

An Individual Approach to Employees as a Key Success and Sustainability of an Organization: Quality and Functional Age Strategy

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Abstract – The main goal is to find out the attitude of the organizations in age diversity regarding the personal work plans of the employees, the policy of the organization and selected identification variables. The data was obtained based on quantitative research and focus groups. The results showed that although company managers are aware of the problem of age strategy and have a friendly attitude towards the age of their employees, most of the surveyed organizations do not have an age strategy included in the organization's policy, and the age strategy is usually not part of the employees' personal work plans.

Keywords – age management, employee care, intergenerational cooperation, organization policy, work environment.

1. Introduction

The demographic development of the population points to its aging, which is valid for the Czech Republic and Europe as a whole. According to CSO [1], by the middle of the 21st century, the proportion of people aged 65+ should reach up to one third of the population, and the average age of the Czech Republic should increase to 50 years. The aging of the population thus has major consequences for the economy as a whole, individual organizations, and individuals. Organizations must start working on management strategies for their employees with regard to age and support so-called age management.

However, in traditional business enterprises, social problems are often ignored in management goals [2], [3]. Despite many recommendations [2], [4], [5] to ensure sustainable business in human resource management (hereinafter HRM), the principles of diversity and age management are often not applied in companies due to insufficient generation cooperation, insufficient knowledge transfer and insufficient use of knowledge [6]. The quality of the processes relates to the elimination of the threat of losing key knowledge, especially during personnel changes such as retirement; however, an important aspect is factors at the organizational level, which are positively related to the application of several types of diversity and age management [4], [7], [8].

Equal access to basic hygiene conditions and medical care, suppression of manifestations of discrimination, racism and xenophobia, and religious intolerance, all of this is included in the social pillar of corporate social responsibility (CSR). This is a group of external and internal factors that are important, especially in the area of knowledge transfer and ensuring a non-conflictual working environment, a good organizational climate, and, last but not least, preventing the application of age and other stereotypes. The internal factors of the

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mentioned social pillar include, among others, safety and health protection at work (OSH), care and development of workers including their education, equal opportunities for all workers, a balanced composition of employees in terms of gender, age, etc., non-discrimination and others. The external social area of CSR is related to a whole range of activities of the organization acting externally, i.e. corporate donations or volunteering, for example. In addition to the above, this also includes assistance to disadvantaged groups, development of employment in the region, and last but not least, support for education.

Age management represents a specialized approach. It takes into account the current demographic conditions and age categories of employees in order to fulfil the organization's goals [9], [10], [11]. The decision whether to apply diversity or directly age management is the responsibility of individual organizations with regard to demographic development and the current situation on the labour market, as well as migration [8], [12]. At the same time, age affects the willingness to adopt new technologies [13], [14], which plays a significant role in a digitization-dependent era.

The main goal is to find out the attitude of the monitored organizations in the area of age diversity with regard to the personal work plans of the employees, the policy of the organization, and selected identification variables. The ambition of the research is also to identify activities relevant to the issue of age diversity in monitored organizations in the Czech Republic. Age diversity and intergenerational cooperation at the organizational level together with the support of knowledge transfer is a current, interesting, and important topic, but unfortunately, and not only in the Czech Republic, it has not been sufficiently discussed and researched so far [3], [6]. As also emerges from the literature search and other quantitative research, organizations perceive the importance of implementing elements of age management as important, but do not undertake any activities to fulfil them, therefore the authors of this article consider it very important to examine the attitudes of organizations in the area of age diversity.

2. Theoretical Background

The application of age management principles makes it possible to use the knowledge of employees to ensure the continuity of their knowledge [3], [6], [15]. It is a way of using human potential to maintain and increase organizational performance concerning future demographic trends [16]. Age diversity is part of the CSR phenomenon, specifically activities

related to focusing on the social pillar of sustainable business [3], [17]. The activities of the social pillar of CSR consist in balancing inequalities between individual social groups or individuals, especially with regard to ensuring a non-discriminatory environment, as well as an environment that adequately reflects natural aging and ensures a safe workplace for less and more experienced workers.

According to Prates et al. [18], organizations should have an obligation to work on improving social welfare. To achieve the organization's long-term goals, top managers create stimulation systems aimed at middle management [19]. One of these tools is written strategic documents and codes that contain organizational goals, rules, and guidelines, and which harmonize or standardize the behaviour of managers and workers in order to minimize failure [20], [21]. The subject research is focused on the formulation and implementation of personnel strategy as a long-term plan created to achieve goals in the field of HR, which enables meaningful planning and management of all work with human resources. It follows on from the organization's strategy and contains very specific relevant goals linked to specific human resources strategies, for example in the context of talent management, knowledge management and knowledge continuity management, acquiring and maintaining quality employees, and, last but not least, continuous improving all workers and processes.

Principles of age management can be effectively applied in most personnel activities that work with the potential of individuals. For proper use, it is necessary to reflect their age and individually create working conditions for different age categories of employees, so that their potential is used as much as possible. For this, it is only necessary to set up high-quality and functional age management. Such an individual approach to employees can be identified as the key to the success and sustainability of organizations. The article, therefore, focuses on the evaluation of selected variables affecting age diversity in organizations.

3. Materials and Methods

Quantitative and qualitative research meets strict criteria in terms of maintaining anonymity and ethical aspects. For the purposes of implementation, a Google form was used, while the questionnaire was filled out by 183 organizations ($n = 183$) from 06/2020 to 12/2020. The following statistical qualitative and quantitative variables (so-called identification features) can be included among the basic identification questions of the questionnaire survey, see Table 1.

Table 1. Basic characteristics of respondents

Characteristics	Categories		
	Primary	Secondary	Tertiary
The economic sector of the organization	4.4%	41.5%	54.1%
The size of the organization	<50	51–249	>250
	26.2%	28.4%	45.4%
Majority ownership	Domestic	Foreign	
	45.4%	54.6%	
The type of organization	Private	Public	Non-profit
	85.8%	11.5%	2.7%
Annual turnover	<10 mil. EUR	11–50 mil. EUR	>50 mil. EUR
	38.3%	37.7%	24.0%

Dependencies between selected qualitative and identifying features were tested. To test the hypotheses of homogeneity and independence, chi-square (χ^2) tests of independence are used and Cramer's V at the significance level $\alpha = 0.05$. The minimum sample size was determined according to formula (1) from Krejcie and Morgan [22]:

$$s = \frac{z^2 \cdot N \cdot r \cdot (1 - r)}{(d^2 \cdot (N - 1)) + (z^2 \cdot r \cdot (1 - r))} \quad (1)$$

where:

s = required sample size;

N = size of the basic set (2,700,000 organizations according to CZ-NACE);

z = required degree of certainty, reliability (= coefficient 1.96 for a degree of certainty 95 %);

d = permissible degree of deviation, error rate (= 3 %, i.e. 0.03);

r = expected rate of deviation, or expected sample level (= 4 %, i.e. 0.04).

The sample created from the base file (CZ-NACE) can be considered representative, as it corresponds to the percentage representation of the selected groups of organizations in the base file. The minimum required sample size, in this case, is 163 respondents. The IBM SPSS Statistics software was used to reach the results.

To verify the results, follow-up face-to-face interviews using focus groups ($n = 5$) were also conducted online in 06/2021 with managers/directors from organizations (one from the primary sector, one from the secondary sector, and three from the tertiary sector) on the topic of the application age management, achieving competitive advantage and sustainability.

4. Results

The answers of all 183 respondents are processed in the following 5 tables, from the point of view of descriptive statistics and from the point of view of

testing the dependencies between selected qualitative features to fulfil the main research objective.

Table 2 shows the answers of individual respondents to questions regarding the approach of organizations to the age strategy in the organization. These results show that the management has knowledge of the issue of age strategy in the organization and also a friendly attitude towards employees of any age category. At the same time, the age strategy is not part of the organization's strategy or the personal plans of most of the interviewed organizations.

Table 2. Approaches of organizations to age strategy (relative frequencies %)

Approach*	Definitely YES	Rather YES	Rather NO	Definitely NO
1	30.6	47.0	19.7	2.7
2	35.0	48.1	16.4	1.5
3	25.1	58.5	14.8	1.6
4	28.4	47.0	24.0	0.5
5	4.4	41.5	44.8	9.3
6	38.3	42.1	15.8	3.8
7	33.3	53.6	10.4	2.7
8	38.3	42.6	14.8	4.4
9	48.6	41.0	9.3	1.1

*1 Knowledge of age issues – management is aware of issues related to the future of the workforce (aging employees, early retirement, etc.).

*2 Friendly attitude towards age – the management of the organization has a positive attitude towards aging employees and their knowledge, the knowledge is utilized.

*3 Management understands individuality and differences; it is responsible for an individual approach to workers of all age categories.

*4 A high-quality and functional age strategy – the appreciation and equality of employees of different ages, intergenerational cooperation, lifelong learning, and the willingness of experienced workers to continue working together are becoming more important.

*5 The age strategy is part of personal work plans and organizational policy.

*6 In our organization, there is good working capacity, motivation, and the will to continue cooperation until retirement.

*7 High level of competence – management is aware of the concept of shared competence and learning, the concept is included in important organizational decisions, and management ensures that experience is being passed on.

*8 The organization of work and the working environment meet the needs of our employees of different ages.

*9 Satisfying life – recognition, work well-being, and quality of life of older employees have significantly improved in the organization. Workers retire with dignity.

The results of the focus group ($n = 5$) also confirm these priorities of organizations in the area of the care of employees. Respondents within these focus groups agreed in particular on the increased emphasis on safety and health protection at work for less experienced workers as well as for highly experienced workers who are at high risk of injury. The respondents also agreed that they place great

emphasis on the continuity of knowledge, as they realize that the retirement of an experienced worker, for example, means a great loss for the organization. These respondents do not have a functional age strategy in place in their organization; however, most of these workplaces have a fairly elaborate educational system that enables the necessary sharing of knowledge. Furthermore, the results were scaled (1 – definitely yes, 2 – rather yes, 3 – rather no, 4 – definitely no) and processed statistically in summary (agree and disagree answers).

Table 3 presents the results of descriptive statistics. The average value for the individual questions was then below 2, for the only answer, namely the question regarding the introduction of an age strategy in the organization, the value was above average, namely 2.59 (which corresponds to the results stated in the literature review). From the above, it can be concluded that the management is rather aware of the issue of aging employees (and their valuable knowledge). The standard deviation then indicates how the individual answers deviated from the average value.

Table 3. Results of descriptive statistics in organizations' approaches to age strategy

Approach*	Mean	Std. Deviation
1	1.95	0.783
2	1.83	0.713
3	1.93	0.680
4	1.97	0.741
5	2.59	0.720
6	1.85	0.822
7	1.83	0.720
8	1.85	0.829
9	1.63	0.698

Table 4 reflects the results of testing the dependencies between qualitative characteristics (the organizations' approach to age diversity and the size of the organization and the ratio of women and men in the organization).

Table 4. Results of testing dependencies between qualitative features

Approach*	Size p-value/ Cramer V	Ration of women and men p-value/Cramer V
1	0.061/0.172	0.541/-
2	0.339/-	0.380/-
3	0.973/-	0.020/0.202
4	0.066/-	0.445/-
5	0.952/-	0.057/-
6	0.548/-	0.642/-
7	0.388/-	0.675/-
8	0.904/-	0.171/-
9	0.194/-	0.966/-

The null hypothesis about the independence of the identifying variable the ratio of men and women and the fact regarding the individual approach towards a worker is rejected (a rather lower dependence according to Cramer's *V* is indicated). In all other cases, the null hypothesis cannot be rejected.

Table 5 deals with the dependence between the answers in the organization and the personnel setting. The table shows the distribution of positive responses between 3 types of organizations – organizations where more women work, organizations where men predominate, and organizations with approximately 50% gender distribution. Research shows that the most positive responses come from organizations where more men work and the least from organizations where women work predominantly.

Table 5. Results of the dependence between the response in the organization and the personnel setting in the organization

Approach*	About 50%	More men	More women	Total
1	46	55	41	142
2	49	58	45	152
3	47	63	43	153
4	44	53	41	138
5	25	39	20	84
6	50	53	44	147
7	54	61	44	159
8	47	55	46	148
9	56	61	47	164

Table 6 shows the breakdown of positive responses between small, medium, and large organizations. The results show that in large organizations the emphasis is mainly on employee satisfaction, recognition and their individuality, a high level of competence, and a friendly attitude towards age. In the case of small organizations, the emphasis is mainly on the concept of shared knowledge.

Table 6. Results of the dependence between the response in the given organization and the size of the organization

Approach*	250 and more	51 to 249	Up to 50 employees	Total
1	58	45	39	142
2	70	40	42	152
3	69	44	40	153
4	63	34	41	138
5	39	23	22	84
6	66	40	41	147
7	69	47	43	159
8	67	43	38	148
9	75	49	40	164

Although demographic development forecasts are beginning to be confirmed, in the Czech Republic, age management is still a relatively unknown concept

and organizations are largely unfamiliar with it, both on a theoretical and practical level. In the future, however, the application of age management principles will be indispensable. The evaluated data confirm that organizations benefit from measures within the given issue not only in achieving competitive advantage and sustainability, while age management measures are not tied to high financial costs.

The inclusion of age management in the organization's business represents a new modern management strategy, which includes not only the organization's economic interests but also demographic and social interests. The promotion of age management consists in the effective use of the work potential of employees of all age categories to increase their qualifications and skills. This leads to the strengthening of employees' trust in the organization and the improvement of communication inside and outside the organization, which can be seen in the positive relationship between the application of a modern management strategy and economic prosperity. This concept can be beneficial for a positive bond between interest groups and can strengthen trust in the organization and, last but not least, it builds the employer's brand.

5. Conclusion

Application of age management in organizations is becoming one of the most discussed issues of the present and the future. This is an important activity for the effective setting of the strategic management of human resources, which objectively takes into account the experience, knowledge, abilities, and skills of all employees, without being discriminated against by age (e.g. they are still too young or, on the contrary, too old). In all organizations, it is necessary to create such conditions for all employees so that they extend their working life as much as possible and work in the organization as long as possible, e.g. despite a reduction in working hours or transformation from full-time employment to contract for work.

Working life will continue to lengthen, affecting many stakeholders. This circumstance implies the necessity of relatively significant changes associated with the setting of intergenerational cooperation, which, in accordance with the presented results, is also supported by the results of [9],[23].

As it results from the literature review and the results of quantitative and qualitative research, managers and HR professionals in organizations must focus on the age structure in individual teams and emphasize the continuous development of all employees and intergenerational cooperation, with an emphasis on sharing and passing on knowledge in the presence of continuous feedback.

The research was conducted in 183 organizations of different sizes, and sectors of activity, with different turnover and majority ownership. The sample can be considered as representative; the results were further verified in a focus group using personal interviews. The research showed that the company's management is aware of the issue of the age of employees and has a friendly attitude towards the age of employees. In most cases, however, there is no age strategy in place in the company policy or employees' personal plans. Almost 50% of respondents think that their employees have a satisfying working life and retire satisfied. A large proportion of respondents (80.9%) also believe that the organization of work and the work environment meet the needs of employees of different ages. The results show (83.1%) that managers approach aging employees positively and use their knowledge.

In this context, organizations can be recommended to start the application of such a management system, in which the potential of all workers is properly used and their knowledge are being successfully shared. The results of this study also confirmed that the application of age management principles can be used to support the HR strategy. Based on the results, the setting of a high-quality and functional individual age strategy is the key to the success and sustainability of the organization.

The limit of this research is the geographical focus only on respondents from the Czech Republic and a relatively low number of respondents despite repeated requests to fill the questionnaire survey. However, the number of respondents meets the condition for representativeness, and the results can thus be generalized to the population of the Czech Republic. At the same time, the research was improved by conducting a focus group, where the results were further discussed with the respondents in order to understand other contexts.

The authors' future research will be devoted to the importance of the correct setting of internal communication aimed at the effective support of sustainable strategic management of human resources.

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