

# The wellbeing of an ageing workforce

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## Summary

**An ageing workforce presents challenges for employers in terms of managing employee wellbeing in order to have a high performing, healthy workforce. This briefing looks at changing workforce demographics and pension and retirement changes which contribute to this trend for an older workforce. Given these changes there is a need for managers and organisations to consider how an ageing workforce can be managed successfully. It is important to understand fairness at work issues with regard to older workers such as the existence of older worker stereotypes, and the need to challenge unsubstantiated stereotypes. The briefing concludes with a discussion of older worker competencies and recommendations for managing an older workforce to facilitate both high employee performance and wellbeing.**

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## Introduction and background

### Demographic, pension and retirement changes

The ageing population (European Health Report, 2012) means workforce demographics are changing and there is increasing incentive to extend working life. The state pension age in the UK will rise to 68 by 2046 and the default retirement age of 65 has been abolished. However, there is uncertainty surrounding the use of a compulsory retirement age following a ruling from the Court of Justice of the European Union (subsequently supported by the UK Supreme Court) that compulsory retirement measures can be used to meet the aim of 'dignity' (Dewhurst, 2013). Employers have also voiced concerns about whether these changes will increase their vulnerability to age discrimination cases.

Uncertainty around retirement, and a lack of support and advice, could have negative effects on the health and wellbeing of employees and managers. Without the default retirement age, will employees know when and where to go for advice on retirement? Will managers discuss retirement issues with employees or will they avoid this for fear of being discriminatory? Retirement is a significant life change (Wang and Schultz, 2010) and increased retirement uncertainty could be detrimental for both individuals and employing organisations. Decisions about how these issues will be approached therefore need to be made and communicated clearly throughout organisations.



## The research

### Age and fairness at work

Ageism, when a person is discriminated against or treated unfairly because of their age, can negatively affect a person's confidence, career, finances and overall quality of life. Despite age discrimination laws in the UK (Equality Act, 2010) ageist attitudes and negative stereotyping of older workers are still a problem. De Lange et al. (2010) reviewed the age and work literature and concluded that 'earlier research has revealed that supervisors hold negative stereotypes, provide less organisational developmental or training activities to and treat older workers less fairly than middle-aged or younger workers' (p. 941). Furthermore, older workers report difficulties finding work and there have been numerous claims of age discrimination (ACAS, 2012). Understanding how older employees and job applicants are viewed at work, and their strengths and needs, can provide indicators of what changes may be needed to support an older workforce.

### Age stereotypes

A number of age stereotypes exist such as older workers have:

- poorer cognitive functioning
- lower ability/performance
- more resistance to change
- more resistance to training
- more sickness absence.

What sort of impact can such stereotypes have in the workplace? Schalk et al. (2010) described how 'the most important source of counteractive HR policies and managerial decisions with respect to older employees is the existence of age stereotypes' (p. 81). Other researchers have additionally proposed that employee well-being, performance and health can be affected by the 'age appropriateness' of HR policies (Shultz et al., 2010).

Some examples of the impact stereotypes could have in the workplace are that they can:

- negatively influence employment decisions: older workers could be viewed as having poorer performance without supporting objective evidence;

- negatively affect the selection process: if older workers are negatively stereotyped then it is possible they are less likely to be hired than a younger person;
- have a detrimental effect on the motivation and performance of those affected: experiencing discrimination affects the ways you approach work and the degree of success you are likely to experience;
- contribute to poorer health: facing discrimination at work is stressful, and feeling unfairly treated can lead to poorer health;
- lead to legal implications: this is a problem for employers if their stereotyping leads to workplace discrimination.

### Stereotypes not facts

Two key papers using meta analyses and incorporating findings from over a thousand studies have contributed to an understanding of the relationship between age and job performance, and age and job attitudes (Ng and Feldman, 2008 and 2010). Table 1 shows the key findings relating to age and job performance and considers what this means for older workers.

A review of Table 1 shows almost no supporting evidence for negative age stereotypes. Further evidence against age stereotypes was found in Ng and Feldman's (2010) age and job attitudes paper where they detailed modest support for the hypothesis that 'older workers tend to have more favourable (and/or less unfavourable) job attitudes' (p. 696). Examples of job attitudes included in this review are overall job satisfaction (weak positive relationship with age), work motivation (weak positive relationship with age) and feelings of burnout (weak negative relationships between age and emotional exhaustion, depersonalisation, and reduced sense of personal accomplishment). Another recent study by Bertolino, Truxillo, and Fraccaroli (2013) reported that older workers tend to report higher job satisfaction, with age more closely related to intrinsic job satisfaction (e.g. the work itself) rather than extrinsic satisfaction (e.g. pay and promotions). This raises interesting questions about how older workers can be best managed and motivated in the workplace given that their motivations may differ to those of younger workers.

**Table 1: Age and job performance (Ng and Feldman, 2008)**

Job performance measure	Relationship with age	Implication for older workers
Core task performance	Generally unrelated	Older workers are generally not likely to have poorer performance than younger workers
Creativity	Not related	Older workers have similar levels of creativity as younger workers
Performance in training programmes	Weak negative relationship	Older workers are slightly less likely to perform well in training*
Organisational citizenship behaviours (e.g. helping other employees, helping the organisation)	Small positive relationship	Older workers are slightly more likely to be helpful at work
Compliance with safety rules	Positive relationship	Older workers are more likely to comply with safety rules
Work injuries	Negative relationship	Older workers are less likely to experience work injuries
Counterproductive work behaviours	Negative relationship	Older workers are less likely to engage in counterproductive work behaviour
Workplace aggression	Negative relationship	Older workers are less likely to be aggressive in the workplace
Substance abuse	Negative relationship	Older workers are less likely to participate in substance abuse
Tardiness	Strong negative relationship	Older workers are much less likely to be late for work
Absenteeism	Negative relationship	Older workers are less likely to be absent from work
Sickness absenteeism	Very weak positive relationship	Older workers are slightly more likely to be absent due to sickness

\* there is an argument that this could be due to training design and that training designed to be appropriate to the participants would reduce this age relationship.

### Older worker competencies

Research into older worker competencies was completed by Johnson, Holdsworth, Hoel and Zapf (2013) following evidence in non-work research contexts for older individuals' superior social and emotional competencies and attitudes. The research investigated whether such competencies could also help older employees in the workplace. It was revealed that older employees in the UK retail sector were able to better manage their emotions at work and experienced less negative health outcomes from stressful interactions. It was further indicated that older employees could identify

when active coping (attempting to change a situation) is relevant and used it more appropriately than did younger workers. The study's key points were that older employees:

- experienced fewer customer stressors;
- used stress management strategies more appropriately resulting in less burnout and better health;
- could bring benefits to organisations, such as potential better quality of service and increase in customer satisfaction.

## Key issues and conclusions

There is an accumulation of evidence that shows little, if any, justification for age stereotyping, a legal requirement not to age discriminate, and changing demographics leading to increases in the proportion of older workers within organisations. Against this backdrop it is important that the qualities of older workers become more widely recognised and unconfirmed negative older worker stereotypes are dispelled.

Demonstrating the benefits of older workers in areas such as job performance, health and customer satisfaction may help to discourage employers from 'circumventing' age discrimination regulations. Organisations should consider how they can best support older workers to positively influence older employee health and wellbeing.

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## Recommendations

Organisations wishing to successfully manage an older workforce should:

- raise awareness among the workforce about the need to work to an older age;
- provide information and support to employees with regard to pension and retirement issues;
- be aware of the value of older workers in the workplace;
- include information about the positive characteristics of older workers and an age diverse workforce in organisational literature;
- encourage knowledge transfer between employees;
- consider mentoring schemes to facilitate knowledge transfer and interaction between employees;
- place emphasis on skills development/employability;
- provide age appropriate training;
- avoid discrimination against older workers;
- be aware of age discrimination legislation;
- consider whether decisions about older workers are based on stereotypes or facts;
- be able to give job-related explanations for decisions;
- train managers to avoid age stereotypes;
- provide occupational health services that accommodate the needs of an ageing workforce;
- understand the motivations of older workers;
- listen to the needs and attitudes of older workers.

## Further materials, links and references

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