

Older workers (1951)

Employability and Aging

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by

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Probably the most intriguing fact about the subject of employability and aging is that we know so little about either. And we know even less about their interrelationships. A corollary aspect of this problem stems from the numerous opinions which people have about alleged relationships between employability and aging. These opinions are usually held rather strongly and often form the basis for actions in the labor market that actually decide relationships between employability and aging.

Hence, the first brain tickler I encountered in thinking about this problem was -- "Why should there be so many strong opinions and so few weak facts available on this subject?"

At first blush, I thought the answer was quite simple. Opinions about employability and aging could flourish because there were so few facts available to contradict them. This tautological answer became quite unsatisfactory, however, when I asked myself the question -- "Why do we want to know about the relationships between employability and aging?" To answer this, it is necessary to ask -- how do you define employability? And how do you define aging?

Sounds academic and more than a bit pedantic, doesn't it? I thought so at first, too. Then I began to see that my two questions are related -- how

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do you define employability and aging, and why do we want to know about their relationships, are questions that do not have readily apparent answers -- but taken together, they suggest a point of departure.

Almost everyone defines employability in terms that affects his own personal situation. Almost everyone is concerned with problems of employability and aging primarily as it affects his own status. Since everyone is not alike in these two respects, study of problems of employability and aging involves a tremendously complex set of variables.

There is a fairly substantial body of knowledge concerning individual differences of people -- some of it relates to individual differences in work situations, but more industrial data are needed. There are some attitude data about problems of employability and aging -- but these, too, are few and far between. In their present state, it is difficult if not impossible to align existing knowledge about individual differences, attitudes, employability, and aging -- and come up with much of anything meaningful.

Let's return to the original questions. What do we mean by employability? How is it defined?

Actually, the meaning and definition of employability depends largely upon who's looking at the problem. We're all like the blind men, describing the elephant. Some are blinder than others, I must admit. Thus, the groups that should probably be most concerned, employers, unions, employees in general -- yes, and even the public -- by and large for these groups there are no problems of employability and aging. They not only see through the gloom but dimly -- for the most part they don't even bother to look.

There is, however, a small but determined group who look long and hard. These are college professors, research workers, industrial physicians, social workers -- yes and even a few exceptional employer and union people. This little band has looked long and hard at the elephant -- in fact, they may have grabbed him by the derriere, but like the other blind men in the fable, I don't think we in this group have grasped all sides of the problem -- nor have we put the facets of our descriptions in proper order. We see the problem primarily as one faced by employers -- we think in his terms. This makes it seem more realistic and dashing for those of us who have never had to meet a payroll. We prattle glibly about concepts we think the employer has, or should have -- and in so doing we may be neglecting to tie in other aspects of the total problem.

What is the total problem? It is the sum -- indeed more than the sum -- of all the interrelationships of the various parties affected. As working hypotheses, let's consider tentative ways in which various groups approach the problem. In other words, let's try to circle the elephant and see how he really looks. It's dangerous to generalize -- I have to admit there are numerous exceptions, but I am willing to stick my neck out on a few generalizations.

All right -- who's concerned with employability and aging? And what do they seek in this connection?

First, take employees. Older ones probably view the problem differently from younger ones. The older ones worry more about economic security; many of them may want to continue working. To younger employees, this represents a threat. Older employees block job opportunities; have better, higher-paying jobs -- block promotions, etc. I respectfully suggest that neither of these

groups is particularly interested in problems of production efficiency.

Second, look at employers. In words, at least, if not in deeds, they are concerned with labor costs and efficiency of employees. Many also are concerned with employee welfare, in terms of job satisfaction, and some of them are public relations conscious -- or let's say civic minded -- they want to help out on this problem in the same way they tackle the community chest, Red Cross, sewage disposal, and other ventures for the betterment of the community.

At best, to most employers, the problem is a gadfly, to be swatted occasionally if you get bitten, and like the gadfly, you ignore the problem between bites. In addition, employers have a rather general belief that pension plans and compulsory retirement programs will solve the problem for them. As the National Association of Manufacturers puts it "... although most pension plans of today do not generally operate to bar employment of older people, the financial soundness of these programs, their advantage to industry and the real benefits to workers themselves require retirement from active employment at a definite age -- usually around 65. In light of the exacting nature of modern industrial work, this is not an unreasonable retirement age, and does not necessarily involve reduced opportunities for employment."

In addition to this kind of view, industry appears to be somewhat hypocritical in approaching this problem. They spend lots of money and effort denouncing governmental intervention -- at the same time the other side of the mouth is saying, "Let the government do it." This other side of the mouth approach is used frequently on problems of employability and aging, as we all know.

Who else is concerned with employability and aging? We've discussed employees and employers. How about unions? Here there are at least two views --

security for union members and security for the union itself. That these may conflict can be illustrated by one of our old age studies at the University of Minnesota Industrial Relations Center. A union leader told us that their policy was to encourage older employees to retire -- he felt the younger ones were more efficient, and the union felt it had a better chance for demanding wage increases if they could keep increasing efficiency. On the other hand -- and speaking out of the other side of his mouth -- whenever an employee was about to be retired by the company, the business agent resisted the retirement tooth and nail to protect the employee. The employee had paid his dues for years -- and when he needed protection, the union was there to protect him -- and did. I offer this as an illustration of union views toward employability and aging -- the need for member job security -- which is also expressed in form of seniority rules on layoffs, transfer, etc. -- and the need for union security per se. The union view that collective bargaining can solve problems of aging and employment leaves me cold. All too frequently it is bargaining in ignorance of vitally needed facts.

Who else is concerned with these problems? Let's take the government. Many bureaucrats argue for more social insurance schemes. It's a fact, both in this country and abroad, that most social insurance schemes were resisted by employers and unions at first, and were introduced primarily after salesmanship by bureaucrats.

Laws may affect our attempts to solve these problems. For example, the effect of the 65 year old provision of the Social Security Act has had an untold but heavy effect on the way we handle problems of employability and aging.

Administrative rulings also shape and influence the problem greatly. Thus relief and insurance standards have a telling effect. In St. Paul, for example, there are over 5,500 female widows 45-64 years of age. There are over 7,500 female widows over 65. 55% of the widows below 65 are at work, and only 5% of those over 65 are at work. Would anyone claim that their employability decreased automatically at 65? Could government laws and rulings have had any effect on this situation?

What about the public in this situation? Here differences among groups are very great. But you could probably find a majority who are interested in having more goods and services available at lower prices -- they also would probably not kick at having lower taxes. But generally they fail to see how these are related to the extra production we'd get if we could line up more and better jobs for older workers. They don't realize that those now employed over 65 have an output of over \$12 billion dollars, almost one-fourth of our federal budget. The public may not realize that we could probably put at least again as many oldsters to contributing more goods and services, and also reducing costs of their support. They need to be told these things often and hard.

But more likely the segments of the public think in terms that affect them more directly. For example, young people who have parents and relatives to support used to view the problem in terms of moving the oldsters into the spare bedroom, etc. Now they view the problem as one of shoving the burden over to the government as quickly as possible.

Oldsters, too, may have different views from youngsters. People with potential older dependents may view the problems differently from those without potential older dependents.

By now, I think I've said enough to show that no single statement of the problem and no single definition of employability can be adequate or realistic. People are affected in different ways, they have differing opinions, and different goals. Within any single group, say employers, purposes and goals concerning employability and aging differ widely. Between and among groups great differences also exist. And until we recognize these many and conflicting viewpoints more adequately, we can't attack the problems of employability and aging to best advantage.

Let's return to the problem of defining employability. It is far more than a question of employer hiring limits. These hiring limits may vary with the state of the labor market -- in times of ample supply we don't hire as many oldsters -- when labor supply is tight we hire more oldsters -- but there is more to the problem than that. Potential older employees may also define employability. They may decide to enter the labor market in boom times and withdraw in bad times after repeated refusals of employment. Oldster's definitions of employability may be related to their concept of adequacy of pension and insurance benefits. Or, definitions of employability may be partly determined by the public. Who kicks most when stage show chorus girls do a poor make-up job and show their real age?

Now I've taken a long time to try to make my first simple, but basic, point. And I make no apologies for so doing. I firmly believe we have to pay much more attention to the definitions of problems of employability and aging, and we must also find some way to identify and relate the numerous and varied interests people have in these problems. To date, I feel that we've over-emphasized employer aspects -- now I'd suggest we bring other aspects into better balance.

As a first step, I'd suggest we identify and relate goals as they now exist.

Second, I'd suggest that we try to agree upon some socially desirable set of balanced goals that are mutually compatible. Then we might try to sell these goals. I said sell deliberately, for by and large, most people do not recognize the importance of the problems of employability and aging, and their resistance to new ideas on the subject will probably be high, especially when we consider the strength of their existing prejudices.

Third, I'd suggest we try to find out what various groups are doing, if anything, about problems of employability and aging. We have made some pilot studies of employers and unions at the University of Minnesota that illustrate this approach. I'll cite just a few findings:

1. The majority of Minneapolis firms included in the survey had no definite policy for utilizing older employees. Almost none of the minority of firms who said they had such policies had reduced them to writing.

2. Firms with pension plans (and compulsory retirement ages) don't keep on older employees in as great proportions as do firms without such plans. Almost nine-tenths of the non-pension-plan firms keep on most or all employees over 65, only about one-third of the pension-plan firms do. Many of the pension-plan firms retired employees even though the firm considered the employee able to handle his usual job.

3. With respect to union participation, less than one-fifth of the employers consult the union in all cases involving utilization of older employees -- in about one-fifth of the cases the union is consulted only when changes in wages or working conditions are involved; in the remainder of the cases there is almost no union participation in the program. Unions themselves generally do not have written policies or procedures for such cases. There are a few scattered clauses in

collective bargaining agreements that relate to this problem, but generally these related to pension and other retirement programs rather than programs for utilization of older employees.

4. Top management and supervisors were found to have less favorable attitudes toward older people than employees in general. Older employees have more favorable attitudes toward older people as a group than younger employees.

5. Jobs preferred by older employees involve less standing and walking, slower work speeds and less rigid pacing than jobs performed by younger employees.

These findings are illustrative. They are intended to show what kinds of data can be gathered to see what is actually being done about utilizing older employees at present. We need to gather such facts not only from employers and unions, but from other groups as well, including the public, young people and old people, etc.

In gathering our facts about employability and aging, I strongly urge that we approach these problems in proper perspective. By that, I mean we should regard frictions in employment opportunities as part of the general problem of labor market frictions. We should see problems of placement of older workers as part of the general problem of selective placement of all employees. We should see problems of productivity of older employees as part of the general problem of productivity of all employees.

Personally, I feel that such devices as old-age clubs and old-age departments, although probably desirable at present, are temporary stop gaps rather than solutions to problems of employability and aging. In other words, I'm trying to suggest that the best approach to problems of employability and aging would be to study them within the context or framework of selective placement in

general, attitudes in general, employee productivity in general, etc.

Then, I think it's high time we get down to the facts of life. Let's quit kidding ourselves. It is my considered opinion that we'll make substantial progress only if we do face the facts of life. Let me try to illustrate this point.

1. Let's quit pretending that most employers, employees, and unions are vitally interested in this problem. Let's find out how interested each group is, what opinions they have, what facts they possess -- and then proceed from there.

2. Let's quit pretending that anyone knows much about the relationship between productivity and employee age. We know just about nothing on the subject of employee productivity in any of its phases, let alone how it's related to age. And furthermore, I submit that we lack suitable techniques to measure and compare individual employee productivity. I also submit that it is almost impossible to find firms that use measures of employee productivity as criteria of employee success. I discount opinion surveys and ratings of productivity as substantially inferior to output measurements. We have some of these ratings and opinions available. But we know next to nothing about actual productivity, so let's face this fact.

3. Let's quit pretending that if we want to do research we can go out into industry and unions and get facts easily about such needed data as distributions of employees by age. They are not readily available, and by and large personnel records in most companies are not only not used for such purposes, but they are in such sad shape that they frequently are unusable.

Summary

If I have sounded like a defeatist, I haven't meant to. But I do think we need to tackle the problems not only more vigorously, but more realistically than

we have. Here's a summary of the situation as I see it.

First, we need to define problems of employability and aging more rigorously. We should identify and analyze the numerous, varied and often conflicting purposes and goals of the parties involved. In the past we have concentrated on employer goals as we assumed them to be. We need more balance in approach; we need more specific information about goals.

I feel it is imperative to recognize that there is not identity of goals and that we should appraise problems of employability and aging not only in terms of productive efficiency, but in terms of job security, union security, income needs, etc. These latter goals should be measured and appraised much more than they are at present. Right now, we sound as if we're trying to sell this problem to employers -- that's all right, but let's sell it also to employees, unions, the public and other groups, in terms that they're interested in -- and these terms include a lot of different things other than productive efficiency.

Second, we should measure existing policies and practices of employers, unions, etc. to see how they affect attainment of these goals -- to see the effects they have on relationships of employability and aging.

Third, let's get some facts. Let's gather data about company and union procedures. Let's get information about job requirements. Let's have facts about employee productivity. Let's test and measure attitudes. Let's analyze jobs to see what job functions can be performed by older employees. Let's get the facts about employment capacities of older employees. We need much more basic data gathering, and proportionately less armchair rocking and flag waving. Frankly, I'm sick and tired of reading hundreds of articles that re-hush the pitiful handfull of research studies now available.

Finally, let's decide if we're going to be sterile research workers, or if we're going to be partisans. By that I mean, let's decide: Should we just gather facts, and toss them out to be used as the parties see fit? Or, should we suggest ways of increasing the use of older employees?

Frankly, I personally prefer the latter course. Let's show how present policies and practices of employers and unions (e.g. pension programs, fixed retirement age, etc.) restrict utilization of older employees, if they do. Let's show how these can be changed to help rather than hinder use of older employees. Let's do the same thing for attitudes, institutional factors, and other things related to the problem.

And let's show how this can be done in terms that appeal to the various groups involved. Let's solicit their help and active support. Let's expand our researches. And above all, let's recognize the magnitude of the task ahead of us. It will be a long hard pull. We may be defeated by movement of social forces demanding resolution of these problems before we can bring forth a sufficient quantity of usable research results. We have only scratched the surface on problems of employability and aging. We may fail to solve them objectively. Time and compacency are operating against us -- only with renewed research efforts can we succeed in understanding, and perhaps solving, problems of employability and aging.