

Christiaan Stam: Aging and Talent Management

One of the least recognized failures of talent management is that it often ignores older workers.

A few researchers are trying to change this. One of these is Dr. Christiaan Stam, a professor at the Centre for Research in Intellectual Capital, INHOLLAND University of Applied Sciences in the Netherlands.

I recently spoke to Dr. Stam about the aging white collar / knowledge worker population.

DC: What is crux of the issue?

CS: There are two issues. One is that the average age of the white collar workforce is increasing in OECD countries. This means the older worker is increasingly important and yet is usually ignored by talent management programs.

The second issue is that these workers will eventually retire in large numbers, potentially leading to a significant loss of knowledge in the organization.

DC: Why do talent management programs ignore older knowledge workers?

CS: One reason is that we are still acting in terms of the old industrial era paradigm where you learned a skill once and then applied it through your whole career.

That's not the case for knowledge workers. The half-life of knowledge is only a few years, so all employees need to keep renewing their skills. We have to keep investing in people until they retire, not stop when they are between 40 and 50.

DC: In English we have the expression that you can't teach an old dog new tricks. Perhaps older employees are not suitable for continuous learning.

CS: If you are not suitable for learning, I think you are not suitable to be a knowledge worker. That brings us to the fact that there are a whole series of myths about older workers that had lead to under-investment in them.

For example people think older workers are always sick or not as motivated—just counting out the days to their retirement. They are considered inflexible and uncreative. However, all those beliefs are based on anecdotal observations; large scale studies show these ideas are myths. Overall the research shows older workers are more productive than their younger counterparts.

Young people are faster at some mental tasks but studies show older workers more than compensate for that through experience. For example, they learn faster because they are better at making the distinction between which knowledge is valuable and which is not.

They are also better at building and maintaining relationships. There are other differences of course and I'm still working on researching what those differences are.

Another advantage older workers have is that they can focus more on the job. The life circumstances of younger workers means they have to put a lot of energy into things outside of work like buying a house or raising children. This is another factor that makes older workers valuable.

DC: You mentioned another issue: the loss of knowledge when knowledge workers retire. What are organizations doing about that?

CS: Many different types of instruments are being used to capture the knowledge of older workers. Interviewing, mentoring and coaching are all common. The main distinction is whether they are used at an early stage or later on: whether they are being used before retirement, at the moment of retirement or trying to capture the knowledge of those who have retired.

The earlier the process starts, the more effective it is. Interventions that occur before retirement tend to have a much broader impact on knowledge in the firm as a whole, not just capturing knowledge from older workers.

The Ministry of Finance in Holland has several instruments in place, such as a conversation in which the older worker transfers knowledge about the projects they are working on (this is a very light process). There's also a more complex process they call the "Leaving Expert Interview". The French defence company Thales also has quite an extensive policy for dealing with older employees.

The company that does the maintenance of the railway tracks here in Holland has a program where there use interviews to try to retrieve knowledge from workers who have retired.

DC: Do they try to capture knowledge in some kind of knowledge management system?

CS: No, they don't believe that writing it down leads to information that will be used. They believe in bringing people who might re-use the knowledge together with the retired employee and make it a learning moment.

DC: Do you have any final thoughts on this?

CS: It's a pity that the financial crisis has taken attention away from this issue. Aging will continue regardless of what happens in the markets and it will come back as an even more serious problem.

The main issue in organizations is knowledge productivity and that is increasingly dependant on older workers. If we don't invest in these employees then we endanger our productivity.

David Creelman writes and speaks on human capital management. Learn more at www.creelmanresearch.com

Our society has a big blind spot when it comes to older workers so please distribute this article to those who work in talent management.

Also if you are doing something in your organization that might contribute to Dr. Stam's research please let me know (dcreelman@creelmanresearch.com) and I'll put you in touch.