

## EXTENDING THE WORK LIFE OF OLDER MANAGERS: WORK VALUES, WORK REWARDS AND THE IMPACT OF HRM PRACTICES

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### Abstract

In most industrialized countries, there will, in the next few years, be a marked increase in the proportion of the workforce that is over 45 years of age combined with labor shortages since fewer young people are entering the working-age population to replace individuals in the age group nearing retirement. The main focus of this article is to point to new ways to retain an older workforce by highlighting some of the benefits of implementing adequate human resource practices that can encourage older workers to extend their professional lives.

### Introduction

Because of the decline in fertility rates and the increase in life expectancy, in most developed countries there will, in the next few years, be a marked increase in the proportion of the workforce that is over 45 years of age. During the past 10 years, the population aged 45 to 64 in Canada increased by 35.8% to almost 7.3 million. This increase was fuelled mainly by the entry into this group of the oldest baby-boomers born between 1946 and 1965. People aged 45 to 64 alone accounted for virtually one-quarter of Canada's total population of just over 30 million in 2001 compared with only 20% in 1991. In 2011, these individuals are expected to represent almost one-third of the nation's total population (Statistics Canada, 2002). In the United States, the number of people aged 55 or older will nearly double by the year 2025 and continue to double every 30 years thereafter (Crampton, Hodge & Mishra 1996). According to recent studies, Europe is the area of the world most affected by aging (Auer & Fortuny 2000). Official projections in Britain see the largest number of older employees occurring around the year 2006 (Yarta & Warr 1995). To sum up, all industrialized countries are faced with population aging combined with labor shortages since fewer young people are entering the working-age population to replace individuals in the age group nearing retirement (Statistics Canada, 2002). Replacements are therefore getting scarce and focus is being put on a workforce largely found in today's organizations, namely the cohorts of baby boomers whose age hovers around 50. While the trend in recent years has been to downsize and cut costs by offering massive early retirement to aging employees, it has unfortunately denied organizations the expertise of senior employees, and has resulted in an over-representation of employees who are in their late forties. However, like the generation that preceded them, this generation is getting ready to retire, pushed by major organizational upheaval, work overload and especially a culture of early departure which, in recent years, has taken root in workplaces as a result of numerous early retirement programs.

The many studies that have tried to identify the problems associated with workforce aging have established that the competitiveness of organizations will undoubtedly depend on finding new

effective ways to retain and manage employees who are 50 years and older (Saba *et al.*, 1998). With the increasing number of mature employees in organizations and on the labor market, organizations will have no choice but to implement human resource practices that will make older employees' jobs more challenging, encouraging them to extend their work life and empowering them to contribute to the organization's success (Rix, 1990; Fyock, 1991; Lefkovitch, 1992; Zetlin, 1992).

The main focus of this article is to point to new ways to retain an older workforce by highlighting some of the benefits of implementing adequate human resource practices that can encourage older workers to extend their professional lives. The work expectations or values of older employees will first be examined in order to better understand their needs. Secondly, the opportunity for older employees to realize each of their work values in their current jobs will be assessed. The simultaneous impact of work expectations and work rewards on two outcomes, namely the anticipation of early retirement and the expectation of extending work life will then be examined in order to evaluate the relevance of implementing human resource practices that will potentially help older workers attain these work rewards. Finally, human resource practices that are perceived as offering the possibility to attain each of the work rewards will be presented.

## **Research Issues**

Recent studies of workplace patterns of older workers have shown that the workplace of older workers should no longer be seen as a unidirectional journey to retirement (Stern *et al.*, 2000).

Despite legal provisions that prohibit arbitrary age discrimination in all aspects of employment, attitudes toward older workers have been reported to be negative (Johnson & Neumark 1997; Patrickson & Hartman 1995). To make decisions based on knowledge and not on prejudice, it is necessary to investigate some factors related to the management of older workers. If the decline in physical capacity due to the effect of age is inevitable, it is counterbalanced by added experience and maturity (Casey, 1992; Bartel & Sicherman, 1993; Kay, 1993; Sterns & Miklos, 1995). Moreover, a common finding of meta-analyses in previous studies was that, on average, the relationship between age and performance effectiveness is around zero. In their longitudinal study, Yearta & Warr (1995) found that there was no difference between the overall sales performance of older and younger employees. Reviewing the literature on age-related performance, Agarwal & DeGroote (1998) concluded that individual differences can better explain performance than age group differences.

To facilitate their integration and enhance their chances of remaining in the workplace for a longer period, effective organizational policies should meet older workers' needs (Saba *et al.* 1998).

Therefore, the work values of older workers that may differ from those of their younger colleagues need to be assessed in order to encourage their active participation in the organization (Wright & Hamilton, 1978; Overman, 1993; Holmes & Cartwright, 1993). The provision of work alternatives as older workers reach retirement age will broaden their career perspectives. Senior employees who prefer retirement will be able to leave the organization whereas those who are still performing well and looking forward to advancement and career development can continue to play an active role and contribute to the organization's success.

## **Retirement Issues**

Doeringer (1990) found that although 50% of U.S. workers have officially retired by the age of 60, only 11% have fully withdrawn from the workforce by that time. The others choose

bridge employment, namely, employment that takes place after a person's retirement from a full-time position but before the person's permanent withdrawal from the workplace (Kim & Feldman 2000). At the end their careers, workers can make three choices that are different from the traditional separation from work by retirement (Stein *et al.*, 2000). The first choice, remaining at work, means that an employee meeting the retirement qualifications of age and years of service chooses to continue working in a full- or part-time job without a break in service. The reasons for this choice relate to financial planning in preparation for a reduced income, respect for older workers' contributions, and the desire to do meaningful work. A second choice is returning to work (paid position) after the person has experienced a period of retirement. Such a choice is often due to the need for a second career or a bridge job between periods of retirement, the need to supplement income, the need for greater health insurance coverage, or just a desire to feel like a contributing member of society. Finally, a retiring worker is an employee who meets the age and service requirements and elects to leave his or her current employment with no intention of returning. The motives for deciding to leave the workplace permanently can be related to job dissatisfaction, the desire for change, and the need to enjoy a new phase of life.

Organizations will therefore have to take into account alternatives to traditional early retirement and consider the preferences and intentions of employees who are approaching retirement. Older workers may value early retirement or prefer to extend their working lives. After careful examination of the preferences of older workers with regard to their retirement plans, Rosen & Jerdee (1986; 1989), Sheppard (1988) and Feldman (1994) argued that older workers often favor phased retirement, combining work and retirement, instead of an abrupt end to their professional lives. Sheppard (1988) noted in his study that 80% of workers prefer gradual retirement to early retirement.

### ***The Influence of Older Workers' Values on Their Desire to Extend their Working Lives***

There has been considerable research on the aspirations and work values of older workers. As reported in the review by Crampton, Hodge & Mishra (1996) older workers, in comparison with their younger counterparts, tend to enjoy themselves more on the job and are less concerned with advancement and more concerned with finding stability and developing a good relationship with co-workers. Furthermore, they are more loyal to their company, have better job morale, are significantly less likely to hurt themselves, and have much lower rates of turnover and absenteeism. Tschirhart (1998) studied age-related differences among volunteers. She found that senior individuals (over 60) were more motivated, more altruistic and less interested in career development. Older volunteers were more receptive to feedback than to rewards and needed to know that they were 'making a difference.' They perceived their work as more meaningful and felt more responsibility for work outcomes than younger volunteers.

In an effort to synthesize the literature on the subject, we have classified older workers' values into five categories: work content, career development, recognition, work conditions and retirement conditions.

*Work content.* Toward the end of their careers, older workers tend to value career autonomy (Karp, 1987). They favor quality and prefer to work at their own pace (Kelly, 1990). They yearn for variety and the possibility to choose among tasks that reduce or better balance their workload (Rix, 1990; Chusmir, 1990; Lewis & McLaverty, 1991). Another important aspiration of mature employees is to deal with a supportive and understanding supervisor who recognizes their

experience and maturity, and provides them with work autonomy (Wright & Hamilton, 1978; Duran & Kleiner, 1992; Ramsey, 1993). Zetlin (1992) identified the importance of making older workers feel useful. The need for older workers to reorient their careers, to assume new roles, such as mentors, trainers or consultants, has also been studied by Sheppard (1988), Kelly (1990), and Lewis & McLaverty (1991). These aspirations are not necessarily shared by all older workers. The desire to play new roles or start a second career is driven by tenure in the profession and in the organization, by career stage and by a number of personality traits such as self-efficacy, locus of control and work involvement (Stern, 1986; Chusmir, 1990).

*Career development.* Some authors have suggested that workers who reach their fiftieth birthday still have at least 10 to 15 more professional years ahead of them (Rosow, 1990; Rix, 1990). Older workers need to have the same opportunities as younger workers and equal access to training, career advancement and career development. They can still seek challenging jobs with increased responsibilities (Sheppard, 1988; Siegel, 1993). Various authors emphasize the fact that older workers value training opportunities (Doering *et al.*, 1983; Tucker, 1985; Sterns, 1986; Dychtwald, 1990; Pennington & Downs, 1993; and Elliott, 1995). Kelly (1990) adds that older workers who are worried that their careers are plateauing see training as a way of enhancing their chances for advancement.

*Contribution recognition.* Leibowitz & Farren (1990), and Wright & Hamilton (1978) argued that older workers need to be heard and be fairly compensated for their contributions to the organization. They fear losing status with aging and yearn to see their experience, maturity and years of loyal services to the organization recognized. Therefore, recognition in their jobs is identified as a very important aspiration for older workers.

*Adapted work conditions.* Rix (1990), and Dibden & Hibbett (1993) point out that older workers often choose to work part-time. Toward the end of their careers, they tend to value spending more time with their families and therefore favor reduced workloads. They would rather avoid long hours and hours spent in traffic, and eventually choose to telecommute (Rosow, 1990; Kelly, 1990; Lewis & McLaverty, 1991).

### ***Individual Characteristics Influencing Bridge Employment***

Individual differences (health and age), family status, and job factors (organizational tenure, salary at time of retirement, amount of pension benefits, declined previous incentives, and retirement counseling) were hypothesized to influence the decision to engage in bridge employment and therefore to extend work life (Sheppard, 1988; Feldman, 1994; Weckerle & Schultz, 1999). Hypotheses about the positive relationship between good health and bridge employment have been supported by research results. Organizational tenure was found to be strongly correlated with engaging in bridge employment. The higher a retiree's salary, the less likely he or she was to engage in bridge employment. Pension benefits, declined retirement incentives in the past, and retirement counseling were not significantly related to engaging in bridge employment. With spouses still in the workplace and children to support, retirees were significantly more likely to engage in bridge employment. However, neither marital status nor retiree's gender was related to bridge employment (Kim & Feldman, 2002).

### ***Managing Older Workers***

Age should be considered as a component of the diversity issue and managing older

workers as a part of diversity management that reflects the new challenges facing human resource professionals as they manage a multi-cultural, multi-racial, well-educated workforce of both genders. Hale (1990), West & Berman (1996) and Saba *et al.* (1998) identified three key strategies used to manage older workers efficiently.

*Establishing supportive workplace relations.* Two areas have been identified to achieve a supportive workplace environment for older workers. Alternative work arrangements provide flexibility in terms of job redesign, job rotation, redesign of equipment, leave policies and flextime. Other options are part-time arrangements, re-employment of retirees, and using retirees as volunteers (it is estimated that a third of all Americans, including older workers, are hired on a part-time, temporary or contingent basis). The second area is retirement-related assistance through pension planning and providing early retirement incentive programs.

The literature suggests that some older workers are reluctant to participate in training. According to Maurer (2001), one possible explanation is a decline in older workers' self-confidence in their ability to learn. It is necessary to encourage all employees to be involved in training and to design the training so as to enhance its success. It is also important to make sure that qualified older workers have as much access as their younger colleagues to challenging tasks and assignments in order to avoid lost opportunities for older workers.

*Encouraging career development* can be achieved by developing annual career objectives, providing an environment of continuous learning opportunities, facilitating transfer of knowledge from one generation to another and providing training.

*Performance appraisal systems* should be reliable, valid, and age-neutral, in other words, based on objective measures and free of stereotypical thinking about aging. Among the most important concerns were the need to adapt appraisals to the needs of older workers, to adopt a policy for older workers, and to provide outplacement assistance. Grievance procedures and open door policies were viewed as being addressed adequately.

## **Methodology**

### ***Sample***

The data for the present study were collected by a questionnaire completed between April and March 2000 by 402 managers aged 50 years and older working in the health sector. The respondents' mean age is 53.5. Women make up a slightly larger proportion of the population studied and account for 60.9% of respondents. As might be expected from a population of managers, the level of education is fairly high: 34.3% of respondents have a bachelor's degree, 35.8% have a master's degree and 3.5% have a Ph.D. The great majority of respondents live with a spouse (75.6%) and 43.8% have no dependants. Their average salary is between C\$55,000 and C\$70,000. The mean tenure is 16 years in the organization, and 8.5 years in the current position. Most of the respondents have decided to retire at the age of 59, even though only 19.9% of those choosing to retire will be entitled to their full pension at that time. If given the chance, they would prefer to retire at the age of 57.5.

### ***Measurement***

*Work value.* The work values of older workers were measured using 17 items relating to various working conditions that were identified in the literature. The scales used to measure these work expectations each consist of a seven-point Likert-type format rating the relative importance assigned to the various aspects of work by the individual.

*Work rewards.* Using the same items that measure the work values of older workers, each individual also rated, on a seven-point Likert-type scale, the extent to which he or she feels that their work aspirations can be achieved in their current job.

*Retirement expectations.* Again, using a seven-point Likert-type scale, respondents were asked to rate the extent to which it is important for them to retire as soon as possible.

*Extending work life or bridge employment.* Older managers were asked to rate the extent to which it is important for them to continue working after the normal retirement age.

*Human Resource Practices.* Forty-three practices identified in the literature as effective practices for managing older workers were included in the analyses. The respondents were asked to indicate whether the practices existed or not. The practices refer to career management, compensation, retirement management, working conditions, appraisals and new roles.

*Individual characteristics.* Work involvement was assessed using a measure developed by Kanungo (1982) which included 6 items on a seven-point Likert scale. The scale had an internal coherence coefficient of .75 which indicated a fairly acceptable reliability. Demographic and employment variables were collected from direct questions on age, gender (coded 1=female, 2=male), level of education, organizational tenure, length of time in current position, family income and number of dependants. Whether or not the respondent considered themselves in good health was measured by 13 items developed by Health Canada. Examples are "I felt tired lately," "I was in a very bad mood" and so on. The internal consistency of the scale is .87. The respondent was asked some direct questions pertaining to their retirement (retirement age, spouse's retirement age, number of dependants at retirement and financial situation).

### ***Statistical Analysis***

Three types of analysis were conducted. First, a descriptive analysis was used to rank the work values of older workers and to measure the possibility of attaining those work values in their current jobs. Secondly, simultaneous regressions were run to explain the effect of both work expectations and work rewards on the anticipation of retirement and bridge employment. Regression analyses were also conducted on human resource practices that are perceived by older workers as effective practices, inasmuch as they meet their expectations. Finally, hierarchical regression analyses were run to control for the effect of individual variables in explaining early retirement and bridge employment.

It should be noted that we chose not to use direct measures of met expectations, as suggested by a number of authors (Arnold & Feldman, 1982; Michaels & Spector, 1982; Lee & Mowday, 1987), nor difference scores between work values and the possibility of meeting older workers' expectations, as suggested by Wanous *et al.* (1992) and Porter & Steers (1973). Because of the methodological problems associated with met expectations theory as advocated by Edwards (1991) and Johns (1981), and following the example of more recent studies conducted by Mottaz (1988) and Irving & Meyer (1994, 1995), the effects of work values and work rewards on retirement and bridge employment were examined independently. It should also be noted that, in the case of older workers, the initial work expectations upon entry into the labor market are likely to be reshaped as a

result of the influence of work experience as well as work rewards offered by the organization (Miceli, 1986). Because as expected, work values and work rewards were correlated (mean  $R=0.60$ ) in this research, we favored examining the effects of both work values and work rewards independently.

## Results

### *The Work Values of Older Workers*

As indicated in Table 1, older workers rate the need to work in a pleasant environment as their most important work value followed by the need to feel useful. To be able to balance work and family is considered as the third most important work value. The need to self-actualize at work and work with a clear vision ranks fourth and fifth. Next is the aspiration to see their efforts recognized. Enjoying interpersonal relationships is slightly less important, ranking six on a seven-point scale. Having variety in work is less important than having challenging tasks. To be able to transfer competencies ranks tenth but still reflects, with an average of 5.83, the importance older managers give to succession planning. To be able to make a difference is as important as transferring competencies and knowledge. Less important for older managers are the needs to use new technologies, acquire new competencies, have employment security, have power, have lighter work loads and progress in their career. However it is important to note that the average for the latent needs remains above four on a scale of seven.

**TABLE 1**  
**Descriptive Analyses for Work Values and Work Rewards**

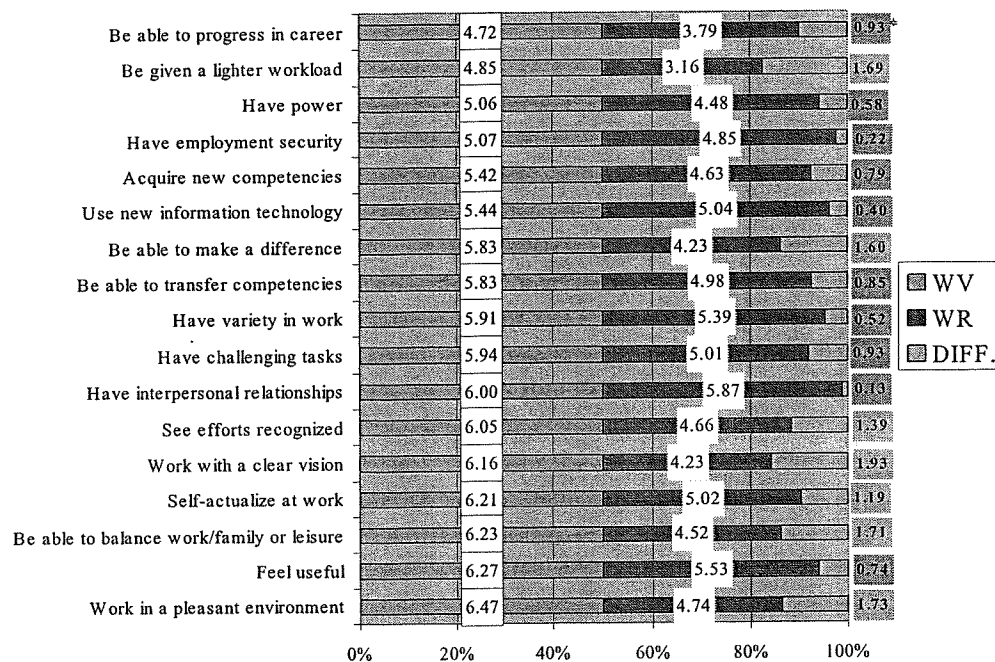
	Values		Rewards	
	Mean	Std dev.	Mean	Std dev.
Work in a pleasant environment	6.47	.715	4.74	1.509
Feel useful	6.27	.790	5.53	1.185
Be able to balance work/family or leisure	6.23	.952	4.52	1.556
Self-actualize at work	6.21	.883	5.02	1.382
Work with a clear vision	6.16	.831	4.23	1.548
See efforts recognized	6.05	.922	4.66	1.412
Have interpersonal relationships	6.00	.946	5.87	1.098
Have challenging tasks	5.94	.931	5.01	1.385
Have variety in work	5.91	.941	5.39	1.287
Be able to transfer competencies	5.83	.953	4.98	1.302
Be able to make a difference	5.83	.971	4.23	1.442
Use new information technology	5.44	1.196	5.04	1.361
Acquire new competencies	5.42	1.222	4.63	1.429
Have employment security	5.07	1.782	4.85	1.725
Have power	5.06	1.227	4.48	1.382
Be given a lighter workload	4.85	1.651	3.16	1.505
Be able to progress in career	4.72	1.656	3.79	1.545

### Work Rewards

As regards the possibility for older workers to realize their work values in their respective organizations, in general, it seems that the various health institutions provide older workers with the possibility to fulfill their needs. The aspiration that they fulfill most easily is the need to have good interpersonal relations. The ability to feel useful ranks second. Older managers are provided with a variety of tasks and with the opportunity to use new technologies to more than a reasonable extent. They can self-actualize at work and have challenging tasks. Their employers provide them with more than the average number of opportunities to transfer their knowledge and to work in a pleasant environment, and employment security is still taken for granted in public agencies even among managers. Their efforts seem to be fairly well recognized and they are provided with more than the average number of opportunities to acquire new competencies. They are slightly less able to balance work and family. Their ability to change things as well as their striving for power are somewhat hindered. They also seem less able to work with a clear vision. Having a lighter work load along with the opportunity to progress in their careers rank last.

**FIGURE 1**

### Differences between Work Values and Work Rewards



Although managers seem to be able to fulfill their needs to a certain extent, there is a significant gap between the aspirations and the opportunity provided by the organization to satisfy each of these work values. According to Figure 1, the gap between the aspiration to work with a

clear vision and the possibility of actually doing so is 1.93, that is, nearly a two-point difference on a seven-point scale. A second large gap can be found between the managers' need to work in a pleasant environment and the possibility of fulfilling this aspiration (1.73). The third source of dissatisfaction is the difficulty that managers have in balancing work and family (1.71). Several other gaps should be noted: the difficulty that managers experience in reducing their heavy workload (1.69); not being able to make a difference (1.60); and not seeing their efforts recognized (1.39). The differences between aspirations and the possibility of fulfilling them that are related to the desire for self-actualization at work and being able to progress in their career, have challenging tasks, acquire new competencies, transfer competencies and feel useful are lower than the preceding dissatisfactions, varying between 1.19 and .74. Finally, the managers seem to have satisfied aspirations related to having power and variety in their work, using new technologies, job security and interpersonal relationships at work.

### *The Impact of Both Work Values and Work Rewards on Job Outcomes*

The data in Table 2 suggest that the predictive power of the model is quite strong in explaining the anticipation of early retirement but less strong in explaining extending the professional life.

**TABLE 2**  
**Multivariate Regression Results of Early Retirement and Bridge Employment**  
**on Work Values and Work Rewards**

	Taking Early Retirement		Extending Professional Life	
	Work values	Work rewards	Work values	Work rewards
			$\beta$	
Acquire new competencies	-.203**		.154**	
Use new information technology				
Feel useful				
Have employment security	.137**			
Be able to make a difference				.130*
Be able to transfer competencies			.162**	
Work with a clear vision				
Be able to balance work/family or leisure	.128*		-.147**	
Be given a lighter workload	.253**			
Work in a pleasant environment				
See his/her work recognized				
Have challenging tasks				
Self-actualize at work	-.118*	-.159**		
Have variety in work	.145**			
Have power				
Be able to progress in career	-.138**	-.120*	.127*	
Have interpersonal relationships	-.098*			
R square	.272	.055	.121	.017
Adjusted R square	.254	.049	.111	.014
F	15.844**	9.335**	11.853**	5.541*
* p < 0.05				
** p < 0.01				

The work values in the regression equation account for a fairly large proportion of the variance in explaining early retirement ( $R^2=0.272$ ) whereas work rewards account for only 5.5%. In the case of bridge employment, the work values account for a smaller proportion of the variance (.121), however work rewards account for only 1.7% and the equation is significant to the 0.05 level.

As indicated in Table 2., older managers would anticipate retiring early if they sought employment security, if they needed to balance work and family, if they wanted variety in work and if they preferred to be given a lighter workload. They also would want to retire as early as possible if they had a lesser desire to acquire new competencies, if they did not seem to need to self-actualize at work and if they were not concerned about career progress or interpersonal relationships.

On the contrary, the older managers who would want to consider bridge employment value acquiring new competencies and being able to transfer their knowledge to younger colleagues, and seek to progress in their careers. However, they put less value on their ability to balance their professional and personal lives.

In both cases, work rewards account for a lesser proportion of the explained variance than work values. The results show that when an organization does not provide older workers with the opportunity for self-actualization and career progress at work, managers will prefer early retirement. On the other hand, when managers feel that they can make a difference, they will consider extending their work life beyond the normal retirement age.

#### ***The Impact of Work Rewards after Controlling for the Effect of Individual Characteristics***

Table 3 provides the results of the hierarchical regressions controlling for individual characteristics and explaining both the anticipation of early retirement and bridge employment.

Results indicate that older managers will be more likely to retire early if they have health problems, if they consider that work is not central to their lives and if they have accumulated a longer tenure in their organizations, which means that they will be eligible for an attractive retirement pension. Most importantly, the lesser the difference between their retirement age and the retirement age of their spouse, the more they will consider early retirement. Respondents will consider bridge employment only if the gap between their retirement age and their spouse's retirement age is wider.

Interestingly, only one work reward remains significant after controlling for individual characteristics which account in both cases for a larger proportion of the variance, namely the prospect of working in a pleasant environment. Human resource practices that can help attain this work reward will be examined in the next section along with the previously identified work rewards.

#### ***Human Resource Practices***

Table 4 presents the regression results for 43 human resource practices associated with the management of older workers on each of the work rewards that were identified as reducing eagerness to retire early and favoring bridge employment. Results in Table 4 suggest that five human resource practices can enhance the perception of career progress: a formal performance appraisal system, regular evaluation of potential, providing managers with promotion opportunities, linking compensation to performance and giving managers the opportunity to participate in strategic committees.

**TABLE 3**  
**Hierarchical Regressions on Taking Early Retirement and Extending Work Life**  
**Controlling for Individual Characteristics**

	Taking early retirement	Extending work life
	$\beta$	
<b>Individual characteristics</b>		
Gender		
Education		*
Employment Status		
Health	-.176**	
Length of time in organization	.145*	
Length of time in actual position		
Salary		
Family income		
Number of dependants		
Work involvement	-.201*	
Number of dependants at retirement		
Difference between retirement age of respondent and spouse	-.180**	.209**
Financial situation at retirement		
$\Delta R$ square	.220	.052
$\Delta R$ square adjusted	.199	.045
<b>Work rewards</b>		
Work in a pleasant environment	-.190*	.218**
$\Delta R$ square	.031	.047
$\Delta R$ square adjusted	.027	.041
Total R square	.260	.099
Total R square adjusted	.233	.086
F	9.766**	* 7.865**
* p < 0.05		
** p < 0.01		

Older managers will consider being able to make a difference if they have regular feedback on their work performance, if they participate in strategic committees, if there is a code of conduct that acts as a gatekeeper for ethical behavior and if they have access to flextime. It should be noted that providing part-time work, unlike the possibility of having flextime, has a negative effect on the work reward. Self-actualization at work is attained by regular feedback on performance, communications programs and the presence of a code of conduct. Career management practices such as the possibility of acting as a trainer for younger colleagues and the assignment to special projects can contribute to self-actualization at work. Linking compensation to performance and flexible hours can also enhance the possibility of self-actualization at work.

A pleasant work environment can be attained by regularly briefing employees on performance, by providing communication programs, by linking compensation to performance, by providing flexible hours and by giving older managers the opportunity to act as trainers and be assigned to special projects. Early retirement with penalties and therefore exerting pressure on older managers to retire can have a negative impact on the work environment.

**TABLE 4**  
**Human Resource Practices that Can Influence the Perception of Work Rewards**

MANAGEMENT PRACTICES	WORK REWARDS			
	Progress in career	Make a difference	Self-actualize at work	Work in a pleasant environment
	$\beta$			
EMPLOYEE APPRAISAL				
Performance appraisal	.120*			
Feedback on performance		.194**	.120*	.171**
Evaluation of potential	.165**			
Training evaluation				
CAREER MANAGEMENT				
Periodical career evaluation				
Formal career plan				
Career counseling				
Opportunities for career mobility				
Promotion opportunities	.263**			
Special projects			.227**	.206**
NEW ROLES				
Act as a consultant				
Act as trainer			.146**	.179**
TRAINING				
Management training				
Keep skills up-to-date				
Computer skills				
Adapted training				
COMMUNICATION/EMPLOYEE RELATIONS				
Communication programs			.147**	.147**
Participation in strategic committee	.174**	.312**		
Communication of operational information				
Communication of strategic information				
Grievance procedure				
Code of conduct		.158**	.118*	
REWARDS				
Compensation linked to performance	.200**		.117*	.127*
Extended vacations				
RETIREMENT CONDITIONS				
Retirement preparation programs				
Early retirement with penalties				-.133*

**TABLE 4**  
**Human Resource Practices that Can Influence the Perception of Work Rewards**

MANAGEMENT PRACTICES	WORK REWARDS			
	Progress in career	Make a difference	Self-actualize at work	Work in a pleasant environment
	$\beta$			
Pension indexation				
Gradual retirement				
Incentives to extend work life				
FLEXIBLE WORKING CONDITIONS				*
Part-time work		-.115**		
Share work with another colleague				
Flexible hours		.210**	.174**	.129*
Work from home				
R square	.244	.286	.291	
Adjusted R square	.229	.272	.271	
F	16.649**	20.365**	14.829**	

\*\* Coefficient is significant at the 0.01 level  
\* Coefficient is significant at the 0.05 level

## Discussion

As the analyses clearly show, there will always be employees who want to take early retirement -- those in poor health, whose spouse is retiring or who do not attach great importance to work. It would be ill-advised for an organization to put pressure on these individuals to stay in the organization longer. In general, they are less well motivated and have poorer performance at work and thus both the organization and the individuals themselves would be better off if the latter took early retirement. On the other hand, many employees retire early for the wrong reasons or because they have been urged to do so by the organization. We are not referring only to "golden handshake" plans and the lifting of actuarial penalties, but also to all those values that promote the idea that older employees have lower performance, that they must make room for young people, or that happiness can only be found outside the workplace. In the latter case, organizations have the means to change their practices and culture and to reverse the trend.

Three possibilities for fulfilling aspirations -- the ability to advance in one's career, to change things and to self-actualize at work -- have emerged as incentives to extend work life and thus reduce the desire to take early retirement. In addition to these three possibilities, it was found that working in a pleasant environment was most valued by older managers since it remained significant after controlling for individual characteristics. The question then is how to support these aspirations. What practices should be promoted that would allow these aspirations to be fulfilled and thus indirectly encourage these individuals to extend their work life? These considerations will frame the conclusions that we will attempt to bring out from the analyses made in the present study.

Unlike young people, whose values, attitudes and behaviors are quite highly regulated by the educational and job entry systems, employees who are 50 or older who have been in the labor market for several decades have had numerous and varied experiences which have given them a high level of self-knowledge and allowed them to develop precise and personalized life strategies. Like their values and attitudes, their career plans are therefore much more diversified than those of young people which are aimed essentially at integration and growth. It is therefore essential that retirement management be carried out on a case-by-case basis within a more global approach to end-of-career management, one that takes into account not only the aspirations and needs of individuals, but also their experiences, competencies, potential and motivation, not to mention, of course, the needs of the organization.

Career management is inevitably the first area of human resource practices that should be considered by organizations since one of the most effective ways to re-inject dynamism into careers is to have employees play new roles or to offer them new challenges. This form of subjective career enrichment or advancement, which is particularly appreciated by older employees, is aimed at keeping them employed longer. Taking on the role of trainer or being assigned to special projects can give older managers a sense of fulfillment in their professional life, allowing them to work in a pleasant environment which recognizes their experience and competencies. Meeting these requirements does not depend on a specific policy or program but should take place within end-of-career planning. Using evaluation of potential or the career interview, the superior identifies, with the employee, new assignments which the latter could see him- or herself taking on and new roles that he or she could play. Of course, during this process, the superior must harmonize service needs and the employee's aspirations. However, this is not an authoritarian exercise of work distribution but an effort to reconcile expectations with organizational needs.

Internally, the efforts of older employees who perform well to progress in their career should not be hindered. It would be a serious mistake for organizations to exclude them from promotion processes as long as they remain competent and healthy and want to put effort into their work. The possibility of progressing in their career allows managers to contemplate delaying their retirement.

The second area of human resource practices to consider is training. According to the literature, it is essential for older managers, like younger ones, to develop competencies. It is becoming particularly necessary for the former to become acquainted with new technologies, update technical knowledge, increase their capacity to work in teams or networks, and better understand the new organizational environment. However, older managers appear to have a certain mistrust of training since no training practices serve to allow career advancement, the ability to make a difference, self-realization at work or the opportunity to work in a pleasant environment. It must therefore be concluded that training programs have limited effectiveness when it comes to fulfilling the aspirations of older managers and keeping them on the job. However, more than the acquisition of new knowledge, it is the transfer of their own knowledge that motivates them to remain in their jobs longer. In fact, this is a mission that older managers give themselves before leaving more than a training project.

Time management is the third main area of human resource practices in a strategy to extend the work life of older employees. Flexible time management integrates very well into early 21<sup>st</sup> century management which has generated many individualized or "flex" practices. Among them, flextime has proven to have the greatest effect on the extension of employment, giving older

managers considerable latitude and thus allowing them to fulfill their desire to make a difference, self-actualize at work and work in a pleasant environment.

The fourth area of human resource practices concerns forms of recognition. This is based on the fact that many respondents expressed needs in the areas of recognition, job atmosphere or ethical environment in relation to the possibility of extending work life. Among highly qualified employees, this need for recognition is very strong and constitutes an essential lever for maintaining the dynamics of participation and involvement. The appraisal interview may be the ideal time to demonstrate this recognition. It is up to the superior to provide this recognition and give information to managers on their performance, which helps to create the pleasant environment that the respondents identified as an essential condition for extending their work life.

Similarly, certain managers require transparency and ethical treatment and distrust political games. In this regard, the use of ethical codes, interpreted as a way to decrease the disrespectful or immoral conduct of superiors, is proving to be an effective way to motivate managers to stay longer.

The fifth area of human resource practices, communication of information, is without a doubt one of the most obvious ways to encourage employee involvement. Providing employees with information amounts to making them aware of clients' needs, organizational constraints and operational and strategic actions to be undertaken. Very often decision makers merely inform managers of recent developments. Unfortunately, this type of communication is insufficient and does not generate employee involvement or motivation. Rather, what makes a difference is direct communication incorporating feedback that takes into account employees' suggestions and experience in the field concerned. Moreover, participation in strategic committees, a practice that is a privileged means of sharing information, encourages the extension of work life. The managers' desire to be informed of directions, changes and upheavals that are about to change their work allows them to be able to make a difference and even progress in their career. The means of transmitting information may take various forms. Those favored in the literature incorporate direct feedback and take employees' interventions into account.

The results of this study appear to have two key implications for HR practices regarding older workers. First of all, organizations must demonstrate a real willingness to retain an older workforce and do what is needed to achieve this. Our results clearly show that managers will not be prepared to extend their work life if this means simply continuing to work for a longer period. Rather, they count on having a career plan that will put their experience to use and allow them to self-actualize at work, make a difference, and continue to progress in their career while deriving a certain pleasure from extending their work life. This confirms the findings of previous studies that have brought out certain of these aspects. Secondly, bridge employment may be viewed as an excellent solution for some staffing problems: for relying on an experienced and knowledgeable workforce instead of turning to contingent workers.

To conclude, several limitations of this study should be mentioned. The ability to generalize our findings may be somewhat limited by the nature of the sample. Participants in this study are senior managers working in the health sector which, until recently, has gone through major restructuring and organizational changes. The perceptions of some of the work values and work rewards might have been influenced by the particular concerns of this sample. Future research should therefore examine a more heterogeneous sample and comparative studies should be conducted in different organizational and cultural environments. Finally, other important issues such

as the impact of plans to retire on work performance and commitment to the organization are beyond the scope of this article. They nonetheless deserve attention and should be investigated.

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