

**Leading the Future of the Public Sector: The Third Transatlantic Dialogue
University of Delaware, Newark, Delaware, USA**

May 31–June 2, 2007

Workshop 2: Diverse Leaders and Leading a Diverse Workforce

Leadership of an Ageing Workforce

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ABSTRACT

The civil service continues to become more diverse, not only in terms of race, gender, disability or ethnicity, but also in terms of age. As the population and the general workforce are ageing, also the average age of the civil servants is considerably increasing.

A consequence of ageing is that lots of older civil servants will reach retirement age soon and leave the labour market; this will cause a loss of valuable knowledge. Combined with a reduced inflow of younger workers because of demographic changes on the labour market, this will generate new challenges for management.

Several models have been set up to manage age diversity in organisations. In each of these models, an essential role has been assigned to line management. Leaders have to deal with a wide range of age groups and their specific needs (life course perspective) and have to keep workers employable and motivated as long as possible.

In this paper we will discuss issues concerning age leadership diversity. We will analyse the role of leadership in managing an age diverse workforce. Based on the leadership styles approach, we will analyse if the leadership style influences motivation and as a result also the in-, through and outflow of civil servants. The results are based on a survey organised in a Flemish public organization responsible for childcare policy.

INTRODUCTION

The civil service is becoming more and more diverse, not only in terms of race, gender, disability and ethnicity, but also in terms of age. As the population and the workforce are ageing, the average age of civil servants is increasing. A demographic analysis of the Flemish government clearly illustrates the ageing of the workforce. One out of two civil servants is over 45 and one out of five is over 55. Although the official retirement age in Belgium is 65, only three per cent of civil servants are 60 years or older. Many civil servants retire before the age of 65, as it is possible to retire at 60. As a result, approximately one in five older, experienced civil servants will leave the Flemish government in the next five years.

The ageing of the Flemish civil service resembles the general situation of the Belgian labour market. The average age of the Belgian employee is over 40. In 2020, the workforce will have 50 per cent more employees 50 and older compared with 2000 and the amount of persons 60 years and older will increase considerably (DS, 2007). Similar figures to these of the Flemish government can be found in other levels of government.

	> 45 years	> 55 years
Local Government	43,4%	12,6%
Flemish Government	50,0%	19,2%
Federal Government	55,5%	19,4%

Table 1: Demographic situation Belgian public workforce 2005

Besides the demographic changes in the workforce, a lot of competent and experienced workers, the so-called baby boomers, will retire in the coming years. It will not only be hard to replace these persons, but it will also lead to a huge outflow of knowledge and experience. The labour shortage will force public and private organizations to keep their older workers active as long as possible, instead of leaving them on (early) retirement. Instead of stimulating them to go on early retirement, new policies are required to attract workers and also to motivate them to work longer. This involves a new view on working life, with more balance during the whole career, so that people are able to stay active as long as possible.

Another challenge is the multigenerational workforce. Different generations work together, but each generation has specific needs and capabilities (Ricucci, 2002). As a result, managing age

diversity has become an urgent challenge for organization's human resource management (HRM). Incorporating diversity initiatives into human resources planning has been linked to innovation, improved productivity and lower turnover. Several models have been formulated to manage age diversity. In each of these models, an essential role is placed upon leadership to deal with age diversity (Vanmullem and Hondeghem, 2005; Thijssen and Leisink, 2004; Ilmarinen, 2001 Walker,1998). Leadership has to deal with the specific needs of a wide range of age groups (life course perspective) in order to keep workers active and motivated as long as possible. Managers must be aware of the differences among members of their workforce and try to create a working place where each person can function at his or her best. As management has the responsibility to formulate a strategic age policy in line with the general diversity policy of the organization, line managers fulfil an important role in the daily support of all employees.

The question we address in this paper is how an organization can keep its personnel of different age groups motivated in order to have an optimal personnel flow, and how leadership plays a role in keeping workers motivated.

Key concepts: motivation; leadership style; age; in-, through and outflow

THEORETICAL BACKGROUND

Little research exists about the integration of diversity and leadership, compared to the amount of research about each topic separately. Nonetheless, research proves that diversity is a moral as well as a management issue. Organizational leaders have to make decisions, taking diversity into account, which makes diversity part of good leadership. Diversity management has mostly been about developing awareness of differences rather than about developing leadership skills to deal with diversity. The field of leadership has developed enough perspectives to allow leadership diversity researchers to be creative in using much of its framework (DiTomaso and Hooijberg, 1996). Leadership diversity refers to leadership by diverse leaders and of a diverse workforce. Literature and research about leadership diversity regarding age is almost non-existent. Leadership diversity is mostly discussed in relation to gender or minority issues. Dealing with an ageing workforce, however, also becomes a key aspect of leadership diversity.

During the past two decades a considerable amount of literature and several models have been constructed to manage an ageing workforce. In the beginning, the focus was put on the 'older worker'. This policy, called 'older worker policy', had a corrective approach. In order to prevent older workers from leaving the organization, to retain their knowledge and experience, and keep them in an optimal employable condition, special policies were created. In the course of time, research and practice provide evidence that the focus had to be broadened to all age groups. In order to keep workers active and motivated until, the end of their career, a more proactive approach was needed. These were the first steps of the so called 'age-related personnel policy'. Research describes different HR-models and instruments to anticipate changing capabilities and needs of workers during their working life. A variety of models and approaches have been used to describe 'age-related personnel policy', but an integrated model was missing. The general

presumption of all these models implies that only a balance during the whole working life keeps workers employable and motivated until the end of the career.

Vanmullem and Hondeghem (2005) constructed an integrated theoretical model based on existing theories and models (Leisink, Thijssen and Walter, 2004; Ester, 2003; Derijcke, Smedts, Verdijck and Wouters, 1995; Kerkhoff, 1993). The model consists of a selection of the most important HR-aspects and instruments, which enable management to take into account differences between age groups. These were classified as the in- (recruitment and selection), through- (mobility, life long learning, career development and remuneration) and outflow (outplacement, bridge jobs and exit interview) of human resources. In literature on age-related personnel policy an essential role is put aside for leadership. Leadership has to deal with a wide range of age groups and their specific needs during working life (life course perspective) and has to broaden the path towards an environment in which diverse members can achieve excellence in “their own ways” (Chen, 1996). Leaders have a big influence on their workers by coaching, motivating, supporting and valuing their performances. Leadership gives shape to the organizational climate, therefore leaders have a role model in treating each person as an individual rather than based on a group stereotype.

CONCEPTUAL BACKGROUND

With our research we want to connect two fields of research - leadership and age diversity management - and test hypotheses that emerge from these two backgrounds. The core concepts for this research are motivation, leadership, age and the in/through/outflow process.

Motivation

The aim of an age-related personnel policy and effective leadership style is to keep workers motivated by understanding their different values and needs. For this reason leadership has to gain insight into what motivates workers and be aware that those motivators can change during a working career. Motivation theories can be divided in two main categories, namely ‘content’ and ‘process’ theories. Content theories concentrate on factors that determine motivation, while process theories treat motivation as a process, and emphasize how and why people choose certain behaviours in order to meet their personal goals. Goal setting is the heart of motivation processes. In our research we use Vroom’s (1964) ‘Expectancy Theory’, which is an example of a process theory. The expectancy theory states that a worker’s motivation depends on the degree to which a person wants something compared with the alternative choices and the rewards the person thinks he/she will receive. In brief, expectancy theory assumes that workers have several aims and their expectations determine their motivation. When an imbalance exists between what a person wishes (‘want’) and what a person receives (‘get’), the person will try to handle this imbalance at the cost of his/her motivation. The central idea is that organizational commitment depends on what workers want in their job and what they get. The bigger the imbalance between what one wants and what one gets, the bigger the chance for absenteeism, outflow, performance problems, etc. (Jurkiewicz, 1998).

An important role for management is to find out which job factors motivate workers and which resources, training or supervision are needed to realize the balance between ‘want’ and ‘get’. Leaders must move beyond their managerial or supervisor role and establish motivational environments that inspire followers to achieve levels of performance that meet the worker’s expectations and perhaps exceed their initial beliefs in their own capabilities. (Isaac, Zerbe en Pitt, 2001)

Leadership

The second important concept is leadership. Leadership is the ability to influence a group towards the achievement of its goals (Yukl, 2006). A leader’s effectiveness has been seen as most important. When a leader is managing a team or individual workers, the leadership style is crucial to its success. According to Blake and Mouton (1964) leadership effectiveness can be predicted by two leadership styles: task/production orientated and relations/employee orientated behaviour. They state that leaders scoring high on both dimensions perform better as leaders. Fiedler (1967) however, suggested that an effective leadership style is dependent on the characteristics of the context. Ekvall and Arvonen (1991,1994) add a third dimension, namely change/development orientated behaviour, finding that high scores on all three dimensions predicted high performance (Kornor en Nordvik, 2004). We use the CPE (Change, production and employee)-model of Ekvall and Avronen (1999) to measure the three leadership styles, namely the task orientated (focus on achieving organizational goals), the relations orientated (focus on supporting and developing people) and the change orientated style (focus on development and change). We will measure the leadership styles experienced by the workers to gain insight into the role of leadership: does leadership style have an influence on the motivation of workers?

Age

Each individual experiences specific needs, capabilities and wishes during a lifetime. In order to keep workers motivated an employer has to anticipate these changing needs. Most adults spend 40 or more years in the workforce. This lifespan is associated with major cognitive and intellectual changes that influence a person’s functioning (Smith and Marsiske, 1994). Management has to be aware of these changes and has to provide a work environment that recognises and accommodates the unique needs of both younger and older workers. In our research we define four age groups and study the discrepancy between ‘want’ and ‘get’ for the most important job factors. In the literature, the distinction is mostly made between ‘young’ and ‘older’ workers. There is no clear definition for the ‘older worker’. In Europe workers over 45 are often defined as ‘older worker’ whereas in the USA an older worker is someone aged 60 or older.

In several West European countries, more attention is paid to the retirement of older workers, than to the investment in human capital of older workers. This results partly from the European welfare policy which has created financially attractive early retirement possibilities for older to make way for younger unemployed workers. This policy strengthens the prejudices against older workers and gives them a sign that it is better to leave as soon as possible, and reinforces the feeling of being an ‘older worker’. The image of ‘the older worker’ is still too often dominated by stereotypes and prejudices such as “they are no longer motivated” or “ they are not

employable” and “ they are just looking forward to retirement. Research findings, however, point out that despite some physical and cognitive decline, older workers compensate by using other resources and their experience. They are still employable (Marcoen, 2006). In contrast to what many people think, older workers are a very heterogenic group. Age is an important factor, but it may not result in stigmatizing. A worker aged 60 can be younger in spirit than a worker aged 40. Although a lot of research has been done on motivation of public servants, there has been no research, as far as we know, into the motivational factors of diverse age groups of civil servants.

In, through and outflow of personnel

The motivation of a worker reveals itself in the in-, through and outflow intention. When an organization offers adequate training and education possibilities, invests in career development and has a good remuneration policy that responds to the worker’s expectations, the worker will be motivated to stay with the organization. If this is not the case, they will search for another job. When a worker doesn’t experience enough job satisfaction (discrepancy between ‘want’ and ‘get’), this can result in changing attitudes, such as less effort, a lower degree of persistence and the less likelihood of reaching goals. A decrease in satisfaction and organizational commitment can lead to negative feelings about job application, absenteeism, lack of participation in training and education, mobility intentions, and in the worst case, exit from the organisation. In times of labour shortage it is crucial for an organisation to limit turnover and to try to realise a fit between what workers expect and what an organization can offer. This will result in positive in-, through and outflow. A lot of research has dealt with the influence of motivation on outflow intention (Selden, 2000 and Porter, 1973). In our research we will study the effect of motivation on in-, through- and outflow intentions.

Research model and hypotheses

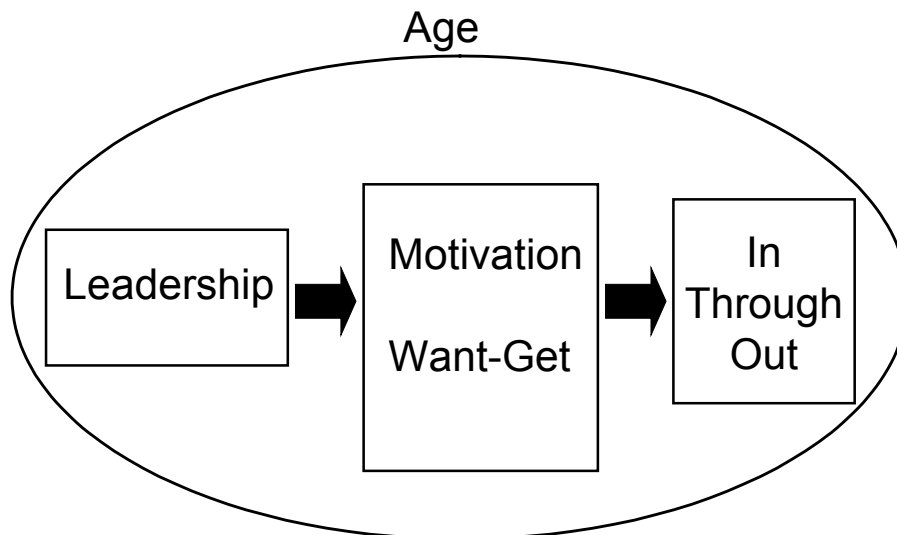


Figure 1: Research model

Hypothesis 1A: Leadership style has an effect on the discrepancy between want and get

Hypothesis 1B: The influence of leadership style on the discrepancy between want and get differs between age groups

Hypothesis 2A: The discrepancy between want and get has an effect on the worker's in/through/outflow intention

Hypothesis 2B: The effect of the discrepancy between want and get on the in/through/outflow intention differs between age groups.

METHOD

This study is based on quantitative data derived from a web survey, which was conducted in 2006 in a Flemish public organization. The public organization provides assistance and advice on the well being of young children. Like most other organizations, this public organization is also confronted with an ageing workforce: 23 % of the personnel is 50 years and over. All civil servants of the organization (N=1369) were asked to fill in a web survey. A total of 643 surveys were returned, a response rate of 47%. The returned surveys were a good representation of the organization's population. Of the 643 respondents who returned the survey, 81 were in an executive function and 562 in a non-executive function. The organization has a mainly female workforce with only one in 10 public servants male. In our survey, 81 men responded and 562 women, which is respectively 13 and 87 percent. Each age group was well represented. There is only a slight under-representation of the civil servants of the lowest level (Level D).

	Population	Respondents	% Population	% respondents
Total	1369	643		46,9
Level A	171	133	12,5	20,7
Level B	811	374	59,2	58,
Level C	140	65	10,2	10,1
Level D	209	36	15,3	5,6
Executive	106	81	7,7	12,6
Non-Executive	1263	562	92,3	87,4
Men	143	81	10,4	12,6
Women	1226	562	89,6	87,4
Age 18-30	257	121	18,8	18,8
Age 31-45	589	295	43,0	45,9
Age 46-55	409	172	29,9	26,7
Age 55 +	113	47	8,3	7,3

Table 2: analysis of the respondents by age, level, executive function and gender

The questionnaire contained approximately 150 items about motivating job factors, in-, through- and outflow intentions and specific topics about ageing and retirement intentions. The questionnaire for managerial staff contained a few additional questions about their vision of the

ageing of the workforce and the HR-instruments they prefer to use in managing an ageing workforce.

Motivation

We have measured motivation based on the expectancy theory of Vroom. We have defined 22 important job factors for public servants. Fifteen job factors come from the research of Jurkiewicz (1998) on the motivation of public servants and private workers. Additional job factors are taken from Depré and Hondeghem's research (1995) on motivation in the public service.

First, each respondent was asked to mark the importance of the 22 job factors on a scale of 1 (not important) to 5 (very important). Second, each respondent was asked to mark the 22 job factors again, but now to what extent these job factors are present in their job, from 1 (totally not present) to 5 (totally present). The differences between 'want' and 'get' are, based on Vroom's expectancy theory, an indication of motivation. A substantial discrepancy between want and get can result in less motivation of the people who experience a gap. We only take the job factors with a first score (want) higher than 4 into account, because these are the most important job factors for workers and will have a stronger effect on their motivation. The variable 'Diff_16' is the mean of the discrepancy of the 16 most important job factors.

Leadership style

The questions on leadership style are based on the CPE-model (Arvonen en Ekvall, 1999). Fifteen items were used to measure the change, task and relation orientated leadership style. Each respondent was asked to assess the behaviour of his/her manager by assessing the 15 items. All these items were presented at random in a list. For each item there was a five- point scale ranging from 1 (totally inappropriate) to 5 (totally appropriate). Each item was an indication for a particular leadership style. The items for each style were:

- Change orientated leadership style (cronbach's alfa: ,847) (**VARLG_C**): 'offers ideas about new and different ways of doing things', 'pushes for growth', 'initiates new projects', 'experiments with new ways of doing things' and 'gives thoughts and plans about the future'.
- Task orientated leadership style (cronbach's alfa: ,696) (**VARLG_T**): 'plans carefully', 'is very demanding about plans being followed', 'gives clear instructions', 'is controlling in his/her supervision of the work' and 'makes a point of following rules and principles'.
- Relation orientated leadership style (cronbach's alfa: ,917) (**VARLG_R**): 'shows regard for subordinates as individuals', 'is considerate', 'allows his/her subordinates to decide', 'trusts his/her subordinates' and 'is friendly'.

Age

Initially we wanted to use four age groups in our research, namely civil servants aged 18-30; 31-45; 46-54 and older than 55. This classification is used in other research as well and refers to the different age stages during working life. The problem with these age groups, however, was that the population for the age group 55+ in our research was too small. This makes the sample for this age group too small for analysis. Therefore the analysis will lack the precision to provide reliable answers to the research questions. Properly designed research must ensure that 'power' will be reasonably high to detect reasonable departures from the null hypothesis. Power is the

probability that we will find a difference, assuming that this really exists. A power of ,80 is satisfactory (Cohen, 1988). This means that, if there really is a difference, we have an 80% chance of detecting it statistically. To be sure that our statistical test will have enough power, we have performed a special Power analysis (SAS 9.1 © PROC POWER). Table 3 illustrates that the power for the age group 55+ for medium effect sizes (partial correlation of ,3) is not enough. In order to have power above the recommended threshold of ,80, power analysis indicates that 82 subjects in each age group are necessary for both hypotheses. The current age group 55+ is too small. For this reason we have constructed other age groups so that this study is sufficiently powered. The new age groups 18-30 (n=121); 31-40 (n=180); 41-50 (n=215); 50-65 (n=118) count all enough observations.

	18-30	31-45	46-55	55+	50-65
Respondents	121	295	172	47	118
H1 <i>p value</i>	>,929	>,999	>,984	>,559	>,923
H2 <i>p value</i>	>,929	>,999	>,984	>,560	>,923

Table 3: Power analysis

In-, through and outflow

We have constructed three new variables in order to measure the inflow, through flow and outflow intentions of the respondents. Each scale contains several items. Respondents were asked to mark the items on a scale of (totally disagree) to 5 (totally agree).

- Inflow (cronbach's alfa = ,839) : I would apply again, and I would recommend my friends and family to apply for this organization.
- Through flow : Mobility intention: (cronbach's alfa= ,606): I wish to change function, I wish to change working place in the organization, I wish to keep the function, but change the tasks, I wish to have more tasks, and I wish to have less tasks.
- Outflow (cronbach's alfa= ,789): sometimes I look for other job vacancies, I actively apply for a new job in another organization, and I would like to leave the organization, but I do not dare because of the insecure situation on the labour market.

ANALYSES AND RESULTS

We first make a correlation analysis to examine the relationship between the different variables. Next to the main variables in our research (leadership style, discrepancy in job factors, in-, through- and outflow), we have also defined some control variables. The first one is gender, which is a dummy variable (1=man, 0=woman). The second is job level within the civil service, ranging from D (the lowest level) to A (highest level). For the correlation matrix, we have transformed this variable into an ordinal variable ranging from 1 (= level D) to 4 (= level A). The different age groups have also been defined as an ordinal variable in the correlation matrix (1= age 18-30; 2=31-40; 3=41-50; 4=51-65).

INSERT TABLE 4 HERE – correlation table

From the correlation matrix (table 4) we can conclude that all three leadership styles are negatively correlated with the discrepancy of the job factors. The more respondents experience a strong relation, change or task orientated leadership style of their supervisor, the smaller the discrepancy they experience for the job factors. The correlation between the discrepancy and the task orientated leadership style however is half as strong ($r=-,225^{**}$) as the correlation between the discrepancy and the relation orientated ($r=-,492^{**}$) and change orientated ($r=-,432^{**}$) leadership styles.

There is a weak positive correlation between job level of the respondent and the experienced discrepancy ($r=,090^*$). The higher the job level, the less discrepancy in job factors. The variables gender and age group have no significant correlation with the discrepancy. We want to point out however that we have transformed the age groups (18-30, 31-40, 41-50, 51-65) into an ordinal variable (ranging from 1 to 4) and that correlation analysis measures a linear relationship between the age groups and the discrepancy. If there is no linear relationship, this does not mean that there is no relationship at all.

There exists a statistically significant correlation between the discrepancy of the job factors, workers experience and their in-, through and outflow intentions. Inflow ($r= -,391^{**}$) is moderately negatively correlated with the discrepancy, while discrepancy and through ($r=,290^{**}$) and outflow ($r=,328^{**}$) are moderately positively correlated. The correlation between the discrepancy and the inflow is stronger than that between the discrepancy and the through and outflow intention. The bigger the discrepancy a worker is experiencing, the less he/she will apply again and the more he/she wants to change function, task or post and is looking to leave the organization.

There is also a weak negative significant correlation between the variable age groups and the in- ($r=-,118^{**}$) and outflow ($r=-,155^{**}$) intentions. The older the person, the lower the inflow and outflow intentions.

The correlation matrix already gives some interesting descriptive statistical results. In order to test our hypotheses, however, we need other statistical analyses. We use a regression analysis to examine the effects of the independent variables on the dependant variables in our model. As the model consists of two parts, we develop two regression models. The independent variables in the first model are the leadership styles (change, relation, task) and the control variables (gender, level); the dependent variable is the discrepancy in job factors. The independent variables, in the second model, are the discrepancy in job factors and the control variables (gender, level); the dependent variables are the in-, through and outflow intentions. We do these regression analyses for the whole population, but also for each age group separately. The statistical analyses are made with SPSS 15.0.

INSERT TABLE 5 HERE – regression H1

Hypotheses 1A and 1B

The regression analysis (see table 5) points out that the three leadership styles and the control variables explain 26% of the variance in discrepancy ($n=643$). The control variables have no statistically significant effect on the discrepancy. Only the change orientated ($p<,005$) and the

relation orientated leadership style ($p < .001$) have a significant effect on the discrepancy. The weight of the relation orientated leadership style on the discrepancy is almost twice as high as the weight of the change related leadership style.

For each age group, the effect of the leadership styles on the discrepancy differs and the control variables still have no significant effect. The effect of the leadership styles is smallest in the youngest age group and is less than half compared to the other age groups. For the youngest age group, the independent variables explain only 12% of the variance of discrepancy. For the other age groups, the three leadership styles and the control variables together explain at least 25% of the variance. The relation orientated leadership style has the biggest impact and the task orientated leadership style has no significant effect in each age group. For the age group 31-40 and 41-50 the change and relation orientated leadership styles are statistical significant. For the youngest and the oldest age group, respectively 18-30 and 51-65, only the relation orientated leadership style has a significant effect. The weight of this leadership style is substantial for the age group 51-65. Older workers with a supervisor who has a strong relation orientated leadership style, have more chance to experience a lower degree of discrepancy between what they want and what they get out of the job.

INSERT TABLE 6 HERE – regression H2

Hypotheses 2A en 2B

In the second regression model (see table 6) we have analysed the effect of the discrepancy on the in-, through and outflow intention for the whole population ($n=643$) and for each age group separately.

Inflow

For all age groups, the discrepancy has a negative effect on the inflow and explains 15% of the variance of the inflow intention. There are considerable differences between the age groups. The effect of the discrepancy is highest in the youngest age group ($R^2 = .224^{***}$) and substantially lower in the age group 41-50 ($R^2 = .108^{***}$).

Through flow

The discrepancy has a statistically significant positive effect on the through flow intentions ($n=643$), but explains only to a small degree the variance in through flow intentions ($R^2 = .082^{**}$). The effect of the discrepancy on the through flow is lower than on the inflow intentions. The difference between the age groups is slightly smaller. The effect of the discrepancy on the through flow intentions is highest in the age group 51-65 ($R^2 = .135^{***}$) and lowest in the age group 41-50 ($R^2 = .043^{**}$).

Out flow

The discrepancy has also a statistically significant positive effect on the outflow intentions and explains for all age groups 11% of the variance in outflow intentions. The effect of the discrepancy on the outflow intentions is statistically significant and positive in all age groups, and does not differ much. The effect is biggest in the age group 18-30 where the discrepancy

explains 12% of the discrepancy, while the effect is smallest for the age group 31-40 where the discrepancy explains 8% of the variance.

DISCUSSION

This study has investigated firstly the impact of leadership style on the discrepancy, between what a worker wants and what a worker gets in the job, of different age groups and secondly the effect of the experienced discrepancy on in-, through and outflow intentions. The goal was to bring two important areas of research, age diversity management and leadership, together in order to understand better the impact of leadership on the motivation of the ageing workforce. The results of this study show that leadership style has an effect on the discrepancy and that the gap between what a worker wants and gets in the job influences the in-, through, and outflow intentions and that these effects differ between age groups.

Our model supports the theories we have used. First, our results confirm Vroom's Expectancy theory: motivation, i.e. the link between what a worker finds important in the job and the extent to which these elements are present in the job, influences goal setting and the worker's attitudes and behaviour. Supplementary to Vroom's theory, we have found that the influence of the discrepancy between 'want' and 'get' has a bigger effect on the inflow intentions than on the through and outflow intentions. A further finding is that the effect on in-, through and outflow intentions differ between age groups but there is no linear relation. For example, the youngest age group is more sensitive to the effect of the discrepancy on inflow intentions than the middle-aged groups. Noteworthy is that the discrepancy has a positive effect on the through flow intentions, which implies that mobility here is not seen as a chance to explore new directions in working life. Mobility seems to be considered as an escape route for those who do not feel good in their job anymore. The oldest age group, 51-65 years, is most sensitive to the effect of leadership styles on their mobility intentions. For the outflow intentions, the differences between the age groups are limited.

Second, our model validates that leadership styles have a considerable effect on the discrepancy of job factors and that strong leadership styles are linked to a lower discrepancy rate. This supports Evkall and Arvonen's theory about leadership effectiveness. Again, our model supplements the theory by stating that the effect of leadership styles differs between age groups. The effect of the leadership styles is substantially lower for the youngest age group, compared to the other age groups where the effect is approximately the same. Remarkable is the significant effect of the relation orientated leadership style, which has, of the three styles, the strongest effect on the discrepancy in each age group.

The different effects of the independent variables between the age groups illustrate the importance of a life course perspective, which considers the changing needs and capabilities during working life as a key factor. Each age group experiences other effects of the independent variables because of their different 'worlds'. There is no consistent line between the age group and the effect of the variables: sometimes the effects are bigger for the youngest age group, and sometimes for the oldest age group. Our research supports this basic assumption by illustrating the different effects on the in-, through and outflow intentions of personnel. This indicates the importance of age diversity management: management must have insight into the needs and capabilities of the different age groups and must try to accommodate this, for instance, through an adapted leadership style.

Like other research, our research has some limitations, which lead to some suggestions for further research. First, we have defined discrepancy based on the 16 most important job factors for the whole population. Based on the life course perspective, it would be interesting to investigate if the most important job factors differ between the age groups. One could take a limited number of job factors into account (eg. The top five of most important job factors) and examine if this list differs between the age groups. It would be interesting to see if the discrepancy with regard to this limited list leads to other results and could enhance the explanatory power of the regression models. Taking into account the difference between age groups would also lead to more specific information about the effect of the independent variables for different age groups. In turn this would give more accurate information on how to manage different age groups.

Second, we have measured in-, through and outflow intentions by one factor. However, the flow of personnel implies more than job application, mobility and exit. It would be an enrichment to examine the effect of the discrepancy on other in-, through and outflow intentions, such as the intentions to participate in training, the intention to retire, etc.

This study confirms the basic assumptions of an age-related personnel policy, which states that different age groups have different needs and therefore need an adapted approach. In order to keep workers motivated during their whole career, the focus should not only be laid on the older workers, but attention must be paid to all age groups and their specific needs. The leadership style is a crucial element in keeping workers motivated. Management and direct supervisors need to have insight into what their workers find important and if they can come up to their expectations.

Pearson Correlation												
	Mean	S.D.	Diff_16	VARLG_C	VARLG_T	VARLG_R	Inflow	Through flow	Out flow	Age group	Level	Gender
Diff_16	,60	,46	1	-,432(**)	-,225(**)	-,492(**)	-,391(**)	,290(**)	,328(**)	-,075	-,090(*)	,018
VARLG_C	3,44	,87		1	,507(**)	,655(**)	,323(**)	-,227(**)	-,242(**)	,014	,168(**)	,071
VARLG_T	3,27	,73			1	,280(**)	,175(**)	-,072	-,099(*)	,052	,273(**)	,192(**)
VARLG_R	3,85	,88				1	,345(**)	-,257(**)	-,296(**)	,007	,119(**)	,038
Inflow	4,04	,90					1	-,311(**)	-,462(**)	-,118(**)	,055	,052
Through flow	2,54	,73						1	,455(**)	-,061	-,004	-,062
Out flow	1,79	,98							1	-,155(**)	-,072	-,109(**)
Age group	2,52	1,00								1	,099(*)	-,014
Level	2,01	,75									1	,155(**)
Gender	1,87	,33										1

** Correlation is significant at the 0,01 level (2-tailed).

* Correlation is significant at the 0,05 level (2-tailed).

Table 4: Correlation Matrix

		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
Hypothesis 1A (a)	(Constant)	1,732	,127	
	VARLG_C	-,087	,028	-,169**
	VARLG_T	-,023	,027	-,036
	VARLG_R	-,188	,025	-,365***
	Gender	-,056	,055	-,039
	Level A	,009	,082	,008
	Level B	-,048	,074	-,052
	Level C	-,043	,087	-,029
	Adjusted R Square	,256***		
<hr/>				
Hypothesis 1B (a)		Unstandardized Coefficients		Standardized Coefficients
AGE1830		B	Std. Error	B
	(Constant)	1,758	,304	
	VARLG_C	,020	,074	,036
	VARLG_T	-,122	,069	-,215
	VARLG_R	-,149	,057	-,300**
	Gender	,054	,143	,036
	Level A	-,197	,210	-,180
	Level B	-,266	,193	-,291
	Level C	-,209	,222	-,146
	Adjusted R Square	,118**		
<hr/>				
AGE3140	(Constant)	1,622	,258	
	VARLG_C	-,144	,051	-,291**
	VARLG_T	,029	,057	,046
	VARLG_R	-,162	,044	-,310***
	Gender	-,187	,096	-,140
	Level A	,116	,206	,120
	Level B	,101	,204	,110
	Level C	,003	,229	,002
	Adjusted R Square	,257***		
<hr/>				
AGE4150	(Constant)	1,839	,225	
	VARLG_C	-,111	,050	-,206*
	VARLG_T	-,016	,046	-,023
	VARLG_R	-,201	,045	-,389***
	Gender	,023	,103	,015
	Level A	-,063	,117	-,056
	Level B	-,100	,099	-,112
	Level C	-,063	,121	-,048
	Adjusted R Square	,285***		
<hr/>				
AGE5165	(Constant)	1,419	,321	
	VARLG_C	,021	,062	,046
	VARLG_T	-,010	,061	-,018
	VARLG_R	-,275	,063	-,571***
	Gender	,138	,159	,102
	Level A	-,104	,264	-,072
	Level B	,155	,205	,151
	Level C	,106	,238	,073
	Adjusted R Square	,273***		

(a) Dependent Variable: Diff 16

Table 5: Regression Analysis Hypotheses 1

Regression Analysis: Hypotheses 2

	Hypothesis 2A		Hypothesis 2B 18-30		Hypothesis 2B 31-40		Hypothesis 2B 41-50		Hypothesis 2B 51-65	
	Unstandardize d Coefficients	Standardize d Coefficients	Unstandardize d Coefficients	Standardize d Coefficients	Unstandardize d Coefficients	Standardize d Coefficients	Unstandardize d Coefficients	Standardize d Coefficients	Unstandardize d Coefficients	Standardize d Coefficients
(Constant) a	4,514 ,055		4,746 ,107		4,601 ,110		4,372 ,101		4,406 ,128	
Diff_job factors	- ,759 ,073	- ,391***	- ,861 ,146	- ,481***	- ,762 ,135	- ,400***	- ,712 ,144	- ,335***	- ,803 ,170	- ,423***
Adjusted R square	,152***		,224***		,155***		,108***		,171***	
(Constant) b	2,259 ,047		2,369 ,101		2,268 ,094		2,296 ,077		2,098 ,117	
Diff_job factors	,464 ,063	,290***	,439 ,138	,284**	,459 ,116	,295***	,343 ,110	,218**	,713 ,173	,379***
Adjusted R square	,082***		,073**		,081***		,043**		,135***	
(Constant) c	1,374 ,061		1,401 ,148		1,524 ,129		1,392 ,109		1,148 ,100	
Diff_job factors	,687 ,081	,328***	,809 ,200	,352***	,617 ,158	,289***	,734 ,156	,320***	,456 ,133	,320**
Adjusted R square	,106***		,117***		,078***		,098***		,094**	

a. Dependant variable : INFLOW

b. Dependant variable : THROUGH FLOW

c. Dependant variable : OUTFLOW

Table 6: Regression Analyses Hypotheses 2

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