The multi-generational workforce: Workplace flexibility and engagement

Authors: Marcie Pitt-Catsouphes, Christina Matz-Costa

Persistent link: http://hdl.handle.net/2345/720

This work is posted on eScholarship@BC, Boston College University Libraries.

[2008]

This is the author's manuscript. The copyright for this work is held by the publisher.
The Multi-Generational Workforce: Workplace Flexibility and Engagement

Marcie Pitt-Catsouphes, Ph.D. and Christina Matz-Costa, M.S.W.

Boston College, Graduate School of Social Work

Please address all correspondence to Marcie Pitt-Catsouphes, Ph.D., Center on Aging & Work, Boston College, 3 Lake Street Building, 2nd floor, 140 Commonwealth Ave., Chestnut Hill, MA 02467, USA. Phone: 617-552-4033. Fax: 617-552-1080.

Email: pittcats@bc.edu.

This research was supported by a grant from the Alfred P. Sloan Foundation (2005-3-33).
Abstract

This paper explores the perceptions of employees of different ages regarding the flexibility they need at work (flexibility fit) and their engagement with work. Using 49,209 observations representing 183,454 employees in 22 different companies, we estimated a hierarchical linear model (HLM) to explain variation in employee engagement as a function of flexibility fit and age. Although flexibility fit was a powerful positive predictor of engagement for all employees, it was a more powerful predictor of engagement for employees ages 45 and older. The positive moderating effect of flexibility fit provides employers with guidance about how to maintain the engagement of workers of all ages, but especially older workers who want to extend their participation in the labor force.

Keywords: aging workforce, older workers, employee engagement, workplace flexibility, fit
Résumé

Cet article explore la relation entre les perceptions des salariés relatives au fait qu'ils ont ou n'ont pas la flexibilité dont ils ont besoin (l'adéquation de flexibilité – “flexibility fit”), et leur degré d'engagement au travail à différents âges. Sur la base d'un échantillon de 49 209 observations représentant 183 454 salariés de 22 entreprises, nous estimons un modèle hiérarchique linéaire pour expliquer la variation de l'engagement des salariés en fonction de leur adéquation perçue de flexibilité et de leur âge. L'adéquation de flexibilité est un facteur prédictif puissant de l'engagement pour l'ensemble des salariés, et plus spécialement pour les salariés de plus de 45 ans. En synthèse, l'effet modérateur positif de l'adéquation de flexibilité renseigne les employeurs sur la façon dont ils peuvent maintenir l'engagement des salariés de tous âges, et particulièrement des seniors qui veulent continuer à travailler.

Mots clés: Viellissement de la population, seniors, engagement, flexibilité au travail, adéquation
The Multi-Generational Workforce: Workplace Flexibility and Engagement

The aging of the world’s population may well be one of the most significant trends to have emerged during the early years of the 21st century. Although not every country is experiencing this trend, world population reports suggest that people age 60 and older now comprise a greater share of the world's population than ever before, and projections indicate that this upward trend will continue in coming years. In the more developed regions of the world, for example, children ages 0–14 made up 27% of the population in 1950, but only 17% in 2005, while in this same time period the percent of the population older than age 60 increased from 12% to 20% (United Nations Secretariat, 2006). The United Nations projects that by 2050, the number of children ages 0–14 in developed regions will fall to only 15% of the population, while the percent of the population older than age 60 will reach 33% (United Nations Secretariat, 2006). Although the specific nature of these changes varies from country to country, leaders around the world are grappling with the profound implications of changes in the age distribution of populations and labor forces in countries around the world.

Talent wars, for example, are beginning to emerge in countries such as Japan, Italy, and Spain where the percentage of early workforce entrants between the ages of 20–29 is less than 15%. This occurs because the young adults entering the workforce comprise a comparatively small percentage of the population, and employers feel that these early career employees are in “short supply” (U.S. Bureau of the Census, 2007). In the United States, labor economists anticipate that between 2004 and 2012 there will be a 48% increase in the percentage of workers ages 55–64 and a 40% increase in those age 65 and older (Horrigan, 2004). In countries that are members of the OECD, it is expected that the
ratio of those over 65 to those ages 20–64 (traditionally, those in the labor force) could double during the first half of the 21st century, which has led the OECD to suggest that “It may be time to rethink our policies toward work” (Cotis, 2003, ¶ 1).

Given these demographic changes, it is important for researchers and business leaders to consider how age structures might be related to key employment outcomes such as recruitment, engagement, and retention. The concept of employee engagement refers to a state where employees find meaning in their work and devote discretionary effort and time to work. This concept has recently gained popularity because the higher engagement of employees of all ages has been found to benefit employees and employers, alike. Research suggests that workers who are engaged tend to be less stressed, more satisfied with their personal lives, use less health care, take fewer sick days, are more productive, and stay longer with their company than their less engaged counterparts (Gallup Organization, 2003; Harter, Schmidt & Hayes, 2002). The engagement of older workers deserves particular attention, in part, because it has long been assumed that it was normative for workers to become disengaged from their work as they get older. To date, however, the academic literature has focused only limited attention on employers’ efforts to adjust their strategies for recruitment, engagement, or retention in response to differences in the ages of their employees.

There are many factors that relate to engagement, including the extent to which there is a good “fit” between employees’ needs and preferences and the policies and programs offered by employers. Flexibility is one job characteristic that has been found to be important to workers of all ages and career stages, but some studies suggest that it may be particularly preferable for older workers (Merrill Lynch, Harris Interactive, & Dychtwald,
Flexibility has been widely touted as essential in today’s workplace, having been positively linked to a variety of individual, family, and business outcomes (Hill et al., 2008a).

The challenge for employers, then, is to make a link between age, flexibility, and engagement. Thus far, however, the academic literature has focused little attention on connecting these concepts. The current study seeks to examine the relationship between the age of employees, their access to needed flexible work options, and the level of their engagement at work.

Review of the Literature

Age and Age-Related Factors

As outlined by Pitt-Catsouphes and Smyer (2007), there are four dominant paradigms of age relevant to the employment experiences of today’s multi-generational workforce: chronological age as an indicator of human development; generation as an indicator of historical and cultural influences on different age cohorts; life course experiences and transitions that may be loosely connected to age ranges (see Hill et al., 2008b for a discussion of the life course perspectives); and career stages that may be loosely connected to age ranges. The theoretical frameworks focused on age and human development and age and career stage are most relevant to this study.

A number of sociological and psychological theories provide insight into normative experiences associated with aging and the interpretations of those experiences. Three of the theoretical perspectives discussed by Lynott and Lynott (1996) are particularly relevant for understanding the participation of older workers in the labor force and their employment
experiences: the activity/life satisfaction paradigm; disengagement theory; and the phenomenology/meaning of aging.

As summarized by Lynott and Lynott (1996), aging has long been viewed as a period of adjustment and readjustment in response to the limitations experienced by adults as they transition to their elder years. Some of the early adjustment literature considered how active involvement in different social roles could have a positive impact on life satisfaction (see Cavan, Burgess, Havighurst, & Goldhamer, 1949). In contrast, disengagement theory posits that one result of the declines experienced in old age is a withdrawal from social systems (see Cumming and Henry, 1961). Disengagement theory has provided the underpinnings for explanations of individual withdrawal from the workforce as well as for the analysis of social systems (such as retirement systems) that facilitate withdrawal. Finally, sociologists who consider the aging process from the perspective of phenomenology have focused on the social construction of aging, with particular attention to how the meaning of aging is constructed and re-constructed through social interactions (see Gubrium & Wallace, 1990). This perspective provides a foundation for exploring how individuals and cohorts might develop new expectations and interpretations of the meaning of both aging and work.

The aging of the post World War II generation has resulted in a paradigm shift about adult development. Much like the “discovery” of adolescence at the beginning of the 20th century, academics have recently begun to discuss the “third age” of adulthood which is described as the stage which comes after the transition from midlife and before adults become “elderly” (James & Wink, 2007). The third age concept introduces a radically different perspective than ideas about aging that were dominant in the 20th century when it
had been assumed that increased longevity basically adds more years at the end of life. One of the key tenets of the third age is that many people in their 60s and 70s are active, competent, and eager to assume the responsibilities of both paid and unpaid work. The third age perspective focuses attention on the desire of older workers to remain in the labor force and make meaningful contributions (see Smyer & Pitt-Catsouphes, 2007). This new framework of aging reflects the tenets of Eriksonian theory. Contrary to assumptions that development ended with the onset of adulthood, Erikson postulated that all stages of life—including older adulthood and old age—are bracketed with challenges and opportunities for psychological growth and enhanced social relationships (Erikson, 1989). Indeed, according to Erikson’s theory, the mid-adult stage (a time of life that could be interpreted as including employees who are “older workers”) is characterized by the challenge of “generativity vs. stagnation,” a theme that aligns with research that has explored the reasons why today’s older workers express interest in continuing their labor force participation beyond the traditional retirement years (see Smyer & Pitt-Catsouphes, 2007).

Career development theories have echoed human development theory. It is, therefore, not surprising that a dominant theme of the career development literature has posited that it is developmentally normative for older workers to disengage from work during the latter years of their employment as a preparatory phase prior to the transition to retirement (e.g., Super, 1984). Recently, some researchers have started to challenge the faulty assumptions of the predictable lock-step career trajectory (Moen & Roehling, 2005). This new career paradigm embraces the notion of multiple career pathways and allows for the possibility that employees might enter, exit, and re-enter the workforce and change careers and occupations at virtually all ages and life course stages. Rather than accepting
stereotypes about older workers as “dead wood,” contemporary career theories invite examination of ways that work environments might engage the passion and commitment of older workers, as well as younger workers and workers at midlife.

Although existing theories provide some understanding about the physiological, psychological, and social dimensions of the relationships between aging and work, it is important to note that today’s employees, particularly those who are older adults, are living at a time when each of these dimensions of aging are shifting. Life spans are not only increasing but, for a majority of the populations in countries with advanced economies, many of these extra years are experienced with good health. The personal and cultural meanings attached to aging are shifting in recognition of the health and potential productivity of older people. Finally, out-of-date notions about older people being primarily dependent on others are being challenged. Greater numbers of older people are providing direct care to older family members and making significant contributions to their communities through both paid and unpaid work.

Engagement

The concept of employee engagement has evolved from research on organizational commitment, motivation, and employee involvement (Bernthal, 2004). Researchers have defined employee engagement in different ways (e.g., Ellis & Sorensen, 2007; Gibbons, 2006). Towers Perrin (2003) proposes that engagement is “employees’ willingness and ability to contribute to company success … [by] put[ting] discretionary effort into their work, in the form of extra time, brainpower, and energy” (p. 1). The term discretionary effort is often embedded in definitions of employee engagement. Thomas (2006) recently posited that engagement “goes beyond” satisfaction or commitment and is an enhanced
state of thinking and acting that brings both personal fulfillment and positive contributions for the organization.

Enhanced engagement is associated with benefits for employees and their organizations. Research indicates that workers who are engaged tend to be less stressed, more satisfied with their personal lives, use less health care, and take fewer sick days than employees who are actively disengaged (Gallup Organization, 2003; Harter et al., 2002). Other research has suggested that engagement can foster good health and positive affect among employees (Crabtree, 2005). From the employer perspective, engaged employees tend to be more productive, more profitable, safer, create stronger customer relationships, and stay longer with their companies than less-engaged employees (see Crabtree, 2005; Ellis & Sorensen, 2007; Gallup Organization, 2006; Gibbons, 2006; Harter et al., 2002).

There is a documented relationship between employee engagement and innovation in the workplace (Krueger & Killham, 2006). Other studies have also found relationships between engagement and business outcomes such as employees’ assessment of the company’s customer-orientation, revenue growth, and operational metrics (Towers Perrin, 2005; Gibbons, 2006). A report of The Conference Board concludes, “There is clear evidence that employee engagement has an impact on performance and productivity levels on individual, team, and organizational levels” (Gibbons, 2006, p.10). The Conference Board’s meta-analysis of twelve major studies published since 2000 found that the following eight factors were identified by at least four of the studies as drivers of employee engagement: trust and integrity, nature of the job, line of sight between individual performance and company performance, career growth opportunities, pride about the company, coworkers/team members, employee development, and personal relationship
with one’s manager (Gibbons, 2006). In another study, Towers Perrin (2003) found that these factors predicted variance in employees’ engagement: opportunities to learn and develop new skills, having improved skills and capabilities over the last year, the reputation of the organization as a good employer, having input into decision making in the department, and perceptions that the organization focuses on customer satisfaction.

**Flexibility**

Over the past decade, increased attention has been focused on workplace flexibility, in part because employers are beginning to frame workplace flexibility as a potential benefit for both the organization and employees, rather than an accommodation to employees. According to the National Study of Business Strategy and Workforce Development, 55% of employees ($N = 578$) indicated that their organizations make a connection between workplace flexibility and workplace effectiveness “to a moderate/great extent” (Pitt-Catsouphes, Smyer, Matz-Costa, & Kane, 2007). This study also found that 26% of employers stated that it was “very true” that their organizations clearly communicate the importance that flexible working and managing has for business success. Fifty percent of employees who have more access to flexible work arrangements on the job report higher life satisfaction, fewer mental health problems, less interference of job and family life, and lower levels of negative spillover from job to home (Bond, Thompson, Galinsky, & Prottas, 2002). According to the National Study of the Changing Workforce, 73% of employees with high availability of flexible work arrangements reported that there was a high likelihood that they would stay with their current employer for the next year, and 39% of employees with a high availability of flexible work arrangements reported
“high levels of loyalty and willingness to work harder than required to help their employers succeed” (Bond et al., 2002, p. 34).

“Flexibility” is a broad term that could mean many different things (see Hill et al., 2008a). The Center on Aging & Work (n.d.), for example, has conceptualized workplace flexibility as providing options, opportunities, choices and control to employees and their supervisors with regard to “when,” “where,” “how,” and “how much” employees work. The Center (n.d.) also recognizes that flexibility at the workplace has multiple dimensions, including formal and informal policies and practices; attitudes and values at the workplace (climate and culture); work design and employment structures; and interpersonal communications and interactions that construct and re-construct the meanings and experiences of flexibility.

The types of flexibility that would meet the needs of an older worker may be very different than the types of flexibility that would meet the needs of mid-life workers or younger workers. In fact, given the particular needs, preferences, and circumstances of any given worker, the type of flexibility needed may vary greatly. Employees’ subjective assessments, therefore, of whether the types of flexibility offered by their employer meet or “fit” their needs are key. The concept of fit in the work-family literature (Bowen, 1998; Bowen, Orthner, & Bell, 1997; Moen & Wethington, 1992; Pittman, 1994) supports this approach. It is assumed that individuals, couples, and families formulate adaptive strategies for maximizing their ability to meet work and personal needs (Moen & Wethington, 1992), and “that when workers are able to realize their strategies, they experience compatibility and low distress” (Gareis, Barnett, & Brennan, 2003, p. 1042). Most studies on flexibility, however, have examined the availability or utilization of
different flexible work options assuming a “more is better” perspective. This perspective overlooks the concept of fit. For example, an organization may offer a wide range of flexible work options, but if these options do not meet the needs of the workers, then they are ineffective. We operationalize flexibility fit as respondents’ subjective assessment of the degree to which the flexibility afforded to them at their workplace meets their needs.

As mentioned previously, little known research to date, has explored the relationship between employee age, access to needed flexible work options, and employee engagement. The current analysis seeks to fill these gaps in the literature.

Research Hypotheses

Research exploring the relationship between age and engagement has produced mixed findings. A study by Brooks (2006, N = 452) found employee engagement to be highest for workers at midlife (specifically, age 41) and lowest for older workers (age 60 and older). Towers Perrin (2005) found “that motivation and engagement not only do not decline with age, but, in fact, increase” (p. 37). And finally, Tritch (2001) found that engagement levels varied only slightly by age group: of those reporting high engagement, 35% were ages 18– 24, 29% were ages 25– 34, 30% were ages 35–49, and 29% were age 50 and older. Based on the tenets of the “third age” paradigm, however, engagement should remain steady or increase as employees reach older ages (Super, 1984), therefore our first hypothesis is that:

H1. Older workers will be equally as engaged—or more engaged—than workers at mid-life or younger workers.

There have been several studies that have linked workplace flexibility with employee engagement or components of engagement. Roehling, Roehling, & Moen (2001)
found flex-time policies to have a consistent, positive association with employee loyalty (a concept considered by some as a component of engagement). A report by Corporate Voices for Working Families and WFD Consulting (2005) cites several different research studies conducted in large corporations (for example AstraZeneca, JP Morgan Chase, and Bristol-Myers Squibb) that have found strong relationships between flexible work programs and increased employee engagement. For example, Ernst and Young found employees’ perceptions of whether employees have the flexibility they need to be the strongest predictor of commitment in their study. Based on these findings, our second hypothesis is that:

H2. Workers who report that they have access to the flexibility they need will be more engaged than workers who do not have the flexibility they need.

Our third and final hypothesis builds upon our previous two hypotheses:

H3. Age will moderate the relationship between flexibility fit and engagement such that when older workers have the flexibility they need, they will be as engaged or more engaged than their younger counterparts, however when older workers do not have the flexibility they need at work they will be less engaged than midlife or younger workers.

Methods

Sample

As described in this volume (Civian, Richman, Shannon, Brennan, & Shulkin, 2008), the current analysis used a sub-sample of a large multi-company dataset developed by WFD Consulting. The number of companies in the current analyses was limited to those whose surveys included the items of interest. The final sample includes 49,209
observations representing 183,454 employees in 22 different companies. Four of these companies were in the pharmaceutical industry, 5 were in technology, 5 were in manufacturing, 4 were in finance and professional services, and 4 were universities.

Measures

_Employee engagement._ Studies have operationalized employee engagement in a variety of ways (see Ellis & Sorensen, 2007; Gibbons, 2006). Reviews of the published literature on engagement have found that three sub-concepts have been linked to the engagement construct: 1) assessments of employees’ cognitive connections to their work (for example, knowing what to do at work and the rationale for work expectations); 2) assessments of affective attachments to the work, people, or the organization (for example, job satisfaction, which affects employees’ desire and passion for doing their work); and 3) behaviors that contribute to the organization and the employees’ sense of well-being (for example, extra role behaviors such as a willingness to “go the extra mile”) (see Ellis & Sorensen, 2007; Gibbons, 2006; Kahn, 1990; Thomas, 2006). Although engagement is related to other concepts, recent studies have found that work engagement can be differentiated from both job involvement and organizational commitment (Hallberg & Schaufeli, 2006). In addition, some have posited that engagement is a composite measure—somewhat like a supra-construct.

There continues to be significant variability in the employee engagement frameworks used by researchers. As a consequence, researchers may focus on one, two or all three of the dimensions noted above. For the purposes of both research and practice, this is a very significant issue. If the operationalization of engagement includes cognitive and affective attachment but not behaviors, the connections to business outcomes are
indirect rather than direct. As clarified by Rodgers (1998), measures of cognitive and affective attachment (such as job satisfaction) are more appropriately considered to be a component or a predictor of engagement rather than complete indicators of engagement.

In the current study, we chose to operationalize employee engagement by using one of WFD’s validated indices (Richman, Crawford, Rodgers, & Rogers, 1998) which captures the cognitive, affective, and behavioral dimensions of engagement discussed above (see Civian et al., 2008 for a detailed discussion on this issue). The measure consists of 7-items that use a 5-point agreement scale and are recoded to the following values: 0 (Strongly disagree/Disagree /Neither); 1 (Agree); and 2 (Strongly Agree). Scores were summed for a resultant index that ranged from 0 to 14.

*Flexibility fit.* The concept of fit between employees’ needs for flexibility and the degree to which that need is met was measured using a single item. Employees who felt that they had the flexibility they needed at work were coded as 1, and employees who did not feel they had they flexibility they needed were coded as 0 (see Civian et al., 2008). Although single-item measures are often discouraged for the conduct of scholarly research, both Sackett & Larson (1990) and Wanous & Hudy (2001) suggest that single-item measures are appropriate when used in situations in which the construct of interest is (a) unidimensional rather than multidimensional, (b) clear to the respondents, and (c) sufficiently narrow. It was felt that the concept of flexibility fit, as we have framed it in this study, was such a measure.

*Employee age.* Age was coded using a series of dummy variables representing four age groups: employees younger than age 35, ages 35–44, ages 45–54, and age 55 and older. Employees ages 35–44 served as the reference group.
Covariates. The covariates in this analysis included gender, salary status (exempt versus non-exempt), dependent care responsibility, marital/earner status, and part-time/full-time status. These variables were selected because they have been found to be predictive of employees’ access to flexible work options (Golden, 2001; Swanberg, Pitt-Catsouphes, & Drescher-Burke, 2005). Gender was dummy coded so that female employees were coded as 1 and male employees as 0. Exempt employees were coded as 1 and non-exempt as 0. Dependent care responsibility was measured using two dummy variables: parental status (child under the age of 18) and elder care status, both of which were coded as 1 if the respondent had that responsibility and 0 if she or he did not. Marital/earner status was measured using a series of dummy variables representing 4 categories: single, spouse/partner not employed, spouse/partner employed part time, and spouse/partner employed full time. The category “single” served as the reference group. And finally, employees working full-time were coded as 1 and employees working part-time were coded as 0.

Descriptive statistics for the dependent, independents, and covariates are summarized in Table 1.

Analysis

To account for clustering at the company level, the authors estimated a series of hierarchical linear models to explain variation in employee engagement as a function of flexibility fit and age (see Civian et al., 2008). Due to the proportionally small amount of variance to be explained at the company level and our assessment of employee engagement as an individual construct, we attempt to explain variation in employee engagement at the
employee-level while accounting for—but not explaining—variation in employee engagement at the company-level. Therefore, all models for this analysis were specified as conditional models with a random intercept. This type of model is explained in detail in Civian et al. (2008).

Estimations began with a model that included only the employee-level covariates, and then the analytical variables of interest were added one at a time in subsequent steps, in order to determine the increase in $R^2$ due to the inclusion of predictors in the model above and beyond the effects of the covariates. Following Kreft & deLeeuw (1998), we calculated the level-1 $R^2$ at each step by subtracting the $\sigma^2$ of the model that includes only the independent variables of interest from the $\sigma^2$ of the model that includes only the covariates and dividing by the $\sigma^2$ of the model that includes only covariates.

Results

The results of the hierarchical linear models appear in Table 2. Model 1 includes only the employee-level covariates. The intercept in this model (8.23) is the predicted engagement score when all of the covariates are equal to 0, so it is the engagement score for a single, non-exempt, male employee who works part time and has no dependent care responsibilities. Our second model includes the covariates plus age. Consistent with our first hypothesis, results suggest that when compared to workers age 34 to 44 (our reference group), workers younger than age 35, ages 45–54, and age 55 and older were significantly more engaged. Furthermore, the age 55 and older group was the most engaged, followed by the ages 45–54 group. Using the formula outlined by Kreft & deLeeuw (1998), the level-1 $R^2$ was calculated and it suggested that the addition of age only increased the proportion of variance explained at the employee level by .1%. However, a likelihood
ratio test based on the deviance values of a model with only the covariates compared to a model with the covariates and age suggested that there is a significant difference in model fit between the two models ($\chi^2 = 62.86, df = 3, p < .000$). In other words, the contribution of age to the explanation of variation in employee engagement was significant.

Model 3 includes the covariates, age, and flexibility fit. In support of our second hypothesis, we found that employees who have the flexibility they need at work scored 2.40 points higher on the engagement measure than employees who did not have the flexibility they need at work. In this case, the addition of flexibility fit increased the proportion of variance explained at the employee level by 6.2% compared to a model that includes only covariates, and model fit improved significantly over the previous model ($\chi^2 = 3122.89, df = 1, p < .000$).

Having established the existence of a relationship between age and engagement and between flexibility and engagement, we can test our third hypothesis: whether age moderates the relationship between flexibility and engagement. Therefore, our final model included covariates, the main effects of age and flexibility, and interaction terms for age and flexibility (see Table 2). Results suggest that the main effects of flexibility fit on engagement hold, as employees of all age groups who have the flexibility they need were more engaged than those who did not have the flexibility they need. Our third hypothesis was also supported, as the results suggested that age moderates the relationship between flexibility and engagement, such that older employees who have the flexibility they need were more engaged than younger employees who have the flexibility they need. Specifically, employees who are younger than age 35 and who have the flexibility they
need have statistically similar engagement scores to employees ages 35–44 who have the flexibility they need \( (B = .08, t = 1.81, p > .05) \), however, employees ages 45–54 who have the flexibility they need are significantly more engaged than employees ages 35–44 who have the flexibility they need \( (B = .19, t = 4.20, p < .001) \). Likewise, employees age 55 and older who have the flexibility they need are also more engaged than employees ages 35–44 who have the flexibility they need, and the effect is even stronger for this group \( (B = .48, t = 7.35, p < .001) \). No statistically significant differences in engagement by age, however, were found among those employees who do not have the flexibility they need (see Table 2). In order to make these comparisons, an identical unreported HLM regression analysis was run where the reference group for flexibility fit was changed so that 1 = I do not have the flexibility I need and 0 = I do have the flexibility I need.

The addition of the flexibility fit by age interaction terms increased the proportion of variance explained at the employee level by .1% over the previous model, bringing the total variance explained by age and flexibility over that accounted for by the covariates to 6.3%. This change, did, however represent a statistically significant improvement in model fit over the previous model \( (\chi^2 = 18.21, df = 3, p < .000) \), indicating that the observed interaction effect between age and flexibility does indeed contribute to the explanation of variation in employee engagement.

Discussion

The findings of our analysis indicate that, in general, employees who have the flexibility they need are significantly more engaged than those who do not have the flexibility they need across all age groups. However, among those who have the flexibility they need, those ages 45 and older were more engaged than their counterparts younger than
age 45, yet differences in engagement across age groups were not observed among employees who did not have the flexibility they need at work. Our results suggest that flexibility fit is a powerful positive predictor of engagement for all employees, and it may be a more powerful predictor of engagement for older workers. Although no known studies to date have examined the relationship between age, flexibility fit, and engagement, these findings are partially supported by previous research that has found a positive relationship between engagement and age (Towers Perrin, 2005) and research that has found positive relationships between the adoption of flexible work policies and engagement or components of engagement such as loyalty or commitment (Corporate Voices for Working Families and WFD Consulting, 2005; Roehling et al., 2001). Some research, specifically on the relationship between age and engagement, however, contradicts our results, finding instead that age has no relationship to engagement (Tritch, 2001) or that engagement, in fact, decreases with age (Brooks, 2006).

Our findings have important implications for older workers and their employers. Since previous studies have found that increases in engagement can have ameliorative effects for employees, this effect suggests that flexibility can be one way to increase older workers’ well-being. In addition, given the relationships between enhanced engagement and performance measures, increased flexibility could result in improvements in organizational performance as a result of increased employee engagement. The study results are particularly important as employers begin to assess how they might respond to the aging of the workforce (see Pitt-Catsouphes et al., 2007). The positive, moderating effect of flexibility fit provides employers with practical guidance about ways to maintain the engagement of their talented older workers who want to extend their participation in
the labor force. Providing employees with access to the flexibility they need provides managers with a tool to enhance the engagement of workers of all ages, but especially older workers. In summary, having access to needed flexibility can be beneficial for employees because older workers express a preference for having access to flexible work options and, in turn, employers because having access to needed flexibility augments engagement, which is associated with positive outcomes for both the employees and for workplaces.

As noted by Civian et al. (2008), having access to a dataset that represents nearly 184,500 employees from 22 different organizations offered the authors unique research opportunities. Because this dataset provided the rare opportunity to analyze data collected across a large number of organizations and employees, it was possible to discern small effects that might not be uncovered otherwise. And these effects may have important implications for employers. In addition, this paper makes a valuable contribution to the existing organizational literature by situating workplace flexibility and engagement in the context of the life course—a topic that has not been given much attention in the academic literature to date, yet, given the aging of the workforce, is becoming increasingly relevant. These findings also provide important information that can help lead to workplace policy recommendations related to aging workers.

However, this study also faces the limitations associated with applied research, which, almost inevitably, entails compromises between the goals of empirical research and the objectives of studies designed for decision-making by practitioners. It is important to note three limitations associated with this study. First, the results of this study cannot be generalized to all organizations because the data were gathered from employees working
for a self-selected group of organizations, even though the organizations represent diverse industries. Secondly, the data were gathered over the period of 8 years (from 1996–2004), introducing the possibility that the results in some organizations may reflect circumstances (both inside and outside of the organization) that were present at one point in time but not at others. Finally, some of the measures varied slightly from organization to organization, including the items used to create the independent variable, flexibility fit. Measures were not consistent in whether they specified if employees had access to schedule flexibility or if items connected flexibility to work/life balance. It is possible that these minor differences in measurement affected the findings.

Our results concerning the moderating effect of having needed flexibility on the relationship between age and engagement could be better understood with additional research. For example, a longitudinal study might provide insights as to whether increased access to flexibility enables older workers to develop or retain resilience that helps them to extend their labor force participation. In addition, future research might explore how having the flexibility one needs interacts with other aspects of the work environment, such as job control and autonomy, and how these interactions might be similar or different for employees of different ages or career stages.

In conclusion, our research suggests that age may be an important factor for employers to consider when they assess different options—such as workplace flexibility—for deepening the engagement of employees of different ages.
References


Organizational Research Methods, 4, 361.
Table 1. Descriptive statistics for analysis variables (Level-1 N = 183,454; Level-2 N = 22)

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement Index</td>
<td>8.34</td>
<td>3.54</td>
<td>0–14</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;35</td>
<td>0.34</td>
<td>0.47</td>
<td>0–1</td>
</tr>
<tr>
<td>35–44</td>
<td>0.33</td>
<td>0.47</td>
<td>0–1</td>
</tr>
<tr>
<td>45–54</td>
<td>0.25</td>
<td>0.43</td>
<td>0–1</td>
</tr>
<tr>
<td>55+</td>
<td>0.09</td>
<td>0.28</td>
<td>0–1</td>
</tr>
<tr>
<td>Gender (female = 1)</td>
<td>0.53</td>
<td>0.50</td>
<td>0–1</td>
</tr>
<tr>
<td>Salary status (exempt = 1)</td>
<td>0.66</td>
<td>0.47</td>
<td>0–1</td>
</tr>
<tr>
<td>Elder care responsibility (yes = 1)</td>
<td>0.11</td>
<td>0.31</td>
<td>0–1</td>
</tr>
<tr>
<td>Parent of a child under age 18 (yes = 1)</td>
<td>0.43</td>
<td>0.49</td>
<td>0–1</td>
</tr>
<tr>
<td>Marital/earner status</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>0.25</td>
<td>0.44</td>
<td>0–1</td>
</tr>
<tr>
<td>Married/partnered, partner not employed</td>
<td>0.15</td>
<td>0.36</td>
<td>0–1</td>
</tr>
<tr>
<td>Married/partnered, partner employed FT</td>
<td>0.50</td>
<td>0.50</td>
<td>0–1</td>
</tr>
<tr>
<td>Married/partnered, partner employed PT</td>
<td>0.09</td>
<td>0.29</td>
<td>0–1</td>
</tr>
<tr>
<td>Full/part-time status (full-time = 1)</td>
<td>0.96</td>
<td>0.19</td>
<td>0–1</td>
</tr>
<tr>
<td>Perceived flexibility (I have the flex I need = 1)</td>
<td>0.82</td>
<td>0.38</td>
<td>0–1</td>
</tr>
</tbody>
</table>
Table 2. Effects of age and flexibility fit on employee engagement: 2-level conditional hierarchical regression model results (N at level 1 = 183,454, N at level 2 = 22)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Estimated Coef. (SE)</td>
<td>Estimated Coef. (SE)</td>
<td>Estimated Coef. (SE)</td>
<td>Estimated Coef. (SE)</td>
</tr>
<tr>
<td>Intercept</td>
<td>8.23(.18)***</td>
<td>8.14(.18)***</td>
<td>8.18(.17)***</td>
<td>8.18(.17)***</td>
</tr>
<tr>
<td>Younger than age 35 a</td>
<td>0</td>
<td>.10(.04)*</td>
<td>.04(.04)</td>
<td>-.14(.10)</td>
</tr>
<tr>
<td>Ages 45–54 a</td>
<td>0</td>
<td>.15(.04)**</td>
<td>.13(.04)**</td>
<td>-.17(.10)</td>
</tr>
<tr>
<td>Ages 55+ a</td>
<td>0</td>
<td>.50(.06)***</td>
<td>.40(.06)***</td>
<td>-.08(.15)</td>
</tr>
<tr>
<td>Gender b</td>
<td>.43(.04)***</td>
<td>.43(.04)***</td>
<td>.45(.04)***</td>
<td>.46(.04)***</td>
</tr>
<tr>
<td>Exempt c</td>
<td>.25(.03)***</td>
<td>.27(.03)***</td>
<td>.14(.03)***</td>
<td>.14(.03)***</td>
</tr>
<tr>
<td>Elder care d</td>
<td>-.05(.05)</td>
<td>-.09(.05)</td>
<td>-.00(.05)</td>
<td>-.00(.05)</td>
</tr>
<tr>
<td>Parental Status e</td>
<td>.13(.03)***</td>
<td>.23(.04)***</td>
<td>.22(.04)***</td>
<td>.22(.04)***</td>
</tr>
<tr>
<td>Spouse/partner not employed f</td>
<td>.59(.05)***</td>
<td>.53(.06)***</td>
<td>.44(.05)***</td>
<td>.44(.05)***</td>
</tr>
<tr>
<td>Spouse/partner employed FT f</td>
<td>.27(.04)***</td>
<td>.25(.04)***</td>
<td>.19(.04)***</td>
<td>.19(.04)***</td>
</tr>
<tr>
<td>Spouse/partner employed PT f</td>
<td>.33(.06)***</td>
<td>.28(.07)***</td>
<td>.24(.06)***</td>
<td>.24(.06)***</td>
</tr>
<tr>
<td>Flexibility fit g</td>
<td>--</td>
<td>--</td>
<td>2.39(.04)***</td>
<td>2.18(.07)***</td>
</tr>
<tr>
<td>Full/part-time status h</td>
<td>.03(.08)</td>
<td>.04(.08)*</td>
<td>.20(.08)*</td>
<td>.20(.08)*</td>
</tr>
<tr>
<td>Younger than age 35 XFlexibility fit</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>.22(.10)*</td>
</tr>
<tr>
<td>Ages 45–54 X flexibility fit</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>.36(.11)**</td>
</tr>
<tr>
<td>Ages 55+ X flexibility fit</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>.56(.16)**</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Var. Comp. (SD)</th>
<th>Var. Comp. (SD)</th>
<th>Var. Comp. (SD)</th>
<th>Var. Comp. (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level-1 $R^2$</td>
<td>--</td>
<td>.001</td>
<td>.062</td>
</tr>
</tbody>
</table>

Variance components

<table>
<thead>
<tr>
<th></th>
<th>Var. Comp. (SD)</th>
<th>Var. Comp. (SD)</th>
<th>Var. Comp. (SD)</th>
<th>Var. Comp. (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level-1 variance ($\sigma^2$)</td>
<td>12.30(3.51)</td>
<td>12.28(3.50)</td>
<td>11.53(3.40)</td>
<td>11.52(3.39)</td>
</tr>
<tr>
<td>Intercept ($\tau_{00}$)</td>
<td>.68(.82)***</td>
<td>.70(.84)***</td>
<td>.61(.78)***</td>
<td>.61(.78)***</td>
</tr>
<tr>
<td>Intraclass correlation coefficient ($\rho$)</td>
<td>.055</td>
<td>.054</td>
<td>.050</td>
<td>.051</td>
</tr>
</tbody>
</table>

Notes. * $p < .05$, ** $p < .01$, *** $p < .001$ (two-tailed tests); a Reference = Age 35–44; b Reference = Male; c Reference = Non-exempt; d Reference = No eldercare responsibilities; e Reference = No children under 18; f Reference = Single; g Reference = I do not have the flexibility I need; h Reference = Employed part-time; i Compared to Model 1.