

Management Conference / 13 and 14 October 2005

Enterprise for Health

Together with the Bertelsmann Foundation, the BKK Bundesverband held a European Management Conference in Berlin on 13 and 14 October 2005 entitled „Driving Business Excellence through Corporate Culture and Health“. Numerous, well-known companies from across Europe discussed the present and future challenges for a healthy design of the world of work and there was particular interest as to how the companies are responding to the emerging effects of the demographic change in the enterprises of Europe.

The conference was hosted by Bertelsmann AG, one of 19 member organisations of the European company network „Enterprise for Health“ which the Bertelsmann Foundation and BKK Bundesverband established jointly in 2000. Headed by the former President of the German Bundestag, Prof. Rita Süßmuth, a platform for European companies has evolved over the last five years; these enterprises view a healthy corporate design based on partnership as a key factor in tackling the challenges in the European companies and economies.

A profile of Enterprise for Health

The member companies of Enterprise for Health operate in different branches of industry and come from 13 European countries.

Assisted by the scientific advisors Prof. Eberhard Ulich (Institute for Work Research and Organisation Consultancy/Zurich, Switzerland) and Prof. Jean-François Caillard (Rouen University, France), Enterprise for Health dealt with key issues of corporate human resources and health policy, including

- the effects of the demographic change on the workforces of Europe;
- the growing demands placed on better reconcilability of work and other areas of life, in particular the balancing of the professional and family life;

- the consequences of flexibilisation in the form of new types of work and employment as well as flexible working time models;

- the increase in mental workloads and mental illnesses;

- the challenges of diverse workforces, labour markets and customer groups;

- the role of qualifications and lifelong learning

In organising this management conference, Enterprise for Health invited decision-makers and experts from other companies to share their experience in order to boost the significance of a corporate culture and company health policy in industry and politics.

BKK and the Bertelsmann Foundation – Partners for tomorrow's world of work

K.-Dieter Voß, member of the Board of Management of the BKK Bundesverband, emphasised the enormous potential of prevention and health promotion in the world of work. The consequences of ageing for the health systems and the associated increase in chronic-degenerative illnesses could only be successfully influenced by investment in prevention and health promotion. The cost to the economy of a lack



of prevention and health promotion, according to K.-Dieter Voß, bears witness to this and the cost of work-related illnesses and early retirement incurred by companies and insurance funds every year are estimated at not less than € 38 billion.

Liz Mohn, Vice-President of the Executive Board and Member of the Board of Trustees of the Bertelsmann Foundation, highlighted the economic significance of a corporate culture based on partnership. Analyses of staff surveys and economic performance data at Bertelsmann AG had clearly shown that companies achieved a better economic performance when there was a high level of staff identification with the company. Of the 163 major Bertelsmann companies, the top 25% with the highest return on sales were also the 25% of the companies in the staff survey with the best assessment of leadership based on partnership.

Prof. **Rita Süßmuth** highlighted the trail-blazing function of this group of companies. Their pioneering work had

made a substantial contribution towards holistic company management concepts gradually being adopted; these concepts detached themselves from the exclusive criterion of the shareholder-value-assessment and focussed on a productive link between economic and social objectives.

Europe's future: Innovative cultures and high-quality human potential

One highlight of the event was undoubtedly the speech given by Vice-President of the European Commission and Commissioner for DG Enterprise and Industry, **Günter Verheugen**. Globalisation, he said, was still not taken seriously enough by decision-makers in the national politics of Europe. Although Europe still had the necessary economic, social and political abilities to deal with these tremendous change processes, there was a lack of political will in many sectors to deploy these skills appropriately. He urgently warned against underestimating the effects of the demographic change. The persistent decline in birth rates in particular would have a lasting medium and long-term impact on the social and economic foundations of the European welfare model. The fertility rate is lower than the reproduction level almost everywhere in Europe (2.1 children per woman), and in some countries in the south and east of Europe it is even below 1.3 children per woman.

The critical evaluation of the first half of the Lisbon process had revealed the weaknesses of the current economic and political situation in Europe. The aim now was to make it very clear that other regions in the world, especially the USA and Asia, would not slacken their competition and that there was no way back from globalisation.

Fundamentally, Europe had to create a strong, innovative culture and at the same time make every effort to strengthen its human potential. A high level of education

and qualifications requires a high quality of work – and health was an indispensable element in this equation.

Corporate culture based on partnership and company health policy

In parallel forums both member and guest companies presented their practical solutions to the problems arising from the challenges outlined above; there were presentations on activities of human resources policies geared to the elderly and ageing, strategies to reduce mental workloads, programmes in the field of social responsibility including complex health management systems as well as very different concepts of culture development.

The question of the proof of the benefit of appropriate programmes and investments was a thread running through the entire conference. It became obvious that some of the companies derive and justify their actions and investments from key corporate values. What these companies have in common is that they credibly highlight and recognise the contribution their employees make to the value added and economic success. The driving force for other companies are the predicted changes in the future labour markets. If indeed access to the critical high-potential workers deteriorates, many companies may be confronted with difficult labour markets. This necessitates companies to be as attractive as possible to the decreasing number of applicants and healthy working conditions are a crucial success factor for this.

Some companies can prove the economic benefit along the value added chain. A staff-oriented and healthy human resources and corporate policy creates the conditions for a high level of staff identification with the company, thus laying the foundations for employees to develop their own sense of responsibility as well as entrepreneurial behaviour and creativity. This influences customer satisfaction and as an indirect

result thereof has a positive effect on work productivity and innovation capability as well.

Company health insurance funds can play an important role as partners of companies for this necessary reorientation in the world of work and society. Far from regarding health as a "luxury commodity" it has evolved into a key production factor and health promotion and prevention are turning into the „real“ 4th mainstay in the German health system.

You can obtain further information at  www.enterprise-for-health.org

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