

Generational tensions linked to lower workplace productivity in the UK and US

2 years ago



Employees who are much younger than their managers report lower productivity than those closer in age due to a lack of collaboration between employees of different generations, according to [new research](#) from the London School of Economics and Political Science (LSE) in collaboration with global consulting firm, Protiviti.

An external survey conducted by LSE of 1,450 employees in the finance, technology and professional services industries in the UK and USA, found that friction between different generations was driving down productivity and that firms need to develop intergenerationally inclusive work practices. These include making it easier for each generation to 'fit in', developing and advancing people based on merit rather than age, and committing to a generationally diverse workforce.

Key findings were:

- 25% of employees surveyed self-reported low productivity.
- Across generations, low levels of productivity are reported by 37% of Gen Z, 30% of Millennials, 22% of Gen X, and 14% of Baby Boomers.
- Employees with larger age gaps with their managers report lower productivity. Those with managers more than 12 years their senior are nearly 1.5 times as likely to report low productivity.
- Generations agree on the skills that are most important to productivity and career advancement. The top 3 skills being: active listening, time-management and judgement and decision making.

An ageing global population means there is less 'younger talent' in the pipeline in addition to increased generational diversity, with large firms regularly having five generations working together.

In firms that use intergenerationally inclusive work practices, productivity was higher in younger generations, researchers found. These practices include enabling colleagues of every generation to have similar levels of voice when collaborating and advancing employees based on merit regardless of their age. The proportion of Gen Z employees reporting low productivity drops from 37% to 18%, and from 30% to 13% for Millennials. Across the board, 87% of employees reported high productivity levels in firms with intergenerationally-inclusive work practices, compared to just 58% of employees from firms without these practices. In addition, employees working at intergenerationally inclusive workplaces are twice as likely to be satisfied with their jobs and are less likely to look for a new role.

These findings are especially salient as the [OECD predicts](#) that the UK, US and the broader global economy will experience slow growth in 2024, putting pressure on companies to boost productivity.

Co-author of the research Dr Grace Lordan, Founder and Director of The Inclusion Initiative at LSE, who led the research, said: “I am not surprised that we discovered a ‘productivity manager age gap’. There is good evidence that across generations individuals have different tastes and preferences. So why do we expect them to work easily together? We now have five generations working together in the workplace and the skills that are required to manage these dynamics are not usually being taught by firms. Our research shows that if we invest in giving these skills to managers, and creating an intergenerationally inclusive workplaces there are significant productivity gains to be had.”

The report, [GENERATIONS, Unlocking the Productivity Potential of a Multigenerational Workforce](#) marks the first of a multi-year research collaboration between The Inclusion Initiative at the LSE and Protiviti to explore how firms can capture the productivity potential that is available from getting colleagues of different generations working better together.

Matt Duncan, Managing Director, Protiviti Global Business Consulting, said:

“Protiviti is delighted to collaborate with The Inclusion Initiative in becoming the inaugural founder of the Generations Hub. GENERATIONS is an important study focusing on an under-researched area of diversity in the workplace. Through this research, we hope to support our clients in creating productive and successful teams, taking proactive steps to improve organisational effectiveness and drive long-term success across the organisation.”