

Møller Family

Integrating Social Inclusion into their Core Business

Nature of Business: Automotive, Real Estate, Investment Portfolio, Family Office

Industry Sector: Mobility, Real Estate, Finance

Family Business History: 4th Generation

Provenance: Norway



Setting the Stage

Founded in 1936, the Møller Mobility Group is a prominent importer and car dealer with operations in Norway, Sweden and the Baltic countries. With over 4,300 employees it is the largest importer of vehicles in Norway, specialising in Volkswagen, Audi, Skoda and Seat. The Møller Mobility Group is also one of Norway's largest family businesses with an annual turnover of 28.4 billion NOK (2018). The Group is notable for its ability to innovate and adapt while still preserving its core business, which can most recently be seen in its foray into car sharing.

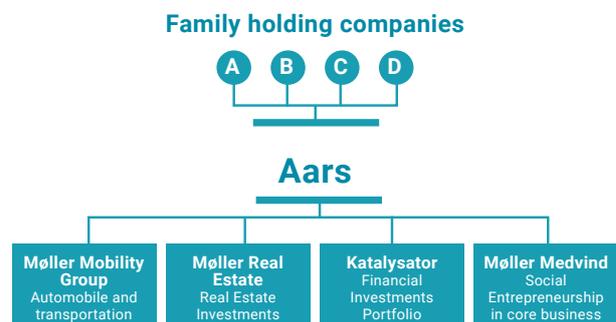
83 years ago, Harald Aars Møller founded Strømmen Auto, a car store and car service workshop. His position as the sole dealer of Dodge & Desto cars in Norway was key to the success of the business and enabled it to move into new industries. In 1956, the company started its long partnership with the Volkswagen Group, after which Norway became one of Volkswagen's most successful markets outside of Germany.

In 2003, the company experienced a major transformation when it was split during the transition from 2nd to 3rd generation. One family branch, the Schage family, took over the family's industrial production investments. The Møller family took over the car business and the remaining financial and real estate investments were split between the two branches. Part of the Schage branch later re-joined Møller after selling its industrial production investments. The resulting funds from this sale enabled the company to expand its activities to the Baltic countries.

This split, along with the financial crisis of 2008 and Volkswagen's "Dieselgate" scandal, were challenges that ultimately strengthened Møller Mobility Group's governance and helped paved the road to the success they are enjoying today. In 2014, a new family holding company was

established under the name Aars with an overall ambition to develop a modern and professional family office. Financially, its focus has been to build a more robust ownership structure, diversify the family assets and reduce risk while growing the net worth of the family. Family risk has also been reduced by enabling voluntary involvement and ownership.

The 16 current family owners are engaged in and united through the activities of Aars, which also provides professional support to family members both on 'hard' and 'soft' issues. To facilitate and encourage involvement from all owners, Aars has invested in an office villa where family members can gather for both business and pleasure. In addition to hosting the family office, the real estate business and the investment company, the office also has gym facilities, a photo collection and a social space for events and celebrations.



While the family has been involved in various philanthropic activities for decades, they wanted to create more meaningful impact by embedding social responsibility into its core business. Aars has identified three key ambitions relating to social responsibility: To contribute to a greener society, to play a central role in mobility solutions and

urbanisation, and to be recognised as an innovative company that cares for its people. Møller Medvind, a social inclusion initiative which the company is directly and actively involved in, emerged from these aims.

Holding the Mirror

Norway has a welfare system where free education and health services for all citizens are important principles. Given Norway's small population, high participation in the workforce is necessary for the welfare system to work. Despite the positive trends of gender equality in the workplace and high retirement ages, integrating everyone into the workforce remains a challenge. A recent report showed that 70,000 people in Norway between the ages of 20-66 are not in education or employment. Out of these, 40,000 are statistically expected to carry this status in the long-term. The relatively low rate of NEETs (individuals not in employment, education nor training) in Norway means that this segment tends to be more disadvantaged than in other OECD countries. Therefore, it is crucial to both the Norwegian welfare system and the quality of life for those affected that the NEET rate is minimized.

Bjørn Erik Tangen, who has 35 years of management experience within the Møller Mobility Group, thought that the Group could play a role in finding a solution to this challenge. Before becoming the managing director of Møller Medvind, he had successfully employed so-called 'unemployable' individuals for several years. Bjørn Erik had found that most of these recruits turned into valuable employees when they were equipped with committed managers, valuable training and trust. This experience showed there was a real opportunity to include more young people in the workforce by expanding this unconventional hiring process.

Another key person in the Møller Medvind project is Mari Schage Førde, 4th-generation owner in Aars and board

Mari and Bjørn Erik



chairwoman in Møller Medvind. She has been active in the family's philanthropic activities for a long time and was head of the Social Activities unit since 2017. Mari was eager to make a more meaningful impact by integrating social responsibility into their core business. With the company's resources and the family's extensive network, she saw that they had a solid starting point for contributing to a more generous society.

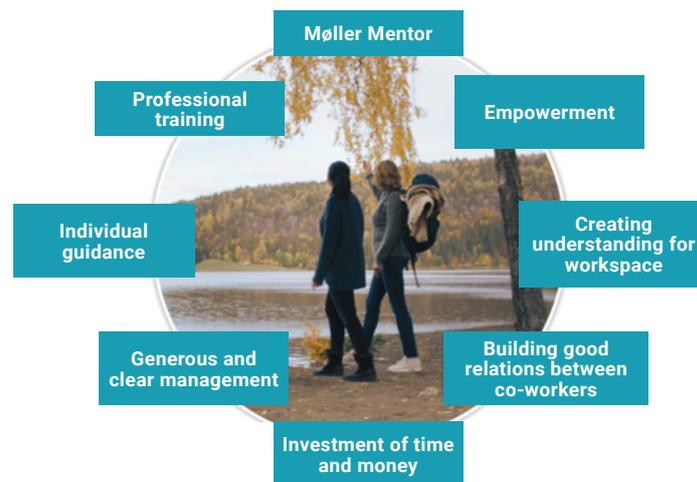
Connecting the Dots

With the encouragement and support of the family, Møller Medvind was established in 2018 as a separate legal entity. Its core function is to provide NEETs with valuable training to get them into the workforce. It employs the 'unemployable' individuals who are dependent on state support. These individuals currently provide two main services: Preparing used cars for sale, and car cosmetics. Mari's experience with social activities complemented Bjørn Erik's expertise of integrating young NEETs into core businesses, and made them a balanced and formidable team. Their energy and personal engagement in the project were also success factors. As explained by Mari, the initiative creates a win-win situation: The company has work to be done, and the young candidates need work.

Møller Medvind Family



The Møller Method



In an early phase of the project, the company encountered a fundamental challenge. It lacked the experience and networks necessary to find the 'unrecruitable' people which the programme was designed to engage and support. This led to a collaboration with the Norwegian Labour and Welfare Administration (NAV), which became critical to the success of the project. NAV supports the long-term unemployed by paying their initial salaries at Møller Medvind, where they receive valuable training. Møller Medvind and NAV have a strong partnership which aims to increase the number of candidates reaching full-time employment. To facilitate this, NAV also offers a variety of services customized to individual needs. For example, they may provide candidates with housing, additional training, or even access to psychologists. They also participate in the recruitment process by nominating motivated candidates.

Bjørn Erik and Mari's management style is characterized by its continuous adjustment, efficient decision-making and minimization of time-consuming bureaucratic activities like reporting. They are both highly involved in the company and have formed strong personal ties with the employees. They believe that a flat hierarchy is important for the work environment, therefore three supervisors have been carefully selected instead of managers. Further, the company recruits volunteer mentors from Aars to ensure a rewarding and enjoyable workplace.

Bjørn Erik and Mari trigger engagement in the family business by frequently discussing the project internally in Møller Mobility Group. Further, they invite all the management teams within the company to host their team meetings at Møller Medvind facilities. This gives them an opportunity to advertise the project through a short presentation and tour. Encouraging these physical visits has led to an increase in the number of internal customers.

Creating Impacts

Møller Medvind treats candidates with trust and respect. Accordingly, their feedback has been very positive. Candidates have reported both professional and personal benefits like feeling a sense of belonging, having new career opportunities,

being trusted with responsibility, and even simply being excited to go to work in the morning. Furthermore, permanent employment opportunities create new possibilities like getting a mortgage or being able to visit a family member abroad. Møller Medvind has become a showcase in politics and for public services. In fact, Møller Medvind's holistic approach and individual adjustment to each candidate has impressed NAV to the extent that it has been named "The Møller Method".

It is important to highlight that despite its goal of creating positive social impact, Møller Medvind is a commercial company which aims to achieve a positive result by 2020. This is desirable for both the employees and the owners. Interestingly, Mari and Bjørn Erik believe the reputational returns and recognition from the project have already outweighed the high investments.

Despite a few occasions of candidates dropping out or being discharged after poor behaviour, the project has had overwhelmingly positive results:

- 40 individuals have participated in Møller Medvind and more than 15 are scheduled to join in the next 3-6 months.
- 11 candidates have been permanently employed in the company and many more are currently working towards this. Several candidates are expected to become employed in other companies.
- The initial goal of getting 60% of candidates through the first three months has been exceeded and is now at approximately 90%
- About 6000 cars will be produced next year
- Sick leave is at 3%, which is below the industry average
- The scope of services has been expanded to include repair of windows and coating
- There has been an increase of internal customers, and interest from several competitors
- There is a long waiting list of Møller Mobility Group employees seeking to become mentors



**Justine
Omberg**

“I now stand on my own feet without the support of NAV.”

After finishing high school at 18, Justine went unemployed for years. Initially she applied for various jobs, but no-one wanted to hire someone with her low level of experience. She explains that her unsuccessful job search eventually made her ‘give up a little’. She found a solution in her local NAV office, which referred her to Møller Medvind.

Justine now proudly stands on her own feet, without needing support from NAV. She enjoys being trusted with responsibility and having the freedom to plan her own days. After discovering her talent for photography, Møller Medvind created a photography studio where she could use and develop her skills. Her current tasks are to prepare and photograph cars.

Identifying Next Steps

Møller Medvind has a promising outlook. It is planning to expand its training and mentor programmes to other Norwegian cities, as well as offer a wider range of services. It is also planning to extend its successful mentor programme across Aars, with the aim of facilitating learning exchange between its experienced and new workforce. In the future, Møller Medvind hopes to create a vocational training and inclusion center by expanding its facilities from the current floor it occupies to the entire 4-storey building. It has also invited the NAV team to relocate to their facilities, which would give them a more practical connection to and understanding of the project. Møller Medvind is constantly on the lookout for new opportunities to broaden its influence, including establishing partnerships with schools. The company is on track to achieve its goal, which is to become Norway’s largest platform for social inclusion.



Moshin Ali

“I felt at home from the moment I started, and am excited to go to work every day.”

Moshin was offered a permanent job shortly after starting his apprenticeship in Møller Medvind, and he smiles broadly when talking about his work. However, his journey to get there has not been easy.

His struggles started when he didn’t get a car mechanic apprenticeship after high school. He went unemployed for one year, after which he got hired as a store assistant. When the store closed down, he was again without a job. Through recruitment agencies he got several jobs for 6 or 12 month periods, but once permanent employment was brought up the employers closed their doors despite previous promises of a contract. After many years of this, he expressed his exasperation to NAV and they advised him to look into Møller Medvind.

Moshin says that he was met with a smile from day one at Møller Medvind and that he has never had such leaders and colleagues around him. He describes the work environment as a small family. Although his new experience has given him other job opportunities, he loves working at Møller and is planning to stay there for the foreseeable future.

“Our business priorities will contribute to a sustainable development. We wish to be able to contribute to the significant changes that we are facing, in a positive way, and make our fellow humans become our co-workers.”

- Mari Schage Førde