## PSYCHOLOGICAL SENIORITY

J. H. FOEGEN, PH.D.
Winona State University, Minnesota

## **ABSTRACT**

Long-service employees usually reap advantages such as enriched pensions, more sick leaves, choice of work shift, and even relative immunity to layoffs. Psychological benefits, such as lenient work-rule application, noticeably greater deference from supervisors, and unexpected "nice things happening," are also found where enlightened managers are in charge. They can go far toward re-instilling allegedly diminished employer loyalty, with all that such a renaissance can mean for long-run competitive success and Total Quality Management.

Remaining with one employer for a long time typically brings a worker valuable economic benefits. The "whole story" is not told, however, unless a psychological dimension at *least* as important is considered. Arguably, it is not taken seriously by many employers.

Long service helps workers economically in many ways. Relative protection against layoffs is one. Those hired last are usually the first let go. Where unions are present, they quickly institutionalize this practice, which also appeals to common sense and "fairness."

Such "wisdom" can be challenged, however. Sometimes those who really need their jobs are dismissed because of lack of seniority while others having less

149

© 1994, Baywood Publishing Co., Inc.

doi: 10.2190/9VGC-TMT8-2YQC-YADD

http://baywood.com

need but more seniority are kept. Among the latter group are employees whose children have grown, and perhaps are also finished with college. Some have spouses with well-paying jobs. Cynicism aside, "knowing somebody" is an advantage, politicking is universal, and fair or not, networking is effective. "Hypocrisy" can also be charged. If it is advantageous to the employer that a less-senior worker be retained, if for example a scarce and needed skill is possessed, exceptions can be made and rationalized. Especially in a nonunion situation, it is easy to "get around the rules."

In addition to layoff protection, long service also brings larger retirement benefits. It usually produces a higher annual salary, and pension payments are often based upon say, an average of the five highest-earning years. Vesting is involved too; most plans require minimum service time before the worker is entitled to employer contributions. (The *employee's* contributions, of course, are always available.) Beyond the vesting period, the benefit in the present argument becomes moot. Between hiring and vesting, however, longer tenure contributes to that eventual economic benefit.

Still other long-service advantages appear in vacation and sick-leave provisions. Vacation time is graduated upward depending upon length of service; while almost everyone might get a week or two off work per year, senior employees often get substantially more. In the most generous arrangements, increasingly long vacations can fade gradually into phased retirement. Sick leave is similar; the longer an employee works for a company, the more leave can be accumulated. Carrying over unused leave from one year to the next may or may not be allowed. Accumulated leave time might be "capped" or unlimited. The common denominator of all possibilities, however, is that senior workers have more economic security than their juniors.

Any or all of these benefits—and others less common—can be made available voluntarily by the employer. The company sees long-run advantage. For example, its attractiveness as a "good place to work" is enhanced, making recruiting good people more easy and less costly. Company "image" is likely improved also. Other employers offer such benefits not only because of "selfish" gain, but because they think it is "the right thing to do."

Provision can be made contractually as well as voluntarily. Though it is not necessary that a union be the catalyst or "persuader," such is often the case. Labor unions put high bargaining priority on making employee-impacting decisions hinge on seniority. Often resisted reflexively by management negotiators, who prefer "merit" as the major criterion, they usually must include some provision for seniority in the final agreement as a condition of short-run settlement and long-run labor peace.

Economically oriented seniority advantages are so traditional by now that they are almost taken for granted. A complementary psychological kind

is more subtle, rarely going by that label in fact, so it is often overlooked or ignored. It shouldn't be! It is at least as important as its economic cousin, perhaps more so.

With serious reflection, examples are found easily. For instance, longer tenure should, other things equal again, result in greater supervisory respect for senior employees. At the extremes, this is almost always true; new employees can be hazed; they "don't know what the score is" yet. By contrast, skill and experience are deferred to. Wise managers, often junior in years or time with the company, recognize these attributes intuitively, and use them to everyone's advantage.

Such respect for employees—one kind of psychological seniority—assumes that it is deserved. Unfortunately, slough-offs can be found among older workers as well as younger ones; only relative proportions are arguable. Turnover is also a factor. Promotions of supervisors can mean that the boss doesn't have time to know a senior worker well enough to extend deserved respect. Rapid company growth can also churn supervisory ranks, with the same basic result. Downsizing can impact negatively too, when a firm finds it necessary or desirable to reduce size.

In addition to supervisory respect, senior employees can benefit from more lenient application of work rules. A good argument can be made that they should! On its face, this sounds like age discrimination—where for a change young workers are disadvantaged—but it really is not.

One of the most common examples concerns a supervisor's controlling employees' time on the job. Rules are made to be followed; if they are not observed, they should be eliminated. Perhaps they should not have been made in the first place. Nevertheless, exceptions are likely; at times they are justified. Situations involving senior employees provide good examples. While junior workers might be held to the "letter of the law," older ones with proven conscientious service might be granted "unofficial" time off for errands during the workday. They might have leeway in late arriving or early leaving also, if the privilege is not abused, even in the absence of a flexible-hours policy for all employees. Chances are good, actually, that older workers have ingrained work ethics, and will make up for time off by putting in extra time after hours or on weekends. To them, it is a matter of principle, of personal integrity. The company will not lose out.

Another example of justified, favored treatment of a psychological nature accruing to seniority involves imaginative, unexpected, "nice things happening," occurrences less likely among more junior employees. A new printer for the computer might arrive "out of the blue" without the user's asking. The supervisor noted long-time quantity and quality of work by the senior employee, and that the old hardware had long since "done its duty." More likely, an unexpected compliment might be expressed, or other recognition given. Most employees crave such things, but they remain rare. However low-key, sincere appreciation for work done is valued highly. (This is true for *all* employees, but seniors are likely to be *more* deserving just because they have *been* there longer.)

In all of this, it is important not to be, or even *seem* to be condescending. While no manager is likely to come right out and say, "We're giving you this because you've been around here forever and probably deserve it," people *are* sensitive to nuances of wording and tone, and could take it that way, given supervisory ineptness. If the message *is* so perceived, it will be counterproductive.

Sensitivity is necessary also, regarding employees who are *not* now shown such consideration. Without proper explanation of reasons, some younger workers will see unfairness. If supervisors are not empathic enough to realize this, irritation will build, regardless of whether or not immediate mention is made. It will certainly return later to haunt management. In fact, union organization can start with "little things" like this. Alert supervisors will explain clearly what is going on, and will stress that years later, when present juniors are themselves seniors, they can expect similar treatment.

Loyalty to employers is said to be decreasing, at times with apparent good reason. A glaring example is "downsizing." Through no fault of their own, conscientious employees of maybe twenty years service are let go because of merger-caused redundancies, business contraction due to competitive pressures or some other impersonal reason. Others then think, or say, "Why should I go out of my way for this company? Look what happened to Old Joe!"

While such happenings are far from unknown these days, they likely still represent *relatively* rare exceptions to the rule. A favorable, long-run return to the bottom line remains likely to the extent that good managers go out of their way to cultivate loyalty among workers. People react in kind to treatment received, on the job as well as off.

In short, the concept of "psychological seniority," whether called that or not, remains nebulous, hard to pin down, difficult to prove. It is eminently logical, however. Most people have a "gut feeling" that long and conscientious service ought to be worth something "extra," should be rewarded in all possible ways, even beyond things economic. To the extent that such deserved treatment is overlooked or ignored, "Total Quality Management" and competition-topping productivity can hardly be expected. Employees—gray-haired ones especially—are no dummies!

\* \* \*

Dr. Foegen is a Professor of Business at Winona (MN) State University. He has published more than 370 articles in a wide range of professional and general

journals. He is a member of the Academy of Management, the society for Advancement of Management, the Industrial Relations Research Association, the Society for Business Ethics and the World Future society.

Direct reprint requests to:

Dr. J. H. Foegen Department of Business Administration Winona State University P.O. Box 5838 Winona, MN 55987-5838