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Age differences in the workplace

Tatiana Marques (Católica-Lisbon School of Business and Economics)

& Silvia Dello Russo (Luiss University)

Introduction

The average age of the world population has dramatically increased over the past 70 years. According to the United Nations data, in 1950 five percent of the world population was 65 years of age or above, and this figure had nearly doubled in 2020 reaching 9%. All continents but Africa followed this trend, because of increased life expectancy and low birth rates in most industrialized countries. Such age composition means that people worldwide are expected (and often wish) to work longer in their life. This has produced an unprecedented situation and stimulated research to understand: (1) whether older workers differ from younger ones, and (2) how to manage workers who stay in the workplace until an older age.

Age in the workplace

Despite the growing research attention to the topic, there is little consensus on how to define "younger" and "older" workers (McCarthy et al., 2014). Past research has considered different age thresholds, ranging from 40 to 75 years old (Kooij et al., 2008). At the same time, claims have been made that no theoretical foundations exist to support specific age cut-offs that distinguish between age groups, because aging is a complex, multidimensional, and continuous process difficult to conceptualize with a single indicator, such as chronological age (i.e., number of years since birth) (Peeters & Van Emmerick, 2008).

Consequently, different conceptualizations of age have been proposed (e.g., Cleveland

& Shore, 1992), including conceptualizations that focus on individuals' perceptions about their age (subjective age and functional age) and conceptualizations that are based on social comparison (social age and perceived relative age). Whereas subjective age refers to how old individuals feel depending on their perceptions of their own health, appearance, and energy, functional age refers to more concrete physical and psychological changes, such as declines in eyesight, reaction time, and hearing range. Differently, social age refers to someone's subjective age but evaluated by others (i.e., how old other people think someone is), while perceived relative age captures one's perceived as compared with others in the team, organization, or occupation.

Notwithstanding these different conceptualizations, most research still uses chronological age because it can be more easily assessed and interpreted, thus contributing to an easy application of research findings to managerial practices and public policies (Truxillo & Fraccaroli, 2013). To avoid an overly simplistic categorization of workers in "younger" and "older" age groups, scholars recommend measuring chronological age as a continuous variable, where the higher the age, the older the individual (Bohlmann et al., 2018).

Theoretical frameworks

The study of age differences in the workplace has extensively drawn its theoretical and empirical foundations from the lifespan psychology domain (Rudolph, 2016). Lifespan development theories propose that human development is a continuous and lifelong process in which individuals do not reach a particular stage of maturity but rather experience change processes from birth to death. Among the lifespan development theories that have been successfully applied to understand age differences in the workplace, are the selective optimization with compensation theory (SOC; Baltes & Baltes 1990) and the socioemotional selectivity theory (SST; Carstensen et al., 1999). Both theories posit and aim to explain

changes in the goals individuals pursue across the lifespan. As such, they offer fertile ground to elaborate on the motivations guiding younger and older workers, which can best predict their attitudes and behaviors.

SOC proposes that individuals use three adaptive strategies as they grow older and precisely to adapt to older age. First, individuals make decisions about what goals to pursue depending on the resources they have to face environmental demands (selection strategies).Second, they allocate effort and resources to optimize performance on those selected prioritized domains (optimization strategies).Third, when available resources are not enough – for example due to age-related declines that might affect performance – they seek ways to compensate and safeguard the attainment of the desired goals (compensation strategies) (Baltes & Baltes, 1990).

In a complementary perspective, SST proposes changes in the social goals individuals pursue across the lifespan. According to the theory, people establish social relationships to achieve two main goals: the acquisition of knowledge and the regulation of emotions and affects, and the prioritization of these different goals depends on individuals' perception of time. When individuals are young and healthy, they typically perceive time as open and available in the future. As a consequence, they tend to focus more on the future and to select goals that can provide long-term payoffs. Thus, contact with a large number of social partners is prioritized, from whom individuals can extract knowledge that can be valuable in the future. As time goes by and individuals get older, they start to perceive less time available in the future and become more present-focused. Under such conditions, maintaining fewer but closer social relationships with whom individuals can experience close ties, social support, and emotional well-being becomes more important (Carstensen et al., 1999).

Key findings

Age differences in the workplace

As individuals grow older, they undergo several cognitive, physical, and psychological changes. In terms of cognitive changes, aging is accompanied by a deterioration in fluid cognitive skills such as information processing speed, working memory, and abstract reasoning (Verhaeghen & Salthouse, 1997), but also by an increase in crystallized abilities which refer to accumulated knowledge and skills tied to experience (Salthouse, 2012). In terms of physical changes, as workers age, they experience losses in muscular, cardiovascular, and neurological functions, which together contribute to a deterioration of physical condition (Maertens et al., 2012).

Although one might expect these cognitive and physical changes to lead to decreasing work performance with aging, past research has found mixed evidence for this expectation (Ng & Feldman, 2008). There are several reasons why performance does not necessarily decrease with age. First, older workers tend to use more SOC strategies hence compensating for some declines (Moghimi et al., 2017). Second, greater age usually means longer tenure in or experience with the occupation, organization, and job, which provides older workers with greater job-related knowledge structures that facilitate performance (Park, 1994). Third, age is not the only factor contributing to physical declines, with lifestyle (e.g., smoking, drinking, eating, and exercising habits) also playing a large role (Maertens et al., 2012) – and even a buffering role (when healthy) against the age-related declines.

Individuals also experience psychological changes with age, which often influence their attitudes and behaviors. Research has shown that older people report fewer interpersonal tensions (Birditt et al., 2005), are more forgiving (Cheng & Yim, 2008), and experience more positive affect and less negative affect (Kessler & Staudinger, 2009) than younger people. In addition, personality changes over the lifespan: while agreeableness tends to increase with age, neuroticism tends to decrease (McCrae et al., 1999). Owing to such changes, older

workers report better work-related attitudes: higher levels of job satisfaction, organizational commitment, and organizational identification (Ng & Feldman, 2010). They also report more positive emotions and greater well-being at work (Dello Russo et al., 2021). Finally, older workers engage in less counterproductive work behaviors and in more organizational citizenship behaviors (Ng & Feldman, 2008).

In terms of work motivation, research does not consistently find age differences in motivation levels (Ng & Feldman, 2012). Rather, what motivates employees (i.e., their motives, needs and values) changes across the lifespan. Meta-analytical evidence has shown that greater age is positively associated with the strength of intrinsic motives (accomplishment, job enjoyment, existing skill utilization), and negatively associated with the strength of extrinsic motives (financial compensation, prestige) and growth motives (learning, career advancement) (Kooij et al., 2011). Additionally, generativity needs (i.e., inclibations to caring for others, guiding, and helping the society and future generations) emerge around midlife and are most prominent in later adulthood (McAdams et al., 1993). These findings are in line with SST predictions that individuals prioritize meaningful and present-oriented social interactions when they grow older, over achievement and other future-oriented payoffs (Carstensen et al., 1999).

How to manage older workers

To manage longer career spans and the age differences described above, researchers have explored how organizations can use Human Resources (HR) policies and practices to assist older workers in working longer and effectively. Multiple approaches have been identified in the literature (Boehm et al., 2021). A first approach focused on the effects of "age neutral" HR practices bundles. For instance, Dello Russo and colleagues (2020) found that development HR practices that workers have experienced across their entire career are

positively associated to their perceived external employability, and this is especially the case for older workers. Korff and colleagues (2017a) found that HR practices positively influence employees' future time perspective and, indirectly, their job satisfaction and commitment. Because future time perspective is stronger in younger workers, one could speculate that HR practices can support older workers developing future-oriented thoughts.

A second approach is "age-specific" because it advances sets of practices specifically devoted to older workers. A very well-known taxonomy identified four bundles of HR practices based on SOC theory (Kooij et al., 2014): 1) developmental practices that satisfy growth goals and the attainment of higher levels of functioning (e.g., training and promotion); 2) maintenance practices that satisfy the goal of protecting one's resources and allow maintaining the current level of functioning (e.g., performance appraisal); 3) utilization practices that meet the goal of recovering from possible losses by optimizing one's resources (e.g., mentoring); and 4) accommodative practices that meet the goal of regulating losses and age-related declines by helping accommodating job demands (e.g., exemptions from night shifts or overtime).

Some studies have found that developmental practices contribute more to younger workers' motivation and well-being, while the other bundles are more beneficial for older workers (e.g., Kooij et al., 2010), although evidence is mixed. For instance, Korff and colleagues (2017b) found that maintenance practices are associated with stronger commitment and performance of younger but not older workers, while Pak and colleagues (2020) found that maintenance and accommodative practices may even have unintended negative effects on older workers. Although offered to preserve older workers' job performance, via the activation of SOC strategies, maintenance and accommodative practices may signal to older workers that their work ability is lower and influence them to retire earlier.

One criticism of the age-specific approach is that it may reinforce stereotypical beliefs

about older and younger workers. It is not given that accommodative or maintenance bundles are preferred by all older workers, and younger workers may also benefit from those bundles depending on specific contingencies; there is a risk of overgeneralizing and segmenting HR practices by age groups.

A third approach that emerged recently focuses on "age-inclusive" HR practices (Boehm et al., 2014). The core idea of this construct is that HR practices should explicitly be designed and implemented with the goal of strengthening the abilities, motivations, and opportunities of all age groups, and should make age salient in their formulation. Examples of practices included in this bundle are age-neutral recruitment and selection activities, and equal access to training for all age groups. Boehm and colleagues (2014) found that age-inclusive HR practices positively correlate with age-diversity climate and, in turn, with firm performance, and negatively correlate with employees aggregated turnover intentions.

Outlook

Studies of age differences in the workplace, and how to manage them, are abundant and stem from a variety of scientific fields: lifespan development psychology, gerontology, organizational behavior, and human resource management. Our knowledge of the cognitive and physical changes that occur with aging is quite advanced, and we are well-equipped to conceptually understand the psychological processes underlying any observable differences in attitudes and behaviors between younger and older workers. This has helped moving the focus to what organizational actors can and should do to foster work environments that enable and motivate older workers to continue working and working well. What we see as a necessary further step is widening the zoom of collective research efforts and disentangle with greater detail the role played by institutional factors on organizational practices and individual motivational drivers. Examples of such factors are policies for mandatory retirement age,

policies aimed at alleviating youth (or general) unemployment, and different pension systems.

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