

Small Particles, Big Issues: PRIORITYze DEI

Issue 42 25/06/2025: Can Age Diversity Drive Innovation? It Depends on HR

Dear all,

We hope this message finds you well.

Can age-diverse teams truly boost technological innovation? Yes, but **it depends on how diversity is structured and managed.**

A study by Mothe & Nguyen-Thi (2021) explores the link between **age diversity and innovation**, using detailed data from Luxembourg that combines cross-sectional surveys and longitudinal employer–employee records.

The results are eye-opening:

- **Age diversity is not inherently good or bad**, its effect hinges on the **age distribution pattern** within the firm.

Variety (heterogeneous age groups across the workforce) is linked to **higher innovation.**

Polarization (clusters of very young and very old employees, with little in between) is associated with **lower innovation.**

But there's more. **HR practices can make or break the outcome: Information sharing** mitigates the negative impact of age polarization.

The key insight?

It's not just about having different generations, it's about how you manage them.

Academics and practitioners alike must rethink strategies to account for age-related differences in values, motivations, and capabilities.



Read the full article here: <https://doi.org/10.1016/j.emj.2021.01.013>

Best regards,
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