

Age Discrimination and Its Impacts on the Work Place SHRM Activities

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INTRODUCTION

This paper is written to educate and inform readers to the topic of ageism or age discrimination. In our society we live with age discrimination and ageism statements on a daily basis. Victims of age discrimination may not know that age discrimination is being practiced on them. Its nature is insidious, creeping undetected into the workplace as attitudes born from myths. It is the most pervasive form of discrimination. Age discrimination affects all races, all sexual preferences, and ages. This paper provides the reader with a history of age discrimination and its impacts on the work place; a working knowledge of how common age related myths become discriminatory practices and, Strategic Human Resource Management (SHRM) practices for policy makers, employers and job applicants. We close this paper with some a common sense reason why all Americans should strive to purge age discrimination from their lives and American society.

HISTORY OF AMERICAN AGISM AND AGE DISCRIMINATION

Life before Age Discrimination: Plato and Puritan Ideals

Plato (Athens, 427 BC^[a] – 347 BC, son of Ariston and Perictione) once said,

“It gives me great pleasure to converse with the aged, they have been over the road that all of us must travel and know where it is rough and difficult and where it is easy and level.”, and he wrote, “The spiritual eyesight improves as the physical eyesight declines” (Plato Quotes, Internet, 2011).

The Puritans brought with them their religious beliefs on aging that were taken from Hebrew writings, “

“Is not wisdom found among the aged? Does not long life bring understanding?”

- Job 12: 12

“Gray hair is a crown of splendor; it is attained by a righteous life” - Proverbs 16:31.

There was a time when ageism or age discrimination did not exist in the United States. In the society of the pre-industrial period of the North American Colonies, now known as the United States of America, age was valued, and in fact, emulated by the young. According to the Ithaca College Gerontology Institute (2011), old age was an aspiration, a sign of God’s favor, as only 1 out of 50 adults (2%) lived to 65 years of age In Puritan society long life was deemed a gift of Divine favor signifying wisdom. Social attitudes toward aging and the elderly in this predominantly agrarian society were very positive. An examination of the Ithaca College Gerontology Institute (ICGI, 2011) lesson plans indicate several common examples of these positive attitudes were: Elders seated in the front pews of churches, clothing alterations to slope the shoulders to look like clothing worn by the elderly, powdering the hair to give the look of greying tones of color, and, elders were given honored positions in religious and civic life that

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

today are known in many faiths as church elders, a sign of wisdom in the guidance of a church. Today in Great Britain judges put on greyed wigs to symbolize the presence of wisdom. In the Puritanical society, elders owned land and farms; they were the employers of this agrarian society. Elders determined the work to be accomplished on the farm and were the authorities in tasking farm workers. SHRM was a simple nine words “Treat your brother as you wish to be treated.” While the young respected the authority and ownership of elders, there was an emotional void, as the young viewed their elders with awe rather than through the eyes of caring and loving affection. Noted Social Historian, David Hackett Fischer, studied the changing role of older people from colonial times to the present. In *Growing Old in America* (Oxford University Press, 1978) Fischer wrote, “While power and prestige were reserved for older adults, emotional distance between young and old existed.” (Ithaca College Gerontology Institute et al, 2011) Pynes, (2009) indicates on page 1 that to be responsive to the constantly changing environment, agencies must integrate their human resources management (HRM) needs with their long-term strategic plans. On the farms it appears that elders failed to perform any degree of human relations management nor did they consider the long term strategic plans of the farm, nor the careers of their workers. Missing on the farm was what Pynes refers to as HRM, the design of formal systems in an organization to ensure the effective use of an employees’ knowledge, skills, abilities, and other characteristics (KSAOCs) to accomplish organizational goals. The impacts of their lack of HRM were to provide the fuel for anti-aging sentiment over the next century and cause a migration from the farm to industry which would have major impacts on American society in the coming century.

Unintended Social Consequences of the American Revolutionary War

The Ithaca College Gerontology Institute (ICGI, 2011) writes in their lesson plans that Henry David Thoreau expressed his views on aging and seniors in 1847, at age 30, he wrote: “I have lived some 30 years on this planet and I have yet to hear the first syllable of valuable or even earnest advice from my seniors. They have told me nothing and probably cannot teach me anything.” Pynes, (2009, p.3) discusses KSAOC’s: Knowledge, Skills, Abilities, and Other Characteristics of the individual. Thoreau’s statement is an obvious anti-aging statement intended to convey his belief that the elderly worker had no value to society. Thoreau was not alone in his statements then, or now. What Thoreau may not have known was that society was on the dawn of the Industrial Era which would change society forever. The Industrial Era would provide a forum for his views to be promulgated among society’s young adults at the expense of elder Americans. The impact of such anti-aging sentiment would be the rise of anti-aging myths that would find their way into the industrial work place as age discrimination.

When and how did the attitudes toward and status of older adults change? The American Revolutionary War period brought about the need for industrialization to build ships and manufacture armaments. The quest for freedom began the shift from a society based on agriculture to a society based on industrialization, hourly workers and eventually market driven capitalism. As industry exerted pressures on agriculture to supply laborers, society pushed its emerging values rooted in ageism on industry. Hopewell Village, Pennsylvania is a place where the foundations of the industrial era the way it was can still be viewed today in all of its early magnificence. The Ithaca College Gerontology Institute (2011) in their article, “Changing

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

Attitudes, Aging in America” contained in their lesson plans quotes noted Social Historian, David Hackett Fischer as saying in his book, *Growing Old in America* (Oxford University Press, 1978) as saying:

The change in age relations began in the half century between 1770 and 1820, roughly the period of the American Revolution and establishment of the republic. Evidence indicates that the reaction against the elderly was part of the general revolutionary spirit of the times. Since elders largely controlled society in terms of politics, religion and property ownership, it was natural for a revolt against the “establishment” to carry with it a reaction against age itself. (p.1)

Pynes discusses generational challenges and cites that “Each generation is characterized as having its own work-related behaviors.”(p.25, 26). Pynes discusses the differences between traditionalists and baby boomers, Gen Xers, and Millennials. One can easily ascertain that generational conflict has been present in the form of age discrimination and revolt since the American Revolutionary War. For instance, the Vietnam protests of the 1960’s were beyond a doubt a statement by young adults against their perceptions of the establishment that had gotten them into an unwanted war. Woodstock was as much a statement against the establishment as it was a statement against the established view of sexuality. Elders were viewed as “square”, “not with it” as young adults demanded change within their society and workplace.

Nineteenth and Twentieth Century Anti-Aging Sentiments

The new post American Revolutionary War anti-establishment attitudes continued to be exerted against the aging population. Dyed hair and tailored clothes to present a youthful appearance became popular. Front row, close to the pulpit church pews were auctioned to the highest bidder and became a symbol of wealth and stature. According to Ithaca College Gerontology Institute, (ICGI, 2011) lesson plans article Changing Attitudes, Aging in America states:

Terms that previously had positive meaning such as *gaffer* meaning *grandfather or godfather*, and *fogy* which was used to indicate a *wounded military veteran* were given new colloquial anti-aging meanings of contempt and disrespect for elderly men. Other anti-aging terms used to describe the elderly appeared such as *old goat, codger, fuddy-duddy, geezer, galoot and baldy*. (p. 1)

Many of these terms are used today in modern society to diminish the physical and cognitive attributes of older American KSAOC’s. According to Pynes, (2009) “human resources management is critical if organizations are to be effective. Pynes further states that to be successful, organizations need to develop progressive HRM practices.”(p.23) Understanding the legal environment that impacts HRM, the social and cultural changes affecting society and organizations is important. It appears obvious from the literature on the time that the social and cultural changes of the industrial era were not understood by the population at large, and that the

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

impacts of transformation from agrarian society to industrial society was placing the elderly at greatest employment risk through the entire nineteenth and twentieth centuries.

Gerontophobia is “the fear of aging and of the aged” as defined by Ithaca College Gerontology Institute, (2011). A backlash to Gerontophobia in age relations evolved through the 19th and 20th centuries into today’s “culture of youth.” Evidence of this culture of youth is found in all segments of society from young to old in the following: caricatures of the elderly as decrepit, negative greeting card images and text, 40th birthday parties in funeral colors, volumes of commercials that purport their product as preventing the effects of aging, common sayings like “Your only as old as you feel.”, discriminatory practices such as “senior discounts”, mandatory retirements of the 1950’s through early 1990’s, early retirement incentives, denial of promotions and training, a plethora of aging myths that have permeated the workplace, and comic acts using dementia and other aging illnesses to gain laughs from their audiences young and old at the expense of the most vulnerable segment of our society.

Twentieth Century Employment Discrimination

Throughout twentieth century society and workplace, age and sex discrimination were alive and well in the United States. President Franklin Roosevelt’s “New Deal” administration battled hard for the rights of child and women workers. While in the twenty-first century workplace we think of age discrimination as the denial of employment opportunities to the aging workers 40 years old and above, in the early 1900’s two-thirds of working children were being employed up to 60 hours per week and the remaining third was employed for 40 hours per week. The employment picture for single women was the same as children, long hours for low wages. Both children and single women were viewed as not having families to support and therefore could work for more hours at lower wages than other workers with family responsibilities; hence, an early form of age discrimination in employment.

The FDR Administration fought bitterly with the Supreme Court of nine judges and with Southern Democrats who viewed their northern counterparts as monopolists intent on using employment reform as a tool to destroy southern manufacturing. The Supreme Court struck down the popular National Industrial Recovery Act of 1933 which attempted secure wage increases for hourly laborers. During this period, (1933 – 1938) the federal government initiated its first attempt to garner support for social reform and abolish child labor through the favoring of federal contractors whom signed the “Presidents Reemployment Commitment” to raise wages and not employ children less than 16 years of age. Employers who signed the agreement displayed a “badge of honor,” a blue eagle over the motto “We do our part.” Patriotic Americans were expected to buy only from “Blue Eagle” business concerns (Grossman, 1978).

In a series of continuing battles between the FDR Administration and the Supreme Court with its Republican and conservative Democratic congressional allies that lasted from 1935 to

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

1938, the President's National Industrial Recovery Act of 1933 and many other pieces of legislation designed to end child labor exploitation were defeated, and in most cases fell short of the required committee votes to bring the legislation to the floor for a general vote. As if to head off further attempts at labor reform, the Supreme Court, in 1936, in a series of decisions, invalidated both State and Federal labor laws. Conservative Republican Congressman Hamilton Fish called it a "new Dred Scott decision" condemning 3 million women and children to economic slavery (Grossman, 1978). President Roosevelt worked tirelessly to craft new legislation and garner the support of the people, and through the electorate, the support of congress. As Department of Labor Historian Grossman stated in his 1978 article:

Nothing impresses Congress more than election returns". After many legislative attempts, the surviving proposal as approved by the conference committee finally passed the House on June 13, 1938, by a vote of 291 to 89. Shortly there-after, the Senate approved it without a record of the votes. Congress then sent the bill to the President. On June 25, 1938, the President signed the Fair Labor Standards Act (FLSA) to become effective on October 24, 1938. (p. 10)

The FLSA changed the workplace by ending child labor, establishing fair wages for hourly labor, and, formed the basis of most employment discrimination law that was enacted throughout the remainder of the twentieth century.

The Age Discrimination in Employment Act of 1967

According to the United States Department of Labor, the Age Discrimination in Employment Act of 1967, (ADEA) prohibits employment discrimination against persons 40 years of age or older. Age Discrimination in Employment Act of 1967, (ADEA) grew out of congressional debate of Title VII of the Civil Rights Act of 1964 which prohibits discrimination in employment based on race, color, sex, religion, and national origin. According to Pynes, (2009, p. 57) Title VII of the Civil Rights Act of 1964 also created the U.S. Equal Employment Opportunity Commission (EEOC) which is the government agency responsible for the receipt, investigation and prosecution of all employment discrimination cases. Pynes also points out that the ADEA applies to employers with twenty or more employees, unions of twenty-five or more members, employment agencies, and federal, state, and local governments. The ADEA also applies all of the protections established in the Fair Labor Standards Act of 1938 to workers of any race, color, sex, religion, and national origin but does not prohibit discrimination based on seniority systems, Veteran preferences rights, national security reasons, or job qualifications based on test scores, background, or experience, even when the use of such practices may employ discrimination based on race, sex, color, religion, or national origin. Where race, sex, color, religion, or national origin is a "bona-fide occupational qualification" (BFOQ), Title VII permits such discrimination if that BFOQ is reasonably necessary to the normal operations of the business.

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

It is important to understand the history of age discrimination in the American society and work place of the past in order to understand its impacts in the present. Age discrimination has not disappeared from the American landscape, it has merely evolved. From the 1900's to today age discrimination appears rooted in corporate profits at the expense of the young and old. While the ADEA attempts to prohibit age discrimination in hiring practices, the truth is that it is much harder to prove age discrimination in hiring than it is to prove as an on-roll employee, or, upon dismissal. Riach and Rich (2007) state in their discussion paper number 3029:

It follows that, in most cases, a rejected applicant would not be aware that they had incurred discriminatory treatment and, even if they did suspect it, they would lack evidence to demonstrate, before a legal tribunal, a prima facie case of discrimination. This is acknowledged, *inter alia*, by the OECD; "... age discrimination legislation may not be very effective since it is often easier to prove discrimination in dismissal than hiring" (OECD 2004, p. 99). (p. 20, 21)

Joanna N. Lahey (2007) cites in her article, "Age Discrimination and Hiring: Evidence from a Labor Market Experiment" the top ten reasons for age discrimination in Table 1. Remarkably, these top ten reasons the source of which is Rhine, S. H. (1984) agree with Ithaca College Gerontology Institute, (2011) *Myths and Facts on Aging*.

Table 1: Age Discrimination May Occur For Many Reasons (p. 13)

Reasons for Differential Hiring Suggested by Survey Respondents

1. Short career potential (specific Human Capital investment)
2. Lack energy
3. Costs of health and life insurance and pensions
4. Less flexible/adaptable
5. Higher salary expectations
6. Health risks => absences
7. Knowledge and skills obsolescence
8. Block career paths of younger workers
9. Suspicion about competence (why leave job?)
10. Fear of discrimination suit

Lahey (2008) suggests:

This need for employment for older workers is even larger under projected conditions. Social Security benefits are expected to replace a smaller share of an individuals' pre-retirement income due to changes under current law and the need to solve the program's long-term financial shortfall, with increases in the full benefits retirement age. Additionally, defined contribution 401(k) plans have

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

replaced traditional defined benefit plans as the dominant pension vehicle, and 401(k) benefits are much less certain than those from traditional plans. (p. 1, 2)

According to Pynes (2009, p.291) no federal agency guarantees the solvency of these plans. Pynes asserts that defined contribution plans are becoming more popular as more employers have realized the expenses and long-term liabilities associated with funding defined-benefits plans.

How are Myths Transformed to Age Norms and Stereotypes, and Why?

To effectively fight worldwide age discrimination Western societies must find a way, either through legislation or by education, to replace the “myths” with “facts”. How to do this would be the subject of a future policy paper. This paper is intended to show how the “myth” is socially promulgated, then internalized by the hiring manager whom then converts the myth into general attitudes towards older workers such as age norms that predisposition a manager’s belief of typical age milestones, or, a stereotype that is used to bucket applicants into an age related behavior. Both of these are used to shortcut the expense of the critical information gathering process during hiring and pass a much lower cost of judgment with regard to the performance capabilities and employment suitability of the applicant. During the hiring interview the applicant will either reinforce or counter the hiring manager’s attitudes through their appearance, resume, discussions, attitudes, values and beliefs. Raich and Rich (2007) confirm the use by hiring managers of group generalizations as a means of supplementing incomplete information as the “Arrow/Phelps Hypothesis” which is a statistical discrimination for the purposes of screening applicants. The impact of misapplied statistical methods is that it will exclude any persons not possessing the characteristics of the statistical parameterst used to determine successful applicants. This will ultimately affect the employee diversity, culture, and performance of the company.

The Ithaca College Gerontology Institute’s *Myths and Facts on Aging* were selected for common myths and facts. The Netspar’s (Netherlands) Impact of Aging Norms and Stereotypes on Manager’s Hiring Decisions of Retirees discussion paper by Karpinska, K., Henkens, K., Schippers, J., (2011) was selected to lend an understanding of the internalization and conversion process of myths to aging norms and stereotypes. Also used are Netspar’s age discrimination statistics contained within the same discussion paper. Statistics confirming the existence of similar age discrimination trends in the USA and the United Kingdom from the AARP *Age Discrimination Surveys on Utah and New Jersey* and the *UK Experimental Investigation of Age Discrimination in the English Labor Market* validate the global nature of the Netspar conclusions on age discrimination. The myth discussions are followed with a general discussion of what SHRM techniques policy makers, employers, and over 40 year old applicants and early retirees can do to prevent promoting the myths and actively counter the myths before and during the hiring interview.

THREE POPULAR MYTHS OF OLDER WORKERS AND WORK PLACE IMPACTS

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

Myth: “Older workers are more sick than younger workers, and not as physically able.”

According to the Ithaca College Gerontology Institute (ICGI) the most common myth is that older workers are more often sick than younger workers. “ Approximately one-half of Americans believe that poor health is a “very serious problem” for persons over 65 years of age and that older people spend more time in bed due to illness, have poor coordination and feel tired most of the time” (ICGI, 2011). In the Netherlands, according to Hendrik Van Dalen, and Kene Henkenes, (2005), 67% of employers disagreed with this myth while 8% agreed with the myth. AARP statistics indicate that 16% of Utahns and 23% of New Jerseyans have been encouraged to early retire, a practice that is rooted in the belief that older employees drive up health care costs.

FACTS: More than 85% of the aged are healthy enough to engage in normal activities. Persons over 65 do have more chronic illness than younger people 33% of the time, and when sick, older Americans require a longer period of recovery than younger Americans. However, it is also true that older Americans have less acute illness, fewer traffic accidents, and fewer home injuries than younger Americans, (Ithaca, 2011).

An important aspect of hiring decisions is the evaluation of an applicant’s health condition. Since not much is known as to the health status of an applicant during the interview process, managers tend to rely on the observable attributes. Hiring managers, particularly younger managers that have been exposed to the myth “Older workers are more sick than younger workers”, will view the physical attributes of the applicant statistically so as to infer the health status of an applicant, as per the Arrow/Phelps Hypothesis. With an eye toward employee attendance the hiring manager’s statistical inference of the applicant’s health status is then used as an assessment of the applicant’s potential productivity.

Table 3, titled, “Results of Age Discrimination Tests of Graduates for Firms Noted as Investors in People” reports 46.2% of older graduates experienced age discrimination during the hiring process, (Riach, Rich, 2007). Karpinska, K., Henkens, K., Schippers, J., (2011) in their Netspar Discussion Paper 049 state:

Older applicants with energetic physical appearance can sway managers towards hiring them as energetic appearance contradicts the myth of older workers being sicker, and therefore less productive, than younger workers. Accordingly, retirees’ physical appearance was the attribute that affected managers’ hiring decisions the most. (p. 8)

IMPACT: According to Karpinska, et al. (2011) the hiring score for a very energetic physical appearance was 11.88 while for a not very energetic physical appearance was 1.16. This difference in scores confirms the use of the Allen/Phelps Hypothesis. When a company discriminates based on physical appearance it ignores the human capital of knowledge and capabilities as well as ignores the KSAOC’s of the individual. Essentially the hard and soft capital of the applicant is at a risk of not being recognized by the hiring manager. Again, the employee diversity resulting from such practices will gravitate towards a statistical norm, the company skill set will not likely be increased, and more than likely the company will not reflect its customer base nor the society in which the business operates. Such companies will be monolithic in their views, will never grasp the missed opportunities, and, statistically will be at

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

greater risk of failure than their competitors that embrace the age diversity of their employees.

Myth: “Older workers are less flexible / adaptable, they do not learn as well as younger workers. Their knowledge and skills are obsolete.”

According to the Ithaca College Gerontology Institute (ICGI) another common stereotype is that mental abilities begin to decline from middle age onward, especially the abilities to learn and remember, and that cognitive impairment (i.e., memory loss, disorientation, or confusion) is an inevitable part of the aging process.

FACTS: The majority of people aged 65 or over do not have defective memories, nor are they disoriented or demented. In the United States community surveys have indicated that about 10% of the elderly suffer from some form of dementia or severe mental illness. Another 10% have mild to moderate mental impairment. But the majority of older adults are without mental impairment (ICGI, 2011).

According to ICGI the majority of people over age 65 do not have faltering memories, are not demented and they don't suffer from any form of disorientation. Age has never been proven as a differentiating factor in making a decision. Many older Americans can process as quickly as younger Americans, and those that can't process as quickly have not been proven to be significantly slower in processing than their younger counterparts. Older Americans have the advantage of experience which they use strategically to supplement processing speed to match the processing abilities of their younger counterparts. Older Americans in the work force are capable of making correct decisions as their younger counterparts.

An important aspect of hiring decisions is the evaluation of an applicant's flexibility, cognitive ability, and trainability. Older American workers that project a posture of inflexible schedules and an unwillingness to use current technology in their personal lives run the risk of being labeled as inflexible, unproductive, and un-trainable by hiring managers. Studies by Karpinska, et al. (2011) indicate another factor that can affect managers' decision is applicants' flexibility. The Karpinska, et al. (2011) state:

As organizations may require short-term or project-based support, staff that accepts being called into work only as needed (DiNatale, 2001) is preferred and is thus more likely to be hired. There is some evidence that employers are prone to offer older workers part-time, flexible positions (Taylor, 2008). On-call arrangements in different forms (from fixed hours to part-time employment) are attractive to organizations because they enable dynamic staffing needs to be met without the commitment of permanent employment. (p. 9)

Karpinska, et al. (2011) note that, “Various studies show that employers perceive obsolete skills to go hand-in-hand with lower productivity (Taylor and Walker, 1994; Remery *et al.*, 2003). This, in turn, will result in less support for hiring an early retiree.” According to the Netspar Discussion Paper 049, Table 3, retirees projecting fixed schedules rated a negative (-3.53) while flexible retirees achieved the referenced norm for rehiring. According to Van Dalen and Henkens (2005), responses indicate 44% of hiring managers surveyed believed

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

that older workers are less interested in technological change than younger workers, and, 57% of hiring managers surveyed believed that older workers are less able to adapt to technological change than younger workers.

IMPACT: Companies that statistically discriminate against older American worker's cognitive abilities do so at the peril of losing the historically based knowledge and ideas that the older worker brings to the company. All capital markets function at some cyclical cadence usually measured in years, sometimes measured in decades. Employees that have lived through repeated cycles are more predisposed to recognize the cyclic behaviors of the market segment and make decisions that will ultimately benefit the company, or at least minimize losses. This is particularly true in the manufacturing and financial market segments where it is not uncommon for such cyclic periods to be a decade or more. In 2009 my financial advisor retired leaving my account to a thirty year younger investment advisor. Younger investment advisors are much more prone to buy and sell constantly. Very apologetically I withdrew my account from the firm. When I was asked at an exit interview as to why I was leaving the firm I informed the firm that my advisor was the only advisor at the firm who had lived through more than three cycles of the market and agreed with my approach of portfolio balance combined with a patience strategy to market cycles. Additionally, part of mental health and cognition is the value system that older workers bring to their workplace. Older workers generally are anchored in traditional values with respect to the current time frame. These values allow the company to position itself in a manner so as to be able to reach across the generations and advantage market segmentation strategies designed to attract older Americans. Companies equipped with such strategies will be competitively postured to increase market share.

Myth: Many people believe that older adults are socially isolated and lonely, (Ithaca, 2011).

FACTS: According to the Ithaca College Gerontology Institute, (2011), this myth only applies to approximately 4% of older Americans, and most of these are shut-ins with physical disabilities or persons with histories of mental illness since their youth. The reality is that a majority of older Americans are not socially isolated and actually have close relatives within a short distance from their home. The types of persons in the social network tend to shift from older to younger persons, and from friends and neighbors to children and other relatives. It is generally agreed upon by most studies that there is some decline in social activity attributed to age; however, it is also agreed upon by those same studies that the numbers within the social network stay the same.

An important aspect of hiring decisions is the evaluation of an applicant's ability to network with other professionals to acquire useful information, and, their willingness to work with others to accomplish team goals. Karpinska, et al. (2011) state:

One important aspect of stereotypes is that prevailing views may affect managers' discriminatory attitudes and behavior. An applicants' social capital can have an impact on their hiring success. An applicant's access to helpful networks provides information on job openings and can be a source of valuable recommendations. Marsden and Garman (2001) indicate that the use of referrals is one practice applied by employers

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

in the staffing process, as it lowers hiring costs and allows rich and trustworthy information. (p. 9)

According to the Netspar Report 2011 – 049, Table 1, employers rated older applicants higher in the soft quality of social capital, 2.48, versus their possession of hard qualities such as knowledge and capability which was rated at 1.82. This is an important bias in favor of older workers as they are viewed by many hiring managers as being able to bring helpful networks that provide information to the company. This favorable bias is confirmed by the statistics of Van Dalen and Henkens (2005), where 60% of employers agreed with the statement that older workers have more social skills than younger workers. Hiring managers that hold this perception will tend to favor older employees for positions where customer service and developing networks favorable to the company are required skills. Conversely, managers not holding this perception will tend to discount the value of an older workers social capital and focus more on the human capital of knowledge and capabilities.

IMPACT: Companies that deny employment to older Americans based on this myth deny themselves of the rich networks of older workers and the opportunity for improved solutions. All of the studies used in this paper agree that employers viewed older workers as exhibiting more social capital than younger workers. This is a good bias for older workers. I am reminded of a commercial where the boss came to the meeting for the purpose of distributing plane tickets to his sales force of younger and older salesmen in an effort to get them to meet face to face with the customer as a means of improving sales results. This commercial displayed the company's need to invest in social capital. Successful companies find the balance between the impersonal approaches of internet communications and the social capital of networking. According to the Society for Senior Advisors and AARP, 77% of Baby Boomers are internet savvy. Companies that can combine the internet capabilities of the Baby Boomers with their ability to utilize extensive social networks will be able bridge generational gaps which will translate to increased market share.

DISCUSSION AND CONCLUSIONS

This discussion paper has investigated American social and cultural changes and their impacts on the policies governing today's work place hiring practices. Detailed in this paper are a history of age discrimination, the legislative efforts to eliminate the practice of age discrimination, social ageism myths transformed to aging norms, and stereotypes within the work place. Since its inception, the United States has moved from an agrarian era where age was honored and emulated to an industrial era where age was discouraged and used as a discriminating factor in employment by hiring managers. During the fifty year period started by the American Revolutionary War societal and cultural changes created and promulgated aging myths that were internalized by hiring managers and brought to the work place. Early forms of age attitudes were practiced against the elderly, children, and single women. Writers of the period such as Henry David Thoreau popularized their disdain for older Americans. As the industrial era grew, so did market capitalism and the need for laborers. Workers were attracted from the farms to jobs in industry by the perception of easier jobs at better pay. As the industrial

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

labor market grew, so did the need for legislation to protect workers from the low wages and long hours attributable to age discrimination.

The motivations for age discrimination in industry hardly seem any different between the early 1900's and today. The roots of age discrimination then, and now, can be summed into two words, survival and profitability. Survival is described as the need to ensure a company's "existence" in economic downturns through lower wages, less benefits, and a flexible part-time work force. Profitability deals with ensuring the "success" of the company, as determined by owner profits and stock holder dividends, through adequate labor supply at appropriate wages and benefits to ensure control and retention of the labor force at the minimal cost to the company. One measure of a company's success is commonly called its "performance", and this is where ageism and age discrimination insidiously enter a company through the hiring manager.

The hiring manager is responsible for the screening of applicants in the pursuit of the best fit candidate for the job. This pursuit can be costly in both the manager's time and information systems to support the mission of Human Resources Management. It is therefore incumbent upon the hiring manager to work as efficiently as possible to minimize the cost of the selection process, as the labor hours expended toward the selection process are deducted from profits in the year that the expense occurs. Expenses work against profitability; therefore, any minimizing of expenses has the potential to raise profits, which as previously stated is the measure of company performance and success. It is in the expense control efforts of the hiring manager that societal myths on older workers are transformed to the reality of discriminating attitudes against older workers. The myths provide the hiring manager with the basis for discriminatory attitudes. Discriminatory attitudes provide a low cost set of sorting rules to eliminate workers from the selection pool without incurring the high costs of data acquisition.

This paper discusses three such aging myths. An explanation of how the myth is transformed to hiring managers is given along with data to support the widespread use of these myth driven attitudes from the Netherlands, Germany, United Kingdom and the United States. The data clearly indicates that age discrimination is not unique to the United States, but, is a Western World ageism epidemic. Fueling the epidemic is the combination of poor economies and burdensome state sponsored pension systems. Ageism attitudes based in these myths is one of several tool used to promote discriminatory practices that discourage hiring and encourage early retirement. Another tool not the subject of this paper is the laws of these countries that make labor force reductions in economic downturns very expensive and nearly impossible to accomplish, therefore, hiring is kept to a minimum during economic upturns.

This paper concludes with suggested Strategic Human Resources Management (SHRM) practices to be implemented at the policy making, employer, and applicant levels. It is also concluded that age discrimination is a problem that affects all people young and old, since young people will age to become old. Unlike racism or sexism, age discrimination is not confined to a protected class; it is an equal opportunity discriminator that affects all classes. "Who's Who in Aging America", a chapter from *Youth 'n Your Life* by Dr. David James Demko, PhD., Gerontologist discusses the sizes of American generations. As the Baby Boom population (1946 – 1964) of 78 million souls ages it is followed by Generation Xers, (1965 – 1980) a population of

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

only 49 million, and then by Generation Y (1981 – 1999) a population of 76 million followed by Generation Millennial, a population size yet to be determined. The transition of the labor supply between Baby Boomers and Generation Xers will be at issue as will the transition of the labor supply from Generation X to Y. Near term shortages in the labor supply are predicted by economist until the Generation Y and Millennial citizenry are qualified and able to replace the Baby Boomers and fill the shortage gaps. It is therefore prudent that practices be implemented, such as SHRM, to ensure the continuity of labor supply of the Western World in the coming decades. Appendix 1 delineates SHRM practices for policy makers, employers, and applicants.

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

APPENDIX 1.

PROPOSED STEPS TO REVERSE THE MYTHS

Policy Maker SHRM Responsibilities

The reversal of aging myths will require the cooperation of social policy makers, employers, and applicants in the pursuit of SHRM goals. While the scope of this discussion does not include policy changes, it would be remiss not to establish a few ideas for debate. Social policy could require that commercials eliminate ageism statements like “reversing the effects of aging” and replace those statements with statements regarding the actual good the product does for the skin at any age. These same commercials could use a mix of all ages to display the product thereby sending a message of age neutrality. Employment law could require that hiring managers submit to an ageism screening test to determine the existence of age normative behaviors and stereotypes before they engage in the hiring process. Affirmative action law could include older Americans of all races, religions, and sexual orientation as a protected class. Employers could be required to retain hiring records for five years and submit to ageism audits to determine if that employer exhibits a trend toward age discrimination in its selection practices. Employers could be required to stop the discriminatory practice of not hiring any person whom has not been employed for over six months.

Employer Work Place SHRM Responsibilities

Employers could sharpen their focus on SHRM practices. Employers can help applicants and new hires to be successful by telling the truth about their job opportunity and not communicating unrealistic expectations. Instead, employers could communicate realistic expectations in easily understood measurable terms. Society has moved from the Industrial Era where physical condition was important to the Knowledge Era where experience and know-how, connectedness, and multicultural skills have become valued social capital critical in the success of the modern organization. Since the purpose of a hiring interview is to gain data on the applicant, employers could ensure age neutral job descriptions and shift their interviews from knowledge and capabilities based to KSAOC’s and social capital based interviews. According to Pynes (2009, p. 191), employers could initiate applicant tests to determine the KSAOC’s of the applicant as well as applicant task preferences to better align them with a job opportunity. According to Caela Farren, Ph.D. At MasteryWorks, Inc. such tests exist at http://www.masteryworks.com/newsite/assessments/assess_tsort.htm. According to Pynes (2009, p. 224) employers could train their raters in the evaluation system being used and its goals. Employers could establish age balanced hiring panels of raters and promote a scoring system for interviews that is age neutral, centered on the whole person, and has balanced focus on the manner in which it measures: knowledge, capabilities, strategic thinking, flexibility, preferences, personality style, values, morals, organizational orientation, knowledge of the company’s market position, and social capital. Employers could foster a sense of belonging starting at the interview by offering a pre-interview workshop for serious applicants to demonstrate their skills through the testing techniques delineated in Pynes, (2009, p. 191, 192) such as aptitude tests, achievement tests, personality inventories, interest inventories, experience

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

and training ratings, structured oral exams, work sample performance, assessment centers, leaderless group discussions, in-basket written tests, biographical data questionnaires, drug testing , lie detector exams, honesty /integrity tests, and physical ability tests.

Older Applicant SHRM Responsibilities

Older applicants must have an awareness that they may be at a disadvantage and strive to meet the challenges of behavioral norms and stereotypes. Older applicants must be aware of the myths and be resolute not to act in a manner that may promulgate the myths. Applicants can have a great influence on the hiring interview by meeting employer SHRM expectations with prepared high quality responses for the following: volunteer work targeted to potential fields of employment, memorize market information on the companies of employment interest, enroll in community college classes in latest technology so as to be conversant in the terminology, practice and stay current in latest technology, commit to hygiene and physical exercise to portray energy, purchase one suit to look current with fashion, resumes listing experience and KSAOC's and social capital applicable to the job opportunity, lessons on team dynamics, read industry literature and participate in a blog related to your field to stay current, practice the ability to clearly convey your expectations and address the expectations of the interviewer, understand and convey how you can begin to contribute immediately to the company's results and success, build a network of professionals in your field, have ready three quality references from leaders of businesses in your field, improve your credit score if your interviewing for a financial job, and ensure all electronic and social media about you is positive and portrays sound morals, values, and judgments.

Age Discrimination and Its Impacts on the Work Place SHRM Activities

By Thomas M. Lorenz

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By Thomas M. Lorenz

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