

REINHARD
MOHN

100
YEARS

'Reinhard Mohn Is A Role Model'

Interview with Prof. Joachim Scholtyseck /
100th birthday of Reinhard Mohn

Source: Bertelsmann Intranet BENET, June 2021

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Gütersloh. C. Bertelsmann is publishing the new book “Reinhard Mohn – Ein Jahrhundertunternehmer” (“Reinhard Mohn – Entrepreneur, Leader, Visionary”) to mark the 100th anniversary of Reinhard Mohn’s birth. It was written by Joachim Scholtyseck, one of Germany’s most distinguished corporate historians. Scholtyseck is Professor of Modern and Contemporary History at Rheinische Friedrich-Wilhelms University in Bonn. He has done research on Robert Bosch, BMW’s owning family the Quandts, as well as the Merck pharmaceutical company, to name just a few. Now he has turned his attention to Bertelsmann’s post-war founder and benefactor Reinhard Mohn – and talks about this in an interview with BENET.

Professor Scholtyseck, one of your main areas of research is recent German economic and corporate history. What did you associate with the name Reinhard Mohn before you started working on your new book about him? And what associations did you have with Bertelsmann?

Joachim Scholtyseck: To be honest, I used to be like most people: I equated Reinhard Mohn with his book clubs. As I know today, that’s a very one-sided picture. Later, as a corporate historian, I became aware of Bertelsmann’s rapid expansion from a small German publishing house into an international corporation – and, of course, of the supporting and formative role played by the owners of such a company. In family-owned companies, the family and the company can never really be separated from each other, and those that have been well managed over decades have an identical motto: company before family. I only got to know the real Reinhard Mohn, the entrepreneur, leader, and visionary, during my most recent research and my work on this book.

In the subtitle of the German book, you describe Mohn as “Entrepreneur of the Century,” and later as a “Visionary”. It doesn’t get much better than that. What do you feel justifies such pronouncements?

You’re right – those are lofty pronouncements, and in the beginning I, too, wondered at times whether they were perhaps too lofty. But they are thoroughly justified. Of course I’m not saying that Mohn is “THE” Entrepreneur of the Century. There are others who deserve the title as well. However, he is clearly one of them, one of the great German and European entrepreneurial figures. He has several distinguishing traits that set him apart from others: the delegation of responsibility, for example, something that might be taken for granted today. But at the time, it did not exist in this form at other companies. Or his attitude toward co-determination, participation, and changing values. He was a pioneer in this area. Finally, his attitude toward political participation and the insight that an entrepreneur’s responsibility extends far beyond his company and into society were also pioneering.

Earlier characterizations of Reinhard Mohn range from “patriarch” to “revolutionary” to “Red Mohn.” In your book, you eschew these as well as any new attributes of this kind – why don’t the earlier descriptions do Mohn justice?

Quite simply because they cannot be substantiated in the sources. You see, I am a historian. For me, the only thing that counts is what the sources reveal. I had excellent access to Bertelsmann’s corporate archives and first-class professional support in my archival work. And there is not a single source that would prove that Reinhard Mohn was a leftist, a revolutionary or a social romantic. These are all attributes that contemporaries ascribed to him. He did not share them, and he never saw himself that way. For me, one thing is certain: Reinhard Mohn was certainly no conservative, but he lacked the revolutionary element. He had hopes, expectations, wishes, and dreams – but he was no utopian...

So what was he?

An entrepreneur through and through. That eclipsed everything else.

What do you consider to be the most striking characteristic of Reinhard Mohn the entrepreneur, the one that sets him apart from his ancestors as well as his contemporaries?

That he was always willing to delegate responsibility, but never wanted to run the risk of losing oversight and control. It is unique how personally and specifically he explained to his managers in letters what he expected of them and how they were to run his company. This must have taken him a lot of time and he cared deeply about it. It was his condition for delegating responsibility. He wanted to give his people the basic principles of what they should and should not do – so that he could then rely on them completely. That is exceedingly interesting for the time.

For your research, you looked through the extensive files on Reinhard Mohn in the corporate archives. What was the most interesting file for you, the most interesting process that you encountered between the file covers?

Desperately and ultimately in vain, I searched for a photo in which he was not wearing a tie. Not a chance. There are none. But seriously, there's a trait that I've observed in all the entrepreneurs I've researched, and Reinhard Mohn is no exception. There's a memo in which he gets tremendously upset that his highly paid top managers simply stay outside on a nice summer day and extend their lunch break instead of working. This is typical of such classic entrepreneurial personalities. Others check in the evening to see if there are any lights left on in empty offices and turn them off to save electricity. They can't help it, and neither could Reinhard Mohn, even though it runs completely counter to the principle of delegation. But this kind of obsession with detail makes him human and approachable

Reinhard Mohn had a very special relationship with three countries: Spain, the U.S. and Israel. Can you explain this or distinguish between them?

His relationship with the U.S. was particularly compelling and influential throughout his life. Bent out of shape by German National Socialism as a young man, he experienced freedom for the first time while he was a U.S. prisoner of war, of all places. This experience always stayed with him. This, along with his gratitude for the liberation of his homeland from National Socialism by American soldiers, would define Mohn's image of the U.S. His fascination with North America also resulted in a great openness to adopting U.S. management thinking and thus a departure from purely top-down structures. Reinhard Mohn's relationship with Spain was imbued with the desire to use education and books to advance a European country that was still largely agrarian and shaped by Franco's dictatorship at the time – but also with the prospect of being one of the first pioneers to do new business in this country, this as-yet untapped market. Israel was a different story...

How so?

Economic interests were never the main focus for Reinhard Mohn there. He wanted reconciliation. He cared about assuming responsibility as a German entrepreneur and citizen in the aftermath of the Holocaust. In the process, many personal friendships developed across all party and ideological boundaries.

You describe Mohn's biography as being very closely intertwined with the story of Germany's economic miracle. What really drove Mohn to push Bertelsmann's corporate development so resolutely?

In essence, he was driven by the fact that he was never originally intended for the role of managing the company. He was forced to take it on after the war because his eldest brother, the intended successor, was killed in action early on; another brother was still a prisoner of war at the time. From that moment on, he wanted to prove to himself and everyone else that he could fulfill this role – and with flying colors no less. In the process, Mohn became a perfect representative of the land of economic miracles that was 1950s Germany. It was his time. At the time, there was an unparalleled "gold rush mood," in which capable entrepreneurs could and

actually wanted to accomplish a great deal. Despite all the work, Reinhard Mohn really enjoyed the resulting explosive growth, as he always emphasized. He really loved the 1950s, perhaps more than all the decades that followed.

What was Reinhard Mohn's relationship with the media like? Did he seek out the stage?

He was at least smart enough, as a media protagonist, not to shun the stage. Quite the opposite: Every public photo of him, every statement and every appearance was very deliberately staged. He left nothing to chance. He approached the public with self-confidence, but unlike some contemporaries, never as a self-promoter. He certainly sought alliances, but he was not what we would today call a networker. He cleverly refuted the image of the provincial company from Gütersloh, which was already completely false at the time and was particularly popular in Hamburg. Bertelsmann had long since ceased to be that small-town company; it had long since become a very professionally managed company that operated very innovatively and, under Mohn's leadership, developed into one of the Federal Republic's most attractive employers.

Would today's global corporation Bertelsmann be conceivable without its founding figure Reinhard Mohn?

Historians are reluctant to get drawn into such "what-if" questions. We prefer to stick to historical facts. There is no question that the decades of continuity in the person of Reinhard Mohn benefited the company in every respect. Through the three major development phases of expansion, consolidation and internationalization under Reinhard Mohn, he gave the company structure and a common thread. This would be inconceivable with the frequent management changes seen at listed companies. He set Bertelsmann's development on an optimal course. But he was also often very lucky, a fact he himself made no secret of.

During your research at Bertelsmann, where else did you recognize the founder's legacy in today's company? How important is an über-figure like Reinhard Mohn for a company's identity today?

When I was in Gütersloh for my research, I always had the impression that Bertelsmann is still very proud of its leading figure Reinhard Mohn. There is a high level of identification with him, and his personality is still extremely present more than ten years after his death. Of course, this is also due to the fact that his wife Liz Mohn knew how to take over the family's identificatory role. By the way, none of this is to be taken for granted. I know family businesses where the founders were quickly forgotten. That is completely different at Bertelsmann.

What could an entrepreneur today learn from someone like Reinhard Mohn?

Reinhard Mohn is a true role model in many respects. This goes for the delegation of responsibility I mentioned earlier, which was visionary in its day and is indispensable today. And it goes for transparency – Reinhard Mohn lived and breathed corporate governance before the term was invented. He was practically avant-garde in his efforts to create balance and a form of social partnership within the company. His honesty and reliability also set standards. In short, Reinhard Mohn showed over decades, how to manage a company with a humane approach and lead it to impressive successes.