

# PEOPLE

behind success – with a difference

*Marianna Lukács*

**Founder of the Patika Health Fund, which she has headed since its foundation. President of the Association of Hungarian Voluntary Health Funds since 1996. In 2007 she was on the list of the 50 most successful Hungarian businesswomen.**

*Marianna, what made you choose this field 10 years ago?*

My ties to health care are much older than ten years. In my family I grew up among doctors and pharmacists, so it seemed obvious that I, too, would work in this field. The reason that I did not become a doctor, however, is straightforward. I had often been told that a woman should not become a doctor because being on duty in hospitals negatively affects family life. The fact that I would attend the University of Economics was beyond question. But my decision taken in the 90's, that I would deal with health care as an economist, was not as straightforward. I took my first job in Germany at a sickness insurance company. Early on I was very attracted to this area.

*How did your ties to health care become so deep?*

By growing up in a family of doctors and pharmacists, as a child I grew up with this mentality. The founding of the Patika Health Fund precisely 10 years ago is not a coincidence, either, because I had always consciously planned my future. I knew that I had to learn how state administration works in Hungary because I was choosing an area that lacked legal regulations and automatic mechanisms. I had to understand the moving parts of the mechanism. This is why I worked at the Ministry of Finance and at its supervisory department, so I had the opportunity to directly observe a country in the process of drafting pension reform. So my purpose was to learn how and why certain processes work, or don't work for that matter. When I was attending university, and there were no laws yet, because they were passed only in 1993, I did not have an intention of working specifically in this field. I knew that I still had a lot to learn and it was important to understand the functions of state administration. I knew that I will create things that are very important and will affect many people's lives.

*Marianna Lukács made this firm decision so early?*

I knew this about myself. For example, my class shook up the rest of our high school. There was no question in my mind that I will do things in life that will help others.

*Why was the will to help an important motivation?*

This is how I grew up. When I was home, anyone who was ill could come to our house any time and receive a shot and the necessary care. This is one part of the answer. Then there was my grandmother, who was not a health care professional, but the neighbours loved her very much and often turned to her for emotional support. So I grew up in a house as a member of a multi-generational family, where I gained experience in providing unselfish help, which was occasionally thanked with a basket of apples. This worked in both directions and gave me life experience.

*Let's return to the start-up of the Patika Health Fund 10 years ago. You had become trained in the operation of the ministry, state administration, health care and finance. Why did you start up this business at this time?*

The second stage of this process, after the initial background, was gaining experience in the business sector, which I did at the Allianz Insurance Company. After acquiring theoretical knowledge, I had the task of converting it to practice so I could realise my plans. I also had to plan the processes, such as the drafting of forms, the entry of fund members and the acquisition of customers. I was active in these areas when, in my twenties, I successfully headed the retail, property and health insurance branches at a large insurance company. But this was still not what I had in plan.

*This was a way to gain experience?*

Yes, and I learned something from this as well. I was pleased that we set up the accident branch and became market leaders with a reinvented idea, which we consistently carried through by outsourcing sales to travel agencies. I was happy doing this but, again, I wasn't working in health care. Once voluntary funds were allowed to operate in 1993 and the pension scheme recovered, in 1999 I took a deep breath and decided the time was right to start up a voluntary health fund.

*When someone wants to create something completely new, which is not familiar to anyone, the process of finding backers who can be engaged and convinced of the advantages of cooperation ultimately involves conflicts.*

*Looking back ten years, how would you assess your original plans compared to what you have achieved? Is it more, or less, or different?*

It is completely different from what I had imagined. At the time of the start-up, we had been naive to think that in the first three years we would have 100,000 members who would be happy to pay their membership fees because they would receive services they had not received in the past. We thought that this would appeal to everyone. We reached this number only in ten years.

***But you succeeded.***

Yes, it was a success in terms of membership numbers, but if I look at the money and the figures, I wouldn't qualify it as a success story compared to what I had planned. I should add that the battles I had waged in the past ten years were extremely difficult. So my future was uncertain many times during this period. I never thought I would experience the things I did in business and in human relationships.

***What kind of difficulties would you mention, Marianna?***

If I would have to identify the underlying causes, I would say that ignorance prompted the attacks directed at me. When someone wants to create something completely new, which is not familiar to anyone, the process of finding backers who can be engaged and convinced of the advantages of cooperation, whether in relation to medication or state administration, ultimately involves conflicts. I was also attacked once because I had rejected someone.

***What was the attack's motivation?***

Only envy. People are often motivated by ignorance, by not being willing to understand things. They're not open to new things and are therefore envious. They rarely recognise and acknowledge the work that goes into success.

***How were you able to overcome these obstacles, Marianna?***

I think that I definitely had to rely on outside help. I was told there are frontmen everywhere, and I knew that I would have to take this on by myself. I also knew that if I'm in trouble, I can ask for advice, but I would have to be the one to slam the table and say that I would like to do things differently.

***Such responsibility always came naturally to you?***

When I started this business and was in charge of others, I couldn't simply stand up and say that I won't do it any longer. When we are persuading companies, as service providers to accept the Patika Fund's card, and I'm persuading employers and employees to trust us with their money, I can't behave hysterically and be disappointed, and say O.K., I'm not going to watch over the money entrusted to me but will only serve my personal interests.

***To what extent was this a gruelling experience?***

If I had to do it all over again, I would never do it.

***Is this a mere conclusion or an expression of disappointment?***

Perhaps because of my age, and having travelled around the world, I observed that things are done differently elsewhere. This was a gruelling struggle because I'm not experiencing a willingness to cooperate on the part of others, even though this is the most important aspect of a company's or country's operation. This holds true to this day.

***How many people work at the company?***

We employ 20 people.

***How long has this team worked together?***

In terms of the ten year old company's structure, five of us work in management, and everyone's been with the company for at least 5 years, which is major value.

***The success of a company is not only measured in money, because this can't be the main objective of a company. Success is important, but it is not only measured in money.***

***What strengthens cohesion at the company?***

I think the fact that we don't interfere with each other's work. Perhaps it sounds banal, but we trust each other and I consider them my true colleagues. I am confident that my colleagues can perform the given tasks to the best of their abilities, because there many alternatives. I am confident that if I support them in their effort to follow their own logic in solving problems, and they understand that I will stand up for them in case of trouble, I think this is what takes a company forward.

***To what extent do you take part in operations?***

My colleagues cooperate with each other solve everything. I no longer have to take part in the management of day-to-day affairs. Decisions are taken by the head of the given branch or by whoever is most competent for the given task. Each week we hold an informal management meeting, where we coordinate all tasks. The five of us jointly take decisions on matters affecting the company. We never make decisions alone.

***How important is success for you, Marianna?***

It's not important.

***What is important?***

My previous answer was negative because people in Hungary measure success only with one thing: money. I think that the success of a company should not only be measured in money, because this can't be the main objective of a company. Success is important, but it is not only measured in money.

***How do you measure success with something other than money?***

When I think back and recall that ten years ago many people were hindering me because of their ignorance, but today every one hundredth person has a Patika card in their pocket, this in itself is a good result. The sector we launched in Hungary now affects 2.5 million people. I think this is definitely a success. Many people are now aware of the alternatives we offer, which reduce their financial burden, because patients are generally exposed in the health care system and uncertain about their recovery. We believe that we significantly improve these people's quality of life.

***This activity is also carried out in the private sector. How is your business different from the other health funds on the market?***

I could obviously list many extreme competitive advantages, which cannot be put into practice by others, but I think this is beside the point. We have such advantages, but the secret to our success is independence. By this I mean that we can afford to serve only the interests of customers, which is unfortunately not general practice in the Hungarian market economy.

***The other health funds are less independent?***

All of the other funds operate with a bank or insurance company background, possibly with employer support. In our case, pharmacists provided the capital necessary for the start-up. They enjoy many benefits from this, and obviously one of these is payment with the Patika card in the pharmacies. I truly believe that the key motivating force had been the attitude of pharmacists. They have come to understand that in contrast to the situation ten years ago, when card payment was not possible in pharmacies, by installing terminals in their stores and allowing patients to use voluntary health fund cards, this is beneficial for both parties. They are helpful because they reduce the financial burdens related to sickness.

***If my aim is to work at a company where people trust each other, I would do everything to ensure that this stays that way.***

***What do you do to sustain success?***

It is an enormous advantage of independence that we can very quickly adapt and take decisions. There is no one above us in the company hierarchy who tells us what we may or may not do. After identifying the problem, we define the tasks leading to the solution. The entire process is characterised by creativity and speed. Next year, for example, rules on employer's payments will be tightened, so there will be a separate tax, and our employer partners will probably make less frequent or smaller payments. So we have one task, which is the promotion of individual payments. We recognised that it would be probably important for card holders to be informed of the places and ways in which they can make use of their card. The team held a meeting and we decided to launch service provider months next year, when each month will focus on a specific health topic. These topics can include vision, healthy lifestyle, exercise, nutrition. We can expand these projects with campaigns, where the service providers approach the given topic and provide discounts to members in the given month, with expert support provided by doctors. Despite the crisis and the tightening measures, even under such circumstances it is possible to persuade members to appreciate the scheme, and this is our most important objective. If we are successful, members will make additional payments to the card, and we'll have revenues that support future operation.

***Have you seen any international or Hungarian examples of how to successfully build up such a business, or you had to build from scratch?***

A market-leading, dominant corporation is managed and operated differently than a start-up. I learned a lot during my years with Allianz. There are no two companies in the world, however, which do everything the same way. In this sense, we had to come up with everything by ourselves. I should add that the principles haven't changed, the card is the same. But we did change many things to ensure that system runs smoothly.

***From whom can you learn?***

We have a high level of self-training. We read a lot. I personally read two hours each day ever since the company's headquarters moved to the Buda side of the city and I don't have to waste time with commuting.

***What are you reading now?***

I usually read all of the bestsellers so I can form my individual opinion. Interestingly, I have yet to read Magda Szabó's works. Sometimes I read several books simultaneously. I also daily read the great articles published in the Harvard Business Review, including back issues. That's how much I read at the same time. This is a good thing because I get new perspectives for my personal views.

***To what extent can these views be adapted to Hungarian reality?***

These books are good for inspiration. You have to understand the place you live, what reality in Hungary is like. I have to be aware that whatever we may introduce on the market, I will probably be the target of many attacks purely out of envy. If I want to do something new, I have to dedicate significantly more time. It takes months to prepare each campaign in the Hungarian environment. So the foreign models cannot be adapted here, but they are helpful in providing new knowledge and experience for resolving different situations.

***What does money mean to you? What role does it play in your life?***

None. Because of my family inheritance, I always had an apartment, so I had a fortunate start. Money is nevertheless important in personal and corporate life because it guarantees a sense of security. I had been similarly fortunate during the start-up of the fund, when collected the necessary capital from the pharmacists. I knew that I had to manage the received money very carefully and that I would have to account for it. In this context, money is a tool, which is important because it measures success. I would add that I never close a month without a controlling report, so I am always kept up-to-date with the figures.

***You mentioned that in your work it is important for you to have the support of others. How is your relationship to people, what do you do to win their trust?***

I pay attention to them. Typically, when two people sit down opposite each other, they try to force their own wills on to the other person without paying attention to what the other one needs. A good deal is struck if I also take into consideration the interests and objectives of the other party. This way, my own objectives may change because cooperation between two people produces results in work.

***To what extent are you persuadable and flexible?***

I stick to my aims, but I can flexibly adjust. This doesn't mean a lack of principles because an aim can be realised several ways. I can be easily persuaded to change my mind with rational arguments. I am also open to changing my opinion and position if I learn new information.

***Do you receive any criticism from your colleagues? Are there any examples of this?***

I'm always worried that the time will come when they'll no longer have the courage to criticise me, but I think we're not there yet.

***What do you do to avoid this?***

I acknowledge my mistakes flexibly, without retribution. It's not possible to always do everything right in your work. The people working at our company are allowed to make mistakes and admit them, because this is the basis of honesty. They can come to me with questions any time.

***You're not concerned that they could abuse your trust?***

No, because it is important to maintain a delicate balance. This is a very difficult question. When I was working at other companies, I was often upset by having to work in an atmosphere of mistrust. I promised myself that if I ever had the chance to manage a company, I would make sure that people would be able to turn to each other with trust, because this is the basis of cooperation. It is important to have a vision of the future. If my aim is to work at a company where people trust each other and discuss anything, I would do everything to ensure that this stays that way.

***Is it true that years ago you were "stabbed in the back"?***

Yes, that's exactly what happened. A colleague of mine, whom I fully trusted, thought it was O.K. to withdraw more money than what was due on the basis of his salary. So this did happen. I would be stupid and my own enemy to think that from that point everybody is like that. I now know that I had made bad recruiting decisions. I'm willing to believe that he had thought he would like to work here. He was naive and had illusions, so he changed over time. At the time I wasn't strong enough at the time to sit down with him to discuss any problems. It was my mistake because I failed to notice it and I let things only get worse. I think that I should not punish either myself or my colleagues for the mistake I had made. This is called personal development, which I can perfectly identify with.

***Marianna, what does competition mean to you?***

Csikszentmihályi writes that many people don't understand the essence of real competition. Essentially, competition should not be about defeating the other, because that never takes you forward. My efforts should inspire others to create solutions that improve life and work. I compete not with the aim of defeating others, but to be better than my competitors. Now, in times of crisis, our fund accomplished growth even when opportunities on the market are generally limited. We even managed to increase our overall market share by 1% in the past half year, which is a major achievement.

***So growth is the result of a conscious business policy?***

We want to be better than the competition. We don't resort to illegal or unfair practices, even though others did just that against us, because we know that this doesn't lead anywhere and may even be counter-productive. If you say something negative about someone else, that's a sign of your attitude. Unfortunately, this something very common in Hungary, which should change. Few people are capable of behaving positively. When I sit down to talk with someone and ask about his or her aim, they usually begin by saying, "my aim is not to". After counting the negative words, I sometimes confront my talking partners with themselves by holding up a mirror to them, in a sense.

***If someone were to start up a business in this sector now, what advice or warnings would you give?***

I would encourage them to be self-confident. I don't think that a new player would not be able to overrun the market. The opportunity is always there to improve what already seems good. They should be confident and set positive targets! It's that simple.

***Apart from reading, what else do you do in your free time?***

I love to travel and live in different places. It's always inspiring to be in a different environment. I find changing environments motivating, even if family and the company play a fundamental role in my life. Inspiration and learning help me shape my thinking.

***Is there anything else you find appealing?***

I have many hobbies and love to watch movies. I have a huge DVD collection and I also go to the cinema often. I love to belly dance, which is a perfect form of relaxation for me. One day I'll probably go to Egypt, where I can dance continuously for a week.

***Csikszentmihályi writes that many people don't understand the essence of real competition. Essentially, competition should not be about defeating the other, because that never takes you forward. My efforts should inspire others to create solutions that improve life and work.***

***You like to learn from authentic sources?***

Yes. I also like to string beads. This is how I supported myself during my university studies. The results of manual creative work gives me a sense of satisfaction.

***It is difficult to imagine high-powered Marianna stringing beads...***

My brain is also very absorbed while I'm doing it. When I'm stringing beads, I usually also watch a movie I really like, so while the movie is running, my brain is also working. During this time I also often speak to my girlfriends.

***What is driving and motivating you at the moment?***

In terms of business, the ten-year old Patika Fund has evolved into the Patika Group. We have a premium fund, Új Pillér, and a pension fund as well, which generated the highest yields in the past year. Despite the crisis, yields were positive, and we are also launching an investment fund.

Right now the most important thing is to maintain our financial balance because without that everything would be in vain. It is also important to provide services that are actually good for people because there is a large deficit in these area in Hungary. So our job is to serve people and this is what real competition is about. Unfortunately, real competition aimed at serving customers still has a long way to mature.

***What could be the solution?***

I think that self-training is very important. People, as customers, should be demanding and seek good opportunities. It is a sign of rampant authoritarianism in Hungary, that people are afraid to question things, which impedes the development of competition.

***What are the private plans of Marianna Lukács?***

I would like to have a family and children. I've invested a lot of work so far, which I'm proud of. In the future, however, I plan to focus on changes in my private life.

***I wish you all the best and good health. Thank you for the interview.***