# Research Summary

Dr. Tim Hessell

University of Newcastle





As part of a University of Newcastle PhD research project between 2015 and 2020 exploring HR manager meanings of talent and any potential impact on older worker employability, interviews were conducted with 18 senior HR executives in large well known Australian based organisations in the finance, technology, professional services, manufacturing, recruitment and education industries.

Analysis was also undertaken of Company Reports of the employing organisations of the interviewed HR professionals and HR profession trade journal articles on meanings of talent and diversity.



# Organisation Factors As An Influencer Of Negative Older Worker Perceptions

Large organisations have been influenced by the existence of negative stereotypes to filter their perceptions of older workers.

The influence of organisation factors on individual attitudes to older workers has received little attention. Large organisations, despite their change rhetoric, prefer processes & behaviours that encourage stability, continuity and risk aversion. Whether these organisation behaviours help shape attitudes to older workers is unclear. Company behaviours surrounding talent identification represent a case in point. In the past 30 years large companies have embraced talent management as a critical process to achieving sustainable competitive advantage. The HR profession has taken ownership of corporate talent management process activity as a vehicle to enhance their credibility and influence within the organisation. Little research exists in Australia on how HR managers understand talent and what influence an organisation environment may have on their talent views. The implications of HR talent meaning for older workers within Australia has not been explored.

#### **Research Purpose**

The purpose of this research was to examine how HR managers understand talent, the factors giving rise to their talent view and how this influences their perceptions of the older worker.

#### **Major Findings**

HR managers have a narrow professional process driven view of talent

- Despite HR managers having a personal view of talent embracing inclusion and diversity, within their professional capacity they implement a narrow and exclusive view of talent
- Talent is understood in highly subjective and perceptual terms introducing the risk of personal bias into its meaning
- Talent designation is unique to each company and emphasises a social rather than economic priority reflecting a requirement for input from numerous managers
- The talent criteria of organisation fit and individual potential are prioritised over personal experience and expertise in talent hiring and promotion decisions

- Talent is associated with a future business state supporting an organisation need for continuity and sustainability, introducing a time element to talent meaning
- Age considerations have a conscious influence on HR managers when 'time' becomes an element of talent meaning
- HR managers believe younger workers relative to older workers represent talent as they have greater individual 'growth' potential



# Organisation factors significantly influence HR manager talent meaning

- A low HR professional self–esteem encourages risk averse behaviour in HR manager talent decision–making and compliance with pre– existing corporation talent understandings
- A deep immersion in corporate work environments has mentally conditioned HR managers to consciously think of talent in specific and narrow terms
- Short term high pressure operating environments drive fast paced risk averse talent decision–making reflecting conditioned HR manager talent views and pre–existing corporation talent definitions
- Pressure to meet performance targets encourages managers to define talent in their own image as an 'insurance policy' to protect their jobs
- Historical corporation talent meanings are captured within routine talent management processes and practices encouraging a relatively inflexible talent view within organisations
- Talent is required to project a desired corporate image emphasising energy and vitality as evidence of a sustainable organisation ability to regenerate
- Organisations deliberately use the social control force of group pressure to influence individual talent views thereby minimising challenges to existing organisation talent thinking





# Implications for attitudes to the older worker

HR managers
label older
workers 'seasoned
professionals' not
talent. As companies
are interested in
only hiring talent,
the older worker is
excluded from hiring
consideration.

Three barriers to older workers being understood as talent are identified:

# Older workers do not secure the future for organisations

- HR managers assess older workers possessing limited potential and therefore promotability.
- Senior managers have age- based views of job roles perpetuating age stratified work hierarchies.

### 2. Older workers do not represent a good organisation fit

- As older workers are deemed to have little future value they do not fit immediate organisation staffing requirements.
- Young people, irrespective of gender, ethnicity or disability are more socially acceptable within a corporate setting than older people.
- The recruitment of older workers as talent is a potential threat to those that hire them.

# 3. Older workers do not project a desired corporate image

- Corporations do not want to project an image that makes them appear old, conservative or finite.
- Organisations actively work to avoid being associated with characteristics attributed to the older worker such as solidity, stability, lack of energy or out of date thinking as they infer weakness and an inability to effectively compete in fast changing business environments.

#### **Conclusions**

- Talent identification represents a process that supports the desired organisation behaviours of stability, continuity and risk aversion.
- Whilst there is a possibility of individual ageist HR attitudes, this research highlights corporate talent meaning as an inbuilt organisation vehicle promoting age discrimination. This suggests ageism has a stronger institutional foundation than previously understood.
- Little impetus exists to address this work– based ageism.
   Senior managers, including HR professionals have little interest in increasing workforce age diversity or harnessing the significant value the older worker offers large corporations.

# Older Worker Research Evidence — A Positive News Story

Some further facts revealed during through the PhD research to encourage a re-appraisal of older worker value to companies

- Older workers stay in jobs longer than younger workers, have higher levels of work commitment, are more reliable and less prone to absenteeism whilst also demonstrating the ability to acquire new skills and be creatively innovative.
- In most work and ageing studies only limited differences are found between age groups in terms of health, well-being, overall performance and personal initiative, with little evidence supporting job performance declining with age.
- Negative older worker stereotypes are not supported by research evidence revealing older workers as highly skilled and experienced, easy to get on with, having a positive work attitude and no less motivated than their younger colleagues to acquire new skills.
- A major German study revealed that a 10 per cent increase in workforce age diversity led to an improvement in company productivity of approximately 3.5 per cent per year in companies performing non -routine professional activities.
- Research on age diversity in teams shows that team processes and team performance are likely to be positively influenced by the age diversity of the team
- Older employees are inclined to postpone retirement when they expect their job to remain challenging and rewarding, providing them with learning opportunities.



### Please use this research reference when citing this document:

Hessell,T. (2021). 'Talent and Age: How Do Human Resource Manager Meanings of Talent Influence Their Perceptions of Older Workers?' PhD thesis. University of Newcastle. Newcastle.

#### RESEARCHER

#### **Dr Tim Hessell**

PhD(Uni of Newcastle) MBA(Macquarie Uni) BComm(Ind.Rel.)(UNSW)

- tim@encourageequality.com.au
- ncourageequality.com.au
- in Follow us on LinkedIn

