Recruitment policies and practices in the context of demographic change

Critical issues in the ICT sector and recommendations

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mature@eu
Supporting Employers In Recruiting
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The project **mature@eu** responds to the low level of labour market participation of older workers in most of the European Member States and to the existing structural barriers to be found in enterprises' recruitment policies. The objective of **mature@eu** is to enable HRM/personnel recruiters to introduce age-diverse recruitment policies and practices, via an open source e-learning environment and a toolbox collection of innovative training materials.

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INTRODUCTION

"Age discrimination is probably the least understood and least recognised of the varied social prejudices that affect the life of the populations of member-states of the European Union" (Midwinter, 2005).

Despite all the predictions of a tightened labour market in the near future, the recruitment policies of enterprises remain predominantly youth oriented and mature workers are often excluded from recruitment possibilities.

Such practices are becoming unsustainable, especially when the baby boomer generation is starting to retire, leaving fewer new workers available to take their place. Labour supply constraints demand a change of attitudes, behaviour and routines of those key persons with an influence on HR policies. This requires an understanding of the impact of ageing on recruitment, training, work and a consequential re-appraisal of existing personnel policies, leading to the introduction of age-diverse and sustainable policies.

As employers compete in a diminishing labour market, recruitment strategies that target younger workers will become more difficult to sustain. Survival in a time of "competition of the talent" will depend on redefining and transforming human resources practices to attract, accommodate, and retain workers of all ages and backgrounds. In the short to middle term, companies will be forced to examine their recruitment policies if they want to move beyond the narrow range of candidates from younger age groups.

In the light of the demographic change, the ICT sector with a significant over-representation of younger workers needs to be convinced that there are good economic reasons for a better age balance and for recruiting more mature employees. Since many standard recruitment practices and selection criteria are often age-related, employers will be forced to question their recruitment policies to see the inherent age barriers that prevent organisations enjoying the advantages of an age-diverse workforce.

Research aims and methodology

The research within the project "**mature@eu** – Supporting Employers in Recruiting and Selecting Mature Aged Persons" was designed to shed light on crucial issues in the recruitment policies and processes of older workers.

The report examines the specific issues that need to be addressed and the action required if age bias in the recruitment of mature workers is to be successfully challenged. Because of the specific age bias that exists within the ICT sector towards young workers, this report seeks to identify those practices that should be adopted within the sector to increase the employment density of older workers.

Specifically, the aims of the study are to:

- Explore the age and employment trends in the ICT sector

- Identify the structural barriers in the recruitment policies for older workers

- Identify success criteria in overcoming age bias in recruitment and selection

- Explore the information needs and knowledge requirements of employers, particularly those in the IT sector, since many employers are unaware of the challenging issues arising from an ageing workforce.

Whilst the methodology within Part A was based on literature research, for Part B a

methodological mix of research approaches was required. It involved reviewing academic and professional literature, and in-depth qualitative interviews with experts on "ageing workforces", and with representatives of the potential target group.

The findings of this research are being used to establish the preferred learning content and format for the **mature@eu** e-learning platform.

Structure of this report

The report provides empirical findings and recommendations on these issues in two parts:

Part A – Impetus for change

In Section A1 we examine the drivers pushing for change in this area by briefly re-stating the main characteristics of the demographic shift and revisiting the key policy responses concerned with an ageing workforce. We also include in this section a discussion on the importance of IT to Europe's economic development and we examine in some detail employment issues within the IT sector.

Section A2 is concerned with age bias in employment and covers issues associated with stereotyping as well as the extent and results of age discrimination in the workplace. Here we also discuss the impact of age discrimination and look in detail at age in the IT sector.

In Section A3 we evaluate the evidence supporting the business case for age diversity by looking at the experiences of organisations that have embraced age-diverse employment strategies.

Part B – Change for age-diverse recruitment

Section B1 explores success principles in age-diverse recruitment practices. Here we examine the principles of good practice and provide concrete recommendations to facilitate change in recruitment procedures.

Section B2 contains our concluding remarks.

Summary

Most organisations are ill-prepared to meet the challenges associated with older workers, and little research has addressed the development and implementation of effective human resource management practices for attracting job applicants from diverse age groups. The very real problems arising from demographic changes are either unrecognised or ignored by employers. While there have been significant policy initiatives at European and national levels concerned with age discrimination, the evidence indicates that these have yet to directly influence the behaviour of many employers.

The ICT sector continues to show a rapid growth in its importance to the EU economy. As a result, skills gaps and shortages are beginning to emerge, while, at the same time, employment in the sector is dominated by young men. Therefore a significant contradiction has developed between the needs of the sector and the employment strategies of IT enterprises.

Stereotypes influence employment decisions and there is a range of stereotypical negative

characteristics associated with age that influence attitudes towards mature employees. These stereotypes feed directly into age discrimination in recruitment in particular and employment in general and such discrimination is widespread among employers. However, there is extensive, authoritative evidence to show that these stereotypes are founded on unproven perceptions of age and that an increasing number of employers are facing employment tribunals because of age discrimination. Enterprises within the ICT sector need to come to terms with a paradigm shift from a "deficiency model" of older workers to the recognition of the added value of a balanced age workforce.

While the expense of implementing effective age-diverse policies is relatively minimal, there are significant costs resulting from age discrimination both at national and organisational levels. There are substantial benefits to be obtained from employing mature employees, and the ICT sector in particular needs to recognise the significant advantages that a balanced age workforce profile would bring apart from widening the pool of potential employees.

While there is extensive advice available on age management in general there is a European north-south divide in terms of accessibility to this material. In addition, little has been published in the same form targeted at recruitment and virtually none specifically concerned with the ICT sector. Much of the current research is qualitative, which we believe to be a weakness, as is the lack of research examining the relationship between gender and age in this area.

The re-appraisal and adjustment of the recruitment policies and practices towards age diversity are a major challenge for employers, particularly those in the IT sector. It involves an audit of the demographic characteristics of the actual workforce, a match with the future trends and training of persons with an influence on recruitment decisions, and it requires an analytical examination of all processes, tools and instruments in place throughout the recruitment and selection process.

In the effort to overcome structural barriers and obstacles towards demographically appropriate recruitment policies, our findings indicate that

- Attitudes towards ageing must be changed – an attitudinal approach is required

- The awareness level of managers and supervisors of the business case of age-diverse requirement policies needs to be improved – a persuading approach is required

- Concrete support in the whole framework of implementing age-diverse recruitment policies and practices needs to be provided – a supportive approach is required.

mature@eu has a significant role to play in developing guidance and support for employers in a range of areas regarding age-diverse recruitment policies and practices. We take into account the transition of older job applicants from the external to the internal labour market and we emphasise that personnel managers should modernise their recruitment procedures and develop a proactive but sustainable approach with the help of our computer based learning platform for implementing purposes of "age-friendly" recruitment policies and practices.

We hope this report will encourage key persons with an influence on the recruitment policies of employers and employees themselves to consider the implementation of bias-free and age-diverse recruitment policies and practices.

Note of terms

Definition 'mature'

While there is no standard definition of the age at which a worker is "older", there seems to be a consensus (at least in the German speaking countries in Europe) that the term "older" refers to people aged 45 and over. Maturity/olderness is a relative concept and depends on several factors like gender, the nature of work, supply and demand, and the age structure of the industry, occupation, and the firm. Newton et al (2005) found evidence to suggest that most people consider "older" to be around 15 years above their current age.

For the purposes of this study report the term mature aged has been used to mean persons aged 45 years plus.

Definition 'diversity'

'Diversity is one of the founding principles of the European Union and was one of the driving forces behind the process of European integration. It refers to a set of conscious practices which acknowledge and tolerate difference. Today, the values of the European Union promote a better public understanding of the benefits of diversity and the fight against discrimination in society. The European Commission's key objectives are to prevent people from being discriminated against in any way due to their racial or ethnic origin, religion or belief, disability, age or sexual orientation' (Stop-Discrimination Guide, no date).

Part A

IMPETUS FOR CHANGE

A.1 AGEING VERSUS JEUNISM IN EMPLOYMENT – CONTEXT ANALYSIS

The European labour market and the business economy are characterised by the following trends:

- an ageing population of Europe's workforce and a critical shortage of young workers with specialist skills;

- a shrinking labour supply;

- the implementation of anti-age discrimination laws;

- the growing contribution of ICT to EU economic growth;

- an increasing reliance on ICT in economic, political and social activities.

These trends collide and interact in a multitude of ways and the challenge for those in Europe concerned with either or both ICT and ageing is to identify the key developments and points of intersection, the opportunities and risks that these present, and to provide concrete solutions to the problems that arise.

Re-entering the labour market is one of the key areas where mature workers are most discriminated against (cf. EC, 2006a:150).

The current debate in companies about positive recruitment strategies for "high potentials" does not go far enough in meeting the challenges of the demographic shift. As far as the problems of recruiting skilled labour and an ageing workforce are concerned, companies must rethink their positions (Buck and Dworschak, 2003:35).

This section opens by briefly reviewing the key characteristics and problems of the demographic change as they relate to the employment of mature workers. We then go on to look at the policy responses to this changing environment and look at the developing skills shortage in the IT sector. The section concludes by looking at employment in the IT sector with a special emphasis on age.

A.1.1 An ageing society and a declining labour supply

Across the European Union (EU) the number of young people continues to decline as overall population figures are dropping. The population of older people is the only growing segment in Europe: the number in the 50 to 64 age group will increase by 25%, while the people in the 20 to 29 age band will fall by 20% over the next two decades (Buck and Dworschak, 2003:11).

Projections for 2050 indicate that, in the EU 25, the number of persons aged 65 and over might rise from 75 million in 2005 to nearly 135 million in 2050 (1995: 66 million). Their share in the total population is projected to increase to around 30% at the EU 25 level, with the highest shares in Spain (36%), Italy (35%), Germany, Greece and Portugal (all 32%) and the lowest in Luxembourg (22%), the Netherlands (23%), Denmark and Sweden (both 24%) (Eurostat STAT/06/12, 2006).

Figure 1: Population by age group, gender, in 2000 and 2050, in percentage of total population in each group.
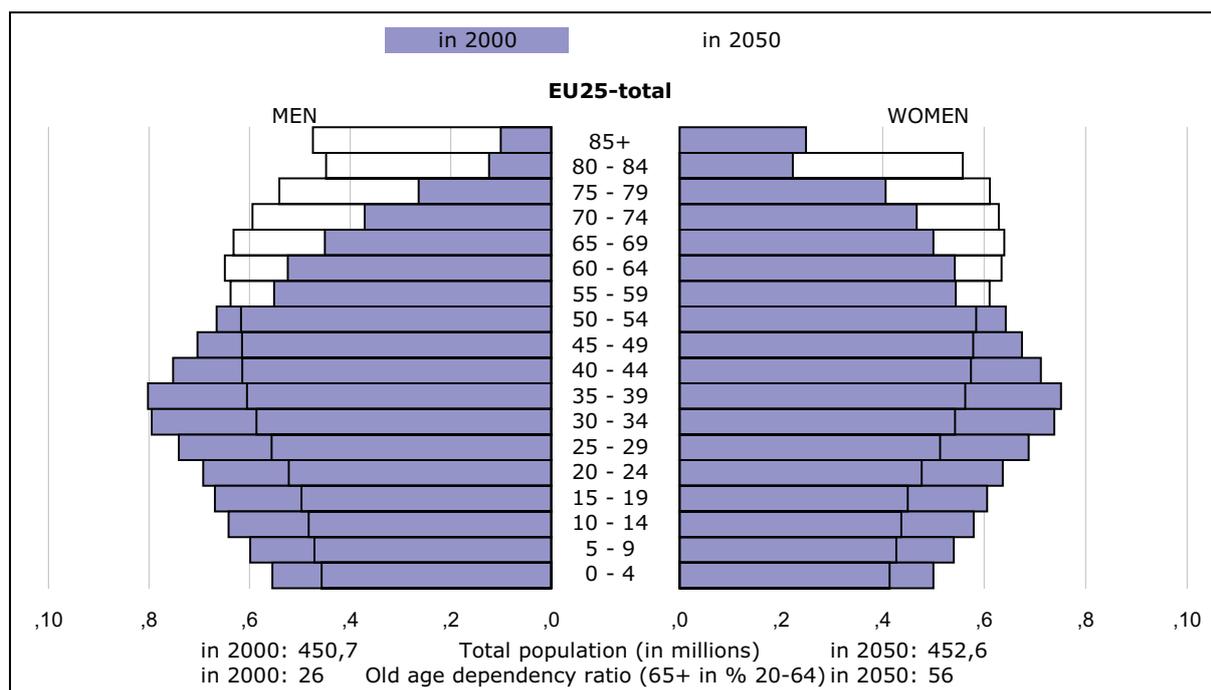
Source: Organisation for Economic Co-operation and Development, electronic source, chart No. 38123085

With this gradual ageing, the total number of persons in work is set to decrease by 30 million between the end of the decade and 2050. Older workers will constitute an increasing proportion of global labour and economic production resources. In Europe's five biggest economies, representing two thirds of regional GPD, the majority of the workforce will be 40+ years old in the next 10 years; the number of the 20s to 40s will decline by nearly 10% (Adecco Institute, 2006:2).

However, many countries still employ only a relatively small number of older workers because of early retirement, insufficient financial incentives to work offered by tax and social security systems, and poor management of age-related issues in the workplace. This is particularly reflected by insufficient access to training for, or even discrimination against, older workers (EC, 2006b). According to figures for 2004 from the Labour Force Survey, 44.5% of men and 64.0% of women of the 55 to 64 years olds in the EU-25 are outside the labour market. In four Member States the inactivity rates of men were over 59% (Luxembourg, Poland,

Hungary and Austria) (Hardarson, 2006:4).

Compared to an employment rate for persons aged 15 to 64 of 63.8% in the EU 25 in 2005, the employment rate for persons aged 60 to 64 was 26.7% and for 65 to 69 year olds it was 8.2%. For the age group 60 to 64, the highest employment rates were recorded in Sweden (56.8%), Estonia (43.9%), Ireland (42.9%), the United Kingdom (42.0%) and Portugal (41.3%). For the age group 65 to 69, the highest employment rates were found in Portugal (28.4%), Cyprus (19.8%) and Latvia (18.7%).

The lowest employment rates for persons aged 60 to 64 were observed in Luxembourg (12.6%), Slovakia (12.7%) and France (13.0%). For the age group 65 to 69, the lowest rates were found in Slovakia (2.4%), Belgium (2.5%) and France (3.0%) (Eurostat STAT/06/12, 2006).

If labour force participation by age and gender remains unchanged at their current level, the number of retirees per worker will double by 2050 in most OECD countries. Figure 2 illustrates how population ageing

is expected to place a growing economic burden on workers. In Europe the ratio of retirees to workers is closed to one retired to one worker.

Figure 2: Population ageing could result in the share of the population aged 65 and over doubling by 2050
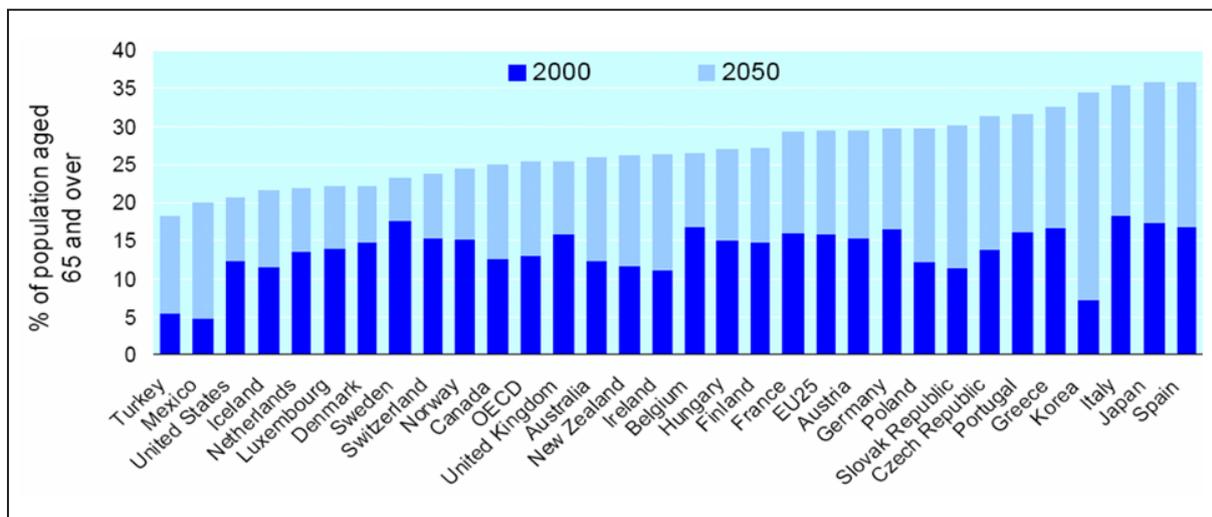
Source: Keese 2006:18

Workforce ageing in the occupational field of science and technology

Looking the age distribution of tertiary educated professionals and technicians (HRSTC[1]) at the EU level, the data show that the sector tends to favour older workers so problems arising from an ageing workforce may not be as severe as in other sectors (Wilen, 2006). The situation at the country level is, however, heterogeneous. In Spain more than 38% of the population with third level education is aged 25 to 34, in Germany the corresponding figure is 16%. Europe's oldest population of scientists and engineers is found in Latvia and Bulgaria. But already within the decade, as the massive boomer generation begins to retire and fewer skilled workers are available to replace them, companies in industrialised markets will face a labour shortage and brain drain of significant proportions. The age pyramid in Figure 3 shows that the base is less wide than the middle and gives reasons for considerations of possible future scarcity of the workforce in the EU. The age group of 30 to 34 is found as the broadest base in the pyramid, as age where normally the formal tertiary education is completed. Looking at the gender dimension, the age pyramid shows the female share within the HRSTC workforce is highest, interestingly, in the age group 25 to 29 (by 25.2%) and declines constantly in each age group.

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1 Definition of EUROSTAT for HRSTC: "Individuals who have successfully completed education at the third level in a Science and Technology field of study".

Figure 3: Age pyramid of HRSTC in the EU 25, 2004
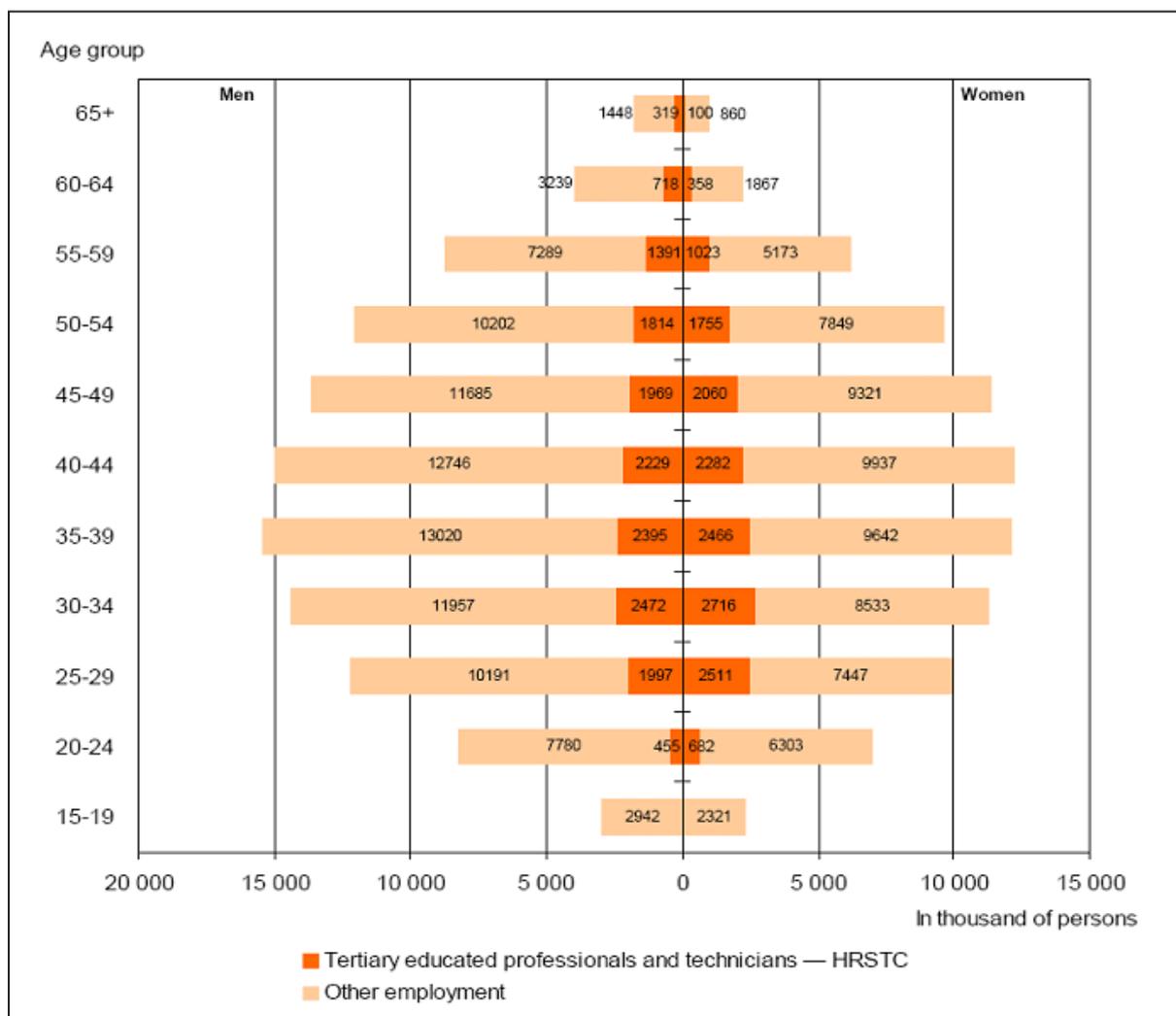
Source: Wilen, 2006: 1

A.1.2 Potential risks in the ICT sector

The dynamic growth and skills shortage in the ICT sector

Apart from being a crucial element in Europe's economic growth, the ICT sector is the most dynamic part of the European economy and provides vital products and services that increase overall productivity in the EU.

> "While the Western European market is expected to grow at an annual average rate of 6.1% until 2008, the Central and Eastern European markets are expected

to swell by 13.2%, which could result in almost 1 million new jobs in the ICT sector in the whole EU" (EU ICT Task Force, 2006:26).

Further, the ICT sector provides employment for some 5.3 million people working in 520,000 enterprises, and 5% of total EU employment has been categorised as narrow ICT specialists who are able to create and maintain ICT tools used by others (EU ICT Task Force, 2006).

Despite the extensive diffusion of ICT across all sectors and sizes of enterprise in Europe, ICT skills deficit is a problem. Between 2000 and 2004 the skills shortage

for ICT specialists remained fairly constant at 3%. During the same period the skills gap for more general IT skills was 18%. More recent evidence indicates, however, that the skills deficit is once again on the increase (EU ICT Task Force, 2006).

- Research undertaken by IDC (2005) and commissioned by Cisco indicates that "there will be a shortage of up to half a million" networking specialists by 2008."*This figure represents an average advanced technology skills gap of 15.8% by 2008. In a third of the 31 countries surveyed, demand for these skills will outstrip supply by more than 20% in 2008, with Eastern countries facing the widest shortages*." A further significant finding of the IDC research was that of the third of 950 respondents who had recruited within the previous year, half indicated difficulties in finding the right people with the right skills (IDC 2005: 1).

- In the UK, between April and June 2005, the demand for IT managers and IT strategy and planning staff both increased by 16%. During 2006, 25% of ICT recruiters experienced significant problems in systems development and programming areas.

- Employment trend analysis indicated that while the demand for ICT staff increased, the numbers of such employees looking for work actually decreased by 3%.

These findings are supported by research undertaken by Cisco for the European Commission's e-skills conference in 2006, which indicates that organisations throughout Europe are already anticipating skills shortfalls for "practitioners, particularly in ICT strategy, security, and developing new business solutions e.g. management, business, sales, marketing" (Herrera, 2006:3).

A worrying feature of the research on ICT skills shortages and gaps is the indication that these are likely to continue for the foreseeable future. Forrester Research

argues the decline in the overall number of European IT graduates in 2005 may result in an exacerbation of the ICT skills shortage (ibid).

Although all countries within the EU 27 do and will suffer from the ICT skills deficit, different countries will be affected in varying degrees. In its Global Talent Shortage Survey, Manpower (2006) found that overall IT staff ranked sixth in terms of difficulty to recruit. For specific EU countries such as Austria, Norway and Switzerland, the respective rankings were first, third and sixth. Further research by Forrester indicates that France is beginning to recognise the adverse impact of the ICT skills shortage (Peynot et al., 2006). Peynot et al believe that "*companies need to take action now to support long-term IT competency needs and to pay close attention to the implications of renewed competition for the best talents*" (ibid, online source).

The structural shortage of skilled workers is currently predominantly a competition for young qualified technically skilled (male) persons with professional experiences (Buck and Dworschak, 2003). This shortage of young technically skilled staff affects SMEs especially in structurally weak regions, more than large companies. Large companies with a "good employer" branding in attractive industries, and with a high-tech image, will have less staff shortages than SMEs, yet it is the SMEs that are failing to realise the implications of age discrimination legislation.

Employment difficulties of older IT workers

Despite the global downturn of the Information Technology (IT) industries in the early 2000s, the IT industry and employment in IT occupations continues to grow. At the same time, the workforce as a whole is ageing. In isolation, both of these trends are considered to be vital to global economies. Yet little attention has been paid to the relationship between these trends. Our data show that although IT is

primarily a young occupational group, it is getting older. Furthermore, workers are often considered old and un-hireable in this industry when they are in their early 40s.

While the recruiting and retaining of older IT workers (but also of women and social minorities) will become increasingly important, older IT workers do encounter

significant employment difficulties.

The employment data for 2002 indicate that the overwhelming majority of IT practitioners are still aged under 45 years: in the UK 82.2% were aged under 44, in Germany 77.5% and in the Netherlands 79.5%, as can be seen in Figure 4 below.

Figure 4: IT practitioners in employment by age band as a percentage of the total in Germany, the Netherlands and the United Kingdom, 2002
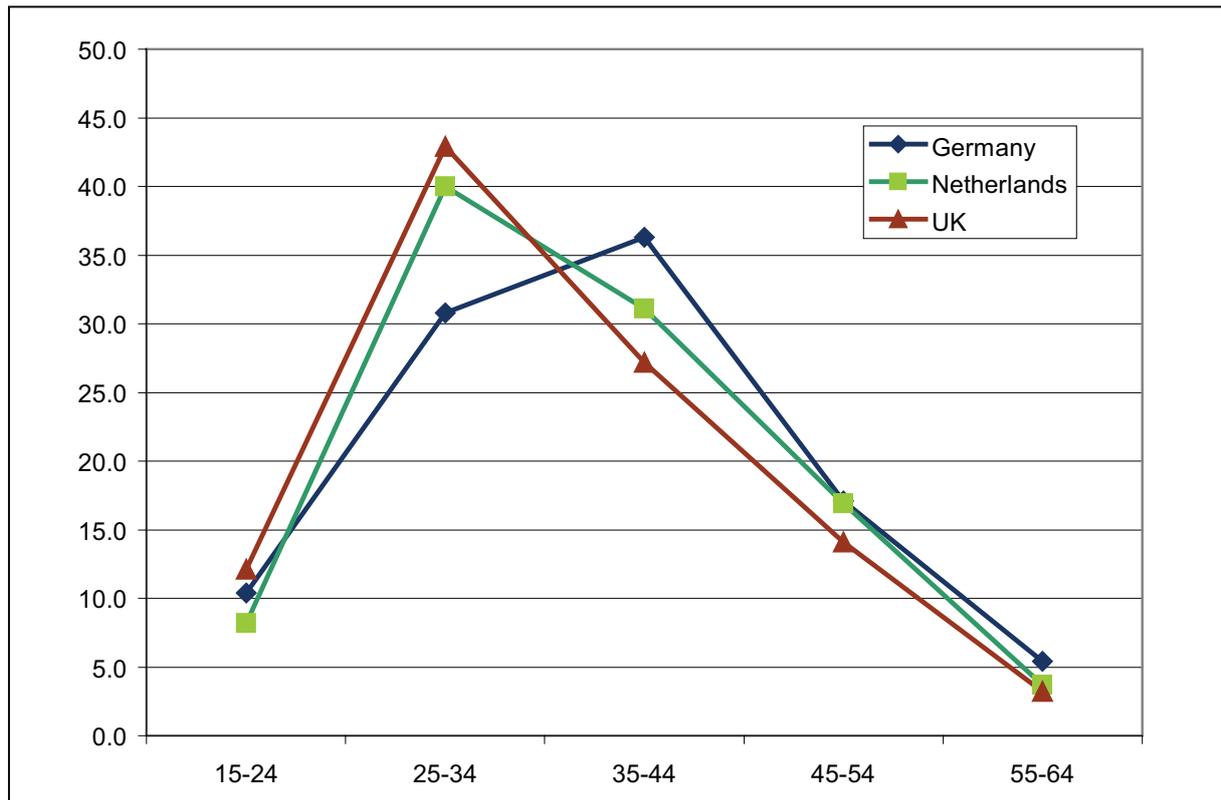
Source: Platman and Taylor 2004:10

Employment within the ICT sector is heavily skewed towards the 25 to 44 age groups with the average age of those working in the ICT sector in the UK being 39 (e-Skills UK, 2006).

Risk for employers ignoring the challenges

In light of these trends, European employers have to find strategies to overcome the problems associated with the shortage of specialised staff, a new generation of employees in short supply, recruitment

problems; the turnover difficulties of younger specialised staff; workforces with an increase in the number of middle-aged and older employees; maintenance of work ability until 65; and limitations of early retirement (cf. Köchling, 2003:100). The major task of any personnel policy should be to create a balanced age structure of the workforce. Age homogeneity is increasingly risky when age gaps, especially in five to ten years time, will begin to make themselves felt (Buck and Dworschak, 2003:34).

Companies ignoring the demographic

challenges are at risk of falling into the following traps, as examined by Köchling, 2003 (In: Buck and Dworschak, 2003: 101f).

Box 1: Examples of demographic traps
Companies with mostly middle-aged or old employees:
Principles of seniority permeate all areas of personnel policy and prevent younger people from being recruited or retained for longer periods. In the long term due to early retirement, the company also slowly loses many essential staff because the staff level gradually diminishes and cannot be replaced.
Companies with mostly middle-aged employees:
A rejuvenation strategy (exchange old for young) is pursued through a continuous early retirement process. Due to the intense "war of talents" (cut-throat competition in the personnel recruitment market), there is a high turnover rate among young specialised staff, who only stay for an average of two to four years. As a result of the unstable staffing levels in certain areas, the continuity of the value creation process is impaired.
Companies with mostly young employees:
Due to the fierce "war of talents" and the high degree of willingness among young employees to change jobs, the entire staff is continually fluctuating.

Source: Köchling 2003, In: Buck and Dworschak, 2003:101f

European companies will increasingly need to attract, develop and retain older workers, to get a right mixture of youth and maturity.

A.1.3 The policy response high on the EU's agenda

Demographic change affects whole European countries, and the European Commission has attempted to respond to the challenge by initiating a range of ambitious policies:

- In March 2000 the Lisbon strategy was launched with its target of full employment by 2010 and its goal to enable social protection systems to weather the impact of ageing.

- Follow-up policy initiatives include the adoption of a specific employment guideline on active ageing from 2001.

- In March 2001 the Stockholm European Council agreed on the achievement of the 50% employment rate target by 2010 for workers aged 55 to 64.

- In March 2002 Barcelona European Council agreed to raise the average exit by 5 years by 2010.

- In March 2005 the Commission presented a Green Paper on the demographic change, calling for a new solidarity between the generations.

- The Commission presented a follow-up to the Green Paper in October 2006 with the communication "The demographic challenge – a chance for Europe".

- In the same month (October 2006) the Commission organised its first European Forum on Demography.

The decision to set targets for the proportion of older employees at work led directly to the development of more rigorous policies designed to tackle discrimination at work. The 2000 European Equal Treatment Directive (Directive

2000/78/EC) established an overarching structure concerned with equal treatment in employment and occupation and combating discrimination as regards employment. Member States had until 2006 to translate the Directive into national legislation. The Directive made discrimination on the basis of age effectively illegal in all aspects of employment practices; it prohibits direct and indirect indiscrimination, harassment and associated wrongs linked to a person's age.

O'Cinneide (2005) explores the existing case-law from Ireland, the Netherlands and Slovakia on age discrimination and developed a set of material factors that infer age discrimination is present (2005:24):

Box 2: Examples of appropriate inference of age discrimination
• A marked statistical difference in success rates for different age groups in apparently similar circumstances;
• A lack of rationale for decisions that appear to disregard relevant considerations, where the claimant is older and better qualified;
• Comments that indicate an intention to discriminate;
• Lack of transparency, or unexplained procedural unfairness, may create an inference of discrimination;
• Mismatch between formals selection criteria and those apparently applied in practice may also create an inference of discrimination;
• A pattern of significant inconsistency with older candidates' previous assessments;
• Language in advertisements that given their natural and normal meaning indicate an intention to rely upon age as a material factor;
• Discriminatory questions asked at interview: age-discriminatory statements or questions during selection are treated by the Irish tribunals as unlawful discrimination, which will be grounds for an award of compensation for age discrimination, even where the selection itself is held not to be discriminatory.

Source: O'Cinneide, 2005:24

It should also be noted that employment practices based on seniority, such as pay scales which vary according to the age of the applicant, will also require objective justification. Irrespective of whether differences of treatment are classified as potentially direct or indirect discrimination, seniority-based practices will have to be objectively justified (cf. O'Cinneide, 2005:45).

Awareness of the laws prohibiting (age) discrimination

Generally speaking, awareness among European citizens of the existence of anti-discrimination laws is quite low. Findings from a recent "Special Eurobarometer Wave" (EC, 2007) about discrimination in Europe shows that only 31% of the public in EU 25 knows that discrimination (on the grounds of age) is prohibited by law, when recruiting new employees.

Research undertaken by ACAS (2007) in the UK indicates that SMEs have not responded to the age legislation implemented in October 2006. ACAS found that only 17% of employers in this category have made any changes to their recruitment or employment practices. Evidence such as this indicates that there is a serious knowledge and commitment gap between the legislators and the business community at certain levels.

A.2 AGE BIAS IN EMPLOYMENT – IMPACT ANALYSIS

"There also needs to be a fundamental shift in everyone's perception of age and where the boundaries of acceptable behaviour are. In our view this is where the real challenge lies; affecting culture change. If people don't understand what age discrimination is and isn't, it will be impossible for them to recognise when they are being ageist or when they are a victim of ageism. This presents significant difficulties for employers charged with training employees and managers in avoiding discriminatory behaviour" (The Employers Forum on Age).

There is a growing shortage of skilled employees across a range of employment sectors, yet this is often perceived as a shortage of young workers with appropriate skills. When skilled workers are urgently needed, the response of employers is simply to consider young applicants. Thus older job applicants for skilled vacancies fall at invisible age barriers. As a result their experiences, explicit and tacit knowledge are wasted. Overcoming explicit and informal age barriers in personal recruitment is thus an imperative to cope with the predicted skills shortage.

In this section we analyse the nature and scale of age discrimination in Europe, examine employers' perceptions about the ability and productivity of older workers and dismantle the myth of the declining productivity of older workers.

A.2.1 Stereotypes mean (age) discrimination

While differentiating between individuals or groups on the grounds of age is predominantly based on casual stereotypes, it has a significant impact on decisions to employ a person. Among 798 responds from 25 EU Member States within the EBTP survey, 17% highlight stereotypical attitudes and behaviours as their biggest challenge in promoting diversity (Focus Consultancy Ltd. & The Conference Board Europe, 2005).

Functions and influences of stereotypes

Stereotypes are very complex phenomena that influence social interaction and the self-perception of a person. In general, stereotypes represent a view of the character traits and behaviour of a social group.[2] As such they do not reflect individual abilities but subscribe generalised behaviour to groups (e.g. women, men, ethnic groups, age groups). Stereotyping demands the use of simplified conceptions and opinions to categorise the activity of persons in social groups that are subsequently defined as being typical of the group. Stereotypes are the foundation of prejudices and discrimination and can have a direct influence on both interpersonal and intrapersonal conceptions and actions (WiTEC, 2006).

Stereotypical thinking typically serves multiple purposes (ibid: 43):

- It emerges as a way of simplifying the demands on the perceiver;

- Stereotypes make information processing easier by allowing the perceiver to rely on previously stored knowledge in place of incoming information;

- Stereotypes also arise in response to environmental factors, such as different social roles and differences in power;

- Stereotypes develop as a way of justifying

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2 cf. Walter Lippmann, 1922, taken from http://en.wikipedia.org/wiki/Walter_Lippmann (19-0ß3-2007)

the status quo or in response to a need for social identity.

Although stereotypes are not necessarily negative in nature, they generally have negative implications, and stereotypes about out-group members are more likely to have negative connotations than those about in-group members. They may not necessarily result in a detrimental impact for a specific person on one particular decision but they will affect a percentage of decisions over the course of time and across organisations (WiTEC, 2006:44).

When stereotypes influence employment decisions, they have a tangible outcome: a specific individual is affected and someone who should be hired or promoted is subject to unequal treatment. Accordingly we argue that stereotypes have a negative impact in the recruitment and selection of mature workers.

A.2.2 Public perceptions of age discrimination

"Age discrimination is probably the least understood and least recognised of the varied social prejudices that affect the life of the populations of member-states of the European Community", concludes Eric Midwinter (2005:2), after a "widespread scrutiny" of the levels of public understanding of age-related issues throughout Europe.

The "Special Eurobarometer Wave" (EC, 2007) indicates that over half of EU citizens (57%) feel that in their country people aged over 50 are considered no longer capable of working efficiently. At specific country level the results indicate that agreement with this view is most widespread in Portugal (78%) whilst in the Netherlands only a third of citizens (37%) agree with this statement.

Table 1: Agreement with the view that people over 50 are often considered as being no longer capable of working efficiently

Country	%	Country	%	Country	%
Bulgaria	79%	Hungary	61%	Estonia	49%
Portugal	78%	Greece	60%	Belgium	45%
Slovakia	73%	EU 25	57%	United Kingdom	44%
Romania	71%	Malta	56%	Ireland	43%
Germany	71%	Italy	52%	Sweden	43%
Poland	69%	Slovenia	52%	Luxembourg	40%
Latvia	68%	Finland	51%	The Netherlands	37%
Austria	67%	Lithuania	51%	Cyprus	36%
Czech Republic	65%	France	50%	Denmark	35%
Spain	64%				

Source: Special Eurobarometer 263 / Wave 65.4 customised data

As figure 5 below indicates, a person's ability and skills to do a job are often overshadowed by a range of prejudices based on difference. This research also found that 49% respondents believe that a candidate's age can be a disadvantage when seeking employment (ibid:16). Further, 8 out of 10 EU citizens consider that, given equivalent qualifications, people aged 50+ have less chance of obtaining a job, being accepted for training or being promoted compared to younger applicants.

Figure 5: Likelihood of getting a job, being accepted for training or being promoted
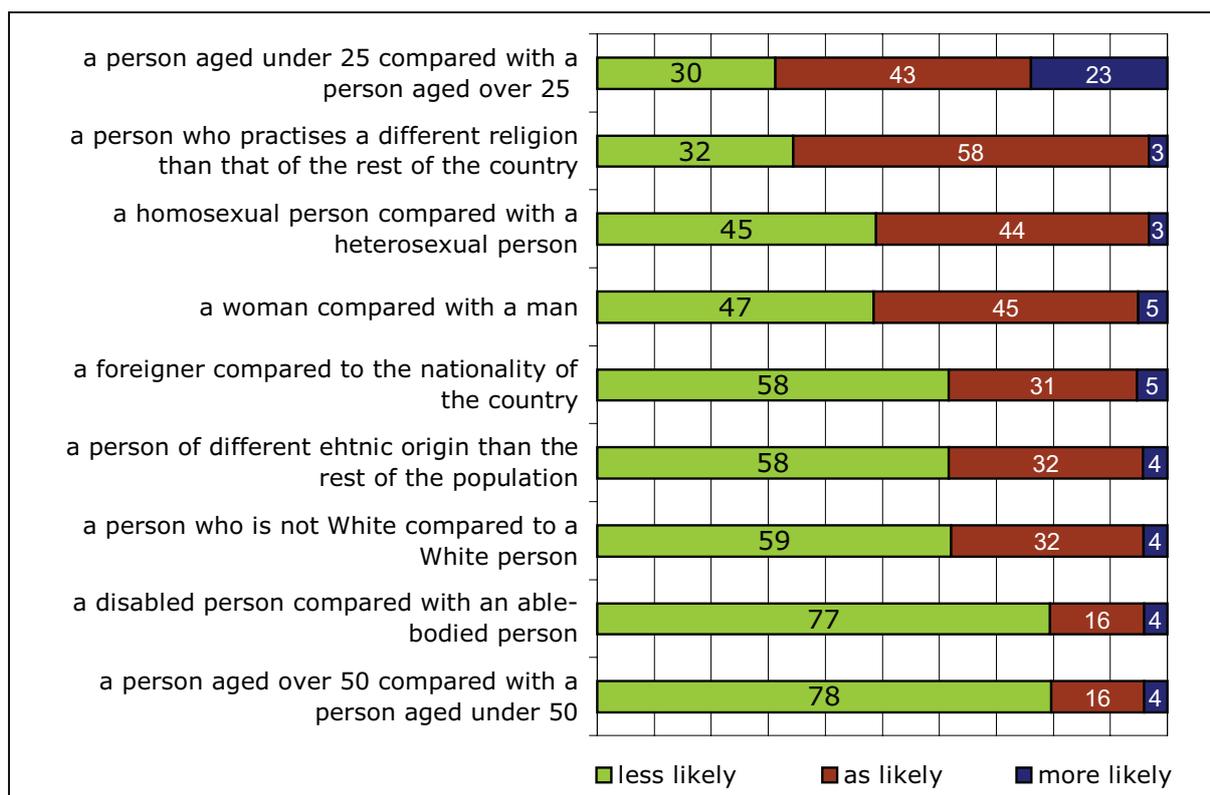
Source: Special Eurobarometer 263 / Wave 65.4 (2007:18) customised data.

The view that discrimination on the basis of age is widespread is shared by 46% of Europeans on average, but with substantial variations on country levels: this view is less held in Ireland (30%) and Luxembourg (31%) whilst in Hungary (66%) and the Czech Republic (63%) it is most widespread.

A.2.3 Employers' contradictory perception of age

Generally, employers' perceptions of older workers are contradictory. Perceived virtues of older workers, such as stability, customer orientation, experience and reliability) are appreciated and recognised as being important. At the same time, they think where new ideas and new skills are required employers consider younger employees a better investment (Patrickson and Ranzijn, 2005).

While there is a plethora of evidence to show that many employers hold negative stereotypes of older workers it is "difficult to identify and quantify" the extent and scale of age-biased decisions in recruitment (Biffl and Isaac, 2005:23). According to Büsch et al (2004:2) the reason lies in the difficulties of establishing whether differences between groups in relation to unemployment are a result of discrimination or of real differences in productivity or ambitions to rejoin the labour market.

However, after reviewing employment and social policies concerned with mature workers in 21 OECD countries (2006:63) findings indicate that employers hold stereotypical perceptions about the productivity of older workers. Interestingly, age discrimination appears also in countries where employment rates for older workers are relatively high. Data from Sweden during a survey in 2001, for example, show that 50% of all employers considered "older workers have

less relevant skills than younger workers and to be more rigid and inflexible with respect to changes in the workplace" (Keese, 2006:63). In a recent survey (CIPD, 2005) in the UK, 59% of respondents said they had been disadvantaged by age discrimination at work, 22% of managers admitted they used age as a recruitment criterion, 63% believed workers between 30 and 39 had the best promotion prospects and 10% intended to abolish forced retirement, but not for 10 years.

The OECD survey (Keese, 2006) also revealed that 70% of employers have never or only rarely hired older workers. These findings are supported by the results of a survey among 3,000 Portuguese companies, where 82% of respondents were found to be "looking for younger staff as often as possible" (Pestana, 2003). Similar trends were also identified in a recently published Capgemini survey of 440 big German companies where 44% of the respondents indicated a reluctance to hire older workers (Dawidowicz and Süßmuth, 2007).

Figure 6: Willingness to hire older workers in Germany's 440 biggest companies
Question: How high is the willingness to hire older workers in your company?
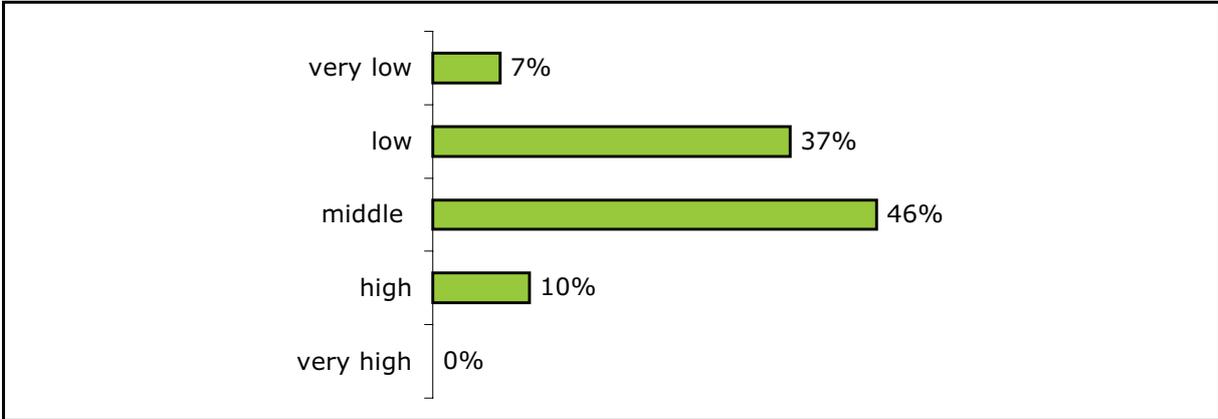
Source: Dawidowicz and Süßmuth, 2007:12 customised data

Some of the core reasons given were the higher salary requirements of older workers, and the rigid dismissal projections and possible problems associated with the management of older workers by younger managers. The data show also the existence of stereotypical perceptions of older workers, for example, in respect to longer absence rates (see section A.2.1).

Figure 7: Barriers to recruitment of older workers in Germany's 440 biggest companies

Question: Which barriers do you see in your company or in general to hire older workers?
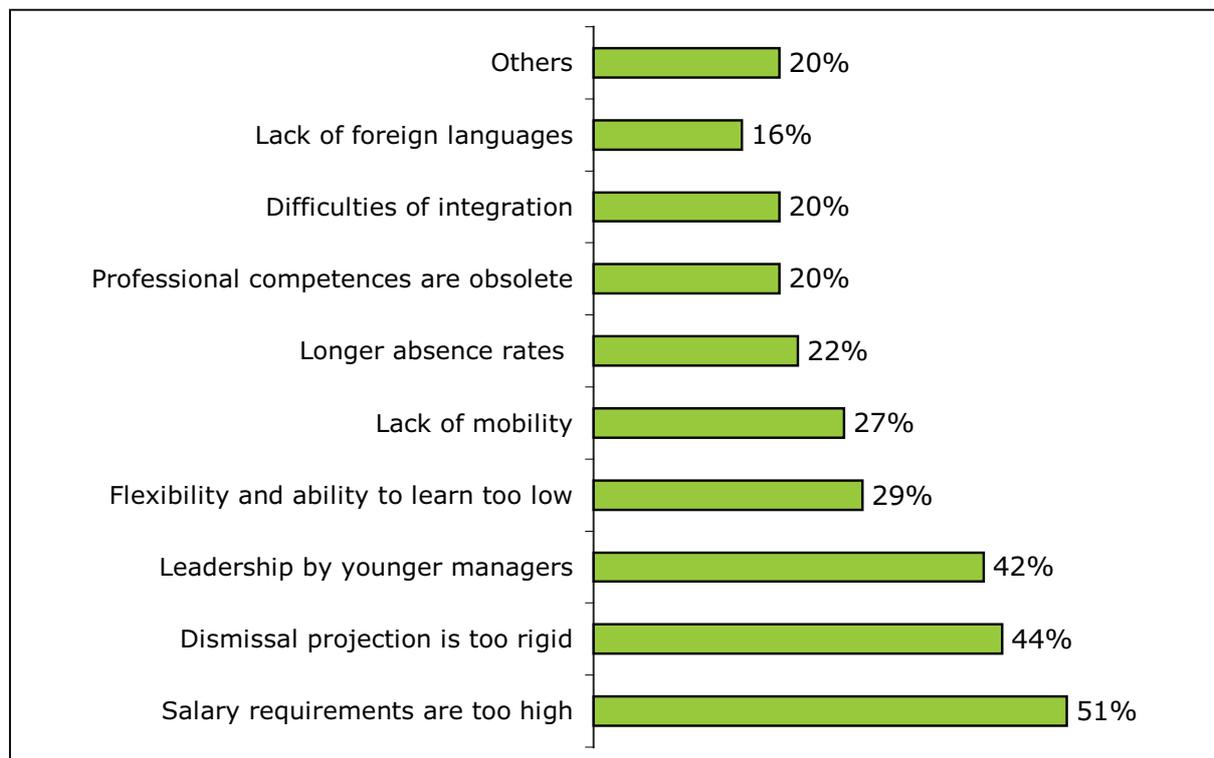
Source: Dawidowicz and Süßmuth, 2007:12 customised data

While older workers compare favourably to younger by benefiting in terms of income and job security, older workers have difficulties re-entering the labour market once they become unemployed.

The consequences of these views of older workers can have a direct impact on recruitment intensity. The following Figure 8 shows that older unemployed workers are six times less hired than their counterparts in the United Kingdom.

Figure 8: Relative recruitment intensity by age in selected countries, 2000
Ratio of the recruitment rate for employees in each age group to the recruitment rate for employees of all ages, in %

	Austria	Belgium	Germany	Greece	Hungary	Nether -lands	Switzer -land	United Kingdom
■ 50-64	0.07	0.24	0.40	0.48	0.40	0.35	0.33	0.43
■ 25-49	0.43	0.81	0.92	0.85	0.87	0.91	0.88	0.84
■ 15-24	4.73	3.56	2.47	2.74	2.38	1.94	2.45	2.38
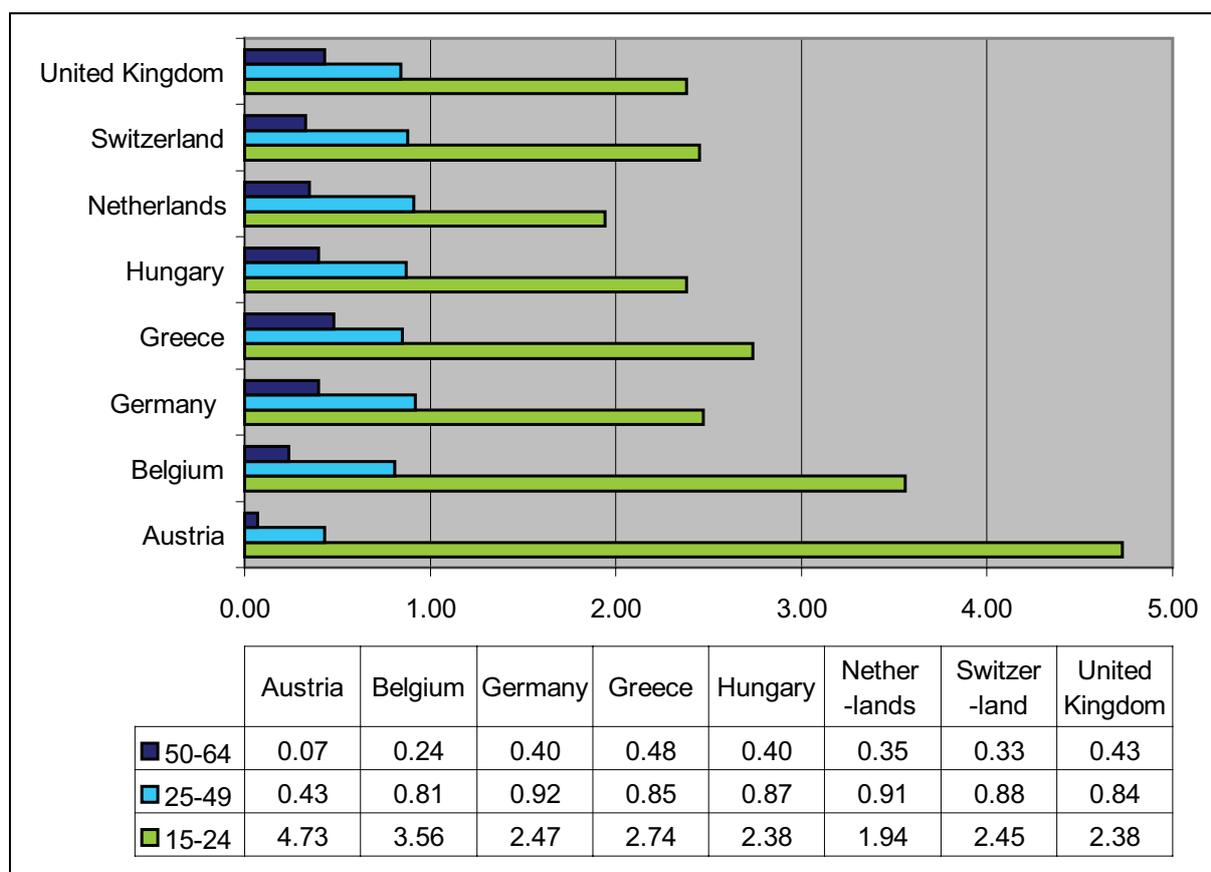
Source: Biffl and Isaac, 2005:29 customised data

Research on recruitment has identified three major factors that help explain the low recruitment intensity rate of mature workers (Koller and Gruber, 2001:483):

• Age can be expressed by numbers. This is manageable by HRM and therefore an advantage for them.

• Despite evidence to the contrary, there is a consensus that age is a signal for decreasing ability. If an HRM selects an older worker (in relation to the other applicants), he/she feels more pressed to provide a justification, than he/she would be if selecting a younger applicant.

• The higher the unemployment rate, the higher the number of applications. Under these conditions, HR managers may have the tendency to select a screening

approach by using simple selection criteria such as age.

A survey examining screening patterns of application forms by Machwirth et al (1996, cit. in Koller and Gruber, 2001:483) shows that "age" is seen as significant "negative-selection" criteria such as "failings in the applications forms", "school type" and "gender".

A.2.3.1 The exception: mature people for top jobs

Preferences governing recruitment of older workers are always personal perceptions which depend on the age, gender and job title of the individual respondents. The study from Metcalf and Meadows (2006:122) examined attitudes towards older workers and highlights the depending variables in

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assumptions of the capacities of mature employees:

- The belief that some jobs (especially managerial and senior administrative jobs) were more suitable to certain ages correlated with the age of the respondent.

- The belief was more often held by owners/partners and CEOs (together 60%). Interestingly it was less often held by HR directors (20%).

- There was little difference by respondent's gender.

In an US survey of 400 employers (Munnell et al., 2006) evaluating employers' attitudes towards older workers, the following interesting aspects were found:

- Age has a significant advantage especially for white-collar workers: here a majority of respondents see older managers and professionals as "more productive" (56%) than blue-collar workers (41%).

- The perception about the productivity of older workers *correlates* with familiarity and with the personal age of the respondents: employers with a relatively old workforce (more than 15% age 55 or over) have more positive views of older workers, whereas respondents from "young" organisations, or who themselves are less than 55, are more likely to view older workers less positively.

Consequently, older applicants experience positive discrimination when it comes to vacancies for top jobs. In a recently published survey, where 700 Austrian employers were asked if they prefer younger or older (50+) persons with similar adequacy, 61% prefer older persons for management jobs, whilst younger workers are still preferred for "other jobs" (Talos, 2007, cited in DerStandard, print edition 07.02.2007).

Figure 9: Older preferred – but only for top jobs

Question: Do you prefer rather younger or older (50+) persons when they have similar competencies?
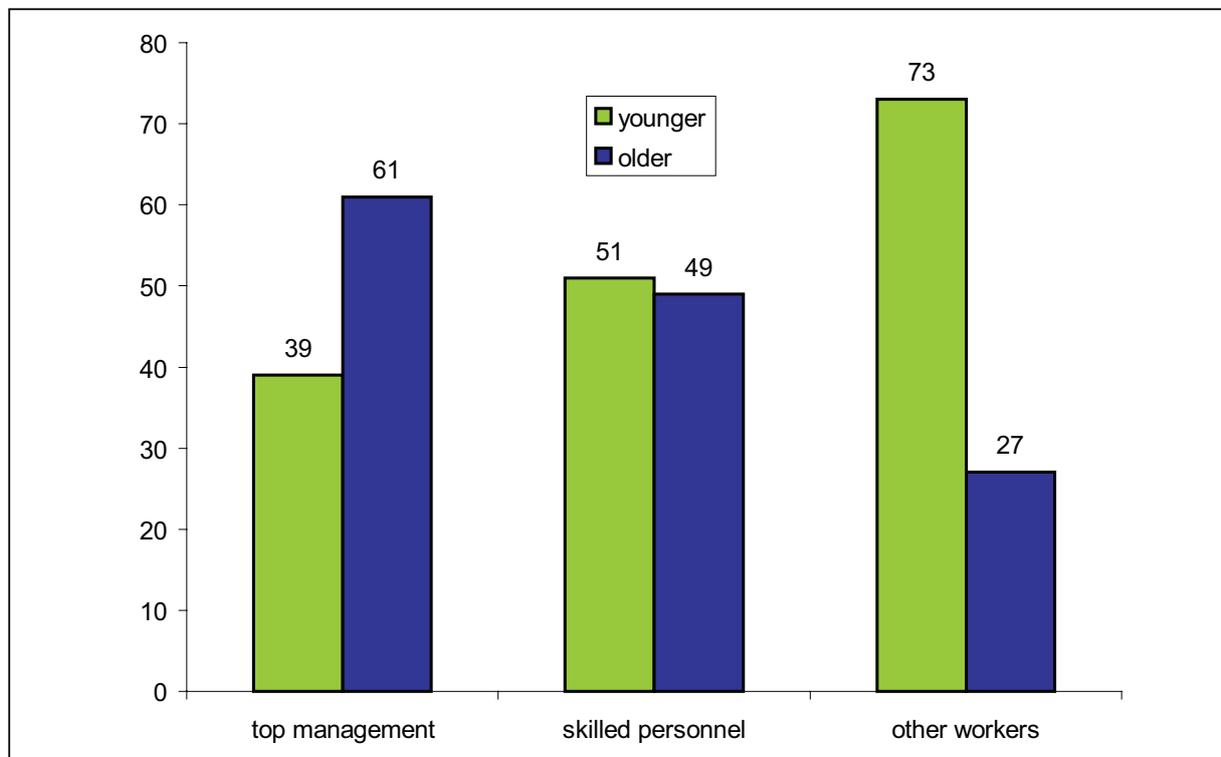
Source: Talos 2007, cit. In DerStandard print-edition 07.02.2007 customised data

A.2.4 Exploding the myth of declining abilities

As we described above, discriminatory attitudes and behaviour are linked to the assumption that older workers suffer declining physical and cognitive abilities. The data shown above provide support for the thesis that employers see age within the context of a "deficiency model": ageing is directly related to a general decline of abilities.

A significant body of research challenges the concept of a "deficiency model" and suggests that the basis underpinning the concept is not proven. For example over

> *"100 empirical studies of older employees' occupational performance capabilities document that there is no significant difference between the work performance of younger and older employees – if one uses the yardstick of the bottom line or work completed"* (Morschhäuser et al., 2003:33).

Furthermore these studies emphasise that the individual differences between contemporaries are far greater than those between different age groups (Morschhäuser et al., 2003).

In addition according to a survey carried out by CIPD and CMI (2005) a large majority of respondents agreed that reliability (80%), commitment/loyalty (75%) and customer service (67%) increase with age. In contrast, 64% feel that physical ability decreases with age, although other research has suggested that ability to perform specific job-related tasks need not be affected by age.

Key findings regarding work ability from the perspective of ageing come from the Finnish research group around Juhan E. Illmarinen[3] which suggest that the bio-psychological process of ageing is more a process of rebuilding than reduction.

Warnes and John (2005), summarising "the most authoritative studies of age and performance" argues that no age-related downward trend in work ability or performance is observable.

The main findings indicate that while physical strength, dexterity and other physiological abilities, particularly the senses such as hearing and the acuity of eyesight, decline with age, the relationships with mental abilities and attitudes are more complex and much less clear. They also record that while there may be a diminution in the speed of information processing and physical responses (psycho-motor functioning), for most practical purposes this effect is minimal until well after the normal retirement age. However, "*the most important of the findings is that age is associated with greater experience, which brings many benefits, not only to the individuals' but also to their colleagues' productivity*" (2005:10f).

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3   Finnish Institute of Occupational Health

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Table 2: The comparative strengths and limitations, on average, of younger and older workers[4]

Attribute	Younger workers	Older workers
Vigour, strength		Reduced
Sickness absence	More frequent days off	Less frequent, but longer blocks of sickness absence
Learning abilities	Depends on educational experience and attainments	Slower for demanding cognitive tasks from age 60 onwards, otherwise highly dependent on acquired learning skills
New technology skills	More familiar with IT	Less familiar with IT
Interpersonal skills (with colleagues or customers)	Generally fewer	Generally more
Experience	Fewer life skills, and less acquaintance with non-routine events and their impact on productivity	More life skills, and more experience of effective responses to non-routine events
Commitment to organisation	Contingent on ambitions	Contingent on domestic circumstances and learning demands
Willingness to move	Relatively high	Relatively low

Source: Warnes and John (2005:11)

In other words, ageing needs "*to be understood as a process of transformation that goes on throughout a lifetime, leading to the emergence and changing of various physical, mental and social traits during different phases of life*" […] The differences across the age range are not so much a matter of "more vs. less" or "better vs. worse", but "qualitatively different" (Morschhäuser et al., 2003: 34). The emphasis here should be on continuity as well as change.

Warnes and John (2005:14) conclude with the appeal that:

"*age-based stereotypes about the capabilities of older workers are damaging to both employees and companies and should be scrapped. The most rational and constructive approach is to adopt both individualised appraisal and active mixed-age workforce management.*"

Having looked in general at issues associated with age and diversity, we now turn to explore these issues as they directly relate to the ICT sector.

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4 Note of the authors (Warnes and John, 2005:11): "*This table summarises the most well established findings from thousands of studies of age relationships. It is important to understand that they are generalisations for large populations, and the listed attributes should not be associated with every person in the two age groups. To illustrate, 'aggression' tends to be high at 17 years-of-age and very low at 57 years-of-age. This does not mean, that all 17 year-olds are aggressive, or that no 57 year-olds are aggressive.*"

A.2.5 Intersectional aspects of ageing and ICT

The ICT sector is characterised by the need for innovation, new ideas and innovative behaviour, which is, by extension, associated with youth, not experience. The belief that older workers are less suited to the demands of the modern workplace underlies much of the discrimination against older workers, especially with regard to hiring new employees. Although stereotypes that older workers do not fit into the frame of innovativeness and entrepreneurship (traits that are valued in today's activity) are erroneous, nevertheless, as we have seen, they continue to influence many HRM practices (Patrickson and Ranzijn, 2005:732).

The Employers Forum on Age has identified a history of discrimination against older workers within the ICT sector. In 2000, for example, the UK ICT industry weekly, *Computer Weekly*, carried an article which called to "sack all over 50s", citing their inability to learn skills (Employers Forum on Age, 2000). More recently, figures show that within the UK IT labour market discriminatory practices are prevalent with HR managers frequently confessing that age influences employment decision making. In a rather strange perversion of the notion that older workers do not have appropriate ICT skills, Robbie Cowling, managing director of Jobserve, a specialist internet recruitment firm, has noted that employers believe older job applicants are sometimes over-qualified (Samuel, 2005).

As can be seen from the findings of Warnes and John (2005), as indicated in Table 3, older workers are still seen to have more difficulty learning and adapting to new technologies. However, Leibold and Voelpel (2006) argue,

> *"a number of research studies have demonstrated that age alone is not directly linked to the adoption of computer use*

in the work environment. For example, a recent case study involving mature workers at the UK retailer Tesco found that, while not all older workers were initially comfortable using new technologies, many quickly adopted it. Motivation was cited as one of the primary drivers for adopting new technologies. As one manager stated, the mature workers were the ones 'studying the literature, making use of telephone help-lines and suffering the restless nights making sure they could do the job'" (Leibold and Voelpel, 2006:186).

The ICT sector often seeks to present itself as being at the very edge of technical development. Yet the evidence indicates that this sector's recruitment policies and practices are rooted in very traditional forms of discrimination directed at women and older employees. Employers in the ICT sector are seen as the least proactive in seeking to attract and retain mature aged workers, despite a rapidly ageing workforce and growing skills shortage. If it is the case that the attitudes of both the IT industry and the providers of ICT services to public and private organisations to age replicate that of their attitude to women, then a significant valuable resource is likely to be ignored at a time of increasing skills shortages in the sector.

While the age bias against older workers is a feature of the ICT industry, ICT itself has been considered a possible solution to this problem both at the specialist and generalist levels. The technology has the potential to provide a means of removing existing barriers posed by workplaces and work organisation for people with functional restrictions due to age or disability. It can also be used to create tools for increasing the individual flexibility and adaptability of workers/employees vis-à-vis the changing requirements of the labour market and the altering needs of employers. Finally it

can help as an information tool about job possibilities and supportive services. The technology should be seen as a facilitator of change, for workers of all ages, rather than a tool for use by limited age ranges. The discussion about age bias within the sector needs to address the benefits that accrue to ICT organisations from an age-diversity perspective. This forms the next section of the report.

A.3 THE BUSINESS CASE FOR AGE-DIVERSE RECRUITMENT POLICIES

"However, the experiences of individual companies shows that recruiting older workers means that the organisation gains extra experience and skills" (Naegele and Walker, 2006:5).

In context of a fast-ageing Europe, HR managers are required to make full use of the human resources available. Recruiting mature workers will become a solution to the challenges presented by the demographic shift, especially in a context where "talent" is an ever bigger factor in competitive advantage and where serious talent shortages are faced. Organisations need to develop a wider appreciation of the business case for age diversity in order to prepare the ground for demographically appropriate policies and practices.

In this section we start by looking at the potential costs involved in failing to tackle age discrimination and then go on to discuss the costs related to the implementation of age-diversity policies and practices. We conclude by looking at the ICT sector in particular.

A.3.1 The costs of age discrimination

We have already shown that, generally, age discrimination practices (based on unproven stereotypes) close down employers' access to a wide pool of skilled and experienced potential employees. Research is now beginning to quantify the financial impact of age discrimination.

> *"A report in 2001 by the Employers' Forum on Age titled* Ageism: Too Costly to Ignore*, revealed that the number of people between the ages of 50-64 who were not in work and not seeking work had increased by 125,000 in the last two years. The authors of the report estimate that the cost to the UK's GDP of these lost workers is around £31 billion"* (quoted by Bully Online[5]). *"The DTI estimates that age discrimination costs British employers £750 million in lost opportunities every year."*[6]

Apart from the general costs for individual enterprises the most direct and obvious impact of failing to adopt and implement age-diversity policies is likely to be responding to employment tribunals. This will be a significant cost if companies fail to develop effective age discrimination policies, as introduced by the EU Directive on Equal Treatment in Employment and Occupation (2000/78EC) and enshrined in national legislation. In countries that already have age discrimination legislation in place (e.g. USA and Ireland) the highest number of court cases have been in relation to recruitment practice and outcomes (University and Colleges Employers Association, 2006:2). ACAS[7] on its webpage says further, *"The DTI estimates that there may be as many as 8,000 age discrimination tribunal cases (in the UK) within the next year"*.

In any event all organisations in all EU countries will be affected in this respect. There are then significant costs at both general and specific levels from the failure to develop appropriate age discrimination policies and it would seem advisable for organisations to urgently seek a review of their recruitment and selection procedures.

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5   http://www.bullyonline.org/related/agediscr.htm (19-03-200

6   ACAS Age discrimination is against the law (no date) http://www.acas.org.uk/index.aspx?articleid=1046 (19-03-2007)

7   ACAS http://www.acas.org.uk/index.aspx?articleid=1046 (19-03-2007)

A.3.2 Cost-effectiveness of age management

At this point it should be stressed that measures seeking to achieve age diversity need not be relatively expensive. An analysis of 41 examples of good practice (EC, 2006a:205) concluded that the adoption of age-related measures is cost-effective if they result in savings in severance payments; through the reduction of sick leave; through reduced staff turnover; through enhanced motivation and increased productivity. There are then significant cost savings to be made by implementing age-diverse recruitment policies. There are also substantial benefits to be enjoyed from such policies.

Various attempts have been made to quantify the costs of recruitment and selection as they relate to age. Here the evidence from Australia is quite illuminating: the Human Resource Benchmarking measured all direct costs associated with recruitment and selection, and the study[8] concluded that the net recruitment benefits of a worker aged 45 or over are estimated as $1,424[9] (quoted in: Australian Employers Convention, 2001:7f).

A.3.3 The benefits of an age-diverse workforce

The business benefits of a diverse workforce in general are now widely recognised. For example, a survey on behalf of the EC (Focus Consultancy Ltd. & The Conference Board Europe, 2005) examined the business case for diversity among 919 responses from the 25 Member States of the European Union. This survey found that the benefits arising from a diverse workforce as identified by commercial enterprises included alleviating labour shortages, and recruiting and retaining high quality staff (42%); enhancing a company's reputation and image, and its standing within the local community (38%);

and increasing innovation and creativity leading to new products and services, and potential new markets (26%).

Focusing specifically on mature employees, a significant degree of research has also been carried out concerning the benefits that these workers can bring to organisations.

Looking into a representative sample of good practice examples in age management across 11 EU countries, Naegle and Walker list the following benefits that organisations report from recruitment of older applicants (2006:8):

- older applicants are often more skilled than younger applicants; moreover, their skills frequently better match the organisation's needs;

- recruiting older employees can raise the general skills level of the workforce. The workforce and the organisation also benefit from the older recruits passing on their experience to younger colleagues;

- the synergy gained by linking the new and existing skills of the workforce can raise the organisation's productivity and capacity for innovation;

- recruiting older workers leads to greater age diversity both in individual teams and in the company as a whole;

- in certain age-sensitive trades and companies, older workers can – by virtue of their age – respond more readily to changing customer wishes and needs; such responsiveness can also result in improved turnover;

- recruiting older applicants can improve the corporate image of the organisation – both internally and externally – and so improve its corporate identity;

- recruiting older applicants can solve the problems of poor labour supply.

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8   HRM Consulting, 1999:363

9   The provision of calculation evidence is provided in Appendix 1.

These findings are supported and extended by research undertaken by Age Positive (ed). Results of an in-depth survey of 26 employers indicated that employers prize the positive attitudes that older workers display in the following areas (Age Positive, 2001a:3-4):

Box 3: Business benefits of employing mature workers	
High retention rates	Employers reported that older workers are associated with high retention rates, which helps to reduce recruitment costs and can lead to better knowledge management since the knowledge, skills and experience of mature employees can be retained by the organisation. These factors contribute to profitability.
Lower absenteeism	Employers also consider that older workers are likely to have few periods of short-term absence. This means cost savings and enables employers to plan work schedules with a high degree of confidence, thus increasing efficiency.
Reliability, commitment and dedication	The survey found that older workers are considered to have high levels of reliability, commitment and dedication which are of significant benefit as it helps employers to run their business efficiently and effectively. Employers commented that older workers could be relied upon to: • exhibit good timekeeping; • work consistently throughout the day or shift; • consider the needs of the team they work with when planning holidays, medical appointments and other absences; and • give "over and above" the basic requirement of the job because they take pride in their work and wish to deliver a good quality service.
Flexibility and innovation	Employers highlighted the fact that older workers are willing to work constructively as part of a team and to adjust their own role or hours of work to support the team effort. Further, they can also be innovative in applying their experience to new situations. The employers interviewed often found that solutions identified by older workers are generally 'workable' as they are often drawn from their wider 'life experiences'.
People-orientated skills	Many older workers are considered to have strong people-orientated skills which are particularly beneficial to businesses that require high levels of customer contact. Employers in the survey believe older workers can be skilled at defusing potentially difficult situations with customers or members of the public. They often show a degree of calm authority when difficult circumstances arise. This helps to ensure that the business runs smoothly, and is particularly valued by organisations that deal with members of the public.

Business benefits of employing mature workers (continued)	
People development skills	Employers also recognised that older workers make a positive contribution to the development of younger members of staff. This may be through sharing knowledge and experience; by bringing a sense of 'balance' to teams; or by creating a 'virtuous circle' whereby all staff are encouraged to display the same level of commitment and dedication as older workers. All of these factors contribute positively to the overall efficiency and effectiveness of the business.
Ability to deal with change	Frequently older workers will have experienced periods of change in the past, and employers have found that this experience enables older workers to deal with change in the workplace with equanimity.
Leadership	The employers in the study also recognise that many older workers offer leadership in the workplace. The combination of their knowledge, experience, work ethic and life-skills can be inspirational to others.
Generic knowledge of other industries	Older workers have many years of experience that can be of benefit to business. For example, they are likely to have worked for other employers and/or in other sectors of industry – this generic knowledge can be drawn on to the benefit of their own business. Generally the employers in our study found many ways in which older workers can add value to their organisations. They work efficiently, contribute to the overall effectiveness of the organisation, and relate well to colleagues and customers. All of this has a substantial and positive effect on business profitability.

Source: Age Positive, 2001:3f

The following quotation from an expert interview illustrates practically the business case of age diversity **in the ICT sector** and exemplifies the added value of older IT workers:

> "If the IT will gain more human interface, seniors will fit better within this pattern. Senior employees are aware of the needs of older people, who are a key market segment. Therefore, seniors should be employed within the IT sector to examine and to respond to senior market needs. Example: A few years ago, Swisscom fired hundreds of older employees and kept in their sales and marketing departments very young people holding the current knowledge of new communication technologies.

> Everything was youth focused. However, these young employees did not understand the needs / requirements of the old people in this matter (simplicity in language and usage of the products for enabling the seniors to use and learn easily). Seniors are also an important customers segment. A bad intergenerational communication was the result. Swisscom had to re-hire seniors who understood better the senior customers' needs and requirements" (Michael Kres, Promove TM).

In order to succeed with the demographic challenges in HRM IBM Global Business Services recommend that com-panies consider following six strategies (Lesser et al., 2005:4)[10]:

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10 English translation taken from Leibold and Voelpel, 2006:58

Box 4: IBM Global Business Services recommends six strategies
• Redirect recruiting and sourcing efforts to include mature workers.
• Retain valued employees through developing alternative work arrangements.
• Preserve critical knowledge before it walks out the door.
• Provide opportunities for workers to continually update their skills.
• Facilitate the coexistence of multiple generations in the workforce.
• Help ensure that mature workers are able to use technology effectively in the workplace.

Part B

CHANGE FOR AGE DIVERSE RECRUITIMENT

B.1 AGE-DIVERSE RECRUITMENT – CRITICAL ISSUES AND RECOMMENDATIONS

This section outlines the major findings of our study on critical issues and good practices in age-diverse recruitment and selection policies and practices, and draws upon evidence obtained from two research activities.

Methodology

The first was a comprehensive literature review regarding existing empirical evidence of critical issues in recruitment policies and practices as well as on current positions and recommendations to overcome barriers and constraints. These findings were predominantly derived from the United Kingdom, Germany and Austria.

The second involved primary research which focused on an analysis of 17 in-depth qualitative interviews with experts from a range of organisations. The interviewees were asked to indicate what they felt to be the most difficult challenges and barriers to implementing age-diverse recruitment policies. To obtain a pan-European perspective and to avoid a national bias, the interviews were undertaken in seven European countries. In order to ensure a reasonable mix with regard to expertise, gender and degree of awareness, the interviews were carried out with experts in the field of "ageing society" and "diversity management", and with the human management resource (HRM) target group.

Three types of qualitative, semi-structured interviews were conducted:

- interviews were held with experts (3 female and 3 male) on the HRM and ageing workforce interface;

- 11 interviews both with HRMs (6 female and 5 male) of companies that have (to a certain extent) an equal opportunities policy in place and with HRMs of companies that do not have any equal opportunities policy in place.

Table 3: List of expert interviewees

Name of Expert	Organisation	Website	Country
Mr Roman Valent	Fundament – Generation 45plus	www.generation45plus.at	Austria
N.N. (female)	Recruiting firm		Austria
Ms Dorinde Brands	LEEFtijd	www.leeftijd.nl	Netherlands
Mr Theo van der Hoeven	SeniorWerkt	www.seniorwerkt.nl	Netherlands
Mr Michael Kres	Promove TM – the Employability Company	www.promovetm.ch	Switzerland
Ms Sam Mercer	Employers' Forum on Age	www.efa.org.uk	United Kingdom

Table 4: List of target group interviewees

Name of organisation	Sector	Name of interviewee	Country
IMRO EOOD	Marketing	Ms Ivanova Kossara	Bulgaria
JordanSheppard Ltd.	Consulting	Ms Elena Marina	Bulgaria
DreamTech Information Systems	ICT	Mr Massos Papakostas	Greece
IBM Global Business Services	ICT	Ms Csilla Szokodi	Hungary
Oracle Hungary	ICT	Ms Krisztina Nagy	Hungary
Furore it Cares	Consulting	Mr De heer R. Wertheim	Netherlands
Unicible	Financial	Mr Alain Mercay	Switzerland
Banque Privée Espírito Santo	Financial	Mr Stephane Haefliger	Switzerland
Anonymous	Financial	Ms Renate Dupraux	Switzerland
LogicaCMG UK	ICT	Mr Gary Argent	United Kingdom
British Telecom People Networks	Telecoms/ ICT	Ms Becky Mason	United Kingdom

What was found – state of research

Generally we found an extensive body of advice concerning age diversity but little basic research on the critical issues associated with age-diverse recruitment policies and practices. Considering the relatively recent implementation of the EU "Equal Treatment Directive", the number of publications in respect of recommendations, guidelines, advisory booklets and handbooks in the area of age management is impressive. The publications identified were primarily leaflets and on-line sources often prepared by professional associations or non-governmental organisations. A high number of these are directed at individuals rather than employers, although there are notable exceptions. Further, as in many other innovative management issues such as social responsibility or corporate sustainability, we noted a north-south gap. However, the market for developing age-diverse awareness and related publications increased significantly between 2005 and 2006. However, while much has been written on diversity in general, little basic research exists on the critical issues specifically associated with age-diverse recruitment policies and practices and almost none exists to show how these relate to the IT sector.

In respect to academic literature, the studies we found are predominantly qualitative studies, which were in turn predominantly based on the research methodology of identification and analysis of good practice examples in age management.

The most prominent examples pioneering research on age-management issues have been published by the European Foundation for the Improvement of Living and Working Conditions. The research material can be found in the work published under the auspices of project "Combating Age Discrimination". The Foundation started with an investigation regarding age management in companies and identified over 150 examples. The subsequent work of the Foundation between 1996 and 2006

significantly influenced and shaped the European debate on age management (Walker and Taylor, 1998); (Walker, 1997, Walker, 1998); (Taylor, 2005b, Taylor, 2005a, European Commission, 2006).

Within the "proage – benefit from experience" project a "Good Practice Compendium" shows how companies can prepare for demographic challenges through targeted further training, human resource development and work organisation (Morschhäuser et al., 2003).

A more recent report from the European Commission (2006a) provides important empirical findings in effective age-management criteria in general and recruitment issues in particular. Based on 41 company case studies in 11 EU Member States, the report details developments in the countries surveyed and makes recommendations for maintaining older workers in employment. We should also mention here the significant work undertaken in the field by UK-based organisations such as the Employers Forum on Age (EFA) and Age Positive.

What was not found – gaps in literature

The main weaknesses, we believe, with the research undertaken so far is its qualitative nature. We found limited quantitative research exploring critical issues in the area of age-diverse recruitment and selection. The quantitative data here in the present report are taken from research undertaken by the UK-based Chartered Institute of Personnel and Development (2005, 2006)

which examined whether and to what extent current employment policies and practices may be discriminatory on the grounds of age. However, these data relate specifically to the United Kingdom. This area needs to be more fully explored in research concerned with age-diversity recruitment.

The **mature@eu** study was based on an appreciation that age needs to be considered at the intersection with gender. Our research was mindful of the interaction between the two diversity dimensions of age and gender. This approach has revealed that a further significant weakness in the research is the lack of work focused on age discrimination and gender in recruitment and selection. For example, no gender-related materials and recommendations referring to age management were found. This observation dovetails with the AGIP report where the company case studies did not reveal "any gender-related differences in terms of age-management strategies" (EC, 2006a:198). Although empirical data on the employment structures of ageing ICT workers exist, the practical solutions of constraints in terms of recommendations is rarely explored.

We already know there is gender discrimination within the IT sector, but we also need to take a look at the complex relationship between age and gender to examine the overlay of stereotypes.

Having examined various issues associated with age and recruitment, we now turn to discuss what specific measures can be adopted to strengthen an age-diverse approach to recruitment.

B.1.1 Success principles in age-related recruitment practices

The general objective of any recruitment and selection policy is to obtain the right person for the right job. Age should not play a part in this process, as applicants should be assessed on their skills, knowledge and ability (Eurolink Age, 2000, ACAS, 2006, Age Positive, 2006, EFA, 2006). It is important that all recruitment policies reflect this attitude and choose a non-age-bias approach.

The positive management of age-diverse recruitment and selection presents a challenge to employers and other stakeholders, as many standard recruitment practices and selection

criteria are age-related.

This section opens with a discussion on the key principles and practices of successful age-diversity strategies and details a number of recommendations to facilitate recruitment of older workers. One intended outcome of this section is the theoretical and empirical evidence for the development of the learning goals and didactical concept of the **mature@eu** e-learning platform.

This section describes best practices and key principles of how organisations should deal with recruiting issues posed by the demographic shift by looking at the various stages of the recruitment process from job descriptions and post-selection analysis.

"Good practice means ensuring that older workers have either equal or special access to the available jobs and that potential applicants are not discriminated against either directly or indirectly" (Walker, 1998:3).

Good practice in any age-diversity strategy seeks to both create an inter-generational workforce and meet the business case arising from an ageing workforce. These issues can be tackled most effectively when they form part of a holistic strategy. Thus small-scale solutions can contribute to the overall strategy but will not of themselves achieve the required paradigm change needed to realise an age-diverse workforce profile (Age Positive, 2001a). Because such a fundamental change is required, labour representatives through trade unions, works councils and senior managers all need to provide leadership.

Strategies

Recent analysis of good practice has identified three general approaches that can be followed in implementing age diversity in organisation (EC, 2006a:202f):

• Strategies aimed at eliminating all aspects of discrimination, including age discrimination.

• Strategies aimed at achieving a balanced age structure within an organisation or strategies anticipating future age-management problems.

• Strategies discriminating in favour of older workers so that companies actively seek to recruit them because of, for example, expected business benefits or because wages are subsidised through active labour market programmes.

Within these broad approaches it is possible to insert a range of proposals resulting from investigations by Age Positive targeted on three key areas of activity that need to be addressed to secure the successful implementation of an effective age-diversity policy (2001a: 5f):

• Policies to address age discrimination: Development of formal written policies to address age discrimination. Policies should cover all aspects of recruitment and employment within the organisation. Formal policies demonstrate the commitment of management to eradicating age discrimination. Policy should be communicated to all staff and monitored.

• A culture that supports older workers: Policies to combat age discrimination work most effectively where organisations have created a culture that values older workers.

• Actions in support of older workers: Actions to support all aspects of the recruitment and retention of older workers should be developed. Many actions can be small, often with minimal cost implications – for example ensuring that recruitment advertisements do not have any age barriers or use age-specific language.

Principles

In results from research on the impact of the European Equal Treatment Directive in the Member States, Wait and Midwinter (ed) (2005:26) recommend foregrounding the following general principles as described by the "A-B-C-D model" to implement bias-free recruitment policies:

A) **Ages**: chronological ages should never be quoted unless there is some assured relevance attached to doing so.

B) **Balance**: older people should be represented in a balanced manner, that is, by and large, exhibiting the same mix of qualities and characteristics as the population at large.

C) **Concept**: those involved should seek to acquaint themselves more clearly with the new understanding of older age and utilise that concept in their own work.

D) **Display**: those involved should occasionally check their work against the touchstone of the large proportion of the population in the older age group.

Further, Naegele and Walker (2006:7) recommend selecting the following strategies:

- An open-minded approach to recruitment is required: this presupposes an underlying "age diversity" on the part of the recruiting organisation.

- This, in turn, demands an assessment and selection procedure that is exclusively occupational and task-related. If necessary, outside assistance from specialist employment and consultancy agencies may be called in.

- For the older employee who has just joined, special orientation or other support facilities may be required: in some cases, offering flexible working hours to newly appointed older workers has yielded positive results.

- It is also important to make clear to existing employees that they too can benefit from the recruitment of older colleagues. Therefore, they should not perceive the new appointments as competition, but rather as an enhancement of the company's economic opportunities or its chances for success.

Experts within our interviewee sample consider the following issues as good principles in age-diverse recruitments practices:

- openness for change;

- openness for unexpected solutions […];

- mutual respect between company and individual;

- a willing to question oneself, to solve problems and conflicts (Michael Kres, Promove TM).

Levels of restructuring

The restructuring of recruitment policies can be carried out on several levels (ZVEI, 2003:8).

- on the level of a new orientation towards positive visions like "age-balanced personnel policy" or "good age mix" or diversity of the workforce";

- on the level of future scenarios where under several different assumptions of (bundle of factors) alternative future scenarios were developed and discussed, including consideration of corporate and external frameworks. This requires considering a 10- year plan including differentiated measures and milestones;

- on the level of restructuring the personnel management. Of central importance is the widening of the current HRM approaches by, for example, the opening of new search strategies.

As can be seen from the above, current thinking in this area shows that to overcome the age bias in recruitment and selection policies a range of issues needs to be tackled if a sustainable, redesigned recruitment procedure is to be successfully developed

and maintained. Analyses of different good practices, as mentioned above, suggest the use of multiple strategies in working towards age diversity and the one-size-fits-all approach is not appropriate (see for example Walker and Taylor, 1998).

B.1.2 Building the case for age adjusted recruitment

The urgency of finding solutions to the challenges presented by an ageing workforce and pervasive skills shortages depend on factors such as the business sector, region and size of company. Every organisation has to determine how best to plan ahead and gain a strategic advantage, and to be more aware for the business case, of the demographics of the current workforce and their long-term business plans.

In the following we discuss the prerequisites for the successful implementation of age-diverse recruitment policies.

B.1.2.1 Persuading Managers

HR managers and/or personnel recruiters may not always be in a position to decide if an age-diverse recruitment policy should be implemented. In many cases senior managers will need to be convinced about the need for refocusing recruitment policy.

The findings from our interviews indicate that HR managers need support in the argument with organisations' decision makers in the debate on developing a commitment to an age-diverse recruitment policy. "*The challenge for the HR manager is to achieve the awareness and compliance of the board of directors for the demographic shift topic*" (N.N., CEO of a recruiting firm). This is confirmed by the findings of CIPD (2006:3) in the UK, where half of respondents from organisations reported that their main diversity-related activities in 2005 focused on gaining support and commitment from senior managers to realise an age-diverse workforce.

"*The first requirement is a solid business case for diversity*" […] "*It is important to start with the problem, not the solution*" (Sam Mercer, EFA). Important aspects that need to be imbedded in any convincing case presented to decision makers will include: an in-depth understanding that age is an issue within the organisation; the impact that projected demographic and labour market changes will have on their own workforce; a recognition that the assets of tacit knowledge held by older workers are of substantial value; and the legal and financial implications of failing to adopt age-diverse recruitment procedures. "*Such evidence may include examples from within the organisation and from similar ones, or may be the results of more broadly based scientific research*" (Walker, 1998:6).

B.1.2.2 Raising age awareness at all levels

Implementing age diversity in organisations requires first of all an appreciation of the added value different age groups can bring if managed in an effective way. Age-biased behaviour is in most cases based on stereotyped prejudices and myths, rather than an active dislike of a particular age group. The challenge for organisations is to engineer a mindset change. Tackling age bias requires a "mental revolution" for all those involved with recruitment.

> "*Awareness raising is all in this matter: make sure people know that their age-bias is just that: a bias, a prejudice, not necessarily a truth*" (Dorinde Brands, LEEFtijd).

> "*The start of the process is getting people to start thinking about age* […] *Practical obstacles usually occur from poor, not thought through practice and ageist attitudes of recruitment*

staff and teams I come across this problem again and again. This leads to the replication of the same work-force. Recruitment becomes self-selecting" (Sam Mercer, EFA).

"It should also be said that, within big companies, the very first application selection is not done by the HRM him/herself, but by his/her assistant who is usually a young individual (25-30 years old) and not sensitive to age related topics" (Michael Kres, Promove TM).

Therefore, key persons in charge of recruitment policies and processes have to understand:

- the stereotypes they use in their decision making

- their responsibilities under the new policy of age discrimination, and

- the business case for age diversity and the added value of older workers.

The "Proposal for a European Code of Good Practice – Ageing in employment" (Eurolink 2000) argues that it is imperative to ensure that "all those involved in selecting staff are trained to avoid basing decisions on prejudices and stereotypes". Training staff will help prevent unintended discrimination and create positive attitudes towards ageing. Research (cf. EC, 2006a) has shown that negative outcomes invariably result from an overemphasis on the recruiters' personal values, attitudes and beliefs. Personal values can lead to costly recruitment mistakes and to discrimination which can result in legal problems that could terminate the business.

"Every recruitment manager within BT has to go through recruitment training which includes an equal opportunities module. So they are all trained in areas on the use of appropriate language and danger of

stereotyping during interviews" (Becky Mason, BT).

Naegele und Walker (2006:27) define the functions of awareness training directed at overcoming age-stereotypes and they argue that it should increase sensitivity towards the necessity and advantages of an age-positive HR policy; undermine the traditional, mostly negative, stereotypes of ageing; and allow for ageing in employment to be considered in a more sophisticated and realistic manner. In conclusion the authors recommend that individual employees should also be educated about their own ageing process.

British Telecom chooses a broad range of activities for awareness raising:

"We have run an internal age-awareness campaign which makes use of a range of materials such as posters. This campaign has been designed to make BT people aware of their obligations under age-neutral regulations. We do not have an age-diversity house style and all our posters tend to take an individual approach within our overarching corporate branding. We make use of our intranet to provide on-line training […] We also run banners across various intranet web-pages and include age-diversity strap lines on payslips […] We come up with the slogan 'Age of Change' " (Becky Mason, BT).

B.1.2.3 Undertaking an age-profile analysis

"There is no wrong or right age profile but organisations should understand what has influenced their workforce profiles" (Sam Mercer, EFA).

Findings from the University and Colleges Employers Association (2006) support our own evidence obtained from the interviews

that only a minority of employers have accurate information on the age profile of their workforce. An age-profile analysis (APA) is a prerequisite and provides the baseline for developing a refocused recruitment strategy (cf. Rappaport and Stevensons, 2004). An APA can reveal how changing demographics will affect the company and can act as an early warning system providing evidence of future skills gaps (cf. Maguire, 2003:6).

> "For organisations such a process could be part of a journey of self-knowledge in helping to determine what the company wants to achieve" (Csilla Szokodi, IBM Hungary).

The APA of the workforce should include a quantitative as well as qualitative approach (Rappaport and Stevensons, 2004: 11) and should be *measured against national and regional trends* in the external labour market.

Analyses of the external labour supply can include assessing the supply of needed skills, degree of labour market penetration, and the likelihood of attraction and retention within the local or regional labour market. Statistical data from censuses, labour force surveys or other comparable official sources may provide the necessary comparative figures.

> "Where the distribution of applicants, offers or recruitment outcomes by particular age groups deviate from their distribution in the relevant qualified populations, then discrimination may be present and this possibility needs further investigation" (Makkonen, 2007:87).

> "This kind of analysis was necessary with regard to the high

turn-over rate (40%) in 2000 and which has been reduced to 5% only in 2006. A recruitment and selection process in line with the needs of the company and of the employees (according to skills and experience) as well as a suitable age policy (mixing juniors and seniors) helped a lot to reduce dramatically the turn-over rate […] Although the company needed additional workforce within the NT sector, the analysis showed that a too large proportion of young employees had been appointed at the same time. These young people were hired through employment agencies. No appropriate applicants selection was thought out and no structure was installed" (Renate Dupraux).

This analysis of the internal and external labour market enables the development of an action plan designed to implement age-diverse recruiting policies.

The model of "early warning indicators"

The result of an APA should highlight critical deficiencies and indicate the extent to which recruitment policies and procedures should be implemented or altered. The German-based project "Demografie-Initiative" explored these questions, developed guidelines (Köchling, 2006:7ff) and tested them in 35 companies (within the electricity sector). The guidelines describe possible age-profile scenarios and then offer concrete recommendations for remedial action. The guidelines ask in each "indicator" for the current situation (2000), describe possible impact scenarios for 2010 and offer concrete recommendations.

Table 5: The early warning indicators

	Age-profile scenarios in 2000	Immediate remedial action required
No. 1	The share of 15-24 and 25-34 is 90%. The share of 35-44 is 10%. Older workers are absent.	Start to "today" to reserve certain positions (like controlling, costumer relations) for middle and older aged.
No. 2	The share of 15-24 and 25-34 are 70%. Middle and older aged are 30%.	Retain this age structure and keep it in future.
No. 3	Well-balanced age structure: 15-24 are 10% and the 55-65 are also 10%	Create tandems or teams with both generations.
No. 4	Middle aged centred age structure with significant differences with other age groups: the share of 35-54 is 70%	Because it is likely that the younger recruits will not remain in such a culture of seniority, it is necessary to recruit already "today" mainly from the younger generation.
No. 5	Middle aged centred age structure with alleviated differences to other age groups: the share of the middle aged is 50%	Consider the needs of all age groups and recruit across all age ranges by making use of alternative recruiting strategies.
No. 6	Older aged centred age structure with significant differences to other age groups: overhang of older aged and younger is missing.	Retain older employees and put efforts into alternative search strategies to achieve a balanced age profile.
No.7	The share of both older age groups rises above the 50% mark: the share of 45-65 is 75%.	Take care of the work ability of the older workers and recruit sensible from all age groups.

Source: Köchling (2006:8ff) Translation and customised presentation by ZSI.

Having undertaken an APA, organisations would be best advised to look at the existing attitudes towards age.

B.1.2.4 Auditing organisation culture and recruitment policies

Half of employers in research by Age Positive (2001b:7) rely on the existence of a culture that is supportive of older workers to address age discrimination. Many of the problems associated with age diversity relate to false perceptions about older and younger workers and what their abilities and competencies are or are not. As we discussed earlier, employers often accept uncritically the myths that older workers have higher rates of absenteeism, poor technical skills,

cost more and think in a rigid manner. Thus managers need to consciously seek out and challenge the current cultural perceptions within organisations about age groups. A staff opinion survey could be a useful tool to determine any variance of staff satisfaction by age. It could also support a process designed to monitor the progress of any action plan geared towards age diversity (cf. Maguire, 2003).

As is to be expected, it is also necessary to review the current recruitment policy and practice with a specific focus on the arguments against recruitment of older employees (cf. Morschhäuser et al., 2003: 14). Such an analysis starts with a "sober inventory of previous measures for attracting skilled workers and of outlay and gains" and investigates (with a "hard look")

the reasons which have influenced negative attitudes towards recruitment of older employees. (Morschhäuser et al., 2003:41).

According to Maguire (2003:10) it is also helpful "to review all the steps in the recruitment and selection process to make sure it is non-threatening" and the following questions should be addressed when examining the recruitment policies in place (Makkonen, 2007:87) during the process:

- Do qualified individuals from all groups apply for advertised posts in proportion to their presence in the population?

- Given the characteristics of those that do apply, do members of each group have the same chance of getting on the shortlist?

- Given the applicants on the shortlist, do members of each group have the same chance of getting offered the job?

The results of this exercise will indicate at what stage/stages remedial action is needed to change the recruitment policy towards age diversity.

B.1.3 Implementing age-diverse recruitment practices

"One of the key reasons that employers are not doing more to try and recruit or retain older workers as part of their talent management strategy is simply that they do not yet understand how to do so effectively" (Manpower Inc., 2007:8).

Apart from winning the argument about the necessity of age-diverse recruitment policies and a robust analysis of the workforce's age profile, knowledge and tools on how to use this information effectively are required. The following is an overview of recommendations concerning age-diverse recruitment which flows from the academic literature as well as resulting from our interview findings. The discussion focuses on what practices should be employed to gain full advantage of age-diversity recruitment policies and procedures.

B.1.3.1 Creating age-neutral job descriptions and person specifications

Removing age restrictions in the recruitment process is clearly a basic requirement. This may appear to be a "commonsense" measure but in fact references to age permeate all aspects of the recruitment cycle.

Almost all the interviewees agreed that a key objective was to produce age-neutral job descriptions.

> *"Because of long established age-biases […] people do not even realise they phrase the job advertisements not age-neutral. This requires awareness and some attention until the HR personnel are aware of their phrases"* (Dorinde Brands, LEEFtijd).

"So, it is really important to provide an appropriate job description since this drives the rest of the process including using the right language and imagery in adverts, and where to advertise" (Sam Mercer, EFA).

The following issues concerned with writing job descriptions and advertisements should be critically reconsidered with respect to age neutrality:

- It is inappropriate to specify particular qualifications, when formal qualifications may not be essential for the job and may discourage older applicants from applying (Age Positive, 2001b:9). In most instances skills and experience will be much more relevant to the job than specific qualifications (EFA, 2006).

- Similarly, mentioning personal characteristics which are not essential

to the job description have been found to undermine diversity and could be unlawful, for example under the Employment Equality (Age) Regulations 2006 in the UK (cf. Metcalf and Meadows, 2006:82).

- Even without stating age criteria, other characteristics such as the style and overt and/or covert age-discriminatory language may have the same effect. Here wording such as "energetic and dynamic", or "mature and senior" could perceived as aimed at a particular age group (Age Positive, 2001b) and may therefore be subject to employment tribunals.

- Apart from having the advert or job description approved by appropriate HR managers it would be good practice for employers to issue guidance to staff involved in writing them to reduce the potential for age discriminatory criteria being included (Age Positive (ed), (2001a:9).

British Telecom illustrates the process of adjustment of age-neutral job descriptions as follows:

> *"As part of our responsibilities under the age discrimination legislation, BT has undertaken an age-neutral audit of job families and we identified 13 instances where these needed to be amended. Here we focused on developing criteria in terms of what the role-holder would have expected to have achieved rather than reference to years of experience"* (Becky Mason, BT).

Some of the issues which should be considered in campaigns focused on recruiting mature applicants are:

- Targeting advertisements to reach and attract a wide age range (Eurolink Age, 2000).

- Since older people need to be addressed in a different way when advertising a vacancy (EC, 2006a), age-specific advertisement campaigns aimed particularly at older applicants (Naegele and Walker, 2006) should be considered.

- Employers in several examples of good practice (e.g. Age Positive, 2001a) use pictures or text to signal that applicants from older age groups are welcome to apply for jobs.

- Good practice also explicitly targets older applicants who are unemployed, threatened by dismissal, or already in involuntary early retirement (Naegele and Walker, 2006) in order to deal with the skills shortage.

- *"On the company's website – in the job corner – there should be a statement, that experience based knowledge is valued, that it has an impact on the company's performance and a definition of what is meant with this terminus* 'valuing age-diversity' *should be made"* (Roman Valent, Fundament Generation 45+).

B.1.3.2 Re-designing the application form

Age-discriminatory recruitment can happen only if the age of the applicant is known (or is believed to be known) (Metcalf and Meadows, 2006:84, UCEA 2006).

Application forms should therefore be redesigned to omit any reference to age. Forms should also be designed so that selectors do not see unnecessary personal details and "there is no necessary dependency on chronological information" (UCEA, 2006:3). Information, such as age, which could be useful for undertaking a diversity analysis can be collected in other ways, such as with a separate sheet which is not passed on to those involved in recruitment (cf. Metcalf and Meadows, 2006:85)

Further, age information should not be given to anyone involved in the initial selection process. Best practice advises that selection panels should not be told the short-listed applicants' names until the day

that interviews take place. A recommended short-listing method to reduce the scope of age discrimination is also an initial interview over the phone (Age Positive, 2001b).

However, age can often easily be estimated from qualifications and the chronology of employment. The findings from CIPD (2006:18) point to the difficulties of removing chronology from the application forms, and the literature in this area is weak in terms of offering possible solutions.

UCEA suggests:

> "asking for candidates to submit a curriculum vitae rather than filling out an application form as curriculum vitaes can have benefits over an application form for older workers, as it does not limit the opportunity for each individual to highlight their relevant skills and educational and career histories" (2006:13).

However, it seems that this is the first point in the recruitment cycle where pressure mounts to include references to age. While all ICT organisations in our interviewee sample thought that age should not be included in the job descriptions or in adverts, most thought age should be asked for on the application form.

> "Any application form contains two vital pieces of information which can not be left out: Age and Experience. It is very difficult to imagine any application form which does not contain this information. Age is required so as to allow the company to anticipate levels of salary. Experience is required to be provided in detail as, even in a fast changing sector like ICT, experience is important as it defines to a large extent what this person has accomplished in the past and what the present level of knowledge is. Leaving out age and experience on the

application form is difficult to accept" (Nassos Papakostas, DreamTech Information Systems and Networks Ltd).

The same interviewee provides following solution:

> "The only practical way that one could bypass this problem, is to leave both those fields of information hidden during a first screening phase. For that to work, it would be necessary to oblige applicants not to mention information which could reveal implicitly their age, such as year of graduation in academic record fields. After a first screening, age and experience would be revealed to allow for a comprehensive assessment of the applicant. The whole procedure could be made more easily consistent if the application forms are to be completed on line, something which is easy to be expected by applicants in the ICT sector. Special software would not reveal selected information from the application form until the appropriate phase of the applicant assessment had been reached. Another method which could assist in the same direction is to have pre-defined weights for each specific field of the application form so that evaluators are limited in the way they assess the applicant" (Nassos Papakostas, DreamTech Information Systems and Networks Ltd).

In contrast, BT (UK) and LogicaCMG (UK) believed that asking for age information could be seen as breaking their equal opportunities policy or considered an indirect form of discrimination. BT and LogicaCMG do collect data on age, gender and ethnicity by asking candidates to complete a separate form during the application process. This enables these organisations to keep track of

diversity without asking for this information on the application form.

B.1.3.3 Checking the diversity policy of recruitment agencies

Many organisations used recruitment agencies to provide staff of appropriate calibre. This is particularly the case for SMEs that may allow a recruitment agency to undertake initial sifting. The attitude of these agencies with regard to diversity can have a dramatic impact on the diverse nature of a workforce. UCEA (2006:3) argues that:

> "if a recruitment or search agency is used for any part of the recruitment process, their equal opportunities policies and general approach to age diversity should be checked to ensure compliance with best practices on equality and diversity. If necessary, steps should be taken to ensure their approach is non-discriminatory."

Naegle and Walker (2006:7) go further and recommend organisations develop "close co-operation with local recruitment agencies (sometimes with regular site inspections)".

Jordan Sheppard Ltd believes that employers should send a clear signal to recruitment agencies that age-neutral selection should be employed, since these agencies simply follow the instructions of the employer. This view was echoed by Unicible.

B.1.3.4 Reviewing traditional search strategies

Looking at recruitment search strategies, there is the critical need for a reorientation of traditional search channels. The challenge is to draw upon the widening of the labour pool in order to reach a broad audience. For example, vacancies notified to university careers services disproportionately reach those in their early 20s, whereas advertisements in newspapers tend to be open to all ages.

Age bias in search methods may be present on multiple levels. Metcalf and Meadows (2006:80) have clustered two possibly inherent age-biased methods in placing advertisements.

Methods which have probably some age-bias are: the internet (which is often more used by younger people); radio (depending on the station and programming); and job fairs.

Methods which can possibly have some age bias are: internal advertising (the age-bias of which would depend on the composition of the workforce); and word of mouth (the age-bias of which would depend on the composition of the workforce and their attitudes about age of recruits). These clusters suggest that advertising methods should be based on a combination of methods in order to cope with recruitment difficulties and to avoid the age bias.

E-recruitment is increasingly seen as an important avenue of recruitment. The number of companies using their homepage for job announcements and for job applications possibilities is significantly growing. For example, data from UK show that almost two-thirds (64%) of organisations used e-recruiting in 2005 (CIPD, 2006:21). Besides the cost argument, the benefit of e-recruiting lies in its ability to broaden the selection pool as well in terms of number as of age groups. Only 3% of the respondents agree with the hypothesis that "e-recruitment tends to attract applicants from younger workers and acts as a barrier to older workers", but only 8% believe that e-recruiting "helps to remove discrimination".

These findings indicate that there is some way to go before taking full advantage of the potential of e-recruiting in respect of age-bias-free recruitment and selection practices. Further research into whether or not e-recruitment results in age bias for ICT professionals needs to be explored.

B.1.3.5 Training job interviewers for age-bias-free recruitment

Appropriate training conducted by experts in the field is seen as crucial if organisations are to develop bias-free recruitment procedures.

LogicaCMG (UK) and BT (UK) ensure that all interviewers undertake a three-day interviewing training programme. The purpose of the training programme is to encourage the use of appropriate, bias-free language and to avoid stereotyping.

Both the UCEA (2006) and Maguire (2003) advise that all recruiters and selectors should be trained in equal-opportunities selection techniques. This training should highlight the need to avoid subjectivity based on, for example, physical characteristics, and related but unfounded assumptions. It should advise against the kinds of questions that might be seen to be discriminatory, such as, "Aren't you over-qualified for the job"?

Training will also encourage those concerned with the recruitment and selection process to ensure that the design and content of any activity, such as interviews, team exercises, and psychometric tests, do not directly or indirectly favour or hinder any age group, and that genuine job requirements are used to measure any assessment. It would also be beneficial to develop a selection process that recognises achievements gained by experience rather than just by formal education.

Current HRM thinking is that psychometric testing should never replace the interview. A company should look to see if psychometric testing is really necessary for the selection of candidates for every position. "Role playing" exercises may be less threatening to older candidates.

B.1.3.6 Testing the applicant's skills and abilities

It is important that the whole interviewer panel understand the employer's age-diversity policy (Maguire, 2003:14) and should follow this policy in respect of the process and questions to be asked (UCEA, 2006:3).

Interviews should preferably be conducted by more than one person and further by a panel with a mixture of age. It is helpful to have at least one older worker represented on the interview panel (Age Positive, 2001a:10). This view was supported by DreamTech Information Systems and Networks. IBM in Hungary ensures that an HR expert attends recruitment interviews. Fundament-Generation45Plus recommends that the selection process should be a team-based activity and, if possible, by an age-diverse team. Jordan Sheppard Ltd suggests that a subsequent analysis of interview results could help identify and therefore enable any correction of discrimination within the interview.

Some of the "good practice employers" investigated by Age Positive (ed) (2001a:10) "have developed a range of approaches to ensure that interviews do not discriminate against applicants on the basis of their age, or other appropriate criteria".

All candidates should be asked the same questions; if a particular question on personal circumstances cannot be asked of all candidates, then this question should not be asked of any of them (Maguire, 2003:14).

Ensuring objectivity and enabling the reason for non-selection to be easily identified, Maguire (2003:14) suggests that each panel member should compare the attributes of the candidate against specific criteria laid down in the personal specification.

B.1.3.7 Analysing the selection decision

As with any system, an age-diverse recruitment strategy needs to be monitored to see if it is working effectively. Here a periodic review of the recruitment process should reveal the extent to which it has

contributed to the development of a diverse workforce. "Ideally, employers should consider monitoring age at each stage of the recruitment cycle" (Age Positive, 2001a:10) and are encouraged to review the age structure of the workforce. UCEA (2006) suggests decisions should be recorded and retained ideally for 12 months from the date of interview for monitoring purposes.

BT (UK) consistently monitors its equal opportunities policy through examining recruitment by time and campaign using diversity data to see if any adjustments need to be made in the next recruitment cycle. The data enable BT to dig deeper into the business to see if there are particular problems in a specific area. Such an approach leads to greater transparency and allows for appropriate remedial action to be put in place (Becky Mason, BT).

B.1.3.8 Reviewing obligations of sub-contractors

Many ICT enterprises act as sub-contractors to and for larger organisations. It is now common practice for large organisations to insert clauses into their contracts covering issues such as equal opportunities and sustainable environmental matters. We believe that this should be extended to cover ICT providers to underline the intention of large organisations that they will only deal with firms that can demonstrate an ongoing and measurable commitment to age-diversity recruitment policies.

B.2 CONCLUSION

The findings of this study indicate that while an overarching framework exists promoting the concept of age-diverse recruitment by way of policies at EU and national levels, there is still substantial work to be done for these policies to be realised at the enterprise level. The problems and resistance associated with implementing age-diverse recruitment are magnified within the ICT sector. At the same time, the study has shown that there are significant materials available and a range of proven practices to draw upon for those wishing to develop age-diverse recruitment procedures within their organisations.

We have seen the urgent need to generalise the direct experiences of those organisations that have introduced and successfully followed age diversity in recruitment. The findings of this study justify the next phase of the **mature@eu** project, which is to develop an online environment that can facilitate the dissemination of the best experiences and material available as well as provide a learning environment for use by trade unionists, members of works councils, employees and employers.

We also believe that it is people, not processes or policies, that make change and so we hope that those engaged with the task of undermining discrimination based on age will find this report and its attendant website-learning environment useful tools in their work.

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ANNEX 1

The provision of calculation evidence regarding the net recruitment benefits of a worker aged 45 or over (Australian Employers Convention, 2001:7f):

Direct costs of recruitment are: "advertising, wages, travel and relocation costs associated with human resource staff participation on selection panels. The median recruitment cost factor was affected by factors such as type of recruitment, external (versus internal), recruitment rate, organisation-initiated turnover, expense factor, days to fill and days to start.

The 1999 HRM median recruitment cost factor is $1,017.

The ratio of the duration of employment between workers aged 45 and over to those aged 44 and under will be used in Stage 2[11] to calculate the comparative human resource costs of workers in each age group. This ratio is an average estimate, which varies between industries and organisations and is used as an indicative multiplier of costs and benefits. […]

A worker aged 45 or over is 2.4 times more likely to remain in his/her current employment than the rest of the workforce.

The cost of recruitment multiplied by the ratio of employment duration for workers aged 45 and over and the rest of the workforce = $1,017 x 2.4 = $2,441.

Recruitment benefits estimates are: $2,441 (for the rest of the workforce) – $1,017 (for workers aged 45 and over) = $1,424.

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11 Comment: "Stage 2" refers to stages of the analysis within this quoted report.

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Visit www.mature-project.eu for more detailed information and guidance.

You may make use of the open source e-learning platform and search for supporting learning materials in the toolbox.

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