ASSESSING THE POTENTIAL IMPACT OF THE INTRODUCTION OF AGE DISCRIMINATION LEGISLATION IN UK FIRMS FROM AN HRM AND KM PERSPECTIVE

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ABSTRACT

In this paper we fuse HRM and KM perspectives in order to explore the detrimental impact of age discrimination or "ageism" - prevalent in UK organizations - on the development of social capital, considered to be so vital for improved organizational performance in knowledge-based economies. We discuss the potential impact of new age discrimination legislation in the UK in overcoming ageism, highlighting some possible constructive effects but also aspects of the legislation that actually perpetuate negative, stereotypical views of the skills and competencies of older workers. We argue that these misperceptions are also reinforced by numerous HR practices which are currently used in many UK organizations. We argue that if ageism is to be overcome then organizations should follow the lead of some notable organizations in the UK that adopt a strategic approach to talent management. We suggest that the introduction of HRM polices and initiatives that are sensitised to the skills and competencies of all workers, regardless of age, might not only start to eradicate workplace ageism but also promote the development of more nuanced practice-based approaches to KM which could ultimately lead to improved organizational performance.

1 INTRODUCTION

In this paper we focus on the relationship that exists between ageism which is prevalent in UK organisations, the potential impact that the introduction of new age discrimination might have on the problem, recent knowledge management (KM) initiatives and the emerging field of talent management in the field of HRM. By fusing HRM and KM perspectives the aim is to highlight the contradictions and tensions that are generated by particular HR practices that have the potential to continue to promote and sustain ageism in the workplace and which have a detrimental impact on organisational performance because, we argue, they limit the development of social capital. In the following section we define ageism, highlight just how prevalent ageism is in the UK and some of the underlying reasons for its continued perpetuation despite significant changes to UK demographics which are threatening the UK economy. We then consider both the positive and negative aspects of the new age discrimination legislation in terms of its potential impact and also consider the negative stereotyping of older workers by UK employers and consider why this stereotype perpetuates today. We go on to consider the emerging area of talent

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management and consider how HRM initiatives that are sensitised to, and cognisant of the strengths of all employees, regardless of age, might not only serve to start to eradicate ageism in the workplace but also promote the development of more nuanced practice-based approaches to KM which could ultimately improve organisational performance. We conclude by suggesting a research design that might serve to validate this proposition.

2 WHAT IS AGEISM AND WHAT ARE ITS EFFECTS?

Ageism is "a form of oppression which results from individuals being discriminated against purely on the grounds of age as an indicator of competence" (Thompson 2005: 5). Ageism has been identified in numerous studies going back to the early 1990s (Taylor and Walker, 1994, cited in (Taylor and Walker 2003; CIPD 2005; Sujata Ray, Ellen Sharp et al. 2006). The Employers Forum on Age (EFA 2006) recently announced that Ageism is still as prevalent as ever, suggesting that "16.6 million workers have witnessed ageist practices at work" and (Sujata Ray, Ellen Sharp et al. 2006) highlighted that 28% of employees claim to have suffered age discrimination of some sort. However, measuring the precise degree to which ageism is prevalent is difficult. For example, the (CIPD 2005) recently reported that age discrimination had fallen, whereas (Sujata Ray, Ellen Sharp et al. 2006) reported in the same year that "nearly 30% of employees" considered there to have been an increase in age discrimination within the last five years". This highlights the difficulties associated with measuring ageism because different methodologies are often used. For example Taylor and Walker (1994) only surveyed companies with 500 or more employees in their study, whilst other studies have considered firms of varying size. More importantly perhaps, employees have different perceptions of situations and what constitutes ageism, hence the results can never be considered entirely accurate as they are based on subjective views of the phenomenon. Despite these problems of measurement there appears to be a general consensus that ageism prevails within UK organizations.

Clearly discrimination of any form should be taken seriously by organizations and attempts made to eradicate it. The case for attempting to do so in the UK is even stronger when consideration is given to changing demographics. The UK population has been ageing over the last three decades with the median age rising from 34.1 years in 1971 to 38.6 in 2004. Additionally 'the percentage of people over state pension age increased from 16 percent in 1971 to 19 percent in 2004' (National Statistics 2006: 1). Coupled with the recent trend witnessed in declining birth rates in the UK, which is also likely to continue (National Statistics 2006)), there will be "a growing number of pensioners in retirement" and a "decreasing proportion of workers in the population in future" (DWP 2006) creating a shortage of workers to support those who are in retirement in the future. The (OECD 2007) predicts the UK's ratio of old age dependency will raise from 27% in 2003 to 47% in 2050. The OECD reinforced the seriousness of the situation back in 2004 stating: "Unless there is a substantial increase in labour force participation, especially among older people, available labour resources will remain broadly stagnant in the UK over the next 50 years. This could lead to rising labour shortages and a pronounced slowdown in economic growth" (OECD 2006: 1).

The UK government intends to tackle this problem by "increasing the proportion of the population in work" which will hopefully "improve the affordability of pensions and generate growth in the economy" for the future (DWP 2006). However given the age discrimination prevalent in UK organizations this could prove difficult, with the government admitting that older employees "tend to face greater barriers in returning to work than other age groups" because a "culture of early retirement persists, as does discrimination against older people" (DWP 2006).

(Macinol 2005) highlighted that "the economic activity rates of British men aged 50-64 has fallen precipitously in the last 30 years". In earlier work (Duncan 2003) considered some of the factors which could have caused this decline. He suggested that the 'early exit' culture had been exacerbated by "periodic recession, globalization, intensified competition and the attendant drive for increased productivity and efficiency", thus organisations resorted to "downsizing, de-layering and organisational restructuring". (Duncan 2003) highlighted "that in the context of required labour reductions, early retirement policies are more socially acceptable than forced redundancies". Consequently 'socially acceptable' practices were followed in times of recession to "minimize industrial relations problems and maintain organizational morale and productivity" (Duncan 2003) which resulted in a higher proportion of older workers compared to the rest of the workforce exiting organizations. (Taylor and Walker 2003: 613) support this assertion emphasizing that the "UK industry underwent massive restructuring in both the early 1980's and 1990's, older workers, who were over-represented in declining industries …….were more likely to experience redundancy". These industrial changes some 20 years ago now, meant that older employees – who in many sectors were predominantly men, were significantly affected by the economic downturn of that period and were typically made redundant because it was considered a socially acceptable form of downsizing.

Today, whilst we are not currently experiencing recession in the UK, many organisations across sectors continue to experience rapid change, flux and downsizing. Much of this change is not only in response to turbulent market conditions but also as a result of increasing CEO turnover. The average CEO tenure for example, is now only just over 6 years on average (Kaplan and Minton 2006). This decrease in CEO tenure has been directly linked to Company Boards across the US and Europe becoming increasingly sensitive to performance (Lucier, Kocourek et al. 2006). Inevitably then the arrival of a new CEO heralds yet another restructuring, and downsizing initiative aimed at improving organisational performance. What this has meant in practice is that it is once again the older, more experienced employees that typically leave the organisation. The reason for this are simple - it is the older workers that continue to be offered the most attractive packages - as these packages typically take into account the length of service with an organisation. This trend of socially acceptable downsizing therefore seems to have continued despite the economic problems forecast with an ageing UK workforce.

3 THE INTRODUCTION OF AGE DISCRIMINATION LEGISLATION AND ITS POTENTIAL IMPACT

In an attempt to begin to eliminate age discrimination from the workplace the Employment Equality (Age) Regulations 2006 came into effect on 1st October 2006 (DTI 2006) in the UK. This age discrimination legislation will have widespread implications and associated costs for employers if employers continue to operate as they have done, i.e. targeting older workers in downsizing and de-layering initiatives. The Employer Forum of Age (EFA 2006) has estimated that continuing age discrimination in the workplace could cost the UK economy £31billion a year. The Department of Trade and Industry largely supports this estimating there may be "as many as 8,000 age discrimination tribunal cases within the next year" cited in (ACAS c.2006a). Importantly, there will be "no statutory upper limit on compensation for age discrimination" (Rubenstein 2006). Employers do seem to have started to take note of this with over "40 per cent of employers expecting the age legislation to have a greater impact than sex and race discrimination laws".

The legislation states that employers now have to 'objectively' justify retiring any employee before 65 years old (ACAS 2006). In effect then the UK Government have been widely perceived by employers as introducing a new 'minimum' or 'default' retirement age. In addition employers also have a duty to consider an employees request to stay on (Newman 2006) reinforcing the idea that from now on there is no longer a mandatory retirement age. In principal this appears to be a very positive step towards eradicating ageism – at least through to the age of 65 - however commentators offer a number of contrasting views regarding this legislation. (Rubenstein 2006) is largely supportive of the legislation suggesting that any compulsory retirement age is an "arbitrary" reason to dismiss someone and employees should be assessed on the basis of individual competences and circumstances. Whilst Rubenstein adopts an equal opportunities perspective, many UK employers have expressed concerns about abolishing a mandatory retirement age altogether, because many consider it essential to enable effective workforce planning (Millar 2006). Richard Wainer from the Confederation of British Industry also supports this view stating that the "abolition [of the Mandatory Retirement Age] could lead to conflict as companies try to manage people out" (Millar 2006) whilst many others fear actually delaying retirement could "block" jobs and consequently deprive younger employees of suitable career progression opportunities. These latter comments appear to reflect the stereotypical views held by many employers around the inferior skills and competencies of older workers.

The Heyday group have launched a campaign to overturn the introduction of a minimum retirement age in an attempt to counter stereotypical views. Heyday's director Ailsa Ogilvie claims that the government "is sending a simple message to over-65s, that they are not worth having in the workplace" (Heyday 2007). The case has been referred to the European Court of Justice (ECJ) which could be viewed as an important step in the right direction – promoting the rights of older workers. However, whilst the case is still to be decided it is considered very rare for the ECJ to overrule an Advocate General ruling, making it very likely that minimum retirement ages in the UK are here to stay (Evans 2007).

It should also be noted that whilst employers now are obligated to consider a request to stay on over the age of 65, they are not compelled to keep employees on past the retirement age of 65 and they are not even not even obliged to give written reasons for their refusal to do so (Dowling 2006). It would seem therefore that the legislation, whilst perhaps going someway towards diminishing ageism in the workplace may not eradicate it entirely as it effectively encourages employers to adopt the age of 65 as the default retirement point without consideration of the competencies, skills and expertise that individuals may have. In addition, employers are also duty-bound to provide all employees, regardless of age, with the same work-related benefits, such as redundancy and life insurance. The UK government is now concerned that many organisations might consequently abolish many work-related benefits if forced to implement them for employees of all ages across the workforce (IDS 2006: 98). Somewhat paradoxically then it is thought that some employers could "decide to dismiss all their employees at the age of 65 in order to minimise the risk of claims" (IDS 2006: 123). The new legislation could therefore prove more expensive for employers in the future which may act as a deterrent in terms of employers making efforts to retain workers past the age of 65.

The trend towards targeting older workers for redundancy when downsizing and de-layering also looks set to continue despite the introduction of the legislation because the UK Government have decided to maintain the Statutory Redundancy Payments Scheme (SRPS) including age bands. As long as organisations operate either the statutory payment scheme or an enhanced scheme that exactly mirrors the SRPS they are still acting lawfully by offering enhanced packages for older workers. The SRPS provides only half a week's pay for each year of service to an 18-21 year old whereas anyone over the age of 41 is offered one and a half week's pay.

The introduction of age discrimination legislation has also meant that employers are no longer able to use age related criteria within their recruitment adverts or as criteria within the selection process (CIPD 2006b). How this might be established or challenged however is somewhat debateable. Some 'good practice' companies such as B&Q – a DIY retailer in the UK - who were one of the first employers to actively recruit workers over 50 years old back in the late 1980's (Peters 2006) will not find this particular aspect of the legislation especially problematic as B&Q has "removed all age restrictions surrounding recruitment and promotion and no longer sets a compulsory retirement age" commenting that "21% of its workforce are over 50" (Equality Online 2006). ASDA – a UK supermarket chain - also regarded as a good practice employer - has campaigned to ensure that their employees are treated fairly, often encouraging older workers to join their company, recognised the numerous benefits associated with older workers. Rachel Fellows (Asda's spokeswoman), cited in (Age Positive 2006) "Our labour turnover has dropped and our customer satisfaction survey results and colleague approval ratings have both improved. We are competing and winning in a very competitive business. In no small part, that is because of our older workers".

These organizational examples are also supported by research conducted by (Duncan 2003) who highlighted that many retail firms had found "significant benefits from employing greater proportions of experienced, often displaced, older workers", suggesting that it was in organization's best interest to capitalise on the benefits older workers bring. Although (Duncan 2003) did note that the "cost/benefit balance" of older workers will vary according to "occupational category, industry and individual characteristics". The good practice examples cited above are all from the retail sector and perhaps not all employers across sectors will find complying with the new legislation so easy. Organisations also need to ensure that they no longer insist a candidate has a minimum or maximum years' experience because this is "potentially indirectly discriminatory against younger workers who have not had the opportunity to obtain the experience required" (IDS 2006: 63) and for older workers because they are "more likely to be experienced than their younger counterparts" (IDS 2006: 64), thus amounting to indirect discrimination. This is possibly a positive aspect of the legislation in that organizations will have to concentrate on the relevant skills and competences needed for the job rather than relying on stereotyped age-based criteria for selection decisions to particular posts.

4 SKILLS AND COMPETENCES OF OLDER WORKERS

These stereotypes are typically reflected in organization's strategies around the training and development for older workers. Research from the Institute for Employment Studies (IES) highlights that training or learning levels drop "sharply once employees reach their 50's …..and myths about the ability of older people to learn new skills" cited as a major training block, and many employers also worried "employees will not stay with them for long enough to provide a sufficient return on any investment" (Arkin 2006: 24). This suggests that typically in many organizations investment in training is heavily skewed toward younger workers. This reflects a false stereotypical view held by many employers which promotes the idea that older people do not want, or cannot benefit from training. While employers might once have argued with some justification that there were fewer years from which to reap a return on investing in older staff, this rationale breaks down as working lives lengthen and recent legislation encourages employers to consider keeping older workers on.

It also has to also be recognised however that many older employees themselves also need convincing to participate in training courses, with many older workers failing to "take up the training and development opportunities" presented to them (Arkin 2006: 27). Unless organisations actively encourage employees of all ages to participate in training it could prove extremely difficult to change stereotypical attitudes which are often held by both employers and employees. If organisations continue to promote age equality in principle, aiming to comply with recent legislation, but avoid investing in older employees because of concerns regarding the return on that investment they will be sending very mixed messages, which is unlikely to create the conditions needed to create an age diverse culture.

The Health and Safety Laboratory (Platman 2006)conducted research around many of the other 'myths' associated with older workers such as: chronological age determines age health which brings illness and disease; getting old is associated with loss of cognitive capacity; and older workers are less productive. The study assessed employees of all age groups and demonstrated that there was a huge variation between different age groups and there was no statistical significance associated with older workers. The Health and Safety Laboratory also stipulated that older people compensated for any deterioration in physical or mental capacities by drawing upon their workplace experiences (or knowledge) to support them (Platman 2006). Several decades ago, Michael Young coined the term "chronologism" to describe society's tendency to pigeon-hole people according to their physical age (Browne 2006). He wrote about the bureaucratisation of age, which ignores ability and choice, and generates a linear view of age driven by the ticking of the clock. When the prime Minister in the UK at the time - Lloyd George - introduced the idea that people should stop work at a particular age and receive a small but secure pension in 1908, he was acting in a spirit of decency and humanity. However the nature of 'work' has since changed and great advancements have also been made in medical science. Employers and employees now inhabit a different world, living for much longer so perhaps stereotypical attitudes and perceptions of the skills and competencies of older workers should now shift and reject this dominant and pervasive chronological perspective.

Having considered the changing demographics in the UK; the introduction of age discrimination legislation and the potential impact that it may have both positive and negative in terms of eradicating ageism in the workplace, we now consider current approaches to Knowledge Management in organisations. We aim to fuse HRM perspectives on ageism and KM in order to highlight the importance of organization's strategically developing a proactive approach to talent management across the organization. In so doing we argue, the organization will simultaneously be adopting a proactive approach to KM – one which promotes the development of social capital - from which organizational performance benefits should accrue.

5 CURRENT APPROACHES TO KNOWLEDGE MANAGEMENT

Having progressed from the obvious limitations of a structural or cognitive approach to KM (Swan, Newell et al. 1999) in the late 1990s, the focus now in organisations is very much on encouraging and motivating employees to share their knowledge and actively collaborate across the business. ICT is no longer considered to be the cornerstone of KM but instead, simply a 'tool' to facilitate social interaction across increasingly distributed organisations. This 'practice-based' approach to knowledge management has been advocated in both the business and academic literature (Orlikowski 2002; Nicolini, Gherardi et al. 2003). Networking, Social Network Analysis (SNA), communities of practice (CoPs), mentoring, peer assists and storytelling are just a few of the myriad of practice-based KM initiatives that management in organisations are now implementing aiming to encourage knowledge sharing for innovation and business improvement and performance (Lesser and Everest 2001; Denning 2006). What is important to note here is that the underlying organisational strategy and foundation of all of these KM initiatives is rooted in the relationship between social capital, intellectual capital and organisational advantage (Nahapiet and Ghoshal 1998: 243)? More specifically, social capital defined "as the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit" co-evolves with, and facilitates the development of intellectual capital i.e. the primary source of competitive advantage by shaping or affecting the conditions necessary for the exchange and combination of knowledge. All of these recent KM initiatives are primarily aimed therefore at generating and promoting the development of social capital which can subsequently be leveraged as an organisational resource.

However, as discussed in the previous sections on ageism, whilst organisations are attempting to encourage and promote far greater collaboration by implementing a host of new KM initiatives with the ultimate aim being to generate intellectual capital and superior organisational performance, simultaneously and somewhat, paradoxically the same organizations are not investing in their older workers and typically are targeting their older, more experienced employees, who we might assume, in the majority of cases, to have developed the greatest social capital, to leave the organisation. These can only be viewed as somewhat contradictory strategies.

The assumption that older workers are more likely to have developed the greatest social capital can be supported if we consider the many facets of social capital theory (Nahapiet and Ghoshal 1998). Social capital consists of structural, cognitive and relational dimensions. The structural dimension highlights the importance of network ties for the creation of intellectual capital. Network ties provide access to resources acting as information channels. It may not necessarily be that the direct ties an individual possesses provide the required knowledge but they do provide indirect access to others who may have. It follows then that the longer an individual has worked in an organisation, the more network ties they could be expected to have, recognising of course that there will always be social isolates in any organisation and of any age. Typically however, we might expect older, experienced workers to have more network ties.

The cognitive dimension highlights the importance of the development of a shared context and frames of reference between parties for the development of intellectual capital. A shared context develops as a result of shared language and vocabulary and the sharing of collective narratives. Arguably, older, more experienced employees have been involved in sufficient organisational activities/projects over time for shared language and vocabulary to have developed with other employees with whom they have worked. In addition, older, more experienced employees will have also been exposed to far more myths, stories and metaphors than younger less, experienced workers during their years with the organisation, which all serve to develop and sustain shared narratives, which is an important facet related to the cognitive dimension of social capital.

Finally, two facets of the relational dimension – trust and identity – are more likely to be associated with older workers compared to younger, less experienced workers. As (Nahapiet and Ghoshal 1998: 255) note "trust lubricates co-operation, and cooperation itself breeds trust", but this virtuous circle will only develop over time and during interaction with others and whilst outcomes can never be predicted (trust is easily destroyed if one party acts inappropriately) (Misztal 1996), again it could be assumed that within group/team settings older workers may be considered more trustworthy than their lesser known, younger counterparts because other employees will have more experience of working with them. Finally, identification - a process whereby employees see themselves as one with another person or group – also only develops over time as the employee chooses to take on the values or standards of the other person or group. Here then we can assume that identification with the organisation or a group within the organisation is more likely to occur the longer an individual is employed in the organisation. Ultimately (Nahapiet and Ghoshal 1998: 257) argue that time is crucial for the development of social capital, constituted as it is via "a form of accumulated history - here reflecting investments in social relations and social organisation through time". It follows therefore that if social capital co-evolves with the development of intellectual capital, then downsizing initiatives that promote the exit of older workers will damage or at least disrupt the social capital that exists within the organisation, which constrains or at least limits the development of intellectual capital considered to be the primary source of competitive advantage in contemporary organisations.

Some organisations have started to recognise this problem in recent years and engaged in new KM initiatives which attempt to 'retain' the organisational knowledge of experienced older workers (De long and Davenport 2003). However, the 'better practices' identified by De Long & Davenport tend to rely predominantly upon 'capturing' the knowledge that those older employees deemed critical by firms have, through interviews, videotaping and technology, somewhat reminiscent of the early, failed cognitive approaches to KM. These methods ignore the importance of social capital which, embedded as it is in social relations and network ties, cannot easily be captured and re-used by someone else at a later date. Mentoring might appear to be an appropriate approach to use to facilitate the development of social capital and share much of the tacit knowledge of experienced, older workers but as (De long and Davenport 2003: 54) highlight " most companies are finding this method very difficult to sustain except in short-term situations", due to inevitable resource constraints. Ultimately social capital cannot be captured and approaches that experienced workers might use to generate and sustain social capital cannot necessarily be emulated by others.

6 DISCUSSION

The competition for talent in an ageing society is evidenced at country, industry and enterprise levels. At the country level we can see the global landscapes shifting with increasing demand for supply workers in health, for example, doctors, dentist and nurses, and education professionals in the UK. At the industry level we have seen increasing competition for knowledge workers across sectors. At the enterprise level, new emerging practices are now being implemented by forward thinking organisations such as Coca-Cola who, like may organizations are now experiencing skill shortages as many of their older workers have retired (often early). Recently the term 'talent management' has entered HR vocabulary (Armstrong 2006: 390). Talent management is 'aimed at improving the calibre, availability and flexible utilization of exceptionally capable employees who can have a disproportionate impact on business performance', Smilansky (2005), cited in (Armstrong 2006: 390) and talent management is exactly what Coca Cola has actively adopted. The emphasis is very much on reviewing Coca Cola's retention policies, recruitment policies, succession planning and the development of retirement solutions to replenish the loss of older workers. Since the implementation of the new systems, Coca-Cola has recruited a significant number of new starters for example, over the age of 40. This is a 12 percent increase in the first six months of 2006 (Webb 2006). Webb commented that one important outcome from this change in strategy was that not only were Coca Cola hiring more people across an age spectrum, but that potential recruits had begun to view Coca Cola as an employer that focused on skills and not age.

We suggest that talent management and initiatives such as those recently introduced by Coca Cola have the potential to productively fuse HR and KM perspectives which could potentially serve two purposes. Firstly, talent management could help support moves to eradicate ageism in the workplace and secondly from a KM perspective, it could simultaneously help to generate and promote the development of social capital in the firm with the potential to improve overall organisational performance. In so doing we advocate an approach to talent management that adopts many of the techniques currently associated with KM but argue for the development of more nuanced approaches that acknowledge demographic differences.

To exemplify what we mean here, (Silverman 2006) suggests that in order to keep the 'right' people in an organisation i.e. to actively manage the talent in an organisation then storytelling can play a significant role. (Silverman 2006: 12) suggests that storytelling is crucial for the development of greater levels of employee engagement and self-motivation because "Stories have the ability to connect with people physically, cognitively, emotionally, and through the human spirit". Silverman cites an initiative that was instigated in a hospital in Illinois where nursing staff in operating theatres were encouraged to tell stories in response to questions such as "Did this ever happen to you?" rather than simply stating the facts. Staffs were also encouraged to tell stories in staff meetings and to prompt patients to also share stories. Since starting this initiative nursing staff turnover has reduced from 35% to less than 5% with storytelling acknowledged as a significant contributing factor. This 'talent management' approach to storytelling is somewhat different to the storytelling techniques suggested by (Denning 2006) which are regarded as KM techniques designed with a specific business purpose in mind. (Denning 2006: 42) suggests for example that "In incorporating storytelling into the world of business, it needs to be kept steadily in mind that storytelling is a tool to achieve business purposes, not an end in itself. When introducing storytelling, therefore, a sharp focus needs to be kept on the business purpose being pursued with the tool, as well as on the different narrative patterns associated with different purposes". Clearly Silverman would disagree perceiving storytelling as an end in itself insofar as it creates an environment that strengthens relationships, building social capital which helps to reduce turnover and retain the right staff. What now needs to be recognised perhaps is that storytelling might serve both purposes - both a KM and a talent management purpose if designed and instigated appropriately with recognition given to both business needs and the characteristics (including demographics) of those involved. Another example of a novel technique that might be seen to support both talent management and KM we suggest is a 'reverse' approach to mentoring whereby younger workers new to an organization 'mentor' older, more experienced workers on what they have learned from their previous employment which they believe might contribute in some ways to improving performance in the new organization. The mentoring process would encourage both young and older workers to learn from one another.

These ideas clearly need to be tested in an organizational environment. The authors are therefore planning to identify from the literature a number of UK organisations now purporting to be actively engaged in talent management. The aim will be to conduct longitudinal action research in at least two organizations, whereby some novel KM techniques might be introduced within targeted groups of employees as a means of generating new learning and more social capital. The study will be qualitative. However, it is hoped that some perceptual measures, perhaps even tangible measures could be developed that might support the proposition that organizational performance would be enhanced by introducing such measures.

7 CONCLUSION

Employers need to appreciate that some of the freshest minds are probably sitting on old shoulders. Moreover some of these are 'refreshed minds', and that possibly adds another dimension, rich in potential. But how often are older people referred to as employees with 'high potential'? Only when this sort of thinking begins to emerge in organizations will age discrimination start to become a thing of the past. Age discrimination in any form is quite simply a waste of talent and organizations' now need to start taking a proactive approach to talent management if they are going to adequately deal with the changing demographics of developed workforces such as those found in the UK and other Western economies. Within the UK, the legislation may go some way to diminishing ageism but we have demonstrated that in some ways it paradoxically reinforces some of the stereotypes associated with older workers, allowing employers to target this group for redundancy. The key here ultimately is employment flexibility. People should have the chance to stay on in employment, either on a full time basis or, where practicable, to work part-time, possibly changing their role, becoming advisers, coaches, or mentors rather than managers. More nuanced approaches to KM need to be developed that acknowledge demographic differences which will serve to support an active talent management strategy that does not simply operate to fulfil a short-term business need but actively contributes to the retention of the best people in the organization.

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