Would you like to know more about diversity in the world of work? Are you looking for the latest figures on the subject? Or concrete examples of how companies and institutions are implementing diversity?

The Diversity Factbook offers you just that: a quick introduction and the most important facts. If you would like to go into more depth, we have indicated further sources for you.

**Current information on studies and insights** related to diversity can be found here:

- LinkedIn profile
- www.charta-der-vielfalt.de/en/
- Twitter channel
- The association’s Facebook page
- TikTok channel

Here you can find everything you want to know about the **10th German Diversity Day** ([www.deutscher-diversity-tag.de/en](http://www.deutscher-diversity-tag.de/en)) on 31 May 2022, the **DIVERSITY CHALLENGE** competition for young professionals ([www.diversity-challenge.de](http://www.diversity-challenge.de)) and the **DIVERSITY Conference** on 10 and 11 November 2022 ([www.diversity-konferenz.de](http://www.diversity-konferenz.de)).

Sign up for our newsletter to be informed about the new dates in 2022.

Please send any comments and suggestions to: presse@charta-der-vielfalt.de
This year we are celebrating our 10-year anniversary – which means we are celebrating the successes of our diversity network and of all organisations that live diversity.

Diversity affects all of us – not just those who consider themselves at a disadvantage in the workplace. For diversity to progress in the world of work, we need joint commitment and the support of every single individual: allyship.

Allyship is the art of creating alliances and speaking up, together with others, for the appreciation of diversity. This also means switching perspectives, practicing empathy, tolerating irritations.

Make a statement for diversity with your action at DDT22, as well as for what we have already accomplished – even if there remains much to be done.
### About the Diversity Factbook

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1. What is diversity?
1.1 The concept of diversity

The meaning of diversity

Dictionaries define the term diversity as variety, diverseness, multiplicity. There are also numerous academic definitions of diversity.

As regards the world of work and the context of companies and institutions, the term is used to refer to similarities and differences in the workforce based on individual personality traits, as well as lifestyles and life plans.

Diversity comprises both visible and invisible characteristics that determine individual viewpoints, perspectives and attitudes, and thus people’s actions.
When you look for differences and similarities among people, you can find **seven diversity dimensions** that are most closely linked with an individual’s personality.

Diversity management also includes **external dimensions**, such as marital status, work experience, income, or leisure behaviour. In addition, there can be **organisational dimensions**.

The complete diagram can be found here: [https://www.charta-der-vielfalt.de/en/understanding-diversity/diversity-dimensions/](https://www.charta-der-vielfalt.de/en/understanding-diversity/diversity-dimensions/)
1.2 The diversity dimensions

People of different ages learn from each other

Life expectancy is increasing in Germany, while the population is shrinking. The “Age” dimension is important for organisations with a view to the demographic change. At the present time up to five different generations are working together. That’s why it’s necessary to support them in collaborating effectively. One important challenge is to retain the experience and professional knowledge of the workforce through knowledge management and lifelong learning, as knowledge gets out of date ever more quickly – work-related knowledge within two to ten years.

It is important to make use of the opportunities provided by the diversity of generations and to maintain employee performance until retirement.

Background information and studies; Dossier: JUNG – ALT – BUNT
1.2 The diversity dimensions
People of different ages learn from each other

61%

The employment rate of 60- to 64-year-olds is increasing more strongly than in any other age group. In 2020 the rate was 61 percent. In 2010, by contrast, it was only 41 percent.

In comparison: The employment rate in the 15- to 19-year-old age group was 26.8 percent in 2020 and 65.9 percent among 20-24-year-olds.


Age-related diversity measures (examples):
- Set up age-appropriate workplaces
- Conduct mentoring or knowledge transfer programmes
- Offer flexible working models
- Bring mixed-aged groups of people together in teams
- Initiate health management

Example: Mercedes-Benz Group AG, Deutsche Bahn AG
1.2 The diversity dimensions
Perspectives from a variety of nations, cultures and ethnic groups reach new target groups

Bringing people from varied cultural backgrounds together as a team is an important challenge for organisations when competing for customers, markets and bright minds.

The language and culture skills of the workforce can be the key to new markets. In this way, new customer groups can be addressed, new talents won, and the company’s attractiveness for investors on the stock market even enhanced. An unbiased work environment is an essential prerequisite.

Background information and studies
1.2 The diversity dimensions
Companies derive economic benefits from diversity

43%

Companies with an **ethnically and culturally diverse executive board** increase the probability for **higher profits** by 43%.

Companies that did not foster ethnic and cultural diversity in their company structures experienced a 27% decline in profits in 2019.


**Diversity measures related to ethnic background & nationality (examples):**

- Put together diverse teams
- Prepare managers
- Offer intercultural trainings
- Initiate intercultural networks
- Introduce tandem culture dialogues
- Post job ads internationally
- Promote language training

**Example:** Berliner Wasserbetriebe AöR, Robert Bosch GmbH
1.2 The diversity dimensions

Gender & gender identity

The gender someone identifies as depends on both their biological gender and their gender identity. It is worthwhile also for organisations to include all possible identities and all genders, giving them equal opportunities. Only those who feel accepted as human beings can fully exploit their potential. This can best be achieved in a work climate free of bias.

Endosex designates people whose bodies fit normative medical ideas for female or male bodies. People who, in medical standards terms, were born with male and female sexual characteristics, call themselves in contrast inter* or intersex. People called cis can identify with the gender assigned them at birth. People who are not of the gender assigned at birth call themselves trans* or transgender.

The aim is to identify filters in human resource policies that cause the “glass ceiling” phenomenon. The term means that qualified women more rarely attain the top management level. Men, in turn, should have equal access to family-friendly time models.

Background information and studies
1.2 The diversity dimensions
Gender & gender identity

Gender pay gap

Women in Germany earned around 18% less than men in 2020. The reason for this gender pay gap is due to women in equivalent jobs receiving lower salaries, and the fact that women work more often than men in poorly paid jobs.

Women at the management level

In 2019, only one of three managers in Germany was a woman (29.4 percent).

Intersexual and trans* persons are particularly prone to experiences of discrimination at the workplace:

47 percent experienced discrimination when looking for a job or on the job last year.


Gender-related diversity measures (examples):

- Shape recruiting and promotion processes so they are gender-neutral
- Mixed gender teams (at least 30% women or men, respectively)
- Management training sessions with a focus on unconscious bias

Examples: Käfer Gruppe, METRO
1.2 The diversity dimensions
Focusing on talents

People with physical or mental disabilities are often assessed in the world of work as being less productive.

Diversity measures can help focus on employees’ talents rather than on their shortcomings. This is particularly promising in a time of demographic change – and there is in fact no alternative.

It is a matter of optimising work processes in organisations, for example with barrier-free workplaces. Changes in performance in different phases of life and the associated adaptation of workplaces to specific capabilities also play a role.

Background information and studies
1.2 The diversity dimensions

Focusing on talents

10.4 million

10.4 million people in Germany were living with a disability in 2019, including almost 4.9 million of working age.

57 percent of people with disabilities between the ages of 15 and 64 were integrated into the labour market or looking for work in 2019. But people with disabilities continue to have a difficult time on the labour market. The employment rate of non-disabled people in the same age group was 82 percent at the time.

Effects of the pandemic

Due to the pandemic, inclusion on the labour market suffered a massive setback. The number of people with a disability who were unemployed swiftly rose to its highest level since 2016. Although the situation has improved slightly since the beginning of the COVID-19 crisis, in October 2021 there were still 8 percent more people with a disability unemployed than before the pandemic.

Diversity measures related to physical and mental disabilities (examples):

- Set up barrier-free workplaces
- Cooperate with organisations focussing on disability
- Support young people with severe disabilities during their education
- Nurture everyone’s specific talents

Examples: AfB gemeinnützige GmbH, SAP SE

1.2 The diversity dimensions
Treating religions with respect

Employees in a workforce have various religious beliefs and worldviews. Employers should have understanding and respect for religious traditions and practices: they are an important expression of personality.

Thus, the aim is show consideration for the workforce’s different religious customs or worldviews.

Background information and studies
1.2 The diversity dimensions
Treating religions with respect

73%

Three quarters of the signatories who took part in the survey see a continued need for action as relates to the theme of religion as a diversity dimension. In a national cross-section, this applies for 48%, less than half of all organisations.

Experiences of discrimination at the workplace

Members of different religions are affected. Particularly people of Muslim faith point out discrimination in their working life. 55 percent of immigrants of Muslim faith report that they feel discriminated against. For immigrants of Christian faith, this figure is 32 percent. Muslim women who wear the hijab are particularly affected. Anti-Semitic incidents are accumulating at the workplace: in 2020, 11 reports were gathered, despite home office.

Diversity measures related to religion & worldview (examples):

- Pay heed to religious holidays, e.g., when coordinating employees’ vacations or important meetings
- Adapt what is on offer in the cafeteria to religious customs
- Set up quiet rooms
- Make use of an intercultural calendar

Example: Fraport AG

Sources:
1.2 The diversity dimensions

Employees are more motivated when their sexual orientation and gender identity are accepted

Whether they are bisexual, heterosexual, homosexual or queer – an open organisational culture with regard to sexual orientation enables employees to be able to show an important part of their personality.

Applicants see LGBTIQ engagement as an **indicator for the openness of an organisation’s business culture**. The sexual orientation dimension – which in itself is invisible – is made visible in many companies by networks.

**LGBT*IQ**: The six letters stand for lesbian, gay, bisexual, trans*, intersexual and queer. The * highlights the variety of possible endings that can follow a word stem, serving as a placeholder for them. The process of transitioning from LGBT to LGBT*IQ has not yet been completed, and is continuing with the growing awareness of the spectrum of all identities, so that it is becoming increasingly easier for people to assign themselves an identity that reflects their own experiences and their own sense of self.

**Background information and studies**

*Source: National Geographic (2021): Von LGB bis LGBTQIA+: Der Identität einen Namen geben*
1.2 The diversity dimensions
Employees are more motivated when their sexual orientation is accepted

Just under one third of the lesbians and gays surveyed (28.9 percent) spoke openly with their colleagues about their sexual orientation in 2017. In a survey held in 2007, this was the case for only 12.7 percent.

One third of the LSB+ individuals surveyed (33.2 percent) fear disadvantages if their sexual identity becomes publicly known, e.g., towards customers.

According to a study, 24 percent of the LGBT*IQ community in Germany experienced discrimination while job-hunting or on the job.

Diversity measures related to sexual orientation (examples):

- Launch an LGBTIQ+ network
- Place civil partnerships on an equal footing to marriages (e.g., retirement benefits, free account management)
- Carry out general reviews of rules and regulations to identify and eliminate possible discrimination

Examples: Deutsche Bahn, BTU Cottbus – Senftenberg

1.2 The diversity dimensions

Assuming responsibility and developing potential

Varying social backgrounds can constitute an opportunity and a success factor for companies. Recognising all employees’ full potential and in this way systematically supporting talents and skills can have positive effects on an organisation’s success.

Educational attainment and advancement opportunities in Germany still strongly depend on one’s social background. Diversity management can provide access for all people to resources such as education, networks, capital and social power. It is organisations’ social responsibility to include all people and develop their potential.

Background information and studies
1.2 The diversity dimensions
Assuming responsibility and developing potential

Educational climbers have a considerable amount of resilience, adaptability and often have clear career plans. They are often more solution-oriented and more assertive than their colleagues since they encounter many challenges on their career and training path.

At the same time, it is becoming clear that factors such as social and national background still make social advancement substantially more difficult. The series of surveys entitled “So arbeitet Deutschland” regularly evaluates this. Most recently, 28 percent of those surveyed indicated that their nationality reduces their opportunities on the labour market. 24 percent even indicate that their social background is, from their perspective, the main obstacle.

Ever fewer people believe in social advancement – in particular, fewer young people. Only 15 percent of the 18-24-year olds believe that solely their level of educational attainment decides on their job prospects.

In the meantime, there is a serious shortage of specialists in Germany, and the labour market is in no way saturated. This offers a lot of potential for entry and promotion for lateral entrants.

Diversity measures related to social background (examples):

- Mentoring programmes for employees from non-academically trained households
- Support people with a low level of formal educational attainment in their education and training
- Involvement of social companies and initiation of joint projects

Examples: Berliner Wasserbetriebe AöR, Deutsche Bahn AG

Sources: Netzwerkchancen (2018): Soziale Aufsteiger im Berufsleben, So arbeitet Deutschland (2022): "So arbeitet Deutschland".
1.3 Historical development
From the United States to Germany

The process of recognising diversity in society began in the United States in the 1960s.

The concept of diversity developed out of the civil rights, gay rights and women’s rights movements, which protested against discrimination and demanded more equality of opportunity.

From the mid-1980s, the concept of diversity acquired an economic function, in addition to its political function.

Sources: Toepfer, Georg (2020), Diversität. Historische Perspektiven auf einen Schlüsselbegriff der Gegenwart

The United States legally strengthens gender equality

1964: Discrimination on the grounds of skin colour, religion, gender or background is prohibited in public institutions, the government and the world of work.

1965: Companies that apply for public contracts may not discriminate against anyone on the grounds of their gender, skin colour, origin, disability, race, age or sexual orientation (added subsequently). Promoting the integration of minorities (e.g., through the hiring rate) is established.
Large American corporations, which also have sites in Germany, **import** the concept of diversity to the country.

The pioneers include companies such as IBM, Ford, McDonald’s, P&G and Hewlett-Packard.

The first specialised articles on diversity management are published and conferences take place.

In Germany, Deutsche Bank, Lufthansa and Daimler are the first to back diversity management.
2. What is diversity management?
2. What is diversity management?

Diversity management as a success factor

Recognising, promoting and appreciating the diversity of the workforce as a success factor – and in so doing increasing economic success – that is the basic idea behind diversity management.

The goal is to align organisations’ (human resources) processes and structures in such a way that all employees are valued and motivated to utilise their potential for the benefit of the organisation.

Workforce diversity should have an impact on all business areas and be utilisable for markets, customer groups, products, suppliers and other business partners.
2. What is diversity management?

Diversity management as a success factor

Diversity within workforces is already recognised as an enrichment by a majority of employers. But how can we value diversity even more as relates to the organisational goals and promote and integrate it more effectively?

“Inclusion” comprises all measures intended to promote an inclusive company and organisational culture. It is crucial that the focus be placed not on specific target groups, but that employees experience the same treatment with respect to all diversity dimensions. That is why diversity and inclusion belong together.
2.1. The benefits of diversity management

Innovation: Diversity ignites sparks.
Diversified teams develop more creative ideas and solutions. They contribute different perspectives that often lead more quickly to results and innovative products.

52 percent of those surveyed in a study conducted by the PageGroup indicated that diversity management improves collaboration in their team.

Marketing: Diversity attracts.
Diverse workforces can better adapt to different target groups and foreign markets. Every customer needs a suitable counterpart.

17 percent of those surveyed see in diversity management an important factor for customer retention, and 35 percent agree that diversity management contributes to a positive company image.

2.1 The benefits of diversity management

Many arguments for diversity management

**Staff:** Diversity creates commitment.
Companies and organisations that value diversity increase their attractiveness towards applicants and employees.
77 percent of those surveyed in a study conducted by StepStone indicated they would prefer to apply to a company that presents itself as tolerant, diverse and open.

**Costs:** Diversity saves money.
Diversity management can minimise absenteeism and employee fluctuation (terminations, recruitment and new hires) when employees feel valued.
78 percent of those surveyed would like to work in an environment characterised by openness and diversity.

2.1. The benefits of diversity management

What makes diversity management successful? – 1/2

**Committed company management**: Diversity management needs the backing of the company management initiating the implementation top down. Commitment can be reinforced by being included in the company’s mission statement, company values, works agreement, code of ethics and by signing the Diversity Charter.

**Involving the workforce**: Ultimately, it is the employees who will implement diversity management bottom up. This will only work if they recognise its advantages, can contribute to the process and can give feedback – for instance, in workshops, focus groups and networks.
2.1. The benefits of diversity management
What makes diversity management successful? – 2/2

**Holistic diversity strategy:** Diversity management is more than a collection of individual measures. Instead, it should be designed as a holistic strategy. It begins with formulating goals and measures, as well as milestone planning. Diversity management is an ongoing change process, a cross-cutting task that affects all of an organisation’s processes, from human resources to sales to marketing.

**Clear business focus:** The diversity management strategy must be closely linked to the organisation’s economic objectives and should not be regarded as a special, separate topic.

**Sufficient capacity:** Diversity cannot be taken for granted. Human and financial resources have to be firmly planned.

2.2. Diversity management pays off
More and more German organisations are betting on diversity

4,500 companies and institutions have signed the Diversity Charter, a self-commitment to diversity that originated in the business world.

On May 31, 2022, the Charta der Vielfalt association will coordinate the 10th German Diversity Day, a nationwide day of action on the topic of diversity where organisations can present their diversity activities. It is part of the EU Diversity Month in May, taking place this year for the third time.

In 2021, more than 900 organisations took part digitally in DDT21, and carried out 2,700 activities. This reached more than 9.5 million employees.

All participating organisations can be found on the website.
2.2. Diversity management pays off
More diversity can reduce the shortage of skilled labour

50% of the forecast skilled labour shortage in Germany could be absorbed by diversity of human resources in companies, according to McKinsey management consultancy.

According to auditors Ernst & Young GmbH, the loss in revenue of small and medium-sized businesses alone is already 50 billion euros.

For instance, the number of job vacancies for IT specialists grew to 96,000 in 2021. The corresponding figure was 12 percent less in the previous year.

In Ernst & Young’s “SME business barometer 2021”, 54 percent of those surveyed stated that they see the shortage of specialists as the greatest risk for the development of their companies.

2.2. Diversity management pays off
Companies see measurable success with diversity

69% of the signatories and 53% of German companies are convinced: the success of diversity is measurable and visible.

What matters here, as 80% of the companies are aware, is the voices from the workforce (from employee surveys).

“Hard criteria” such as financial indicators are generally considered more appropriate than “soft” ones with a stronger personal or qualitative feedback component.

2.2. Diversity management pays off
Companies see measurable success with diversity

Two out of three German companies say: diversity brings the organisation tangible benefits.

The figure is significantly higher among the signatories of the Diversity Charter: 97 percent.

And most of them expect that diversity will become even more important in the future.

2.2. Diversity management pays off
A participative leadership style makes you more innovative

A majority (63 percent) of the managers surveyed in a study conducted by the management consultancy Accenture believes that a diverse and inclusive company culture is important for their company’s success.

There are, however, difficulties in implementation.

While 70 percent of managers state that they have created a company culture where everyone can feel a sense of belonging, only 40 percent of employees agree with this.

In addition, the share of employees in Germany who do not feel sufficiently involved is almost twice as high as managers believe.

If one could close this gap in perception with better diversity management, companies around the world could increase their profits by a total of EUR 3.3 trillion.

Four key diversity dimensions are essential to do so: gender, nationality, professional career path and industry experience.

Source: Accenture (2020): Getting to Equal, study conducted by Accenture.
2.2. Diversity management pays off

Companies score with diversity at the top management level

Companies are 25% more likely to be more successful than the average if women are also represented in their top management.

The effect is particularly visible in Germany: with a high share of female managers, the probability of achieving above-average business success is even twice as high.

2.2. Diversity management pays off

Tapping into new target groups and markets

77 percent of study participants indicated that they would prefer to apply to a company that presents itself as tolerant, diverse and open.

94 percent of those surveyed in a study conducted by the PageGroup indicated that the topic of diversity management is important for company success around the world.

38 percent of the signatories of the Diversity Charter see diversity measures as an important advantage to get access more readily to markets / market segments.

2.2. Diversity management pays off
Companies see diversity as securing their future

82 percent of the signatories and the German companies are in agreement: diversity helps ensure an organisation’s openness and ability to learn. 83 percent of those surveyed think that diversity fosters innovation and creativity.

Diversity management thus means providing for the future and securing the future. For instance, 67 percent of the companies in Germany want to make better use of their staff resources.

2.2 Conclusions
Diversity management makes companies succeed

- Diversity management increases employees’ performance, motivation and innovative capacity.
- A diverse company environment retains skilled workers and helps attract new ones.
- Diversity management increases companies’ economic success.
- Diverse teams enable access to new markets and customer groups through their intercultural skills and specific expertise.
- Diverse companies are more flexible and can react better and more quickly to new market conditions.
- Diversity management ensures a sustainable and multi-faceted transfer of knowledge.
- Diversity management increases companies’ attractiveness for potential business partners and opens up new paths of cooperation.
- Diverse companies can appear more interesting to financial actors and investors and even be rated higher.

3. Diversity management in practice
3. Diversity management in practice

Best practices

Reverse mentoring

- The OPEN WO/MEN programme at John Deere in Mannheim enables an open, empathetic exchange between male top managers and ambitious female young talents.
- Above all, the men listen in order to gain a better understanding of the challenges for women in everyday working life and to develop their own ideas as superiors how they themselves could improve the situation.
- Ultimately, the programme targets more women in higher management positions.

Women’s power in IT

- To counter the shortage of skilled workers, IT service provider ConSol is increasingly focussing on female professionals.
- Flexible working time models and individual solutions enable the reconciliation of family and work.
- The result: the share of women and overall satisfaction have both increased. The re-entry rate for mothers is close to 100%.

Source: Charta der Vielfalt e.V.: Reverse Monitoring, ConSol IT-Unternehmen
3. Diversity management in practice
Best practices

Demography-oriented human resource policy

- The aerospace company **Jena-Optronik** in Thuringia is pursuing demographically oriented human resource policy.
- Timely actions, such as launching a mentoring programme and organising the knowledge transfer, can minimise the loss of knowledge due to the retirement of senior and experienced employees.
- To stabilise and systematise these approaches, employees from the human resource department and from the works council took part in training to become “demographic consultants”, where they got many new impulses.
- Examples of projects encouraging collaboration between generations include the “Project 55+” and “occupational health management”.

3. Diversity management in practice

Best practices

**Metro Pride Network**
- LGBTQIA+ employees can exchange ideas, network and look for support in the **METRO Pride network**.
- The aim is to reduce discrimination and bias throughout the company and create a better and more open working environment for everyone.
- The increase in job satisfaction is having a positive impact on performance and productivity.

**Diverse HR at adidas**
- Adidas is considered one of the most LGBTQIA+-friendly companies in Germany.
- A collection specifically designed for the LGBTQIA+ Pride Month attracts attention and supports athletes if they have a coming out.
- The balanced gender ratio that adidas aspires to increases job satisfaction, performance and productivity.

*Sources: Charta der Vielfalt e.V: METRO Pride – Mitarbeiternetzwerk, adidas, Werde Mitglied in einem vielfältigen Team.*

Charta der Vielfalt e.V. | Factbook Diversity | April 2022
3. Diversity management in practice

Best practices

Diversity in Hamburg’s administration

- The Hamburg administration reached its target of increasing the share of employees with a migration background from 5.4 to 20%.
- The objective was achieved with various advertising campaigns, co-operations and events.
- The Hamburg administration is now almost as diverse as the city is overall, given that 35% of Hamburg’s population has a migration background.


Fair chances on the labour market

- CHANGEMAKERS from Ibsolution GmbH is an integration programme that helps refugees start a career in Germany as SAP consultants.
- Besides technical training, the programme also covered soft skills and the European work ethic.
- The participants have the skills to approach their career goals and, ideally, receive a job offer.
3. Diversity management in practice

Best practices

Disabilities are no impediment to performance

- 45% of the employees at the AfB gGmbH social enterprise are people with disabilities. The focus is on the employees’ abilities and skills.
- A three-year training programme is designed for the needs of people with disabilities.
- The strong growth and the opening of many new locations show that the strategy is working.

Sources: Charta der Vielfalt e.V., Leistung kennt kein Handicap. SAP (2016): Autism at work.

“Autism at Work” at SAP

- The “Autism at Work” project launched by SAP in 2013 integrates autistic people into working life, counteracting the shortage of skilled workers.
- “Autistic people can work well under certain conditions, but now and then they need people who can help them,” says project manager Stefanie Lawitzke.
- SAP’s initiative has been implemented at ten locations in eight countries.
3. Diversity management in practice
Best practices

Intercultural calendar

- As a company with global operations, Deutsche Bahn employs people of different religions. The intercultural calendar is intended to inform and raise awareness about religious diversity and celebrations.
- Religious holidays can be taken into account when scheduling duty rosters. That enhances the workforce’s job satisfaction and the work in intercultural teams.

Source: Charta der Vielfalt e.V., Generationen-Tandems und Reverse-Mentoring: Interkultureller Kalender.

Interculturalism and equality of opportunity

- Phoenix Contact sets great store by international “migration” within the company and ensures a cultural and knowledge transfer that everyone profits from.
- It’s all about supporting young people: the “Aubikom” project focuses specifically on developing the key qualifications and basic skills of graduates of general secondary schools.
3. Diversity management in practice

Best practices

Promoting more equal opportunities

- The Deutsche Bank AG is supporting young people around the world with its “Born to be” programme.
- The training projects break down barriers and support people entering working life. They start with problem areas: qualification gaps between what is learned in school and what is required on the job, a lack of equal opportunities, as well as restricted possibilities to develop due to poverty.

Sources: Charta der Vielfalt e.V., Scoring Girls Ausbildung, Berliner Wasserbetriebe AöR, Born to be. Deutsche Bank.

Social background

Expanding horizons

- The future of young Berliners is important to the Berliner Wasserbetriebe.
- Since 2010, young people with challenging educational paths have been supported in developing key competencies and entry qualifications. Since 2015, the Horizon programme has also been open to people who have fled from other countries.
4. Drivers and trends
4.1 Demographic change
We’re getting older and becoming more colourful

- **The population is decreasing.** There are ever fewer births and ever more deaths: In 2060, it is predicted there will be almost twice as many 70-year-olds compared to babies being born. Germany’s population will possibly decline to 74.4 million people.

- **Average life expectancy is increasing.** The share of people over 70 years of age will continue to increase greatly – by about 35 percent through 2060.

- **The workforce is getting older.** Already in 2020, about 36.5% of employees in companies were older than 50. Through 2035 the number of people aged over 67 will increase by 22 percent. According to forecasts, in the year 2030 more over 65-year-olds will be working than under 20-year-olds.

- **Demographic change** is already posing challenges when it comes to recruiting skilled workers, both for SMEs and for larger companies: the higher the level of qualifications needed among skilled workers, the lower the supply.

4.1 Demographic change
Without immigration, the labour market will shrink

According to calculations by the German Institute for Employment Research (Institut für Arbeitsmarkt- und Berufsforschung, IAB), the workforce potential, currently 47.4 million people, will decrease by 7.2 million people by 2035, and by an additional 8.9 workers by 2060.

To counteract the effect of demographic change in the long run, an annual immigration of 400,000 workers is the only way to keep the workforce potential constant through 2035.

Source: IAB (2021), p.4: Projektion des Erwerbspersonenpotenzials bis 2060. (own depiction on the basis of the figures provided in the source)
4.1 Demographic change
Impacts of the shortage of skilled workers can already be felt

- More than 99% of companies in Germany are small and medium-sized companies (SMEs; with fewer than 250 employees). Between 31 and 60% of SMEs report average to major problems in filling vacancies with qualified workers.

- According to calculations by auditor Ernst & Young, the costs of the shortage of skilled workers for German SMEs amounts to €50 billion.

- In total, 352 of 801 professions are currently being confronted with shortages of specialised personnel.

- The Corona crisis is also, in addition, having a negative impact on apprenticeships on offer; thus, in the long term, it will also have a negative impact on the shortage of specialists.

- The MINT expert professions (who are usually university graduates) make up the largest group suffering a bottleneck, namely 72,000 persons, followed by 60,200 persons in the segment of MINT skilled worker professions (usually professions with vocational training), as well as 13,000 in the segment of specialist or master and technician professions. The greatest shortage can be seen in energy/electronics professions, followed by construction and IT professions.

- There are also shortages amongst doctors, nurses and so-called primary services, which are simple tasks in retail and in offices, in cleaning and in the hospitality business.

4.1 Demographic change

The workforce potential is varied

- **Older workers**: The knowledge older generations have gained through experience is not adequately utilised. A diverse human resources strategy helps to secure know-how.

- **Persons with a disability**: The employment rate of people with a disability was 57 percent in 2019. However, the pandemic hit people with a disability particularly hard. Currently the number of employed persons is 8 percent below the pre-crisis level.

- **Women** constitute the highest potential for employment that would ensure specialist skills. Although women’s labour market participation in the ages between 20 and 64 is increasing, Germany still lags behind. In almost all EU countries, the rate of full-time employment is higher. Almost 42 percent of women between 25 and 49 years of age who are not participating in gainful activity indicated that the reason for this was caring for children and other family members.

- **Foreign skilled workers**: German employers only rarely recruit skilled workers from abroad – even when they already feel the effect of shortages.

- **People with a migration background**: People with a migration background are more often unemployed in the “old” federal states (42 percent) than in the five new ones (18 percent). If you subtract Berlin, the capital city, from the eastern German figure, the share of unemployed persons with a migration background is only 10 percent.

4.1 Demographic change
Different generations learn from each other

Opportunities for companies and institutions

- Senior employees can pass their professional experience on to younger ones so that the company does not lose any valuable knowledge. In turn, digital natives who have grown up with computers, mobile phones and other digital technologies, assist older colleagues at work.

- Diverse teams profit from their individual team members’ various perspectives and experiences. In this way, an interesting working environment is created for everyone and an exchange that fosters creative and innovative ideas and approaches.

- Managers can learn through regular performance reviews how to react to the expectations and potential of employees of various ages, as well as to develop their strengths.

4.1 Demographic change
Women work more often but earn less

- In 2019, 46.7 percent of the working population was women. At the same time, only 29.4 percent of all managers were female.

- In Germany, women earn **around 18% less** compared to men.

- In 2019, men continued to work more often than women, 80.5% vs. 72.8% respectively. As a result, the gap between working men and women was reduced by **2.5%** between 2009 and 2019.

- **49 percent** of all women required to pay social security contributions were working part-time in June 2020, meaning for less than the collectively or contractually agreed working time of full-time employees with their respective employers. This figure is just 11 percent among men.

- The situation has further deteriorated due to the Corona crisis: while 16 percent of men reduced their working time to care for children under the age of 14, this applied for 27 percent of the women.

- And only 60 percent of those couples that shared the care work before the Corona crisis stated that they continued doing so during the crisis.

4.1 Demographic change
Up to 4 million more workers through diversity management

Based on findings from the Federal Labour Office (Bundesagentur für Arbeit) the German labour market still has unexploited reserves of qualified workers.

Among the target groups and areas of action where diversity management can be applied, the Federal Labour Office estimates the potential of qualified workers that can be mobilised by 2030 to be 2.2 to 4.6 million people.

Actions such as age-appropriate work stations, investment in training, offerings to improve the compatibility of family and work or to create a “welcome culture” can contribute, among other things, to mobilising the potential.

Source: BA2020: Fachkräfte für Deutschland. (own depiction on the basis of the figures provided in the source)
4.2 Digitalisation

New work: A trend is changing the world of work

- New work describes structural changes and their effects on our world of work. The most important influencing factors are digitalisation and an increase in international networking.

- The inclusion of new work measures helps respond to employees’ individual needs. For instance, employees with children can shape their working hours more flexibly or intercultural teams can improve communication with international customers.

- Flexible working hours and conditions, personal self-fulfilment and the balance between work and private life are becoming increasingly important.

- Companies that exploit the potential of new work are considered particularly attractive on the job market.

- The experiences gained during the Corona crisis will also have a long-term influence on the world of work, particularly in terms of making when and where one works flexible. Many people wish for hybrid working models for the future, and the significance of agile methods has also increased due to the pandemic. In the future, managers will have to succeed in being present for their employees and managing them even across great distances.

## 4.2. Digitalisation

### Different generations, different values

<table>
<thead>
<tr>
<th>Slogan</th>
<th>Work first!</th>
<th>Live to work!</th>
<th>Work to live!</th>
<th>Live@work!</th>
<th>YOLO!</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communication</strong></td>
<td>Face-to-face</td>
<td>Phone</td>
<td>Email, cell phone</td>
<td>Web 2.0</td>
<td>Digital native</td>
</tr>
</tbody>
</table>
| **Motivation** | - One’s position counts  
- Respect for their commitment  
- Recognition of their experience | - Appreciation of their experience  
- The feeling of being needed | - Freedom in shaping one’s work  
- Development opportunities  
- Work/life balance | - Having fun at work  
- Making a contribution  
- Colleagues with the same mindset  
- Being networked | - Serious  
- Diligent  
- Driven by traditional success criteria (money, education, career) |
| **Work time** | 9 to 5 | Long working hours = success | You leave when the work is done | No categorical separation between life and work | No work-life blending |
| **A good leader** | Shows a clear and consistent direction | Will always be there for the team | Is trustworthy and competent | Supports as advisor and mentor | Places trust in competence and individual responsibility |

*Source: Absolventa.de: XYZ – Generationen auf dem Arbeitsmarkt.*
4.2 Digitalisation

The priority for young employees is balance

54 percent of young top talents state that work/life balance is one of their most important career goals.

Although Gen Z is very technologically savvy, studies have shown that many nonetheless want personal and targeted communication. This can, however, take place via Skype, Zoom or other applications.

Because Gen Z has grown up in a competitively oriented environment, many have also developed this characteristic. For this reason, Gen Z increasingly desires feedback.

4.2 Digitalisation
Factor in changing value and ensure knowledge transfer

- Change in company culture and values
- Individualisation of career development
- Applying technology in everyday working life
- Change in leadership style: democratisation and training sessions
- Enhancing profile and image of employer brand
- Dealing with the loss of knowledge due to retirement
- Flexible working times and locations
- Internationalization of human resources management

4.2 Digitalisation
Using digitalisation as an opportunity

2030

It is intended that technical assistance and tutoring systems should be developed to such an extent by 2030 that they can digitally support employees in their tasks.

Assistance systems for people with disabilities, language systems for immigrants and tutoring programs for vocational training are all conceivable in this context.

Artificial intelligence (AI) is a source of hope for the future to overcome unconscious bias in recruitment processes. The aim is to invite more qualified women and people with a migration background to job interviews.

Artificial intelligence learns from the data provided, thus reproducing unequal structures. Therefore, discriminatory conclusions must be trained out of the systems.

4.2 Digitalisation
New potential leads to new requirements

More than 80 percent of the employees surveyed from the metalworking and electrical industry expect increasing demands in skills and flexibility due to digitalisation.

Around 65% of employees expect increasing flexibility as regards both content and technology.

In addition, employees hope for greater transparency, enhanced competitiveness of Germany and higher productivity.

At the same time, 41 percent of those surveyed in the Global Talent Survey conducted by StepStone, The Network and the Boston Consulting Group are anxious about losing their jobs due to automation, and state that their concern about the elimination of jobs increased in the twelve months before the survey – because of progress in digitalising the world of work induced by Corona.

4.2 Digitalisation
Artificial intelligence may propose jobs

6 out of 10

6 out of 10 of the students and graduates surveyed endorse an algorithm proposing jobs that fit their own profiles.

But only 10% consider communication via chat bots appropriate.

The acceptance of using algorithms to preselect applications is even lower.

In fact, programmers determined that programs based on AI, intended to correct bias in selecting applicants, are possibly not as free of bias as hoped. The problem: the AI was supplied with data based on previous successful applications that were successful due to applying racist and sexist criteria.

4.3 Societal change

Xenophobia and racist violence are increasing

24,000

Criminal offenses motivated by right-wing political thinking reached a new record in 2020 with about 24,000 criminal offenses.

Xenophobia and racist violence have increased in recent years. Diversity management and creating a tolerant and inclusive working environment thus become even more important.

Biases can be eliminated and communication barriers overcome. As well, diverse teams often work more productively and creatively.

Many people are also standing up in their personal lives for a diverse and open society: 55 percent of the population in Germany over the age of 16 were involved in supporting refugees starting in 2015. In 2018 only 19 percent were still doing so.

4.3 Societal change
Organisations need intercultural skills to be successful abroad

Not only language skills, but also knowledge about culture and manners and behaviours are important for organisations in order to successfully shape relationships with parties outside Germany.

Employees from different cultural backgrounds can introduce these skills to an organisation by cultivating business contacts abroad themselves or by sharing their knowledge with other employees.

Teams in sales, marketing and product development, as well as the company’s top management, profit from employees’ intercultural skills.

One gesture, many meanings

Japan = money
Russia = 0
England, USA = O.K.
Brazil = an insult

4.3 Societal change
Diverse teams score on many levels

- Employees who gather international experience acquire **intercultural skills** that they can apply in many areas of the company, such as exporting and marketing.

- Diverse workforces know the challenges that **interesting markets** and customer groups entail due to cultural differences.

- Diverse teams can **directly target new lucrative markets**.

- Companies that are internationally in demand as employers can draw from a **global pool of talents** and support their employees internationally.

- Diverse teams benefit from their differing backgrounds, experiences and perspectives. They make informed decisions, come up with **creative problem-solving approaches** and bring **innovative developments** to the table.

- Employees also put store in diversity. 54 percent of millennials are of the opinion that their organisation should do more to support diversity and inclusion.

5. The Diversity Charter
Agenda setting for diversity in Germany
5. The Diversity Charter
The Diversity Charter focuses on diversity themes

Our goals are:

- Anchoring diversity in business and society
- Developing effective approaches and service offerings and disseminating them broadly across the board
- Informing about the backgrounds, arguments, developments and opportunities of diversity management
- Bringing together companies and organisations that are implementing diversity management and promoting the exchange of innovative ideas
- Linking the company network more strongly on a regional basis.
- Winning over additional companies and organisations to implement the principles of the Diversity Charter.
Besides the Charta der Vielfalt e.V. in Germany, there are also initiatives in many other European countries supporting diversity and inclusion in the meantime. In 2010, they joined forces to create the **EU Platform of Diversity Charters**, coordinated by the European Commission.

The European Diversity Month has been taking place in May since 2020.

Organisations and companies across Europe can become part of a European movement by taking part in the Action Days with their own diversity projects. All 26 European charter initiatives take part with national diversity days and weeks.

*Source: Charta der Vielfalt e.V. (2022): Diversity-Charter-Initiativen in Europa*
5. The Diversity Charter
Our strong network keeps growing

2022: The Charter has 4,500 signatories.

The **10th German Diversity Day** takes place on 31 May 2022.

2021: The Charta holds the **Wirtschaftsforum Vielfalt**.

2018: The Charta initiates the **DIVERSITY CHALLENGE** competition for young employees and the “Flag for Diversity” campaign.

2016: The Charter celebrates its **10-year anniversary**. Across Germany, 10 diversity workshops are organised on different aspects of diversity.

2015: The association initiates the **Diversity Charter Round Table on Refugee Relief**.

2013: The association initiates the **1st German Diversity Day** - 240 organisations in Germany with 2 million employees take part in actions.

2012: Together with the **Tagesspiegel** newspaper, the association holds its first **Diversity Conference** in November. It continues to take place on an annual basis.

2010: The Diversity Charter e.V. association is founded and takes over shaping the network operationally and in terms of content.

2006: Four companies initiate the Diversity Charter based on the “Charte de la diversité” from France.
5. The Diversity Charter
Organisations commit to diversity

- Cultivate an **organisational culture** that is characterised by mutual appreciation and respect.
- Review **human resources processes**.
- Recognise **society's** diversity within and outside the company and appreciate its potential.
- Make implementation of the Charter a topic of **internal and external dialogue**.
- Provide **public information** about activities and progress on an annual basis.
- Inform and involve the **employees** in implementing it.
5. The Diversity Charter
The largest network for diversity in the world of work

>14 mill.

- More than 14.6 million people work in organisations that have signed the Diversity Charter.
- Around 4,500 signatories form the network.
- 31 of the DAX 40 companies are signatories.
- Germany’s 10 largest cities are among the signatories.
- 15 federal states support the Diversity Charter.
- The Charta der Vielfalt association supports and coordinates the initiative.
5. The Diversity Charter

Broad support from the signatories

Almost **70 percent** of signatories are from the private sector

- Small businesses
- Medium-sized companies
- Large companies
- Public entities
- Associations, organisations, foundations
5. The Diversity Charter
Our member organisations in 2022

The Charta der Vielfalt e.V. is currently supported by 35 well-known companies and institutions, and is supported by the Commissioner of the Federal Government for Migration, Refugees and Integration.
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