The Aging Workforce: Implications for Ethical Practice

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For all the uncertainties facing business, one immutable fact is clear—the workforce is getting older.¹ Census figures indicate that while the working population will grow by a miniscule 0.1 percent annually from now to 2004, the pool of workers aged 55–64 will grow by over 50 percent.² Moreover, a larger and larger percentage of people over age 65 wants to continue working beyond their normal retirement age. The AARP (formerly the American Association of Retired Persons) estimates that 80 percent of Baby Boomers plan to continue working beyond their 65th birthday.³ This is a substantial number considering the proportion of the population aged 65 and older will almost double by 2030.⁴

An aging workforce has many implications, but companies need to be careful not to succumb to incorrect negative stereotyping.⁵ For example, an older workforce does not necessarily mean a less productive workforce. Several studies have shown that job performance does not generally decline with age.⁶ It is only in jobs that have considerable speed, strength, or attentional requirements that older people may be disadvantaged.⁷ When it comes to moral or ethical behavior, companies may actually be better off with an older workforce.

This paper examines the effects of aging on the moral decision making of adults. It begins with a brief review of the current thinking on successful aging. This is followed by a discussion of two elements of moral decision making that do not decline with

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age—moral reasoning and perspective-taking. Next, our attention
turns to those ethical perspectives that are enhanced rather than
diminished by age. Here I discuss the likelihood that a business
problem is defined as a moral problem as well as tendencies of older
people toward altruism and care. Finally, I examine a talent in
moral decision making that many older people have and that
younger people lack—wisdom. The article concludes with a series
of suggestions for organizations that wish to capitalize on these
gerontological advantages.

SUCCESSFUL AGING: FORESTALLING DECLINE

Until recently, the study of aging has emphasized age-related
decline. Older adults have been portrayed largely as depressing vic-
tims of an unchallengeable set of biological factors conspiring to
disengage them from a fulfilling life. Thanks to the work of Paul
Baltes and his colleagues, this view has been replaced by the per-
spective that people can adapt to decline in three ways: selection,
optimization, and compensation.8 Mature adults use selection when
they stave off decline by choosing environments (e.g., tasks) that
feature their strengths rather than their weaknesses. They use opti-
mization when they perfect special talents (e.g., experience) they
possess. And they use compensation when they master techniques
that make up for their age-derived deficiencies. For example, some
aging popular singers (though sadly not all) have successfully com-
pensated for their inability to hold a note by emphasizing their
vibrato. “Successful aging” has accordingly replaced “decline” in the
dominant paradigm for work in late adult development.9

Good health and social support are two critical factors that
enable an older person to practice successful aging. Obviously,
increasing age exposes one to debilitating health problems. When
these occur they both impair and distract people from adjusting to
the more chronic effects of aging.10 The prescription is obvious. If
older people are careful about their health, deterioration can be
forestalled. As well, social support does much to extend the capac-
ity for successful aging.11 For social support to have analgesic
value, it need not be elaborate. In one study all it took for older
people to score just as well as young people on a memory test was
merely the chance to consult with others.12 In general, then, good
health and social support provide an important buffer against the
negative effects of aging.

Moral decision making can require a substantial amount of
focused mental energy, so one might surmise that even healthy,
socially supported older people may lack the wherewithal to do it
well. However, contemporary research in the social sciences shows
that two critical skills of moral decision making, moral reasoning
and perspective-taking, are fundamentally undiminished by age.
It is not known whether the immunity of these skills from aging is
due to selection, optimization, or compensation, but people’s moral
reasoning and perspective-taking are undaunted by age.

Moral Reasoning

No work on the psychology of moral reasoning has been as influen-
tial as that of Lawrence Kohlberg. Kohlberg’s research demon-
strates robust changes in moral reasoning through a six-stage
sequence of development that occurs during the early part of the
life span. Yet most of his research was done with college students
and young adults, and so it is unclear how Kohlberg’s work relates
to an aging population. Subsequent research using Kohlberg’s
model shows that once adulthood is reached, people maintain
their postadolescent levels of moral development. Thus, an older
workforce does not mean a population of employees with lower
levels of moral reasoning. Most important for our purposes, this
stability in adult moral reasoning continues well past normal
retirement age if the person is in good health and has social sup-
port. Thus, those who successfully age maintain their capacity
for moral reasoning; decline in the capacity for ethical thinking is
not inevitable. An older workforce does not mean a workforce less
capable of moral reasoning.

Perspective-Taking

The effect of age on perspective-taking is also encouraging. Perspec-
tive-taking is a process in which people empathetically consider the
perspective of others in making decisions. Thought to be an impor-
tant component of moral imagination, perspective-taking develops
through early adulthood, roughly parallel to the development of
moral reasoning.\textsuperscript{19} Although cross-sectional research indicates that perspective-taking apparently declines from middle age into late adulthood, the only known longitudinal study indicates that such declines are small and occur very late in life (beginning at 60 at the earliest).\textsuperscript{20} Again, an older workforce does not mean a workforce any less prone to factor the perspectives of others into their decision making.

**THE MORAL BENEFITS OF AGING**

So far, we have been dealing with abilities that peak in early adulthood. Other skills of moral decision making peak much later. These skills represent an increase in the human resource potential of any business whose workforce is aging. Among them are moral sensitivity, altruism, and caring.

*Moral Sensitivity*

If people do not recognize a problem as moral, they may not engage the perspective-taking or moral reasoning skills of which they are capable. Two studies indicate that young and old adults have no differences in the likelihood with which they view problems as moral. Pratt and Norris found that young and old adults showed similar reactions as to whether various dilemmas are moral.\textsuperscript{21} And Walker, Pitts, Hennig, and Matsuba detected no differences between the types of everyday problems younger (16–48) and older (65–84) adults identified as moral.\textsuperscript{22} Several other studies indicate that older adults may actually be more sensitive to the moral component of problems than their younger counterparts. One study concluded that “issues of spirituality and personal morality become more salient among older people.”\textsuperscript{23} Other studies show that older people are more likely to describe themselves as virtuous or moral than younger adults and that “humanitarian concerns” increase with age among adults.\textsuperscript{24} Such self-defined are important, for they both affect perception and shape behavioral responses to situations.\textsuperscript{25} On net, an older workforce is probably more prone to identify the moral component of business problems than younger employees.
Altruism

Several studies indicate that altruism and helping behavior increase with age. Indeed, some consider helping to be a characteristic activity during older adulthood. Not only do older people give more to philanthropic causes, they are more prone to demonstrate their caring for the younger generation.

Generativity is a term that refers to an adult’s investment in caring for the next generation as a legacy of the self. It is based on Erikson’s seventh stage in the human life cycle, and it combines agency and communion. The generative person expresses agency by creating products that extend the self in a powerful way and expresses communion by giving these products to the next generation. The agentic part of generativity leads the individual to produce things, ideas, and events that will serve as a legacy that will outlive the self. The communal element makes the generative individual sacrifice the self for the benefit of those who will follow. Thus, generativity involves meeting the physical, social-psychological, and emotional needs of the next generation. Its antithesis is authoritarianism, that is, the dogmatic insistence that the next generation subjugate itself without question or revision to ancestral values. McAdams, de St. Aubin, and Logan argue that generative concern and associated action are more typical of those in maturity (40–75) than of those in early adulthood (18–30). This has been empirically supported with diverse samples of adults.

The tendency of older adults to be altruistic gives businesses with an aging workforce a significant moral advantage. Not only are older employees likely to give their energies toward a worthy cause, they are also likely to sense a moral commitment to the organization that employs them. This is reflected in the fact that job satisfaction increases with age from middle adulthood onward. One study also showed that older employees behave virtuously even when their younger counterparts fail to do so.

The generative tendency of older employees also provides an extremely valuable talent for an organization to harvest. Generative individuals have the gift of being able to relate the traditions of the past to the challenges of the present, thus providing continuity for those newer to the organization. Thus, if older people are called upon to express their generative tendencies through employee socialization and mentoring, significant benefits to the organization
could occur. The gift of mentoring also has a multiplicative effect, for people mentored by generative individuals tend to themselves be generative when they reach middle age.

**Caring**

In the theory of business ethics, the ethics of care is often juxtaposed against the ethics of principles. Beginning in the 1980s Carol Gilligan and other feminists began calling attention to the differences in moral reasoning between men and women. These differences were framed by two apparently incommensurable systems of ethical reasoning, one based on principles derived from utilitarian, justice, and rights theories, and one based on care derived from the relationships between the situated parties. While it is no longer believed that people’s use of these two ethical systems breaks neatly along gender lines, it is important to acknowledge that some people make practical ethical decisions primarily with principles and others with reference to relationships. In businesses, this can cause conflicts and misunderstandings among people applying these standards.

Some research on aging indicates that older people may be in a unique position vis-à-vis these differences. First, there is a tendency among older adults to become more disposed toward an ethics of care as they age. One twenty-year longitudinal study found that adults show a marked increase in their acceptant (as opposed to critical) personality orientation. This seems to represent a shift toward an ethics of care in later life; yet there is evidence that they do not leave a concern for principles behind. One of the most interesting changes that occurs after midlife is the movement toward androgyny, that is, the incorporation of both male and female roles into one’s attitudinal and behavioral repertoire. The associated reduction in gender differences in moral reasoning among older adults offers business a resource for the integration of both the ethics of principles and the ethics of care. In addition, the androgynous shift redounds to the advantage of older people themselves since it is apparently related to positive feelings toward aging.
WISDOM, A TALENT RESERVED FOR THE MATURE AMONG US

To this point, we have discussed moral decision-making abilities that peak early and later in the life span. Certainly the latest-blooming skill among these is wisdom. One model posits wisdom as a special form of intelligence. Abstract reasoning (i.e., conventional IQ) reaches its peak in early adulthood, but knowledge continues to grow such that adults in their 50s know more about nearly everything than college students do. One way of disentangling knowledge from abstract reasoning is proposed by Baltes. He describes the mechanics of cognition as that component of intellectual functioning that expresses the neurophysiological architecture of the mind as it unfolded during biological evolution. In contrast is the pragmatics of cognition which is associated with acquired bodies of knowledge available from culture.

Abilities that critically involve mechanics, such as reasoning, spatial orientation, or perceptual speed, generally show monotonic and roughly linear decline during adulthood, with some further acceleration of decline in very old age. In contrast, more pragmatic abilities, such as verbal knowledge (e.g., semantic memory) and certain facets of numerical ability, have weak, and sometimes positive, age relations up to the sixth or seventh decade of life, and start to decline only in very old age.

Among all the forms of the pragmatics of cognition, wisdom seems to hold the most promise of enduring well into old age. Social scientists have developed six general conclusions about wisdom.

1. Wisdom deals with important and/or difficult matters of life and the human condition. The domain of wisdom does not include issues that are trivial to the life course (how to prepare beef Wellington) or dilemmas that can be resolved by the deployment of ordinary human resources (how to drive an automobile).

2. Wisdom is truly superior knowledge, judgment, and advice. While there is a body of wisdom-related knowledge, it is mostly tacit, and wisdom is only mastered by a relatively small number of persons.

3. Wisdom is knowledge with extraordinary scope, depth, and balance applicable to specific situations. It is not the sole province of any standard academic discipline although it may
have highly abstract roots. In any event, it applies to highly pragmatic concerns.

4. Wisdom when used is well intended;\textsuperscript{50} that is, it is used for one’s own good and/or for the good of others. It cannot be applied for evil ends, and it cannot sanction actions that violate commonly held norms of morality.\textsuperscript{51}

5. Wisdom combines mind and character. It is a practice rather than a behavior, but it does have identifiable cognitive elements (e.g., motivations, thoughts, emotions).

6. Wisdom is very difficult to achieve but more easily recognizable. A wise person typically does not recognize it in him/herself but those who observe such persons have little problem identifying wisdom when they see it.

Starting from an ordinary dictionary definition of wisdom as good judgment and advice about important but uncertain matters of life, these social scientists define wisdom as “an expert knowledge system in the fundamental pragmatics of life permitting exceptional insight, judgment, and advice involving complex and uncertain matters of the human condition.”\textsuperscript{52} As business organizations deal fundamentally with pragmatic concerns, wisdom would appear to be a critical organizational skill especially in positions where superior knowledge, good judgment, and highly prescient advice are required. Classically, the formal positions reserved for wise employees are top-level staff positions, adjutants (assistant-to positions), and counselors to senior management. However, it would be hard to argue against wisdom being an asset to any organizational position of considerable authority.

**CAPITALIZING ON THE MORAL TALENTS OF AN OLDER WORKFORCE**

An older workforce offers only the potential, not the reality of enhanced moral decision making. For businesses to enjoy the benefits of the moral talents of older people, three actions are required. Before I discuss these strategies, let me be clear about two actions business should not take to prepare for the distinctive moral skills of older employees. First, I do not advocate the establishment of a gerontocracy, that is, an organizational arrangement that links authority with age. Age, and the experience it often indexes, is only
one factor to consider in matching a person with a set of responsibilities. Second, I do not recommend that organizations identify positions where ethical decisions are common (or particularly important) and allocate those positions to older employees. The problem with this strategy is that it is predicated on a false assumption. There are not separable business domains for ethical and a-ethical decisions. Every business decision can be made with the benefit of ethical reasoning; none are exempted. So it makes no sense to steer older people to the ethical hot spots in the organization, because no place is hotter than another.

The most important action an organization can take to capitalize on the moral talents of a more mature workforce is to place older employees into positions that will prolong their productive working life. This means minimizing their risks to isolation and health risks. It also means designing their jobs so they do not have considerable speed, strength, or attentional requirements. And obviously, it means ridding the organization of any form of prejudice or discrimination against older people.

Second, organizations should look for and possibly create new and different roles for advisors, counselors, and mentors. Older employees apparently have the motivation and experience to be of value in an advisory capacity, but there are few such opportunities of a formal nature. Mentoring is presently used by many modern businesses as a tool for employee socialization, career counseling, and retention, but mentoring is too often viewed as only a top-down process. Sadly, few organizations make systematic use of their older employees for this purpose. Organizations would do well to experiment with systems that allow older employees to mentor upward as well as downward. For example, Jack Welch used a mentor two levels below him when he was CEO at GE to help him better appreciate the potential of the Internet. Such reverse mentoring schemes could make much better use of older employees, especially in specialized capacities. Other advisory roles for older employees worth developing include story-teller/historian, performance coach, special assistant, internal consultant, peer mentor, and counselor to the board.

Third, businesses should be on the lookout for older employees who demonstrate a special knack for wisdom. Wise employees are a tremendous resource, but the chances are that if no one is looking for them explicitly, their skills will not be appreciated as
organizationally relevant. As a body of knowledge that is tacit for the most part, wisdom is not something that can be explicitly taught. It may be expected to accumulate with experience, so businesses need to develop systems of identifying which people have which kinds of experience. That way, the company can draw on wisdom when and where it is needed.58

Making more careful use of an aging workforce may stir intergenerational conflict in the short run. Younger employees may take the attention given to older employees as unwarranted for workers “over the hill.” In time, however, the increased organizational support for older employees may enable younger employees to be the beneficiaries of older people’s care and generativity. Younger employees may also learn something from the “over-the-hill” gang.

AARP Executive Director Horace Deets puts it best, “As a society and as employers, we need to change our preconceived notions about age, and we must begin asking how we can use the talents of an older population.”59 When it comes to ethical decision making, age has its advantages.

NOTES


20. Pratt et al., Moral and Social Reasoning.


37. Peterson and Stewart, Antecedents of Generativity Motivation.


47. Baltes, Incomplete Architecture of Human Ontogeny.


50. One might conceive of evil persons who are clever, but never wise.

51. This in no way implies that the value systems wise people abide by are necessarily conventional. Indeed, wisdom may (and often does) take form in observations that challenge conventional patterns of moralizing.

52. U. M. Staudinger and P. B. Baltes, The Psychology of Wisdom, in *Encyclopedia of Intelligence*, ed. R. J. Sternberg, 1143–52 (New York: Macmillan, 1994). 1143. It is unfortunate that social scientists use the term expert knowledge system, for this conjures up notions of computer algorithms designed to capture the implicit knowledge of experts. I agree with one reviewer of this paper that wisdom is not amenable to computer algorithms nor would most wise persons (like Socrates) define themselves as experts of this or anything else of its kind.

