

German Federal Association of Local Health Insurance funds ('AOK') and their publishing agency 'KomPart': a value-oriented internal communication network

German Healthcare System, AOK & KomPart fact sheet

The German healthcare system is principally based on the Bismarckian model (1883): Citizens have to contribute with a percentage of their gross wage to social security.

Today, the **Statutory Health Insurance system (SHI)** offers a continuous flow of services for about 70 million people. About 120 (June 2012) independent public health insurance providers compete with each other after Germany has implemented competition in the SHI system in 1996.

The contribution rate is currently set at 15.5% (employers: 7.3%, employees 8.2%), with a scheduled drop to 14.6-14.9% and a switch to a proportional distribution between employers and employees in 2015.

Germany's healthcare sector may be described as a decentralized corporatist system. Corporatism means that the state delegates power and decision making competences to non-governmental public bodies. SHI funds and provider organizations such as SHI physicians' and dentist's associations or hospital federations are major players. These self-governed institutions have the duty and the power to determine benefits, prices and standards.

The **Federal Association of Local Health Insurance Funds (AOK)** is the largest of the SHI insurance institutions with more than 24 million insured persons (35% market share). About 54,000 full time employees work in more than 1,200 offices. It was founded in 1884, only one year after Bismarck's social security law. AOK expenditures accumulate to 70.2 billion euros (2012) – that makes 2,818 euros per insure. Expenses sum up to 72 billion euros annually and the surplus amounts to 1.85 billion euros in 2012.

AOK is a federal network comprised of eleven independent regional organizations and a Berlin-based head organization (AOK Bundesverband), founded in 1987 and moved to the capital in 2008. Just like the overall SHI funds, the number of regional AOKs was sharply diminished during the last decades (from 276 in 1991).

KomPart agency and publishing house was founded in 1996 in Bonn and Bad Homburg as a public private partnership between AOK and wdv publishers. Since 2008 KomPart resides as neighbor in the very same building as the AOK head organization,

About 35 employees work in the fields of public relations, editing, graphics and production for several clients from health care industry, although AOK remains its cash cow.



Figure 1: Eleven regional AOKs in Germany:

Project Summary

Is value-oriented internal communication between agency and client in the German Health Care industry attainable?

Behavioral branding is essential in generating brand value. In the case of AOK it docks at a set of formalized values answering the question as to how employees are being encouraged to deliver a clear brand image. Using social core values may be interpreted as a practical way of raising the acceptance, attractiveness – and thereby the controlling power of corporate communication – internal as well as external. Thus, this project proposes a sociology-driven understanding of shared social ‘values’ associated with norms, reflexivity and control. Furthermore it suggests that fruitful internal communication in this branch – that has just recently started its discourse on organizational values – can only be achieved by an intertwined network.

Empirically, qualitative guideline interviewing among AOK’s and KomPart’s intermediate level of management (dealing with value-oriented internal communication) as well as a paper-based diagram on the intersection network of both firms are chosen as research tools. Because of the transversal nature of value traits among corporate communication processes, the network view is limited to cover the 25th jubilee magazine project at the end of 2013, celebrating the branding & communication strategy ‘Gesundheitskasse’.

A paper will be completed approximately in June 2014.

You will find more information on our website:

<http://www.srh-hochschule-berlin.de/de/unsere-hochschule/professoren/detailansicht/team/tobias-staehler/>

Some interview outtakes on values

Formalized values are federally transformed

The defined formal AOK values are ‘health’, ‘innovation’, ‘closeness’ and ‘safety’, although these are not the only ones around: *“The AOK head organization is not like a company headquarter [...], it is not like supporting a shared mission statement”* (1 CMO, AOK BV). The regional subsystems either add more values (AOK PLUS) or they accomplish these values almost one-to-one (AOK Bayern).

As a result, the value set does not remain consistent throughout Germany. Additionally to adding some more values, the four ‘big ones’ are transformed in several regions. Being ‘close’ is for example interpreted differently: One of the unique strengths of the AOK system is its monolithic size and the countless branches. It seems natural to think ‘closeness’ as short ways to reach the next AOK office. But it could also mean *“...to have a superb online service – AOK Hessen is more likely to even close down branches”* (15 Chief Editor, KomPart).

‘Innovation’ as orphan value

A frequently observed phenomenon is that ‘innovation’ is mentioned at the end of listing the values (although in the German abbreviation ‘GINS’ where every capital letter recalls a value, it is on second position): *“...and certainly a part of the way to innovation, on which we still have to work hard”* (1 CMO, AOK BV). According to the CMO ‘innovation’ and innovations accordingly should fit well into the philosophy of the health insurance company. It seems that ‘innovation’ cannot be grasped that easily when compared to Rokeachean terminal values. But maybe it adds to the institution’s profile, if a general transformation of this core value into daily action comes off. Most appropriately, one main task for internal communication is to search for innovations throughout the AOK system and to show it inform colleagues about it: *“A great deal of the*

communicative work is to make innovations known to fellow employees in the regional AOKs” (15 Chief Editor, KomPart).

With ‘relatively fixed statutory rules reducing the possibilities to be innovate (5 Man MR, AOK BV), it is apparently a tough task to foster the formation of a likewise value backed by all AOK employees. Many innovative practices are furthermore short-lived and have a mere event character.

Values as binding agent

To sum up the reasons for using a value driven internal communication – not in a bullet point fashion but in a symbolical way – the last citation comes from one of the KomPart CEOs: *“[Values] are a binding agent within the AOK system, because there is not just the [emphasis added] AOK but eleven AOKs, one head organization and 20 opinions [...] ‘say it out loud, I am AOK and I am proud’ [in English]. It is about to take pride in our organization” (13 CEO, KomPart).*