



Beyond Representation:  
How Cultural Diversity  
Elevates **Belief, Belonging,**  
**and Business** in DACH

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# How Diversity Shapes Experiences Inside Organizations

The diversity debate has moved beyond the why. Business leaders across the DACH region—Germany, Austria, and Switzerland—broadly recognize its importance, yet even now, one powerful dimension remains underexplored: cultural and ethnic diversity. Too often, this aspect of diversity is treated as a demographic detail when, in fact, it is a catalyst that shapes how people think, collaborate, and perform.

BCG's 2025 survey on ethnic and cultural diversity in DACH explored how the mix of cultures within companies directly influences what employees believe, how included they feel, and how well organizations thrive. Drawing on responses from about a thousand professionals across the three DACH countries, we examined how company-level diversity affects belief in diversity's benefits, comfort in bringing one's authentic self to work, and a sense of belonging across all backgrounds.

## The findings were striking:

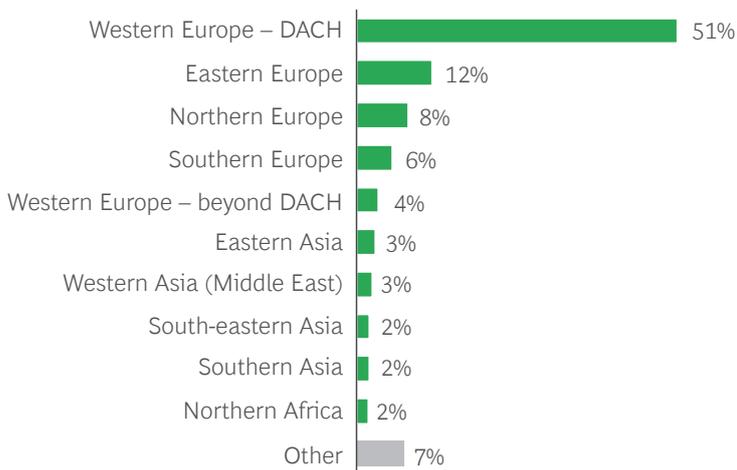
- Diversity is a reality within the DACH region. Nearly half of all survey respondents said they worked within highly diverse teams.
- Contrary to assumption, **employees from majority backgrounds were often the biggest believers** in the power of diversity.
- Responses suggest that, when diversity is high, **everyone—those with ethnic heritages within the DACH region and those with heritages outside of it—feels more comfortable being themselves.**

Cultural diversity is not simply about representation, of course. It is also about resonance. Cultural diversity amplifies belief in its positive effects, unlocks authenticity, and fuels performance. Companies that embrace it don't just mirror a changing world—they lead it.

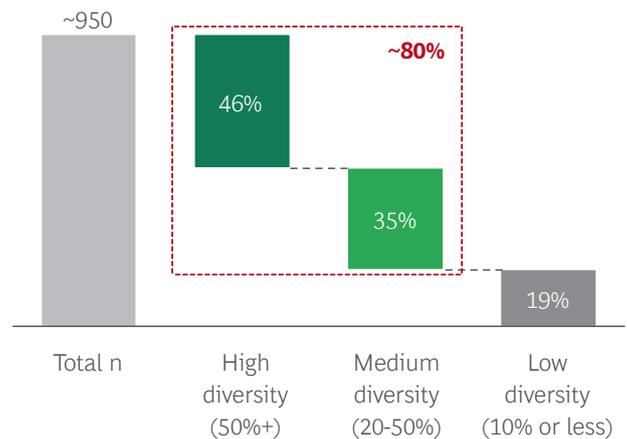
# Today's DACH Workforce Is Quite Diverse, Yet Workers Face Challenges

Across the DACH region, workplaces already reflect a broad mix of cultural and ethnic backgrounds. **Nearly a quarter of all professionals** in our survey identified with **more than one heritage**, and almost **half reported no DACH roots**. While much of this diversity came from other European regions, respondents overall traced their origins to 16 regions worldwide—from Europe to Asia to North Africa—showing how international the DACH business community has become.

## Survey participants' ethnic heritage (multiple answers possible)



## Est. share of participants' team members with culturally & ethnically diverse backgrounds

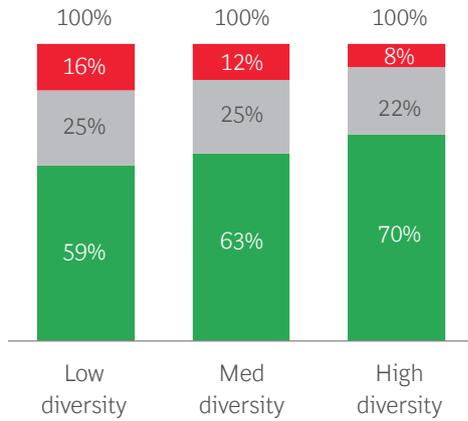


**Inside organizations**, this mix was mirrored in **team composition**. Among roughly 950 respondents, 46% indicated that they worked in highly diverse teams (more than 50% culturally and ethnically diverse), and another 35% reported medium diversity in their organizations (20–50% diversity of team members). In total, **around 80% of employees noted they operate in meaningfully mixed teams**. This is a clear sign that diversity is already a daily reality across much of the DACH business landscape, and the trend is still increasing. When asked whether diversity and inclusion had become more or less important at their company over the past three years, 52% noted it had become more or slightly more important, while just 15% said it had become less or slightly less important.

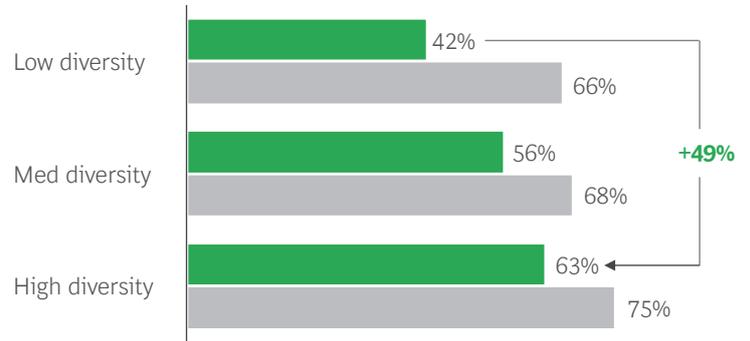
### So what does this all mean for inclusion?

The data shows a clear pattern: In more diverse companies, people feel freer to be themselves. In companies with high cultural and ethnic diversity, 70% of employees said they could bring their full selves to work, compared to 59% in low-diversity environments. The effect was most striking for employees who did not have DACH heritage: Their comfort in bringing their full selves to work rose from 42% to 63%. Additionally authenticity even improved for colleagues with DACH heritage, growing from 66% to 75%.

## % of people feeling (un-)comfortable bringing their cultural & ethnic identity / full self to work



## % of people feeling (rather) comfortable bringing their cultural & ethnic identity / full self to work



■ (Rather) no   
 ■ Neutral   
 ■ (Rather) yes

Participant background   
 ■ Non-DACH   
 ■ DACH

In short, higher diversity **doesn't just support minority voices**—it creates workplaces where everyone feels more at home.

Focusing on the gap between high- and low-diversity environments paints an encouraging picture: Diverse workplaces clearly foster greater authenticity. Yet even this contrast underscores how much ground still needs to be covered. Fewer than 50% of employees with a non-DACH background felt fully comfortable bringing their whole selves to work, and the inclusion gap between DACH and non-DACH employees persisted at 12 to 24 percentage points. Qualitative comments echoed this reality, with mentions of stereotyping and cultural clichés tied to language or heritage. **So while diverse workplaces make everyone feel more included, companies still have a long way to go for true parity.**



“One of the biggest motivators for human beings is to be seen. An inclusive environment takes people seriously—it listens to what they care about, what interests them, and what they bring. That’s how you create a real win-win between the company and its people.”

Chief People Officer, European Mobility Company

# The More Diverse a Company, the Stronger the Belief in Diversity's Value Across Every Employee Group

Leaders often make the business case for diversity by pointing to its impact on creativity, innovation, and performance, benefits that go beyond making employees feel included. While the debate around causation continues, our analysis examined perception: what employees themselves see as outcomes of diversity in their workplaces.

Across all dimensions, employees most strongly associated diversity benefits with creativity and innovation, the employer's ability to attract top talent, and employee engagement—outcomes that are highly visible in everyday collaboration. Similarly, a majority of employees recognized diversity as a driver of improved market understanding and customer insight, reflecting the role diverse perspectives play in producing offerings that resonate with broader and more varied audiences.

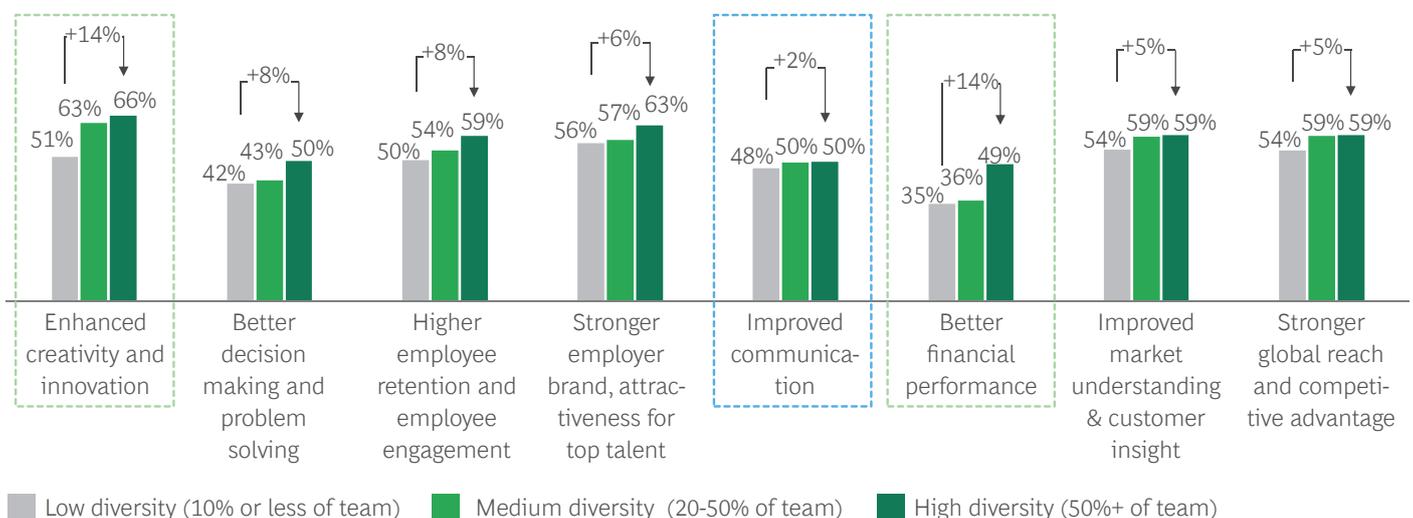
“Problem solving is where diversity really shows its strength. The variety of perspectives directly improves solution quality.”

Chief Executive Officer, German Media Company

Agreement was lower for communication and financial performance in absolute terms, likely as these effects are either less visible or harder to experience directly in day-to-day work.

## Participants who believe diversity in the workplace drives benefits – by company diversity

% of participants who answered (rather) yes



Source: BCG Survey, 2025. N = 1010; “Which of the following elements do you think result from diversity at the workplace?”

**But company context matters.** In organizations with higher team diversity, employees' confidence in diversity's impact rose across all outcomes. In areas where benefits are already widely recognized—such as creativity and innovation—higher diversity reinforced an existing consensus. In areas where belief is weaker, most notably financial performance, higher diversity was associated with a meaningful shift in perception (+15 points), even if views remained more divided overall. This suggests that diversity primarily strengthens conviction: It does not redefine which benefits are believed to matter most, but it increases the likelihood that employees experience—and therefore attribute—business value to diversity in practice.

Taken together, the results show that diversity changes more than workforce composition—it shapes how employees perceive business outcomes. Employees in diverse environments don't just support diversity in principle; they see its business value in practice.



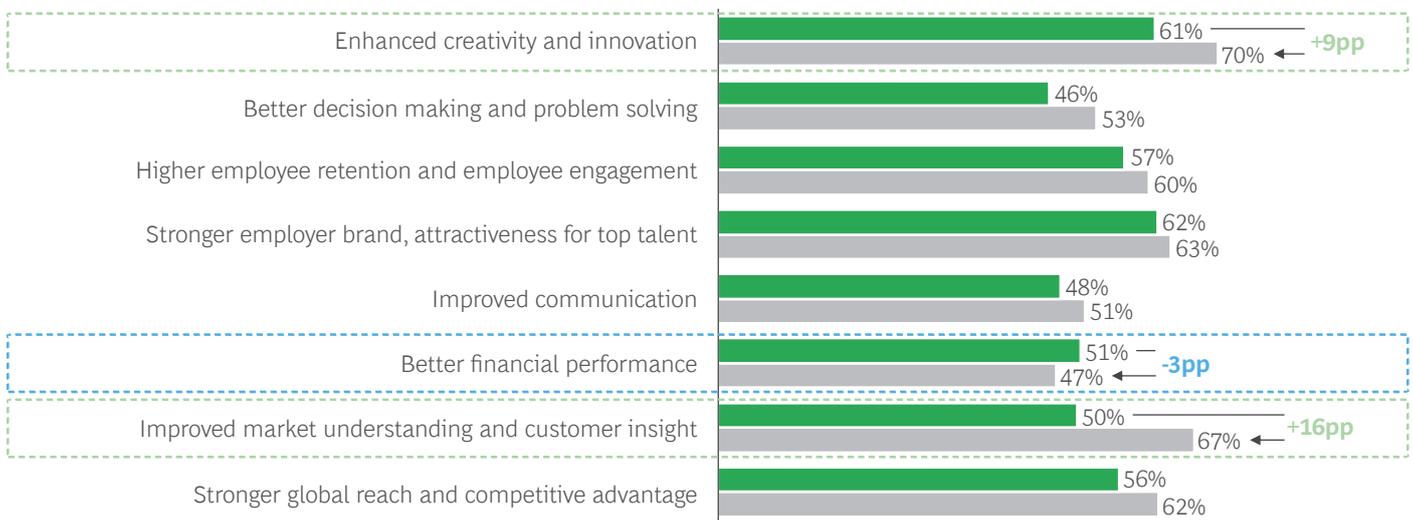
# Employees from Majority Backgrounds Are Often the Biggest Believers in the Power of Diversity

It would be easy to assume that higher belief in diversity’s benefits comes mainly from employees with diverse cultural or ethnic backgrounds. Yet the data told a different story. In many areas of our study, employees from majority DACH backgrounds were more likely to see diversity as a driver of business success.

In highly diverse companies, DACH employees rated diversity’s contribution to creativity, decision-making, and market understanding even higher than their non-DACH peers—by up to 16 percentage points in the case of customer insight. The only area where this pattern reversed was financial performance, where employees with non-DACH heritage expressed slightly stronger belief than their DACH counterparts.

## Participants at high diversity companies (50%+ perceived share) who believe diversity in the workplace drives benefits – by cultural and ethnic background

% of participants who answered (rather) yes



Participant background ■ Non-DACH ■ DACH

This finding challenges the common perception that support for diversity is powered by those it represents. Instead, it reflects a broader organizational effect: Diversity appears to shift the mindset of everyone exposed to it. Employees in the majority don’t just tolerate difference; they increasingly recognize its business value.

For leaders, this insight matters. It suggests that inclusion strategies should not only empower underrepresented voices but also activate majority advocates—the people whose endorsement can turn diversity from an HR topic to a shared performance agenda.

# Future Directions: Turning Diversity into Lasting Advantage

What can we take away from these insights, and how can leaders and employees across the DACH region make diversity work better—both for people and for performance?

Our study points to three areas where focused action will make the biggest difference: **translating belief into everyday behavior**, **activating majority champions**, and building **inclusion through connection**.



## For employers

**1. Turn belief into daily experience:** Seeing diversity in action changes how people perceive it. Create teams where difference is visible and collaboration is genuine. Mix perspectives on projects, rotate leadership, and make sure people experience the benefits of diversity firsthand, rather than just hearing about them.

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**“The companies where diversity really worked were the ones where cross-cultural teams were the norm, not an initiative. In those environments, diversity became a real asset—people were more engaged, more motivated, and it was simply more fun to work together.”**

Chief Executive Officer, International Publishing Company

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**2. Leverage majority champions:** Many organizations already have diversity networks and nodes—but this study shows that employees from majority backgrounds often believe most strongly in diversity’s benefits. Harness that momentum by making them spokespeople for diversity.

**3. Measure what people feel, not just who they are:** Counting representation tells you who’s in the room, but it doesn’t tell you how they are experiencing it. Regularly track employee sentiment on belonging, authenticity, and perceived fairness—for example, by making it a part of your quarterly business review—because those perceptions reveal whether diversity is truly working inside the organization.



## For non-DACH employees

**1. Show up authentically and build confidence in your story:** You don’t need to prove diversity’s value—your perspective already brings it. Focus on being yourself and contributing with confidence. Remember: Chances are your colleagues already support it as much or even more than you do.

**2. Seek support and create it for others:** Mentoring and networks make a difference. Look for sponsors and allies who can open doors and be there for you when you feel like you don’t belong. Then pay it forward by doing the same for those who follow you.





