



Diversity Factbook

Standpoints, Figures, Arguments

About the Diversity Factbook

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

The **Diversity Factbook** offers you just that: first steps and the most important facts. We have provided further sources for you if you would like to know more.

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

- [LinkedIn profile](#)
- www.charta-der-vielfalt.de
- [Twitter channel](#)
- The association's [Facebook presence](#)

You will find more information about the **9th German Diversity Day** on 21 May 2021 at www.deutscher-diversity-tag.de/en

The **DIVERSITY CHALLENGE** competition for young professionals has been held since 2018. Sign up for our newsletter to be informed about the new dates in 2021!

Please send any comments and suggestions to presse@charta-der-vielfalt.de.

About the Diversity Factbook

Table of contents

<u>1. What is diversity?</u>	<u>P. 4</u>
<u>1.1. The concept of diversity</u>	
<u>1.2. The diversity dimensions</u>	
<u>1.3. Historical development</u>	
<u>2. What is diversity management?</u>	<u>P. 21</u>
<u>2.1. The benefits of diversity management</u>	
<u>2.2. Diversity management pays off</u>	
<u>3. Diversity management in practice</u>	<u>P. 36</u>
<u>4. Parameters and trends</u>	<u>P. 43</u>
<u>4.1. Demographic change</u>	
<u>4.2. Digitalisation</u>	
<u>4.3. Societal change</u>	
<u>5. The Diversity Charter – Agenda setting for diversity management in Germany</u>	<u>P. 63</u>

1.1. The concept of diversity

Diversity means variety



Diversity

There are numerous different ways to define the term **diversity**: variety, diverseness, multiplicity, and more.

As regards the **world of work** and in the **business 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.

1.2. The diversity dimensions

Core dimensions, external & organisational dimensions



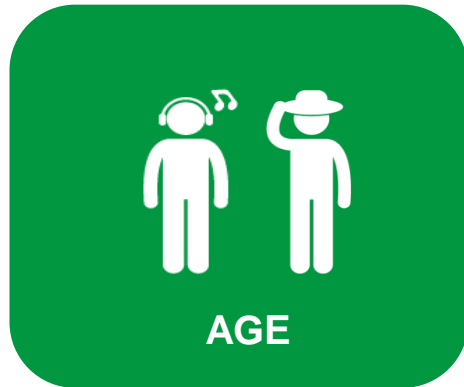
When you look for differences and similarities among people, you can find **seven core dimensions** that are most closely linked with an individual's personality: the inner diversity dimensions.

Diversity management also includes **external dimensions**, such as marital status, work experience, income, leisure behaviour and others. In addition, there are **organisational dimensions**: union membership, specific department, job content and work areas, and others.

The complete diagram can be found here: <https://www.charta-der-vielfalt.de/en/understanding-diversity/diversity-dimensions/>

1.2. The diversity dimensions

People of different ages can learn from each other



Life expectancy is increasing in Germany, while the population is shrinking. The “Age” dimension plays a significant role for organisations here because of demographic change. At the present time up to **five different generations** are working together – that’s why it’s necessary to support them in forming effective teams. One important challenge is to retain employees’ experience and professional knowledge 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 take advantage of the **opportunities provided by a diversity of generations** and to maintain employee performance until retirement.

Example: Daimler AG, Deutsche Bahn AG

Background information and studies; Dossier: JUNG – ALT – BUNT

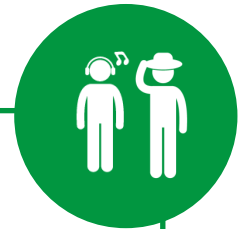
1.2. The diversity dimensions

People of different ages can learn from each other

62 %

Between 2009 and 2019, the employment rate of 60- to 64-year-olds rose by 23%, from 39 to 62 percent.

Source: Statistisches Bundesamt (2017): *Erwerbstätigkeit älterer Menschen nimmt immer weiter zu*, *Arbeitsmarkt (2021)*.



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 colleagues together in teams
- Initiate health management

1.2. The diversity dimensions

Bright people from a variety of nations, cultures and ethnic groups reach a new audience

Bringing people from varied cultural backgrounds together as a team is an **important challenge** for organisations when competing for customers, markets and clever 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 can be won, and the company's attractiveness for investors can even be enhanced on the stock market. An **unbiased work environment** is a necessary prerequisite.

Example:

Berliner Wasserbetriebe, Robert Bosch GmbH

Background information and studies



1.2. The diversity dimensions

Companies derive economic benefits from diversity

43 %

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

Organisations that did not foster diverse teams and company structures described a 27% drop in profits in 2019.

Source: McKinsey&Company (2018): *Delivering through Diversity*, McKinsey&Company (2020): *Diversity wins. How inclusion matters*

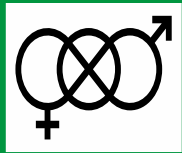


Diversity measures related to ethnic origin & nationality (examples):

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

1.2. The diversity dimensions

Gender & gender identity



**GENDER &
GENDER-SPECIFIC
IDENTITY**

The gender someone identifies as depends not only on their **biological gender**, but also on their **gender identity**. It is also worthwhile for organisations to include all possible identities and genders, as well as give them the same 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.

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

Example: Käfer GmbH und Co., METRO Group

Background information and studies

1.2. The diversity dimensions

Gender & gender identity

95 % of companies single out women as the main target group of their diversity activities, and **80%** rely exclusively on **measures for women**.

Gender pay gap

In Germany women earn **around 20% less than men**. 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.

Source: Roland Berger Strategy Consultants (2012): Diversity & Inclusion Tagesschau (2020): Wie hoch ist der Gender Pay Gap wirklich?



Gender-related diversity measures (examples):

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

1.2. The diversity dimensions

Focus on talent

People with **physical or mental disabilities** are often judged to be less productive in the world of work.



Diversity measures can help focus on **talent** rather than on employees' shortcomings. This is particularly promising in a time of demographic change – and in fact there is 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.

Example: AfB gemeinnützige GmbH, SAP SE
Background information and studies

1.2. The diversity dimensions

Focus on talent

1 of 9

10.2 million people in Germany have a physical or mental disability, and 7.5 million people are severely disabled. Hence, one out of every nine persons has a disability and one out of eleven a severe disability.

Although unemployed persons who are severely disabled are on average somewhat better qualified than the unemployed who are not severely disabled, they often have fewer opportunities on the job market.

DiverSophia (2016): Der Diversity Monitor mit allem Wissenswerten rund um Vielfalt.



Diversity measures related to physical/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

1.2. The diversity dimensions

Treating different religions with respect



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

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

Example: Fraport AG

Background information and studies

1.2. The diversity dimensions

Respect for different religions

73 %

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

Diversity measures related to religion & worldview (examples):

- Take note of religious holidays, e.g., when planning vacations or important meetings
- Adapt what is on offer in the cafeteria to different religious customs and tastes
- Set up quiet rooms
- Make use of a cross-cultural calendar



Source: Charta der Vielfalt und EY (2016): *Diversity in Deutschland. Studie anlässlich des 10-jährigen Bestehens der Charta der Vielfalt.*

1.2. The diversity dimensions

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



Whether one is bisexual, heterosexual, homosexual or queer – an open working atmosphere with regard to sexual orientation and gender identity enables employees 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.

LGBTIQ: The six letters stand for lesbian, gay, bisexual, transsexual, intersexual and queer.

Example: Deutsche Bahn, BTU Cottbus - Senftenberg

Background information and studies

1.2. The diversity dimensions

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

1/3

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

At the same time, the number of employees who state they have already experienced discrimination on the job remains just as high. Three of four surveyed (76.3 percent) report this.

Source: Diversity-Institut (2021): *Out im Office! Out vor Kund_innen*

Diversity measures related to sexual orientation (examples):



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

1.2. The diversity dimensions

Assuming responsibility and developing potential



Different social backgrounds can constitute an opportunity and a success factor for companies. Recognising all employees' full potential and in this way systematically encouraging 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 like education, networks, capital and social power. It is organisations' social responsibility to include all people and develop their potential.

Example: Berliner Wasserbetriebe AöR, Deutsche Bahn AG
Background information and studies

1.2. The diversity dimensions

Assuming responsibility and developing potential

Educational climbers have a considerable amount of resilience, adaptability and 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.

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
- Involvement of social companies and initiation of joint projects



Source: Netzwerkchancen (2018): Soziale Aufsteiger im Berufsleben

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 idea of diversity developed out of the civil rights, homosexual and women's movements, which protested against discrimination and called for more equality of opportunity.
- From the mid-1980s, the concept of diversity acquired an economic function, in addition to its political function.

Source: Kaiser-Nolden, Eva (2008): *Diversity Management im Internationalen Vergleich*. In: *Die Beauftragte der Bundesregierung für Migration, Flüchtlinge und Integration* (Hrsg.): *Vielfalt als Chance*.

The United States legally strengthens equality

1964: Discrimination on the grounds of skin colour, religion, gender or origin is prohibited in public entities, 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.

1.3. Historical development

1990s: The idea of diversity comes to Germany



Large American corporations with 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 academic articles on diversity management are published and conferences take place.

In Germany, Deutsche Bank, Lufthansa and Daimler are the first to place their bets on 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** – is the basic idea behind diversity management.

The aim 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 asset and enrichment by a majority of employers. But how can we value diversity even more as relates to the organisational goals and **promote and include** 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

Many arguments for 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.

Staff: Diversity creates commitment.

Companies and organisations that value diversity increase their attractiveness towards applicants and employees.

Marketing: Diversity attracts.

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

Costs: Diversity saves money.

Diversity management can minimise absenteeism and employee fluctuation (terminations, recruitment and new hires) when employees feel valued.

Further information: Charta der Vielfalt e.V. (2017): *Diversity Management. Mehrwert für den Mittelstand*. KOFA (2016): *Vielfalt im Unternehmen / Diversity Management*.

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 further 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 the advantages, can contribute to the process and can give feedback (e.g., in workshops, focus groups, 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, but instead should be designed as a holistic strategy. It begins with formulating goals and measures, and milestone planning. Diversity management is an ongoing change process, a cross-cutting task that affects all the 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 not considered as a special, separate topic.
- **Sufficient capacity:** Diversity cannot be taken for granted. Human and financial resources have to be firmly planned.

Source: Charta der Vielfalt e.V. (2017): *Diversity Management. Mehrwert für den Mittelstand*; Charta der Vielfalt e.V. & EY (2016): *Studie-Diversity in Deutschland*.

2.2. Diversity management pays off

More and more German organisations are betting on diversity

3,800

3,800 companies and institutions have signed the Diversity Charter, a **self-commitment to diversity** that originated in business.

On May 18, 2021, the Diversity Charter will initiate the **9th 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 for the first time in 2021.

In **2020**, more than **800 organisations** took part digitally, and carried out **1,600 activities**. This reached **more than 8 million employees**. All participating organisations can be found on the website.

2.2. Diversity management pays off

More diversity in companies can reduce the shortage of skilled labour

50 %

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

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

Source: McKinsey (2015): *Why Diversity Matters - New research makes it increasingly clear that companies with more diverse workforces perform better financially.*
EY Press release (26 Jan. 2017): *Fachkräftemangel im Mittelstand spitzt sich zu – Umsatzeinbußen von knapp 50 Milliarden Euro.*

2.2. Diversity management pays off

Companies see measurable success with diversity

69 %

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 (employee surveys).

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

Source: Charta der Vielfalt und EY (2016): Diversity in Deutschland. Studie anlässlich des 10-jährigen Bestehens der Charta der Vielfalt

2.2. Diversity management pays off

Companies see measurable success with diversity

2 of 3

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.

Source: Charta der Vielfalt (2020): [Diversity Trends. Die Diversity-Studie 2020](#)

2.2. Diversity management pays off

A participative leadership style makes you more innovative

68 %

68 percent of companies see a participative leadership style as fostering innovation.

For 62% of companies, fostering a culture of open discussion is a key to success.

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

Source: Boston Consulting Group (2017): *The Mix That Matters. Innovation Through Diversity.*

2.2. Diversity management pays off

Companies score with diversity at the top management level

+ 25 %

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 even **doubles**.

Source: McKinsey&Company (2020): [Diversity wins. How inclusion matters.](#)

2.2. Diversity management pays off

Tapping into new target groups and markets

60 %

60 percent of the **more than 500 executives who were surveyed** from various industries and companies around the world see diversity as an opportunity to gain **access to new markets**.

This is one outcome from the “International Executive Panel”, to which executives from the “Club of Leaders” EZI online community belong in Asia, Australia, Europe and North and South America.

Source: Egon Zehnder International (2012): *The Leading Edge of Diversity and Inclusion. 11th International Executive Panel.*

2.2. Diversity management pays off

Companies see diversity as securing their future

82 %

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.

Source: Charta der Vielfalt (2020): *Diversity Trends. Die Diversity-Studie 2020*

2.2. Conclusion:

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 players and investors and **even be rated higher**.

Source: McKinsey&Company (2018): *Delivering through Diversity*; (2020): *Diversity wins. How inclusion matters*

3. Diversity management in practice

3. Diversity management in practice

Best practices

Gender & gender identity

Managers with children

- The **Bayerischer Rundfunk** radio station supports prospective managers with a development programme.
- A particular focus is placed on mothers-to-be and participants with children. It is intended that they have the same opportunities to successfully participate in the programme.
- An individual support package enables an exchange with other participants and adaptation of the programme as regards childcare.

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., *Karriere mit Kind*; *Best Practice*, ConSol IT company: *Verantwortung und Werte*

3. Diversity management in practice

Best practices

Age

Demography-oriented human resource policy

- The space company **Jena-Optronik** in Thuringia is pursuing demographically oriented human resources 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 work 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.

Source: Charta der Vielfalt e.V. (Hrsg.)/ JUNG – ALT – BUNT. Diversity und der demographische Wandel. Online-Dossier. Juni 2012.

3. Diversity management in practice

Best practices

Sexual orientation

Metro Pride Network

- LGBTIQ 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 has a positive impact on performance and productivity.

Diverse HR at adidas

- Adidas is considered one of the most LGBTIQ-friendly companies in Germany.
- A collection specifically designed for the LGBTIQ Pride Month attracts attention and supports athletes when they have their coming out.
- The balanced gender ratio that adidas aspires to increases job satisfaction, performance and productivity.

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

3. Diversity management in practice

Best practices

Diversity in the Hamburg administration

Ethnic origin
& nationality

- **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 a range of advertising campaigns, partnerships and events.
- The Hamburg administration is now almost as **diverse as the city is overall**: 35% of Hamburg's population has a **migration background**.

Teckentrup promotes intercultural exchange

- The Teckentrup company with 800 employees deliberately **recruits immigrants**.
- To do so, **awareness raising and policy arrangements** have been necessary.
- German classes, international sport groups and workshops support **intercultural exchange**.

Source: Charta der Vielfalt e.V.(2019): „Wir sind Hamburg! Bist du dabei? – Vielfalt für die Verwaltung“; Charta der Vielfalt e.V. (2013): Dossier: Weltoffen=Zukunftsfähig?!

3. Diversity management in practice

Best practices

Performance knows no handicap

Physical and mental abilities

- 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 sites show that the strategy is working.

“Autism at Work” at SAP

- The “Autism at Work” project launched by **SAP** in 2013 integrates autistic people into working life, thus working against 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 is currently being implemented at ten locations in eight countries.

Source: Charta der Vielfalt e.V., *Leistung kennt kein Handicap*; SAP, *Autism at work*

3. Diversity management in practice

Best practices

Intercultural calendar

Religion & worldview

- 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.
- Holidays can be taken into account when scheduling duty rosters. That enhances the workforce's job satisfaction and the work in intercultural teams.

Interculturalism and equality of opportunity

- **Phoenix Contact** sets great store by international “migration” in 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 secondary school pupils.

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

3. Diversity management in practice

Best practices

Strengthening diversity in the world of work

Social background

- With **SCORING GIRLS**, the **DB** and **HÁWAR.help** are focusing on a vocational orientation project for girls and young women from educationally disadvantaged families with and without a history of migration.
- The programme aims to support diversity, social mobility and advancement opportunities in the job market. With this, the intention is to convey esteem and eliminate prejudices.

Broadening horizons

- The future of young Berliners is important to the **Berliner Wasserbetriebe**.
- Since 2010, young people with a difficult educational biography have been supported in developing key competencies and entry qualifications. The Horizon programme has also been open since 2015 to people who have fled from other countries.

Source: Charta der Vielfalt e.V., [Scoring Girls Ausbildung](#), [Berliner Wasserbetrieb](#), [AöR](#),

4.1. Demographic change

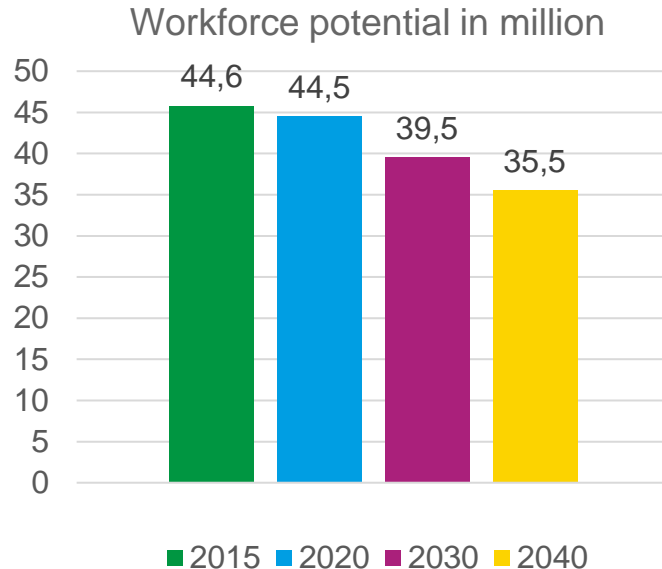
We're getting older and becoming more colourful

- **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 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. 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.

Source: Statistisches Bundesamt (2020): *Bevölkerung Deutschlands bis 2060*;
Charta der Vielfalt e.V. (ed.): *JUNG – ALT – BUNT. Diversity und der demographische Wandel. Online-Dossier. Juni 2012.*

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** will decrease by 9.1 million people from 2015 to 2040 if there is no additional immigration of manpower.

To counteract the effect of demographic change in the long run, an annual **immigration of 400,000 workers** would be necessary.

Source: IAB (2017), p.5: *Arbeitskräfteangebot sinkt auch bei hoher Zuwanderung*

4.1. Demographic change

The effects of the shortage of skilled workers are already noticeable

- **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 their job openings with qualified workers.
- According to calculations by auditor Ernst & Young, the **costs of the shortage of skilled workers** in SMEs amounts to **€ 31 billion**.
- Around **500,000 specialists** are currently lacking in the **MINT professions** (mathematics, computer science, natural sciences and technology). By 2027, these professions could need up to 280,000 new skilled workers.
- There are also shortages amongst **doctors, nurses** and so-called **primary services**. These are simple tasks in retail and in offices, in cleaning and in the hospitality business.

Source: Statistisches Bundesamt (2020): *Bevölkerung Deutschlands bis 2060*; Institut für deutsche Wirtschaft (2019): *MINT Frühjahrsreport*
Charta der Vielfalt e.V. (ed.): *JUNG – ALT – BUNT. Diversity und der demographische Wandel. Online-Dossier. Juni 2012.*

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 unemployment rate of people with a disability fell to 11.2 percent in 2019. They are, however, unemployed on average 132 days longer than people without a disability.
- **Women:** 49 percent of all women required to pay social security contributions were working parttime in June 2020.
- **Foreign skilled workers:** German employers only rarely recruit skilled workers from abroad – even when they already have 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 the capital, Berlin, in East Germany, the share of unemployed persons with a migration background is only 10 percent.

Source: Charta der Vielfalt e.V.; ed.(2012): *JUNG – ALT – BUNT. Diversity und der demographische Wandel.*; OECD study (2013): *Zuwanderung ausländischer Arbeitskräfte: Deutschland*; Statistisches Bundesamt (2020): *Arbeitsmarkt auf einen Blick*; Bundesagentur für Arbeit (2019): *Arbeitsmarkt für Menschen mit Behinderung*

4.1. Demographic change

Different generations learn from each other

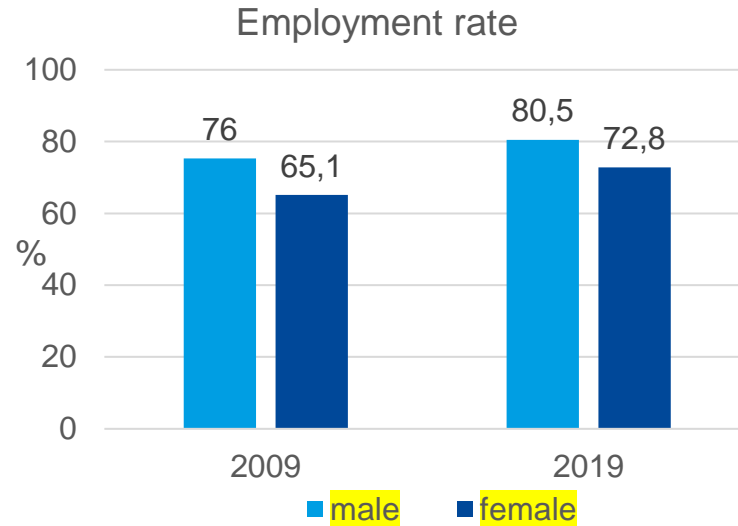
Opportunities for companies and institutions

- In **management tandems**, senior employees can pass on their professional experience 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.
- Through **training sessions**, managers can learn to react to the expectations and potential capabilities of employees of different ages and to foster their strengths.

Source: Robert Half (2011): *Viele Generationen - ein Team. Wie man Mitarbeiter unterschiedlicher Altersgruppen bindet;*
RKW Kompetenzzentrum: *Die Mischung macht's – Wilhelm Gienger in Mannheim.*

4.1. Demographic change

Women work more often but earn less



Between 2009 and 2019, the employment rate of women aged 15 to 64 rose by **7.7%**.

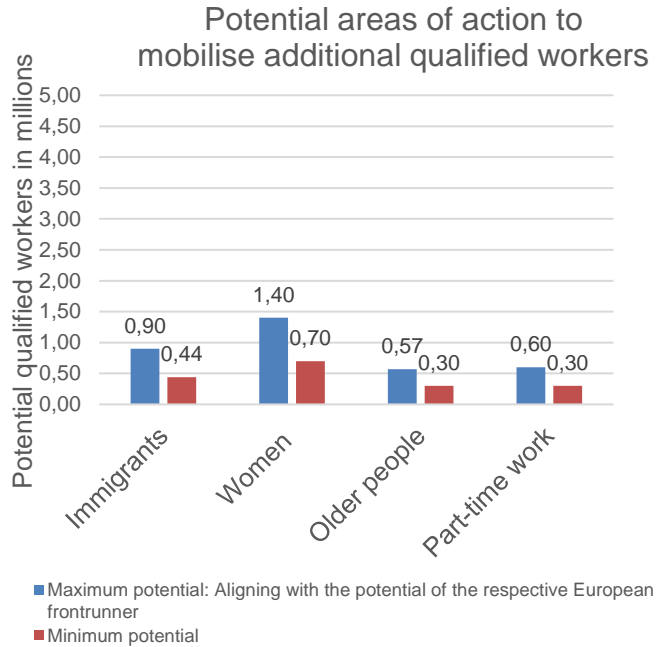
In 2019, men continued to work more often than women, 80.5% vs. 72.8% respectively. As a result, the gap between working men and women was reduced by **2.5%** between 2007 and 2019.

In Germany, women earn **around 20% less** compared to men.

Source: Statistisches Bundesamt (2016): *Arbeitsmarkt auf einen Blick*; Statistisches,; Tagesschau (2020): *Wie hoch ist der Gender Pay Gap wirklich?*

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 has **unexploited reserves of qualified workers**.

Among the target groups and areas of action where diversity management can act, 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 indicated 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.

Source: Haufe Akademie (2020): [New Work. Warum ist die Zeit jetzt reif?](#)

4.2. Digitalisation

Different generations, different values

	Traditionals 1922-1955	Baby boomers 1955-1969	Generation X 1965-1980	Generation Y 1980-2000	Generation Z From 2000
Slogan	Work first!	Live to work!	Work to live!	Live@work!	YOLO!
Communication	face-to-face	phone	email, cell phone	Web 2.0	digital native
Motivation	<ul style="list-style-type: none"> - Position counts - Respect for their commitment - Recognition of their experience 	<ul style="list-style-type: none"> - Appreciation of their experience - The feeling of being needed 	<ul style="list-style-type: none"> - Freedom in the work structure - Development opportunities - Work/life balance 	<ul style="list-style-type: none"> - Having fun at work - Making a contribution - Colleagues with the same mindset - Networking 	<ul style="list-style-type: none"> - 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

4.2. Digitalisation

Priority for young employees is on balance

54 %

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

To organise their time more flexibly, **85.6 percent** of the surveyed wish for better home office possibilities. Until now, only 11 percent regularly work from home.

67 percent of the signatories make flexible working time arrangements possible for exceptional situations. For non-signatories the figure is just 31 percent.

Source: Charta der Vielfalt (2018): *Kaleidoscope – Wie wir uns die Zukunft organisieren*. Charta der Vielfalt (2020): *Diversity Trends. Die Diversity-Studie 2020*

4.2. Digitalisation

Factor in changing value, ensure knowledge transfer

Change in company
culture and values

Individualisation of career
development

Technologisation of
day-to-day work

Internationalisation
of human resources
management

Effects of the
generational shift

Flexibilisation of
workspace and
working time

Handling the loss of
knowledge due to
retirement

Change in leadership:
democratisation and
training sessions

Raising the profile
of the employer
brand

Source: *Zukunftsinstitut (2017): Wie die Generationen X und Y ticken.*

4.2. Digitalisation

Using digitalisation as an opportunity

2030

By 2030, technical assistance and tutoring systems should be developed to such an extent that they can **digitally support employees** in their tasks.

Assistance systems for people with disabilities, language systems for immigrants and **tutoring programs** for vocational trainings are all conceivable.

- **Artificial intelligence (AI)** is a source of hope to **overcome unconscious bias** in application processes. The aim is to invite more qualified women and people with a migration background to job interviews.
- **Reproduction of unequal structures:** Artificial intelligence learns from the data provided. Conclusions which come out as discriminatory must be trained out of the systems.

Source: Wischmann, Hartmann (2018): *Zukunft der Arbeit – Eine praxisnahe Betrachtung*; Lernende Systeme – Plattform für KI (2019): *Künstliche Intelligenz und Diskriminierung*

4.2. Digitalisation

New potential leads to new requirements

>80 %

Over 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 the employees expect an increasing **flexibility** as regards both content and technology.

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

Source: Ifaa Study (2015): Industrie 4.0.

4.2. Digitalisation

Artificial intelligence may propose jobs

6 out of 10

6 out of 10 of the students and graduates surveyed endorse when an **algorithm proposes 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.

Source: *personalmarketing2null*.(2018): *Robot Recruiting: Künstliche Intelligenz stößt bei Bewerbern auf wenig Gegenliebe.*

4.3. Societal change

Xenophobia and racist violence are increasing

55 %

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

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

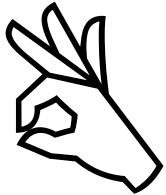
Many people are also standing up in their personal lives for a diverse and open society: 55 percent of the population aged 16 years and older in Germany were involved in supporting refugees starting in 2015. In 2018 only 19 percent were still doing so.

Sources: Charta der Vielfalt e.V. (2013): *Diversity Management. Mehrwert für den Mittelstand.*; KOFA (2016): *Vielfalt im Unternehmen / Diversity Management.*; Tagesschau.de (2019) *„Massives Problem“ von rechts*; BMFSFJ (2018): *Studie zeigt: Viele Menschen engagieren sich freiwillig für Flüchtlinge*; BMI (2020): *Politisch motivierte Kriminalität*

4.3. Societal change

Organisations need intercultural skills to be successful abroad

One gesture, many meanings



Japan = Money
Russia = 0
England, USA = O.K.
Brazil = Insult

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

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

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

Source: *RKW Kompetenzzentrum (2013): Fachkräfte aus dem Ausland: Chancen & Risiken der Auslandsrekrutierung; RKW (2014): Vielfalt als Chance; KOFA (2019): Internationale Fachkräfte erfolgreich rekrutieren und integrieren*

4.3. Societal change

Companies score in many different ways

- 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 sales markets** and customer groups entail due to cultural differences.
- Diverse teams can **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.

Source: Roland Berger Strategy Consultants (2012): *Diversity & Inclusion. Eine betriebswirtschaftliche Investition*; McKinsey&Company (2018): *Delivering through Diversity*.

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 to solutions and service offerings** to be disseminated across the board.
- Informing about the **backgrounds, arguments, developments and opportunities** of diversity management.
- Linking companies and organisations that are implementing diversity management and promoting **the exchange of innovative ideas**.
- Linking company networks more strongly on a **regional basis**.
- Winning over more companies and organisations to implement the principles of the **Diversity Charter**.

5. The Diversity Charter

Our strong network keeps growing

2021: The Charter has more than 3,800 signatories and holds the **Diversity Conference. The 9th German Diversity Day will take place** on 18 May 2021.

2018: The charter 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 with 2 million employees take part in campaigns all over Germany.

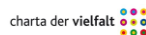
2012: Together with the newspaper Tagesspiegel, the association holds the first “**Diversity Conference**” in November. The conference continues to take place annually through the present.

2010: The Diversity Charter e.V. registered society is founded and takes over the operational and content design of the network.

2006: Four companies initiate the Diversity Charter based on the “Charte de la diversité” from France. Over the next four years, the Federal Government Commissioner for Migration, Refugees and Integration will oversee the charter and integrate it into the “Diversity as an opportunity” **campaign**.

5. The Diversity Charter

Organisations commit to diversity



Diversity as a Chance – The Corporate Charter of Diversity for Germany

The diversity of modern society, influenced by globalisation and reflected in demographic changes, is affecting economic life in Germany. We have come to realise that we can only be successful economically if we acknowledge and leverage the existing diversity. That includes the diversity of our workforces and the diverse needs of our customers and other business partners. Diverse competencies and talents on the part of staff open new opportunities for innovative and creative solutions.

The implementation of the Charter of Diversity in our organisation aims at creating a work environment free of prejudice. We deeply respect all colleagues irrespective of gender, nationality, ethnic background, religion or worldview, disability, age, and sexual preference and identity. Appreciation and promotion of these diverse potentials produce economic benefits for our organisation.

We foster an atmosphere of acceptance and mutual trust. This will have positive effects on our reputation with our partners and customers in Germany and in other countries in the world.

In the framework of this Charter we are committed to

1. fostering a corporate culture characterised by mutual respect and appreciation of every single individual. We seek to create conditions such that everyone (superiors and co-workers) respects, practices and acknowledges these values. This will require explicit support from leaders and superiors.
2. validating and ensuring that our human resource processes are compatible with the diverse competencies, abilities and talents of our employees, as well as with our own performance standards.
3. recognising the diversity of society inside and outside our organisation, appreciating the intrinsic potential residing in it, and endeavouring to utilise it profitably for our business or organisation.
4. ensuring that the implementation of the Charter will be a subject of internal and external communication.
5. publicizing on an annual basis our own activities and progress in promoting diversity.
6. and keeping our own employees and colleagues informed about diversity and actively involved in implementing the Charter.

We are definitely convinced that practicing and appreciating diversity will have a positive impact on German society. We welcome and support this business initiative!

Organisation

Minister of State Aidaun Shogbi
Federal Government Commissioner for Migration, Refugees and Integration



- Cultivate an **organisational culture** that is defined by mutual appreciation and respect.
- Review **human resources processes**.
- Recognise **society's** diversity within and outside the company and **appreciate the potential** of this.
- 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

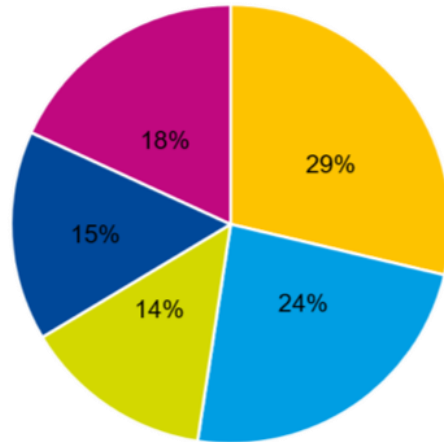
Diversity Charter – the largest network for diversity in the world of work

>14 mill.

- **More than 14 million people** work in organisations that have signed the Diversity Charter.
- Around 3,800 **signatories** form the network.
- **Chancellor Angela Merkel** is its patron.
- **27 of the DAX 30 companies** are signatories.
- **9 of Germany's 10 largest cities** are among the signatories.
- **15 federal states** support the Diversity Charter.
- The registered society Charta der Vielfalt supports and coordinates the initiative.

5. The Diversity Charter

Almost 70 percent of signatories are from the private sector



- Small businesses
- Medium-sized companies
- Large companies
- Public entities
- Associations, unions, foundations

5. The Diversity Charter

Our member organisations in 2020

Die Vereinsmitglieder des Charta der Vielfalt e.V.



The Charta der Vielfalt e.V. is currently supported by 31 well-known companies and institutions, and is supported by the Commissioner of the Federal Government for Migration, Refugees and Integration.

Contact

Managing Director: Stefan Kiefer
Publicist: Stephan Dirschl

Charta der Vielfalt e.V.
Office
Albrechtstr. 22
10117 Berlin

Phone: 030/84 71 20 84
info@charta-der-vielfalt.de
www.charta-der-vielfalt.de