizations, including age diversity, which supports creation of the working environment promoting the respect and integration of staff, is a significant condition of achieving success in business. It is important in the process of recruitment of the high quality personnel; in consequence, it reduces the costs of labour force fluctuation and absenteeism.

Introduction of the staff diversified by age facilitates improvement of communication within the whole company, which in turn increases the possibility to promote shared values in the organization. It also improves the company's image and its reputation on the market. Training and development programmes influence the improvement of managing styles and skills; they have an impact on the efficiency increase in many areas of management. Age diversity of the staff and its potential is favourable for adaptive processes adjusting the company to the changing market requirements, as they increase possibilities to generate attractive solutions satisfying new requirements of the customers. In effect, both: the company's competitiveness and economic effectiveness increase, as well as the customer's satisfaction. There is also the matter of the company's activities compliance with the requirements of the law prohibiting discrimination in respect to age.

Companies introducing age management and applying good practices within this scope are aware of the significance of enterprise's image and reputation on the market. However, mixed teams also mean:

- combination of dynamics and creativity of the young generation with the balanced assessment of the effects of actions and pragmatic approach of the boomers generation
- experience and knowledge of professional branch of middle-aged workers and knowledge of new advanced technologies in case of millennials
- increasing with age ability to develop relationships in a symbiosis with youthful assertiveness

- the use of mentoring and learning from each other
- synergic value added.

Conclusion

There may be pointed out many justifications for development of new strategies of staff management taking into consideration effective solutions addressed to personnel diversified by age. Development and implementation of these strategies means above all advantages for all interested parties, namely employees and employers, as well as customers.

Implementation of solutions facilitating equality policy in respect to age is also a requirement resulting from the regulations of the Community law. Directives concerning combating discrimination, and in particular the Directive regarding laying down a general framework for combating discrimination on the grounds of religion or belief, disability, age or sexual orientation as regards employment and occupation (Council Directive 2000/78/EC), change legal framework of activities of economic entities and oblige them to comply with the new regulations in practice. It is worth to view the obligatory regulations from the perspective of advantages for business following implementation of the equality and diversity.

¹ Seer.: *Przewodnik dobrych praktyk. Firma równych szans* [Good practices guidebook. Equal chances company], Gender Index, UNDP, EQUAL, Warsaw 2007.

² See: *Emerytura, a co to jest?* [Retirement pension. What is it exactly?]"*Manager Magazyn*" 2007, no. 10.

³ See: *Poradnik szkoleniowy Komisji Europejskiej. Program Wspólnotowy na rzecz zwalczania dyskryminacji 2001-2006*, Helsińska Fundacja Praw Człowieka, [Training guide of European Commission. Community Programme for Combating Discrimination, 2001-2006, International Helsinki Federation for Human Rights] Warsaw 2007.