

Research on Management Strategies and Re-incentive Mechanisms for Senior Employees in Enterprises under the Context of an Aging Society

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Abstract

With the advent of an aging society, enterprises face new challenges in managing senior employees. Due to changes in physiological, psychological, and social factors, senior employees exhibit significant shifts in work attitudes, capabilities, and needs. Consequently, there is an urgent need to explore adaptive and effective management strategies and re-incentive mechanisms. This paper first analyzes the background of an aging society and its impact on enterprise management. It then reviews domestic and international research on the management and motivation of senior employees through a literature review. By conducting an in-depth analysis of the current status and challenges faced by senior employees in enterprises, this study proposes management strategies tailored to their individual characteristics and explores how re-incentive mechanisms can enhance their work motivation and organizational engagement. Through case studies, the paper summarizes successful and unsuccessful management experiences, ultimately offering enterprises practical recommendations for management strategies and incentive mechanisms. The aim is to provide theoretical support and practical guidance for enterprises addressing the management of senior employees in the context of an aging society.

Keywords

senior employees, aging society, management strategies, re-incentive mechanisms, enterprise human resource management

1. Introduction

As global population aging intensifies, the importance of senior employees in enterprises continues to grow. In China, in particular, with the accelerating aging process, senior employees are becoming an increasingly vital component of the workforce. However, as they age, their physiological, psychological, and professional needs evolve, posing challenges to traditional human resource management approaches. Therefore, designing management strategies and incentive mechanisms that cater to the needs of senior employees has become a pressing issue for enterprises. This paper seeks to explore the management challenges and re-incentive mechanisms for senior employees in the context of an aging society, offering theoretical support and practical guidance to help enterprises effectively manage this group (Li et al., 2022).

2. Theoretical Framework and Literature Review

2.1 Characteristics of an Aging Society and Senior Employees

With the global trend of population aging intensifying, aging societies have become a significant social issue worldwide. In China, this phenomenon is particularly pronounced due to declining birth rates and increasing life expectancy, resulting in a rapidly rising proportion of individuals aged 60 and above. This demographic shift has far-reaching implications across various societal domains. Beyond traditional areas such as healthcare and social welfare, it also presents new challenges to the labor market and human resource management in enterprises. Senior employees, as a key workforce group in an aging society, are increasingly critical to enterprise human resource management. Effectively managing this group and unlocking their potential have become urgent priorities for many organizations. Senior employees typically refer to older workers, often those aged 60 and above (Soja & Soja, 2020). They bring rich experience and stability to enterprises, but aging introduces unique challenges in their physiological, psychological, and work-related capacities. First, as physical functions decline, senior employees may experience reduced strength and endurance, making prolonged work physically taxing and potentially detrimental to their health. Second, with advancing age, their cognitive abilities and speed of learning new skills may lag behind younger employees. In today's rapidly evolving technological landscape, senior employees may struggle to adapt to new technologies and work methods, adding complexity to their management. Additionally, senior employees often exhibit greater loyalty and stability, valuing steady and secure work environments over rapid career advancement or high-pressure tasks. This necessitates adjustments in incentive mechanisms and career development paths to sustain their enthusiasm and engagement. However, the challenges extend beyond the individual level. Enterprises managing senior employees face several difficulties (Zhu et al., 2022). First, balancing workloads with their health conditions to ensure physical and cognitive suitability for tasks is a primary concern. Second, as work environments and technologies evolve, Ascertain how to provide appropriate training and support to bridge skill gaps becomes increasingly important to ensure they can meet modern job demands. Meanwhile, re-incentivizing senior employees is another critical issue. How to maintain their motivation and job satisfaction while leveraging their experience through reasonable incentives poses an additional challenge. Thus, enterprises must adjust management strategies and innovate incentive mechanisms to ensure senior employees continue to contribute value. In the broader context of an aging society, effectively managing senior employees and maximizing their potential will be a vital component of sustainable enterprise strategies (Maritz et al., 2021).

2.2 Current Research on Management Strategies and Re-incentive Mechanisms for Senior Employees

Globally, as population aging accelerates, the management and motivation of senior employees have emerged as key research topics in enterprise human resource management. In recent years, studies on senior employees have increased, particularly regarding management strategies and re-incentive mechanisms. Scholars have proposed feasible strategies and methods through various theoretical perspectives and empirical studies to help enterprises address the challenges faced by senior employees at work. In terms of management strategies, existing research suggests that managing senior employees cannot rely solely on traditional methods but requires personalized approaches tailored to their unique needs and characteristics. Studies indicate that senior employees prioritize work-life balance and depend heavily on stable work environments. As a result, flexible work schedules, role adjustments, and customized career development paths have become common strategies (Caines et al., 2020). In today's era of widespread digitization and automation, enterprises can offer adaptable roles or leverage technology to provide suitable work methods, enhancing senior employees' efficiency and satisfaction. Research also highlights that senior employees may struggle with high-tech tasks, making systematic training and skill development opportunities another effective strategy to overcome technological barriers. Research on re-incentive mechanisms is also a current academic focus. Traditional incentives often rely on financial rewards and promotions, but senior employees' needs are more nuanced, extending beyond material benefits to include job satisfaction and social recognition. Thus, re-incentive mechanisms for senior employees emphasize non-material rewards, such as emotional recognition, enhanced sense of professional achievement, and moderate responsibility to maintain

motivation and engagement (Squire, 2020). Studies suggest that incentive systems centered on “sense of honor” and “belonging” can effectively boost senior employees’ enthusiasm and loyalty. Engaging them in meaningful tasks and acknowledging their contributions can strengthen their sense of belonging and loyalty, achieving re-incentivization. Moreover, some scholars argue that re-incentive mechanisms for senior employees should extend beyond workplace incentives to include external factors like social and family support. Enterprises can establish multi-layered incentive systems combining work-related and life-related motivators to comprehensively enhance senior employees’ enthusiasm. For instance, offering benefits such as health checkups or post-retirement welfare plans can improve their quality of life outside work, thereby boosting work motivation. Despite the variety of proposed strategies and mechanisms, many enterprises struggle with effective implementation. Balancing senior employees’ personalized needs with overall operational goals and designing measures that meet their demands while enhancing enterprise efficiency remain unresolved issues. While theoretical research is abundant, empirical studies across diverse cultural and industrial contexts are relatively scarce. Thus, adapting management strategies and incentive mechanisms to specific enterprise conditions remains a key direction for future research (Urbancová & Vrabcová 2020).

3. Management Challenges for Senior Employees in the Context of an Aging Society

3.1 Current Status and Challenges of Senior Employees in Enterprises

As aging societies gradually emerge, senior employees are becoming an increasingly significant segment of the workforce in enterprises. However, their current status and the challenges they face are multifaceted, presenting enterprises with unique management difficulties when addressing this group. Firstly, senior employees commonly experience physiological and psychological changes that pose challenges in their work. As they age, their physical capabilities—such as strength, endurance, vision, and hearing—tend to decline, directly affecting their performance in daily tasks. For instance, prolonged standing or physically demanding labor may threaten their health, leading to reduced work efficiency. Additionally, their cognitive abilities and capacity to learn new technologies or skills often lag behind younger employees, making it difficult for them to adapt to rapidly changing work environments. In today’s era of fast-evolving digital and automated technologies, senior employees’ limited adaptability to new tools increases the difficulty of integrating them into technology-driven enterprises (Chen et al., 2023). Secondly, the work motivation and career development needs of senior employees differ significantly from those of younger workers. Senior employees typically prioritize work-life balance and seek stability, comfort, and long-term job security rather than pursuing promotions or engaging in intense career competition. Many are content with their current roles and responsibilities, resulting in lower work motivation compared to younger employees. Moreover, senior employees tend to be sensitive to changes and uncertainties at work, showing limited interest or acceptance of frequent task alterations, role transitions, or job reassignments (Stephens & Hegarty, 2022). This resistance can complicate enterprise efforts to adjust workflows, management structures, or organizational culture, potentially dampening their enthusiasm and initiative. Furthermore, senior employees may encounter career development bottlenecks when faced with enterprise innovation and growth. Despite their wealth of experience and skills, their opportunities for career advancement diminish with age. Many enterprises focus less on the career development of senior employees, often prioritizing younger workers as the backbone of future growth. This leaves senior employees feeling stuck in their career progression. Additionally, due to age and experience, their expectations regarding salary and promotions often diverge from those of younger employees. Some may feel frustrated by the lack of deserved career opportunities or promotions, which can negatively impact their job satisfaction and loyalty. Finally, senior employees face challenges related to technological updates and evolving work practices. As modern workplaces rapidly adopt new technologies—such as office software, smart devices, and remote working models—senior employees often struggle to keep pace. Without effective skill training and support during digital transformations, they may fall behind in mastering new technologies, leading to reduced efficiency and unnecessary occupational stress. In summary, senior employees in enterprises present a complex picture: they offer rich experience but face challenges in technology adaptation, physical capacity, and work motivation. If enterprises fail to address these issues effectively, it could impact not only the efficiency and

health of senior employees but also team collaboration and overall organizational development. Therefore, enterprises must develop targeted management strategies and incentive mechanisms tailored to senior employees' characteristics to leverage their strengths while addressing these challenges effectively (Bartkowiak et al., 2021).

3.2 Difficulties Enterprises Face in Managing Senior Employees

In an aging society, managing senior employees presents multiple challenges stemming from their traits and structural labor market issues. Key difficulties include: First, balancing work capacity with health is challenging. Aging reduces physical stamina, with fatigue and illnesses affecting efficiency despite their experience. Tasks like prolonged standing or heavy labor may strain them, requiring health-conscious role adjustments. Failure to adapt workloads risks productivity and well-being, making this a significant hurdle. Second, technological adaptability poses problems. Rapid advancements in IT and digitization demand skills many senior employees lack due to limited past training or exposure. This gap hampers their ability to use new tools, affecting efficiency and collaboration. Enterprises often neglect tailored training during tech transitions, complicating management. Third, designing effective incentives is difficult. Unlike younger workers, senior employees prioritize stability and relationships over salary or promotions. Traditional rewards fall short, necessitating creative incentives like flexible hours or recognition to boost motivation—a critical challenge. Fourth, intergenerational differences disrupt teamwork. Age-diverse teams face clashing work styles and communication preferences. Senior employees' traditional approaches may conflict with younger colleagues' innovation, hindering collaboration. Enterprises must foster understanding through training, a pressing issue. Lastly, career development is limited. Promotion systems favor youth, stalling senior employees despite their valuable skills. Age biases and few growth paths reduce motivation. Providing alternative development opportunities is essential yet often overlooked. In conclusion, managing senior employees involves addressing health, technology, incentives, teamwork, and career growth. Enterprises must adapt strategies to meet their unique needs, ensuring sustained contribution.

4. Management Strategies for Senior Employees

4.1 Personalized Management Strategies

Senior employees play a vital role in enterprises, bringing a wealth of experience and knowledge. However, as they age, their physiological, psychological, and career development needs evolve. Consequently, personalized management strategies tailored to senior employees are essential for boosting their work motivation and ensuring their efficiency. These strategies should account for individual differences, offering flexible work arrangements, customized career paths, and tailored benefits to ignite their enthusiasm and maximize their potential. Firstly, flexible work arrangements are a key component of personalized management for senior employees. With advancing age, their health and work endurance may vary. Enterprises can address this by introducing flexible schedules, part-time options, or partial remote work to help senior employees balance work and life effectively. For example, allowing them to adjust hours based on health or personal needs, or providing short breaks and time-off opportunities, ensures they maintain physical and mental well-being at work. Additionally, partial remote work reduces commuting stress and offers a more comfortable, adaptable environment. Such flexibility alleviates pressure, enhancing job satisfaction and loyalty among senior employees. Secondly, customized training and skill enhancement form a critical part of personalized management. As technology advances and work practices shift, senior employees may struggle to keep pace. To help them adapt to new tools and job demands, enterprises should offer tailored training programs. These could include concise, targeted courses focusing on skills most relevant to their roles, particularly in digital technologies and information tools. Furthermore, encouraging participation in industry conferences or professional seminars can keep them attuned to cutting-edge developments. Training methods like group discussions or case studies can engage them actively, fostering a relaxed learning atmosphere that boosts their capabilities. Thirdly, providing flexible career development paths is a vital aspect of personalized management. While promotion opportunities may be limited, enterprises can design alternative routes to help senior employees excel in their current roles. For instance, offering lateral development opportunities—such as rotating them across different positions—can diversify

their tasks and sustain their interest and drive. Additionally, assigning mentorship roles leverages their experience to guide younger employees. This “passing the torch” approach not only keeps them impactful but also boosts their sense of achievement and professional identity, enhancing their motivation. Lastly, prioritizing senior employees’ physical and mental well-being is an indispensable element of personalized management. Aging may bring health challenges, and enterprises should respond by addressing these needs. Offering health checkups, wellness programs, and counseling services helps maintain their condition. Hosting regular health seminars or fitness events encourages a positive lifestyle, improving their efficiency and happiness. In summary, personalized management strategies cater to senior employees’ unique needs with flexible, diverse approaches. By providing adaptable work schedules, tailored training, varied career paths, and comprehensive health support, enterprises can elevate senior employees’ satisfaction and engagement while unlocking their full potential, laying a strong foundation for long-term organizational growth.

4.2 Strategies to Promote Sustained Engagement of Senior Employees

To encourage sustained engagement, enterprises must adopt management and incentive strategies that prioritize senior employees’ needs and personal growth. With their rich experience and stability, senior employees are valuable assets, yet their motivations and career aspirations shift with age. To maintain their drive and ensure their ongoing contribution, enterprises can implement the following strategies. Firstly, granting greater autonomy and responsibility effectively fosters sustained engagement. Senior employees often possess extensive experience and expertise, so empowering them with decision-making authority or project leadership roles can enhance their sense of accomplishment and self-worth. For example, involving them in managing key projects or mentoring others in their areas of strength allows them to feel valued. This sense of ownership and autonomy motivates them to stay actively engaged and committed. Secondly, fostering a positive work environment and team collaboration is crucial for sustained engagement. Senior employees often value harmonious relationships and team cohesion. Enterprises should cultivate an inclusive, respectful atmosphere that acknowledges their experience, making them feel appreciated. Encouraging cross-generational interaction and knowledge-sharing between senior and younger employees strengthens their sense of belonging and enthusiasm. Additionally, organizing team-building activities or regular staff gatherings can reinforce their connection to the team and organization. Thirdly, designing diverse incentive mechanisms significantly boosts sustained engagement. While senior employees may place less emphasis on financial rewards or promotions, they still seek emotional recognition and social status. Enterprises should tailor non-material incentives, such as periodic award ceremonies, public praise for achievements, or unique honorary titles, to enhance their satisfaction and pride. Offering learning opportunities or external networking events can also inspire personal growth, reinforcing their willingness to contribute long-term. These measures affirm their unique value, encouraging continued involvement. Health management and work support are equally vital strategies for sustained engagement. Aging may bring physical challenges that affect performance, so enterprises should prioritize senior employees’ well-being. Regular health checkups, wellness seminars, or specialized support plans—like reduced workloads or ergonomic adjustments—help maintain their condition. By addressing health needs, enterprises not only sustain productivity but also deepen loyalty and engagement. Moreover, optimizing career development paths and advancement opportunities further promotes sustained participation. Although promotion prospects may be limited, enterprises can offer alternative growth avenues. For instance, senior employees could serve as mentors or contribute to strategic planning, extending their influence. Special rewards or incentives for continued expertise-sharing can also motivate them. Such flexible paths highlight growth potential, fueling their long-term commitment. In conclusion, strategies to promote sustained engagement should focus on autonomy, diverse incentives, improved work environments, health support, and optimized career paths. By implementing these measures, enterprises can sustain senior employees’ motivation, maximize their value, and ensure their ongoing contribution to organizational success in an aging society.

5. Re-incentive Mechanisms for Senior Employees

Senior employees are a valuable labor resource for enterprises, with their extensive work experience and stability serving as key contributors to organizational success. However, as they age, their work motivations

and needs evolve, rendering traditional incentive mechanisms less effective. To ensure senior employees maintain a positive attitude and continue creating value, enterprises must design specialized re-incentive mechanisms. These mechanisms should not only address their unique needs but also enhance their motivation, sense of belonging, and satisfaction, thereby maximizing their potential within the organization. Firstly, non-material incentive mechanisms are critical for senior employees. Unlike younger workers, senior employees often place less value on financial rewards or promotions, prioritizing emotional incentives such as social recognition and personal fulfillment. Enterprises can hold regular recognition events to publicly commend their performance and contributions, boosting their sense of social identity. Additionally, assigning greater responsibility and fostering a sense of honor can deepen their engagement. For instance, establishing titles like “Senior Expert” or “Honorary Advisor” and acknowledging their role in preserving company culture, sharing knowledge, or driving business growth can be highly effective. Such non-material incentives elevate their professional pride and enthusiasm, strengthen their sense of belonging, and motivate them to leverage their expertise further. Secondly, career development re-incentives form a vital part of these mechanisms. Although promotion opportunities may be limited, enterprises can offer lateral development and job rotation to broaden senior employees’ perspectives and experiences, enhancing their sense of achievement. Job rotation exposes them to diverse tasks and challenges, preventing monotony and adding variety and stimulation to their roles. Moreover, implementing mentorship or advisory programs allows senior employees to pass their expertise to younger colleagues. Serving as mentors or advisors not only keeps their experience relevant but also provides fulfillment and self-worth in new roles, reinforcing their motivation. Training and learning opportunities also serve as an effective re-incentive tool. Despite their wealth of experience, senior employees need to update their skills to keep pace with technological advancements and market shifts. Enterprises can provide customized training programs to help them adapt to new technologies and industry trends. For example, offering targeted courses on digital tools, emerging technologies, or industry developments can refresh their knowledge and improve efficiency. Encouraging participation in industry forums, seminars, or professional certification programs further sustains their awareness of market dynamics and opens new growth avenues. These continuous learning opportunities spark their interest and drive, enhancing their sense of self-worth. Additionally, support for work-life balance is a key element of re-incentive mechanisms. Senior employees often prioritize harmony between work and personal life, so enterprises can meet these needs with flexible arrangements. Options like adjustable schedules based on health or family demands, or remote work opportunities, reduce stress and allow more time for personal matters. This flexibility improves their job satisfaction and quality of life, fostering a stronger sense of belonging and encouraging greater work commitment. Lastly, health care and welfare incentives are essential components of re-incentivizing senior employees. As age impacts physical well-being, enterprises must address health concerns to sustain their performance. Providing regular health checkups, insurance, and ergonomic work environments demonstrates care for their condition. Additional offerings, such as comfortable workspaces, health seminars, or gym memberships, help maintain their physical health. Moreover, post-retirement welfare plans can alleviate financial concerns about the future, boosting their motivation by ensuring stability. In summary, re-incentive mechanisms for senior employees should address multiple dimensions, including their experience, psychological needs, and health. By offering non-material rewards, career development opportunities, training, flexible schedules, and health support, enterprises can effectively enhance senior employees’ motivation and satisfaction, enabling them to play a sustained, significant role in organizational success and contributing to long-term sustainability.

6. Conclusion

In the context of an aging society, senior employees have become an indispensable workforce segment for enterprises. This paper analyzed the management challenges they face and proposed targeted strategies and re-incentive mechanisms. Firstly, enterprises should implement personalized management strategies tailored to senior employees’ characteristics, such as flexible work arrangements, customized training, and diverse career paths. Secondly, re-incentive mechanisms should emphasize non-material rewards, career development support, health care, and work-life balance. Through these approaches, enterprises can enhance senior employees’ satisfaction and engagement while fully unlocking their potential, providing momentum

for long-term growth. Thus, effective management and motivation of senior employees will be pivotal to enterprises' sustainable development in an aging society.

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