

# Staff Inclusion: DKV Integralia

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*DKV Integralia Foundation* (hereafter, *Integralia*) is a nonprofit foundation, which was established in 1999 by the health insurance company *DKV Spain*, with the objective of fostering the integration of handicapped people into society and the workplace. Integralia is the contact center for DKV Spain and services over 2.5 million contacts using 437 employees distributed in eight different call centers around Spain (as of 2016). The Foundation provides high-quality call center services with extremely low employee turnover. Integralia was launched in 1999, started operating in 2000 with only nine employees, and has been growing steadily ever since. Integralia currently not only services DKV Spain, but also other clients such as American Express, Unilever, Novartis, Clariant, Ferrero, Foxy, Intermón-Oxfam, Sant Joan de Deu Hospital, and Europe Assistance, among others.

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Extensive interviews with Josep Santacreu, the President of Integralia and CEO of DKV Spain, and other members of the leadership team have allowed us to gain insight into the philosophy and operations of DKV Integralia's progressive business model. According to Josep Santacreu, *"Integralia is the stepping stone of DKV's commitment to social responsibility, to combining economic development and sustainable growth and, above all, is an opportunity to construct a more just society."* Integralia is a key element of DKV Spain's competitiveness, not only because it promotes a positive corporate reputation, increases employee engagement and customer loyalty, but also because it drastically increases the quality of the company's contact center services. Most of Integralia's employees are extremely engaged (and thus highly productive) because working at Integralia is the first real job they have been had as handicapped employees. Furthermore, being long-term users of health services because of their severe health problems, they are able to sympathize and better service DKV's customers.

Josep Santacreu defines this initiative as *"a dream come true, a collective dream turned into reality by all of us."* The goal of Integralia is not only to hire handicapped people, but also to train them and help them get jobs at other companies, as well as to disseminate the culture of integrating handicapped people into business. Over the years more than 250 people have moved from Integralia to other companies such as the Guttmann Institute, Nespresso, Advance Medical, Interpartner, and Memora Group, and this does not include the work done at the Integralia school, or at Integralia international operations, as discussed later. Today, DKV has the highest proportion of handicapped employees of any company in Spain, representing 33% of the workforce. Aside from increasing contact center productivity, Integralia has also improved the image of DKV in Spain, which has won several awards as a responsible and innovative company, and as a great place to work. Ultimately, at DKV Spain they understand that Integralia is perhaps the single thing employees and customers are most proud of.

## 1 Munich Re, Munich Health, and DKV

DKV Spain is the Spanish affiliate of *Munich Health*, the leading European Health Insurance company and the insurance division of *Munich Re*, one of the largest reinsurance companies in the world which generated revenue of over 50 billion euro and made 3.2 billion euro profit in 2015. Munich Re operates in almost all lines of insurance and has over 43,000 employees worldwide. Munich Health is the division of the company that deals with health insurance, and is present in almost 30 countries, with premiums of more than 5.5 billion euros in 2015. DKV Spain has been in operation for 18 years after DKV entered the Spanish market in 1998 by purchasing a Spanish insurance company located in Zaragoza that was called Previa, and formally creating DKV Spain. As of 2015, the net earnings of DKV Spain exceeded 26 million euros, with total premiums of almost 710 million euros. DKV Spain has been growing steadily in a country in crisis, is established across Spain, and has a wide network of offices and consultancies, with almost 780 employees servicing over 1.7 million clients as of 2015. DKV Spain is currently the fifth largest health insurer in Spain, with a market share of about 7% in a very competitive market in which the largest company has a market share of only 20%.

DKV Spain is based in Zaragoza. According to the current strategic business plan, DKV's business model revolves around the central idea of generating value for key stakeholders, with whom the company is seeking to be engaged in open, participative, long-term collaboration, sharing the DKV Dream. To achieve this objective, DKV Spain has established four objectives: (1) to be the best company on the market, co-responsible for the health of its clients; (2) to offer a service that surpasses customer expectations; (3) to be an exemplary organization; and (4) to be an innovative, open, and responsible company.

Munich Health has a decentralized management strategy, according to which each of the company's subsidiaries is responsible for developing their own strategy using the group guidelines and framework. In this regard, DKV Spain's CSR strategy is not the result of a top-down worldwide corporate strategy designed by headquarters. Rather, CSR

at DKV Spain is the initiative of the Spanish subsidiary, which has a bottom-up influence on the rest of the group. In fact, the European Munich Health Group established a task force of experts in 2013 with the goal of developing group-wide CSR recommendations, and asked the Spanish subsidiary to be one of the leaders of this task force.

DKV's Corporate Responsibility Plan is called 360° Responsible Enterprise, and involves a comprehensive way of understanding health from a holistic perspective, in the sense that health is defined as "well-being," meaning having what is needed for a fulfilling life (e.g., health, time, a good job, income, etc.). In this context, the goal is to increase the well-being of clients, healthcare professionals, and society in general. The strategy is completely aligned with and embedded into their business model. DKV Spain's CSR activities focus on improving the health and well-being of its self-defined strategic stakeholder groups: policyholders, healthcare professionals, insurance agents, suppliers, and society as a whole. As DKV Spain's website states: *"our strategy is about how we can make our dream come true through responsible management."* In management terms, this translates into: (1) creating value for key stakeholders; (2) contributing to sustainable development; (3) fostering ethical management and responsible innovation; and (4) engaging employees. These objectives are pursued through specific policies and practices whose goal is to integrate CSR into company strategy and daily operations by taking into account the sustainability of management in relation to both society and the environment, while behaving ethically with company stakeholders.

With regard to customers, DKV uses CSR to transform and develop its products and services. Examples include the establishment of partnerships with consumer groups that prevent problems with understanding the language used in policy contracts, raising the maximum age at which applicants can contract insurance (thereby ensuring insurance cover for older people), waiving the right to rescind insurance contracts as long as the customer fulfills their obligations after spending three years with the company, and providing insurance health care for adopted children through parents' policies that is equal to that offered to their biological children, among other things. These are all examples of CSR policies that have a direct impact on their business model, and

which most competitors do not offer. As for the healthcare professionals that work with DKV, the CSR plan focuses on increasing and improving the services that are provided, especially in terms of the payment system (every year DKV reduces the time it takes to pay their healthcare professionals). Additionally, within the CSR plan, DKV has launched its own Authorization Centre (CAP in Spain) in the form of a portal which allows suppliers from its clinical teams to submit invoices and carry out the other administrative operations that are needed to deal with DKV and its customers.

With regard to employees, DKV has clear and robust policies about issues such as work-life balance, training, equal opportunities, and development. For example, as part of the noncommercial training plan for 2015, a total of over 30,000 hours of training was provided to staff, representing an investment of almost one million euros. DKV also has a major program for community involvement and volunteering among employees, while DKV Spain publishes an annual sustainability report using GRI (Global Reporting Initiative) standards. DKV Spain's ultimate goal is to create an embedded ethical management system through which all stakeholders are fully aware of DKV's working principles, with processes in place to make sure that these are enforced. This is achieved through maintaining stakeholder dialogue, and especially through integrating some key stakeholders into the strategic reflection process. Integralia is the perfect example of how this 360° Responsible Enterprise strategy works at DKV Spain, as Integralia is a project that: (a) fits with company culture and values; (b) produces a positive social impact; (c) generates value for the key stakeholders of DKV Spain; and (d) is competitive and adds business value to the company.

## **2 Organizational Culture as the Basis of the Business Model**

Understanding the culture and identity of an organization is complex, and usually starts with an examination of the values, principles, and vision of the people who are involved in creating it. In this

regard, in order to understand why Integrália was created it is important to understand the corporate culture of DKV Spain. The personal vision and approach of Josep Santacreu, the CEO of DKV Spain and President of Integrália, appears to be the main factor behind both the culture of DKV Spain and the creation and launch of Integrália. To understand the CEO's approach to management it helps to understand his background: Santacreu is a medical doctor by profession who managed several hospitals and served as an executive at Doctors Without Borders ([www.msf.es](http://www.msf.es)) before joining Previa, the Spanish insurance company that DKV purchased when they entered the Spanish market in order to create DKV Spain, which means that Josep Santacreu has led DKV Spain since it began operating. He states that he has always had a strong belief in acting responsibly as a cornerstone of professionalism. In fact, the CEO is a firm believer in the idea that a responsible company is a more competitive company in the sense that in the long run it always pays off to have integrity, and to stick to company values. Josep Santacreu explains how, because of his medical training, he tends to see organizations as biological organisms, where a company *"is an organic system with communicating vessels, so that you cannot manage each part independently."* His idea is that good managers should see the connections between these different parts—the "big picture"—because if one of the vessels empties, it can destabilize the whole system. This translates into the idea that a company needs to generate value for key stakeholders, but also the understanding that these stakeholders are also connected. Santacreu's perspective is that the key to good management is not necessarily technical knowledge, but the passion and motivation, which come from being proud of what you do. The idea is that it is not enough that a manager has technical knowledge: they need to make sure that people are happy, motivated, and proud of what they do if a company is to succeed. Perhaps this is why in 2015 Josep Santacreu was awarded the Ernst & Young Social Entrepreneurship Award, marking the first time that award has gone to a company executive (until 2015 the award had been given to other types of organizations such as NGOs). Josep Santacreu is, thus, a social entrepreneur who considers social innovation to be key strategic asset.

The individuals involved in the conception and launch of Integralia in 1999 explained to us that when they first considered the idea of starting a foundation fully staffed with handicapped people to provide a key business service everyone thought they were crazy. In fact, initially even they themselves were not sure that the initiative could be financially sustainable, but they decided to go ahead anyway because they believed in the idea that even if the company was not financially profitable, it would generate value for the firm in other ways, and would provide a good service to society. When the idea of Integralia was conceived back in 1999, contact centers in Spain were mostly outsourced and competing based on the lowest price possible. This is why it sounded so strange that this German insurance company which had just entered the Spanish market would create a new structure for their contact center instead of outsourcing services, with all it entailed in terms of cost, employees, resources, and processes; and not only that, but that this new company would be staffed and managed by handicapped people.

Other key components of the culture and success of Integralia are the leaders Cristina Gonzalez and Javier de Oña who have managed the project since it was founded. Cristina, who is currently General Director of Integralia, was working at DKV Spain in 1999 when she was asked by the CEO to establish the Integralia Foundation and launch the first contact center. That first seed, as Cristina puts it, *“explains why and how we do things at Integralia.”* The first contact center started with nine employees, all handicapped and with no previous experience. Among these employees was Javier de Oña, a young man who had worked at the Barcelona airport, handling luggage before suffering a motorcycle accident which left him a quadriplegic at 26. He was, in fact, the last person hired for the initial contact center, but it quickly became apparent that he was a natural leader and had great passion and ability. He is now the Deputy General Director of Integralia, in charge of all operations (Cristina focuses on new projects such as international operations) and has managed Integralia through its process of growth. Javier de Oña also represents the Integralia model well: the company’s model of development relies on steady and consolidated growth because members believe that the key to success lies in giving opportunities to people who have never worked in a contact center

before; people who do not usually have such opportunities and who may believe that they will never get one. Accordingly, Integralia does not look for experienced employees, but rather for individual passion and commitment, because this is their value proposition.

When Integralia finally started operating in 2000, it became the first contact center in Europe fully staffed by handicapped people. At that time there were very few companies in Spain which would offer regular jobs to people with disabilities, so when Integralia was launched it quickly attracted interest through media and word-of-mouth, following which inquiries from handicapped people and their families started pouring in. Javier de Oña explains how one day his father received a phone call from the CEO of DKV telling him *“not to worry, because your son will join us at Integralia and we will take care of him...”* He joined as a phone operator, quickly became a supervisor, and worked his way up to his current position as Deputy Director for Integralia, as well as the director of the Barcelona contact center in el Prat del Llobregat, the largest of the eight operating contact centers currently operating in Spain, with over 200 employees. In some cases, like that of Elena Jacinto, personal contacts were involved. Elena’s grandfather was from the same hometown as the CEO, who quickly decided to get her on the team after hearing about her story. When Elena was a teenager she tried to commit suicide by jumping in front of a train and was left paralyzed from the waist down. Today she is a key figure in the quality department and is also studying for a bachelor’s degree in statistics at a Barcelona university. Another example is Manuel Ragel, a native of Andalucía who traveled to Barcelona for rehabilitation after being paralyzed in an accident. On the plane back home, entirely by chance, he met Javier de Oña, the Deputy Director of Integralia, who was flying to Jerez de la Frontera to develop new contacts. Javier offered him a job on the spot.

Integralia is full of stories such as this: tales of tragedy, but also of how challenges were overcome, of helping one another, and of making it through. The life narratives illustrate the fact that handicapped people are forced to change their mindsets and focus on all the things they can do, rather than on all the things they can’t. The process of transformation may give handicapped people skills and qualities that most regular



people lack. This is one of the main factors which helps Integralia and DKV Spain create a culture of seeing challenges as opportunities, having patience, and perseverance; and more importantly, always working as a team. This has created a sense of community at Integralia that goes well beyond the contact centers and involves DKV Spain and most key stakeholders. Integralia has created a culture in which employees are engaged with the organization, work as a community, and have a long-term perspective. Due to this attitude, Integralia is not interested in the degree of disability of an individual, but rather in their attitude. They look for fighters, and prefer to spend two years training someone who will be fully committed than to have an employee who can immediately be operational but who has a lower level of engagement. Integralia has learned that people like this will, in the end, give back to the organization much more than Integralia gives them. The company understands that the benefits they provide to employees go far beyond salaries, health coverage or pensions: they provide a sense of belonging, of pride, and of self-confidence.

It is for this reason that Integralia has grown steadily and impressively, going from nine employees in 2000 to 50 in 2004, then to 100 employees by 2006, 150 employees in 2008, 230 employees in 2010, and almost 450 employees in 2016 (not taking into account the international expansion of the company, the Integralia School or the consulting services they offer, which are discussed later). A virtuous circle exists, as illustrated in Fig. 1. DKV Spain's values, along with the CEO's personal values, have created a culture that fostered the coming-into-being of Integralia, which lead to a strong sense of community. This environment created very engaged and passionate stakeholders, which in turn generated a high-level of quality and productivity. This had positive implications in terms of Integralia's superior business performance and value, as well as a positive social impact. This, at the end of the cycle, reinforces the values on which the organization is based, legitimizing and strengthening its culture and demonstrating to the organization and its stakeholders that a value-based culture is a key factor in creating a competitive business model.

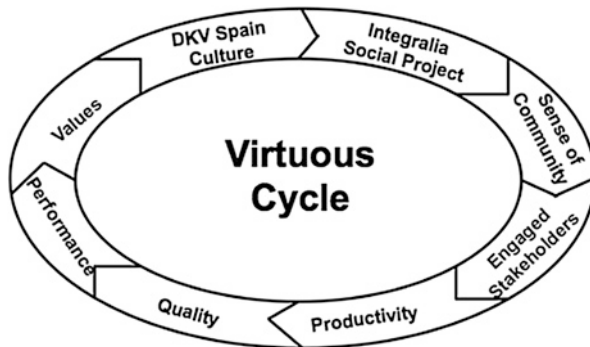


Fig. 1 Organizational culture as the foundation of the business model

### 3 Integralia's Business Model

For a services company such as DKV, a contact center is a very strategic element. It is the way most customers interact with the company to access services, ask questions, or submit complaints or suggestions. In other words, the contact center is the direct link between the company and customers. According to a report (*Global Contact Center Benchmarking Report, 2015*) covering 12 sectors and 72 countries, 75% of companies say that the contact center is a key differentiating factor with regard to competitors, and 57% of companies observe a direct link between call center performance and company revenue and profit. However, this same report shows that for the past five years the degree of satisfaction of customers with contact centers has decreased. This may be because companies are moving toward outsourcing contact center services, and the fact that there has been a 23% drop in direct ownership models and 80% of contact centers currently say that their current systems and structure will not meet the future needs of their organizations.

Working at a call center is often perceived by employees as a low value-added proposition, which is the reason why contact centers usually have problems with both recruiting and retaining staff once they have joined an organization (most importantly, because of employees'

lack of engagement with and passion for their jobs). People who work at contact centers usually do so because they have not been able to find other jobs, or use these jobs as stepping-stones to other jobs, explaining the high turnover and low level of engagement. A study conducted in 2007 of more than 2500 call centers in 17 countries with over 475,000 employees by Cornell University (Holman et al. 2007) showed that the average turnover rate of employees at call centers worldwide is above 20%. As labor costs usually represent about 70% of the total costs of a call center, high turnover creates an increase in cost equivalent to 15% of the total gross annual earnings per worker. This significant financial burden is caused not only by the expense of recruiting more employees but also, particularly, by the cost of training (there is typically a seven-to-fourteen-day training period for new employees, as well as some on-the-job learning). On top of this, according to the same Cornell report, many call centers are offering low-quality jobs, which explains why training and recruitment costs are some of the largest expenses for a call center, and why engagement is so low, with absenteeism rates above 10% across the industry. In sum, looking at the industry, most contact centers focus their business model on improving the customer experience through two main factors: (1) using advanced technical tools (TIC, digital, etc.); and (2) having a productive workforce.

Integralia's business model revolves around a very simple value proposition: create a high performing contact center that is financially sustainable and which generates strategic value for DKV Spain. The way the company delivers this value proposition is not so much described in the "what," as in the "why" and the "how." As we have seen, traditional contact centers in the industry are difficult to manage effectively. However, at Integralia employee turnover is 10% and absenteeism is around 6%. This represents a 50% reduction in key labor costs compared to the industry average in terms of training, recruitment, and productivity. The result is that Integralia's call centers have an average response time of about 24 seconds, with over 93% of calls serviced and a level of customer satisfaction of over 94%, according to the last survey in 2015. These metrics leave Integralia in first position among call centers in the healthcare sector in Spain, and with a top-ten position among all sectors (Lombardia and Fontrodona 2013). To achieve this level of

success, Integralia is very active at innovating both in terms of technology and processes, but the main differentiating factor is corporate culture, both at Integralia as well as DKV Spain.

Integralia's business model is built on a culture that engages employees and increases innovation and productivity, as well as produces high-quality services. To create this culture, Integralia uses a social entrepreneurship approach. As Mohammad Yunus, Founder of Grameen Bank and Nobel Peace Prize winner, said, *"one of the deep-rooted characteristics of human beings is the desire to do good for other people. It is an aspect of human nature that is totally ignored in the existing business world. Social business satisfies this human craving, and that's what people find inspiring"* (Yunus and Weber 2007). In other words, what Yunus argues is that embedding a social project in a business model that is self-sustainable can have a huge impact because it is by definition both sustainable and replicable. In this regard, most social businesses are the result of social entrepreneurs creating new organizations. However, more and more multinationals are using this same system to create new and sustainable initiatives; a phenomenon known as social entrepreneurship. Integralia follows this model because DKV Spain does not collect dividends or other financial benefits from the company (although it does benefit from improvements in corporate reputation, customer loyalty, employee engagement, innovation, and so forth), meaning that Integralia is managed as an end in itself. In other words, DKV Spain maintains a certain level of control over Integralia with some seats on the board of the foundation, but it is managed as a separate organization. This means that Integralia is a social business that has the mission of fostering the integration of handicapped people into society and the workplace, and which uses the benefits it obtains to increase the impact it has in terms of achieving its mission, as any other company does. The difference between Integralia and other call centers is that Integralia's call center services are the means of achieving the mission, not the ends.

As of October 2016, Integralia had 437 employees in Spain, 98% of whom were handicapped. Of these 98%, 31% were severely disabled. More than 95% of Integralia employees have stable jobs, and almost all executive positions (and internal growth) are managed through internal

promotions. The model is based on slow, steady, and consolidated growth that is very much built on the capacities of Integralia employees. Integralia also has a well-developed outplacement process, so that employees at Integralia have a career development plan according to which they can be promoted within the company, or potentially move to “normal” companies (since the year 2000 more than 1700 handicapped people have found permanent positions within Integralia or in its ecosystem of companies in Spain alone). In many cases, Integralia places employees with company clients after these companies have experienced the professionalism and quality of the services that these employees can offer. This generates a culture where workers feel part of something; they feel that the company cares about them, which explains the low turnover and absenteeism rates. Integralia’s business model is not based on retaining a group of employees with no other alternative, but rather on the opposite idea: on giving these employees alternatives and the opportunity for advancement. Moreover, while over 70% of the contact centers in the world offer either customer service or sales services, but not both (2015 Global Contact Center Benchmarking Report), Integralia does, and then more, as this is one of the main sources of service innovation, according to DKV Spain. This means that Integralia is a high value-added unit for DKV Spain. It appears that the level of job quality and complexity at Integralia is higher than at most competing contact centers. Integralia employees know that the more productive they are, and the more they grow, the more they can help people like themselves, so they are highly motivated and engaged. Growing the business by definition means helping themselves and others like them. On top of this, Integralia is investing quite a lot of money into training (one of the pillars of the business model) and provides more than 4000 hours of training to employees on an annual basis.

People at DKV Spain believe that the mistake most people make is thinking of Integralia only in terms of a social project. They believe that it should instead be seen as a valuable business project that makes sense in itself; it just happens that the company succeeds in large part because it is a social project. This is what makes the Integralia initiative so interesting: DKV Spain does not see it as a social project that has been successful, but rather as a business endeavor that has been highly successful

in large part because of approach to social entrepreneurship. The perception of DKV executives and stakeholders reinforces this idea, as we explained in the previous section, that social innovation can be a source of successful business innovation. As the CEO explains, *“Integralia has helped us a lot in terms of giving us the legitimacy that allows us to try different things in other areas of the company.”* One of the areas in which Integralia has generated a lot of value for DKV Spain is corporate reputation and image, having won many awards. It also appears regularly in the press and has been discussed at different forums and universities. DKV Spain has seen that the level of public exposure of the company does not correspond to its size, or the investment they have put into advertising, and this is largely the result of their responsibility-linked practices, and particularly the work of Integralia. However, they also explain that creating a positive impact on corporate reputation is not the objective, but rather one of the results of this way of doing business. In other words, it is not that they do these things to improve their image, but rather that their image is good because they follow the specified business model.

Integralia generates a lot of different benefits for DKV, but the main one is not reputation but the fact that it is a great contact center and that their customers are happy. DKV understands that for many companies it is difficult to launch a project like this because they do not understand the value it can generate for different areas of the organization. Instead, most companies only look at the initial investment and drastically underestimate the potential benefits, in part because many of these benefits are intangible. Nevertheless, Integralia has been a very profitable initiative, regardless of how one looks at it. For example, one of the areas in which DKV Spain has generated value from this initiative is management innovation, as it has forced managers to rethink and reframe most processes and assumptions. DKV Integralia is in this regard an example of a very successful business venture, and DKV Spain affirms that if the cost of Integralia outweighed the value it generated from a business perspective, they would eliminate it, reinforcing the claim that for DKV Integralia is not a social project. In fact, although we have stated that most of the benefits of Integralia are intangible, DKV Spain believes that they get much more out of it than they put

in, even in terms of tangible benefits that can be recorded on balance sheets. One of the most important contributions of Integralia seems to be how it facilitates the creation of a sense of shared culture and identity at DKV Spain, where no one argues whether it makes sense to have initiatives such as Integralia; it is accepted as the way things should be done. This culture has evolved partly because of the success of initiatives like Integralia, despite the fact that many people in the company initially expressed doubt about whether they should engage in these types of projects as an insurance company. However, today there seems to be a shared culture where these sorts of doubts no longer exist. In fact, some of the people who at the beginning did not support this initiative have now become the strongest defenders of Integralia and related corporate responsibility policies, according to employees to whom we spoke. The power of this culture lies in the fact that Integralia's impacts are positive for both company and society, allowing managers to feel that they are significantly contributing to both the firm as the community, thus creating both meaning and purpose.

Thanks to the success of Integralia, it soon became apparent that the business model had significant potential to grow and be replicated. For this reason, in 2012 Integralia and DKV Spain carried out a process of strategic reflection to examine how they could leverage the success of the Integralia model, and particularly the knowledge acquired over the years about the process of selecting, training, and developing people with a variety of abilities in order to expand their model. With this in mind, for the past few years Integralia has been working to increase its impact in four areas: (1) expanding internationally; (2) through the innovation of products and services; (3) by creating the Integralia School to train employees and help them find jobs in other companies; and (4) by providing consulting services to other companies who are interested in starting initiatives such as Integralia.

The international expansion of Integralia has developed along two separate lines: expansion within Munich Re, and expansion in developing countries through the initiative of Integralia itself. Expansion within the group is more passive in the sense that Integralia provides the know-how, and helps with company set-ups, but does not actively seek to promote or manage these initiatives. So far, one such foundation

has been created in Poland; a contact center for an insurance company that belongs to the same group as DKV Spain called Ergo Hespia. This company was created in 2004 as a foundation called Integralia Poland. It exactly replicates the business model of Integralia Spain, and has also been successful, both at servicing the mother company as well as integrating handicapped people into the company. Integralia Poland has helped over 500 people with disabilities obtain a permanent job since it was created. However, Integralia Spain does not directly manage this company, and mainly provides the know-how, technology, and training. International expansion in developing countries by Integralia Spain, on the other hand, has been managed directly from Integralia through the creation of a Department of International Projects. The seed of what today is this department was planted in Egypt in 2012 during an incentive trip for DKV Spain personnel when the CEO Josep Santacreu saw a severely handicapped man in the middle of a road being passed by countless cars, motorcycles, and people. At that moment he realized that the lives of handicapped people are even harder in developing countries, and had the idea to start a project to improve their lives. This initiative tries to build on Integralia's mission of bringing creative solutions to developing countries and always trying to partner with a variety of organizations, including companies, governments, international organizations, and NGOs. To manage this project a new concept was created called Mundo Integra (which can be translated as Integration World), which guides this process of expansion through the leadership of DKV and Integralia Spain.

Integralia started its first international projects in Peru, in the desert of Pachacútec, an area in Ventanilla del Callao in which many people live in extreme poverty. Since then, Integralia has developed two projects in Peru, involving (1) directly integrating handicapped people into companies; and (2) training and developing the skills of people with disabilities. To integrate people with disabilities into companies, Integralia identifies organizations that are socially responsible and which want to incorporate handicapped people into their organizations and helps them through the process. One example is IBT Group Peru, which is a Spanish company that belongs to Eurofinsa, a construction company that built the first two privately managed public hospitals in



Latin America. Integralia created a contact center for IBT Group Peru staffed with 65 professionals. Another example is Konecta BTO Peru, a long-term strategic ally of DKV Spain. Konecta is a Spanish multinational company that provides technical and outsourcing solutions for services such as contact centers. In collaboration with the Konecta Foundation, this company designed a tailor-made project and trained 75 people with disabilities, 41 of whom now have permanent jobs. With regard to training and development, Integralia helped create the first professional degree of contact center in the desert of Pachacutec in partnership with the Konecta Foundation in Spain, which has trained 175 people, 109 of whom have obtained contract-based work. In 2015, the organization obtained official certification from the Ministry of Education of Peru. Along the same lines, a collaborative project was established in 2014 with the Spanish Agency for Cooperation and Development (AECID) to help finance the project Peruintegra (within the Mundointegra project), which has given Integralia the opportunity to obtain more resources and therefore have a bigger impact. As of October 2016, they had trained 315 handicapped people, 207 of whom have now obtained stable jobs.

In 2015, Integralia started working in India in collaboration with the Vicente Ferrer Foundation/RDT Rural Development Trust Anantpur, which is an organization that tries to help groups at risk of exclusion, such as people with disabilities. Integralia helped them create a training program that has reached 33 people with disabilities, 23 of whom have now secured stable jobs. Also in 2015, and again with the help of the Spanish Agency for Cooperation and Development (AECID), Integralia started the project Colombiaintegra (again within Mundointegra), which is a very innovative project that uses an alliance of a network of different public and private organizations to improve their situation of people with disabilities in Colombia. The project is based in Bogotá and is designed to help in resolving the long-term conflict that has been going on for more than 50 years between the government of Colombia and FARC (the guerrilla movement the Revolutionary Armed Forces of Colombia) by providing training to victims of this conflict. It takes the form of an alliance of organizations: the government of Colombia officially certifies the training which is provided by Integralia; Corporación

Matamoros is an NGO which helps policemen and soldiers who have been injured while on duty; while Konecta Colombia provides jobs for all those who finish the training. Currently, Colombiaintegra has 30 people in training, most of who have been mutilated by land mines. Aside from these ongoing projects in Peru, India, and Colombia, Integralia has already begun discussions with different organizations in Vietnam and Cambodia to further the objective of integrating people with disabilities in the developing world into work. Finally, as of the end of 2016, Integralia is also conducting some preliminary studies for projects in Mexico and the Dominican Republic.

With regard to innovating products and services, Integralia works in two ways: finding innovative ways to identify work for people with disabilities, and developing new tools that can help people with disabilities work better. Regarding the first goal, Integralia looks for creative ways to help people with disabilities find jobs. Many companies have problems hiring people with disabilities because their offices are not suitable for this purpose, and many people with disabilities have issues with mobility. They may have problems, for example, using public transportation, and often have to reject job offers because they cannot travel to and from work on their own. With this in mind, Integralia is participating in the Discatel Project in partnership with other organizations such as the Spanish Association of Experts in Relations with Clients (AEERC) to promote telework in contact centers to allow disabled people to work from home. Again, Integralia sees this idea as a win-win for companies and society, as the chance to telework gives people with disabilities opportunities, while also helping organizations to provide quality contact services to customers or users. One of the lines of work Integralia is involved in is providing contact centers for city councils and town halls, which often have problems with providing good quality services. Integralia provides a subcontracted service to city councils by creating offices of attention to residents, which use the services of people with disabilities working from home. To help with this, Integralia is also investing in innovative technologies that can improve service quality and increase flexibility. Thus in 2014, Integralia purchased 51% of a technology company called Anobium, which develops innovative solutions to manage information more efficiently. As a part of this project,

Integralia also created a contact center at DKV Spain's headquarters in Zaragoza, which is currently staffed with 22 handicapped employees. The idea is for Anobium to keep creating new tools that will support Integralia's strategy of helping handicapped people find ways of working.

The Integralia School is designed to put its capacity, knowledge, and experience at the disposal of other companies who are open to understanding the fact that people with disabilities can bring value to an organization, and who want to participate in this process by integrating such values into their business models. Since being created in 2013, the Integralia School has delivered 37 training programs to 477 students, of whom 277 have found permanent positions both within and outside Integralia. The school operates by selecting 120 people with disabilities every year for one of two types of training: (1) courses on banking, insurance, telecommunications, and utilities for individuals who have prior advanced experience or knowledge about working in contact centers; and (2) courses for contact center employees who have had some training but who do not yet have the required experience. Finally, the Integralia School has also launched an online initiative called *Talento sin Límites* (Talent without Limits) in collaboration with a number of organizations that support entrepreneurship initiatives. This project is designed to support the entrepreneurial ideas of people with disabilities. The motto of this initiative, according to their website, is "*learn to entrepreneur*," and it is free. Participants are only required to have a certificate of disability and a good business idea.

Another area in which Integralia has been working is offering consulting services to other companies and organizations that wish to start projects similar to Integralia. As Cristina Gonzalez, General Director of Integralia, explains "*our consulting services are aimed at supporting other organizations by sharing our experience and helping them develop solutions using the same model we have created at Integralia.*" Integralia helps contracted companies through a very specific process: it (1) analyses the company environment, and identifies opportunities for handicapped people; (2) creates an internal communication and awareness plan; (3) defines with the client's HR department descriptions of the positions to be filled by handicapped people; (4) recruits handicapped people;

(5) trains new recruits; (6) creates internships with the client organization; (7) hires some of the trainees as full-time staff; (8) trains internal mentors for the company who can lead the project; and (9) supports the mentors, but makes sure that projects can be fully self-managed by the organization. Several successful projects have already helped other organizations develop projects using the Integralia experience, creating over 200 additional jobs for people with disabilities in the process.

Ultimately, Integralia is trying to grow in order to more effectively fulfill its mission. It does this by growing (nationally) in Spain through innovation-based processes (introducing telework, promoting entrepreneurship, creating a school, etc.) as well as by expanding internationally (Mundointegra). Although it may seem that some of these initiatives are not directly connected to Integralia's work as a contact center in Spain, it should be remembered that the key to Integralia's business model is its development of an organizational culture which motivates and engages employees, thereby creating a positive customer experience. In this way, international expansion, the innovation of services and the creation of the training school reinforce the mission and values that are the foundation of Integralia's model. Integralia is a company that places a lot of trust in people, which teaches them to work, and which is highly committed to employees both at a professional and a personal level. These factors translate into an engaged workforce that goes the extra mile.

## 4 Problems and Challenges

Integralia is facing four main challenges: (1) how to sustain and manage growth? (2) How to increase social impact? (3) How to innovate, grow sustainably, and increase impact? and, (4) How to work with a multitude of partners with different strategies and objectives? First, as already explained, Integralia is growing both in Spain as well as internationally. It is already taking on new clients and innovating in terms of service. Any company that goes through sustained periods of growth encounters significant challenges in terms of governance, management, and services, but most importantly, culture. As the CEO explains *"we should never forget where we come from and what our mission is."* It is a challenge

to keep growing without deviating from the values and culture that are the foundation of the business model. As Pere Ibern, Director of Strategy and Development at DKV Spain, explains, “*Integralia will only make sense as long as we can provide a great customer service, offering a top quality and competitive contact center.*” It remains critical to maintain a high-level of quality and productivity, and low levels of turnover, absenteeism, and disengagement.

Second, in order to fulfill its goals, Integralia is seeking to increase its social mission of increasing the number of people with disabilities who are integrated into regular jobs, which means increasing the turnover of employees at Integralia so that jobs for employees can be found to make room for new trainees. Herein lies a paradox, and one of the main challenges for Integralia in the future: as an organization, Integralia wants to keep turnover to a minimum, but in order to fulfill its mission and to grow it needs to increase the number of employees who find jobs at other companies, start new projects and move on to other activities. In this regard, finding the balance between maintaining the current levels of quality and productivity and increasing the number of employees that are trained and placed at other companies will be a major challenge. Supporting outplacement at Integralia, as with many service companies, is not only a goal in itself, but a source of customer loyalty (as mentioned, most employees go on to work with clients or partners of Integralia). Also, finding permanent positions for employees in companies transforms these firms and raises awareness of the situation of people with disabilities. Companies who hire handicapped people need to adapt, and their existing employees have to learn that their new handicapped colleagues are just as professional and efficient as they are—and sometimes more so. Thus, the paradox is that managing the turnover of Integralia employees represents both a threat and an opportunity. Because of this fact, Integralia needs to identify more and better ways of finding jobs for employees with disabilities at other companies and organizations using a process that is not detrimental to Integralia in terms of its impact on culture, productivity, and costs.

Third, one of the main challenges Integralia is now facing is how to keep innovating in terms of products, services, technology, processes, and business model. As demonstrated, Integralia has been very active in

trying to find new ways to increase its impact (through teleworking and offering new solutions to different organizations in need of customer support, for example). This requires innovation not only in terms of new services but also in the form of employee training and technological development. Accordingly, the challenge in terms of technological innovation not only arises from the need to offer new products, services, and processes, but also from new industry trends. As some studies suggest (2015 Global Contact Center Benchmarking Report), most contact centers are working on creating models that employ multiple channels of communication, including social media, apps, and other technologies, and are moving away from the use of phone services and personal contact. This may put a strain on service provision and change the types of skills and training Integralia has to provide. Integralia will, therefore, have to innovate in terms of balancing the need for an increase in service provision per se (as well as its flexibility) with the need to continue to provide a high-quality customer experience.

Fourth, as we have seen, Integralia always collaborates with other organizations. For most projects—both international and domestic—Integralia is required to identify partners who can make a useful contribution. These partnerships tend to be complex as they often involve different types of organizations, such as private companies, public organizations, foundations, community groups, and associations and NGOs. These organizations are required to identify the project-specific common ground for their work, but each of them ultimately has a different agenda, objectives, and organizational values. These differences sometimes create complex situations and tensions that are difficult to manage. Thus, one of Integralia's challenges in the future may be finding ways to establish more permanent, long-term strategic partnerships with other organizations.

Finally, the main challenge Integralia will face is finding the balance between the tensions that will be generated by growth, the desire to increase impact, the need for collaboration, and the demand for incremental as well as radical innovation of products, services, and ideas. In the future, Integralia will need to remain true to its values and culture, which are the foundations of its competitive advantage, while

simultaneously changing and reinventing itself as an organization that can fulfill its mission and keep growing through a complex network of relationships. The coming years will be very interesting times for Integralia.

## 5 Conclusions

Cases such as Integralia show that companies can find ways to design projects that have significant business value and which positively impact society. These types of projects are the very definition of sustainable, not only because they make sense financially, but because they are strategic for firms and are, therefore, the kinds of projects that are not susceptible to being abandoned during times of crisis, or denounced from an ideological perspective. Projects such as Integralia simply make business sense. DKV Spain has created one of the most productive call centers in Europe by engaging and integrating a group of people who are largely excluded by the rest of society. In this regard, both DKV Spain and Integralia serve as inspiring examples of how social innovation can be a very powerful business tool that can generate strategic competitive advantage.

When we see such clear examples of success such as Integralia, the following key (and connected) questions often arise: (1) can this example be replicated in other organizations? and, (2) why has this initiative not been replicated yet? The example of Integralia can be replicated, but it is not as easy as might seem. As we have explained, the key to Integralia's success is the culture that has been created at both DKV Spain and Integralia through leadership. This is a culture of efficiency, productivity, professionalism, creativity, and innovation; but at the same time, it is also a culture of patience, flexibility, tolerance, sensibility, and vision. It is a culture that embraces the idea that working with people with disabilities requires a fundamental change in the mentality of employees. It requires the acceptance of different types of learning curve, different resources (both physical and technological), different ways of measuring costs, investment, and success. It is not as

simple as deciding to hire people with disabilities. This response also partially answers the second question, as initiatives like Integralia, while admired and impressive, tend to not be replicated because it is exactly the innovation of ideas, mindsets, and cultures that is most difficult to stimulate. When people, organizations, and societies are faced with fundamental change, there is a strong tendency to resist because of a feeling that identities are being threatened. One example of this is the present growth in political parties and candidates who thrive on fear and promote the reactionary idea that we need to remain just as we are.

In order to learn from cases such as that of Integralia, we first need to understand what turned these projects into reality. It is easy, in hindsight, to see Integralia as a project destined for success, but when the idea of the company was conceived it was considered crazy, the whim of a company CEO who had a personal desire to create social projects. Integralia was not understood and accepted as a valid business initiative. It was created by a local and relatively small subsidiary (DKV Spain) of a large German multinational company (Munich Health from Munich Re) through the initiative of one visionary individual whose idea was embraced by a few “crazy” people. Integralia has not been replicated systematically even within Munich Health, except for in Poland, and again because of the personal initiative of individuals at a local group company. This leads us to conclude that the development of a project like Integralia requires two main ingredients: (1) leadership, in terms of someone who can push the project forward; and (2) a culture that embraces innovative ideas and empowers people so that ideas are actually put into practice. Some research has indicated (Jaruzelski and Dehoff 2010) that the most innovative companies are not those which invest the most in R&D, but are companies that create a culture and an environment in which people are engaged and motivated, and where creativity is embraced. In fact, these same studies show that an average of 25% of all innovation in organizations is not formally planned or assessed. This confirms the idea that the key to organizational innovation is the existence of a culture that simultaneously allows people to be creative and motivated, as motivation is one of the key drivers of creativity (Amabile 1998).

In conclusion, the main takeaway from a case like Integralia is that the desire to make a social impact can be a powerful tool in the hands of



business, but also that the implementation of such ideas requires a particular set of values—values that may not be considered desirable at all companies. Integralia was developed using the basic idea that investing in people who were at risk of exclusion would generate a return down the line in some form; that a company could engage in social entrepreneurship and still create significant strategic value; that a private firm could be competitive through collaboration and partnership with all sorts of organizations; that dialogue and empathy could represent a very powerful competitive advantage; and that the most important and radical type of innovation is innovation of culture and identity. The opportunity to solve challenges through working with people with disabilities has always been there, but the problem is that most people do not see this approach as a relevant business issue, much less an opportunity.

According to an anecdote when Albert Einstein was a professor at Princeton he received a visit from an old student who saw some tests on Einstein's desk waiting to be corrected. The student asked Einstein, "*Professor, why are the questions in the test exactly the same as when you were my professor?*" to which Einstein replied, "*the questions are the same, but all the answers are different.*" Cases such as Integralia help us reframe responses to classic management challenges that we may have thought we already had answers to, such as "what is business for?", "what is success?", "how can we measure what we do?", "who owns the firm?", "how can we innovate?", "how can we fundamentally transform an organization?", and "how can we grow?"

## 6 Questions for Use in Class Discussions

Case-specific questions

- Could Integralia have developed under a different CEO? Can its unique culture survive the departure of its current CEO?
- In what ways does DKV Spain generate value from Integralia?
- How can one measure the value generated by Integralia?
- Why are DKV and Munich Re not replicating the Integralia model, if it so successful?

### Broader case-related questions

- How can companies integrate social innovation into their corporate culture?
- What are the key challenges in developing a social initiative within a large corporation?
- How important is meaning and purpose for companies?

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