

Manufacturing companies show positive attitude towards older workers

A survey of manufacturing and affiliated industries shows that companies cultivate a favourable attitude towards their older workers, which improves as the number of workers aged 50 years and over rises. However, where companies question older workers' performance, employment protection legislation is likely to discourage their recruitment. At present, human resources policies for elderly employees aim to ensure the knowledge transfer between older and younger workers.

On 24 November 2009, the Cologne Institute for Economic Research (Institut der deutschen Wirtschaft Köln, [IW Köln](#)) published the [findings of a representative survey \(in German, 121Kb PDF\)](#) among more than 1,300 companies in manufacturing and its affiliated industries on the image of older workers. According to the study, the majority of companies cultivate a favourable attitude towards their older employees and their appreciation increases with the proportion of older workers in the workforce.

Image of older workers in German companies

Table 1 reveals that at most a quarter of the companies surveyed fully or partly believe that older workers are less productive than their younger colleagues. For instance, 27% of employers agreed with the statement that older workers perform worse than younger employees as a result of not being able to keep up with the pace of work. The proportion of companies agreeing with other reasons is very small. Overall, only a minority of employers have prejudices towards older workers.

Table 1: Image of older workers, proportion of companies that fully or partly agree with certain statements (%)

Statements	Fully agree	Partly agree
Older workers are less productive than their younger colleagues because they do less than younger colleagues can do	0.6	6.9
Older workers are less productive than their younger colleagues because they are not interested in their tasks	0.6	10.0
Older workers are less productive than their younger colleagues because they do not fully exploit their work experience	3.0	9.0
Continuous training for older workers does not pay off for the workers themselves	2.5	21.1
Older workers are less committed to their work than younger ones due to a lack of motivation	2.3	22.2
Continuous training for older workers does not pay off for the company	3.4	22.3
Older workers are less productive than their younger colleagues because they are not able to keep up with the pace of work	5.0	22.0
Older workers are less innovative than younger colleagues because they do not keep their knowledge up to date	5.0	22.0
Older workers are less innovative than younger colleagues because their employers do not update their knowledge	7.3	26.4
Older workers are less committed to their work than younger ones because their employers do nothing to motivate them	7.5	27.4
Older workers are absent from work for longer periods due to sickness	6.2	38.0
Older workers are less frequently absent from work due to sickness	18.2	31.1

Source: *IW Representative study (IW-Zukunftspanel) 2008*

The generally favourable attitude of companies towards their older workers is also revealed by the responses to items which may have an indirect adverse impact on the performance of older employees. Only one quarter of employers stated that continuous training did not pay off either for the company or for the older workers. In addition, no more than one third of the companies responded that older employees were less innovative and less committed to their work than their younger colleagues. Interestingly, a higher proportion of companies blame such a lack of innovative spirit or commitment to work on the company itself than on the older workers' own lack of cooperation.

Table 1 also shows that companies' expectations with respect to sick leave by and large conform with empirical data from health insurance statistics. Further analyses reveal that the likelihood of having a positive attitude towards older workers is higher in companies with a large proportion of older workers in the workforce.

Human resource policies targeting older employees

Positive and negative attitudes of employers towards older employees have a significant impact on companies' human resources (HR) policies. While expectations of older workers' performance strongly influence recruitment decisions, the involvement of older employees in internal procedures depends rather on expectations of their motivation and willingness. For example, the likelihood of recruiting older applicants if employment protection legislation were less strict is 2.1 times higher if the company believes that older workers are on sick leave for longer periods, 1.5 times higher if they question the return gained on training older workers and 1.6 times higher if they believe that older employees cannot keep up with the pace of work. Table 2 reveals that the most significant human resources policies are those which focus mainly on the transfer of know-how between older and younger employees (Table 2).

Table 2: HR policies for employees aged 50 years and over (% of companies with older workers)

	Implemented	Planned
Working groups composed of older and younger team members	56.3	5.3
Employing older workers as trainers, mentors etc.	35.1	10.4
Deliberately assigning older workers to projects at varying locations and abroad	28.0	15.1
Regular interviews concerning motivation, job satisfaction, commitment	24.5	12.9
Health promotion and preventive medicine programmes	20.6	17.6
Lowering job specifications	17.3	11.1
Job rotation	16.7	6.3
Specific training programmes	16.6	12.8
Deploying older workers specifically for research and development activities	13.1	2.9
Seniority-based or age-based career track	13.0	6.7
Partial retirement schemes	12.3	13.9

Note: Multiple responses

Source: *IW-Zukunftspanel 2008*

The majority of companies (56.3%) have already implemented working teams composed of older and younger workers, and a further 5.3% intend to do so. In addition, more than a third of companies (35.1%) already employ older workers as trainers or mentors for junior workers, and a further 10% plan to deploy experienced older colleagues to training younger ones. The companies' specific appreciation of the knowledge and experience of older workers is also shown by the relatively high incidence of older workers being deployed in projects at varying locations and abroad. About 43% of the companies have already assigned older workers to these tasks or intend to do so.

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