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**AGE FACTOR IN HUMAN RESOURCE
MANAGEMENT //**

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**Conceptual Independent Study Paper (DHR 703)
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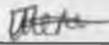
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DECLARATION

I hereby declare that this Conceptual Independent Study paper is my original work and has not been submitted to the University of Nairobi or any other university for any academic award.

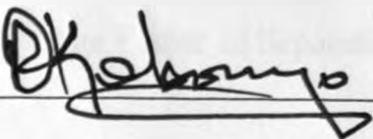
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SYNONYMS

ADEA	Age Discrimination in Employment Act
BFOQ	Bona Fide Occupational Qualification
BIS	Business Innovation & Skills
CEO	Chief Executive Officer
DRA	Default Retirement Age
DWP	Department of Work & Pension
EEOC	Equal Employment Opportunity Commission
ILO	International Labour Organization
NOWCC	National Older Worker Career Centre
RFOA	Reasonable Factor Other than Age
SHRM	Society for Human Resource Management
UK	United Kingdom
USA	United States of America

1.0 INTRODUCTION

1.1 Age Factor in Employment

Age influences almost all decisions relating to employment. This begins from the time an institution raises the need to recruit a new employee and goes on over the working life of an employee in an institution up to the time the employee will be leaving that institution. The age factor influences decisions relating to all functions of human resource management. This has been a basis for employment discrimination, where employment discrimination is viewed as employment decision making or working conditions that are advantageous or disadvantageous to members of one group compared to members of another group (Bernardin, 2007). According to Bernardin (2007), the decision making can apply to personnel selection, admission to training programs, promotions, work assignments, transfers, compensation, layoffs, punishments and dismissal. In most instances, one group either the younger or the older employees may either be advantaged or disadvantaged from time to time depending on the decision at hand.

Price (2007) observed that discrimination on grounds of age is prevalent but often unrecognized. From time to time discrimination on grounds of age may be applied in the name of complying with the institutional regulations. For instance, if the institutional regulations or established rules provide the minimum age for the senior managerial staff, for instance thirty five years, then younger prospective applicants will be 'discriminated' in order for the institution to observe its regulations. According to Nelson (2011), sometimes age is a factor in our job hunt. Applicants for certain positions must be above a certain age, or within a certain range. Although it has often been said that 'age does not matter,' that rule does not necessarily apply when you are applying for a job.

1.2 The Global Perspective

Some people equate age with experience. However, it is important to learn that there are some employers who will choose not to hire someone or promote someone based on the

person's age. As employers demand more commitment and energy from executives, many are taking a closer look at the ages of job candidates (Lewis, 1996). Age discrimination is illegal globally, and therefore those who make employment decisions based on age are in violation of the Age Discrimination in Employment Act. The Age Discrimination in Employment Act (ADEA) of 1967 is globally recognized. The Act is in line with the International Labour Organization convention on age and discrimination. The Age Discrimination in Employment Act (ADEA) of 1967 prohibits employers from discriminating against employees, or job candidates on the basis of age. The law covers workers who are 40 years of age and older. An employer must have at least 20 workers to be covered by this law as stated by McKay (2011). There are two distinct types of discrimination claims under ADEA. These are disparate treatment and disparate impact. Disparate treatment claims allege that an individual has been treated differently because of a protected characteristic. On the other hand, disparate impact claims allege that a facially-neutral policy or decision has a disparate impact on a group of individuals with a specified protected characteristic. Since its inception, the ADEA has been held to support only disparate treatment claims and not disparate impact claims.

According to Doyle (2011), employment discrimination happens when an employee is treated favourably or unfavourably because of his or her race, skin colour, national origin, gender, disability, religion, or age. It is illegal to discriminate in any facet of employment, so workplace discrimination extends beyond hiring and firing. For instance, employment discrimination could occur in any number of situations including stating or suggesting preferred candidates in a job advertisement, excluding potential employees during recruitment, denying certain employees compensation or benefits basing on their age, paying equally-qualified employees in the same position different salaries, discriminating when assigning disability leave, maternity leave or retirement options, denying or disrupting the use of company facilities, discrimination when issuing promotions or lay-offs.

It is illegal globally for an employer to make assumptions based on race, gender or age related stereotypes. Employers are also globally required to inform employees about their rights under Equal Employment Opportunity Commission (EEOC) laws, and must include that all employees will be free from retaliation if they do file a discrimination complaint. According to Price (2007), some countries such as Canada, Australia, New Zealand and the USA have legislated against ageism and a European Union directive compelled all member states to introduce legislation on ageism by the year 2006.

Employers can however apply age discrimination as long as they prove that their actions were based on a reasonable factor other than age (RFOA), where reasonable is one that is objectively reasonable when viewed from the position of a reasonable employer under like circumstances. It is one that would be used in a like manner by a prudent employer mindful of its responsibilities under the ADEA (Hunton and Williams, 2010). Some considerations as potentially relevant to the reasonableness determination include: whether the employment practice and the manner of its implementation are common business practices; the extent to which the employer took steps to define the factor accurately and to apply the factor fairly and accurately; the extent to which the employer took steps to define the factor accurately and to apply the factor fairly and accurately; the extent to which the employer took steps to assess the adverse impact of its employment practice on older workers; the severity of the harm to individuals within the protected group, in terms of both the degree of injury and the number of persons adversely affected, and the extent to which the employer took preventive or corrective steps to minimize the severity of the harm, in light of the burden of undertaking such steps; and whether other options were available and the reasons the employer selected the option it did.

Hunton and Williams (2010) further state that not all criteria must point to reasonableness to establish the RFOA defense and therefore the list is illustrative and not exhaustive. Guidance is also provided regarding whether the factors considered by the employer were age-related. The considerations for this inquiry include: whether supervisors are given

unchecked discretion to subjectively evaluate employees; the extent to which supervisors were to evaluate employees based on factors known to be subject to age-based stereotypes; and the extent of training received by supervisors in applying evaluative factors and avoiding discrimination.

In the USA as stated by Pilgrim (2011), the legal retirement age under the Social Security Act is 65 years. However, this has modifications depending on one's year of birth as per the amendments of 1983 in the social security act of the USA. According to the amendments if a person was born in 1938, his retirement age is ordained to be 65 years and two months. If the person was born in any year from 1943 to 1954, his mandatory retirement age is 66 years. For people born from the year 1955 onwards, there is an addition of two months per year. That is, a person born in 1957 will have a normal retirement age of 66 years and 6 months. Pilgrim (2011) observed that the average age of retirement in USA has continued to decrease in the past 100 years, owing to many socioeconomic factors.

According to a report "Aging Worker Initiative: Strategies for Regional Talent Development" by the Employment and Training Administration of the United States Department of Labour (2006), United States is in the midst of a demographic metamorphosis. In 2006, twenty two point six percent (22.6%) of the US population was over the age of 55. The graying of America will be reflected in its workforce: between 2006 and 2016, the number of workers 55 and over was projected to increase by 36.5 percent, a significant jump when compared to younger populations. The local workforce investment system is America's primary means of delivering publicly funded employment and training services to workers and businesses. Because of demographic changes, the number of older workers who desire and need its services is expected to rise dramatically. Similarly, due to possible labour shortages in some regions and high-growth industries, many businesses will seek out qualified, trained older workers as a labour pool.

In Afghanistan, one of the most fascinating types of jobs today is contract jobs. Sometimes potential employees must meet certain age requirements for different positions. Some positions require a person to be over or under a certain age, or within a certain age range. Minors below 18 years are prohibited to work in Afghanistan since it is a war zone area which qualifies as a hazardous environment. In addition, certain jobs may be considered to be too strenuous for those over a certain age especially when the workers are required to work in a war zone area. Applicants above a certain age might be unable to handle the rigors of Afghanistan jobs. When applying for positions in Afghanistan, sometimes age matters but more often the number of years one has in a particular field or in a war zone is even more important. In those situations, the importance of experience outweighs age.

1.3 The National Perspective

In Kenya, the normal retirement age has continued being revised upwards in the recent years. This has risen from 50 years to 55 years and currently it is set at 60 years. From a government audit of the civil service as reported in July 2011, it was revealed that a total of 73 civil servants are past retirement age, with 9 being 71 years old and above, while 17 are between 66 and 70 years. The other 47 are aged between 61 and 65 years. According to the survey report, 7,850 civil servants are set to retire as they are between the ages of 56 and 60. Majority of civil servants were found to range between 36 and 55 years and this comprised of 162,133 of the 217,069 civil servants.

Of the ageing civil servants as revealed by the report, 67% do not have adequate academic qualifications. About 3,185 of them fall between the ages of 41 and 60 out of the 3,373 (94.26%). Majority of officers in the age bracket have Certificate of Primary Education (Standard seven), Kenya Junior Secondary Education (form two), O Level (form four) and A Level (form six). A large number of civil servants are primary school leavers who comprise 19,512 of the civil service. Among them, 5,397 fall in the age brackets of 46 to 50 years and 6,244 fall in the age brackets 51 to 55 years.

About 172,914 staff in the civil service spread across all age brackets possess secondary school certificates. In this category majority are aged 26 to 30 years accounting for 29,271 workers. Those aged between 31 to 35 account for 25,538 workers, those between 41 to 45 years account for 23,863 workers and those between 46 to 50 years account for 25,775 workers. The report revealed that only 1,343 civil servants comprising of 0.62% are in possession of higher diplomas, diplomas and certificates. The highest concentrations in this category are those in the 26 to 30 years old age bracket at 2.6% followed by 31 to 35 years age bracket with 1.93%. Only 8.31% of the civil servants have bachelor degrees. This accounts for 18,042 civil servants. Majority of these bachelor degree holders are between the 26 and 30 years age bracket. This accounts for 3,307 workers. Those with bachelor degrees between 31 and 35 years age bracket are 3,842. Those between 36 and 40 years age bracket are 2,688. Between 41 years and 45 years age bracket, there are 3,525 workers and 2,394 workers between 46 and 50 years age bracket.

The survey revealed that 1,743 civil servants hold masters degrees, with 25% of them representing the majority ranging between 51 and 55 years followed by 41 to 45 years. It was noted that 136 civil servants held Doctor of Philosophy (PhD) qualifications spread across all age brackets except those below 25 years. Majority of PhD holders accounting for 39% were in the age bracket 51 to 55 followed by those aged between 46 and 50. The survey revealed that 10.3% of the 136 PhD holders in the civil service represented officers aged between 60 to 100 years (Daily Nation, 4 July 2011).

Although a few civil servants are past 60 years which is the mandatory retirement age in Kenya and about 8,000 set to retire within the next five years, as compared to the US, Kenya is not an ageing nation. Majority of Kenyan population constitutes of the youth and a large number of these youth are job seekers. In the current Kenyan situation, when a job is advertised to the public, thousands or hundreds of applications are received from the youth who meet the minimum requirements for the job but are jobless or they are serving in lower capacities where they feel they are overqualified for the jobs they perform. In this case,

organizations are not threatened to lack people from the job market to fill positions that may fall vacant due to an employee retiring or leaving for one or other reason. As a result of this, most institutions in Kenya observe the normal retirement age and there are only few cases where one's services are extended past the retirement age.

1.4 The Institutional Perspective

Ageism is discrimination on the basis of age. It is any action, attitude or institutional structure that subordinates a group or person due to age, just as gender discrimination is based on sex (Pearce, 2010). Unfortunately, in the American culture, older people are perceived negatively and are less valued, which is not the case in other cultures that revere the elderly. The ADEA of 1967 makes it unlawful to discriminate against anyone based on his age with regard to privilege of employment, terms and conditions of employment, hiring, promoting, firing, compensation, benefits, layoffs, training and assignments. A potential employer may ask an applicant his age but this requires careful scrutiny to determine if the question was asked for a lawful purpose, rather than for a purpose not allowed by the ADEA.

It is unlawful to include age limitations, preference or specifications in advertisements and job notices. The age limit should only be included when there is an absolute occupational qualification needed to do the job in question. Some political offices have qualifications that discriminate on the basis of age as a proxy for experience, education or accumulated wisdom. For example, the President of the United States must be at least 35 years old, a United States Senator must be at least 30 years old and a United States Congressman must be at least 25 years old.

2.0 AGE STEREOTYPES IN THE WORK PLACE

Ageist stereotyping is a tool of cognition which involves categorizing into groups and attributing characteristics to these groups. Stereotypes are necessary for processing huge

volumes of information which would otherwise overload a person and they are often based on some level of truth. However, they cause harm when the content of the stereotype is incorrect with respect to most of the group or where a stereotype is so strongly held that it overrides evidence which shows that an individual does not conform to it.

Butler (1975) defined ageism as the systematic stereotyping of and discrimination against older people because they are old, just as racism and sexism accomplished this with skin colour and gender. He further observed that the workplace as a microcosm of society reflects the stereotypes and biases that are part of the national social environment. When age biases negatively affect workplace decisions about employment, termination, retirement, benefits, training and promotion opportunities, age discrimination is in action. Four types of ageism have been defined by the Anti-Ageism Taskforce (2006). Personal ageism is an individual's attitudes, ideas, practices and beliefs that are biased against older people. An age stereotype such as, 'older workers are lazy and are prone to sicknesses' is an example of personal ageism. Institutional ageism refers to established rules, missions and practices that discriminate against older individuals or groups based on age. Setting a mandatory retirement at a particular age is an example. Intentional ageism is attitudes, rules or practices that are held, implemented or engaged in with the knowledge that they are biased against older people. Conversely, unintentional ageism is practiced without the perpetrator recognizing the bias.

According to Posthuma and Campion (2009) personal beliefs and expectations about workplace age groups are considered workplace age stereotypes. Often these stereotypes are biased, negative preconceptions about either older workers or younger workers. These preconceptions include poor performance, resistance to change, lower ability to learn, shorter tenure and costly to maintain. Older workers are viewed to have lower performance, productivity and motivation. Depending on the nature of work this preconception may be true or false. If the work is manual and requires a lot of physical effort, then to a great extent as the human body ages, it becomes physically weaker. However, if the work requires less physical effort and more intellectual effort, then as the employee ages and as a

result of exposure and experience, he becomes an authority in his area of work and becomes more valuable intellectually to the institution. His performance and productivity goes higher since he will not only be limited to his assigned duties but will also be coaching the younger workers and mentoring them.

With regard to motivation, both older workers and younger workers can be motivated or demotivated by different factors. A number of factors that may motivate or demotivate workers may not necessarily be influenced by age but by individual preference. These may include promotion, compensation, institutional rules and regulations, the nature of work, the physical working conditions among others. The effect of these factors may vary from individual to individual depending on their different perceptions and personal interests or goals.

Older workers are viewed to be resistant to change. They are seen to be more comfortable to operate in the known and are rigid to venture into the unknown. They tend to be harder to train since they are confident in themselves and believe that since they have been operating in a particular way for a number of years, then that is the way to continue and change is not welcome. On the other hand, younger workers are seen to be more adaptable to change and view change as an opportunity for greater exploitation. This has been evident in a number of institutions where there has been massive change. The trend has been that the change drivers have been younger and middle aged workers. The older workers also contribute to the operationalization of the change but from the rear.

Due to their age, older workers are preconceived to have shorter tenure. They are thought to have more turnover than other age groups. In institutions where the retirement age has been predetermined, workers who join at an advanced age will definitely have a shorter tenure as compared to those who join while young. If an institution employs older workers who are nearing their retirement age for purposes of benefiting from vast experience of the workers, then the staff turnover will definitely be high. Older workers are also preconceived to be obtaining higher wages and using more benefits. The normal practice is however that the

wages of an employee are relative to the position he holds. If the older worker may be privileged to be in a higher managerial position then the salary will be expected to be higher. However, not all older workers are at managerial levels. Others may be in middle management level or even at support levels. This will render the preconception void. Benefits are also administered in relation to one's position. If the older worker is at support level then he may not have so much to utilize in terms of benefits.

Posthuma and Campion (2009) observe that these stereotypes are all rather negative giving a poor outlook for the older workgroup. On the other hand, there is evidence to refute these negative preconceptions. The general tendency is that little evidence supports declining performance with age, and more often performance improves with age especially in cases where the job at hand is less manual but more intellectual. Secondly, age is less important than differences in individual skill and health. During recruitment, the major focus should be getting a person who is able to perform to the expected standards and age should be secondary. Thirdly, older workers are less likely to quit, thereby resulting in more return on investment especially in the area of training investments.

Age stereotypes could be directed at younger workers too. An example is when the ideas of the younger workers are ignored because they are young or assuming that they should behave in a certain way and always take the decision of the older workers without question (Wikipedia). Another example is when an older individual is hired over a younger individual because it seems as though they have more experience. When dealing with age stereotypes in the workplace, Posthuma and Campion (2009) recommend that organizations should identify reasonable factors by ensuring that hiring practices can identify factors other than age, which have influenced hiring decisions. Preventing age stereotypes requires vigilance through observation and statistics, thereby preventing legal liability.

While using job related information, organizations should identify age stereotypes to increase the likelihood of correctly identifying when they occur, while using valid selection procedures. Organizations should use training and development by ensuring management is

properly trained to identify age stereotypes, while properly training employees will lead to development and growth of workers as they age. Institutions should target high-risk areas by identifying situations or jobs that have been stereotyped towards a certain age group. Often times varying jobs are identified within a certain age group, therefore creating bias within a certain job domain, an example is that CEOs should be older individuals. It is recommended that organizations utilize older workers as a competitive advantage by focusing on skill rather than age, thereby hiring the most skilled older workers that other companies may have over-looked due to their age.

Organizations should consider adding complexity by considering that due to the fear of declining cognitive ability, managers are often inclined to reduce older worker's responsibilities, but research suggests it may be better to switch things up and make them more complex. Ageism may be occurring in the workplace; however, there are many methods or practices that can be useful in mitigating the negative consequences.

3.0 AGE IN HUMAN RESOURCE DECISIONS

3.1 Age Factor in Employee resourcing

Armstrong (1999) states that recruitment, employment and training practices should take into account some key factors about age and age discrimination. First and foremost, age is a poor predictor of job performance. It should be noted that performance is not purely affected by one's age. Other factors may affect one's performance including health, family problems, the society's views, the nature of work, the work environment, equipment and apparatus of work among others. Secondly, it is misleading to equate physical and mental ability with age. People age at different rates. It is not guaranteed that the physical and mental ability will deteriorate at the same rate with age. Depending on one's living pattern, ageing will catch up in different rates for different people. Thirdly, more of the population than ever before are living active, healthy lives as they get older. This has resulted in older healthier workers than before. As a result, some older workers are even more active and

proactive than the younger workers. Fourthly, age is rarely a genuine employment requirement factor. Regardless of one's age, he is able to perform to some extent and in his own ways. However, the idea of restricting on age for some selected positions is a matter of preference by an institution. Fifthly, society's attitudes may encourage compliance with outdated personnel practices regarding recruitment, promotion, training, redundancy and retirement. Lastly, reduced self-confidence, self-esteem and motivation, together with loss or reduction of financial independence for individuals and their dependents, are some of the harmful effects of age discrimination.

In early years, institutions were discriminating employees and prospective employees on grounds of age. Beardwell, Holden and Claydon (2004) state that in 1999 the UK government introduced a code of practice designed to promote age diversity in employment, arguing that 'to base employment decisions on preconceived ideas about age, rather than on skills and abilities, is to waste the talents of a large part of the population. The code covers six aspects of the employment cycle: recruitment, selection, promotion, training, redundancy and retirement. Specifically in terms of recruitment the code recommends employers to recruit on the basis of skills and abilities necessary to do the job rather than imposing age requirements or making stereotypical judgments based on the age of the applicants. Similarly, for selection, the code recommends that employers select on merit by focusing on application form information relating to skills and abilities and on interview performance.

There is a tendency of organizations setting an age limit for different levels and cadres of employment. An example is setting a maximum age of 27 years for management trainees or a minimum age of 35 for senior management staff. All this is negative discrimination on the basis of age. Snape and Redman (2003) argue that discrimination for being too young is at least as common as that for being too old. Both forms of discrimination adversely affect commitment to the organization and hence it could be argued that this eventually affects performance. According to the study conducted by the Society for Human Resource Management (SHRM) in conjunction with the National Older Worker Career Centre

(NOWCC) titled “Older Workers Survey” conducted in 2004 and quoted by Arthur (2007), the following ten reasons are given for hiring older workers:-

First is a greater willingness to work different schedules. Older workers are generally perceived to have fewer commitments and therefore they are assumed to be available for work at any time. They are also perceived to have grown up children hence reducing the rate of lateness and absenteeism in order to attend to family issues from time to time. However, not all older workers have grown up children, others get children at advanced age. In addition, some older workers have a lot of commitments especially investment commitments that they may require to monitor from time to time. Second is their effectiveness as mentors. Older workers are more effective as mentors than the younger workers. Older workers have a lot of experience and are therefore in a position to mentor the younger upcoming professionals. Older workers are also viewed to have a lot of wisdom which gives them an upper hand in mentorship. They are perceived to be patient and tolerant

Third is the invaluable experience brought to a job by older workers. As a result of long service, older workers gain a lot of valuable experience to the job. This enables them to predict the results of any assignment from the visible indicators in the course of a task being performed. They are also able to predict obstacles or challenges that may hinder achievement of their targets and come up with remedial actions proactively. The wealth of experience results to greater output which contributes to the profitability of an organization. Fourth is the strong work ethics. Moral principals are very critical to every institution. Older workers are viewed to be more abiding to the principles and practices of an organization than younger workers. Younger workers would want to explore and ask many questions and at times disagree with the guiding principles of an organization.

Fifth is that older workers are more reliable. Compared to younger workers who are believed to have young families that need close attention, older workers are perceived to

have fewer family obligations and therefore, they are able to plan their activities and follow their plans as they are without much variation. This may however not apply in every situation. Older workers also have their different challenges that may render them unreliable from time to time. This is more so if the older workers develop health problems that may render them unfit for work from time to time. Sixth is that older workers have a greater diversity of thought/approach to tasks. Due to their vast experience, older workers are perceived to have several alternatives to every task that they undertake. The older workers are even conversant with the most appropriate approaches that can lead to the success of any undertaking. In the recent times however, the business world is not static. The business environment has become very dynamic with clients' needs changing from time to time and the same clients have become more knowledgeable and aware of their rights. For a company to survive in this competitive world, a lot of creativity and innovation is required. This is mainly associated with the young people, making the younger people favoured in job opportunities than the older ones as opposed to Arthur's (2007) views.

Seventh, older workers are more loyal. Older workers are perceived to be faithful and loyal to their employers. As compared to younger workers who often steal the employer's time and procrastinate over assignments from time to time, older workers hardly steal their employers' time and resources. Eighth is that older workers are likely to take work more seriously. Older workers are perceived to be respectable and take their work more seriously as compared to the younger workers. The older workers value their work so much and therefore they put all their efforts to work anticipating good results out of their labour. Younger workers on the other hand are more adventurers. They would want to experiment to see if they could come up with more creative means of handling different assignments. From time to time, this ends up in misunderstanding by management where the younger workers are viewed as not taking their work seriously.

Ninth is that older workers are valued for having established networks. As a result of long service in their professional areas, older workers are perceived to have established valuable

networks. Through these networks organizations can have exchange programmes, have ease in sharing ideas as well as ease in benchmarking. Lastly, older workers have a higher retention rate. Older workers do not easily move from one job to another. They settle on a job and dedicate themselves to work. The older workers are perceived to be more satisfied with their work and therefore they remain in an organization for a long time reducing the cost of recruitment from time to time as well as reducing the labour turnover.

In support of having older workers in an institution, Torrington, Hall and Taylor (2008) confirm that older workers are seen to be more loyal and reliable, to have better interpersonal skills, to be more efficient in the job and their experience in the job counteracts any age-related factors lowering productivity. Older workers are generally more satisfied with their jobs and have fewer accidents and a better absence record; and in any case there is considerable variation within individuals. Older workers also have lower turnover rates which saves the organization money spent in the recruitment process to replace the employees who leave the organization. Dennis and Thomas (2007) share the same sentiments about older workers.

Arthur (2007) however acknowledges that the disadvantage of hiring older workers is their failure to keep up with technology. According to Dennis and Thomas (2007) negative perceptions are also evident among older workers. The older workers are perceived to be inflexible, unwilling to adapt to technology, lacking an aggressive spirit, resistant to new ways, having some physical limitations, costing more for health insurance and complacent. As much as these aspects may be more evident in the older workers, younger workers are not fully exempted from them.

According to Price (2007), prior to the introduction of age discrimination legislation, deliberate ageism was common in job advertisements. For example, in the UK, Heasman (1993) as cited by Price (2007) found that 30% of advertisements carried discriminatory references against older workers. Half of these advertisements specified a maximum age

limit of 35. Other advertisements used terminology such as “youthful” and “dynamic” which carry an implicit message that older workers were not welcome to apply. However, there are times when some jobs require that an employee be of a certain age where that is necessary to the organization’s normal operation. According to Dessler (2008), the Age Discrimination in Employment Act (ADEA) of the US permits unequal treatment in those instances. Age is a bona fide occupational qualification (BFOQ) when federal requirements impose a compulsory age limit, such as when the Federal Aviation Agency sets a ceiling of age sixty five (65) for pilots. Actors required for youthful or elderly roles or persons used to advertise or promote the sales of products designed for youthful or elderly consumers suggest other instances when age may be a BFOQ (Dessler, 2008).

The SHRM’s “Generational Differences Survey Report”(2004) gives these distinctions that can be made between the four workforce generations. Traditionalists are those who were born prior to 1945 and are reportedly respectful of an organization’s hierarchy, accept authority figures, prefer structure, give maximum effort and stay with a company for a long time. Baby boomers are those who were born between 1945 and 1964. They also accept authority figures, give maximum effort and are inclined to stay with a company for the long term. In addition, they are results driven. Traditionalists and baby boomers comprises of the older workers as viewed today. Generation Xers are those who were born between 1965 and 1980. They are considered technologically savvy, like informal work environments, embrace diversity, learn quickly and value work/life balance. This group comprises today’s middle aged workers. Millenials are those who were born between 1981 and 1993. They are also technologically savvy, prefer informal work settings, value diversity and learn quickly. They are also said to require greater supervision. This category comprises today’s younger workers.

Generation Xers and millenials are also set apart by their preference for communicating electronically. They demand work that is both interesting and reflective of leading-edge technology. Not wedded on one job or even one field, younger workers are open to

alternatives and look for exciting and entertaining opportunities that will expand their skills, knowledge and interests. According to Cam Marston, president of Marston Communications as quoted by Arthur (2007), younger workers are viewed to be more detached from their jobs than prior generations. What they valued most is a meaningful personal connection with their bosses. "The boss is the company" to them. Younger workers "rarely quit the job or the company, they quit their boss". When the younger workers do not relate well with their superiors, they will search for an alternative job, not because they want to leave the company, but because they want a separation with their current superiors. Once those superiors are out of the company, the younger workers become willing to return to the company. Younger workers also think in terms of the impact their careers will have on their personal lives. Millennials think of jobs as engagements between their days off.

While recruiting employees, it is important that these generational differences are put into consideration. Applicants will react or conduct themselves differently depending on which generational group they belong to. Their likes and preferences will also be influenced by their generational group. These generational differences have been seen to influence the preferences of employees at work and therefore, need to be taken into consideration when making all human resource decisions from resourcing all the way to training and development, reward management, maintenance, integration and separation.

Arthur (2007) suggests that methods for recruiting younger workers should take these characteristics into account. Suggestions include using interactive techniques, such as CD-ROMs and revising company brochures to focus on new technology, promotional opportunities, geographic alternative and family leave policies. One technique for attracting youthful workers is to provide funding for scholarships. Increasingly, businesses are offering scholarships to employees attending college or technical school. Other companies provide scholarship funding to local schools in the hope that graduates will seek employment with them. Some businesses go a step further enticing top students from select

colleges to commit to employment by granting 100% tuition aid from the second or third year of school through graduation. In return, students must commit to work for that organization for a minimum period of time, ranging from one summer to one year after graduation.

3.2 Age Factor in Training and Development

Newton (2006) found a clear association between age and the amount of training offered to and received by workers. Employees aged over 55 were less likely than younger or mid-life workers to take up opportunities for training that were made available and were more likely only to have received on the job training. As a result of this, young and middle aged employees get more opportunities for training and development as opposed to the elderly employees. In some organizations, there is a training policy that prohibits trainings of over six months for employees who have less than five years to retirement. In other institutions, older employees are favoured more when it comes to opportunities for workshop attendance and seminars. The age stereotype in learning is that older workers tend to have lower ability to learn. They are viewed not to have ability to develop new skills as well as younger workers. From a study conducted by Employee Benefits Research Institute (2007), it was observed that employers were investing in the training and development of young inexperienced workers rather than workers aged 55 years and above whose job tenure is three times longer.

3.2.1 Career Development Theory

Super (1957) and other theorists of career development recognize the changes that people go through as they mature. Career patterns are determined by socioeconomic factors, mental and physical abilities, personal characteristics and the opportunities to which persons are exposed. People seek career satisfaction through work roles in which they can express themselves and implement and develop their self-concepts. Career maturity, a main concept in Super's theory, is manifested in the successful accomplishment of age and stage developmental tasks across the life span. Self-concept is an underlying factor in Super's model: "...vocational self-concept develops through physical and mental growth,

observations of work, identification with working adults, general environment, and general experiences.... As experiences become broader in relation to awareness of the world of work, the more sophisticated vocational self-concept is formed" (Zunker, 1994). Super's contribution was the formalization of stages and developmental tasks over the life span as shown in table 1.

Table 1: Stages and Developmental Tasks

<u>Stage</u>	<u>Age</u>	<u>Characteristics</u>
Growth	Birth - 14	Form self-concept, develop capacity, attitudes, interests, and needs, and form a general understanding of the world of work
Exploratory	15-24	"Try out" through classes, work experience, hobbies. Collect relevant information. Tentative choice and related skill development.
Establishment	25-44	Entry skill building and stabilization through work experience.
Maintenance	45-64	Continual adjustment process to improve position.
Decline	65+	Reduced output, prepare for retirement.

The stages and developmental tasks over the life span of an individual as presented in Super's model are consistent with today's career development pattern. However, in Kenya, the maintenance stage and the decline stage overlap since as individuals attain the age of 45, as they continually improve their position, they also begin to prepare for retirement. According to Super (1957) people change with time and experience, and progress goes through the vocational development stages, as illustrated in table 2.

Table 2: Vocational Development Stages

<u>Vocational</u>	<u>Ages</u>	<u>General Characteristics & Developmental Task</u>
Crystallization	14-18	Developing and planning a tentative vocational goal
Specification	18-21	Firming the vocational goal
Implementation	21-24	Training for and obtaining employment
Stabilization	24-35	Working and confirming career choice
Consolidation	35+	Advancement in career

In practice, people go through the specification and implementation vocational stages consistently. The other stages of crystallization, stabilization and consolidation are passed over independently. However, some few individuals develop faster while others develop at a slower pace and therefore their development may go beyond the age brackets specified. From the theory it is evident that personal development goes hand in hand with career development. When making training and development decisions, it is important to put the development stage of an employee into consideration so that the institution offers what the employee needs. In many circumstances, employees have been trained but from the impact assessment after training, it is revealed that the training was not effective. One of the reasons for such scenarios is when the training programme was not what the employee needed for career growth at that point in time.

3.3 Age Factor in Reward Management

Employees can also experience age discrimination within the workplace. If an employer refuses to promote or give pay raises based on the age of the employee, the practice may be considered age discrimination. Decisions about promotions and compensation should be considered in the fairest possible manner and should be based on eligibility and performance.

DeCenzo and Robinson (1998) argue that the reason for age discrimination in employment appear to centre on two themes. First is the youthful image and secondly the money issue.

In many organizations, the salary of senior employees is two or three times higher than that of younger workers performing similar jobs. Accordingly, if the younger worker can handle the senior worker's job, eliminating the senior worker will save money. In such cases, the focus is on "cutting salary costs and pension liabilities." This has led to a number of institutions discriminating the older workers and giving more job opportunities to younger workers as a strategy of saving in the area of compensation.

This argument may however not hold true in some cases. A number of institutions have developed a salary structure that guides on the level of pay to be administered to different categories of employees. Regardless of one's age, one is paid according to the level that he falls in. In this case, a younger employee who is at the same level with an older employee will not be discriminated and be denied what he rightfully deserves. Where such a structure exists, it is administered across the board according to each person's level and in such cases there is no discrimination. A problem occurs where a defined structure does not exist and everyone is paid according to how he negotiates at the time of engagement. In such cases the younger people will ask for lower pay and in this case the employers can take the advantage of doing away with the older workers who are paid more and engage younger workers who ask for less.

3.4 Age Factor in Maintenance of Human Resources

In earlier years it was perceived that older workers were expensive to retain in an institution as compared to younger workers mainly in terms of their health and other welfare matters. With changing perceptions of older workers across the world, many countries are finding that keeping a graying workforce on the payroll no longer has a negative impact on productivity; rather, it is considered beneficial in terms of long-term results (Mukherjee, 2006). Philpott (2003) reports that in a survey of 600 retired people, two-fifths believed they had suffered discrimination in some way, age discrimination being the most frequent form. He argues that there are fewer older people in the workforce, not because they prefer to retire, but because they feel they have been discriminated against.

According to Werther and Davis (1996), the Older Workers Benefit Protection Act of America was amended in 1990 to prohibit discrimination in employee benefits. The law specified that employers use an 'equal benefit or equal cost' standard when granting benefits. This required that older workers receive benefits at least equal to those of younger workers unless the cost of providing for an older worker would be more than that for a younger one. The law also set minimum standards employers must meet to create valid waivers of age claims, which are often signed by older workers in return for early retirement or other benefits when they leave an employer. When the waivers comply with the act, they shield the employer against age discrimination suits.

A 1984 study on the costs of employing older workers, prepared for the Special Committee on Aging of the U.S. Senate (Rappaport and Morrison, 2000), found that substantial benefit costs vary with age and that those costs vary with the structure of the benefit package. Those findings still hold true today. The forces responsible for the differences in benefit costs by age are the amount of time available to earn investment income and the operation of compound interest. Another factor is that the differences in rates of illness and death have not changed in the past 16 years according to the report. However, there has been a change in the prevalence of various types of benefit programs and in market practices, notably, a growth in employment in smaller companies which frequently offer fewer and less generous benefits.

Over the years, there has been a shift from traditional defined benefit plans to defined contribution plans and cash balance plans which have much less variation in cost by age. There has been an increase in the use of matched savings programs and in the size of the match. Apparently, the costs of those programs do not vary by age. Employers now go for new forms of health benefit plans and new variations in risk sharing between insurer and employer. In the same breadth, there has been an increase in employee contributions for health plans whereby those contributions do not vary by age, whereas costs do, thus increasing the employer's cost variation. There has also been a growth of flexible benefit

programs, in which employees are allocated credits that they use to buy benefits from a menu. These arrangements give more benefits to the employees at a cost effective rate to both the employer and employee. They have resulted in less cost variation by age and more frequent employer selection of benefit packages that exhibit less variation by age.

Evidence as stated by Torrington, Hall and Taylor (2008), suggests that line managers have negative perceptions of older workers, seeing them as less able to cope with change, training or technology and less interested in their careers, more likely to be sick and to cost more money to employ, considering that in most cases older workers utilize the medical benefits more and will soon be claiming the pension benefits whereas medical and pension benefits are by far the most costly parts of the employees benefit package, regardless of package design or employee cost sharing.

Medical costs have always been a concern for most employers. Family members covered by employer health plans include spouses, children and in some plans, domestic partners. The costs for individuals vary by age and by the number of covered dependants. Very young employees have few dependants, but the number increases as they marry and have children. The number of dependants declines among older employees as their children reach maturity and are exempted from the cover. Costs of medical benefits vary substantially, depending on the health status of the covered group. Employers may attempt to justify age-based decisions by claiming that they wish to groom younger employees for long-term employment at the company. They may also claim that they are protecting the older applicant from being uncomfortable in an office that has a younger workforce. Neither excuse is reason to refuse a qualified applicant.

3.5 Age Factor in Integration

In a number of organizations, it has been noted that older workers are loyal to their employers and they observe the regulations of employment. Younger workers on the other hand have been noted to frequently violate the organizational rules leading to disciplinary

cases. A lot of dissatisfaction in employment has been noted among the younger workers as compared to the older workers. Older workers have been noted to manage their work-life balance as compared to the younger workers.

Torrington, Hall and Taylor (2008) confirm that older workers are seen to be more loyal and reliable, to have better interpersonal skills, to be more efficient in the job and their experience in the job counteracts any age-related factors lowering productivity. Older workers are generally more satisfied with their jobs and have fewer accidents and a better absence record; and in any case there is considerable variation within individuals. Older workers also have lower turnover rates which saves the organization money spent in the recruitment process to replace the employees who leave the organization.

3.6 Age Factor in Separation

Years ago and according to Bernardin (2007), retirement plans typically “froze” individual pensions on employees’ sixty fifth (65th) birthdays and did not permit them to earn any additional pension credit even if they worked beyond the age of sixty four (64). This has since changed and employers are required by the law to provide retirement plans for such employees. As a result of this, some organizations limit the maximum entry age level to avoid having a frequent large number of old employees so as to avoid payment of hefty retirement benefits.

According to Carr (2010) the Employment Equality (Age) Regulations were introduced in 2006 in the UK to prohibit discrimination in employment because of age. One of the key features of the Age Regulations was the introduction of a default retirement age (DRA) of 65 and the prohibiting of compulsory retirement below age 65, unless objectively justified. The DRA was therefore an exception from the general principle of equal treatment as it meant that it was lawful for an employer to discriminate against an employee on the grounds of their age when it comes to retirement. An employer can therefore compulsorily retire an employee at the age of 65 or above without that being deemed to be unfair dismissal or age

discrimination, provided they follow a set retirement procedure. This procedure means that employees have a statutory right to at least six months' notice of retirement and a 'right to request' working longer, which the employer has a duty to consider. Use of the DRA is not mandatory for employers: they do not have to retire employees once they reach 65, and are free to continue to employ them as long as they wish.

According to Carr (2010), a review was conducted by the Department for Business Innovation and Skills (BIS) and the Department for Work and Pensions (DWP) in the UK focusing on the default retirement age in the context of an ageing UK population. The key findings of the research were in respect of employers and employees. The key findings from the employers were as follows;

1. Thirty-two per cent of establishments had a compulsory retirement age for at least some of their staff. Thus, the majority of employers operate without a compulsory retirement age. Nevertheless for those that do, it represents 45%, which is a substantial proportion of the workforce. Very few employers adopted a compulsory retirement age, where one did not exist, as a result of the introduction of the default retirement age. Despite introduction of default retirement age, few employers had abolished a compulsory retirement age where one was already in operation. There had been an increase in the proportion of employers operating without a compulsory retirement age in 2009/10 compared with 2005 when this was first measured. It would appear that this decline was due to the introduction of default retirement age.
2. Less than half the employers surveyed held the view that it was important to be able to compulsorily retire employees. On the other hand, thirty nine per cent of employers felt it was important to be able to legally retire employees. Employers operating with a compulsory retirement age were amongst those more likely to think this was important. Businesses cited a number of reasons for having a compulsory retirement age. For just under a third of those operating with a compulsory retirement age, this included manpower planning. For more than a third the reason was historical.

3. Retirement practices had the effect of perpetuating other age based practices. For example, employers with a compulsory retirement age were more likely to have a maximum recruitment age. Likewise some employers reported that training selection would be influenced by the period remaining before retirement. Some employers may also deny older workers promotions to avoid incurring higher costs in pension contributions and administration of higher benefits. Despite some limitations, the findings revealed that attitudes towards working beyond the default retirement age were positive overall and the large majority of employers accepted all requests to stay in work (where such requests had been received). A small minority of employers did not accept any requests.

Views were also collected from the employees and the key findings from the employees were as follows;

1. Evidence showed a mixed level of awareness amongst employees of the Employment Equality (Age) regulations, including the default retirement age. This was an indication of the need to sensitize employees more on the regulations. On aspirations to working in later life, the majority of employees did not wish to work beyond the age of 65. However, the desire to continue working increased with age and also with the hypothetical offer of flexible working. Older people may have a challenge of working a continuous eight hours every day for five or six days every week. Some may wish to work half days or have at least one day rest between every week or have some other arrangements that may provide them with more time to rest since at their age they also need a lot of rest so as not to strain themselves (Carr, 2010).
2. Where employees had made requests to remain in work, these had been accepted in the very large majority of cases. This reveals that employers no longer viewed older workers as a liability and a cost in the organization but as an asset to the organization. The experiences of those not submitting requests because they anticipated refusals remained unknown. However, these experiences may have resulted from discrimination

on the basis of age resulting to denial of opportunities including training opportunities, promotion opportunities among others, even where it was evident that the older workers deserved those opportunities.

3. Ten per cent of employees expecting to retire at 65 years or earlier reported that the main reason was the expectation that their employer would not permit them to work longer than this. Experiences of the right to request process were mixed, as was satisfaction with the outcome. This appeared to be influenced more by the involvement individuals perceived they had in the process rather than the outcome alone. Where the outcome was not what the individual desired it was perceived to be fair if they had been consulted and were involved. Where individuals felt excluded from the retirement process or decision, the process and the retirement were perceived more negatively.
4. Perceived performance in their work in the run up to retirement was mixed, with some older employees attributing age to a number of performance related issues, whilst others perceived no difference in their performance in the run up to retirement. Some felt their performance had improved. A decline in performance may have arisen to a large extent from deteriorating health status especially among older workers who developed a number of medical problems due to old age. Those who perceived their performance to have improved are most likely not to have developed major health problems. The nature of their work also matters a lot. If their jobs do not demand a lot of physical effort then out of experience and exposure, such employees could be an asset to the organization especially in terms of giving advice to the younger workers and addressing day to day problems (Carr, 2010).
5. Perceived unfair treatment and discrimination in the workplace was not reported by older workers to a disproportionate degree compared with other age groups. Older people reported less discrimination in general at work than other age groups, although they are more likely to mention age as a reason for any unfair treatment or discrimination. There could however be some sort of fear among older workers to speak

out their dissatisfaction with their places of work. The older workers could be having fear of being unfairly treated or discriminated by their employers even more if their employers learn that the older workers raised such an issue. For this reason the older workers may have played it safe by not revealing the truth of the matter (Carr, 2010).

4.0 CONCLUSION

The literature review focused on gaining more understanding of how age impacts on human resource decisions. In practice, a number of employment decisions are made based on the age of the employees yet very few studies have been carried out to explore this area. Once employers recognize the value in age, the work of reassessing the meaning of ageing will begin. In that perspective, a lot of sensitization is required for both employers and employees to create awareness on the roles and rights of each party. According to Aryee et al (2008), it is important to adopt an 'age-neutral' employment policy that encourages application from all ages, including those over 65 years and the young applicants. This will address the increasing problems of the ageing population in the UK. As a result, this will create a more positive perception from customers.

On the contrary, the situation in Kenya is different. Majority of the Kenyan population constitutes of the youth who are eligible for employment. However, in a number of institutions, especially the government institutions, majority of the senior positions are occupied by the senior citizens who as it follows, earn higher remuneration compared to the youth who occupy the junior positions. In addition, Kenya is not threatened by the risk of deficiency in the labour market. The larger percentage of the youth are well qualified for higher positions and are constantly seeking for those job opportunities that match their qualifications.

Although there is a growing body of evidence demonstrating the linkage between employees' age and employment decisions made, there is less evidence on the nature of this linkage. This review sought to identify the employment decisions relating to employees that are made from time to time in relation to the age of the employees and bring out the

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