



Federal Ministry
of Labour and Social Affairs



Conference Report

Conference on “Quality
of work – the key to more
and better jobs”

2/3 May 2007, Berlin

2/3 May 2007 in the conference centre of the Federal Ministry of Economics and Technology

Conference Report

Conference on “Quality of work – the key to more and better jobs”

Foreword

“Pooling forces for a social Europe – for a social world”: That was the motto of the Federal Ministry of Labour and Social Affairs for the German Presidency of the EU Council. Europe must further the social orientation of the integration process, highlight and communicate the common values and objectives in relation to a social Europe and make the social Europe more visible.

The quality of work plays a key role in this strategy. A social Europe is inconceivable without a world of work in which people experience recognition in worker-oriented and health-promoting corporate cultures. A competitive Europe is inconceivable without an economy which produces top performances. Committed workers and responsible, innovative companies which operate successfully on the world market are the two sides of the one coin which is called “good work”.

Good work means: Fair wages, health-promoting working conditions, codetermination, opportunities for further training and qualifications as well as a family-friendly design of the world of work. In order to increase the quality of work, the objective is to further develop innovative corporate cultures. For this purpose we need an exchange of experience between states, societies, companies and the workers for “pooling forces” also means learning from one another and solving problems together – for the benefit of everyone in Europe. This European conference on the “Quality of work” is one example of this.

The successes of this conference are also an expression of the pooled forces of the partners who have contributed towards these successes. Therefore, our thanks must go to the Bertelsmann Foundation, the Hans-Böckler Foundation, the European Foundation for the Improvement of Living and Working Conditions and the New Quality of Work Initiative for their dedicated involvement and the work they have performed.

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Overview



An international meeting on the “quality of work” took place in Berlin in May as part of the German EU Council presidency.

For two days the conference centre in the Federal Ministry of Economics and Technology became the scene of exciting papers, lively discussions and intensive talks of some 250 entrepreneurs, scientists and politicians from all over Europe. The event was organised by the Federal Ministry of Labour and Social Affairs (BMAS) in co-operation with the Bertelsmann Foundation, the Hans-Böckler Foundation and the European Foundation for the Improvement of Living and Working Conditions. The “New Quality of Work Initiative” (INQA) was a partner of the event.

After a jovial and relaxed get-together of the participants over brunch and music in the colonnades on the first floor, the conference started punctually at 12 noon in the historic high auditorium of the over 250-year-old building. The first day was governed by taking stock of the situation but also by providing an outlook. Franz Müntefering outlined the current employment situation in Germany and Europe in clear, catchy phrases and broke down the resultant tasks and obligations.

Tarja Cronberg, who had just become the Labour Minister of Finland, the “EU innovation driver” (Müntefering) a few days before, reported on the numerous employment measures of the past in her country and, together with her audience, dared to take a look into the future.



Franz Müntefering,
Federal Minister of Labour and
Social Affairs, Germany



Tarja Cronberg,
Labour Minister, Finland



Liz Mohn, Deputy Chairwoman of
the Board of Directors and
Trustees of the Bertelsmann
Foundation and the Chairwoman
of Bertelsmann-Verwaltungs-
gesellschaft, Germany

Thanks to a well organised translation service in the languages German, English and French, the purely cognitive understanding beyond national boundaries did not present a problem.

As the Deputy Chairwoman of the Board of Directors and Trustees of the Bertelsmann Foundation and the Chairwoman of Bertelsmann-Verwaltungsgesellschaft, Liz Mohn spoke of the “corporate culture for maintaining Europe as an economic location”. Ingrid Sehrbrock, the Deputy Chairwoman of the German trade union umbrella organisation, DGB, subsequently talked about the connections between “corporate culture and innovativeness”.

Using the latest research results and facts, two representatives from “Great Place to Work” then highlighted the connection between the quality of work and economic success. Robert Levering, head of the “Great Place to Work® Institute” in the USA, threw light on the connections between corporate culture and economic success, his German colleague Frank Hauser, head of the “Great Place to Work® Institute” in Germany, presented the results of a representative study initiated by the BMAS on corporate culture, the quality of work and employee commitment in Germany.

After a communicative coffee break, which many participants used to exchange ideas and discuss issues, the congress learned at first hand about the current status of the Lisbon strategy.

Vladimír Špidla, EU Commissioner for Employment, Social Affairs and Equal Opportunities, reported on some gratifying trends but, at the same time, warned against resting on our laurels. In the following panel discussion, the risk of segmentation of labour markets previously mentioned by the Commissioner became a key issue.

The invitation of Liz Mohn to end the first conference day in the representative offices of Bertelsmann was gladly accepted by the participants. The city’s former garrison headquarters, centrally located on “Unter den Linden” and dating from 1873/74, amazed the guests with its imaginative and very modern architecture hidden behind the historical sandstone facade which was lovingly reconstructed. The three-storey conservatory on the south side, illuminated by the evening light and by a video installation in changing colours on the ceiling, created sheer astonishment.

The topics on the second conference day dealt with the question “What possible actions do we have?”. Prof. Dr. Peter Kern, member of the Board of Directors of Fraunhofer Gesellschaft, Institute for Industrial Engineering IAO, held a paper on the “Quality of work as a basis for innovation”. The presentation of “best practices” then became more specific and practical: Company representatives from Germany, the Netherlands and Denmark reported on their companies’ recipes for the success which were based on an improvement in the quality of work.



Robert Levering, Founder of the Great Place to Work Institute, USA



Frank Hauser, psychonomics AG, Head of HR / Head of the Great Place to Work Institute, Germany



Vladimír Špidla, Commissioner for Employment, Social Affairs and Equal Opportunities, European Commission



Prof. Dr. Peter Kern, Member of the Board of Directors of the Fraunhofer Institute for Industrial Engineering IAO, Germany

Lots of ideas for the coffee break before the participants withdrew for two hours to six workshops, some of which were held in the building, others at the Federal Ministry of Labour and Social Affairs just a few minutes away. Renowned experts then acted as presenters under the important heading "Possible actions for a distribution of employee-oriented corporate cultures in Europe". Equally high-calibre speakers dealt with aspects such as demographic change, social partnership and workplace health promotion. Many lively discussions took place in smaller groups.

The lunch break brought all the participants together again at the buffet. The intensive exchange of experience of the workshop participants kept the noise level rising. Subsequently, the presenters made the workshop results accessible to the whole conference. The two-day conference was then ended by a roughly one-hour panel discussion with representatives from the Federal Ministry of Labour and Social Affairs, the European Commission as well as two representatives from the associations at German and European level. The presenter Karl-Heinz Schulz ended the event punctually at 5:00 pm and was delighted at the "substantial package of ideas and activities" which had been produced in the past two days and hoped that the participants experienced a "motivation thrust" as a result.

2

1st Conference Day

Taking stock and outlook

Paper

Quality of work – the key to more and better jobs in Europe

by Franz Müntefering, Federal Minister of Labour and Social Affairs, Germany

"The economy and social issues go hand in hand" – the German Labour Minister opened his contribution with this statement. That was also why his government wanted to "pool forces for a social Europe" under the German presidency of the Council. The core of this policy was "good work for everyone": The quality of work was the key to more and better jobs. Good work was a social necessity but also a principle of economic commonsense. Mr. Müntefering stated: "The European Union is to become the world's most competitive region with the most dynamic economy."

Europe could only decide global competition in its favour through high performance and quality: "Others can produce more cheaply better," the Minister said. "We in Germany and Europe must be so much better as we are more expensive." To this end we needed an innovation-friendly environment with working conditions which not only promoted people's skills but also developed their qualifications and maintained their health. Capital and technology, Mr. Müntefering continued, were no longer the crucial parameters in global competition: "The mobility of money and information is absolute." What was decisive was what people had in their hearts and minds.

What exactly is "good work" in the Minister's view? Good work initially meant "more work". Growth and economic momentum were needed for this, the Federal Minister of Labour said, addressing the companies. An active labour market policy was equally important: "We want everyone who wants work to also have opportunities to work." Mr. Müntefering was pleased to report good progress – after all, in April the unemployment figures fell below the 4-million mark. In the previous year there had been a good 800,000 more people without a job.

However, good work also meant "fair wages": "Anyone who works full-time must also be able to live from his wages." At present, discussions were under way in the coalition government about a statutory minimum wage: In Germany the aim was to find a modern arrangement in the low-pay sector. It was not sensible for the state to assume the role of the wage-payer.

Occupational safety and health was equally indispensable for good work. Work shouldn't make you ill. Admittedly, workplaces had become much safer over the past few decades but, on the other hand, there were new load situations, e.g. for the eyes, back, psyche or the skin. Employees' rights and co-determination were another feature of good work. One important aspect was for employees and employers to talk on the same level. The Minister stressed: "Anyone who feels safe at the workplace also takes the risk of daring to do something new, something innovative."

Moreover, good work meant the family-friendly design of the world of work: "We cannot afford to do without competencies and skills – especially in the generation of young women." In this respect Germany was regarded as a developing country and had a great need to catch up. After all, good work also had to do with education, qualifications and further training. Here, too, there were problems, the Minister stressed, referring to the lack of young people in trades, the shortage of skilled workers in the IT sector, the engineers who were urgently needed in Germany but were not available. Getting workers from far away should not be the solution: "We must have the ambition to perform the work there is in Germany and Europe with the people who live in this region."

According to the Minister, we could learn a lot from one another in Europe. We should have the courage to listen to one another. We did not always need to be original but could

also readily copy good ideas. “The quality of work,” as Mr. Müntefering formulated his final words, “will decide whether Europe can be a region of affluence.”

Paper

What has been achieved, where do we go?

by Tarja Cronberg, Labour Minister, Finland

Tarja Cronberg opened her paper by stating that demographic change represented a particular challenge in Finland: Here, the population was ageing faster than in any other country in the world. Therefore, with its attempts to cope with the consequences of this development, Finland could be regarded as a “laboratory” for Europe and the world. However, she also saw the demographic change as an opportunity for Europe. The keyword was: active adaptation to the changes.

Between 2000 and 2015 roughly one million workers will retire from working life in Finland, out of a total population of five million, the Minister outlined the situation in her country. It was certain that productivity would have to be improved on a broad basis and, at the same time, the employment rate would have to be increased. Moreover, it was a matter of finding new growth engines as the IT sector would no longer serve as a motor.

She not only understood the quality of work to mean the skills which a worker must have but also his personal competencies as well as occupational safety and health and job satisfaction. After all, the aim was to prolong the working life of older employees. Appropriate work programmes were not only intended to boost production but also encourage the employees to work longer. Moreover, a balance between flexibility and security had to be created on the labour market.

In order to be able to optimally put these projects into practice, there would also be structural changes in the political areas of responsibility in Finland. For example, at the start of next year the Labour Ministry was to be merged with the Ministry of Industry and Commerce. As a result, business and jobs could be better co-ordinated.

The work development programmes planned and already implemented are, according to Tarja Cronberg, being worked out in close co-operation with public and private employers as well as the trade unions. The state provided the financing – 12 million euros per year are available. The input came from the workers as well as from advisors and researchers. The main objective was to improve the work processes and the management. So far, 550 projects had already been supported in which roughly 100,000 employees from all branches of industry had participated.

The Finnish Labour Minister viewed co-operation with the social partners as very important. The primary objective was to improve the position of the employees with fixed-term contracts. Women, mothers and young people were frequently disadvantaged. At present, considerations were being made to have the employers bear some of the costs of a pregnancy. She viewed these developments quite optimistically, the Minister said. After all, 12 women were represented in the new 20-strong government and most ministers had young children at home.

“The government wants to promote equal opportunities,” she stressed. For equal opportunities were important in competition as one of the success factors in working life. Another problem was stress which could not only cause physical but also mental illnesses. Special action would have to be taken, especially for older employees.

Tarja Cronberg finally proposed establishing networks in Europe which dealt with these issues as well as "flexicurity", the combination of flexibility and security, and also environmental issues. For many challenges were identical in the individual countries.

Paper

Corporate culture for maintaining Europe as an economic location

by Liz Mohn, Deputy Chairwoman of the Board of Directors and Trustees of the Bertelsmann Foundation, Chairwoman of Bertelsmann-Verwaltungsgesellschaft, Germany

Liz Mohn impressed the audience with a passionate plea for a corporate culture of partnership and participation. Together with her husband, Reinhard Mohn, she represented the fourth generation in the 173-year-old company, which, with some 100,000 employees, operates in more than 70 countries and which primarily owed its success to its corporate culture.

In the EU the dialogue about the quality of work was more urgent than ever before, she appealed to the conference participants, and warned against reacting to the challenges of the 21st century with instruments of the past. She regarded the successes of emerging countries like India or China as permanent challenges: "You Europeans are too slow and not hungry enough any more," said Mrs. Mohn, quoting the opinion of a successful Chinese TV presenter and entrepreneur. Globalisation could not be reversed, the major challenges, however, also meant great opportunities at the same time. For commitment, creativity and motivation in companies would be released by examining the opportunities offered by globalisation.

Many people feared these developments, the speaker said, referring to a study according to which 50% are more worried about their job than about their health. That threw an indicative light on the general situation of society where there was little confidence in one's own strengths and a crisis of values and orientation.

If you examined the strategies of the EU and the individual countries in response to the present and future challenges, you would find that an innovative culture of participation was gradually spreading in companies. Liz Mohn was clear: "Creativity and motivation are not produced in a rigid environment of hierarchy and vanity." However, shaping the corporate culture was the management technique of the future.

A survey among her own employees had clearly shown a connection between a successful profit centre and management based on partnership, which led to solidarity with the task and the company: "This is my company!" The delegation of responsibility was more important than high remuneration: "Participation promotes creativity and means making a lot of people think." In addition to the latitude for independent, creative working ("latitude before remuneration"), appreciation of the work also played a major role. The employees had also to be allowed to make mistakes as otherwise they could not act and learn as entrepreneurs. Spontaneous applause from the audience confirmed the speaker's view. Profit-sharing should also not be underestimated for creating strong employee loyalty.

A pronounced corporate culture and a relationship based on partnership had a positive impact on the company success, Mrs. Mohn stressed. Co-operation based on partnership was

based in turn on the ability to hold a dialogue between the company management, works council and employees. A changed social world which was characterised by divorces, isolation and demographic change also placed high demands on the management. She herself had instigated a new project five years ago which combined corporate culture and health. But a good corporate culture also included saying goodbye to managers and employees who did not fit into the culture of a company in the long term. She viewed characteristics such as modesty, credibility, ability to make sound judgements and directness as well as virtues such as discipline and satisfaction as being helpful.

The implementation of the corporate culture, which could be regarded as a kind of second employment contract, did, of course, require the managers to act as role models: The maintenance and design of the corporate culture must be declared “a matter for the boss”, the quality of this culture updated and adapted to the times and people. For every employee was a “mosaic stone” in the company who had the right to be respected with his experience and performance. Mrs. Mohn ended her paper by saying: “That is the foundation on which corporate success can be built.”

Paper

Corporate culture and innovativeness

by Ingrid Sehrbrock, Deputy Chairwoman of DGB, the German trade union umbrella organisation, Germany

According to the latest economic development figures, the Federal Republic of Germany could now be regarded as one of the growth engines in the EU, a delighted Ms. Sehrbrock said. But in the same breath, the trade unionist referred to a number of problems which still had to be solved. In her opinion these included the demographic change, the growing momentum of innovation competition worldwide and the lack of equal opportunities in education and between the sexes. The main aim was to make new attempts to permit lifelong learning and improve the work-life balance.

The fundamental cultural change could not be overcome in the companies, according to Ms. Sehrbrock. The social partners and politicians were also in demand here. In her own opinion competitive jobs could not be created by cost competition but by a lead in innovation competition: through new products and new services. However, new ideas were no longer created through research and development but in the entire value-added process where the competitive edge “uniqueness” had to be maintained at ever shorter intervals.

At innovative companies more was expected from the employees than the latest expertise. They also had to have independence and communication skills and above all motivation and creativity. For nowadays knowledge could be bought in. The key to success was specific know-how which could not be copied. However, it was important not only to demand creativity but also to promote it.

The corporate culture played a key role. People acted innovatively when they could, wanted to and had to, i.e. when the skill, the motivation, the communication, the latitude and participation possibilities were right. According to the trade unionist, people always developed ideas



Ingrid Sehrbrock
Deputy Chairwoman of DGB, the
trade union umbrella organisation,
Germany

when they felt good, when they were treated as people and not as replaceable cogs. "Those companies which regard their employees not merely as workers but as thinkers and decision-makers are successful."

Naturally, a corporate culture and creativity could not be prescribed. It was helpful to promote mutual learning. The trade unions made every effort to draw public attention to the aspect of the quality of work. In her opinion the quality of work was characterised by: job security, a fair wage, qualifications, a sensible activity, promotion possibilities as well as health-promoting activities.

The general political conditions for innovation must also be right, according to the trade union representative. There must be a comprehensive social consensus about quality and financing: In this respect, Germany could learn from other countries. The demand for lifelong learning had to "move away from soap-box speeches and into everyday company life", the focus in promoting research had to be changed accordingly.

Creating and maintaining good working conditions were the fundamental issues of the trade unions. Directing the focus onto the employees, their talents and skills, was the core of codetermination. Ms. Sehrbrock regarded an attitude of viewing investments in vocational and further training as merely being costs as cause for concern. Anyone who had a short-term return in mind, damaged companies in the long term, the speaker warned.

The trade union umbrella organisation advocated general conditions applicable throughout Europe for the participation of workers and for minimum standards. Companies should be viewed as social associations which aimed to achieve a mix of flexibility and security, "flexicurity". A policy of "hire and fire" destroyed innovation potential. But innovations were the most important source of productivity: "Changes stem from ideas, therefore ideas and innovations are also more important to us than capital."

Presentation

Corporate culture and economic success

by Robert Levering, Founder of the Great Place to Work Institute, USA

The regular search conducted in 31 countries of the world for the best employers had produced a surprisingly high correlation between the quality of the workplace and financial success, Mr. Levering said, reporting about a relevant study. The development of capital as well as the absenteeism of workers, the turnover rate and productivity were examined. For example, in Germany the absenteeism rate was 3.6% on a national average. However, the rate was only 2.3% among the best employers.

Moreover, the turnover rate is quite a lot lower among the excellent companies than the respective typical national average. Mr. Levering: "A corporate culture where people remain has an impact on success." The guest from the USA backed up his statements with an example from his home country. "Continental Airlines" had been regarded years ago as one of the worst companies which had recently almost gone bankrupt. After restructuring, the corporate culture had also changed: The employees were now viewed as the most important factor. Every worker received a reward of \$ 100 for every month in which the company was one of the three most punctual airlines. The company already became the number one in the third month. Other results of the corporate culture which had changed for the better: All the figures for work accidents, turnover rate and illnesses had fallen substantially, in some cases by more than half.

Mr. Levering presented the conference with other examples from the EU. For example, the savings bank Caja Madrid, a 300-year-old company, had held a monopoly up to 10 years ago but got into serious difficulties when the banking sector was deregulated in the early 1990s. Many banks had collapsed, but the savings bank was able to hold its ground. The key: intensive online further training for the employees. On the other hand, a Danish mechanical engineering company owed all its success to the decision to make the employees stakeholders.

According to Mr. Levering, companies which were more successful than their competitors had a key competence for the high quality of the work by creating trust. Workers whom their employer trusted were proud of what they did and were glad to work in a team with other people. They ultimately contributed to a rise in productivity.



Robert Levering
Founder of the Great Place to
Work Institute, USA

Presentation

Corporate culture, quality of work and employee commitment in Germany's companies – results of a representative German study

by Frank Hauser, psychonomics AG, Head of HR / Head of the Great Place to Work Institute, Germany



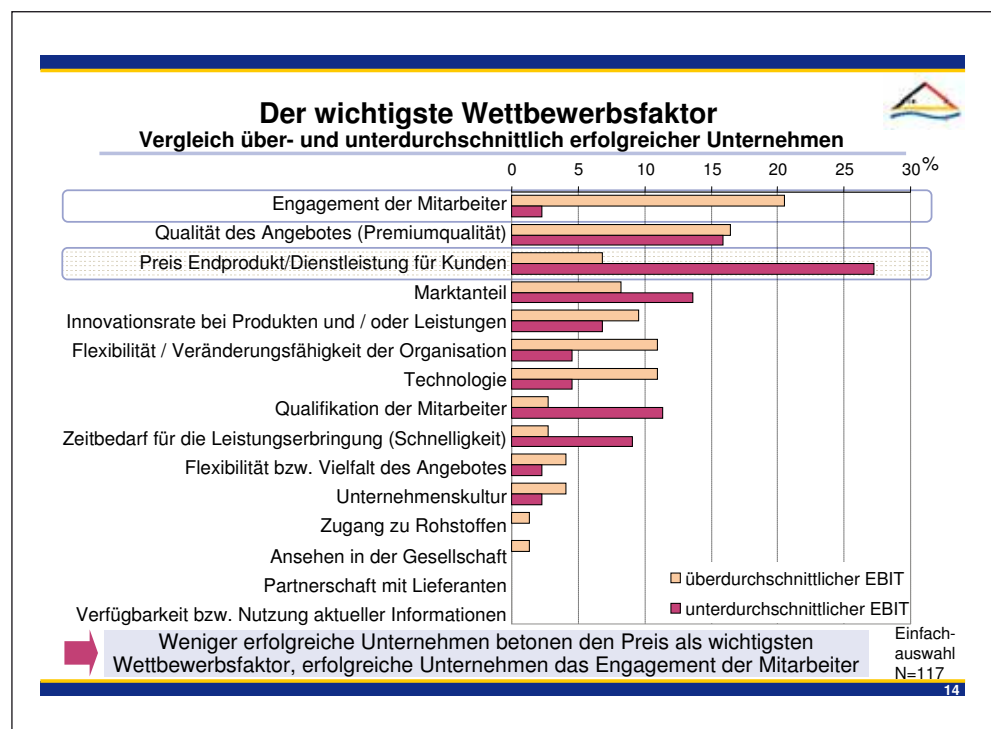
Frank Hauser
psychonomics AG Head of HR /
Head of the Great Place to Work
Institute, Germany

Mr. Hauser reported about a research project of the Federal Ministry of Labour and Social Affairs on the subject of "The quality of work and employee commitment in German's companies", which was conducted together with the Institute for Economic and Social Psychology of Cologne University. For the first time, there were therefore results of a study in Germany on the connection between corporate culture and business success.

In the representative study, workers and managers in 314 companies from the 12 most important branches of industry were surveyed anonymously. The most important results: 77% were satisfied with their work, 77% also expressed their wish to work for another five years at the company and 64% were prepared to show more commitment.

It is in the European comparison, however, that the proportion of those who were "fully satisfied" with their work decreased. And 62% of those surveyed said that the stress over the past three years had increased. Almost a quarter (24%) indicated that job security had fallen in the same period. Mr. Hauser's conclusion from a comparison with European values: Three quarters of the workers in Germany are satisfied overall but the trend is declining and the perception of stress has increased considerably.

In the search for a connection between commitment and company success there was an "extremely noticeable" correlation, Mr. Hauser explained. It could be concluded from this that commitment was a major factor for company success. This was also reflected in the question to the management about what competition factors were important for success. 95% of the managers surveyed described the commitment of the workers as "extraordinary" or "very important".



This was followed in second place, with 90%, by the qualifications of the employees, and then came the quality of the range. The comparison between successful and less successful companies is interesting: Whereas successful companies regard the commitment of the workers as the most important factor, less successful companies mainly rely on the price.

Finally, a comparison of the companies surveyed for the representative study with Germany's best employers produced surprisingly clear differences regarding job satisfaction: Whereas, on the one hand, 63% of the workers indicated they were proud to work at this company, 90% of the workers at the top employers gave this answer. With the question about the most important factors of the quality of work, 80 to 90% of the employees of the excellent employers mentioned identification, leadership quality, promotion, participation, fairness and teamwork. The figure at the "normal" companies lay between 40 and 60%.

In order to be able to improve a corporate culture, those surveyed mainly considered the publication of good practices and the formation of company networks and studies on corporate culture as advisable. Only about 35% would recommend an audit or certification.

Paper

The state of implementation of the Lisbon strategy

by Vladimír Špidla, Commissioner for Employment, Social Affairs and Equal Opportunities,
European Commission

The EU Commissioner was quite optimistic in view of the new figures published on economic growth in the EU: For example, the level of unemployment at 7.9% was much lower than in previous years, 3 million new jobs had been created in 2006. That was the largest rise in employment in the EU since the start of the Lisbon strategy in 2000, Mr. Špidla said with delight. Moreover, 2006 had brought economic growth of 2.9% throughout the EU. That represented a steady recovery of the labour market and the economy.

The chances of achieving the ambitious employment objectives by 2010 were now much better than two or three years ago. There were forecasts which even predicted an accelerated rise in the employment figures in the EU and 7 million new jobs by the end of 2008. The aim of achieving an employment rate for women of 60% by 2010 was already almost reached at 57%.

However, the Commissioner warned that we could not rest on our laurels. For example, with an employment rate of 43.5% among older workers in 2006, the EU was still far off the target figure of 50%. And the general employment rate was at present only 65% – the target was 70%. The employment objectives would only be achieved if we succeeded in shaping the upswing in a sustainable manner. The quality of work promoted the upswing. It had to become the trademark of the economic region of Europe.

The quality of work was governed by fair wages, access to further vocational training and lifelong learning, equal opportunities on the labour market, the active integration of disadvantaged workers, health and safety at the workplace, a flexible work organisation mainly to improve the work-life balance, social dialogue as well as the participation of employees in the companies. The speaker stressed that global pressure was strong: No one would wait for Europe. "Better quality jobs are our chance." For an improvement in the quality had a positive impact on the employees' motivation and therefore on productivity.

The quality of work unleashed a lot of potential. However, attempts would have to be made more than before to develop the individual potential of all people. How can the quality of work be increased? There were signs of some positive developments which should be pursued further. For example, there was a decline in accidents at work. An increasing number of companies were also discovering the potential of older workers: The employment rate had risen continuously since 2000.

However, access to further training would have to be improved: Admittedly, 10% of the workers participated in appropriate EU activities and the aim of 12% by 2010 did not appear to be that far away. However, the progress so far was unequally divided among the individual member states. There was a need to catch up in many countries, for example, as regards child-care and the income of women which still was quite a way below the wages of their male colleagues.

Vladimír Špidla regarded the segmentation of the labour market as another negative development: Many workers, above all the less qualified, women and young people, frequently ended up in a cul-de-sac. "In my opinion this is one of the most important political challenges for the quality of work in Europe," the Commissioner said. We had to prevent the gap between outsiders and the fairly well secured insiders from growing.

He was delighted that the "flexicurity" discussion was currently being held in a very lively and comprehensive manner. He, too, wanted to advocate flexicurity and highlight the fact that we would have to create a win-win situation. Naturally, national traditions varied greatly and no one wanted to impose an unsuitable model on others. However, flexicurity not only included labour law and work organisation but also an active labour market policy, the consideration of how reliable systems of lifelong learning could be developed as well as modern social security systems. Finally, social dialogue was essential: Experience from some countries shows that good relations between employees and employers could be crucial in order to sound out the relationship between flexibility and security. There was quite a lot to do, the EU Commissioner said, appealing to the listeners at the end of his paper: But Europe was on the right track.

Panel discussion

EU 2020

with **Vladimír Špidla**, Commissioner for Employment, Social Affairs and Equal Opportunities, European Commission), **Hubertus Schmoldt**, Chairman of the Mining, Chemical and Energy Industrial Union (Germany), **Robert Levering**, Founder of the Great Place to Work Institute (USA), **Nickie Spile**, Vice President, People & Organization, Novozymes A/S (Denmark), **Gerd Andres**, Parliamentary Secretary of State of the Federal Ministry of Labour and Social Affairs (Germany), **Prof. Dr. Friedrich Buttler**, European Director of the International Labour Organisation ILO (Switzerland) and **Karl-Heinz Schulz**, Managing Director of Topcom Communication GmbH (Germany), presenter

Hubertus Schmoldt opened the one-hour talks with the statement that it was only through the improved quality of work that there was any chance at all of reaching the Lisbon objective to a large extent. He welcomed the current discussion about the quality of work and it was therefore clear that the performance of a company was not only governed by the stock exchange prices and share developments but above all by the people. If we did not succeed in getting people on our side and making them stakeholders in the company, he was pessimistic about the position of Europe and Germany as regards their competitiveness.

In order to measure the quality of work, the studies of the Great Place to Work (GTPW) Institute were certainly a useful tool. However, as far as he was concerned, the questions were based too much on the relationship of trust between workers and management. He missed the subject of how the individual perceives the conditions in which he works. Robert Levering referred in his answer to the difference between job satisfaction and quality of the workplace: Many people were satisfied with their job but not with their workplace.

As the representative of a company honoured on several occasions as a Great Place to Work, Nickie Spile endorsed the importance of a relationship based on trust which also included the personal situation of the workers. In her company the employees were asked their opinions, their relationship with the management and the level of trust in the management.

In reply to the question from the presenter, Mr. Schulz, on where he saw Germany and Europe in the year 2020, Gerd Andres was quite optimistic. At that time the second stage of the Lisbon strategy might perhaps have been created: If the objectives now set were reached in the year 2010, he could imagine that you could simply add 10% to the figures. He hoped that by then the catch-up process in the new German states would also be completed and that



Hubertus Schmoldt, Chairman of the Mining, Chemical and Energy Industrial Union, Germany



Nickie Spile, Vice President, People & Organisation, Novozymes A/S, Denmark



Prof. Dr. Friedrich Buttler, the European Director of the International Labour Organisation (ILO), Switzerland



Gerd Andres, Parliamentary Secretary of State of the Federal Ministry of Labour and Social Affairs, Germany

the unemployment rate might perhaps be around 4%. However, given all that, the aim would not only be to establish Europe as a dynamic economic region but also as an area worth living in. Major efforts would be necessary for this, Mr. Andres stated, especially in the field of innovation and research.

For him, improving the quality of work was an attempt to raise the productivity reserves – by offering the people a sensible income, sensible working conditions, development opportunities and social integration. His opinion on the segmentation of the labour market: There will have to be appropriate initiatives. Europe could only win with quality and social standards and not with a "throwaway" mentality.

Friedrich Buttler readily admitted that the discussion about the quality of work primarily related to the west. As long as a location was searched for in the east to minimise costs, the "dirt cheap" strategy was okay. However, this strategy was very volatile, competition for locations was continuing and shifting to other countries. Therefore, the fact that productivity would have to develop also applied to the new member states in the east. Certainly not in one leap, but in steps, which were sometimes strenuous. Good work was therefore also an appropriate subject for these countries.

On segmentation: It was certainly a necessity for people not to land in cul-de-sacs with all this flexibilisation. Fixed-term employment contracts per se did have their positive aspects. But if the risks accumulated, above all among young people, women and the less qualified, the road invariably lead into a cul-de-sac.

Hubertus Schmoldt again referred in the course of the discussion to the importance of participation and codetermination for good work and based his comments on a relevant study of the Bertelsmann Foundation. Companies which had a good culture and whose employees were motivated coped better with the structural change. The quality of a corporate culture in turn depended heavily on the decision-makers and managers and the corporate culture which they demonstrated to everyone else: Here, the situation in Germany was admittedly not very good at present, Mr. Schmoldt said, commenting on the latest incidents at Siemens & Co. However, he hoped that this was merely a temporary phenomenon.

Gerd Andres interrupted again with the subject of further training: One point of discussion was lifelong learning but in practice there were problems with this. The smaller the company and the older the employees, the lower the further training rate was, the Secretary of State criticised. A system of lifelong learning was necessary but had not yet been established.

Mr. Andres used the opportunity to point out another problem: On the one hand, there was a shortage of skilled workers while the economy was picking up, on the other hand, workers were needed for simple activities – but it was difficult to find someone for such work. Without workers from other countries no asparagus would be planted in Germany and no grapes harvested. There were, however, many unemployed with a lack of qualifications or none at all. While, on the one hand, there were pleas for a combination of income and "transfer benefits", suggestions were made, on the other hand, to automatically reduce incomes: Necessity would indeed encourage people to work. According to Mr. Andres, this attitude could not be reconciled with a welfare state. However, transfer benefits in the long term which did not offer any incentive to start work were not solutions.

The EU Commissioner, Vladimír Špidla, finally formulated principles for flexicurity in Europe. Flexicurity was initially the realistic and humane answer to changes in society. Society was gripped by continuous change: To cope with this change in a humane way was a question of flexicurity. Welfare statehood was not only a technocratic decision but also required an ethical basic attitude.

Finding common principles in Europe was not easy. However, societies were very similar as regards the view of the need for lifelong learning. There was also agreement on the question of the development of the human capital in companies.

3

2nd Conference Day

What possible actions do we have?

Presentation

Quality of work as a basis for innovation

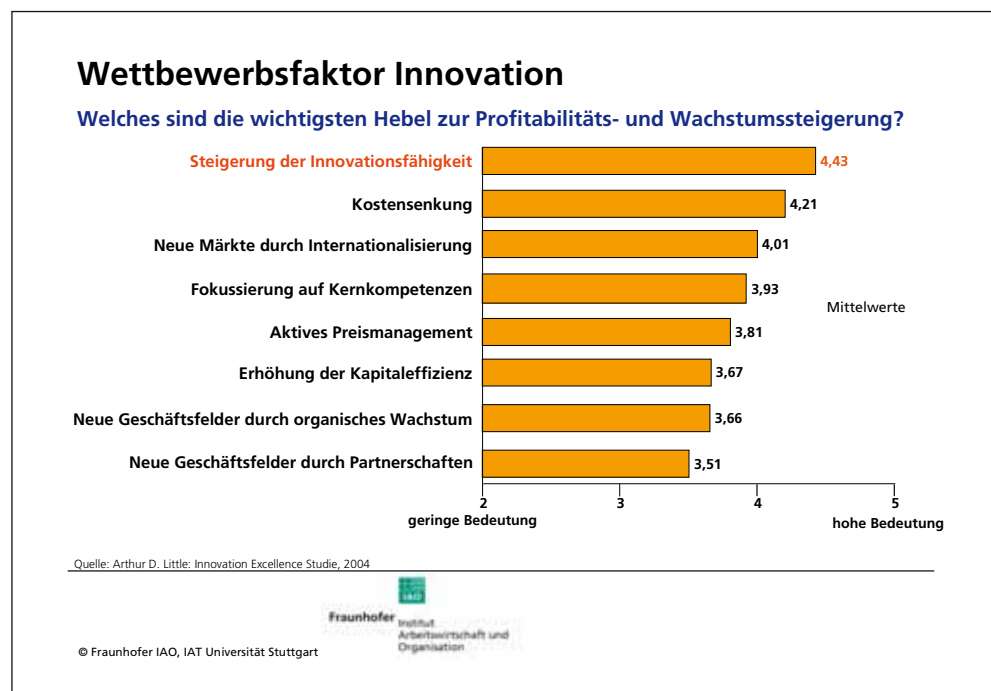
by Prof. Dr. Peter Kern, Member of the Board of Directors of the Fraunhofer Institute for Industrial Engineering IAO, Germany

“Progress through innovation is the only way to safeguard affluence and employment in Germany.” That was the central message of Peter Kern. The preconditions for (more) innovations were based on the quality of work. Clearly the most important lever to increase profitability and growth was an increase in innovativeness, this was the result of a study some years ago. This was followed in the lower rankings by cost-cutting measures or the development of new markets. But what is the situation of innovativeness in Europe and in Germany? According to an innovation competition in 2006, the USA leads the hit list in the world. But Finland lies in second place, followed by Sweden. Germany holds seventh place.

“How can a country improve its innovativeness?” Prof. Kern asked. The means of financing had to be mentioned first. In 2007, Germany was spending EUR 50 billion on research and development, i.e. roughly 2.6% of the gross domestic product. The objective for 2010 specified by Lisbon was 3%. Sweden and Finland had already topped this figure.

According to Prof. Kern, another precondition for improving innovativeness in a company involved systematic processes such as audits or the question of how innovation processes can be increased and speeded up. Moreover, the targeted use of information and communication technology and the deployment of qualified workers were also important. The situation in Germany didn't look all that good, the Professor said, commenting on the fact that only 12% of the population was available as highly qualified knowledge workers. As regards the employment of the less qualified people, Germany came 13th in Europe with an unemployment rate of 20.5% in 2006. By way of comparison: the Netherlands had a rate of only 5.7%.

However, according to the speaker, an innovation-promoting modern corporate culture which replaced the classic structure as a basis was also important for innovativeness. Not contracts, but the integration of meaningfulness promoted cohesion, visions replaced rules of conduct,



the company was understood as a network and not as a mechanical clock, heterarchy largely superseded hierarchy and the organisation of careers gave way to the management of competencies.

One final aspect which affected the innovativeness of a company and which, in Prof. Kern's opinion, had so far been neglected, was the quality of work which for him split down into the five fields of action organisation, technology, workplace and work environment, competence and health.

In the field of action organisation the aim was to harmonise the needs of the organisation and those of the individual. The most important requirements were: The workplace must be mobile, the working time flexible and the structure decentralised. In the field of action technology there were numerous sensible solutions available which should, however, also be used. With the field of action workplace and work environment, ergonomic insight and flexible room structures should be implemented and the quality of personal communication improved through the use of meeting areas: Office design, according to Prof. Kern, influenced performance and the suitability for communication work was regarded as the most important factor.


In the field of action competence, further vocational training played an important role: A proper education culture would have to be created in the companies and in society. Traditional forms of learning (seminars, lessons) should be replaced or supplemented by media learning (multimedia, Internet) and new forms of learning (self-organised, work-process-integrated learning).

Finally, the field of action health should be covered by the mission statement: avoid over-demanding work, prevent underdemanding work. Prevention should be an important topic in the companies. After all, 30 out of 100 workers surveyed in the EU complain about back pains, 28 about stress and 20 about general tiredness. In order to maintain individual efficiency in the long term, occupational safety and health, health promotion and personality and competence development would have to be supported in order to prevent illnesses and strengthen health resources.

Peter Kern's conclusion: The quality of work is a continuous process, requires a comprehensive attitude, can be achieved with existing knowledge, fosters attractive and health-promoting work conditions, boosts competitiveness and makes a major contribution towards innovation.

Best practices

Innovationsförderliche Unternehmenskultur		
	Klassische Unternehmenskultur	Moderne Unternehmenskultur
▶ Grundlage des Unternehmens	Struktur	Kultur
▶ Kooperationsgrundlage	Zusammenhalt durch Verträge	Zusammenhalt durch Sinn-Integration
▶ Ausrichtung des Verhaltens	Verhaltensregeln	Vision
▶ Verständnis der Ablauf-Organisation	Mechanistisch: „Unternehmen als Uhrwerk“	Evolutionär: „Unternehmen als Netzwerk“
▶ Verständnis der Aufbau-Organisation	Hierarchie	Heterarchie (mit partieller Hierarchie)
▶ Führungsverständnis	Organisation von Karrieren	Management von Kompetenzen



 Fraunhofer Institut Arbeitswirtschaft und Organisation

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How can company success be boosted by better quality of work?

Recipe for success by Roland Kutschenko, Personnel Director at Lilly, Germany



Roland Kutschenko, Personnel Director of Lilly, Germany

The pharmaceutical company, Lilly, was founded in Indiana (USA) by Eli Lilly in 1876 and now employs over 41,500 workers. In Germany the company was established in Bad Homburg and Gießen in 1960 and 1,200 workers are employed there. The company received the award as best employer in Europe on several occasions. Moreover, Lilly Deutschland received a special prize for equal opportunities in 2004 and 2005 although, according to Mr. Kutschenko, his company had not started any special programmes, for example on the promotion of women or for older employees. Women and older employees did not want any special programmes but wanted to be taken seriously, the Personnel Director stressed.

Equal opportunities were the basic principle of the corporate culture which had applied since the company was established. The basic values are: respect for every individual (from the manager to the canteen assistant), integrity and striving for top performances. Put into practice, this means: Only performance pays – there is no recording of working hours. This also includes flexible working hours with a work-life balance for all and the possibility of working from home. Of equal importance is the health-promoting work, which permits office work to be performed both sitting and standing and includes quit-smoking programmes, massages at the workplace and the participation in Nordic walking.

For his company, equal opportunities also meant the recruitment of people over 50 years old and a quantitative and qualitative performance assessment as a tool to safeguard an ageing-appropriate corporate culture. "It all comes down to the mixture," Mr. Kutschenko said, summarising his experience with mixed-age teams. Moreover, it had been found out that many older customers appreciated it if the representative from Lilly was roughly the same age.

The fact that the employees at Lilly obviously feel at home is also borne out by the statement by 84% of the workforce that they would prefer to work at Lilly until they retired – all the more remarkable as those surveyed had been just two years at the company. This was also a good outlook for the company against the background that in two years time there will be a

Chancengleichheit als Grundprinzip



"Ich ziehe in Betracht, bis zu meinem Ruhestand hier zu arbeiten"

Aussage von 84% der Mitarbeiter, die weniger als 2 Jahre bei Lilly sind

shortage of skilled and managerial workers.

The subject of equal opportunities also included for Lilly the commitment to the Demography Network ddn, Mr. Kutschenko, the chairman of its board, stated, making a final important point. One year ago his company had been one of the founding members because it viewed the demographic change with fewer and older workers and increasing migration as both a challenge and opportunity at the same time.

The members of the ddn wanted to create working conditions at their companies which guaranteed the productive integration of different generations, sexes and ethnic minorities, permit appreciative co-operation among the different employee groups and ensure the long-term employability of all workers.

Recipe for success by Hylke Oldenboom, CEO, Vitae, Netherlands

“Vitae” is an employment agency for highly skilled workers which has also received the award as best employer and which employs 1,150 temporary workers and 250 full-time workers. The company has set itself the goal of designing work to be as pleasant as possible. Mr. Oldenboom outlined the background in brief: In the Netherlands there was ever less industry and instead an increasingly knowledge-based economy. Equal opportunities were a very important aspect of Dutch society: “We do not like authorities,” the speaker stated.

Accordingly, there was the so-called “new worker”: He wanted equality between the employee and the boss, be self-responsible, assume responsibility for his career, be able to introduce his wishes, be emotionally involved and not be discriminated against because of his age or sex.

This attitude also had an impact on his company and the HR department. In principle, it was all about people and not about control, the structures were changing to form one organism. As the “new worker” did not like to identify with hierarchical structures but wanted to have access to total knowledge, a new type of management also had to be created: The managers had to recognise the talents of their employees, be able to link knowledge pools and show



Hylke Oldenboom
CEO, Vitae, Netherlands

Conclusion

The New Professional is coming!

- Make people a priority
- Moving from competencies to passions
- From organisation to organism
- From managing to Authentic Leadership
- From shareholder to stakeholder



authentic behaviour.

How are the employees at Vitae integrated? Decisions were not taken by managers alone, the employees had a right to discuss them. That also applied to long-term strategy plans. All in all, an atmosphere of openness and trust prevailed in his company.

Mr. Oldenboom also made it clear what interests his company served. Not those of the shareholders, he stressed. The aim was rather to create a new balance between people, the planet and profit. The "new worker" was not an egocentric individualist. That was shown by the numerous charity projects of Vitae which combine practical assistance with fun and the development of a feeling of belonging together.

His conclusion: The "new worker" is coming! People are coming to the fore, competencies are being replaced by enthusiasm, the organisation is changing to become one organism, the management becoming authentic leaders, the shareholders representatives of interests.

Recipe for success by Nickie Spile, Vice President, People & Organisation, Novozymes A/S, Denmark

To start off, Ms. Spile provided a brief presentation of her company, which among other things produces industrial enzymes and is one of the world's largest biotech companies. Novozymes sells its products in 130 countries and has roughly 4,450 employees worldwide, 2,100 of them working in Denmark. The success of her company, receiving an award as best employer on several occasions, is also reflected in the number of 700 scientists who work in the research and development sector, the more than 4,300 patents and the 35 new products which have been developed over the last five years

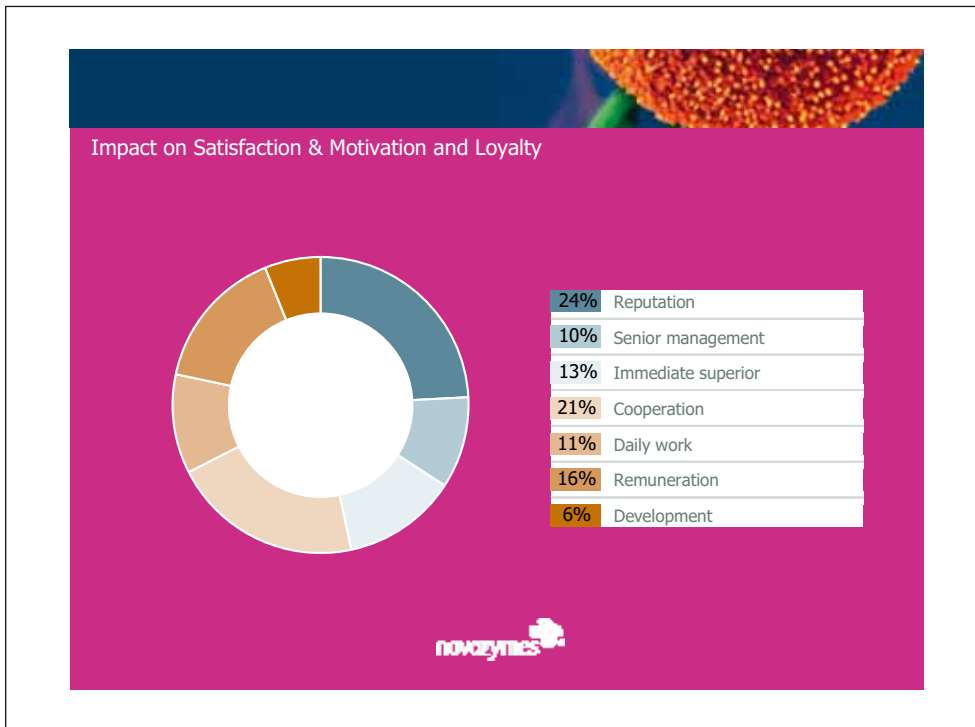
"We are good but, of course, we can be even better," the Vice President said with slight understatement before she referred to some impressive facts: The turnover rate and absenteeism at Novozymes were low, the satisfaction of the employees was high as was the competence of the managers. Ms. Spile: "We believe that we employ the most competent people in the industry." Her company also understood the challenges of the reconcilability between work and leisure but the workloads were at present not dramatic.

As regards the working atmosphere at her company, Ms. Spile referred to a study according to which the employees of Novozymes showed the highest values for job satisfaction and motivation, 74% in each case, compared with the workers at other companies. Another result made it clear that the conduct of the management level was more important to the employees than their salary.

Why does Novozymes lay such great store by the work-life balance and lifelong learning? For Nickie Spile the answer is simple: Both factors pay equal dividends to the employees and the company. A balanced ratio between work and leisure increased job satisfaction which in turn had a positive impact on motivation and work performance. Lifelong learning helped the workers to develop their skills and their work ability and guaranteed the company that it had outstandingly well-trained employees at all times.

How can a good work-life balance (WLB) be created? WLB solutions, according to Ms. Spile, had always to be found on a case-to-case basis: What is good for one person, need not necessarily be good for another. Optimum solutions could only be worked out in dialogue between supervisors and employees. Moreover, WLB was an integral part of the annual appraisal interview on the personal development of each individual employee. A training programme for the managers, for example on the question: How do I deal with stress?, also played a major role.

In addition, her company had established a sort of toolbox on the subject of WLB and lifelong learning. It contained, for example, answers to the questions: What is WLB? Why is



WLB important? How is stress produced? The “toolbox” could be opened on a web page of the company and was accessible to employees and managers alike. Furthermore, the managers were obliged to pay particular attention to WLB – with the aim of looking after the employees and encouraging them to develop themselves further. The manager should make sure in particular that enjoyment, health and quality of life at the workplace were not neglected and should react sensitively and flexibly to the employees’ individual needs.

Furthermore, according to Ms. Spile, Novozymes had created a number of structures in order to be able to optimally shape the balance between work and leisure. This included working at home, flexible working hours, part-time work, parental leave, company nursery school, local fitness centre, psychological support, 6-monthly studies on the working atmosphere, deployment of social workers and the campaign “Health at Novozymes”.

Nickie Spile concluded her paper with the principles of her company:

Employees: We are all responsible for our lifelong further education and development in order to support a learning culture for the steady refinement of our skills.

Managers: Look after your employees and encourage them to develop.

Social responsibility: We must ensure that every single one of us has the same opportunities to develop in a non-discriminating environment and to exploit one’s potential to the full.”

Panel discussion

How can Europe make significant progress in the improvement of the quality of work and thus generate benefits for the international competition?

with **Gerd Andres**, Parliamentary Secretary of State of the Federal Ministry of Labour and Social Affairs (Germany), **Dr. Regina Görner**, Member of the Board of Management of the Industrial Trade Union for Metal *Industriegewerkschaft Metall* (Germany), **Dr. Max Uebe**, Member of the Cabinet of the Commissioner Mr. Spidla (European Commission), **Tina Weber**, Europe representative of Great Britain for the European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (CEEP) (Great Britain) and **Karl-Heinz Schulz**, Managing Director of Topcom Communication GmbH (Germany), presenter

Regina Görner made it clear at the start of the discussion that it was important for the trade unions to deal with the quality of work. That was perhaps a new but definitely key aspect in the history of the trade unions. The main objective for her and her colleagues was to safeguard jobs in the long term. The qualification of employees assumed great significance. For the aim of the trade unions was not only to safeguard employment but also to initiate the necessary innovative steps in the company. According to Ms. Görner, the trade unions therefore already performed almost the function of a co-manager.

Asked about the role and tasks of her association, Tina Weber referred to the right of the CEEP to be heard as a recognised European social partner and also to the right to be able to act independently. For example, there were some initiatives on the quality of work, for example a framework agreement on parental leave, part-time work and fixed-term employment. Joint texts were also prepared, for example on teleworking, stress or violence at the workplace.

On the other hand, her association made every effort to share its experience. After all, the public employers organised in the CEEP employed roughly one quarter of all workers in Europe. According to Ms. Weber, these employees were, on average, better trained than in the private sector. The proportion of women, including women in leading positions, was higher – as was the proportion of older workers.

There were many reasons why the CEEP was well positioned in the field of quality of work, Ms. Weber said. Also because the public employers had in some cases to deal with the moderni-



Tina Weber, European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (CEEP), Great Britain



Dr. Max Uebe, European Commission



Dr. Regina Görner, former Chairman of the chemical industrial union IG Chemie; former Chairman of the joint expert commission of the Bertelsmann Foundation and the Hans-Böckler Foundation “Sustainable company health policy”, Germany



Dr. Hermann Rappe, former Chairman of the chemical industrial union IG Chemie; former Chairman of the joint expert commission of the Bertelsmann Foundation and the Hans-Böckler Foundation “Sustainable company health policy”, Germany

sation of public services and restructuring, also in the personnel sector. Shrinking budgets or competition were frequently not always good reasons for the changes. The consequences of restructuring for the workers, social dialogue and the quantity and quality of the work were examined in one of its own projects.

What is the EU Commission doing to make the quality of work a trademark for Europe, as the EU Commissioner for Employment, Social Affairs and Equal Opportunities formulated it the day before? In reply to this concrete question by the presenter, Karl-Heinz Schulz, Max Uebe first cited the “strategic calendar” for the current year and referred to various initiatives and notifications on the reconcilability of family and work, on intergenerational justice and the transferability of pension claims in order to help eliminate obstacles on the European labour market. Furthermore, a statement on flexicurity was being prepared which was to lead at the end of the year to the common principles of the member states on flexicurity. Moreover, the answers to questions on “labour law”, which, among other things, dealt with temporary employment and moonlighting, were currently being evaluated.

The European social fund with some 35 billion euros, from which initiatives and projects were financed, was one of the general contributions to the quality of work. The field of corporate social responsibility (CSR) was very important to the Commissioner, and he was also considering exporting it to outside the EU. Safety and health at the workplace were to be regarded as a core competence: Consultations on certain topics, such as carcinogenic substances or back pain, were currently under way. According to Dr. Uebe, the Commissioner was particularly interested in social dialogue.

Gerd Andres used the round of discussions to highlight the importance of “good work” and INQA, the New Quality of Work Initiative. There was a lot of awareness about good work but implementation was also important. INQA had seen itself from the outset as a network, as a project in which many players were involved – from the social partners to the federal government. He was pleased that there were considerations at present to increase the funds provided.

For example, good work, social security in the development context as well as CSR were also topics of the conference of the Ministerial Council of Labour and Social Affairs of the G8 which was to follow a few weeks later. His Ministry also had a great interest in the transferability of the old-age pensions being regulated and flexicurity being anchored in the joint principles. According to Mr. Andres, Europe functioned to a large extent according to the principle of “learning from one another”.

He was pleased to see what had become of INQA, the Secretary of State said, ending his statement. At present, people were working internally and externally on the question of what a demographically changed society, also in the European context, should look like in the future. “I believe that INQA is something good that we can also present as a model for Europe.” And he also fully supported EU Commissioner Špidla when he regarded the quality of work as a seal of quality for Europe.

The trade unionist, Dr. Görner, noted with all consensus on these issues that there was also a lot of discussion which did not deal with the increase in quality but the increase in the quantity of work. She considered it important not to leave the discussions to the group of occupational safety and health professionals. The basic question must be raised in all organisations as to whether Europe, with its resources and potentials, wanted to join the fight for the cheapest workplaces or whether it wanted to position itself in the upper range of quality and innovations.

Prof. Dr. Emanoil Ancuta regarded the plea for the quality of work as a plea for the future of Europe; he introduced himself as the President of the Romanian Foundation for Democracy and Political Education (Rumänische Stiftung für Demokratie und politische Bildung e.V.) in Bucharest. He wanted to report to his government about the Conference and he hoped that it would learn from these discussions and take another step towards implementation. The plea

for the quality of work, Professor Ancuta stressed, was a plea for a strong Europe, for "Europe's competence in international competition."

Dieter Steinborn from the company consultants for health, safety and occupational safety and health pointed out that in all the discussions about a corporate culture one should not forget that company ethics and the company morals were also covered by this. There were also a few "big black stains" in the corporate culture landscape, also in the Federal Republic of Germany.

Dr. Hermann Rappe, the former chairman of the chemical industrial union IG Chemie, requested the trade unions to place more emphasis on the subject of workplace health policy and not to view it as an ideological question but as a question of commonsense and humanity. He stated that one could include companies or branches of industry in a sort of positive list which could present exemplary initiatives. Dr. Rappe continued to say that the future of the trade unions was not only in the field of collective bargaining but also in issues relating to the quality of life. Dealing with such issues would mean more publicity for the trade unions than the one or other "dispute about every last penny". Company health policy, the quality of life and good work were to be viewed altogether as good topics for the trade unions.

Regina Görner then expressed her concern that the workforces were taking on an ever more virtual character and that the lasting bond between companies and employees could deteriorate to become a rarity. If this was the case, company qualifications could no longer be achieved to the extent that was now wanted: There would at best then be a core workforce which would profit from the good conditions attained.

4

Workshops

Possible actions for a distribution of employee- oriented corporate cultures in Europe

Workshop 1

Europe as an economic location – Corporate culture for maintaining sustainability

with **Martin Spilker** (presenter), Head of the Competence Centre Corporate Culture/Leadership: speaker for Liz Mohn, Bertelsmann Foundation, Germany, **Prof. Dr. Eckard Minx**, Head of the Department of Research, Society and Technology, DaimlerChrysler AG, Germany, **Dr. Donald J. A. Kalff**, author and entrepreneur in the field of biotechnology, Immpect, Netherlands, **Walter Köbele**, Chairman of the Board, Pfizer Deutschland GmbH, Germany, **Walter Lindemann**, Head of the Central Personnel Development Department at Deutsche Post World Net, Germany.

"Do we not often react to the challenges of the future with the management tools of the past? What will tomorrow's world of work look like, and what will the management of the future be like? And will we in Europe win?" With these words the presenter, Martin Spilker, head of the Competence Centre Corporate Culture/Leadership at the Bertelsmann Foundation, opened workshop 1.

Introductory paper by Prof. Dr. Eckard Minx

The speaker at first tackled the question posed by the presenter with a small anecdote from the book by Fritz B. Simon "Gemeinsam sind wir blöd!?" (Together we are stupid!?): "During World War I a troop of soldiers were hit by a snowstorm in the Alps and got lost. Days passed and the officer already assumed they were lost. When they returned to camp, he was, of course, curious and wanted to know how they found the way back. Using the map which we found in an abandoned rucksack, the soldiers said. But glancing at the map, the officer sees that it shows the Pyrenees, not the Alps! "

Prof. Minx: "Maps are essential. But maps are not simple illustrations but interpretation patterns of reality. We all need maps of the future. But the future needs an origin as the German philosopher Odo Marquardt formulated it appropriately. That means: Maps are produced with knowledge of the past and experience." And Europe was predestined to draw such maps "because we have gained this experience over many centuries".

Some aspects could be derived from this, the Professor continued. Firstly: The ability to lead in the future will require a lasting change of perspective. We must look at the whole picture and not only just the parts. Innovation and leadership are more than just science and research. "What we need in Europe is to free ourselves from the self-imposed bureaucratic chains."

Secondly: Changes in the surroundings require internal changes in our minds. Nothing new will come from routines and control processes, no viable ideas and no vision will be produced. It all boils down to the competition of ideas and leadership ideas. We in Europe have excellent preconditions for this. But success is not automatically guaranteed.

Thirdly, we therefore need a culture to deal with mistakes – one must be able to fail without being punished. Prof. Minx: "Here we have a need to catch up."

Finally, the aim must be to live with uncertainties instead of running after patent recipes: In brief: "Do a lot so that people are not prevented from being successful."

The anecdote from World War I told at the beginning inspired a listener from one of his seminars to say: We should actually organise memories of the future in people's minds. Understood correctly, that means generating pictures in people's minds on the basis of experience, images which define options and describe perspectives.

Introductory paper by Dr. Donald J.A. Kalff

The entrepreneur was also relying on people when it is a matter of Europe's competitiveness: "Europe has many competitive advantages." Even characteristics which were previously regarded as a disadvantage had now proved to be an advantage. For example, it was a disadvantage that, in contrast to the USA, Europe had 27 different legal systems and numerous different languages and cultures. On the other hand, it was this very diversity which contributed to the variety of business models and that there was an atmosphere which was very open to innovations. Not only the world's largest international players had their headquarters in Europe; the traditional family enterprises also contributed to this diversity. And then there was a broad range of financing possibilities and the fact that in Europe the shareholder model was not so pronounced as in the United States for example. Finally, it had been shown that gearing all efforts solely to the shareholder value did not always lead in the right direction.

According to Dr. Kalff, Europe is today already the most competitive region. If that is to remain so, he mainly advocated one thing: To be quick and to use the competitive advantages of Europe intentionally.

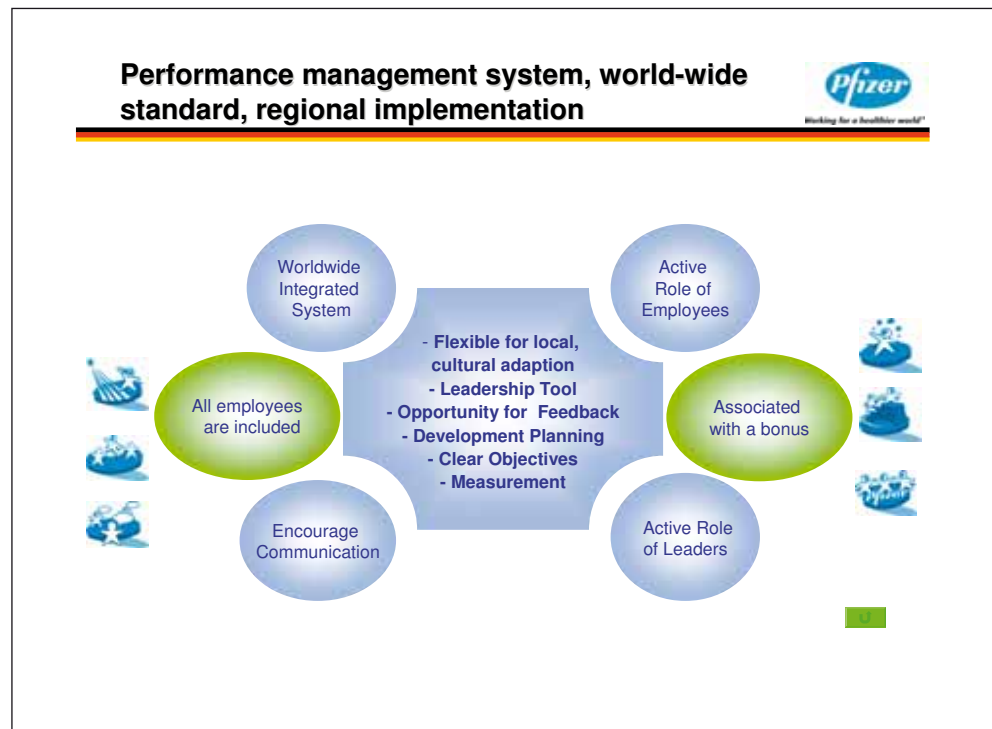
Europe's Strategic Advantages

- Avoidance of the shareholder model
- Diversity in conducting business
- Wide range of sources of finance
- Low transaction cost in an age of networking
- Culturally equipped for open innovation
- Home of the world's largest players

Introductory paper by Walter Köbele

The speaker said that Europe should not just comprise the countries of the European Union. For example, at the American pharmaceutical company, Turkey and Russia were also included in "Europe".

Mr. Köbele understood "corporate culture" to mean a "fundamental collective conviction which substantially influences thinking, actions and feelings of managers and employees and is therefore characteristic of a company." This manifested itself in the statements, the slogan, the atmosphere, the service and in the relationship with stakeholders and customers. A corporate culture was also reflected by how processes and changes are dealt with. Mr. Köbele stressed: "Corporate culture is not a fashionable phenomenon, not a campaign and not a short-term management strategy."



As a rule, you only needed to spend one hour in a company to know “what really makes them tick.” It was enough to attend a meeting, according to Mr. Köbele. For it was mainly when conflicts arose that you could really see whether a specified corporate culture was also practised.

Mr. Köbele recalled a study which had followed the development of the corporate cultures in Europe and the USA since 1974. It was shown that the hierarchical structures and also the safety thinking was more strongly pronounced in Europe whereas people in the USA tended to be prepared to take risks. Measured against the share index, Europe and the USA have increasingly become similar over the last 10 years. The corporate culture played a major role, according to Mr. Köbele. For it decided how a company copes with the challenges of the future.

The pharmaceutical industry was facing many new challenges: Increasing competition from generics, a greater influence of the stakeholders and changed sales markets. In order to cope with these challenges, the values in a company were important. At Pfizer, these included customer orientation, teamwork, integrity, respect, quality, innovation, performance, community and leadership.

A performance management system was established at Pfizer to ensure that these values are also put into practice. This system embraced all employees, from the service worker down to the dispatch clerk. The employees themselves can define the criteria on the basis of which the managers are assessed. How, for example, do the managers deal with diversity, with upheaval and change processes? And to what extent is the potential of each individual employee really promoted? For the latter, Pfizer offers a comprehensive learning programme. Particularly talented employees are given the opportunity to undergo further training at the partner universities, for example in St. Gallen or Mannheim – and sometimes they are even sent to the elite university of Harford.

Mr. Köbele reported that, on the whole, there was a fresh wind blowing at Pfizer. And with regard to Europe, the recently appointed CEO, Jeffrey B. Kindler, had set a new course: “Exploit the opportunities which Europe has thanks to its diversity,” he told Mr. Köbele before he set off for this conference. “If that works, we’ll also do that elsewhere.”

Code of Conduct

Deutsche Post World Net
...MAY YOUR BUSINESS BE SUCCESSFUL...

Der Code of Conduct reflektiert die wichtigsten Werte, Ideen und Visionen von Deutsche Post World Net und ist eine für alle Regionen und Unternehmensbereiche des Konzerns verbindliche Formulierung

<p>Unsere ethischen Verpflichtungen</p> <ul style="list-style-type: none"> Qualität im Fokus Kundenzufriedenheit Gesetze und ethische Grundsätze Transparenz Rechnungslegungs- und Berichtswesen Geldwäsche 	<p>Integrität in unserer Geschäftspraxis</p> <ul style="list-style-type: none"> Vertrauen der Aktionäre Dialog mit Geschäftspartnern Interessenkonflikte Fairer Wettbewerb Bestechung und Korruption Geschenke und Vorteile Finanzielle Zuwendungen an Dritte Datenschutz
<p>Unser Maßstab der Zusammenarbeit</p> <ul style="list-style-type: none"> Individuelle Verantwortung und Einbindung Gegenseitiger Respekt und Offenheit Chancengleichheit/Diversity Gesundheitsmanagement Unternehmenseigentum Rechtliche Verfahren Insider-Informationen 	<p>Unsere soziale Verantwortung</p> <ul style="list-style-type: none"> Gesellschaftliche Belange Umwelt

Konferenz „Qualität der Arbeit – Schlüssel für mehr und bessere Arbeitsplätze - Workshop 1

9

Introductory paper by Walter Lindemann

“Change” was the buzzword which Deutsche Post had coined since the fall of the wall, Mr. Lindemann said. For the prejudices of “snail mail” and “civil servant state apparatus” which still existed had long since been superseded. Deutsche Post had developed into an international logistics group operating in 220 countries and is the world’s second-largest employer with 520,000 workers.

That entailed a lot of responsibility. It was important to master the “art of the new management of Europe” according to Mr. Lindemann. As Deutsche Post sold a service and not a specific product, the corporate culture was a particularly important mainstay. For progress in productivity would only be effective if the workers went along with it. Mr. Lindemann sees the key to success in “exploiting customer intelligence and worker intelligence.” He also stressed the importance of a good “culture of mistakes”.

Deutsche Post has introduced a special model so that the workers can better identify with the corporate values: Each member of the Board stands for a certain value. Whether it is a matter of “providing excellent quality”, “making the customers successful”, “showing integrity” or “assuming social responsibility” – each Board member practises one of the total of seven values explicitly. “After all, we do not want to simply create a gloss finish but actually fill the values with life,” said Mr. Lindemann. Of course, these values are not to remain at Board level but are also to cascade downwards to all the workers. Each individual employee must be able to recognise what he gains specifically from putting this value into practice.

Discussion

Wolfgang Bücherl from the European Commission asked how Pfizer specifically wanted to exploit the “European diversity”. Mr. Köbele again highlighted the major importance of a culture of mistakes where “you must not be punished for every mistake”. A boss should be open and also let the workers “try things out”. If it works, the aim is to “scale up”, if not, the project is simply discontinued.

Heinz Kowalski from the Institute for Workplace Health Promotion is still sceptical about this “culture of mistakes”. For how does a company cope when mistakes actually cause a crisis, as was the case with the Mercedes E-class?

Prof. Minx replied that Daimler had previously had the principle "the best or nothing". They had learned since then that the best changes can arise from problems. Short-term failures could even help to avoid long-term mistakes. After all, it was not a question here of short-term cosmetics but of long-term working at the roots. So you should give people a chance to grow from mistakes. Naturally, trust was an important condition. Trust of the management in the workers, but also of the workers in the management.

Gerhard Fisch of the SPD parliamentary party stressed that people should be viewed as resources and not merely as a cost factor. But in view of all these change processes, how can you enthuse people for something new and at, the same time, cater for their need for security?

Professor Minx mentioned various conditions for the willingness to change, for example pressure and motivation but also the feeling that change was needed. The world was becoming ever more complex and change was not a straight line but circular and iterative. Professor Minx coined a phrase which was later to be used frequently at the conference: A sort of "cheerful obsession" was needed. That meant to "dare to do things, initiate something and be clear that we are in a constant process of change".

In reply to the question as to how a good corporate culture is created, Mr. Köbele mentioned various factors: family-friendliness, support also with nutrition and health and the possibility of a home office. "That pays off," Mr. Köbele said, speaking from his own experience: An employee who, about 15 years ago, wanted to work from home for private reasons later returned to the head office to then make an impressive career.

Dr. Kalff stressed that management must not only take place using accounting principles. In the interest of the shareholders in particular the aim was also to take other values into account.

Ulrich Riese from the Federal Institute for Occupational Safety and Health took a critical view: "When things get tough, they get out the big hammer anyway." For even if you've been talking for years about "respect for the workers" – a worker who is made redundant gains nothing from all this.

In this respect Walter Lindemann advocated openness and finding solutions together. Walter Köbele also pointed out that it was all the more easier for workers to find a new job the more qualified they were. Therefore, the aim was to offer good further training from the outset and prepare the workers to cope flexibly with changes.

Ludger Ramme from the German Managers' Association raised another issue: Is there at the present time still something like "patriotism", to be understood as "love for the location"? Both Walter Lindemann from Deutsche Post and Eckard Minx from Daimler stood by their roots. It was only on the good basis of the locations that companies became what they were today. And Professor Minx stressed: "Germany still has the world's best engineers." There was good reason why many people came from abroad to Aachen, Stuttgart, Darmstadt and Mannheim to study here.

But why should Europe be a "young people's business," Dr. Gerhard Ernst from the Federal Ministry of Education and Research wanted to know. And how can you motivate the 40 and 50-year-olds to have a "cheerful obsession"? And how are we coping with the fact that ever more younger people have a migration background?

Professor Minx was convinced: "There are only problems where we promote too little". And he did not consider the demographic development as dramatic as it is often portrayed.

The newly coined phrase of "cheerful obsession" finally became the final word in the discussion. Heinz Kowalski added: "A cheerful obsession would not only do the company good but would also promote health".

The presenter, Martin Spilker, finally summed up: "Maybe today, we have all come a bit closer to the objective of drawing a 'map of the future' for Europe."

Workshop 2

Human assets – a contribution to corporate success

with **Dr. Matthias Böcker**, Managing Director of Sparkassen Rating und Risikosysteme GmbH, Germany, Under-Secretary **Ulrich Becker**, Federal Ministry of Labour and Social Affairs, Germany, **Peter Friederichs**, Chairman of the Board of Human-Capital-Club, Germany, and **Andreas Schubert**, Chairman of psychonomics AG, Germany.

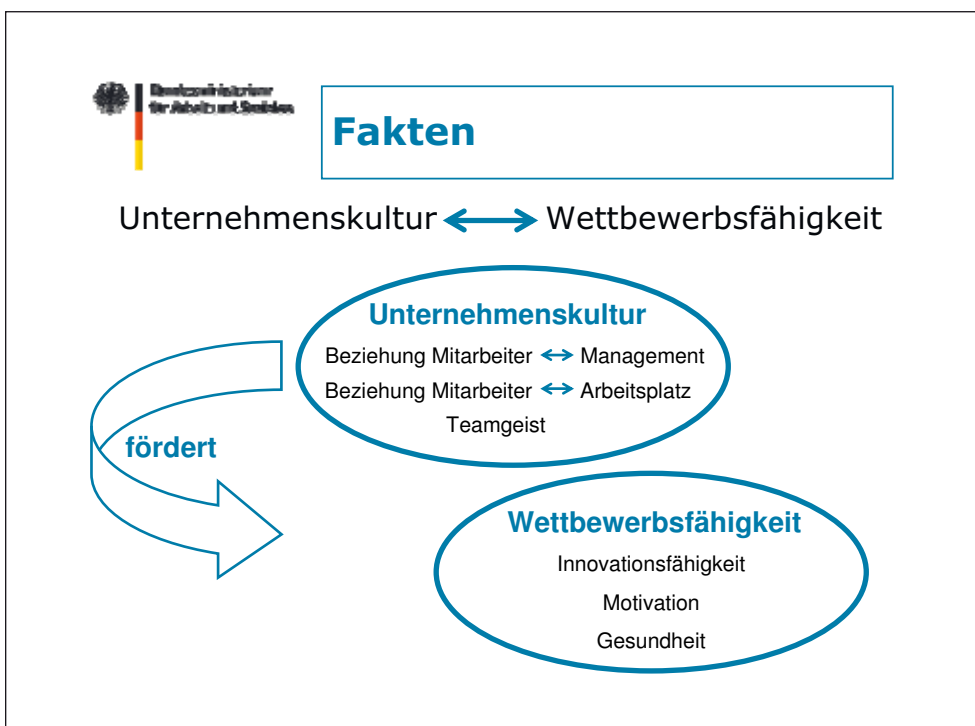
Introductory paper by Ulrich Becker

The quality of work was a fundamental precondition to achieve the objective set in Lisbon of making Europe the region in the world with the strongest economy by 2010. “We must pin our hopes on qualifications and innovation,” Mr. Becker stressed. For this purpose it was necessary to deal with the people and their needs.

The right way to deal with the human assets would have to be fostered using the corporate culture: with a management which appreciates the work of its employees, promotes professional development, creates healthy working conditions and tries to give every employee the feeling that he is important for the economic situation of the company.

What role could his Ministry play here? In addition to the classic task of creating a legal framework, his Ministry also operated as an activator, as an institution which furthered important political issues – through PR work and events like this. It was a matter of creating a general awareness of the fact that promoting the human assets was a justified issue.

The aim was perhaps also to search for crown witnesses in the companies who, with a worker-oriented corporate culture, represented an example to other companies. It was also advisable to develop indicators which permitted comparisons between the companies. The development of such “tools” was also a task of the Ministry as was winning and including other players, for example representatives of the finance industry.



Introductory paper by Peter Friederichs


A qualified psychologist, Mr. Friederichs presented a method, "Human Capital Measurement", which he described as an ideal solution to sustained personnel and company management. Until now there had been no sensible instruments to permit an assessment of the human capital. Only when this possibility existed and managers could be made accountable would the objective of a sustainable company management be achieved. Human-Capital-Club Deutschland wanted to make a contribution so that in 2010 every manager could be measured by the increase in the human capital entrusted to him.

A number of indicators would have to be assessed in order to measure the value of the human capital. These included the qualification rate, the turnover rate, the sickness rate, productivity as well as personnel expenditure per employee. Mr. Friederichs reported about the use of the indicators in a study conducted at Hypo-Bank jointly with the University of Munich. It was discovered that the human capital value correlated strongly with the innovation performance of the section managers ($r = 0.48$), with the worker-oriented leadership style (0.46), the business success of the section managers (0.41) and customer satisfaction (0.37).

Mr. Friederichs' conclusion: The measurement resulted in a benchmarking of the management. There was a greater effect on the selection and development of the managers and an exemplary character of the human capital leader for new recruits. Promotion measures for workers could be derived from this, for example targeted further training or better individual development. At the management level targeted coaching for managers could then be conducted and incentives created with bonus payments if human capital objectives were achieved. Advantages for the company: Personnel risks could be identified and reduced, targeted projects could improve the employer's image.

Introductory paper by Dr. Matthias Böcker

From the point of view of financial institutes, the creditworthiness of a customer is of crucial importance for granting loans. According to Dr. Böcker, creditworthiness could be estimated quite well with a rating system. Numerous factors of the company were examined for the



Messung des Human Capital Value durch Indikatoren									
Die Rohwerte der Indikatoren wurden auf eine Prozentrang-Skala (1-100) übertragen.									
Untern.-Bereiche	A	B	C	D	E	F	G	H	I ++
Indikatoren	% Rang	% Rang	% Rang	% Rang	% Rang	% Rang	% Rang	% Rang	% Rang
Qualifizierungsquote	34	50	23	65	19	51	68	1	30
Beurteilungsquote	4	30	8	28	10	32	18	93	81
Mitarbeiter in Förderr.	89	100	41	99	73	92	96	3	18
Frauenanteil in Förderr.	84	99	60	100	93	78	95	24	35
Topmitarbeiter im Bereich	58	77	73	91	65	8	88	4	16
Fluktuation	85	57	32	26	57	49	45	4	22
Krankheitsquote	46	74	28	85	51	43	90	0	64
Produktivität	20	91	16	77	57	68	4	12	18
Mehrarbeitsquote	53	93	47	8	27	96	82	0	7
Teilzeitquote	73	81	95	43	70	15	16	62	12
Personalaufw. pro MA	14	22	61	50	14	11	24	34	36
Tantiemeanteil/Gehalt	56	21	56	8	64	35	39	3	15
Gehaltszuwachs	48	77	41	93	62	59	63	15	80
Human Capital Value	49	99	22	92	46	35	80	1	4

Qualitative Faktoren haben eine hohe Trennschärfe
Fazit: Gutes Humanvermögen wirkt positiv auf das Rating!

WEICHE QUALITATIVE FAKTOREN

Unternehmensstrategie

1. Beurteilung der Unternehmensstrategie
2. Beurteilung des Strategiemaneagements

Management

1. Beurteilung der fachlichen Qualifikation der 1. Managementebene
2. Beurteilung der persönlichen Qualifikation der 1. Managementebene
3. Beurteilung der Qualifikation der 2. Managementebene
4. Beurteilung der Zusammenarbeit innerhalb des Managementteams?

Personal insgesamt

1. Beurteilung des Personalmanagements
2. Beurteilung der Personalszufriedenheit
3. Beurteilung der Arbeitsmarktsituation
4. Beurteilung der spezifischen personellen Risiken

Masterskala

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- 16 u. a. EWB
- 17 u. a. Kündigung
- 18 Insolvenz

Fazit:
Das Humanvermögen (in Form der Abfrage über die Qualitativen Faktoren) hat aufgrund seiner guten Trennschärfe einen Einfluss auf die Einschätzung des Unternehmens.
Nicht zuletzt drückt es sich mittelbar in der Rating-Note und in der Bepreisung des Kredites aus.

Rating und Risikosysteme GmbH

Impulsreferat Humanvermögenorientiertes Rating
2./3. Mai 2007
Seite 4

rating. In the end a rating mark was issued which could even provide information on what the probability was that a customer could no longer discharge his payment obligations in the next 12 months.

The actual engine for all sectors of a company was the human capital which thus became an important part of the company assessment for his bank, Dr. Böcker explained. Or to put it another way: The factor people had an impact on the creditworthiness of a company.

What qualitative factors are assessed for the rating? Dr. Böcker makes a difference between the corporate strategy, the management and the personnel levels. The managers are assessed according to their specialised and personal qualifications and the quality of co-operation among each other. In assessing the personnel, the HR management, staff satisfaction, the labour market situation as well as the specific personnel risks played a role. Dr. Böcker's conclusion: Good human capital has a positive effect on the rating.

Introductory paper by Andreas Schubert

The speaker reported on a research project of the Federal Institute of Occupational Safety and Health (BAuA) on the subject of "Competitiveness of companies through an improvement in qualitative human-capital-oriented criteria". A rating system was to be created which companies can use.

The benefit for companies is clearly defined, Mr. Schubert said: The rating system served as a strategic control element, as the benchmark for tools of the HR department and as proof of the company's solidarity with the market. However, the system was also interesting for financial intermediaries, as an instrument for better risk assessment, for support in advising companies and for improved market positioning.

Mr. Schubert said that the research project was running in several stages. At the beginning the existing rating approaches are evaluated, then a model for the human capital rating is developed which will be examined critically by a body of experts. Then follows the validation phase during which 60 companies are initially rated. This phase was now starting and interested companies could still join the project.

The rating system itself is split up according to HR core topics, HR processes and sustainability. The indicators include, for example, the question of corporate guidelines or regular staff

appraisal interviews. Companies which want to use this tool can complete an online questionnaire in an initial stage (free of charge) and they then receive a benchmarking. In order to further intensify this rating, a local audit then takes place in which the organisation, relevance, dissemination and strategic anchoring of the HC measures are audited. The most stringent audit – that of sustainability – is then the evaluation using a staff survey.

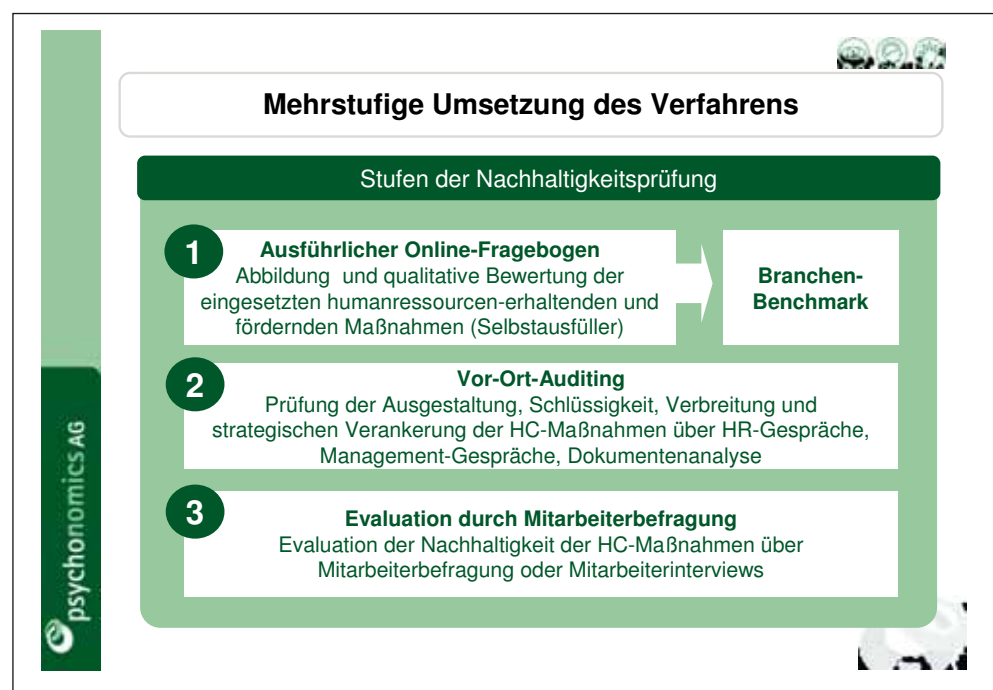
Discussion

One question addressed to Dr. Matthias Böcker was to what extent the forecasts which were made with the ratings proved correct. The answer was that the rating system was naturally planned to cover several years. For a forecast for one year the banks only needed to examine the account data. Naturally, the systems were also optimised after a comparison of the forecasts and the reality which occurred after some years. The vision was a forecast over the entire economic cycle (between 10 and 15 years).

Peter Friederichs emphasised the importance of rankings for the commitment of the management: "We want to influence the management, best of all with such ratings." Dr. Böcker confirmed his opinion that with the sentence: "What you can't measure you can't manage." Mr. Friederichs was sure of one thing: Only when managers were included in such rankings were they inclined to act. It was important to identify the personal responsibility, to give every Board member feedback on his personal increase of the human capital.

Another workshop participant emphasised that measuring systems definitely had to be flexible in order to be able to also include new indicators. Other participants highlighted the smaller enterprises which frequently did not have the financial resources to deal with the further training of their employees for example. The question asked of Ulrich Becker related to what extent the Ministry could offer support in this respect as part of economic development. He referred this question to INQA which had numerous regional networks and company associations.

His Ministry financed the start-up, networks would have to finance themselves later so the entrepreneur paid for the services which permitted him to better manage his enterprise. Mr. Becker emphasised that there should be no "money-grabbing" effects. The enterprises had to



have a personal interest in calling up this information. Help towards self-help was indispensable. Whereas Andreas Schubert regarded a lack of resources as a critical problem for small and medium-sized enterprises, Peter Friederichs believed that the managing director of a small enterprise with 10 employees could also readily call a staff developer into the company.

Another question was asked about how the aforementioned tools for the assessment and further development of the human capital worked in a restructuring phase when personnel expenditure had to be reduced. “Where do the tools have the flexibility so that they can react to different situations in companies?” was the question. Mr. Friederichs stressed that the systems were not rigid. Each company had to formulate its HR policy objectives every year. If a company was undergoing restructuring, the objectives would certainly be different to those at a company in a phase of prosperity. However, managers would still have to make statements on the human capital.

Workshop 3

Quality of work – influence on innovativeness


with **Ulrich Klotz** (presenter), IG Metall management (Industrial Trade Union for Metal), Frankfurt a. M., Germany, **Prof. Dr. Dr. Michael Kastner** (presenter, paper), University of Dortmund, Germany, **Prof. Dr. Reinhard Doleschal**, University of Applied Sciences Lippe and Höxter, Germany, **Rainer Ebke**, Ebke-Küchen, Germany, **Christine Reick**, University of Dortmund, Germany, **Walter Ganz**, Fraunhofer Gesellschaft, Institute for Industrial Engineering IAO, Germany, **Hannes Oberlindober**, Tekomedia, Germany, and **Dr. Hans-Joachim Schulz**, federal administration of the ver.di trade union, Germany.

Introductory paper by Prof. Dr. Wolfgang Stark

"Innovative through responsibility" was the title Prof. Stark gave his brief paper and he started with the question of how social innovations could be designed above and beyond company and industry boundaries. He asserted that the development of corporate culture and the quality of work was more than "bread and games": "The quality of work will be decided tomorrow by the growth possibilities for the individual and the responsibility for society."

The Professor continued to say that value-oriented companies were companies in the sense of an improvement in the quality of work which created purpose both for society and the employees. A suitable balance between learning and organising was necessary for this. Learning meant going beyond possibilities of action and that contradicted organising where rules were introduced which excluded other possibilities. Companies would have to find this balance between the freedom of learning and the routine and security of organising.

According to Professor Stark, the conditions for innovations were decided by our conceptions of innovation. So-called incremental innovations where products and processes were improved were normal. Companies were also relatively good at this. Against the background of globalisation, companies in Germany and Europe could only develop their competitive edge further through "radical innovations", i.e. new products or new markets.

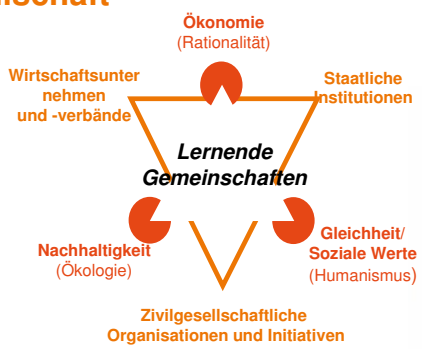



Bedingungen für Innovation in der modernen Gesellschaft

Inkrementelle Innovationen
(Produkt- und Prozessverbesserung) vollziehen sich innerhalb von Unternehmen oder Branchen

Radikale gesellschaftliche Innovationen (sinnstiftende Produkte, neue Märkte und Branchen) benötigen „innovative Milieus“ zwischen den gesellschaftlichen Akteuren

METALOG ALS GRUNDLAGE
VON CORPORATE SOCIAL
INNOVATION



Ökonomie
(Rationalität)

Wirtschaftsunternehmen und -verbände **Staatliche Institutionen**

Lernende Gemeinschaften

Nachhaltigkeit (Ökologie) **Gleichheit/ Soziale Werte (Humanismus)**

Zivilgesellschaftliche Organisationen und Initiativen



Prof. Dr. Wolfgang Stark, Universität Duisburg-Essen

29.05.2007

Radical innovations in turn were created in a context of companies, state institutions and civil law organisations and initiatives. If these radical processes were to be developed, a connection would have to be made between the economy, the ecology and the development of social values. To this end we needed learning communities which went beyond the companies and which developed social innovations jointly in metalogue.

That in turn meant that the role of the companies was changing on the road to the global civil society. Company social responsibility (CSR) was one step in the direction of social innovations as a catalyst for change processes both for the further development of values and corporate cultures and for the further development of intersectoral co-operation and learning processes. "If we initiate an intersectoral metalogue," Professor Stark continued, "both the companies and social institutions and civil law initiatives must open themselves up more than before."

Introductory paper by Prof. Dr. Reinhard Doleschal

The speaker presented the results of a three-year project entitled "Innovation-promoting corporate culture from another world". The project involved small and medium-size companies in the timber and furniture industries (20 to 250 employees), the University of Applied Sciences Lippe and Höxter as well as a large number of co-operation partners.

The product created was called "OTIM" (Open Total Innovation Management), which he described as a simple concept for innovation leadership and corporate culture in small and medium-sized industrial enterprises.

In the first phase a company analysis was conducted: "Anyone who wants to change something must ask where he stands." The resources, finances and competencies, for example, were studied as well as the engines: Were they banks, markets or technologies? To make the check simple, fast and effective, a digital analysis tool had been developed.

The purpose of the second phase was to achieve simple things. For example, in the work system design questions were asked about safety, order and cleanliness. The strategy involved looking for an answer to the questions about which resources were available, how the employees had to be qualified, how the internal processes functioned and what customers and markets were served.



Finally, Dr. Doleschal listed the success factors of "OTIM": This was a comprehensive approach from the company management down to the porter; practical methods and tools were offered, honesty, respect and trust played a major role, motivated learning employees were important as were as a high regional network quality ("opening outwards") and common objectives. One thing above all was important: OTIM could not be copied. Technology, for example, could be reproduced in Japan or China but not corporate and innovation culture.

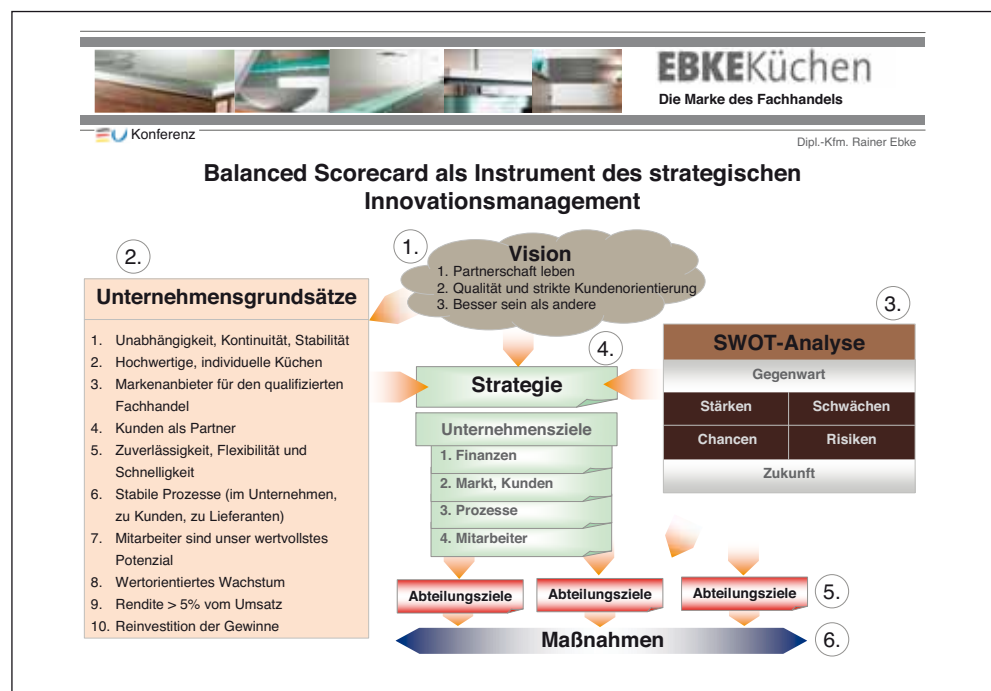
Practice report by Rainer Ebke

Ebke-Küchen was one of the practical partners in the OTIM project. The family enterprise (since 1961) with 130 employees manufactures built-in kitchens produced individually on a consignment basis which are marketed through the retail trade. About the market: The boom times had gone by the mid-1990s, the market, according to Mr. Ebke, had been declining over the last 10 years with double-figure decreases. The branch had to combat excess capacities, intensification of the competitive conditions and pressure on prices – jobs were lost, many enterprises went bankrupt, but at the same time, Mr. Ebke continued, customer demands rose. All in all, the phenomenon of polarity with a dwindling middle field (between up-market and cheap products) had also occurred in the kitchen and furniture industry.

In 2001/02 a process of restructuring was started at Ebke-Küchen and in 2003 the conversion phase with many exciting experiences was commenced: Within two years the entire production flow had been reorganised in co-operation with the University of Applied Sciences. Productivity rose by 45% in this period. The increasing fears of the workforce were countered by making those affected participants.

Mr. Ebke reported that one tool had been very helpful with implementation: the balanced scorecard. The vision and corporate principles were laid down in a first step and then the employees familiarised with the values. Then the employees were asked about the strengths and weaknesses of the company and the views of the employees were integrated into the corporate objectives. Finally, teams were formed with the task of further concretising the corporate objectives.

The reorganisation process in which the employees changed from spectators into doers had released an unbelievable commitment and resulted in a change in the climate in the company



– with more transparency, more motivation, more independent action. The result: An increase in earnings, job security and the recruitment of new workers (for the first time in six years). The key for every change management, Mr. Ebke stressed, was the inclusion of the workforce.

His conclusion: The initiative for a change process had to start with the management. It required a considerable amount of courage to open up oneself and bring more transparency into the company and it required trust in the employees. It was helpful to combine the process with a systematic methodical procedure and to make use of an external partner who not only laid down concepts but also accompanied the process.

Statement by Prof. Dr. Michael Kastner

The following contribution dealt with the “effects of trust as a general condition of good work on innovative strength”, in which Prof. Kastner presented the concept “INEUVO” in brief: A culture of trust, learning from mistakes, innovation, health. His theory: Cultures of trust are healthier, cultures of trust are fast – and therefore a crucial competitive factor. Normally, according to Prof. Kastner, people tried to hide their mistakes. However, it was better to “out” the mistakes in order to initiate a joint learning process. It was important to treat people who admitted a mistake as if they had made a suggestion for improvement. The more trust there was in a company, the sooner the employees were prepared to admit a mistake. The more mistakes that were admitted, the more trust was created among colleagues. Ideas for new processes and products evolved from this. However, this culture created more motivation and identification with the company, which was then to be viewed as health-promoting.

Practice report by Christine Reick

In the first part of her paper, Ms. Reick dealt with the factor “trust” which was a key element in the corporate culture. In addition to a number of good characteristics, however, trust also contained some risks: For trust was always a decision against control as well. However, control played a role for the individual, the team and the organisation and had various functions.

At the cognitive level (perception), according to Ms. Reick, trust ensured, for example, a greater ability to learn and improved the information flow. At the affirmative level (emotion), trust provided a feeling of peace and security and improved the social support in a team. At the conative level (action), work motivation and performance was increased through trust, problems could be solved more easily and the organisational ability to act was improved.

As a practical example of trust experienced, Ms. Reick mentioned Skytec AG, a strongly expanding IT consultancy company with 200 employees worldwide, which had received several awards as best employer. To record the relevant dimensions, a questionnaire had been developed for the employees in which they assessed values such as trust, openness, participation, health and tolerance of mistakes according to the criteria of how much these values were wanted and how much they were experienced.

The result had shown that values such as trust, learning from mistakes and health were regarded as very important. The desired values tolerance of mistakes, openness and participation were close to the values experienced. At Skytec, INEUVO was successfully experienced, Ms. Reick said in summary. There was extremely broad latitude for action and taking decisions for the employees, the informal communications (“floor radio”) with many nooks and crannies set up in the company building for talking, the salaries were agreed individually, there was no competence catalogue and no workplace instructions: Every form of regulation and formalisation was avoided.

The advantages of this trust culture: rapid reaction to customer wishes, faster forwarding of information, direct and open feedback, mutual learning as well as increase in knowledge through sharing, thus permitting individual solutions for customers. Christine Reick ended her



	kognitiv	affektiv	konativ
Individuum	<ul style="list-style-type: none"> • Reduziert soziale Komplexität • Äquivalent für Informationen • Stiftet Ordnung • Erhöhte Lernfähigkeit 	<ul style="list-style-type: none"> • Gefühl der Ruhe und Sicherheit • Verbessertes persönliches Wohlbefinden 	<ul style="list-style-type: none"> • Erhöhte Handlungs-, Anpassungs- und Stressbewältigungsfähigkeit • Erhöhte Arbeitsmotivation und Arbeitsleistung (Innovativität)
Team	<ul style="list-style-type: none"> • Erhöhte Akzeptanz von Einflussnahmen (feedbacks) und Abhängigkeit • Verbesserter Informationsfluss • Erhöhte Akzeptanz von Vorgesetztenentscheidungen und ihrer Autorität 	<ul style="list-style-type: none"> • Emotionales Band zwischen den Teammitgliedern • Emotionale und soziale Unterstützung 	<ul style="list-style-type: none"> • Erhöhte Hilfs- und Kooperationsbereitschaft • Verbesserte Problemlösefähigkeit • Erhöhte Bereitschaft zu Selbstöffnung
Organisation	<ul style="list-style-type: none"> • Hohe Informalität • Kostensenkung 	<ul style="list-style-type: none"> • Humorvolles Abteilungs- und Betriebsklima 	<ul style="list-style-type: none"> • Erhöhte organisationale Handlungsfähigkeit (Experimentier- und Innovationsfähigkeit)

DLR
 Bundesministerium für Bildung und Forschung
 Seifert, 2001
 Lehrstuhl für Grundlagen und Theorien der Organisationspsychologie, Universität Dortmund

paper with an impressive quote from a Skytec employee: "It is really something special that every single employee can also be an entrepreneur with all the powers but also all the responsibilities. The feeling of belonging together and the willingness to co-operate are unique. At Skytec everyone helps his colleagues and no one has to worry about making a mistake. In this atmosphere you have the best ideas and the customer the more successful projects."

Introductory paper by Walter Ganz

The starting point for the project to develop performance mission statements (PerLe) was the question why companies dealt with corporate culture and mission statements. Worth mentioning were inputs from outside such as customer expectations or the behaviour of competitors as well as inputs from inside such as the generation change in the company management or the introduction of new management concepts. What consequences do mission statements have for a company? Mr. Ganz identified some problems: For example, the adaptation of structures and processes to changed or new mission statements frequently lagged behind. Therefore, mission statements were often just purely symbolic, i.e. a marketing tool. And implementation frequently got stuck at middle management level: The combination of "top down" and "bottom up" was important.

The work level should therefore be targeted much more with the mission statements, Mr. Ganz stated, and not only the marketing or strategy levels. Moreover, the effect of a new mission statement was important and therefore the question of measurement. The drivers of a cultural change would receive in-house recognition if they could verify the effect.

In addition to the concrete operative business, the project also included a broad-based survey aimed at answering the question of what corporate culture looked like in companies. Two design parameters were established: the importance of common values and standards as well as the action latitude of the employees. Mr. Ganz drew the listeners' attention to the role of these two factors in companies with a participative corporate culture (about 15% of all companies surveyed) and companies with an individualistic corporate culture (about 20%).

In both cultures great store was laid by a high degree of action at latitude for the employees. In the participative culture there was also a relatively homogeneous value system as a binding

element, but this common factor was missing in the individualistic culture. A look at the growth of employees and turnover showed that companies with a participative corporate culture did better. Therefore, action latitude alone did not have sufficient importance for success.

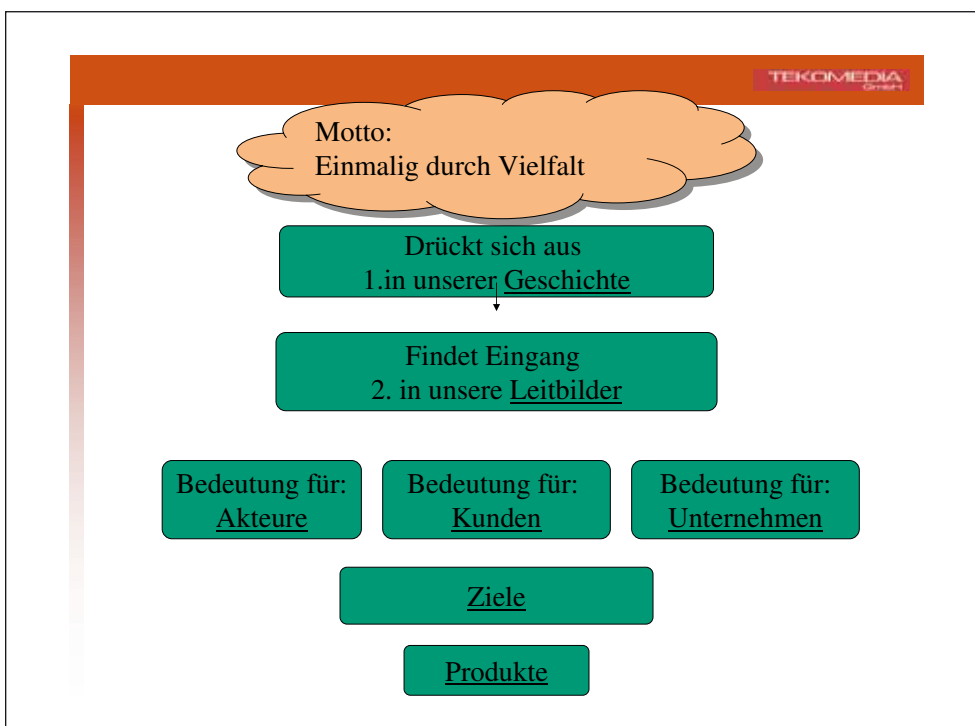
His conclusion: It was not completely clear to some companies what one could design and move with mission statements when they were not solely viewed as strategic factors. During implementation the aim was to actively involve all workers. After all, the important aspect was to develop tools to measure and assess mission statements – from the economic point of view and from the aspect of the employee (“Has he/she any benefit?”).

Practice report by Hannes Oberlindober

The speaker firstly presented his company in brief: Tekomedia offered “remote-dialogue-based services” (“less elegant: call centres”) and employed 30 people. The company stemmed from a “resistance movement”. After the former management wanted to abandon the location, the workforce founded a worker initiative. As the workers came from one company which relied heavily on hierarchy and not on participation and viewed communication as assembly-line work, the objectives of the new company were clear: participation, self-organisation and democratic self-administration.

Mr. Oberlindober said that, at some time, the question arose: What do we stand for? An identity was missing. There was an increasing number of customers who asked about the claim of quality they had set themselves. However, the speaker went on, every quality management needed a clear mission statement. To ascertain this mission statement, Tekomedia joined the project “PerLe”.

The workers were surveyed and central guidelines developed: shaping the future through market leadership, commitment and quality, growth and excellence, social competence, value pluralism and differentiated leadership. The paper was presented to the employees (according to the top-down principle) and, Mr. Oberlindober recalled: “There was a ‘bang’ throughout the company.” The criticism was clear: The mission statement disregarded the reality of work, the linguistic formulation met with incomprehension, the players did not feel sufficiently involved.



After numerous feedback processes, the mission statement was fundamentally revised and then discussed with each individual employee.

A mission statement was developed which was similar to a constitution. Mr. Oberlindober quoted the first three very important sentences: "Firstly: Tekomedia lays great store by the diversity of its players. The involvement of different perspectives and the combination of individual strengths and skills are the basis of the constant further development of performance, quality and working conditions. Secondly: Sovereignty is the basic value of our company. We have confidence in the quality of our work. We trust the skill and willingness of our players to act independently and co-operate. Therefore, we exclude distrust as a principle. Thirdly: We are a learning company. This requires open communication with one another, where shortcomings are openly discussed and quickly remedied without them being viewed as crimes. Mistakes are possibilities to improve something, they are not a cause for assigning blame."

The objective was now to put this mission statement into practice: What does it mean for customer communications and for working together? For example, a "Quality" steering group was specially set up which translated the mission statement into guidelines for the telephone sector, i.e. the central working area. A coach was appointed from their own staff's ranks who acted as a middleman between the individual interpretations of the mission statements and the quality understanding of the company.

Paper by Dr. Hans-Joachim Schulz

The trade union representative reported on the development of the "Ver.di innovation barometer". Initially, there was a question of what the situation was like with the crucial dimension of the innovation culture in the companies. The Supervisory Board representatives of ver.di in the companies who worked in an honorary capacity were surveyed. There was feedback from some 145 companies with a total of 1.1 million workers, covering all branches of industry and company sizes. Those surveyed had an average age of 50 and had, on average, been in the company for 23 years: "These are people who know what they're talking about." They were asked about the role of codetermination, the systems in the innovation process, the corporate culture, further training and the health problems on the basis of the burnout syndrome.

Dr. Schulz cited some results: For example, two thirds to three quarters of those surveyed indicated that they regarded their company as innovative compared with other companies in the branch of industry. However, they were referring to improvements in processes and products. In reply to a question about radical innovations, 68% had to admit that they could not identify any of these in their company. This concealed an enormous potential, Dr. Schultz believed.

He regarded the information on the qualifications as positive: 78% said they were satisfied with the programme of vocational and further training. On the other hand, confirmation of the statement: "I have adequate possibilities of advancing innovation tasks" was less positive – two thirds of those surveyed answered no. Another question was: "Is there a culture of encouragement and trust in the company?": 31% said "yes". The possibility of open criticism was confirmed by 30%; here, the figure was 21% for the female Supervisory Board members, 36% for their male colleagues.

Gender differences were found throughout the entire survey, Dr. Schulz reported. For example, women judged the importance of "soft skills" for the innovation capability of a company higher than a systematic procedure, the situation was the exact reverse among the men. All in all, women felt less integrated in the entire innovation situation than the men. Dr. Schulz: "Over half of the innovation potential is wasted."

The result for the question about the occurrence of extreme tiredness among workers in the companies was horrific: In 2005, 55 % of the Supervisory Board members answered this question in the affirmative, in 2006 the figure was 62 %.

Discussion

Proceeding from the discrepancy between claim and reality of an innovation-promoting corporate culture, the presenter, Ulrich Klotz, raised the question of how one could change from one culture to another. According to the answer, an existential crisis was frequently the cause. Rainer Ebke repeated that calling in external help was an advantage which, however, should not only provide a concept but also accompany the process.

“Can small and medium-sized enterprises afford this process to be accompanied?,” one participant asked. Michael Kastner believed that SMEs could, after all, afford tax consultants, too. Wolfgang Stark noted that corporate culture had to go beyond the company. At the same time, it was also a matter of the social culture and the question what role the companies played in our society. Reinhard Doleschal highlighted the importance of networks, the linking of SMEs with the vocational training facilities through research projects, placements and graduate work.

Workshop 4

Demographic change – Challenges for companies in Europe

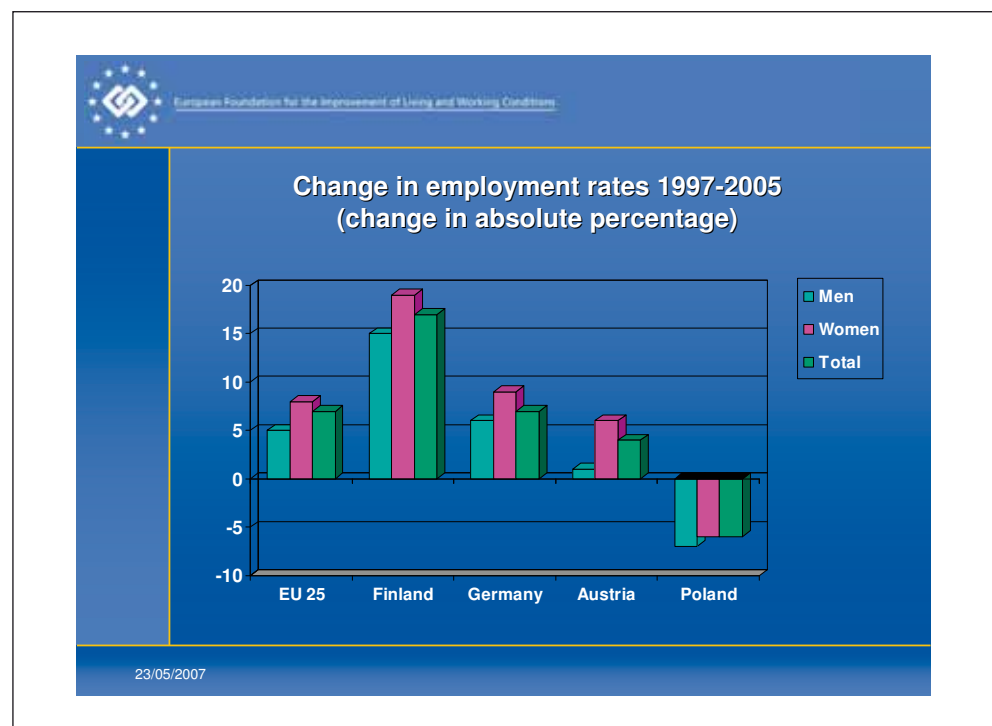
with **Willy Buschak** (presenter), Deputy Director of the European Foundation for the Improvement of Living and Working Conditions, Republic of Ireland, **Robert Anderson**, European Foundation for the Improvement of Living and Working Conditions, Republic of Ireland, **Andrea Dorr**, Austrian Institute for SME Research, Austria, **Prof. Dr. Gerd Naegele**, Forschungsgesellschaft für Gerontologie e.V. (Research Association for Gerontology), Germany, **Rita Oldenbourg**, Finnish Institute of Occupational Health, Finland, and **Saskia Wollny**, Federal Employment Agency, Germany.

Starting paper by Robert Anderson

Mr. Anderson, who like the presenter Willy Buschak, represented the European Foundation for the Improvement of Living and Working Conditions, in short Eurofound, saw himself as a “warm-up” for the following presentations and provided the background facts: “We must see the ageing workforces in the context of an ageing population,” he stressed. Whereas today there were four people of working age for every person over 65, in the year 2050 there would be only two people. “What does this mean? A challenge! Not a defeat and also not a crisis,” Mr. Anderson said. The average age of the workers was currently 41 and was increasing by one more year every five years.

It was therefore no wonder that in recent years the European finance ministers had started to take an interest in the demographic change. The issue was now very high up on the political agenda.

Major objectives had been laid down in Stockholm and Barcelona – such as the raising of the actual retirement age, which was currently 61 in Germany and on a European average. The so-called “Barcelona Conclusions” obliged the member states to promote “active ageing” and to improve the employment figures of older workers. Firstly, the working conditions should be adapted to older workforces in order to guarantee their work ability up to retire-



ment. Secondly, the premature departure from working life should no longer be subsidised. And thirdly, companies should be encouraged to recruit older workers.

The employment rate of older workers was roughly 43% on a European average. Mr. Anderson showed that older women in particular were often without employment. Although the situation was very different in the individual member states, one development was identified in all countries: The employment figures for the 55 to 64-year-olds had clearly improved everywhere in recent years – with the exception of Poland. In Germany, for example, the figures for the years 1997 to 2005 had risen by 7%. Mr. Anderson asked the workshop participants: “Why is it that the employment figures have already improved significantly? It is not only because the Commission and the Council wanted them to change. One reason is that the laws have changed. But it is certainly also due to the commitment of the companies.”

Introductory paper by Andrea Dorr

Before Mr. Anderson’s questions were discussed, Andrea Dorr from the Austrian Institute for SME Research presented study results on older workers in the 10 new EU member states as well as in Romania and Bulgaria. The result: There is relatively good integration of older people into the labour market – but not in Poland, Romania and Slovenia. In all countries “active ageing in the public sector” was not a priority issue.

The implementation of political strategies and measures was only in its early stages. “Measures which could already be identified are, for example, reforms of the pension or social insurance system,” Ms. Dorr explained. Above all, the major and multinational companies were already implementing measures for older employees. However, these were not explicitly aimed at the target group of older workers but often incorporated into general CSR activities.

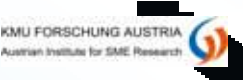
The situation was different with the best practices which Ms. Dorr presented. For example, at an Estonian bus company the average age of the over 1,000 workers was over 50. Here, they practised “redeployment”. Older drivers were deployed on quieter bus routes or worked as car park attendants. They were motivated by showing them respect and giving them the opportunity to pass on their knowledge to the younger workers.

8/10

Schlussfolgerungen I

- **Erhöhung der Integration älterer ArbeitnehmerInnen**
 - Bewusstseinsbildung der Bevölkerung und Wirtschaft
 - Koordination der öffentlichen Akteure und Strategien
 - Präventive Maßnahmen
(Gesundheitsvorsorge, Lebenslanges Lernen)

www.kmuforschung.ac.at



Another best practice example was Renault in Slovenia where ergonomic measures in particular had been implemented. "As a result, the recruitment possibilities of the company have extended to include older target groups. Moreover, the duration of employment was prolonged and the working atmosphere improved," Ms. Dorr said, explaining the benefit for Renault.

In order to further promote the integration of older employees in the new member states, above all the sensitisation of the population and industry to this issue had to be advanced. "The need to prolong the working life must become clear!" Ms. Dorr demanded. Furthermore, better co-ordination of the public players and their strategies was necessary. It was important for the companies to adopt broad-based preventive action instead of individual activities. The corporate culture and the commitment of the management and the employees were crucial for success.

Introductory paper by Prof. Dr. Gerd Naegele

Gerd Naegele from the Gerontology Institute of the University of Dortmund presented a guide for good practice in age management which was based on 130 case studies conducted in 11 European countries. The guide was produced in co-operation with Eurofound, the Gerontology Institute and the University of Cambridge and can be found on the Internet (www.eurofound.eu.int).

But how is "good practice in age management" defined? The primary aim was for companies to combat age barriers and the discrimination of older workers in the world of work and to promote age diversity and intergenerational co-operation, Dr. Naegele stated. "Why do companies introduce a specially good age management? Above all, for economic reasons! These are, for example, regional labour market bottlenecks, the desire to keep existing competencies or to reduce typical age-related labour costs."

The dimensions of age management systematised in the guideline – from doing without age limits for recruitment through the guarantee of lifelong learning down to occupational health and ergonomic workplace design. The aim of redeployment was less to obtain so-called

Institute of Gerontology at the University of Dortmund



Background to the guide

- Project: Employment Initiatives for an Ageing Workforce
- Founded by the European Foundation for the Improvement of Living and Working Conditions (www.eurofound.eu.int)
- Joint project coordination by Prof. Dr. Gerhard Naegele (Institute of Gerontology at the University of Dortmund) and Dr. Philip Taylor (University of Cambridge)
- Review of 130 longstanding case studies in 11 of the EU-15 countries plus further information from new research across the EU including the new Member States (NMS)

www.ffg.uni-dortmund.de

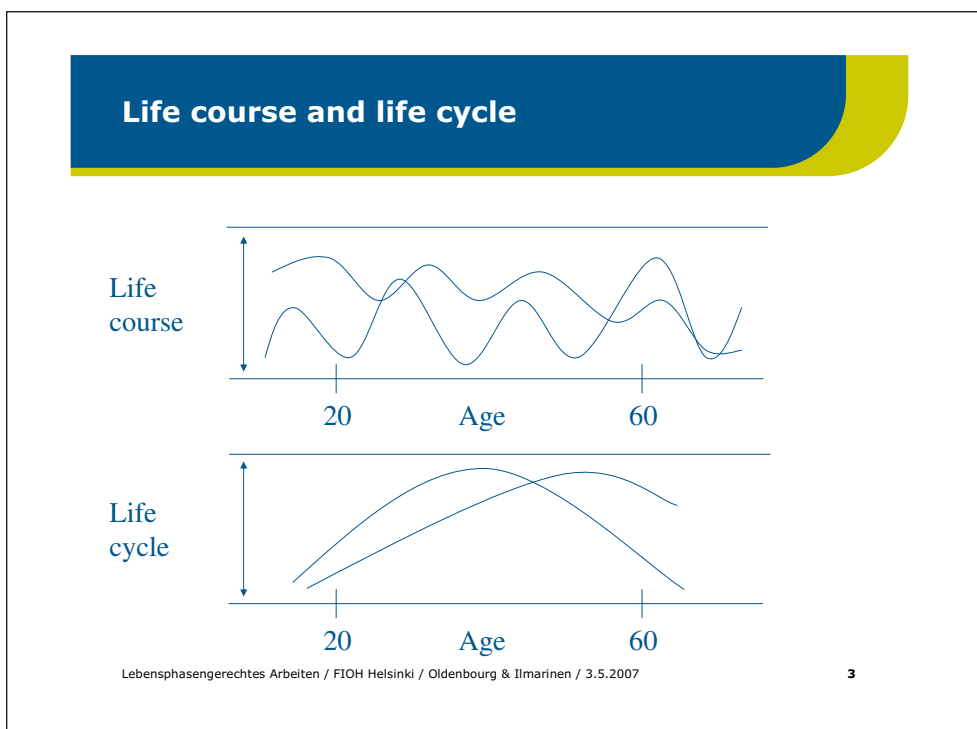
“sheltered workplaces” than to create jobs which imposed high qualification requirements. The departure from work and preparation for retirement were also important dimensions of age management. And last but not least it was important for comprehensive approaches to be adopted. “In the guide you will find for each of these dimensions a definition, practical examples, a description of the benefit for the company and the workers. What are the general conditions? Where can there be difficulties?” Dr. Naegele explained.

The success factors for a company age management were the sensitisation to the needs of older employees at all company levels as well as careful planning and implementation of the measures. At the same time, the fundamental problems with the working conditions also had to always be solved. The aim was to integrate all the players involved – including the works councils and those affected. Another important precondition was the build-up of trust through continuous communication.

Dr. Naegele explained that the guideline also contained the overriding essentials of a comprehensive strategy: and for example, prevention before reaction, CV approaches and the intrusion of different dimensions and player groups. “A good company age management requires a change in attitude within the companies and society in favour of age diversity,” Dr. Naegele summarised. Here, those older employees who already had a health disorder or lack of high qualifications also had to be taken into account.

Introductory paper by Rita Oldenbourg

Rita Oldenbourg directed the focus once again on the entire life span. “If we want to have longer work biographies in the long term, we cannot always just look after the 55-year-old tired workers,” the psychologist said. “Long work biographies in principal start at school.” The life span could be understood in two different ways: Firstly, the traditional way where you first have education, followed by work and later a pension. But this system functioned less and less nowadays. Lifelong learning continued throughout one’s entire life and the challenge to reconcile work, family and leisure had greatly gained in importance – keyword “work-life balance”.



The view of the life span had changed substantially. Previously, the "deficit model" of ageing was taken as a starting point: "As long as long as you are young, things go uphill and at some time the terrible day will come when you start to go downhill," Ms. Oldenbourg explained. But development took place throughout an entire lifetime – above all at the turning points and through crises. "The aim is not at all to achieve a robot-like development," Ms. Oldenbourg stated. "Innovations generally happen when you actually no longer know what to do next. Something that initially felt like a downswing can, after all, become an upswing."

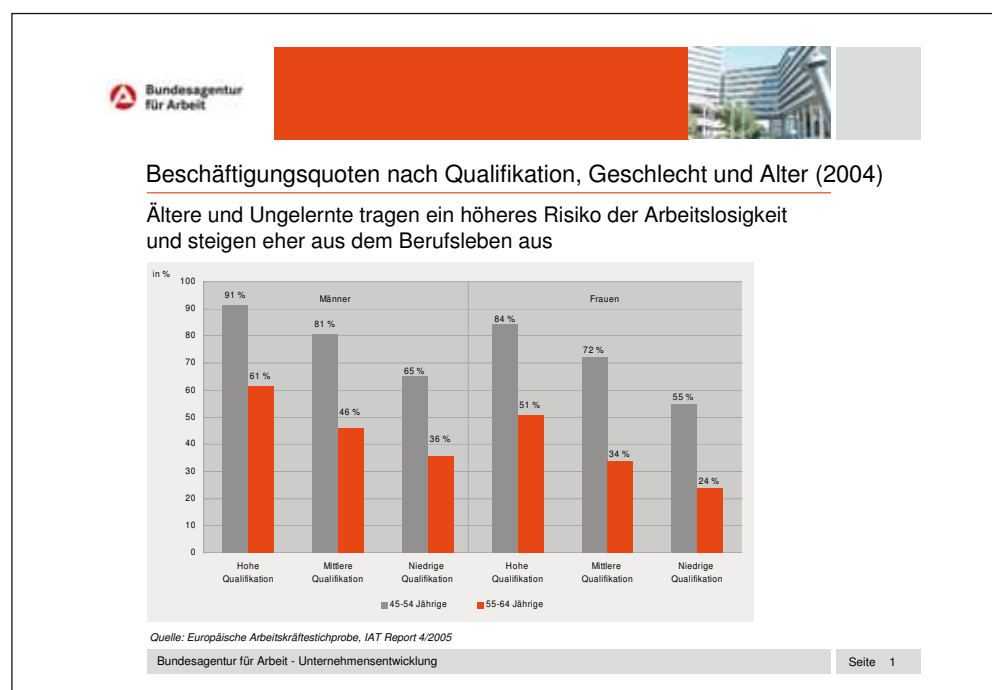
Owing to the fact that the demands on development had changed, the strengths and weaknesses in the various phases of life also differed. Ultimately, the whole point of age management was to always find the respective potential and exploit it. "That leads to longer and better work biographies," Ms. Oldenbourg explained. (The book "Towards a longer worklife! Ageing and the quality of worklife in the European Union" by Juhani Ilmarinen can be ordered at www.ttl.fi/internet/english →Bookstore →Search or downloaded at www.stm.fi →English →Publications →Co-Publications).

Introductory paper by Saskia Wollny

The paper by Saskia Wollny concentrated on the safeguarding of employability through qualifications. Ms. Wollny tackled both the question of what the Federal Employment Agency did for others and the aspect of what this large authority was doing itself in-house.

There was a great correlation between older and unskilled workers, according to Ms. Wollny. "Both older and unskilled workers bear a higher risk and tend to leave working life sooner," she explained. Therefore, about two years ago the Federal Agency established "WeGebAU" under the existing legal possibilities: a programme for the "further training of less qualified and employed older workers in companies." The priority objective of the programme was to arouse interest in this issue at small and medium-sized enterprises. It served to prevent unemployment, improve employment possibilities and employability and counteract the shortage of skilled workers.

"The programme is divided into two," the speaker explained. "On the one hand, it addresses unskilled employees, on the other, employees over 45 years of age". The development



possibilities ranged from the assumption of further training costs down to a subsidy for those without a vocational training certificate or in the case of job alienation. The subsidy volume of the programme was EUR 200 million for 2007. “Further training must have never be purely job-related,” Ms. Wollny explained. At best, it ultimately produced partial qualifications.

What about implementation? And what successes did the programme “WeGebAU” achieve? Since 2006, a lot of time had been invested alone in the marketing of the programme – for example in collaboration with the Chambers of Industry and Commerce. The problem: “Owing to the current good order situation companies are not prepared to release their employees now for further training – and certainly not for subjects which cannot be used in relation to their job.” At present, the company’s preferred to recruit specific people – after they had often created redundancies in recent years. Focus had also shifted to collectively bargained qualification contracts in some sectors. “Nevertheless, we have a successful start of some lighthouse projects at local level,” Ms. Wollny summarised. The Federal Agency was trying to find new target areas, for example the personnel service providers. “It is a good time to integrate further training for unskilled or older workers in times of non-temporary staff,” the speaker explained.

But what is the Federal Agency doing in-house? At present, some 90,000 people worked there. As many employees still had civil servant status, the turnover rate was very low. “It is important to motivate people up to old age. We are therefore counting on diversity management,” Ms. Wollny said. At the Federal Agency all age groups were included in staff development. All the workers were recruited both at managerial and unskilled worker level in order to benefit from their experience.

Discussion

Dr. Michael Drupp from the health insurer AOK in Lower Saxony, who manages an institute for health consulting there which primarily advises small and medium-sized companies made the first contribution to the discussion: “Everyone knows there’s the issue of demography. Maximum sensitisation is the order of the day! But I ask myself the question: How exactly do you get that implemented? We have a discrepancy between a huge need for action and practical implementation across the board.”

Klaus-Dieter Paul, who co-ordinates the development partnership “Generations – Berlin integrates experience”, expressed the assumption that implementation across the board was being prevented by the fact that people often spoke about what is being done but very rarely about how. “The interesting thing is: How did we achieve success in a given situation in spite of many obstacles?,” he explained. We should experience a lot more about the approaches and detours. The presenter, Mr. Buschak, replied that the database presented also provided information on how exactly the companies proceeded in order to keep all the workers longer in employment.

Egbert Holthuis from the European Commission stated that Poland in particular had great difficulties in keeping older people in work: “The problem could also affect other member states in the future,” he warned. “In Poland there are a lot of self-employed people. What do we do with people who do not belong to a major company? 40 % of the workers have no permanent contract.”

In his reply, Professor Gerd Naegele explained that the lack of awareness was a key problem. “In small and medium-sized enterprises we have indeed something like wasteland,” he explained. “Here, the order situation is frequently very short-term. Long-term developments are not taken into consideration at all.” There were ideas from outside through the Chambers of Industry and Commerce. Everyday business was one possibility of gaining access to the enterprises and creating awareness there for the demographic change. And sensitisation could be

achieved through collective bargaining work: "In the iron and steel industry in North Rhine-Westphalia, IG Metall has concluded a demography collective bargaining agreement – the first in the history of the Federal Republic. As a result, enterprises are forced to tackle this issue." That was "quite an ideal" example.

Another example: The Association of Chambers of Industry and Commerce in Dortmund/Bochum were preparing a training programme for enterprises in collaboration with the University. "You have to try and approach Chambers of Industry and Commerce and trade unions! That appears to be quite a crucial point," Dr. Naegele stressed. He added: "If we found 100 or 150 examples of good practice in the Federal Republic of Germany, that would already be quite a lot."

Saskia Wollny picked up the aspect of what was to happen with the older workers who could no longer work in their area in the company: "Work biographies are frequently interrupted at several points. Our strategic objective is therefore not only to 'prevent unemployment' but also to 'maintain employability'. What you have started your work biography with, need not be the same as what you end up with one day."

Rita Oldenbourg drew attention once again to the prejudices which continued to exist in society: "All the knowledge is of no use if we are, in principle, still convinced that 50-year-olds are past it!" After all, the situation of the older workers was an indicator for a general problem: "We are often in search of brand new concepts but the knowledge has actually already existed for some time! We know very exactly what good work looks like – and not only for older workers." Ms. Oldenbourg also found implementation in practice difficult: "It always involves individual problems and solutions. There are no standard solutions, they make no sense." It was also often a question of the obvious, the small things, as, for example, was explained in the demography exhibition of INQA and the Demography Network ddn.

Robert Anderson hoped that people would be inspired by the good examples of other companies. His suggestion for promoting practical implementation across the board: "First of all, we need a greater awareness for the issue of 'demographic change'. One day when there is a shortage of workers or there are only older workers, the broad mass will also realise that something has to be done. But then it will perhaps be too late! We want companies to confront the development and act now – and not when they discover problems."

In France people already left working life on average at the age of 59. This was not only the fault of the entrepreneurs but also of the workers themselves. They would have to show willingness to undergo further training and stay fit. And although lifelong learning already started in early years, it was also never too late to start. "Investments in the health, education and work-life balance of older workers can always still pay off and prolong employability. It is not too late to deal with 55-year-old employees!" However, people were often excluded from further training activities at 45. "We must not forget the workers where nothing has been undertaken in recent years," Mr. Anderson explained. He said about the problem of how all the self-employed could be involved in demography activities: "It is indeed very difficult to move from the large companies to the small and medium-sized enterprises – and now you expect action at the level of individuals. I am not quite so sure whether there will be more self-employed in the future. Moreover, it must not be forgotten that older people often become self-employed because it is the only possibility of remaining in working life." On the subject of "Poland" Mr. Anderson added that many people there were self-employed because they worked in agriculture. As one possibility of reaching smaller enterprises, he mentioned the co-operation with regional organisations such as, for example, the Chambers of Commerce.

Wolfgang Egert, who works in a social enterprise with roughly 3,500 employees, advocated a change in awareness. Prolonging the working life to 67 years was communicated in public as "being unreasonable". "We need signs from the politicians that the employment of older

workers is not perceived as unreasonable but as a politically created opportunity.” At present, the challenges of the demographic change were still viewed at the level of individual companies – but there was still no consensus among the general public. There was therefore not only a need for a political but also a social debate.

However, the representative of a water management enterprise made it clear that companies were less impressed by public discussions or external recommendations than by economic reality: “With the qualified young people we do not reach those who we want to reach – therefore we deal with the phenomenon of demography.” With regard to the political stimuli, he criticised the fact that so far fear had mainly been created and the positive aspects of the demographic change had been neglected. You could only learn more about the opportunities if you shared experience with other companies. He therefore wanted to become involved in a demography network.

Jasmin Fahimi from the trade union IG BCE (mining, chemical, energy industrial trade union) criticised the fact that the subject “pension at 67” was not used to create an atmosphere and conditions for age-appropriate working. “Therefore many employees view this as untrustworthy, as a concealed cut in pensions,” Ms. Fahimi said. The discussion was therefore going in the wrong direction. Ms. Fahimi provided some figures: “If we observe the requirements of the EU and want to achieve an employment quota of 50 % among older people, we are at present lacking 800,000 jobs for people over 55 years of age.”

The problem also lay in the “wait-and-see” attitude of the companies. “Companies assume that preventive action with regard to demography does not pay off. In the Scandinavian countries there is quite a different understanding of how one thinks about integrative corporate cultures without always keeping in mind how that can be converted into company profit.” Many German companies were only prepared to talk about company solutions for older workers when this had collective-bargaining consequences. “If older workers are to be paid less because they allegedly produce less performance, the generations are being played off against one another. That is not fair for older workers introduce other skills which are often simply not exploited,” Ms. Fahimi explained.

The presenter, Mr. Buschak, agreed with her that older employees were not less efficient than their younger colleagues. It had been proven that a good age mix increased a company’s productivity. Mr. Buschak presented a representative survey according to which 70 % of Germans can imagine performing their present work at the age of 60. But the comprehensive approach which would make it possible to have a pension at 67 had not yet reached the companies. As far as lifelong learning was concerned, Switzerland was also among the best alongside the Scandinavian countries: Almost 50 % of the workers had undergone further training there in the last 12 months. With less than 30 % Germany was below the EU average. “What is the reason why that has not been improving for decades?,” Mr. Buschak asked.

Hella Hagena from the company consultants “von Rundstedt & Partner GmbH” stated that in nationwide roundtable discussions with HR people there was, on the whole, a completely wrong picture of older workers: “Many older workers are flexible and have the desire to undergo further training. If the company no longer offers them any development opportunities, they invest their energy in studying for example.” She was optimistic about the future: “In 10 years time a 50-year-old need no longer worry about becoming unemployed for no one will be able to replace him any more.” The fear of unemployment was one of the primary reasons why so many people took up part-time work/retirement. “The picture will be reversed automatically – time is on our side,” according to Ms. Hagena.

Jasmin Fahimi warned about the instrumentalisation of the subject of demography: “Referring to the demographic change, an attempt is being made to break down pay structures.” She pointed out that there were problems above all in the area of physically demanding work

where the load situation was extreme and the transfer of knowledge from old to young was not necessary.

Kai Schäfer from the Federal Ministry of Labour and Social Affairs then raised the question of whether the social partners had not been negotiating collective bargaining agreements for decades which rewarded physical loads: "For people with low qualifications the only chance of earning slightly more money was to accept the shift bonus or other bonuses. We can see the result today," he maintained.

Gerd Naegele once again tackled lifelong learning: "About 50% of the further training programmes are offered by companies. There are quite clear economic interests. Many other companies, however, assume that it is not worthwhile still investing in older employees." The discussion about pensions at 67 could provide positive momentum. Moreover, he held high hopes of trade union input. In Germany there was a shortage of institutionalised further training programmes. There was no leave for further training, financing, special laws or financial aid for adult students. "I wish the subject could be politicised, above all with regard to the company situation of older employees," the Professor demanded.

Saskia Wollny pointed out that a lot had already been changed by legislation, which would compel the companies to rethink. Robert Anderson made it clear that so far only about 6% of European companies were preparing for the demographic change. He stressed that one would have to realise that older workers were in fact being discriminated against – above all in the recruitment phase. "We have talked a lot about all the workers in the companies. But what about those who are already unemployed?" There would also have to be more opportunities for people with health problems or few qualifications.

Workshop 5

Corporate culture and social partnership

with **Dr. Erika Mezger** (presenter), Manager of the Department for the Promotion of Research of the Hans-Böckler Foundation, Germany, **Prof. Dr. Michael Schumann**, President of the Sociological Research Institute Göttingen, Germany, **Dr. Katrin Trauernicht**, Managing Director of the commercial sector of Auto 5000 GmbH, Germany, **Guido Mehlhop**, Works Council at VW, Germany, and **Prof. Philippe Bernoux**, University of Lyon, France.

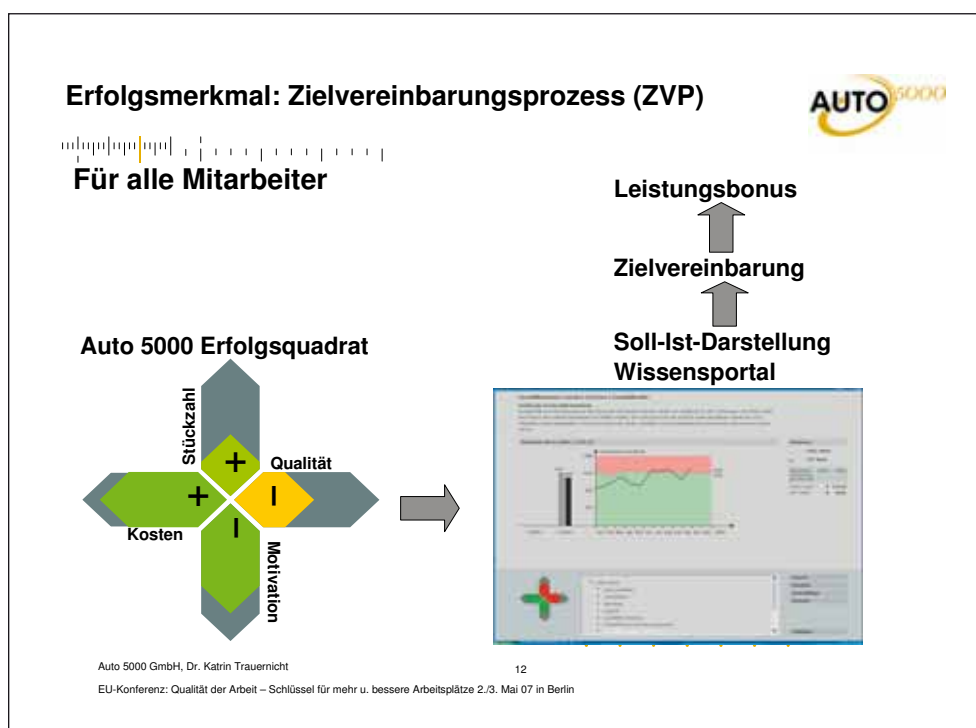
Opening workshop 5, Erika Mezger said that in early 2000 the automobile industry had had substantial systematic problems. And the German automobile industry was under great pressure from competition. Volkswagen AG had considered combining optimisation of the quality of work with competitiveness. With the set-up of the project “5000 x 5000” in 2001 a new labour policy was started to keep car production in the country and integrate unemployed people.

Introductory paper by Dr. Katrin Trauernicht

In 1989, the Wolfsburg site produced 886,000 cars. Over the course of a few years Wolfsburg then lost production units to Saxony, Pamplona, Bratislava and Brussels and so in 2001 only 541,000 cars were produced in Wolfsburg. During this period production declined by 24%, the administration by 10%.

The project “5000 x 5000” (5,000 jobs @ 5,000 Marks) was set up with the aims of creating new jobs, safeguarding an income at a high level to secure one’s existence (“one job for one family”), guaranteeing production at internationally competitive costs and thus to safeguard Germany as a car production location.

The outcome: The Touran produced in Wolfsburg was doing very well, Dr. Trauernicht reported, the number of employees rose from 933 in 2002 to just under 4,000 in 2006, the



profit share of the employees increased from zero to EUR 1,500 last year. In 2006, their own collective bargaining agreement was concluded. According to this agreement, the employees worked on five to six days in three shifts, every employee received a standard wage of EUR 2,571 per month, a performance bonus and a share in the profits, the company bore half the costs of qualification times.


The "secret of success" of the comprehensive company concept was based on the manufacture of a marketable product, the work organisation and finally a "very competent" team. The work organisation is based on teamwork and a unit of work, learning, communication and process improvements. For example, after every shift change there was a communication period for sharing experience, and 90 % of the qualifications were undertaken on site. When a fault was discovered, there were brief training courses: "a very fast and pragmatic form of learning".

The work organisation also included 100 % performance of the contract (if necessary through subsequent work) as well as the target agreement process which took place at team level. Every employee could follow online, using the so-called success square comprising quantity, quality, motivation and costs, where his team actually stood. Katrin Trauernicht said about the success factor "team": "We want a team which does not leave its brain at the works gate," but committed itself and therefore participated in the success. The present team was recruited from a huge group of unemployed, most of whom were qualified as skilled workers. However, there was still a lot to do: For example, a lot of work had to be done on the condition of health. And the company did badly in the "Great Place to Work" competition. Ms. Trauernicht: "We stand by this and we want to learn." The results of a staff survey were currently being assessed.

Introductory paper by Guido Mehlhop

In 1999, he had severely criticised the project "5000 x 5000", Mr. Mehlhop recalled: At that time he had feared a major attack on the company collective bargaining agreement of VW. In view of the risk of job losses he then got involved in the project and also participated in the

IG Metall Tarifsystem für die Auto 5000 GmbH



Arbeitszeit und Arbeitszeitverteilung

- 35-Stunden pro Woche im Jahresdurchschnitt
- Flexible Verteilung unter Einbeziehung der Sonntag-Anfahrschicht und der Samstag-Frühschicht.
Maximal 42 Stunden pro Woche
- Mitbestimmung des Betriebsrates bei Arbeitszeit-Verteilung
- Flexibilitätskonto +/- 400 Stunden (kein Ausgleichszeitraum)
- Zuschläge von 25% über 400 Stunden bzw. Guthaben aus dem Vorjahr mit Stand 31. März
- Maximal 10 Spätschichten am Samstag pro Beschäftigten im Jahr
- Arbeitszeitreduzierung auf bis zu 30 Stunden pro Woche möglich
- Einführung einer temporären 4. Schicht

2

collective agreement negotiations. There had been many controversial discussions on the tight-rope walk “between commercial success and the representation of workers’ interests”.

Working time played an important role in the formulation of the collective bargaining agreements. In the original agreement, which Peter Hartz also helped to shape, 48 hours were provided for, Mondays to Saturdays in three shifts. During the last collective bargaining round they even talked about shortening the working time, contrary to the general trend. At present, the 35-hour week had been agreed, a reduction to 30 hours was just as possible as a fourth temporary shift which could also be worked at the weekend in the event of heavy demand.

Qualifications, which he viewed as a very important measure, had been used from an original 3 to 2.5 hours per week because the time had proved to be sufficient, Mr. Mehlhop said. 7,000 brief training courses with a total of 75,000 participants as well 700 self-training courses (by colleagues for colleagues) had been conducted since 2003. At present, 800 brief training courses were being offered.

Great emphasis was placed on teamwork in “Auto 5000 GmbH”, the successor to the “5000 x 5000” project. The company was trying to create a flat hierarchy (max. 3 levels). There was a Supervisory Board with six representatives of the employer and six of the workers. A two-thirds majority was required for transactions subject to approval. There was one joint works council, which also had an extended right of codetermination, for the Wolfsburg location of Volkswagen AG and Auto 5000 GmbH.

Introductory paper by Prof. Dr. Michael Schumann

He would like to stress one thing at the very outset, Prof. Schumann stated, who was a scientific adviser for the project: “We are talking about a success project” although admittedly not about a perfect world. But they had learned here to cope successfully with conflicts – and that was the “secret” of Auto 5000.

The facts of the success: The economic dimensions were dominated by productivity, quality, resource exploitation and process optimisation. Having the workers in the same boat could be regarded as a main factor, Prof. Schumann stated. The social performance was characterised

Workshop 5	II.	M. Schumann
Erfolgsbedingungen des Auto 5000-Projekts		
1. Ganzheitliche Fabrikgestaltung		
<ul style="list-style-type: none"> - Arbeits- und Betriebsorganisation - Steuerungsformen - Entgeltsystem - Leistungs politik - Qualifizierung und Weiterbildung 		
➤ Kohärente, verzahnte Umsetzung der Einzelelemente bei dynamischer Weiterentwicklung		
2. Neue betriebliche Rollenverteilung		
<ul style="list-style-type: none"> - Aufwertung shopfloor durch Mitverantwortung/Eigenständigkeit - erweiterte Nutzung der Human-Ressources - Abbau von Funktions- und Statusbarrieren zwischen „Arbeitern“, „Dienstleistern“/“Indirekte“ und Hierarchie“ 		
3. Konflikt-partnerschaftliche industrielle Beziehungen		
<ul style="list-style-type: none"> - erweiterte Mitbestimmungsrechte - konsensuale Problemlösungen - Mindestgarantien - gemeinsame Ziele (Wettbewerbsfähigkeit) versus differente Interessen (Lohn/Leistung) 		
4. Modernes Arbeitnehmerverständnis		
<ul style="list-style-type: none"> - Mitspieler bei Rationalisierung/Modernisierung - Eigeninitiative Prozess-Optimierung und -Innovation - selbstbewusstes Lohnarbeiterverständnis (Interessen-Formulierung und -Durchsetzung) 		

by working and performance conditions which one could accept, by further training, self-organisation and independence of the workers and by a high degree of co-determination. In the overall balance the situation was that the interests of the company and the workers were compatible and that they had succeeded in finding a win-win solution for both sides.

What are the characteristics of the success project? Prof. Schumann is convinced that you need a comprehensive factory arrangement with a flat hierarchy. That also included forms of control such as the target agreement processes, the performance policy, qualifications and pay regulation: Same pay for all – that was almost revolutionary for Germany. However, according to the Professor, the crucial factor was "the coherent, intermeshed implementation of the individual elements with dynamic further development."

Prof. Schumann also praised the new distribution of roles in the company through the elimination of status and function barriers, the extended rights of codetermination as well as the consensual solutions to problems. Moreover, the modern understanding of the workers was positive: "The workers get involved in modernisation, they develop their own initiative in the optimisation of processes and they have a confident wage-earner understanding."

VW had learned a lot from Toyota in this project and also adopted many tools such as optimised logistics flows, standardised production and work processes and integrated quality assurance. However, the most important difference was the method of involving the workforce. Whereas at Toyota a community pact with limited participation was created by means of cultural and mental perception, you could talk of a productivity pact at VW which is the result of negotiations.

A productivity pact through social partnership in which the balance was found between company and workers' interests offered for him the prospect which was also interesting for Europe.

Introductory paper by Prof. Philippe Bernoux

He was of the same opinion as Professor Schumann that Auto 5000 was an economic success. Prof. Bernoux, however, allowed himself to make a few critical comments. For example, he put forward the hypothesis that a modern worker was loyal to a company. In a project company, however, the worker was not loyal to the company but to a certain project. Did modernity comprise "worker loyalty" or "worker movement," Prof. Bernoux asked: "Should a company therefore permit mobility or stability?"

Auto 5000 was, in his eyes, an anti-Tayloristic model, the Professor believed, and followed this with the question of whether value added was a new task independent of hierarchy, society and justice in value distribution. The Professor continued to say that the previous speaker had praised the reconcilability of work design and economic criteria. In his opinion, however, issues such as work intensity, pressure from flexibility and working pace had not been adequately discussed – for French workers frequently cause for complaints.

The previous speakers had also said that new jobs for the unemployed had been created with Auto 5000 who, however, almost all had enjoyed good vocational training. But what about the people who did not have the appropriate skills? Prof. Bernoux raised another question: Could innovative employment concepts only be achieved in a culture based on social partnership? Could this culture of relationships also apply in all companies, above all in smaller enterprises?

The speaker found it remarkable that in Germany most negotiations were held at branch level. With Auto 5000, however, a change had taken place: The negotiations were conducted at company level. According to Prof. Bernoux, a great innovation, however, would have been a mixture of association and company collective bargaining agreements.

2.1 Innovative Arbeitspolitik?

- Hypothese: Vereinbarkeit von Arbeitsgestaltung und Wirtschaftlichkeitskriterien
- Wie funktioniert diese Aufwertung?
- Vermeidung der Arbeitsintensität, des Flexibilitätsdrucks, der Geschwindigkeit (franz. Arbeiter beklagen sich viel darüber)?

philippe bernoux

Discussion

What is the situation regarding the sustainability of the employment model worked out in Auto 5000, was one question. Managing Director Katrin Trauernicht stressed that Auto 5000 was certainly not created as an end in itself. In this way Volkswagen AG was going down the “Volkswagen road” with its own company agreements which incorporated very many ideas from Auto 5000: for example, the commitment of the employees, the use of their creativity and their know-how, standardised production systems and the fight against waste.

Another question was whether the ageing of a still young team had consequences for the model. If workers were recruited again, Ms. Trauernicht stated, older workers would also be employed, also because in general there was a good presence rate in the age classes over 40. The workforce, at present 32 years old on average, was in a critical age class where there were problems with health.

In view of the specified fulfilment of the programme with the consequence of possible subsequent work, a high level of flexibility was demanded from the workers, which could be a problem for single parents for example, one participant stated. Works council member Guido Mehlhop regretted that there were no company nursery schools but also made it clear that the degree of flexibility actually demanded was low. The requirement of fulfilling the programme tended to have a positive effect on the working time: The endeavours of the workforce to produce quality had risen a lot since then and the times required to fulfil the programme had declined. Another reason for this was that the factory was increasingly running more homogeneously, also because more routine had established itself in the meantime.

Can the German model be transferred? Mr. Mehlhops’ answer was: “Yes and no”. Individual parts could certainly not be transferred. The project Auto 5000 had been wanted and if you really tried to achieve something, you would also put money where your mouth was. For example, anyone who wanted to form teams would also have to provide the teams with a room, a PC and Internet connection, which was not a matter of course. However, anyone who had just a little ambition and the necessary funds could certainly implement the model.

Michael Schumann stressed that without the German model, i.e. without the specific dealings with a social partnership, such a project would have at least been exotic. Turning to Prof.

Bernoux, Prof. Schumann believed that the improvement in work quality while retaining cost-effectiveness at the same time was not a slogan but actually feasible. Industrial relations based on conflict/partnerships were the only way to implement an innovative labour policy. The target prospects must be solutions based on consensus: "You then get players on your side and not opponents of the system as in previous times." People would then see themselves in a new relationship of obligation which involved an increase in performance but could be better accepted. The designation company loyalty was not fitting here.

Workshop 6

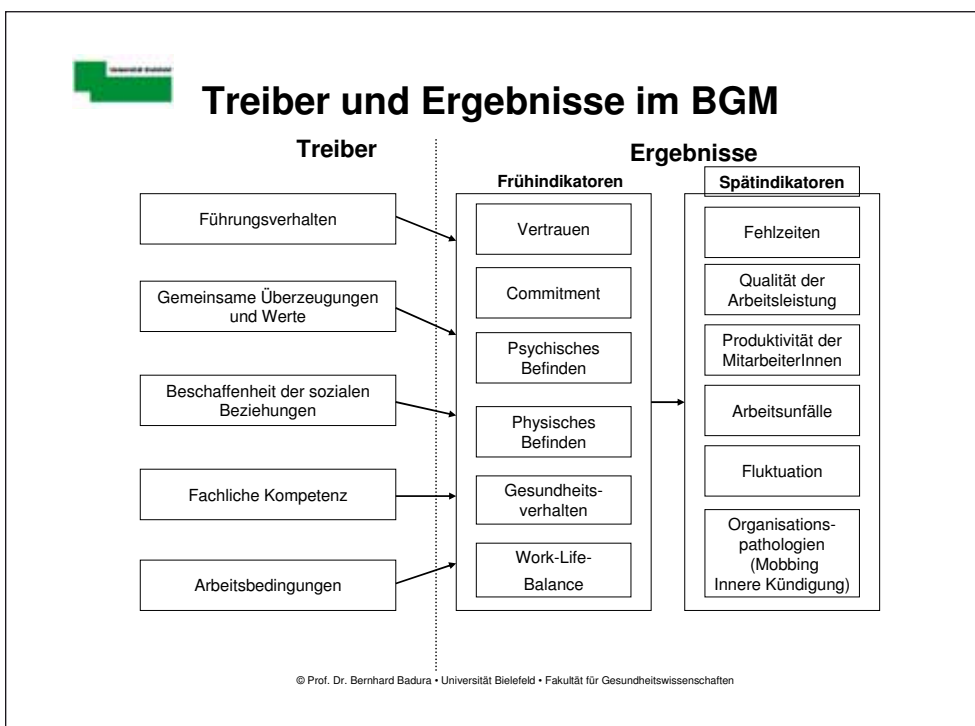
Company health promotion as a key to more and better jobs

with **Dr. Christa Sedlatschek** (presenter), Managing Director of the New Quality of Work Initiative, Germany, **Prof. Dr. Bernhard Badura**, University of Bielefeld, Germany, **Dr. Hermann Rappe**, former Chairman of the chemical industrial union IG Chemie; former Chairman of the joint expert commission of the Bertelsmann Foundation and Hans-Böckler Foundation “Sustainable Company Health Policy”, Germany, **Dr. Gregor Breucker**, BKK-Bundesverband (Federal Association for Company Health Insurance), Germany, **Dr. Dietmar Elsler**, European Agency for Safety and Health at Work, Spain.

The presenter, Dr. Christa Sedlatschek, stated at the outset that workplace health promotion would in future assume even greater importance. Today, the aim was to clarify the question: “Where do we stand with company health management? What is happening in the companies? What do companies need to meet the requirements? How can we explain the importance of health management? And are there key figures which make it clear to politicians and companies: Health is the key aspect when it’s a matter of the quality of work, cost-effectiveness and the competitiveness of the companies.”

Introductory paper by Dr. Bernhard Badura

The workshop participants learned from Prof. Dr. Bernhard Badura how close the relationship is between the quality of work and the pathology of an organisation. Dr. Badura and his staff deal with the development of key figures for company health management (CHM). The starting point of their work is the observation that the sickness rate and industrial accidents are the most frequently used key figures in CHM. However, these figures only document undesirable incidents. They are unsuitable as an early warning system for the timely identification and prevention of damage. Moreover, these indicators do not provide any starting points “on



company causalities to prevent work-induced risks and to mobilise company health potential".

The Bielefeld scientist, on the other hand, adopts a social capital approach: In addition to the tangible capital and the human capital, it all depended on "adding an attitude related to the social system of a company, an administration or a service provider" to the observation. Dr. Badura therefore aimed to make the social assets of an organisation visible, measurable and capable of being influenced – and at the same time to create a link between the survey data, on the one hand, and the company routine data, on the other. For the entrepreneurs, and one of the workshop participants later hit the nail on the head, wanted facts, figures and data. Companies only invested in health management if they saw that the facts measured influenced the company result. And their data from one's own company were definitely more convincing than the all so valid figures of the latest scientific study.

Based on the social capital approach, Dr. Badura and his staff surveyed six companies with roughly 1,500 workers last year. In the meantime, 1,200 questionnaires had been evaluated. The results were impressive: The man/man interface with the parameters trust, common convictions and values played a key role for the sickness or health of an organisation. Where these values were in short supply, there were mistakes, misunderstandings, conflicts, a lack of performance and sickness. The opposite applied: Where employees felt respected, there was no bullying. And where there was trust in the supervisors, there were hardly any moods of depression.

Other results of the study: Common values and standards had an impact on well-being. And the working atmosphere was of crucial importance for the performance of the individual: The better the feeling of togetherness in the team, the greater the work performance perceived personally was.

Where these things were missing, there was an organisation pathology – and from this the objective sickness data of a company can even be predicted.

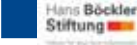

Interestingly enough, during the study not only variations between the individual companies were discovered but also between the individual departments of a company. What the situation was regarding the corporate culture and the organisation pathology must therefore be observed at departmental level. This created problems for the scientists insofar as the usual company data, especially at small and medium-sized enterprises, were normally available on a cost centre basis but not at departmental level. Dr. Badura: "Here, there is a need for appropriate changes."

Introductory paper by Dr. Hermann Rappe

In his paper "Sustainable company health policy: The expert commission", Dr. Hermann Rappe presented the work and objectives of the commission. The insight gained by the trade unionist and health expert on workplace health promotion (WHP): "WHP increases well-being, improves competitiveness, limits wage ancillary costs etc. If only half of what we know about WHP was put into practice, the ideal situation would have already been attained."

The expert commission then tackled the question of how this could be achieved. This was incorporated into the joint declaration of the BDA (Confederation of Employers' Associations) and DGB (the German trade union umbrella organisation) on the "Future of a contemporary company health policy". In this context Dr. Rappe considered the following aspects to be important:

Firstly: It did not depend on new legislation but on the implementation of existing laws and European recommendations. Enough lip-service was paid and soap-box speeches made. Secondly, there was a need for better co-ordination of the company players. The competition

Die Zielsetzung der Kommission

- Analyse der **Ist-Situation** (Bedarf, fördernde und hemmende Faktoren) betrieblicher Gesundheitspolitik in Deutschland
- Entwicklung eines neuen **Leitbildes** und eines neuen **Interventionstypus** betriebliche Gesundheitspolitik sowie Strategien zu ihrer Realisierung
- Ermittlung von **Entwicklungsbedarf** und -möglichkeiten
- Erarbeitung von **Handlungsempfehlungen** an:
 - die Betriebe
 - die Sozialpartner
 - den Staat
 - die Sozialleistungsträger
 - das Bildungswesen und die Wissenschaft

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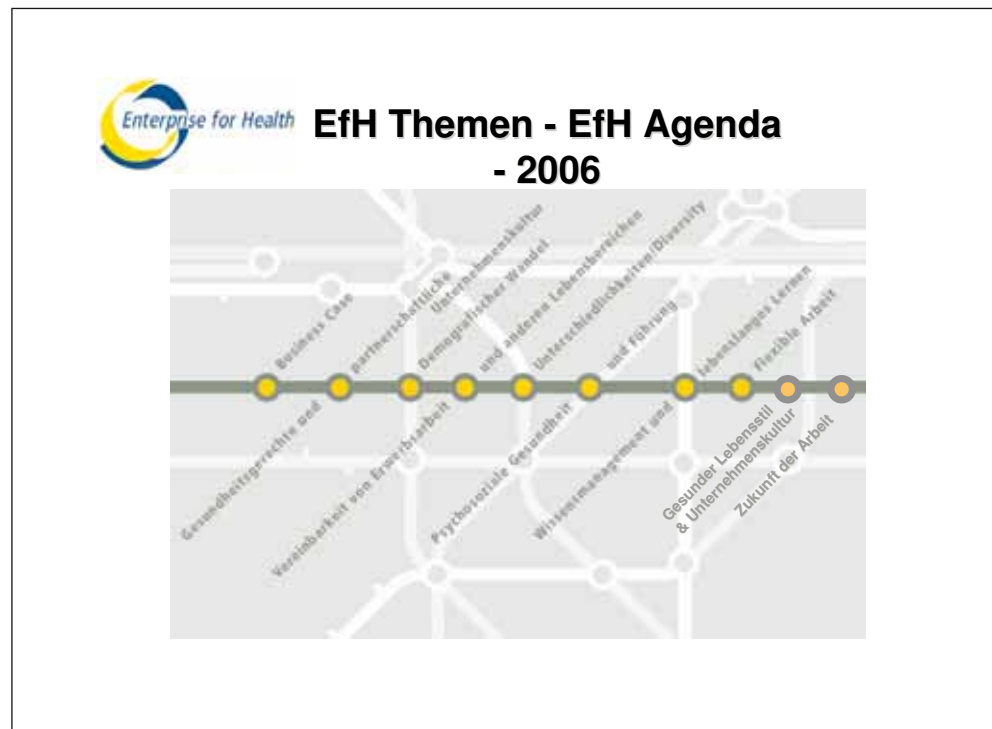
between the various parties was detrimental. Thirdly, the policy had to put an end to this competition through clear framework conditions and with concerted action in the (company) health system.

As far as the trade unions were concerned, the company health policy offered them a good opportunity of creating a new image. However, this issue was difficult to take to the works councils. This involved a problem which did not pay off in euros and cents overnight in contrast to collective bargaining disputes. Dr. Rappe: “As a trade unionist, I readily see here the ‘plank in my own eye’”. In future, according to the former boss of the trade union IG-Chemie, this subject would have to be strengthened through European bodies and then integrated into the companies in social dialogue.

Introductory paper by Dr. Gregor Breucker

The European Network “Enterprise for Health” (EfH) was established as a joint project by the Bertelsmann Foundation and Bundesverband der Betriebskrankenkassen in January 2001. The president is Rita Süßmuth. 20 companies from 11 European countries belong to the EfH – including heavyweights such as Shell and VW or medium-sized companies such as HILTI and MTU. The fundamental conviction of the EfH players: “Activities of a corporate culture based on partnership and a company health policy are investments in the future of a company. They safeguard competitiveness in the long term through the establishment and maintenance of an innovative human potential.” (www.enterprise-for-health.org)

The EfH derives the following focal points for its work from this: Development of a corporate culture based on partnership, health and personality-promoting design of work, organisation of working time and new organisational forms of work, knowledge management, development of individual health competence of the workers, healthy work design for older employees, reconcilability of family and job, social responsibility of companies in the neighbourhood and in society, integration of all these aspects into management systems and HR management. The mission statement of the EfH is: “We are a network of European companies which are committed to developing and disseminating a corporate culture based on partnership and exemplary company health policies. We work together to jointly develop solutions to future challenges in



the working world that make a contribution towards the sustainable economic, ecological and social development.”

Introductory paper by Dr. Dietmar Elsler

The speaker explained the activities of the European Agency for Safety and Health at Work (OSHA). The Agency was founded in 1996 to collect, analyse and disseminate information in the field of safety and health at work. The Agency saw its task in making jobs safer, healthier and more productive and in particular in promoting an effective prevention culture at the



European Agency
for Safety and Health
at Work

OSH and Economic Performance



Community OSH Strategy 2007-2012

- Adapt legal framework to changes and simplify it, particularly in view of SMEs
- Support SMEs in the implementation of legislation
- Motivate enterprises to go beyond minimum legal requirements

workplace. To this end, a variety of communication channels were used: from online publications to direct campaigns, for example the European Week for Safety and Health at Work in which the national campaign partners of the Agency conducted numerous activities and held events throughout Europe. Dr. Elsler: “We concentrate on a certain topic every year. The issues in recent years included hazardous substances, accidents, stress and noise.” With more than 30 participating countries and roughly 4 million information brochures which were distributed in 20 countries, the European Week had developed into Europe’s largest annual sensitisation campaign for a healthier, safer and more productive workplace. Dr. Elsler said about the future plans of the Agency: “At the end of the year we are creating a new web feature in 22 languages. This year there will also be a ‘Literative Survey’ on SMEs. The project ‘Economic Incentives’ is planned for 2008. In this way we want to specifically use the economic aspects of workplace health promotion as publicity for prevention.”

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