



SHARED VALUE



BUSINESS CASE STUDY: Novo Nordisk

Company Overview

Sector: Manufacturing (Pharmaceuticals)

Number of Employees: Approximately 40,000 in 75 Countries; more than 5,000 in US (15% Of Workforce)

Headquarters: Plainsboro, NJ

2014 Revenues: About \$13.8 Billion (88.8 Billion DKK)

Initiative Overview: Cities Changing Diabetes

Department: Corporate Public Affairs

Geography: The initiative launched in Mexico City, Copenhagen, Tianjin and Shanghai, China, and Houston, Texas. This case study specifically features the Houston initiative.

Time Frame: 2014-present

Background

Headquartered in Denmark, Novo Nordisk is a global healthcare company with more than 90 years of experience in diabetes care. It also has leading positions within obesity, hemophilia care, and hormone therapy. Diabetes care is Novo Nordisk's largest and fastest-growing business area and accounts for 79% of the company's total sales. In 2014, Novo Nordisk provided medical treatments to an estimated 24.4 million people with diabetes worldwide. The company has the triple bottom line, social impact, environmental responsibility, and financial performance incorporated into its corporate by-laws. While its key contribution is to develop biological medicines accessible to people with diabetes, products are just part of the job. Its latest policy initiative, *Cities Changing Diabetes*, Novo Nordisk aims to address the global urban burden of diabetes.

Vision & Goals: Creating Shared Value

Without significant change, by 2030 the number of people with diabetes globally will reach 552 million.¹ Today, about two thirds of the 382 million people with diabetes live in cities; by 2035, as many as half a billion people in cities will have diabetes. As part of its business strategy for global access to diabetes care, the company has set a long-term target to reach 40 million people in 2020 with its diabetes care products, a doubling from the baseline number in 2010. Through *Cities Changing Diabetes*, Novo Nordisk aims to put diabetes high on the global political agenda, and help those who design and manage cities to prevent and treat diabetes, and understand the dynamics of urban diabetes. The initiative has three main goals:

1. **Mapping:** Generate a body of collective knowledge about urban diabetes – what's working today, where are the challenges, and what the priorities are for the future.
2. **Sharing:** Share the results of city initiatives city-to-city and via a global, cross-sectoral network.
3. **Action:** Work with partners to identify and scale-up solutions to tackle diabetes in cities. Solutions are likely to be both about prevention and management of diabetes.

Based on the experience from the first five cities, the program will expand to more cities with the ultimate goal of halting the global rise in urban diabetes.

Community Choice Drivers

Novo Nordisk established relationships with five municipalities with demonstrated political will to act on diabetes in a cross-sector collaboration. The company considered the extent of its contacts, staff on the ground, and diabetes burden in major global cities.

Assessing Community Risk & Disease Burden

The Changing Diabetes® Barometer: The Barometer provides a set of indicators including targets for blood glucose, blood pressure, weight control and lipids, quality of life and direct and indirect healthcare expenditures. The goal is to drive better measurement, knowledge sharing, and adoption of best practices to improve diabetes outcomes. Novo Nordisk collected data from more than 70 countries for the Changing Diabetes® Barometer online world map, which went live in 2009.

Mapping the Urban Diabetes Burden: A combination of quantitative and qualitative research is conducted in each city to help stakeholders understand diabetes risk factors and provide evidence-based recommendations to inform decisions about prevention and intervention. The mapping process consists of two steps:

¹ International Diabetes Federation. IDF Diabetes Atlas, 5th edition, Brussels, Belgium: International Diabetes Federation, 2011. idf.org/diabetesatlas

1. **Quantitative Rule of Halves Analysis.** This process reveals major gaps in relation to diabetes diagnosis and care in each city.
2. **Qualitative Vulnerability Assessment.** This includes semi-structured interviews conducted by trained field workers to identify ways of getting to those who do not (or cannot) for various reasons engage with health services. It reveals what makes certain people in each city more vulnerable to diabetes and its complications, including behavioral and cultural drivers of health.

Example: In Houston, the vulnerability assessment was conducted in partnership with the municipality, academic institution, and other partners (see Engaging Stakeholders section, below). The population of Houston is 2.1 million people, the fourth largest city in the United States. The population of Harris County is 4.3 million; and 1 in 10 people in Houston and Harris County have diabetes, while almost 1 in 3 adults are obese – a key contributor to type 2 diabetes. The city has projected the burden of diabetes for the future based on the current burden, treatment levels, and the extent of the pre-diabetic population.

Engaging Stakeholders

- **Global:** Novo Nordisk convened 12 regional and more than 15 national leadership forums amounting to over 12,000 stakeholders inviting political leadership, policymakers, healthcare professionals, NGOs, and other thought leaders to determine the strategic direction of *Cities Changing Diabetes*. They also co-hosted a forum in partnership with the Organisation of Economic Co-operation and Development (OECD) to figure out what were the main global challenges to addressing diabetes, what could be done, and to elevate the issue on the political agenda. Novo Nordisk's key global partners include the University College of London (UCL) and the Steno Diabetes Center, a non-profit organization working in partnership with the Danish healthcare system to treat people with diabetes.
- **Local:** In Houston, The Houston Health & Human Services Department and The University of Texas School of Public Health serve as core partners on the project and will lead the initial research for *Cities Changing Diabetes* in Houston. Other local partners include the Harris County Healthcare Alliance, the American Diabetes Association Houston and the Clinton Global Initiative.

Looking to the Future: Impact in Development

Since its launch in 2014, Novo Nordisk has established partnerships in each of the five chosen municipalities and is gathering baseline data on the disease burden of diabetes. It is sharing this data among local partners and will develop plans of action alongside key stakeholders in each city. Novo Nordisk does not plan on being a provider of direct programming; they will continue to act as a convener and funder moving forward. For the business, developing relationships with policymakers in existing and emerging markets can open conversations for the business to enter new markets. In November 2015, Novo Nordisk will host the *Cities Changing Diabetes Summit*, where representatives from each of the five cities will share their research findings and experiences from the first year of the program.

This case study was adopted from a semi-structured qualitative interview and publicly available information. To learn more about the link between workforce and community health and the strategies businesses are implementing to invest in community health, read the Vitality Institute's report "Beyond the Four Walls: Why Community is Critical to Workforce Health."

To access the report and additional case studies, visit www.thevitalityinstitute.org/communityhealth or look us up on social media @VitalityInst #Beyond4Walls.