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THOUGHT LEADERSHIP BRIEF



Age Discrimination Against Middle-aged and Older Employees in China: How Discrimination Affects the Younger Workforce

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KEY POINTS

- Age discrimination against employees over middle age is widespread in Chinese organizations. Young Chinese employees view this mistreatment as unfair and consequently experience heightened job insecurity regarding their future within the organization.
- Young employees who observe higher levels of age discrimination in their organizations tend to exert less effort at work and become less engaged. They also tend to have more counterproductive behaviors and reduced creativity.
- It is critical we address age biases in China's workplaces and foster an inclusive work environment that values contributions from all age groups.

ISSUE

Workplace age discrimination refers to barriers to participation in work due to age. Age discrimination is notoriously prevalent in China's workplaces. According to a research note by the Peterson Institute for International Economics, age discrimination in China's workplace typically starts around 35, much earlier than the international average of 55. This trend is concerning, especially in light of the reports from the seventh national census released in 2021, which revealed that China's population is aging and its workforce is shrinking. This demographic shift raises the potential for an aging crisis in the labor market. Furthermore, unlike many other countries and regions, age discrimination is not prohibited by law in China. For instance, civil service recruitment is limited to candidates under the age of 35, and many private companies impose similar age restrictions for job eligibility. There is a notorious "age glass ceiling" in China's leading technology firms, where seasoned employees face layoffs if they do not secure managerial positions by their mid-30s to early 40s.

The implications of age discrimination are undoubtedly profound for middle-aged and older employees in China. A report by the Development Research Center of the State Council of China released in 2021 found that Chinese jobseekers over 35 are feeling increasingly insecure about their futures, with age restriction cited as a primary obstacle in the job market. Nevertheless, what is largely overlooked is how younger employees react to this discrimination. Emerging research on third-party perceptions of mistreatment highlights how witnessing unfair treatment toward another can influence observers' perceptions and behaviors. Young employees, while not direct victims of age discrimination, may feel threatened by the prospect of facing similar biases as they age. This in turn creates a complex dynamic: On one hand, young employees might react negatively to observed age discrimination, recognizing their vulnerability to similar treatment in the future. On the other hand, they may also rationalize it or even perceive it as justifiable if organizations frame age discrimination as cultivating young talent and enhancing the potential contributions of younger employees.

Figure 1. Key Aspects of Age Discrimination in China

ASSESSMENT

Three studies with complementary designs were conducted. Study 1 was a pilot, qualitative study involving interviews with twenty current employees from various organizations in China, including government, state-owned, and private sectors. Participants were asked about their experiences or observations of unfavorable treatment towards employees aged 35 and older. All participants reported at least one incident of age discrimination in the past month, with 55% labeling it as "prevalent" in their organizations. The qualitative analysis identified key aspects of age discrimination in China (Figure 1), supporting the content validity of existing age discrimination instruments developed in Western contexts.

Study 2 was a field study examining the impact of observed age discrimination on the attitudes and behaviors of younger employees. Three hundred participants aged 30 or younger completed two surveys. The first survey assessed their observations of age discrimination against middle-aged or above employees in their current organization. The second survey assessed various workplace behaviors. Analysis of responses from 218 participants who completed both surveys revealed that young employees perceive age discrimination as indicative of a lack of justice (b = -.31, p < .01) and fairness (b = -.38, p < .01), despite not being direct victims of mistreatment themselves.





Witnessing age discrimination also generates concerns about their own job security (b = .45, p < .01). Moreover, the perceived lower levels of justice and fairness and feelings of heightened job insecurity are further associated with negative workplace behaviors. In particular, feelings of job insecurity stemming from observing age discrimination leads to decreased work effort (b = -.16, p < .05), lower job engagement (b = -.14, p < .05), and fewer innovative contributions (b = -.44, p < .01). Young employees are more likely to engage in counterproductive behaviors as a result of perceived low fairness (b = -.24, p < .05) and heightened job insecurity (b = .13, p < .05).

Study 3 employed a vignette experimental design with 164 Chinese undergraduate students randomly assigned to two groups. They were asked to read a passage about a reputable company known for high-quality service. One group was exposed to a scenario where seasoned employees were treated "less favorably" by this company, while the other group read a scenario about young employees receiving "more favorable" treatment in this company. After reading the passage, participants were asked to rate their perceived fairness of the organization and their anticipated justice as future employees. The results showed no significant differences in perceptions of organizational fairness or anticipated justice between the two groups. Both groups rated the organizations similarly low on fairness (Means = 3.25 and 3.43, respectively, on a measure anchored on a 7-point scale, F = 0.92, p = 0.34) and justice (Means = 3.73 and 3.88, respectively, on a measure anchored on a 7-point scale, F = 0.86, p = 0.35), indicating that framing discrimination against elderly employees euphemistically as favoring younger employees does not mitigate participants' perceptions of unfairness. This suggests that discriminatory practices against older employees, regardless of how they are framed, are viewed negatively by young job seekers.

CONCLUSION

These findings underscore the urgent need for Chinese organizations to recognize and address age discrimination as a pervasive issue affecting both older and younger employees in the workforce. These studies show that age discrimination against seasoned employees has adverse effects on the attitudes and behaviors of younger employees. We suggest the following practical implications:

Promote Awareness and Training

Organizations should implement comprehensive training programs aimed at raising awareness about the detrimental impacts of age discrimination. Such initiatives should target all employees, with a particular emphasis on management, to cultivate a culture of inclusivity and respect for diversity.





Implement Policy Revisions

It is imperative for companies to reevaluate their various human resource management practices – including recruitment, performance evaluation, and promotion – to ensure they are age-inclusive. This includes eliminating age restrictions in job postings and creating pathways for career advancement that consider the contributions of employees across all age groups.

Address Euphemisms

This research indicates that using euphemistic labels to deflect and justify the preferential treatment of younger employees fails to mitigate perceptions of unfairness. Organizations must be transparent about their practices and avoid framing discrimination in ways that could be construed as justifiable. Transparency is crucial for building trust and fostering a sense of fairness among all employees.

Government's Role in Combating Age Discrimination

Government and policymakers play a vital role in combating age discrimination. For example, the government should promote age diversity in public sector hiring to demonstrate a commitment to inclusivity. The government can also encourage companies to adopt policies that foster inclusive work environments and offer incentives to companies that prioritize age diversity in hiring and recruitment. The government can also develop programs that assist employees of all age groups in navigating and managing their careers and emphasize the importance of adaptability and continuous learning.

This research highlights that young employees are negatively affected by age discrimination against middle-aged and older employees. There is a need for further investigation and research on the long term effects of mistreatment amongst all age groups. We call for a critical reevaluation of current age-related employment practices and policies in China. We suggest that by addressing age biases and promoting inclusivity, Chinese organizations can create a harmonious workplace that values contributions from all employees, ultimately benefiting both the Chinese workforce and the organization as a whole.



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