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Article abstract

This study analyzed responses from 651 employers to the question: « What is the major reason why the mature unemployed so often have difficulty finding work? » Five major barriers that limit the re-employment opportunities of older job hunters were identified from employer's responses. Each of the barriers to re-employment is described in terms of the accuracy of the claim, and possible mechanisms for overcoming each barrier is discussed.
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Employers today are under increasing pressures to be more competitive in the new global economy. At the same time, changes in the composition of the Canadian labour force will affect the ability of organizations to structure work arrangements.

Canada's work force is undergoing slowed growth and is aging. During the 1960s and 1970s labour force growth in Canada reached unprecedented levels (over 3 per cent per annum), due in large part to the baby boom entering the labour force (Foot 1987) and dramatically increasing rates of participation on the part of women (McDonald and Wanner 1987). However, the baby-boom generation has now been completely absorbed into the labour force, and the

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smaller birth cohorts following it will provide decreasing numbers of new workers. The first boomers are now in their mid-forties and over the next decade the majority of the baby boom generation will be over aged 40; by the year 2002 the first of the baby boomers will reach 55. Although women continue to enter the labour force in increasing numbers, older women appear to be retiring earlier, so that this source of labour force growth is unlikely to be sustained in the long run (McDonald and Wanner 1987). The consequence of these factors is that the labour force participation of older workers is likely to have an increasing effect on the overall growth of the labour force. The labour supplied by persons over age 45 will grow in importance, and indeed may be required to sustain the continued growth of the economy (AARP 1990; McDonald and Wanner 1987). Organizations will have to recruit individuals from this work force in order to sustain economic growth.

Organizations can also expect to feel increased pressure from government and society to assume a greater role in the reintegration of unemployed older workers (CLMPC 1990). The economic and social costs of unemployment are extremely high. In 1991 over 17.5 billion dollars was paid out in unemployment insurance (ui) benefits (Toronto Star 1992). These payments, however, reflect only a fraction of the total costs of unemployment. Additional costs include the waste of economic resources, monies paid out to older workers who have exhausted UI benefits and are receiving financial support from other forms of assistance (e.g., Program for Older Worker Adjustment), the additional burdens that are placed on the health care system, and the hardship and strain that are placed on individuals and their families.

Economic restructuring must occur with an eye towards labour force availability and effectiveness. Fewer young people and a larger older population will alter the workforce profile in Canada and place new demands on industry to reintegrate older workers into the workforce. The dilemma for Canadian corporations, therefore, is how to remain cost-efficient given the workforce that will be at their disposal. Is Canadian industry aware of the challenges emerging here? Is Canadian industry prepared to meet the challenge of managing an aging work force? The answers to these questions are critical if Canada is to compete successfully in the new global economy.

Considering the importance of aging and unemployment to the economic viability of Canada it is surprising that very few Canadian studies have dealt with this important issue (Shaw 1985). In order to understand how effectively industry is meeting the challenge of an aging work force it is essential to better understand the general and specific beliefs held by employers as they relate to the reintegration of older workers. This is best achieved by means of a broad based, programmatic research design which includes survey, case study, and archival projects.
The objective of the present study is to identify employers' perceptions of the major employment barriers facing the mature unemployed in Alberta. The results of such an analysis are of value for two reasons. First, it is critical that employers' concerns about the limitations of older job hunters be documented so that appropriate measures can be taken to ensure that the aging workforce will have the skills and abilities required of a productive labour force. Second, the documentation of employers' perceptions of older job hunters provides an opportunity to clarify any misperceptions that employers' may have about the skills and abilities of older workers. We suggest that the likelihood that employers' will utilize members of the older labour force is directly related to their perceptions of the limitations of employing an older worker. It is, therefore, important that some attempt be made to determine the content and the accuracy of employers' perceptions. Once the accuracy of employers' perceptions have been determined strategies can be developed to rectify misperceptions and address actual problems.

METHOD

Procedure and Sample

A total of 2200 questionnaires were mailed to cross-section of organizations in Calgary. The person responsible for hiring, typically the owner or personnel manager was asked to complete the questionnaire. Completed questionnaires were returned from 811 firms, representing a 37% response rate. Organizations in the sample ranged in size from 1 to 13000 employees (the median was 12 employees) and included firms in all industrial sectors. An examination of the distribution of industry type and organization size among returned questionnaires revealed no evidence of a response bias.

Measures

As part of a larger project assessing employer perceptions of younger versus older workers, respondents were asked to rate workers on a set of attributes. Results for these other measures are reported elsewhere (Gibson, Zerbe, and Franken 1993). Following these scales, respondents were asked to respond to the following question: "What is the major reason why the mature unemployed so often have difficulty finding employment?"

Categorization of Responses

Responses to the question of interest were obtained from 651 respondents. If an employer’s statement consisted of a number of discrete responses
then each response was categorized independently of the employer’s other responses. This procedure resulted in 1167 discrete responses.

Three raters categorized the responses. The first and second rater’s identified unique categories from a sample of the responses. These categories were compared and 31 narrow category groupings resulted. Each of the three raters then placed all 1167 responses into one of the categories. Average agreement among pairs of raters was 84%; all three raters agreed on 76% of categorizations. All disagreements were resolved through discussion and consensus.

Following this initial sorting the categories were examined for redundancy and similarity. By combining obviously redundant and conceptually similar categories (e.g., “young easy to train” and “old hard to train”) a final set of six categories resulted.

RESULTS AND DISCUSSION

Table 1 provides a summary of the number of responses for each of the six categories. The sixth category represented neutral, positive, and no comment responses. Twenty employers indicated that they “didn’t know why older workers had difficulty finding employment”. Fourteen employers indicated that there was “no problem” or that they were “not aware that a problem existed”. Twelve comments were positive (e.g., “older employees are superior to younger employees”). Finally, there were 40 “no comment” responses. Each of the five remaining categories is described and discussed in turn below.

Worker Qualifications

Lack of Education, Training, and Abilities

The older job hunter is seen as technologically obsolete. More than half of the responses in this category concerned the perception that older job hunter’s “have a poor education”, “lack the appropriate training” and are “stuck in their trade”. Older job hunters are particularly likely to be viewed as being “unfamiliar with new technology”. For example, respondents stated that older job hunters were “not up to speed on current computer usage”.

Previous researchers (e.g., Hoos 1983) have noted that technical obsolescence is a serious threat for workers in almost all fields of endeavour. In industries with the highest rates of technological displacement (e.g., manufacturing and smokestack industries), which of necessity embrace new forms of technology to ensure their survival in a competitive global economy, the treat is especially serious. If a worker is displaced from their current job the credentials
which earned them their previous position will very likely be found wanting in the current labour market.

This problem is especially acute for the older worker (Bornstein 1986; Flaim and Sehgal 1985). Barret (1985) notes that older workers are over-represented in manufacturing and smokestack industries and these industries are declining. Manufacturing and smokestack industries together accounted for one-third of the rise in unemployment in Canada between 1979 and 1984 and nearly every indicator suggests that these industries will continue to decline (Barret 1985). It is, therefore, very likely that we will see a large number of mature workers being displaced from their current positions, and it is, also, very likely that these workers will lack the qualifications that employers are seeking in new hires.
Negative Dispositional Attributions

Respondent’s perception that older job hunter’s lack suitable qualifications for the current job market is to a large extent accurate. In citing this barrier to re-employment, however, respondents often place the blame for this limitation on the older job hunter (e.g., “they are afraid of new technology” or “they have failed to keep up”). An alternative explanation for this limitation, however, can be related to factors external to the older job hunter. Morrison (1982), for example, argues that organizations adopt cost effective strategies that tend to emphasize capital mobility at the expense of worker mobility. It is very unlikely, therefore, that older job hunters will have received appropriate skills upgrading from previous employers to optimize their current market value.

Employment Costs

High Wage Expectations and Market Competition

Respondents perceive the wage expectations of mature job hunters to be higher than those of younger job hunters. Respondents stated that older job hunter’s “expected salary is higher than is justified by the job” and that “they will not accept a position that is lower paying than their previous position”. Respondents argued that “there are many young, well educated people competing for jobs who do not request high starting salaries”.

Previous research does provide evidence that the average earnings of older workers are higher than those of younger workers (Suzuki 1976). Most workers receive substantial wage premiums corresponding to their seniority, skills, and training that are only valuable to their present employers. Because most older workers who are forced to change jobs have more seniority on their previous jobs, their drop in earnings on new jobs is greater than the drop for younger workers in similar situations (Akyeampong 1987; Sandell 1987). It is likely, however, that older job hunters will seek such premiums from new employers, therefore, their wage expectations will be higher (Sandell 1987).

Training Investment Return

Compounding the initial perception that older workers do not possess the qualifications required for the job is the perception that older job hunters are not very good candidates for the recovery of training investment. Employers perceive that “training is very expensive” and that “training investment is maximized by hiring younger applicants”. Respondents stated that older job hunters are “resistant and fearful of change”, “unable to make dramatic career changes” and “slow to learn”. Older job hunters are therefore judged
to be poor candidates for training success. Younger job hunters are seen as “easily and quickly trained” and once trained their “expected tenure with the organization is longer than that of older job hunters.

The argument for not hiring older job hunters becomes extremely potent if one accepts the idea that most older individuals are not capable learners and that even if they are successfully trained their expected tenure with the organization is too limited to realize an acceptable return on the training investment. Previous research, however, has consistently shown that the average decline in psychological competence is typically of small magnitude until the 70’s are reached (e.g., Schaie 1983, 1988; Schaie and Hertzog 1986). In addition, the proportion of individuals who maintain their level of functioning on specific abilities is quite high. Schaie (1990), for example, provides evidence that, depending upon the age group, from 60 to 85% of older individuals in their study remained stable or improved on specific abilities. The incidence of significant decrement in their subjects was quite limited until age 60, affected less than a third of the study participants until age 74, and even by age 81 affected only between 30 and 40% of the persons studied.

Consistent with the evidence on psychological competence effective training programs have been found to provide substantial benefits for the mature individual (Baltes, Dittman-Kohli, and Kliegl 1986; Willis and Schaie 1986; Dunn 1985; Bornstein 1986). Further, while older job hunters may have a shorter working life ahead of them, their expected tenure with the company training them is often as long as that of younger job hunters (e.g., Arnold and Feldman 1982; Bluedorn 1982; Sandell and Baldwin 1990). In addition, the relevant comparison is not years of remaining employment but years expected with the firm producing the training, in relation the expected life of the technology being implemented (Morse 1979). Sandell and Baldwin (1990) suggest that to the extent that turnover rates are higher for younger workers, it is possible that firms can expect to receive more years of upgraded service from older employees than from younger employees.

Health

Respondents reported that down-time fringe benefits are more expensive to maintain for older workers due to “increased absenteeism” and “greater health problems”. The high cost associated with absenteeism including lost productivity, down-time fringe benefits paid to the missing worker, and replacement work force costs is well known (Doering, Rhodes, and Schuster 1983). A survey of Canadian workers (Lévesque 1988) indicates that extended absence from work due to illness is more prevalent among older workers. From 1979 to 1986, 9.4 percent of paid workers between the ages of 45 and 64 were absent for two or more consecutive weeks due to illness, compared with 6.4
percent of workers in the 25-44 age group. Younger workers, however, were more likely to have time-loss due to injury (Haggar-Guénéte 1988). From 1982 to 1986, 5.6 percent of paid workers between 25 and 44 missed work due to injury, compared with 4.9 percent of workers in the 45-64 age group.

Adaptability to Corporate Culture

Unable to Adapt to New Environment

In addition to the cost of hiring older job hunters, in terms of wage expectations, qualifications, and training investment return, respondents were also quite concerned about the affect that hiring an older job hunter would have on the existing work force. Respondents expressed considerable concern that “older workers are not able or willing to change their established way of doing things” and “are unable to accept a new way”. Older job hunters were described as “set in their ways”, as “unable to break old habits”, and “fearful of change and new ideas”. Older job hunters are perceived as “resistant and questioning of organizational policies and practices” and therefore disruptive to the organization’s culture. One characteristic of younger job hunters that is especially valued is their “receptiveness to new ideas”.

Difficulties of Managing a Heterogeneously Aged Work Force

Another concern of employers is that the older job hunter will not fit in with the other (younger) employees. There seems to be a perception that the insertion of an older individual into a homogenous workforce will be unsettling to the existing employees. Respondents stated that, “older individuals tend to be bossy towards younger staff” and that “older individuals do not like to be supervised by individuals younger than themselves”. Respondents, also, stated that they “want a young staff which will grow with the organization”. Respondents stated that by hiring an older worker they are “blocking the opportunity to advance younger staff”.

Bias

About ten percent of respondents identified employer stereotypes and misperceptions as barriers to re-employment. Those respondent’s stated that “public attitudes”, “stereotyping”, and “employer bias” were responsible for the limited opportunities faced by older job hunters, and that “we stereotype older individuals without giving them an opportunity”.

Employers perception that negative stereotyping is a major limitation facing older job hunters in their quest for re-employment is probably quite accurate. A growing body of research has documented the ubiquity of age
stereotyping in our society (Butler 1969; Covey 1985) and in organizational settings (Gibson, Zerbe, and Franken 1993; Rosen and Jerdee 1976; Singer 1986; Yankelovich, Skelly, and White 1985). Previous research also provides evidence that age stereotypes have a negative impact on hiring decisions (Cleveland and Landy 1983; Gibson 1992).

Job Search Skills

Respondents perceive that older job hunters need training in job search skills. Respondents stated that older job hunters “have not kept up contacts with individuals who could aid them in their search for employment”, “they lack initiative in the job search”, “they are unaware of jobs that may be suitable for them”, “they have poorly prepared resumes”, “they are scared to ask for a job”, “they don’t know how to market themselves”, “they are inadequately prepared for interviews”, and “they have low self-esteem or confidence” (i.e., they present themselves poorly).

These perceptions are supported by previous research (Dunn 1985; Gordus 1986; Hasan and Gera 1982). In a study prepared for the Economic Council of Canada, Hasan and Gera (1982) indicates that a less extensive job search is undertaken by the mature unemployed since they contact fewer employers directly and make less effective use of unemployment agencies. Dunn (1985) found that only 2% of older workers participate in Job Finding Clubs offered by Canada Employment Centres despite their “remarkable success rate”. The Employment Transition Program (Gordus 1986) identified a number of variables as being significant problems for older job-seekers, including the probability of little experience in recent job search and the high probability of low self-esteem.

CONCLUSIONS AND RECOMMENDATIONS

The barriers to re-employment identified by the respondents in this study in part represent accurate reflections of the problems facing the mature unemployed, however, many of the beliefs and attitudes of employers represent inaccurate or unfounded perceptions.

The most frequently cited barrier to the re-employment of older job hunters was that older workers are less qualified for contemporary employment than younger workers. As a general comment the statement may very well be accurate, however two points need to be made. First, employers must realize that there is a considerably greater variability in the work histories and qualifications of older than younger workers and they must develop strategies which economically determine the suitability of each older job hunter. On the
one hand, failure to do so constitutes a breach of the Charter of Rights, on the other hand, a failure to do so potentially deprives an employer of an economic resource of considerable value. Second, employers should also be aware that a lack of qualifications on the part of the older job hunter does not necessarily constitute a failure on the older job hunters part. Historical and systemic forces have operated to limit the training opportunities of older workers within organizations. This has resulted in a situation in which older displaced workers typically lack suitable qualifications for re-employment.

The negative impact associated with the perception that older job hunters lack marketable skills is compounded by employers’ perception that older job hunters are unlikely to benefit from training. Employers need to be aware that the limitations to retraining older workers are quite minor. Older workers are in no way cognitively incapacitated and are as likely as younger workers to benefit from retraining. Training also allows employers the opportunity to capitalize on workers’ improved skills and knowledge in combination with the workers’ extensive experience (Dunn 1985).

It should be recognized by employers, however, that older applicants may be reluctant to enter into retraining. Older individuals will typically not have been in a structured learning environment in some time. The older applicant may need to be encouraged to enter into such an arrangement. The older individual must be made aware of the tangible benefits associated with retraining. In addition, older workers may be less comfortable with traditional lecture style instruction and alternative methods may need to be devised to accommodate their learning needs. Finally, among baby boomers born between 1946 and 1962, one-quarter are college graduates, while just 12 percent did not graduate from high school (Liebig 1990). This level of educational achievement suggests that older workers of tomorrow should place a high premium on skill upgrading because of their prior educational experience.

Clearly, employers must reassess their attitudes toward training. Organizations should also offer a fuller range of career counselling and career development planning. Such counselling should encourage earlier recognition of career problems and emphasize realistic alternatives within the firm as well as external options. Finally, management should make it known that training and retraining of older employees is expected and concrete benefits and incentives should be offered to older employees and candidates for training, self-development and self-renewal.

Very little if any research has investigated the relationship between corporate culture and age. Organizations, however, need to confront directly the issue of how older individuals will fit into their corporate culture and hierarchy. Employers must be aware that older job hunters bring with them a lifetime of experience and that it will be necessary to justify their "way of doing
things" in order to ensure the enthusiastic participation of the older individual. Employers should also be aware of the beliefs and values of older individuals and attempt to "make a place" for those values within their organization. Similarly, mechanism for resolving conflict between the disparate values and beliefs of divergent sets of employees should be a part of any organizations human resources plan.

Any successful organization needs to have a well articulated strategy for the utilization of their personnel. There are a number of situations in which hiring an older job hunter will best serve the needs of an organization. Cronin (1982), for example, argues that older individuals can serve a mentoring role in the development of younger employees. This can be especially helpful in situations where no candidate within the organization is capable of assuming the role at the current moment. A number of other innovative employment programs for older workers (e.g., part-time work, work sharing) are available to employers through the National Older Workers Information Service (AARP 1990).

The results of this study also suggest that employer's perceptions of the limitations of older Job hunters are a serious barrier to their re-employment. Socio-cultural orientations of stereotyping assume that the media and other socializing agents directly and effectively teach prevailing cultural stereotypes (Ashmore and Del Boca 1981). This suggest that there are a number of things can be done within organizations to focus attention on the inappropriate role that stereotypes play in the evaluation of older workers. The effective use of newsletters, for example, can help to remove negative attitudes about older workers. Newsletters can also be used to focus attention on the positive attributes and achievements of older workers, including maturity, experience, loyalty, lower turnover, greater job satisfaction, decreased disruptions from drug and alcohol abuse, and fewer accidents on the job.

Finally, employers need to be aware that the job search skills of older applicants may be inadequate. The employer who is interested in pursuing individuals from this segment of the labour force may need to utilize some concrete recruitment strategies. Employers will also need to explain to older job hunters the nature and causes of pay penalties associated with changing jobs and should focus older job hunters attention on the possibility that promotion and merit increases can compensate for low entry-level wages.
REFERENCES


Les perceptions des employeurs concernant les obstacles que doit affronter le travailleur d'âge mûr en quête d'emploi

Selon les plus récentes données démographiques et sociales, les employeurs devront de plus en plus embaucher des chômeurs d'âge mûr au sein de leur entreprise. Tous les baby-boomers font maintenant partie du marché du travail et les plus petites cohortes qui suivent fourniront un nombre inférieur de nouveaux travailleurs (Foot 1987). Ainsi, l'entreprise désirant maintenir une saine croissance économique devra se plier aux pressions grandissantes et engager des travailleurs plus âgés. Le gouvernement et la société en général exerceront aussi des pressions sur les entreprises dans le but de les inciter à jouer un rôle plus important eu égard à la réintégration des chômeurs d'âge mûr (CLMPC 1990). De plus, la période moyenne de chômage pour ceux-ci est à la hausse. En 1989, elle était de 25,8 semaines (Gera et McMullen 1991) surchargeant ainsi de plus en plus le système d'aide social canadien. De toute évidence, le gouvernement devra également s'associer au secteur industriel pour réussir à faire réintégrer le marché du travail à ces travailleurs.

Pour mieux comprendre dans quelle mesure l'industrie peut parvenir à relever le défi que présente une main-d'œuvre vieillissante, nous nous sommes d'abord adressés aux employeurs pour recueillir leurs propos et idées concernant la réintégration des travailleurs âgés. L'étude avait pour but d’analyser les données recueillies parmi les 651 employeurs qui ont répondu à la question : « Quelle est la raison qui cause le plus de difficultés au chômeur d'âge mûr qui cherche du travail ? ». 


Selon les employeurs, il existe cinq importants obstacles limitant les chances d'un chômeur d'âge mûr en quête d'un nouvel emploi d'en obtenir un. Premièrement, il est perçu comme ne possédant pas les qualifications nécessaires pour remplir les fonctions reliées aux postes contemporains. Deuxièmement, il est perçu comme étant une personne plus dispenseuse à engager. Troisièmement, le chômeur d'un certain âge est aussi perçu comme quelqu'un qui ne s'intégrerait pas facilement dans la culture de l'organisation. Quatrièmement, il est perçu comme étant victime de discrimination. Finalement, il est perçu comme étant une personne qui ne possède pas les compétences nécessaires pour chercher un emploi.

En conclusion, les perceptions des employeurs, d'une part, reflètent les problèmes réels auxquels se heurtent les chômeurs d'âge mûr en quête d'emploi et, d'autre part, représentent certaines notions nettement stéréotypées et fausses reliées aux problèmes rencontrés par les travailleurs âgés en quête d'emploi. L'employeur doit se rendre compte que les qualifications de ce groupe de travailleurs sont nettement plus variées que celles des jeunes et élaborer une stratégie permettant de leur accorder la place qui leur convient. De plus, il doit reconnaître que certaines forces historiques et systémiques les ont privés de formation et avouer que les travailleurs d'âge mûr peu qualifiés ne sont pas nécessairement à blâmer. L'employeur doit aussi comprendre qu'un travailleur âgé peut profiter d'un stage de formation autant qu'un jeune travailleur (Dunn 1985) et que les avantages découlant d'un tel investissement peuvent être considérables.

Seulement quelques études ont examiné la relation entre la culture d'une organisation et l'âge. L'employeur doit admettre qu'un travailleur âgé possède tout un bagage d'expériences et de croyances et, de ce fait, il devrait « créer une place » pour ces valeurs au sein de son organisation. Bien qu'il existe plusieurs problèmes associés à la réintégration des travailleurs âgés sur le marché du travail, l'employeur qui réussira à ce faire aura moins de difficultés à recruter.