

JOB OPPORTUNITIES FOR PEOPLE OVER 50 IN THE NETHERLANDS

IVANA KOLÁŘOVÁ, MONIKA BÉDIOVÁ, MARTINA RAŠTICOVÁ

ABSTRACT

Due to the effect of ageing in the labour market, there is a necessity to tackle obstacles arising from employment of older workers. The paper investigates the situation of job opportunities for people over 50 in the Netherlands. In total, 20 in-depth interviews were analysed by using the software Maxqda. The results of the research are described by MAXmaps that show factors influencing job opportunities for people over 50. The findings suggest that companies in the Netherlands are increasingly paying attention to the aging problem of the population. Theoretical and managerial implications of these findings are also discussed.

KEY WORDS

age management, employment, job opportunities, older workers, aging.

DOI: 10.23762/fso_vol5no1_10

IVANA KOLÁŘOVÁ

e-mail: ivana.kolarova@mendelu.cz

MONIKA BÉDIOVÁ

e-mail: monika.bediova@mendelu.cz

MARTINA RAŠTICOVÁ¹

e-mail: martina.rasticova@mendelu.cz

Mendel University in Brno,
Czech Republic

¹ Corresponding author

Introduction

One of the most discussed issues across Europe is the demographic aging of the population. The population aging is increasingly appearing in our daily lives and affects them in different ways. It can be very difficult to be an old man/woman in today's fast world because there are a lot of demands on people even they are old – old age does not fit anyone. The definition of when a person is old, however, can be very difficult to define because the aging process is carried out for each individual. Aging population will require different organisational changes and actions in public policy in all affected countries. The aim of the paper is analyse the actual situation of

job opportunities for people over 50 in the Netherlands. For an individual worker over 50, periods of unemployment may have important social and economic consequences, especially if recruiting employers use information about past or contemporary unemployment to sort workers. If employers prefer not to hire jobseekers with a history of unemployment, unemployed workers will have a hard time finding jobs, it will be very difficult to bring down high unemployment, and there will be scope for policy measures to help unemployed workers compete for jobs. Hence, it is crucial for policymakers to be informed about the causal effects of experiencing unemployment.

1. Problem description

Long-term unemployment of older people can have severe financial and health consequences for these individuals (Frese, Mohr 1987; Klehe et al. 2012; Ranzijn et al. 2006; Warr 1987), and is associated with significant economic and social costs to communities and ultimately economies (Encel, Studencki 2004; Ranzijn et al. 2004). Thus, encouraging older people's job search and re-employment is an important issue in countries with an ageing population. In the context of continuous demographic changes affecting populations and workforces in both developed as well as developing countries (Cohen 2003), many governments are now attempting to change the institutional and economic contexts that influence job search and re-employment of older people.

Policy responses to population aging globally comprise both negative and positive strands: on the one hand, old age is commonly portrayed as a period of inactivity and dependency while, on the other, often simultaneously, older people are viewed as a social and economic resource. Both successful and active aging derive from the same scientific root, the activity perspective (Strawbridge et al. 2002; Walker 2009).

Eurostat projections indicate that the aging population will reach an unprecedented level over the following 50 years in 31 European countries (Lanzieri 2011). The changing age structure is determined by a number of factors – declining birth rate and declining mortality, together with a decline in illness and disability is increasing longevity (Walter, Maltby 2012).

In 2015, for the first time in the history, there was, globally, more individuals over the age of 65 than children under the age

of 15 (Mahon, Millar 2014). In relation to the increasing age of the population, there are also changes in old-age dependency ratio¹. During the last 5 years, there has been an increase in this indicator in the EU countries by only 2.7% (from 26.1% in 2010 to 28.8% in 2015). The lowest rate of old-age dependency ratio in 2015 was in the Slovakia (19.6%), Ireland (19.8%) and Cyprus (20.3%). The highest old-age dependency ratio was, however, in Italy (33.3%), Germany (32.7%) and in Greece (31.9%). According to the Eurostat projection, the level of this indicator will be raising rapidly. The most critical situation is expected in 2060 when old-age dependency ratio will reach 50.2% (Eurostat 2015).

Considering the situation mentioned above, the society will, whether they want it or not, have to start counting on the potential of the older population. On the one hand, older workers will have to work as they will be dependent on the income from employment and at the same time the employers will have to utilise this people because there is a real decline of young people who would be able to replace older people (Rašticová et al. 2013).

Despite the fact that older workers can provide much needed skills and expertise to an organization, employers still have not recognized the important significance of an aging population for the competitiveness of their companies (Mahon, Millar 2014).

In relation to the discrimination of the age group 50+ both in the workplace and during getting a new job, we can encounter with the term ageism. Ageism can be understood as a process of systematic stereotyping and discrimination against people of their age, like racism and sexism related to skin colour and gender. Ageism

¹ This dependency ratio is the ratio between the number of people at the age of 65 (age when they are generally economically inactive) and the projected number of people aged between 15 and 64.

allows younger generations to see older people as different from themselves and therefore prevents them from identification with them. Ageism can also be seen as a method through which a society promotes the view of older people (Vidovičová, Rabušić 2005).

Ageism includes stereotypes and negative images about old people or includes acts of discrimination towards an older person or group of elders. These are the statements and attitudes without true foundation but with the impression that they are at the core of truth. Stereotypical view of old age considers people 50+ as a homogeneous group without individual differences which is a burden to society in the form of substantial spending of financial resources of society to finance pensions and higher costs of health and social care. Ageism restricts seeing the positive values of age and accepting the important role of a growing amount of elderly in the population (Tošnerová 2002).

2. Aging in the Netherlands

In the 80s of the 20th century, the Netherlands belonged to the countries with the highest unemployment in the European Community – at that time the unemployment rate in the Netherlands was more than 10%. Within a few years, the high unemployment was dramatically reduced. According to the latest Eurostat data, the unemployment rate in the Netherlands was a lot below the average unemployment rate in the EU countries in 2015 – the unemployment rate in the Netherlands was 6.6% while the average unemployment rate in EU countries was around 9.0% (Eurostat 2016).

Nowadays there live 17 million people in the Netherlands. In 2013, they represented more than one third of the population, i.e.

5.8 million of residents older than 50 years while this number is constantly increasing. According to Statistics Netherlands prognosis 50 + population will represent a half of the population in the Netherlands in 2019 (Hokstam 2013).

There are several tools through which the unemployment was reduced in the Netherlands (Smutná 2013):

- the slower pace of wage growth – based on a consensus between Netherlands employers, trade unions and the government, there has been a wage moderation for more than 10 years. There were measures which should have led to a reduction in expenditure on unemployment and which brought to the companies growth in profit and this resulted in the need to create new jobs;
- reform of social benefits – unemployment benefits is conditioned to finding a new job. If the unemployed person refuses a job corresponding to their qualifications, it means that the state aid will be automatically ended;
- rapid growth in the participation of the entire population in the labour market – the part-time jobs were extended and promoted and it led mainly to the involvement of women in the labour market.

The Netherlands is also “graying” up and due to this demographic changes and the increasing life expectancy of the Netherlands population, a plan to increase the retirement age was prepared by the government of the Netherlands in October 2012. For the stability of the pension system in the country, it is necessary to maintain the average pension period. In 2015, the retirement age was 65 years and 3 months. The current government wants to raise the retirement age to 66 years in 2019 and to 67 years in 2021 (Smutná 2013).

Due to the population aging, the number of people who are entitled to receive

a pension has increased of 2 million – nowadays the situation is that there are four people of working age to one person of pension age. In 2040, there will be only two people of working age to one person of pension age and the costs for pensions will increase from 30 billion EUR to 50 billion EUR. This is the main reason to increase of the retirement age (Smutná 2013).

One of the solutions of this situation for the government of the Netherlands is to increase the retirement age. However, it should be also considered that older workers are not too attractive for companies and it may lead to an increase in unemployment in this age cohort.

3. Methodology

Qualitative methodologies consist of the philosophical perspectives, assumptions, postulates, and approaches that researchers employ to render their work open to analysis, critique, replication, repetition, and/or adaptation and to choose research methods. In this respect, qualitative methodologies refer to research approaches as the tools with which researchers design their studies, and collect and analyse their data (Given 2008). Qualitative approaches share a similar goal in that they seek to arrive at an understanding of a particular phenomenon from the perspective of those experiencing it. Therefore, the researcher needs to determine which research approach can answer their research questions (Streubert Speziale, Carpenter 2007).

The aim of the paper is analyse the actual situation of job opportunities for people over 50 in the Netherlands. In order to answer the qualitative research questions, semi-structured interviews were conducted, confronting the interviewees with statements deduced from the body of theories

described in the theoretical framework section. The relative advantages of qualitative methods compared to the quantitative ones become highly significant. These methods limit the range of answers by the interviewee by basing the interview on a questionnaire which can provide precise formulations and ordering of the questions as well as possible answers. The research sample consists of 20 respondents who were unemployed. They analysed job opportunities for them in the labour market of the Netherlands. The data were analysed by grounded theory method by using software MAXQDA, which is professional software for qualitative and mixed methods data, allowing easy sorting, structuring and analysing large amounts of text by using code system. Factors which are influencing job opportunities for people over 50 with a name of the code were assigned to the coded segment and are described by MAXmaps. The coded factors of the respondents were compared and analysed.

4. Results

Previously in the Netherlands, leaving the labour market through early retirement and disability schemes was common place for older workers. This has prompted the authorities to take steps over the past decade: to increase the incentives to work; to close pathways to early retirement; to tackle over-utilisation of disability pensions; and to raise the state pension age. Figure 1 presents the labour participation of people in age group 45-75 years. Total population on the labour market is constantly increasing also as numbers of employment. Numbers of unemployment used to be lower in years 2007-2009, but after the economic crisis the numbers of unemployment has been increasing again.

Figure 1. Labour participation of people in age group 45-75 years in the Netherlands

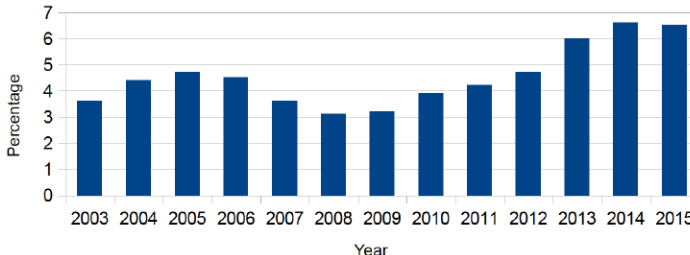


Source: own elaboration based on the results of Centraal Bureau Voor De Statistiek 2016.

Figure 2 brings results regarding unemployment of people in the age group 45-75 years (in percentage). As it was shown in the graph 1 unemployment of people in the

age group 45-75 years used to be lower in year 2007-2009 but after these years unemployment of people in the age group 45-75 years has been increasing.

Figure 2. Unemployment of people in age group 45-75 years in the Netherlands

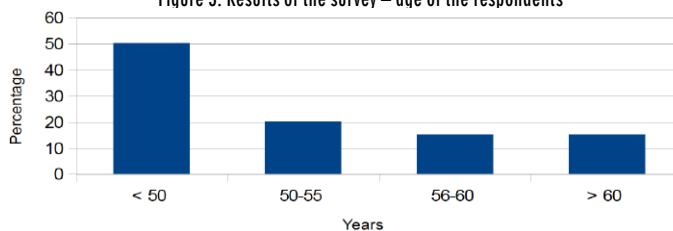


Source: own elaboration based on the results of Centraal Bureau Voor De Statistiek 2016.

The age of respondents presents figure 3. 50% of the respondents were between 56-60 years old, 20% of them were be-

tween 50-55 years old, 15% of them were over 60 years old and 15% of them were less than 50 years old.

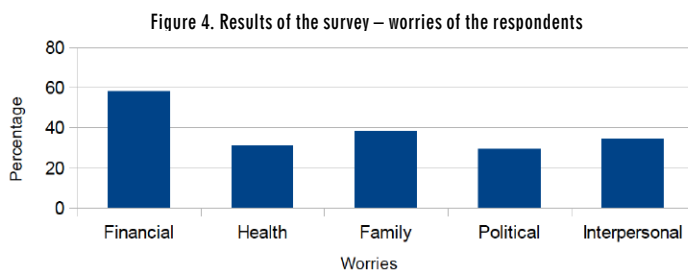
Figure 3. Results of the survey – age of the respondents



Source: own elaboration based on the results of the survey.

Figure 4 shows the worries of the respondents. They were asked among which issues they are currently dealing with, which ones are the most worrisome to them at the moment. They consider as

the biggest worry a financial issue (58%), family issue (38%), interpersonal issue (34%), health issue (31%) and political issue (29%).

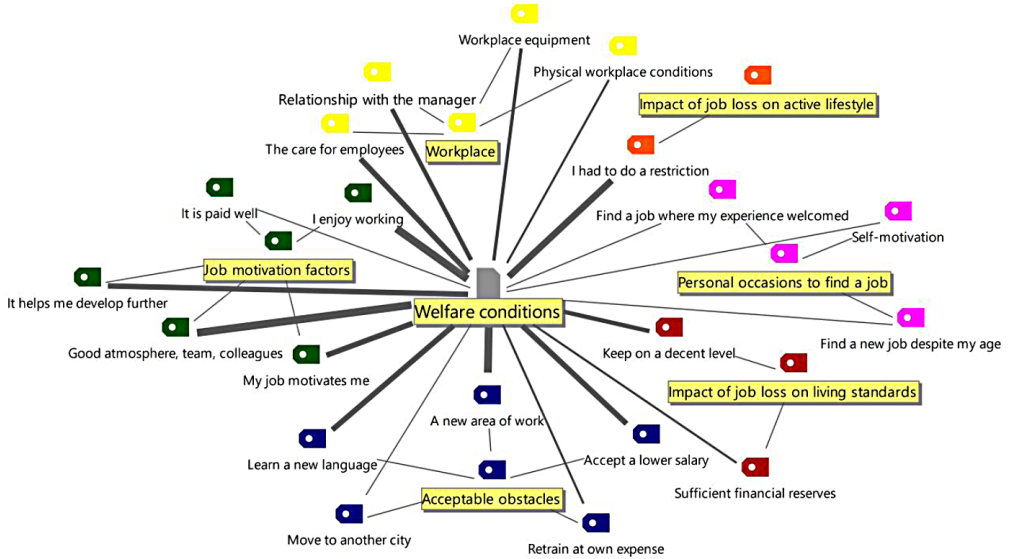


Source: own elaboration based on the results of the survey.

Factors which respondents consider essential for their welfare conditions are shown in Figure 5. Individual characteristics are divided into 6 main groups of factors by using grounded theory method: *impact of job loss on living standards, acceptable obstacles, job motivation factors, workplace, impact of job loss on active lifestyle, personal occasions to find a job*. Significance of factors which are essential for every group of factors shows the correlation between them. The highest significance in the group of factors influencing the workplace is between factors regarding *the relation with the manager* and *the care for employees*. Most of the

respondents said that their job loss had an impact on their active lifestyle and they had to reduce some activities and their living standards kept on decent level. The highest significance in the group of factors influencing acceptable obstacles is between factors regarding a new area of work, learn a new language and accept a lower salary. In the group of factors influencing job motivation is the highest significance between factors regarding good atmosphere, team, and colleagues. For jobseekers is also very important if they enjoy working, if it helps them develop further and if the job motivates them.

Figure 5. MAXmap – welfare conditions

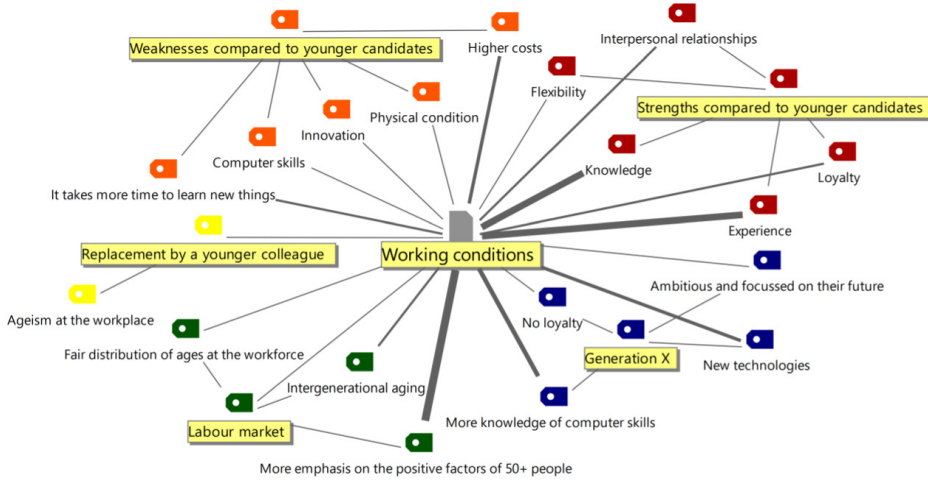


Source: own elaboration based on the results of the survey.

Factors which respondents consider essential for their working conditions are presented in Figure 6. Individual characteristics are divided into 5 main groups of factors by using grounded theory method: *strengths compared to younger candidates, weaknesses compared to younger candidates, ageism at the workplace, labour market and generation X*. Again, significance of factors which are essential for every group of factors shows the correlation between them. The highest significance in the group of factors re-

garding strengths compared to younger candidates is between factors regarding knowledge and experience. Most of the respondents mentioned that Millennials have better knowledge of computer skills and new technologies. Most of the respondents claimed that ageism was present at the workplace although it was forbidden to speak loudly about that and they considered important to put more emphasis on the positive factors of 50+ people.

Figure 6. MAXmap – working conditions



Source: own elaboration based on the results of the survey.

Conclusions

The aim of this paper was to analyse the current situation of job opportunities of people over 50 in the Netherlands. A total of 20 respondents were questioned. These respondents were unemployed at that time but they were actively looking for a job. Half of the respondents were aged 56-60 years. As mentioned in the theoretical part of this paper, the retirement age in the Netherlands is currently 65 years and 3 months. These respondents therefore are expected to remain 5-9 years at the labour market until the retirement. Although, the respondents said that they had changed their jobs during their lives several times, loss of a job only a few years before retirement made them perceive their position and opportunities in the labour market as unfavourable. Find a new job after 50 is far more difficult, especially because of frequent age discrimination by employers.

Respondents were asked which issues they had been facing and which issues they had perceived as a threat or a worry during their unemployment. The biggest

worry of the interviewees' (58% of answers) was the financial situation. Secondly, a family issue (38%), as in many cases this issue was related to the fact that there were one or more family members dependent on the respondent.

The MAXmaps were created from collected data and are dividing the respondents' answers into two areas – *welfare conditions* and *working conditions*. The area *welfare conditions* presents the impact of job loss on the current lifestyle of respondents and the factors influencing satisfaction in relation to their new job. In the workplace, the most important factors for respondents are *relations with the manager and his or her leadership* and *the care for employees including health & care, work life balance and benefits*. The research also showed the negative impact of job loss on their active lifestyle – they had to reduce their active lifestyle, for example travelling, meeting friends, attending social and cultural events, attending courses, etc. Respondents also claimed

they had to keep their living standards on decent level. According to the results, it is apparent that unemployed seniors are ready to move to another city or even to another country in case their new job acquires that. In the deeper discussion it was revealed that they are even ready to learn a new language. The respondents would accept a job even for lower salary than they used to earn so far. However, respondents are willing to face these obstacles only in case of a good company climate and atmosphere, creative and supporting team and colleagues.

The area of *working conditions* presents the perception of the strengths and weaknesses of older unemployed people compared to younger jobseekers. The respondents declared if they ever have encountered discrimination because of their age, what would be appropriate to change, implement or organize in the labour market for people over 50 and what are the biggest differences between generation X (people between 45 and 65 years) and Millennials (people between 20 and 30 years). Older job seekers think that they may offer more knowledge and experience to a future employer than their younger colleagues. On the other hand, older job seekers are often afraid that it would take more time to learn new things and technologies for them. Millennials, according to respondents, have better knowledge regarding computer skills and new technologies compared to the generation X.

At the end of the paper it is going to be mentioned how respondents perceive their situation on the labour market. Most of the respondents believe that there is a latent ageism at the workplace although it is forbidden to speak loudly about that and they consider important to put more emphasis on the positive factors of 50+ people. That is also a direction for future applied research.

References

- Centraal Bureau Voor De Statistiek (2016), Arbeidsdeelname en werkloosheid per maand, available at: <http://statline.cbs.nl/Statweb/publication/?DM=SLNL&PA=80590NED&D1=0,3,1,13&D2=I&D3=0&D4=12,25,38,51,64,77,90,103,116,129,142,155,168&HDR=T&STB=G1,G2,G3&VW=T> (accessed 17 November 2016).
- Cohen, J.E. (2003), Human population: The next half century, *Science*, 302 (5648): 1172-1175.
- Encel, S., Studencki, H. (2004), Older workers: Can they succeed in the job market? *Australasian Journal on Ageing*, 23 (1): 33-37.
- Eurostat (2015), Projected old-age dependency ratio, available at: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&plugin=1&language=en&pcode=tsdde511> (accessed 29 January 2016).
- Eurostat (2016), Unemployment rates, available at: http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Unemployment_rates_seasonally_adjusted_December_2015.png (accessed 29 January 2016).
- Frese, M., Mohr, G. (1987), Prolonged unemployment and depression in older workers: A longitudinal study of intervening variables, *Social Science and Medicine*, 25 (2): 173-178.
- Given, L.M. (2008), *The Sage encyclopaedia of qualitative research methods*, London: Sage Publications.
- Hokstam, M. (2014), Half of all adults will be over 50 by 2019, available at: <http://www.nl-times.nl/2014/09/15/half-adults-will-50-2019/> (accessed 29 January 2016).
- Klehe, U.-C., Koen, J., De Pater, I.E. (2012), Ending on the scrap heap? The experience of job loss and job search among older workers, In: J.W. Hedge, W.C. Borman (Eds.), *The Oxford handbook of work and aging* (pp. 313-340), New York: Oxford University Press.
- Lanzieri, G. (2011), The greying of the baby-boomers: A century-long view of ageing in European populations, Eurostat: Statistics in focus.
- Mahon, J.F., Millar, C. (2014), ManAGEment: the challenges of global age diversity for corporations and governments, *Journal of Organizational Change Management*, 27 (7): 553-568.

- Ranzijn, R., Carson, E., Winefield, A. (2004), Barriers to mature aged re-employment: Perceptions about desirable work-related attributes held by job-seekers and employers, *International Journal of Organisational Behaviour*, 8 (7): 559-570.
- Ranzijn, R., Carson, E., Winefield, A.H., Price, D. (2006), On the scrap-heap at 45: The human impact of mature-aged unemployment, *Journal of Occupational and Organizational Psychology*, 79 (3): 467-479.
- Rašticová, M., Putnová, A., Konečný, Š., Schüller, D., Musilová, H., Kolářová, I., Covarrubias Venegas, B., Groblschegg, S., Genkova, P., Okonek, R., Rafnsdóttir, L., Heijstra, T., Ganeva, Z. (2013), Age management: Actual challenges and promising solutions regarding the ageing European population, Brno: Akademické nakladatelství CERM.
- Smutná, D. (2013), Srovnávací analýza situace v Nizozemsku a ČR v oblasti podpory zaměstnávání osob starších 50 let a využitelnosti nástrojů podpory v ČR, available at: http://www.hkprerov.cz/upload/image/srovnAvacI_analyza.pdf (accessed 29 January 2016).
- Strawbridge, W., Wallhagen, M., Cohen, R. (2002), Successful aging and well-being: Self-rated compared with Rowe and Kahn, *The Gerontologist*, 42: 727-733.
- Streubert Speziale, H., Carpenter, D. (2007), *Qualitative research in nursing: Advancing the humanistic imperative* (4th edition), Philadelphia: Lippincott Williams and Wilkins.
- Tošnerová, T. (2002), *Ageismus průvodce stereotypy a mýty o stáří*, Praha: Ambulance pro poruchy paměti.
- Vidovičová, L., Rabušic, L. (2005), Věková diskriminace – ageismus: úvod do teorie a výskyt diskriminačních přístupů ve vybraných oblastech s důrazem na pracovní trh, available at: http://www.researchgate.net/profile/Lucie_Vidovicova/publication/40329240_Vkov_diskriminace_ageismus_vod_do_teorie_a_vskyt_diskriminanch_pstup_ve_vybranch_oblastech_s_drazem_na_pracovn_trh/_links/54e30fe10cf2966637984ca5.pdf (accessed 20 September 2015).
- Walker, A. (2009), The emergence and application of active ageing in Europe, *Journal of Aging and Social Policy*, 21: 75-93.
- Walker, A., Maltby, T. (2012), Active ageing: A strategic policy solution to demographic ageing in the European Union, *International Journal of Social Welfare*, 21 (1): 117-130.
- Warr, P.B. (1987), *Work, unemployment, and mental health*, Oxford: Oxford University Press.

Acknowledgements

Grant affiliation: IGA SP1160061 PEF_DP_2016019

This paper was supported also by The Ministry of Education, Youth and Sports, Prague, Czech Republic: LD – COST CZ, project: LD15065 titled Gender dimension of active ageing implementation in the Czech private and public sector in comparison with western countries.

Ivana Kolářová graduated from the master's program in Economics and Management at the Faculty of Business and Management at Brno University of Technology. Currently, she is a PhD student at the Faculty of Business and Economics at Mendel University in Brno. Her focus is age management.

Monika Bédiová completed her doctoral degree at the Faculty of Business and Economics at Mendel University in Brno in 2015. She is now working at the Department of Law and Social Science as researcher. Her specialization is age management and gender management.

Martina Rašticová is currently the head of the Department of Law and Humanity Sciences at Mendel University in Brno. Her research area is focused on personal management, leadership, diversity management, gender studies, intercultural and age management, work-life balance. She regularly publishes in Czech journals as well as abroad, she is the edited author of two monographs.