

Ageism excludes managerial talent

IS THERE A "BEST-AFTER AGE" AND A "BEST-BEFORE AGE" FOR MANAGERS?



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In an increasingly knowledge-intensive economy, all managerial talent must be harnessed, regardless of age. The supply of skills has become one of the biggest challenges both for private companies and the public sector. Shortage of skills hampers the development of the business and threatens the competitiveness of trade and industry and the quality of welfare. Despite this, people are systematically not selected in recruitment situations due to their age, while at the same time we are expected to work to an increasingly advanced age. Swedish studies show that the likelihood of being contacted by an employer for recruitment drops sharply as early as the age of 40. But age discrimination doesn't just affect older people. Young people are also not selected, particularly when they apply for managerial posts.

The survey on which this report is based includes more than 1,500 managers who answered questions about age for the purpose of providing greater knowledge on the existence of ageism in working life.

The responses indicate the existence of age stereotypes – generalisations about age and ability. For example, younger people are considered to find it easier to assimilate new technology and to have a more positive attitude towards change than older employees. Older people will also be more loyal to the employer and provide more support for other colleagues than younger people. The responses also indicate that the norm for retirement is still firmly established at the age of 65.

Age-aware leadership means looking past age and seeing what the individual's skills, experience and future potential can contribute to the business. In our survey, 1 in 5 managers

state that in recruitment situations they have chosen not to select a person because they were considered too old.

The managers themselves also have their own experience of age discrimination. One in four managers state that they have experienced being regarded as too young or too old in a recruitment or promotion situation and 1 in 10 state that that age has had an adverse effect on opportunities for skills development. The age discrimination they themselves have experienced proves to be about the same for both younger and older managers.

There seems to be a "best-before age" for managers, as well as a "best-after-age". The narrow age band prevents all talent and experience from being harnessed.

Ledarna, the Swedish managerial organisation, considers that if we are to achieve a supply of skills to companies and the welfare sector, older managers' experience must be valued and young people with managerial talent must be given a good introduction and a longer period of support from their employer to enable them to safely take on managerial roles and want to stay there.

We need age-aware leadership that promotes a sustainable working life and balances the needs of different age groups without resorting to age stereotypes. This is in order to create a good working environment and competitive businesses and companies.



ANDREAS MILLER, CHAIR OF THE LEDARNA ASSOCIATION



Summary and conclusions

The purpose of this report is to obtain more detailed knowledge of the existence of ageism in working life. The focus is to learn more about managers' attitudes towards older people as opposed to younger people in the labour market and the ability of older people, both managers and employees, to work at more advanced ages.

When it comes to perceived age discrimination, issues of discrimination against younger managers are also raised. The report is based on the responses to a survey of managers conducted by Novus on behalf of Ledarna.

The term "ageism" originally referred to the existence of stereotypes, prejudices and discrimination against older people. More recently, other age groups have also been included, often focusing on the situation of the oldest and youngest in the labour market, but with the main focus being on obstacles for older people.

Age was introduced as a ground for discrimination in Sweden as recently as 2009, when the new Discrimination Act entered into force. There was no explicit prohibition on age discrimination in Swedish law prior to that. The Equality Ombudsman receives more than a hundred reports of age discrimination each year, though few of them lead to action in the form of supervisory decisions or proceedings in court.



“There are several reasons why older people should be provided with good opportunities to remain in working life”

Experimental studies in labour market research and other types of research such as surveys, in-depth interviews and focus group discussions with managers and employees, employers and employees or with the unemployed indicate that discrimination against older people is common in the labour market. Common areas of research include the extent to which older people are disadvantaged in recruitment or promotion situations or opportunities for skills development.

There are several reasons why older people should be provided with good opportunities to remain in working life, greater average life expectancy being one of them. More and more people need to work more years of their lives, either to ensure adequate pension levels or to ensure that income from taxes is high enough to cover expenditure on activities funded by tax, particularly schools, health care and social care.

Managers are of vital importance

In businesses of all kinds, managers are of decisive importance for whether older workers are able and willing to continue working and whether older job-seekers are able to find their next job. Managers are also of great importance for ensuring that proper use is made of employees' skills and that employees have opportunities to acquire new expertise.

Most managers have managers of their own. Thus, in addition to demands and expectations from their subordinates, most managers also have to deal with demands and expectations from their superiors. They, in turn, have equivalent power and influence over them. The attitude that the manager's manager has towards employees of different ages can be propagated downwards in the business.

The results of the survey show that managers generally believe that they themselves are able to work at a more advanced age than they want to work. The same applies to what they believe about their employees' ability and willingness to work at more advanced ages.

But there is one age that stands out as the most common age up to which managers consider that both they themselves and their employees want and are able to work, and that is the age of 65. There is no regulatory retirement age in Sweden, but there seems to be a "retirement norm". One contributing factor may be the fact that in many occupational pension schemes, an employee's pension is fully paid at a particular age, usually 65. For workers with these occupational pensions, that means less financial incentive to work after the occupational pension has been finally paid by the employer.

Shorter working hours would be the most important factor in considering whether to work up to the age of 67 or over, according to managers who were aged 60 or over and who responded that they only wanted to work up to the age of 66 or under. Greater opportunities for working remotely and higher salary come in joint second place when it comes to considering whether to postpone retirement. The two least important factors making managers want to work up to the age of 67 or over were better relationships with work colleagues and, in last place, fewer physical demands at work.

Measures in the workplace that make it easier for employees to work at more advanced ages seem to be uncommon. When such measures are implemented, the investments are normally made primarily for employees who are not managers. Just under a third of the managers stated that such measures had been adopted for employees, but very rarely for managers. Only five per cent of managers aged 60 or over stated that their employers had implemented measures in the workplace to make it easier for them to continue working as managers at more advanced ages.

Managers' views on the abilities of older and younger people in the workplace do not appear to be particularly polarised. Around half the managers do not see any major differences between older people and younger people when assessing all abilities except loyalty to the employer, where older people are considered to be clearly better, and assimilation of new technology, where younger people are considered to be clearly better. However, there is no ability where equal proportions of the managers think that older people are better or younger people are better.

On average, almost 1 in 5 managers state that in recruitment situations, they have chosen not to select a person they considered too old to be able to cope with the work easily. Three groups differed significantly from the average. Among managers who were themselves at least 60 years old, less than 1 in 10 responded that they had made such a choice. A similarly low proportion existed among managers in the construction industry, regardless of age. Among managers in the manufacturing industry, also regardless of age, almost 1 in 4 answered that they had made such a choice.

On average, 1 in 7 managers say that they have invested less in skills development for employees who will probably retire within a few years. In that respect, no groups differed significantly from the average.



The age of 65
stands out as the
“retirement norm”

If it is socially sensitive for a manager to admit that they have chosen not to select a person who was “too old” in a recruitment situation or that they have chosen to invest less in skills development for an employee who is probably going to retire, then the proportion of managers who have actually made such choices is probably

higher. In order to study this question, the survey used a statistical method, the Item Count Technique, in order to ask sensitive questions and protect the anonymity of respondents. However, the results from this method do not support the hypothesis that the actual proportion of managers who made such choices is higher.



“1 in 4 managers feel that they had been considered too young or too old in a recruitment or promotion situation”

There is both a “best-after age” and a “best-before age” for managers

The managers were asked if they felt that they themselves had been discriminated against due to their age in recruitment or promotion processes or as far as opportunities for skills development were concerned. In these cases, the managers were given the chance to decide whether they felt they had been discriminated against, not only because they were too old, but also because they felt they had been considered to be too young.¹

On average, 1 in 4 managers feel that they had been considered too young or too old in a recruitment or promotion situation. It is not just about older managers. One startling result is that the proportion of managers who felt that they had been considered to be too young is about the same as the proportion of managers who felt that they had been considered to be too old, 13 and 11 per cent, respectively.

21 per cent of managers aged 60 or over felt that they have been considered to be too old in a recruitment or promotion situation. Among managers in knowledge-intensive industries, regardless of age, the proportion is 18 per cent.

Among managers aged 44 or under, the proportion who state that they were considered too young in recruitment or promotion situations is as high as 29 per cent. Among managers in the public sector, regardless of age, the proportion is 17 per cent.

On average, 1 in 10 managers feel that they have been discriminated against on grounds of age when it comes to opportunities for skills development. This is also not just about older managers. As in the case of perceived age discrimination in recruitment or promotion situations, the proportion of managers who have felt that they were considered to be too young is approximately the same as the proportion of managers who felt that they were considered to be too old – 5 per cent and 6 per cent, respectively.

Among managers aged 60 or over, 16 per cent feel that they have been provided with worse opportunities for skills development because they were considered to be too old.

Among managers aged 44 or under, 10 per cent feel that they have been provided with worse opportunities for skills development because they were considered to be too young.

These results do not coincide with the common view that younger people usually have an advantage over older people in the labour market. The research focusing on opportunities for people seeking work has mostly studied people who are not applying for managerial positions or career and development opportunities for people who have jobs, but not in managerial positions.

The fact that the results of this study indicate that self-perceived age discrimination occurs to an approximately equal extent among both older and younger managers indicates that there is also a “best-after age” for managers. Perhaps the age band between the “best-after” and “best-before” ages in the labour market specifically for managers is different from that in many other professions? Could there be different conditions in the labour market for younger managers specifically? This is definitely an area that merits further study.

¹ It was possible to answer “yes” to both options. Older managers may have felt that they were considered to be too young earlier in life and too old later in life. However, only a very small number of managers answered “yes” to both options.

Age-aware leadership

Ageism in working life cannot be counteracted solely through the protection against age discrimination afforded by the Equality Act, but requires other broader measures.

One effective way of combating ageism in working life which is in managers' hands is to practise age-aware leadership. Leadership that aims to promote a sustainable working life and to balance the needs of different age groups in an organisation. Age-aware leadership means having knowledge of common needs in different age groups in order to promote employees' ability to work, but without resorting to age stereotypes. Each employee has a right to an individual assessment.

Age-aware leadership was originally rightly recognised as important in order to improve conditions for older employees in the

workplace and to make it easier for older people to remain in the labour market. But, like the concept of ageism, it has evolved to include age groups other than just simply older people. The results of this survey underline the extent to which age-aware leadership is also important for younger managers' managers.

Managers who practise age-aware leadership are key to ensuring that employees of all ages feel satisfied about their jobs as well as in their jobs and thus make valuable contributions to the results of the business.



“Managers who practise age-aware leadership are key to ensuring that employees of all ages feel satisfied”

Ledarna

SWEDEN'S ORGANISATION FOR MANAGERS

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Great leadership benefits everyone – our vision is a Sweden with the world's greatest managers.