Ulf Posé: <u>"Ethical Compass"</u>

## An Ethical Misunderstanding: The Young Are More Capable

One of my friends, a very successful department superintendent in a pharmaceutical enterprise, was made redundant. His credentials and references are excellent, so the head-hunters he spoke to were initially very interested. Yet after having written more than a hundred applications, all he received was rejections.

He will probably never get another job. After all, he is 55 years old. If you are older than 50, you hardly have a chance on the labour market. Note that at 55, in theory, you still have between 10 and 12 active work-life years ahead.

On the other hand, if you start in an enterprise as a youngster, the first thing you are subjected to is intense training. The company really invests in you. However, if you are thirty, you still dream of a future career. Consequently, you probably see the current enterprise only as a starting point. I often saw people who eagerly embraced the trainee program – only to include it in the application documents they wrote to the next company.

Making a person's age an important criterion for selecting him as an employee is a deeply dehumanizing. Such behaviour takes it for granted that someone who is in his mid-fifties is less usable and less important. Or in other words: that he is no longer capable of functioning. Senility and fossilization have started, Alzheimer's decease is approaching. This kind of image is surprisingly wide-spread. To be sure, there can be good reasons to make an older person redundant. The necessary weighing of values, however, often does not happen.

The youth cult in enterprises is turning into inhumanity towards older people. Yet it is absolutely stupid to employ two trainees who make typical beginner's mistakes and for whose training you pay more than 50,000 Euros if at the same time you have to send an experienced employee – who incidentally might cost considerably less - into early retirement.

It is interesting that the common practice does not seem to be applied in the upper echelons. In these circles, it is accepted that directors and other leaders should work past their 65<sup>th</sup> birthday. When dealing with this group, people all of a sudden remember the "benefit of experience", the "higher continuity in the enterprise leadership" or the so very urgent need for "avoiding the loss of know-how". Apparently, other rules apply to the labourer or normal employee.

To be sure, it would not make sense to assume that age automatically correlates with a special experience. After all, some people continue making the same mistakes over many years and call it experience. Yet the ageing process at least provides the potential that someone may have collected valuable experience over time.

We have seen that it does not make sense economically to make a 50-year-old employee redundant. The current mode of interaction with older employees in companies, however, sees to it that the trend toward making use of the young still continues to grow. This is based on the dogma that the youth is in principle more fit than their elders. While that is certainly true for physical labour, it is nonsense to draw conclusions from the muscular strength to the intellectual fitness. For an enterprise, it would be just as stupid to say: if you run the 100 metres faster than another employee, you will also do a better job than he does.

What counts in an enterprise is not your age but the question whether or not you are contributing to the increased value of the enterprise. This may be due to experience or treatment of customers, products or the specific needs inside and outside the enterprise. In this respect, the older employees do rather well. Making them redundant will only mean that the enterprise robs itself of some excellent know-how.

Making more and more older employees redundant is quite irrational. What is more, it is even detrimental, because in doing so an enterprise also jeopardizes human relationships developed by the older employees over a long period of time. Incidentally, these relationships are economically very relevant. If you accept letting them go, you will have to invest hugely in their re-establishment by young employees.