

Dominika Stachera The School of Banking and Management in Krakow dominika.stachera7@gmail.com

Karolina Strzelczyk Ph.D. The School of Banking and Management in Krakow karolinastrzelczyk@hotmail.com

MANAGING COMPANY WITH DIVERSE AGE EMPLOYEES

Introduction

Demographic, social, and economic changes result in the fact that small and global companies must redefine their methods of developing competitive advantage. Changes occur rapidly in the 21st century and this applies particularly to competitive advantage which is increasingly more often based on knowledge management. Companies must change quickly and adapt to their environment. In all this rush and the attempts to adapt and stay competitive, companies cannot afford to forget that it is their employees that build and represent them. The demographic structure, environment and technology are subject to change, which means that one of the pillars of building a company and adequate personnel policy is creating an appropriate workplace, relationships, and diversified teams where coworkers can learn from one another. Presently, the employees' knowledge as well as information and know-how are considered to belong to the most important resources, and the value of intellectual capital is very difficult to estimate as it will depend not only on uniqueness but also on the ability how to use the capital and the intellectual potential of employees.

The aim of the article is to analyze and evaluate the management of diverse teams and of knowledge in organizations. Two specific objectives were set: to check whether superiors manage adequately diverse teams, and to identify the level of intergenerational integration among employees. The research problem concerned the evaluation and analysis of the management of diverse teams, the feeling of employees about the ways they and their knowledge are managed and about intergenerational integration.

The article is based on the licentiate thesis "Managing company with diverse age employees" defended by Dominika Stachera in The School of Banking and Management in Kraków in April 2024.

1. Age diversity on the labor market

Comparing the present labor market with the market in the past it can be noticed that the market now is becoming increasingly less homogenous – in the past, men, relegating women to the roles of caregivers and mothers, dominated the labor market¹. At present, the market is divided almost equally with a slight predominance of women (according to data for 2021: men 4 877 101, women 4 926 656)², including over one million of foreigners³. Considering the above and the demographic changes, questions arise:

- how to manage teams including people of different age groups, with various experience and different expectations from the employer and co-workers?
- How to create a workplace where their strengths can be used and improve the functioning of the company?

Age diversity of professionally active people is a challenge for companies: how to manage the generations, knowledge and experiences possessed by their employees and job candidates?

The objective of knowledge and team management in present-day companies is mainly to find an effective way to skillfully preserve the experience of the 50+ employees so that hey are not lost⁴, and to develop a work environment where everyone feels appreciated.

2. Demographic analysis of the Polish population

In order to describe fully the variety of people on the labor market, one should start with the analysis of the demography and the forecasts for the coming years. The ageing of societies is visible in the whole world; the birthrate in Europe is becoming smaller and sometimes it is even negative⁵, which significantly reduces the replacement of generations. Moreover, the average life expectancy is increasingly longer with the development of medicine.

The average life expectancy in Poland for women and men was, respectively:

- 1970s approx. 70-73 years and 66-68 years,
- 1990s approx. 75-77 years and 67 69 years

¹ K. Kałążna, *Pozycja kobiet na polskim rynku pracy. Uwarunkowania prawne i rzeczywistość*, "Środkowoeuropejskie Studia Polityczne" 2006, No. 1, p. 88.

² Polska - Rynek pracy, Wykres "Liczba pracujących według płci w Polsce w latach 1995-2021",

https://www.polskawliczbach.pl/#rynek-pracy (accessed: 11.06.2023).

³ *Coraz więcej cudzoziemców objętych ubezpieczeniem społecznym*, https://www.zus.pl/-/coraz-wi%C4%99cej-cudzoziemc%C3%B3w-obj%C4%99tych-ubezpieczeniem-spo%C5%82ecznym (accessed: 11.06.2023).

⁴ S. Pietrzyk, *Zarządzanie wiedzą w organizacjach w dobie senioryzacji społeczeństwa*, Polskie Wydawnictwo Ekonomiczne, Warszawa 2020, p. 24.

⁵ GUS, Prognoza ludności na lata 2014-2050, Warszawa 2014, p. 125.

• 2005 - 80 years and 73 years ⁶.

The common beliefs that many children are born and they will soon enter the labor market, and that their grandparents are elderly people who have long retired will go down to history just like the attitude that people 45+ should not be employed because in the near future not much can be demanded from them. Previously, candidates up to 45 years of age were most likely to be employed and there were plenty twenty-year-olds looking for their first work experience⁷. However, this trend has been changing for a long time now. In his book *"Zarządzanie wiedzą w organizacjach w dobie senioryzacji społeczeństwa"*, Sylwester Pietrzyk presents statistics showing that EU countries without the influx of immigrants would reach a negative birthrate already in 2015⁸.

Table 1 below presents statistics concerning the population that are based on the available demographic data and forecasts based on the GUS (Central Statistical Office) report for 2014. It was developed until 2050 and mobile age refers to population at the production age that includes persons able to change their position, workplace, or qualifications⁹.

Table 1. Population	n of Poland in age	ranges - the present	t state and forecasts
---------------------	--------------------	----------------------	-----------------------

	Figures for 31.12.2021	GUS forecasts for 2050
Pre-production age	6,947,606	4,963,000
Mobile age, 18-44 years of age	13,959,915	9,331,000
Non-mobile age, from the age of 45 until retirement	8,600,328	7,252,000
Post-production age, from retirement age (60 for women and 65 for men)	8,626,114	12,404,000
Total population	37,766,327	33,951,000

Source: based on data from https://www.polskawliczbach.pl/#dane-demograficzne (accessed: 28.06.2023) and GUS, *Prognoza ludności na lata 2014-2050*, Warszawa 2014, p. 148.

3. The objective of managing diversified human capital

It may seem that building a bridge between the representatives of each age group in a company is a huge challenge whose results will not be as great as the amount of work put into it. Nevertheless, avoiding crises between employees, misunderstandings, and mutual

⁶ Z. Strzelecki, J. Witkowski, *Ewolucja rozwoju ludności w Polsce: przeszłość i perspektywy*, Rządowa Rada Ludności, cyt. za: S. Wojnicki, *Różne pokolenia, jedna organizacja*, SW Mentoring, Olsztyn 2015, p. 21.

⁷ S. Wojnicki, *Różne pokolenia, jedna organizacja*, SW Mentoring, Olsztyn 2015, p. 18.

⁸ K. Giannakouris, Ageing Characteristics the Demographics Perspectives of the European Perspectives of European Societies, "Statistics in Focus. Population and Social Conditions" 2008, No. 72, p. 5, quote from: S. Pietrzyk, Zarządzanie wiedzą w organizacjach w dobie senioryzacji społeczeństwa, Polskie Wydawnictwo Ekonomiczne, Warszawa 2020, p. 28.

⁹ https://rynekpracy.pl/slownik/wiek-mobilny (accessed: 28.06.2023).

ZESZYT NAUKOWY Wyższa Szkoła Zarządzania i Bankowości w Krakowie

discrimination between "the old" and "the young" will create opportunities for intergenerational learning, where both parties will be able to feel that their contribution to the development of the organization is noticeable and necessary. Older people have more knowledge in many areas. It is important to create opportunities for mutual learning within the company and not to expose teams to a qualification gap, i.e. the lack of knowledge transfer between the older and younger staff¹⁰.

Companies introduce age management policy, which means that they start to take into account employees of every generation in their human resources management and introduce tools to create a friendly and discrimination-free environment. According to T.Schimanek *age management is a holistic view on employees' career paths and their development. It should cover all important elements of personnel management from employment planning and recruitment, through development and career management (education, training, rewarding, remuneration and promotion systems), organization of the workplace (health promotion, workplace ergonomics, flexible worktime, and employment forms), up to retirement schemes and preparation for retirement"¹¹.*

The presence of representatives of many generations is a condition for the development of a modern organization. Long-term staff can use their knowledge, they notice dependencies, understand complexities and relationships and processes invisible at first glance. An employee who can do all this and who fits perfectly in the modern world is an invaluable asset to the company while people who are just entering the labor market or have been on it for a much shorter time than employees over 50 absorb information, know where to look for data, are creative and, consequently can bring to the team energy, innovations, and creative solutions. When both groups ("the younger" and "the older") open up to each other, they will be able to create better and competitive products or solutions. The most important feature that should be reinforced in employees is openness to others and relationships that are based on respect and curiosity. Organizations should create opportunities for socializing which is a basic channel of cultural transmission¹².

4. Generation diversity on the labor market

¹⁰ J. Gajda, O. Seroka-Stolka, *Zarządzanie pracownikami różnych pokoleń warunkiem efektywnej działalności organizacji*, "Zarządzanie Zasobami Ludzkimi" 2014, No. 5, p. 24.

¹¹ T. Schimanek, *Co to jest zarządzanie wiekiem?*, "Zarządzanie wiekiem i nie tylko", Akademia Rozwoju Filantropii w Polsce, Warszawa 2010, p. 42.

¹² A. Giddens, *Socjologia*, Wydawnictwo Naukowe PWN SA, Warszawa 2005, p. 50.

In the most popular studies on generations the following terms are most commonly used¹³:

Szkoła Zarzadzania i Bankowości w Krakowie

- Baby boomers (1948-1964),
- Generation X (1965-1979),
- Generation Y (1980-1994),
- Generation Z (1995-...).

The above divisions are most often based on research and observations from the USA and Western Europe but do not necessarily refer to people living in Poland at the same time. The analysis of the conditions in which particular generations grew up in Poland leads to the conclusion that it is justified to distinguish additional generations – generation Ys, (older) and Ym (younger)¹⁴. The time spans of generations in Western countries range from a dozen to twenty years but it seems that in Poland generations (since the 1960s) can be distinguished every ten years. Consequently, Stanisław Wojnicki in *"Różne pokolenia, jedna organizacja"* divides generations as below (Table 2).

Generation	Born in years		Age in 2015:		Time span	Reached the age of	
	from	to	from	to		majority in	
BB	1946	1960	55	69	14	1964	1978
Х	1961	1972	43	54	11	1979	1990
Ys	1973	1983	32	42	10	1991	2001
Ym	1984	1994	21	31	10	2002	2012
7	1995	?	?	20	2	2013	2

Table 2. Diversification of generations in Poland since 1945 by Stanisław Wojnicki

Source: S. Wojnicki, Różne pokolenia, jedna organizacja, SW Mentoring, Warszawa 2015, p. 40.

The groups have different age structures and psycho-social behavior profiles, which includes different experiences, features, value systems, attitudes and expectations from the employer and work, the perception of themselves as employees as well as their views on work-home-family relations¹⁵.

 ¹³ A. Smolbik-Jęczmień, A. Żarczyńska-Dobiesz, Zróżnicowane podejście do rozwoju zawodowego wśród przedstawicieli pokoleń koegzystujących na rynku pracy, "Zarządzanie zasobami ludzkimi" 2017, No. 3-4.
¹⁴ S. Wojnicki, Różne pokolenia, jedna organizacja, SW Mentoring, Olsztyn 2015, p. 29.

¹⁵ J. Gajda, O. Seroka-Stolka, Zarządzanie pracownikami różnych pokoleń warunkiem efektywnej działalności organizacji, "Zarządzanie Zasobami Ludzkimi" 2014, No. 5.

5. Managing diverse age-people

Manager's role is especially important because it combines the roles of the employees' superior and of the link between the team and organization. Managers also influence the team's commitment and work. Moreover, one can often hear that an employee does not leave the company but his/her superior. Managers should take care of the relations in the team and provide space for the employees so that they can get to know each other better. This is particularly important now when remote work is an everyday reality of thousands of organizations and without the opportunities for meetings that are aimed at the integration of teams, team members may feel alienated. They may have a feeling that they do not really know who they are working with, especially if they have recently joined the company.

Organizations need to make managers be aware of the demographic and generational changes as well as the changes taking place on the labor market. Superiors should realize that it is not enough to know that there are differences but they should also know how to deal with them. Managers need to analyze their teams – the generations to which belong their inferiors - to know the difference between them and follow company's mission and management strategy¹⁶.

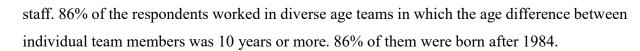
Differences between generations are a kind of diversity that global companies like to boast about and which are less obvious than skin color or origin. People entering the labor market now will much more openly talk about their affiliation (e.g. to a minority) and their views than their colleagues 30 years ago, which is one of the differences between people of different generations that must also be addressed.

After analyzing the demographics of Poland's population, it is noticeable that the number of challenges faced by managers is increasing and it is important that they are prepared for the changes. To start with, they need to be made aware of the changes that are taking place and of their possible consequences.

6. Managing people from different generations in an organization – results of the authors' research

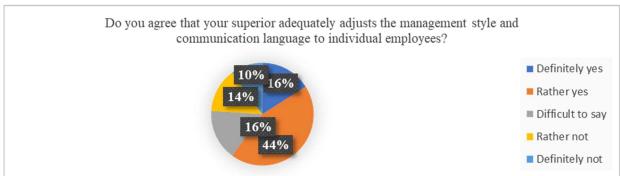
The research was conducted on a sample of 50 people. Its objective was to check how managers manage diverse teams and to study the level of intergenerational integration of the

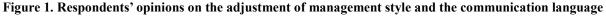
¹⁶ S. Wojnicki, Różne pokolenia, jedna organizacja, SW Mentoring, Olsztyn 2015, pp. 81-82.



SZYT NAUKOWY Szkoła Zarządzania i Bankowości w Krakowie

The analysis concerned the views of the respondents on the adjustment of the management style and communication language. The respondents' opinions are given in Figure 1.





60% of respondents had a feeling that their superior approached his/her employees individually by adapting the management style and communication language, while 24% of the respondents did not have such a feeling and 16% of them had no opinion on the subject.

The respondents were also asked to share their feelings about well-being in their teams. A detailed distribution of responses is presented in Fig.2. 86% of the respondents declared that they had a sense of freedom and felt accepted by others. They felt well in diverse age teams and had good working relationships.

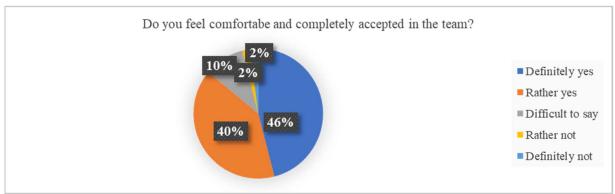


Figure 21. Respondents' feelings about well-being in the team

Source: based on authors' research.

Source: based on authors' research.



The respondents had also the chance to share their perspective on whether any activities were conducted for intergenerational integration in their companies (Figure 3).

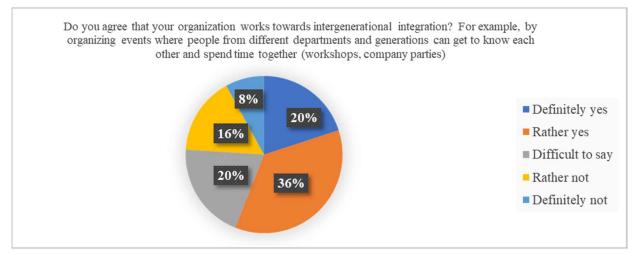


Figure 3. Distribution of responses concerning actions towards intergenerational integration

Source: based on the authors' research.

Only 56% of the respondents replied that their companies took actions that support intergenerational integration. This may indicate a lack of initiatives conducted by companies in this area and the need to address such activities in the organizations' strategic plans.

Below are the main conclusions from the research:

- 1. The respondents lack the awareness of the value that can be brought to organizations and their development by people approaching retirement age.
- The respondents perceive people aged 50+ as people without particular knowledge or valuable experience. The dominant view among the respondents is that persons 50+ cannot catch up with progress and changes in the world.
- 3. The companies in which the respondents work did not take sufficient care to support intergenerational integration.
- 4. The companies undertake activities to support knowledge transfer but these activities are not sufficient and they do not value the knowledge of people 50+.

Conclusions

Organizations need to have the ability to understand the problem under investigation, to build bridges and create the opportunities to integrate so that teams with substantial age diversity do not face misunderstandings and dissatisfaction. Moreover, organizations and their

HR departments must build awareness of demographic changes and intergenerational differences. New fields of science such as age management and knowledge management are being developed in the world. Companies in Poland must be aware of the demographic change and of how to secure their structural and individual capital. They also need to support building bridges between employees and developing the atmosphere of respect and satisfaction so that employees do not leave either the companies or their superiors. Superiors need to have the opportunity to receive training in age and knowledge management so that they keep up with the changing world and know how to deal with employees. It would be worth it for organizations (especially international organizations) not only to conduct anonymous surveys about immediate superiors and employees' well-being, but also for their results and the responses to be taken into account. This would strengthen the feeling of employees that their employer wants to build a better workplace and wants employees, and not only superiors, to have the opportunity to pass information "upwards" to managers at a higher level. Employees without the support of the organization and the manager will not integrate, will not be satisfied and motivated to work. In bad atmosphere, the employee's hidden knowledge will never be recorded as he/she will prefer to change the job. This will increase staff turnover and organizational costs.

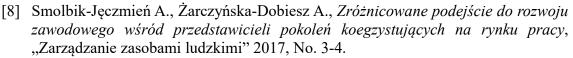
NAUK

Wyższa Szkoła Zarządzania i Bankowości w Krakowie

Organizations are and will continue to face several challenges that must be met to build a friendly and pleasant workplace. Employees build companies and are the pillars of their functioning.

Bibliography

- [1] Gajda J., Seroka-Stolka O., Zarządzanie pracownikami różnych pokoleń warunkiem efektywnej działalności organizacji, "Zarządzanie Zasobami Ludzkimi" 2014, No. 5.
- [2] Giannakouris K., Ageing Characteristics the Demographics Perspectives of the European Perspectives of European Societies, "Statistics in Focus. Population and Social Conditions" 2008, No. 72 [in:] Pietrzyk S., Zarządzanie wiedzą w organizacjach w dobie senioryzacji społeczeństwa, Polskie Wydawnictwo Ekonomiczne, Warszawa 2020.
- [3] Giddens A, Socjologia, Wydawnictwo Naukowe PWN, Warszawa 2005.
- [4] GUS, Prognoza ludności na lata 2014-2050, Warszawa 2014.
- [5] Kałążna K., *Pozycja kobiet na polskim rynku pracy. Uwarunkowania prawne i rzeczywistość*, "Środkowoeuropejskie Studia Polityczne" 2006, No. 1.
- [6] Pietrzyk S., Zarządzanie wiedzą w organizacjach w dobie senioryzacji społeczeństwa, Polskie Wydawnictwo Ekonomiczne, Warszawa 2020.
- [7] Schimanek T., *Co to jest zarządzanie wiekiem?*, "Zarządzanie wiekiem i nie tylko", Akademia Rozwoju Filantropii w Polsce, Warszawa 2010.



ZESZYI NAUKUVVY Wyższa Szkola Zarządzania i Bankowości w Krakowie

- [9] Strzelecki Z., Witkowski J., *Ewolucja rozwoju ludności w Polsce: przeszłość i perspektywy*, Rządowa Rada Ludności [in:] Wojnicki S., *Różne pokolenia, jedna organizacja*, SW Mentoring, Olsztyn 2015.
- [10] Wojnicki S., Różne pokolenia, jedna organizacja, SW Mentoring, Olsztyn 2015.
- [11] https://www.zus.pl/-/coraz-wi%C4%99cej-cudzoziemc%C3%B3wobj%C4%99tych-ubezpieczeniem-spo%C5%82ecznym.
- [12] https://www.polskawliczbach.pl/.
- [13] https://www.polskawliczbach.pl/#rynek-pracy.
- [14] https://rynekpracy.pl/slownik/wiek-mobilny.

Abstract

The article deals with issues concerning demographic changes in Poland and the present and future structure of work teams in organizations. The managers must be aware of the changes that are occurring in the Polish society and of their impact on organizations. The article presents the challenges that are faced by HR teams which should develop knowledge, age and intergenerational management strategies.

Key words

Generations, generation management, diversified human capital.