

## **CHALLENGES OF AGING LABOR FORCE IN AN ORGANIZATION**

Marjan Petrišič<sup>1</sup>, Milan Ambrož<sup>2</sup>

| 161

### **Abstract**

This paper examines the impacts of the changes of the composition of the ageing labor force on the skills and knowledge transfer in an organization. The changing individual needs of older individuals are creating powerful, labor dynamic incentives. For the management organizations from private and public sector, this is an organizational challenge linked to cultural transformation on the level of organization. The results of the study show that the manager and non-manager respondents have the unique aspect of the role of senior employees in some small Slovenian organizations. Managers in the sample based on their managerial experience, see the older workers in an organization primarily as transformers of jobs to younger employees, which should be courteous and efficient and should help the organization competitiveness. Non – managers' respondents give priority to employment and retirement strategy for senior employees and maintain a positive view of older employees' motives and productivity. Further, non – managers point to the need to keep older workers with unique skills and competences in an organization. We conclude that organizations will meet the challenge of ageing labor force in the near future. They will have to start the organizational culture, which will promote business change and continuous flow of skills and competences through inter-generation model.

**Keywords:** senior employees, ageing, stereotypes, organizational culture, strategy, competences, transformation

---

1 Marjan Petrišič is a doctoral student at ECM Contact address: marjan@promopotovanja.si

2 Milan Ambrož is an Associate Professor at B & B College of logistics studies Kranj, Slovenia Contact address: ambrozmilan7@gmail.com

## **Introduction**

Old age may be viewed either as a problem or a challenge from the individual or social meaning view. This challenge reflects in the current labor force. The countries of Central and Eastern Europe have extremely small percent of participation of older workers in the labor market. It is on average only 39%. In EU countries, the percentage of participation of older labor force is higher (47%) and in EU27 countries 46%. Slovenian Employer Association (2010).

Slovenia is a small country in EU that severely confronts the phenomenon of ageing labor force. The situation will probably increase because of the lowest birth rate in Slovenia and European Union. Additionally, Slovenia is confronting the high rate of unemployment of young and older people. Many young people from Slovenia emigrate to other EU and non EU countries because of the better job and working conditions opportunities. Older workers have difficulties to find work and do not participate in business activities. However, rapidly aging populations brings some recent social and economy problems associated with health, medical care, pension funds, and poverty of young and older people. In comparison to other EU and none EU countries, fewer workers over 55 years of experience business in Slovenia. Many argumentations and discussions in the EU and none EU countries point to similar problems. The weakening of the welfare state and the draining of its social and pension funds demands the prolongation of the active engagement of people aged over sixty years.

Older workers are the reality of the modern society, sometimes called aging population. Demographic trends show that 45% will form the western society after the year 2050. People are living longer, and they are healthier comparing to the people in the last century. They work part-time to stay productive in their later years. Economic crisis, demographic trends, high inflation and increased longevity created financial pressure for older people, causing them to stay in the labor force. Low birth rates have decreased the number of younger entrants into the labor market.

Another problem of ageing labor force develops in the field of organizational value systems. Negative stereotypes of older people significantly affect the perceptions of ageing. They reside in the negative perceptions about older employees on the level of organizations. Through the years, the functional aspect of ageing in the West and many other countries through the world prevailed. We see old people as expensive, non-productive and social responsibility for the organization and community. The same situation can be observed on the level of an organization, where people senior employees normally relate to poor

performance and higher costs. The institutional operation regulates the flow of workers into and out of the labor market. It reduces unemployment or creates places in the labor market. The aim of this mechanism is to replace expensive older workers with cheaper younger employees. Extending, rather than reducing the age of retirement is now a central policy issue in several industrialised countries. The second purpose of such policies is to reduce the costs of pension provisions in a context of population ageing.

Among other problems, the withdrawal of the familiar older employees from the labor market and build organizations, deserves attention. In the era of current economic crisis, many young people cannot enter the labor market. They do not have the opportunity to gain knowledge and experience to support the competitiveness of the organization competing in the global market. National government policies and management strategies usually do not require the plans how to keep gained experiences, knowledge and skills of an ageing workforce, and how to carry it to the young workers. We can observe similar problems in the subject of rapidly emerging new technologies. Younger employees rarely transfers new technologies to the older workers or senior employees in an organization. Many state governments are already becoming aware of these problems and try to bridge the generation gap by establishing the system of intergenerational learning.

Successful intergenerational transfer of knowledge and skills has its roots in the stereotypes, which are part of organizational culture of any organization. Although previous research has helped to increase the awareness of stereotyping against older workers, researchers devoted little attention to the strategy of engagement and hiring of older workers. Additionally, knowledge change from older worker to younger workers in the organization is not properly organized.

### **Theoretical issues**

Human population is ageing, and this process directly affects all organizations. According to Ambrož and Veljković (2011: 291) management of many organizations understands the role, which older workers will play in the following commercial and public sector organizations. Organizations all over the world can maintain its competitive advantage only through the sustainable innovative activity in the global market. To be competitive, international organizations must develop resilient and flexible organizational culture, which fosters creative and innovative solutions to complex problems. Every experience, idea, and knowledge of every company member can help to

keep competitiveness. Some organizations try to adapt to this situation by including all employees in this process. McIntosh (2010: 2) research suggests that older workers are a resource we can no longer afford to waste. Some organizations following this purpose try to adapt to this new position by developing training and educational programs to maintain and improve the capability of older workers. Others try to improve the intergenerational learning processes, and some perfect programs to retain as many older workers as possible. Some organizations invest in the quality of the life of older employees by establishing health and training programs and by adjustment of working places to older workers.

### **Ageing workforce as a national and a global problem**

Ageing labor force becomes a global problem. Similar employment situations regarding employment transition appear all over the world. There are several main reasons for the condition called job transition. New knowledge that adds value in the economy and other sectors is complex and technological, supported by the broader, more holistic approach that allows the establishment of appropriate competencies and knowledge transfer conditions. The problem with emerging consciousness is that there are no clear measures what values experiences and informal learning experience opposing to practical and theoretical knowledge.

Demand for workers with higher levels of education, technical knowledge and expertise has been rising rapidly and will remain in the future. There will soon be a shortage of skilled workers and the need for unskilled older workers will drop. Shortfall of skilled workers is evident in USA and EU, as well. Some organizations consider the investment in automation instruments because they cannot find talented employees. This is the opportunity for senior employees and the unemployed older workers if they have the right knowledge and skills. This is the compelling evidence that advocates the continuous learning during the entire working life. Simultaneously lifelong learning reduces the dangers of labor market disadvantage in the older years. Especially when combined with informal learning and development, which correlates with broader aspects of job quality.

For those older people who are in service, the lack of training may be at least as much a symptom as a cause of job insecurity. Training makes workers more attractive, but jobs must follow the same pattern. More quality jobs require greater expertise and workers must learn to understand it. Without quality jobs, some people will suffer. An increase in the number of well-trained people might allow some employers to

improve the quality of some jobs on its own. However, practice is unlikely to alter the value variety of jobs on offer. The training that older employee receives is dominantly a symptom of broader problems he or she confronts in the employment market. The functional view of the ageing methodology and assumptions about the older workers in a group do not contribute to the solution regarding the application of older workers. Functional approach strengthens the belief that older workers are by definition more expensive than younger ones.

Mayhew and Rijkers (2004: 2) points to the negative consequences of knowledge acquisition, which cause that less experienced and less educated workers have difficulties to find a job. Additionally, effective manpower policy studies strongly suggest that training programs for older workers are of little use. They rarely contribute to their employment. We can create a lot of assumptions to explain this phenomenon. Older workers are on average less educated than workers in other age categories, which may contribute to their disadvantageous position in the labor market. This will change as the current cohorts of prime age workers are on average better educated. Additionally, labor market regulations serve to make it more expensive or risky to hire or maintain older workers.

Along with economic consequences of job transitions, social changes appear. The population of the world is constantly ageing, and alternative views of the position of the aging population appear. Discrimination of the older population is evident. Some societies even recommend it. One of the most known negative terms that accompany the processes of an aging population is ageism. Ageism represents a widespread and rather uncritically analyzed term that exists in societies. (Phillips et al, 2010: 23)

Nelson (2002: 39) defines ageism or age discrimination as a complex phenomenon that can take many forms. It usually involves unique atmosphere, which suggests that older people should retire. Ageism came to power because societies do not know how to deal with quick increase of the aging population of older adults. Aging people create new problems to society, which responds with negative explanations of this phenomenon. In some way, society began to equate old age with negative qualities. Nelson (2005: 209) found out that older people become a non-contributing burden on society. (Nelson, 2005: 209)

The Disengagement ideas added theoretical foundations to this aspect of older people. Cummings and Henry (1961), authors of the theory, suggest that older people should be voluntarily withdrawn from social

life. It is necessary to mention in this context that the wider community supports such a departure. Later theories like action theory, continuity theory, challenged this view and opened a new research area into the realm of mobile aging person with his or her complexities and deficiencies.

Language is another decisive factor that explains the continuing part of stereotypes in a society. The most recent evaluation by Phillips et al (2010: 22) suggests that social gerontologists use the language in reference to their professional field, which promotes ageism. Palmore (2000) came to the same conclusions about the impact of language on stereotyping. Some facts in his research confirm that terms like: old, ageing, and elderly prefer ageism. Ageing is specifically the term often associated with deterioration, bad health, deterioration, and failure to thrive. Attributes that aim at negative qualities of older people have their negative consequences.

### **Ageing workforce on the national level and in group settings**

These perceptions create many barriers to the utilization related to public cultural context and to the organizational culture in private and community organizations, which became of interest of many scholars. Negative consequences can be in the first place observed on the level of general culture. Accessible evidence shows that public cultural patterns do not get enough attention in the literature. Perry and Parlamis (2005) was the first that considered the potential impact of country/culture on ageism at work. They suggest that the legislature is the leading cause of the ageism. In some countries, it is acceptable to use age as the factor in hiring. Some governments even acknowledge and encourage voluntary time fairness policies. According to Finkelstein and Farrell (2007: 93) the legislative or educational importance of older people in different cultures impacts the perception of ageing and may develop stereotypes about older workers, which are often negative.

On the level of organization, the situation is more productive. A number of themes reside in the literature, which deals with the perceptions of the process of ageing and associated stereotyping in modern organizations. However, many studies use too common approach. To understand the consequences of an aging workforce in the processes of an organization, we have to read it carefully in the context of a real situation compared with various social referents. There is an obvious lack of research studies of aging in the organizational setting. Some authors point out to the ignorance of organizational factors in the reports that explain age discrimination. (Perry and Parlamis, 2005)

Remery et al (2003) points out that the poor awareness of the consequences associated with the withdrawal of an older workforce results in the scarcity of literature in this field. Further, Remery et al (2003) suggest that senior executives have more negative stereotypes towards the older employees. They see them as workers who oppose changes, and whose higher wages must be justified by higher productivity. The executives in the research relate senior employees with higher costs and with the need to improve working conditions and reorganization of work. (Remery et al (2003: 32)

Brooke and Taylor (2005) in four case studies of Australian and United Kingdom community and private sector organizations illuminate the challenges and barriers to the employment of older workers. The results of the study show that managing time relations in organizations requires knowledge of the ways how to employ workers. They suggest that policies directed at older workers alone will break time and age-group dynamics. Organizations cannot defy age dynamics of the workforce, but must adopt age-free practices policies.

McIntosh (2010: 14) argues that by overcoming negative stereotypes and investing the time and effort required to cultivate positive relationships with older workers, employers can make more productive, flexible, well-rounded organizations in the end. Shore et al (2003) evidence shows that age comparisons in many organizations affect employment opportunities for older workers. Age comparisons are running in the immediate work setting in a department or a team in an organization. Distinct impression of ageing usually comes from a view of the practical aspect of ageing passed through many generations. Additionally, group leader's age is extremely crucial in forming the view of the importance of the older workers in an organization.

The next critical factor that impacts hiring decisions is stereotyping, which affects the motivation and performance of older workers. Martens, Goldenberg and Greenberg (2005) critically evaluate the fact that stereotypes are a result of unconscious forces and get in the domain of terror. Authors suggest that the unconscious concern with death and frailty motivates individuals to use educational systems of belief to maintain a positive sense of self. (Finkelstein and Farrell, 2007: 84)

Stereotypes may have legal implications for employers because they can lead to discrimination. Stereotypes are usually not based on facts. They are simplifications, which people believe. For example, evidence that older workers are more expensive need not to be true because their performance is different. Chiu et al (2001) east-west comparison study

compared age stereotypes among 567 respondents from UK and Hong Kong. UK respondents saw older workers as effective at work, but less adaptable to change. Respondents rated themselves with positive stereotypes, but their managers were only moderately effective to the benefit of older workers. Stereotypical beliefs significantly affected respondents' attitudes towards training, promotion and retention of older workers. They also affected their willingness to work with older workers, and their support for effective discrimination. When management uses anti-aging policies in a company, it has a positive impact on beliefs about the adaptability of older workers.

McIntosh (2010: 5) study supports these findings. Her research reveals certain stereotyping method about older workers in many organizations. According to McIntosh, employers affirm that in general older workers had low turnover rates, were open and subject to change, and possessed up-to-date skills. Additionally, they wanted to learn and were willing to take on challenging tasks.

Evidence provided by Slagter (2007) shows that older employees obviously need an organizational education scene where trust and respect exist. Open organizational culture with flexible work arrangement, where the knowledge and expertise have recognition and appreciation, stimulates knowledge transfer and exchange and generates innovative solutions to challenges of the environment. Taylor and Walker (1998) study confirm and recognize the importance of establishing the right organizational society because it is the critical factor in shaping attitude towards older employees.

The main problem of attitudes towards older employees in organizations lies in the implicit schemata of management and group members in many organizations. This schemata often results in negative stereotypes of older employees. Calo et al (2013) comparison of stereotypes concerning older workers' natural and extrinsic motivation in three different organizations, reveals the impact of ageing stereotypes. According to data evidence, workers in the individual organizations expressed more practical oriented age-stereotypes. However, workers from local government displayed the most negative age-related stereotypes. Older respondents rated older workers favourably on all scales that their younger counterparts, except for inspiration for engagement satisfaction and compensation.

Perry et al (1996) found some evidence that when younger people hold jobs for younger employees, other member of the company rate them positively. Respondents rated older workers positively, when they held



the jobs related to older workers. Further, they rated younger workers positively, when they held age-neutral jobs. According to Finkelstein, et al (1996) the same asymmetric interaction exists between age and job type. When younger workers occupy age-incongruent jobs, other members of a company perceive them as career chasers. This perception can mitigate the negative consequences for younger people of being in an age-incongruent and more prestigious job.

Van der Heijden et al (2009) investigated in the study of age effects on employability-career success relationship, the self-reported versus supervisor-rated employability for younger and older workers. Younger workers mind and supervisor score aim at actual career success outcomes. However, for the over-forties, self-rated employability related positively to promotions throughout the career. The supervisor ratings related negatively to overall promotions. Many studies show the prevalence of negative stereotypes in organizational settings, which are a part of organizational culture.

Not all findings support negative stereotyping of older workers. Some researchers like McIntosh (2000), found different, highly positive evaluations of older employees. She advocates the opinion that certain stereotypes of older employees exist in many organizations. She provided some evidence that older employees traditionally have low turnover rates, are flexible and subject to change, possess up-to-date skills. She also found out that older workers want to learn new tasks.

The impact of negative stereotypes usually does not have the decisive ascendance on the senior employees. Very significant review of Wood, Wilkinson, & Harcourt (2008) points out that negative stereotypes do not preclude senior employees from work in an organization.

### **Lifelong study of older workers**

Stereotyping of older workers closely connects to the recognition of their job performance and the transfer of knowledge between generations and to the education and training. For example, Ng et al (2008) meta-analysis research on the relationship between age and job performance is the basis for the study of job performance. Dimensions of job working as: core task performance, creativity, performance in training programs, organizational citizenship behaviors, safety performance, common counterproductive work behaviors, workplace aggression, on-the-job substance abuse, tardiness, and absenteeism, can be related to the worker age. Results of the study show that the relations of time with substance job performance and counterproductive work behaviors are not linear.

Slagter (2007) claims that older employees are willing to learn and want to improve themselves. He recognizes that active leadership style in this process is of utmost importance. Leader can help older employees to achieve their interests in work. Most of the time this administration dynamic mode is not available, and seniors do not have the opportunity to engage in training and training programs. Negative stereotypes are often the strongest obstacle, which prevents that managers do not really give older employees opportunity to use their full potentials. Additionally, the effective manpower policy literature suggests very strongly that training programs for older employees are of little use in bringing people out of unemployment. (Mayhew and Rijkers, 2004)

Obviously, managers have a specific attitudes towards the senior employees that are embedded in the organizational culture. The purpose of the study is to investigate the correlates of leadership position that is the variables that best predict the operation attitudes towards the senior employees in an organization:

H1: Managers strive to improve the inter-generational operation transformation model in an organization.

H2: Non – managers' priority regarding the older employees is the construction of employment and retirement strategy for older employees.

## **Methodology**

This section of the paper describes the process used in this study. To gain a better understanding of the older employees oriented organizational culture, we carried out a systematic literature review. Because of the small sample of respondents and because the data in the article are not normally distributed, we used nonparametric test – regression tree (C & RT), which is the recursive partitioning method. It builds on regression trees for predicting continuous dependent variables (regression) and categorical predictor variables (classification). (Breiman, Friedman, Olshen, and Stone, 1984)

We attempted to predict that attitudes, which are embedded in organizational culture, are associated with a management position within small organizations in Slovenia. The purpose of the analysis via tree-building algorithms is to establish a set of if-then breach conditions that allow accurate prediction or class of cases, so we summarized results in a series of clear if-then conditions or tree nodes. Decision to use this method is a result of the fact that there is no prediction that underlying relationships between predictor variables and the dependent variable are linear.

Because we had a little apriori information about the relation of the variables, we tried to discover simple relationship between the management position in an organization and the attitudes towards the senior employees.

### **Sample**

Forty-four respondents from small and medium Slovenian organizations participated in our research that examined the organizational culture and its impact on the age discrimination in the organization. Respondents filled out the questionnaires freely and anonymously. It is reasonable to assume that respondents understand the relationship to senior employees in their organization and that they are able to evaluate their potential.

Table 1: Characteristics of the sample

Branch	Industry	2
	Services	27
	Logistics	2
	education	3
	Public sector	8
	Other	2
Organization type	Private company	32 (72, 72 %)
	Public organization	12 (27, 27 %)
Sample structure	Managers	21 (47, 72 %)
	Employees	23 (52, 27 %)
Percent of senior employees 55+ in organization	From 0 % to 50 %	
Average age of respondents	46 years	
% of senior employees in organization	From 0 % to 50 %	

## **Instrument**

We assured that the scales reflected the paper's context while maintaining the semblance of items. Respondents assessed the opinions about older workers with a five-point numerical scale and categorical scale. Points a five-point numerical order, anchored from the value 1 to 5. The questionnaire divided into two sections. The first one contained information about an organization and the second contained the attitudes of respondents toward the attitudes about older employees in an organization.

## **Results**

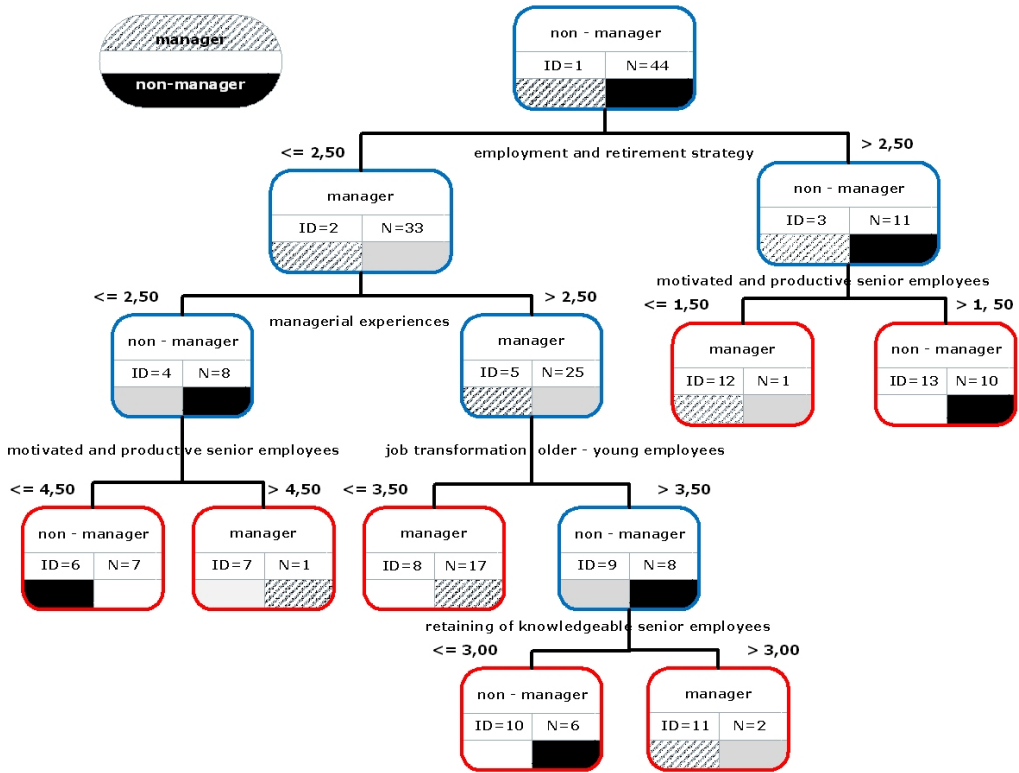
We assumed that organizations manage practical training and education of older employees. Results show that only 20 % of organizations in the sample develops educational and training programs for older employees. These results do not surprise. Small organizations do not have the resources to conduct educational and training programs for older employees to become more competitive. Government policy in Slovenia supports the formal education and training system for unemployed older workers, which prefers of - job training organized by unemployment agency. Small organizations achieve financial support from government for the employment of older workers. Nevertheless, results show that managers from 20 organizations in the sample, recognize of the need for the education and training of older employees. Table 2: Contingency list of educational and training programs in organizations

	Educational and training programs	
	Yes	No
Sample	8	13
Employees	3	20
Managers		

The information in the sample reports the job in an organization classified as manager and non-manager. The purpose of the analysis was to learn how we can distinguish between managers and non-managers based on the leadership experiences and attitudes towards older employees in an organization. Discriminant function analysis estimates several linear combinations of predictor variables. It allows for computing ranking scores and the calculation of a set of natural if-then conditions for predicting and classifying cases. The interpretation of the results of the study is relatively straightforward.

To create the decision tree of attitudes towards older employees, we constructed a classification model, where managerial authority was a dependent variable and managerial experiences and attitudes towards the older employees were predictor variables.

Figure 1: Decision tree -terminal nodes (6), non-terminal nodes (7)



The decision tree in Figure 1 shows that 44 respondents discriminate regarding the attitude: “Our organization has a strategy for employment and retirement of senior employees.” Among them, 11 respondents ranked as non-managers because they have two and a half or less managerial experiences ( $\leq 2,500$ ). Non-managers further distribute the view: “senior employees in our organization are highly motivated and productive.” One of the respondents (manager) rated this attitudes very low ( $\leq 1,500$ ), and ten non-managers rated this position higher than ( $> 1,500$ ). The non-manager similar attitudes about senior managers do not divide further.

However, 33 respondents who have two and a half or more years ( $\leq 2,500$ ) of managerial experience rank as managers. They divide further regarding management experiences. Eight of respondents classified as non – managers, experience ( $\leq 2,500$ ) of leadership experiences. Their attitudes about older employees divide further regarding the attitude: “senior employees in our organization are highly motivated and productive.” Seven respondents classified as non-managers rated this

position 4, 5 or lower ( $\leq 4, 500$ ), and one respondent classified as manager rated this opinion higher than 4, 5 ( $> 4, 500$ ).

Respondents that have more than 2, 5 years of managerial experience differentiate the attitude: “senior employees in our organization should transform their jobs to younger employees.” Those 17 respondents’ attitudes that rated “senior employees in our organization should transform their jobs to younger employees.” Respondents who rated previous statement Equal or lower than 3, 5 ( $\leq 3, 500$ ) do not develop new decisions. Those 8 respondents’ attitudes that rated “senior employees in our organization should transform their jobs to younger employees.” greater than 3, 5 ( $> 3, 500$ ) differentiate further regarding the attitude: “We do not retire senior workers if they have distinctive competences and skills that can support organization competitiveness.” Six of them classified as non-managers, rated this approach equal or less of 3, 00 ( $\leq 3, 00$ ), and two of them rated this position greater than 3, 00 ( $>3, 00$ ).

Table 3: Tree structure, categorical response, dependent variable: manager

Nodes	branch Left	branch Right	Size of node	period	non-period	Selected category	Split Variable	Split constant
1	2	3	44	21	23	Non-manager	Employment and retirement strategy for older workers.	2,5
2	4	5	33	20	13	Manager	Management experiences.	2,5
4	6	7	8	1	7	Non-manager	Motivated and creative older workers.	4,5
6			7	0	7	Non-manager		
7			1	1	0	Manager		
5	8	9	25	19	6	Manager	Transformation of jobs from older to younger employees.	3,5
8			17	17	0	Manager		
9	10	11	8	2	6	Non-manager	Retaining of older employees with	3,0

							particular skills of competences.	
10			6	0	6	Non-manager		
11			2	2	0	Manager		
3	12	13	11	1	10	Non-manager	Motivated and creative workers. and older	1,5
12			1	1	0	Manager		
13			10	0	10	Non-manager		

Respondents in the sample who have a negative attitude to the need for employment and retirement plans of older workers in an organization and less managerial experiences have a positive view of motivation and productivity of older employees. Those respondents, who have more managerial experiences, maintain a positive attitude towards the change of jobs from older employees to younger employees in an organization. They have positive inclination to the intent to critical isolation of older employees who have unique skills and competences. Respondents, who have more managerial experience, evaluate the position of older employees in the company selectively and also negatively than respondents with less or no managerial experience. However, they realize the need for business transformation, which can be achieved by the workforce inter-generation participation. Managers and non-managers attitudes differ regarding the development of employment and retirement strategy of older workers.

Managers are reluctant to the view that time is not a discriminate consideration for application of older workers. They relate such application to the unique skills and competences of older workers. Employment and retirement strategy should aim at preservation of the gained knowledge and skills of older employees and its conversion to younger workforce. This way, smoother production and transformation of skills and competences between the generations of employees in an organization will maintain its competitive potential.

Table 4: Predictor importance, categorical response, dependent variable: manager

Attitudes that form management view	Variable - rank	Importance
Senior employees in our organization are highly motivated and productive.	100,000	1,000
Experiences tell me that senior employees are more reliable than younger employees.	90,000	0,896
We do not retire senior workers if they have distinctive competences and skills that can support organization competitiveness.	90,000	0,896
Senior employees in our organization work more, are disciplined, and have better working habits.	82,000	0,818
Senior employees in our organization should transform their jobs to younger employees.	80,000	0,801
We try to exploit the potentials of senior employees in our organization.	79,000	0,795
Managerial experiences.	71,000	0,707
Senior employees in our organization (%55+) have intellectually demanding jobs.	55,000	0,549
Our organization is friendly to senior employees.	49,000	0,492
We exploit the potentials of senior employees in our organization.	48,000	0,479
We are convinced that our organization will be more successful with younger employees.	45,000	0,448
Senior workers in our organization adapt slowly and frequently cause problems.	44,000	0,439
Senior employees in our organization do not want to retire. They want to continue with part-time job.	42,000	0,416
Our organization has a strategy for employment and retirement of senior employees.	37,000	0,374



We are convinced that senior employees in our organization are very successful.	29,000	0,288
Knowledge and experiences is all that counts in our organization.	23,000	0,232

In Table 4, we introduce the varying position and its importance in forming of the attitudes of respondents'. Results show that respondents influence determination, reliability and efficiency of older employees the highest. This is not a surprise because every commercial company pursues profit to be successful. This goal can be achieved by the right products and services, which are the result of the utilization of unique skills and competences of employees in the organization. If this is the situation regarding the older employees, it contains crucial role in an organization. Otherwise, they become redundant when the ageing process takes place. It is of the utmost importance that employees join the organization with appropriate skills and competences and spread them continuously through the time. Management approach to this challenge is not something new. They try to utilize all the resources that they have at their disposal. The nature of ageing workers in a company as a factor of perception is a result of managerial experiences with the quality of human resources. Intellectually demanding jobs do not make any room for the experimenting, when skills and knowledge are at stake. When organizational culture in a company is older employees familiar, the utilization of older employees' potentials is possible. The idea that the organization could be more successful with the younger workers has in the present study only modest attention. This results can be somehow linked to the nature of the example in the study. On the other hand, knowledge approach to the importance of ageing learned task force, justifies the position of the negative attitude towards older employees.

Regarding the past rankings of the attitudes in the study, it is a wonder that respondents rate the knowledge and experiences as the overall merit of the importance of employees the lowest. Such results point to the underlying result of other factors like age that influence the decisions about the role and importance of older employees in an organization. This view somehow supports the belief that older workers are not successful. Because of the changes triggered by aging labor force, there is a strong need to keep in motion a strategy for employment and retirement of older employees.

**Table 5: Classification matrix – analysis sample**

	Observed	Predicted manager	Predicted non-manager	Row Total
Number	manager	21		21
Column Percentage		100.00 (%)	0.00 (%)	
Row Percentage		100.00 (%)	0.00 (%)	
Total Percentage		47.73 (%)	0.00 (%)	47.73 (%)
Number	non-manager		23	23
Column Percentage		0.00 (%)	100.00 (%)	
Row Percentage		0.00 (%)	100.00 (%)	
Total Percentage		0.00 (%)	52.27 (%)	52.27 (%)
Count	All Groups	21	23	44
Total Percent		47.73 (%)	52.27 (%)	

Table 5 demonstrates the correctness of classification of the non-managers and managers according to the managerial experience and attitudes towards older employees in an organization. We can conclude that there is no non - managers predicted as managers and vice versa. This means that the prognosis was remarkably accurate and that we can reasonably presume the predictor importance of attitudes towards older employees.

**Discussion**

The results of presented qualitative research support the hypotheses of the study. In some way, results support the McIntosh (2010) findings about the importance of the exploitation of the potentials of ageing labor force. Managers in the study support the idea that the intergenerational learning processes in the form of job change should be developed in an organization in the future. Non-managers suggest that there is a time to develop strategies to employ and retirement of older employees. These strategies should support the retention of the senior employees with

unique skills and knowledge. In the future, these strategies will allow for the development of practical business conversion programs and lessen the effects of the ageing of the familiar labor force.

## **References**

- Ambrož, M., Veljković, B. (2011): Fostering Innovation System of Firm with Resilient, Adaptable, and Sustainable Behaviour. pp. 281-303 (Ed. Krstić, B.) In: Improving the competitiveness of the public and private sector by networking competences. Niš, University of Niš, Faculty of economics.
- Breiman, L., Friedman, J. H., Olshen, R. A., Stone, C. J. (1998): Classification and Regression Trees. Chapman & Hall.
- Brooke. L., Taylor, P. (2005): Older workers and employment: managing age relations. *Ageing & Society*, Vol. 25, No. 3, pp. 415-429.
- Calo, T.J., Patterson, M. M. Decker, W. H. (2013): Employee Perceptions of Older Workers' Motivation in Business, Academia, and Government. *International Journal of Business and Social Science*, Vol. 4, No. 2, pp. 1-10.
- Chiu, W. C. K., Chan, A. W., Snape, E., Redman, T. (2001): Age stereotypes and discriminatory attitudes towards older workers: An East-West comparison. *Human relations*, Vol. 54, No. 5, pp. 629-661.
- Cumming, E., Henry, W. E. (1961): *Growing Old: The process of Disengagement*. New York, Basic Books.
- Family and Community Development Committee Parliament of Victoria (1997): *Inquiry into planning for positive ageing*, Victorian Government Printer, Melbourne.
- Finkelstein, L. M., Burke, M. J., Raju, N. S. (1995). Age discrimination in simulated employment contexts: An integrative analysis. *Journal of Applied Psychology*, Vol. 80, No. 6, 652-63.
- Finkelstein, Lisa M.; Farrell, Sara K. Shultz, Kenneth S. (Ed); Adams, Gary A. (Ed), (2007). *Ageing and work in the 21st century*. Applied psychology series, (pp. 73-108). Mahwah, NJ, US: Lawrence Erlbaum Associates Publishers, xxii, pp. 343.
- Martens, A., Goldenberg, J. L., Greenberg, J. (2005): A terror management perspective on ageism. *Journal of Social Issues*, Vol. 61: 223-240.
- McIntosh, B. (2001): *An Employer's Guide to Older Workers: How to Win Them Back and Convince Them to Stay*, U.S. Department of Labor, Employment and Training Administration, Vol. 38.
- Mayhew, K., Rijkers, B. (2004): How to improve the human capital of older workers or the sad tale of the magic bullet. EC-OECD Seminar on Human Capital and Labour Market Performance.
- Nelson, T. D. (2002): *Ageism: Stereotyping and prejudice against older persons*. Cambridge, Mass: MIT Press.

- Nelson, T. D. (2005). Ageism: Prejudice Against Our Feared Future Self. *Journal of Social Issues*, Vol. 61, No. 2, 2005, pp. 207–221
- Ng, T. W. H., Feldman, D. C. (2008): The relationship of age of ten dimensions of job performance. *Journal of Applied Psychology*, Vol. 93, No. 2, pp. 392-423.
- Palmore, E. (2000): Ageism in Gerontological language. *The Gerontologist*, Vol. 49, No. 6, 645.
- Perry, E.L, Kulik, C.T. & Bourhis, A.C. Moderating effects of personal and contextual factors in age discrimination. *Journal of Applied Psychology*, Vol. 81, No. 1996, 6, pp. 628–47.
- Phillips, J., Ajrouch, K., Hillcoat-Nalletamby, S. (2012): *Key Concepts in Social Gerontology*, London, SAGE Publications, Ltd.
- Remery, C., Henkens, K., Schippers, J., & Ekamper, P. (2003). Managing an aging workforce and a tight labor market: views held by Dutch employers. *Population Research and Policy Review*, Vol. 22, pp.21-40.
- Shore, L. M., Cleveland, J. N., & Goldberg, C. B. (2003): Work attitudes and decisions as a function of manager age and employee age. *Journal of Applied Psychology*, 88, 529–537.
- Slagter, F. (2007): Knowledge management among the older workforce, *Journal of Knowledge Management*, Vol. 11, No. 4, pp.82 – 96.
- Van der Heijden, B. I. J. M., de Lange, A. H., Demerouti, Van der Heijde, E. C. M. (2009): Age effects on the employability–career success relationship. *Journal of Vocational Behavior*.
- Wood, G., Wilkinson, A., & Harcourt, M. (2008): Age discrimination and working life: Perspectives and contestations – a review of the contemporary literature, *International Journal of Management Reviews*, Vol. 10, No. 4, 425-442.
- ZDS (2010): *Staranje delovne sile – priložnost za podjetja (Workforce Ageing – Opportunity for Organizations)*, Ljubljana, ZDS.

## **INNOVATIVE ISSUES AND APPROACHES IN SOCIAL SCIENCES**

IIASS is a double blind peer review academic journal published 3 times yearly (January, May, September) covering different social sciences: political science, sociology, economy, public administration, law, management, communication science, psychology and education.

IIASS has started as a Sldip – Slovenian Association for Innovative Political Science journal and is now being published by CEOs d.o.o. (Slovenia).

**Editor in chief:** Albin Panič

### **Typeset**

This journal was typeset in 11 pt. Arial, Italic, Bold, and Bold Italic; the headlines were typeset in 14 pt. Arial, Bold

### **Abstracting and Indexing services**

COBISS, International Political Science Abstracts, CSA Worldwide Political Science Abstracts, CSA Sociological Abstracts, PAIS International, DOAJ.

### **Publication Data:**

CEOs d.o.o.

Innovative issues and approaches in social sciences, 2013,  
vol. 6, no. 3

ISSN 1855-0541

**Additional information:** [www.iiass.com](http://www.iiass.com)

**Editors:**

Albin Panič, ret. prof. at University of Ljubljana and director of the Institute of Macroeconomic Analysis and Development of the Republic of Slovenia (Slovenia) - editor@iias.com

Nataša Pržulj, prof. at Imperial College London (UK)  
natasha@imperial.ac.uk

Warren Master – editor of The Public Manager (USA)  
wciwmaster@aol.com

Lasha Tchantouridze, prof. at University of Manitoba (Canada)  
tchantou@ms.umanitoba.ca

**Editorial board:**

Ph.D. Daniel Klimovský - Technical university of Košice (Slovakia)  
daniel.klimovski@tuke.sk

Ph.D. Michaela Batorova - University of Tampere (Finland)  
michaela.batorova@gmail.com

M.Sci. Aleksandra Tabaj - University Rehabilitation Institute - Republic of Slovenia (Slovenia) - aleksandra.tabaj@ir-rs.si

Ph.D. Diana Camelialancu - National School of Politics and Public Administration Bucharest (Hungary) - dcinacu@snspra.ro

Ph.Dr. Viera Žúborová - University of St. Cyril and Methodius in Trnava (Slovakia) - viera.zuborova@ucm.sk

Ph.Dr. Marjan Malešič – Faculty of Social Sciences (Slovenia)  
marjan.malesic@guest.arnes.si

Ph.D. Katarzyna Radzik Maruszak - University of Marie Curie Skłodowska Lublin (Poland) - katarzyna.radzik@poczta.umcs.lublin.pl

Ph.Dr. Jaroslav Mihalik - University of St. Cyril and Methodius in Trnava (Slovakia) - jaroslav.mihalik@ucm.sk

M.A. Simon Delakorda - Institute for Electronic Participation (Slovenia)  
simon.delakorda@inepa.si

Ph.D. Sandra Jednak - University of Belgrade (Serbia)  
sandra.jednak@fon.rs

Ph.D. Piotr Sitniewski - Białystok School of Public Administration (Poland) - psitniewski@wsap.edu.pl

Ph.D. Uroš Pinterič - Faculty of Social Sciences, University of SS. Cyril and Methodius Trnava (Slovakia) uros.pinteric@gmail.com

Ph.D. Aleksandar Marković - University of Belgrade (Serbia)  
aca@fon.rs

**Language editor:** M.A.Tanja Kovačič

## Innovative Issues and Approaches in Social Sciences (IIASS)

### **Editorial correspondence**

All correspondence or correspondence concerning any general questions, article submission or book reviews should be addressed to [info@iiass.si](mailto:info@iiass.si).  
7/58

### **Subscription to IIASS**

IIASS is available free of any charge at <http://www.iiass.com> under: You can sign in for a free newsletter.

### **Advertising**

Please find our advertising policy at <http://www.iiass.com> For additional questions or inquiries you can contact us on e-mail [info@iiass.si](mailto:info@iiass.si).

### **Language**

The objective of academic journal is to provide clear communication with an international audience. Style and elegance is secondary aim. In this manner we allow US and UK spelling as long as it is consistent within the article. Authors are responsible for language editing before submitting the article.

### **Notes for Contributors**

Please refer to [www.iiass.com](http://www.iiass.com) for detailed instructions. Sample layout can be downloaded from [http://www.iiass.com/uploaded\\_articles/IIASS\\_layout.doc](http://www.iiass.com/uploaded_articles/IIASS_layout.doc)

### **Scope:**

IIASS is electronic peer reviewed international journal covering all social sciences (Political science, sociology, economy, public administration, law, management, communication science, etc.). Journal is open to theoretical and empirical articles of established scientist and researchers as well as of perspective young students. All articles have to pass blind peer review.

IIASS welcomes innovative ideas in researching established topics or articles that are trying to open new issues that are still searching for its scientific recognition.

### **Copyright**

IIASS is exclusively electronic peer reviewed journal that is published three times a year (initially in January, May and September). IIASS is an open access Journal under Attribution-NonCommercial CC BY-NC licence (see <http://creativecommons.org/licenses/> ). This license lets others remix, tweak, and build upon your work non-commercially, and although their new works must also acknowledge you and be non-commercial, they don't have to license their derivative works on the same terms.

By submitting your article you agree to the above mentioned copyright licence.

**Additional information is available on: [www.iiass.com](http://www.iiass.com)**