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# Robert Bosch: Life and work

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Fastnacht/C/CCH

## 1. The man

### Childhood and education

Robert Bosch was born on September 23, 1861, in Albeck near Ulm, in southern Germany, the eleventh of twelve children. His parents belonged to the upper class of farmers in the region. His father, a freemason, was unusually well-educated for someone of his social status, and placed special importance on a good education for his children. From 1869 to 1876, Robert Bosch attended the Realschule (secondary-technical school) in Ulm, and then completed a three-year apprenticeship as a precision mechanic.

Between 1879 and 1886, Bosch worked for a range of companies in Germany, the U.S. (at Thomas Edison), and the U.K. (at Siemens Brothers), where he was mostly involved in manufacturing electrical equipment. Bosch learned about bookkeeping from his older brother Karl, who owned a gas and water installation company in Cologne. During the winter semester of 1883/84, he also attended lectures at Stuttgart Polytechnic in order to overcome his “fear of technical terminology”.

### The Bosch family

On October 10, 1887, in the Lutheran church in Obertürkheim near Stuttgart, Robert Bosch married Anna Kayser (1864-1949), the sister of his friend Eugen Kayser. She stood by him during the early years of his company, as he struggled to get his business off the ground. During this time, they had three daughters – Margarete (1888-1972), Paula (1889-1974), and Erna Elisabeth (1893-1894) – and a son called Robert (1891), who died in 1921 of multiple sclerosis. After the death of his son, Bosch’s marriage failed and the couple divorced in 1927. That same year, Robert Bosch married Margarete Wörz (1888-1979), the



daughter of a head forester. They had two children together, Robert (1928-2004) and Eva, who was born in 1931. By this time, the company founder had already relinquished responsibility for the day-to-day running of the business. As with his first family, he often took Margarete and their children on trips to the mountains, to the Bosch Farm in Bavaria, and to his hunting lodge near Urach in the Swabian Jura.

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### **The nature lover**

Robert Bosch discovered a passion for hunting at the turn of the century. Yet he was not simply a huntsman; he was also concerned with preserving and maintaining stocks of game and enjoyed, above all, spending time surrounded by nature. He also had a keen interest in agriculture. Around 1912, he acquired shares in a company in Beuerberg, Bavaria, that planned to employ a new process to produce peat for use in the manufacture of fuel. After this process proved unprofitable, he decided to keep the land anyway and turn the expanses of moorland into a model farming estate, amalgamating seven previously independent farmsteads to create the Bosch Farm. The principles that governed his industrial projects were also brought to bear in his agricultural activities. Bosch's plan was to use state-of-the-art technology to produce high-quality products that could be sold in the region. However, the idea was not a success economically, because the land was unsuitable for high-yield farming. Consequently, the Bosch Farm remained a subsidized operation.

### **Withdrawal from public life**

After the National Socialists came to power in 1933, Robert Bosch withdrew even more from public life. Hitler's intention to embark on a new war became evident very early on, and this troubled Bosch greatly. The final years of his life were overshadowed by his company's entanglement in the Third Reich's rearmament and warmongering policies and the use of forced labor. Bosch and his senior executives supported resistance to the Nazi regime and helped to rescue Jewish associates and others facing persecution.

In 1937, Bosch changed the company into a GmbH (private limited company) and put his affairs in order before drawing up his will in 1938. In addition to the long-term safeguarding of the company's future by ensuring that it remained financially independent, autonomous, and able to take appropriate action, the will's main concerns were that lasting ties should be maintained with Robert Bosch's descendants, and that a proportion of the company's profits be used for charitable and social causes. In doing this, he created the outlines for the



corporate constitution that was set up by his successors in 1964 and is still valid today.

## **2. The entrepreneur**

### **Early days in Stuttgart**

On November 15, 1886, Robert Bosch opened the “Workshop for Precision Mechanics and Electrical Engineering” in Stuttgart with one associate and one apprentice. He opted for Stuttgart due to the city’s economic prospects and due to the fact that his fiancée lived in nearby Obertürkheim. At the outset, Robert Bosch focused on constructing and installing all types of electrical equipment, including telephone installations and remote electrical water-level indicators. The operating capital of 10,000 marks that Robert Bosch had amassed from his own savings and an inheritance from his father was soon used up. Only a bank loan, for which his relatives stood surety, kept the company afloat. Robert Bosch invested most of the company's modest earnings in new machines. By 1900, the workforce had risen to almost 40. Installation, maintenance, and repair work on electrical equipment and systems secured the company's sales. In this respect, Bosch benefited from the electrification of Stuttgart brought about by the industrial age. One product in particular quickly became a linchpin of the young company – the magneto ignition device.

### **Becoming a global player**

In 1887, at the request of a customer, Bosch manufactured his first magneto ignition device, which was based on a product made by Deutz, an engine manufacturer in Cologne. Bosch made key improvements to the design of the magneto and achieved his first economic success with this product. The purpose of magneto ignition was to generate the electric spark needed to cause the air-fuel mixture in a stationary internal-combustion engine to explode.

In 1897, Bosch was the first to adapt a magneto ignition device to a vehicle engine. In developing a reliable ignition system, he solved one of the greatest technical problems faced by the automotive industry in its formative years. The innovation also represented the first chapter in the success story of Bosch as an automotive supplier. In 1901, Bosch was already in a position to open his own factory, employing 45 associates.

Bosch began expanding his business into other European countries in 1898 – initially in the U.K. and then, in the years that followed, in other



European countries including France, Austria, and Hungary. Bosch opened his first sales office in the U.S. in 1906 and his first factory there in 1912. By 1913, the company was selling its products on every continent, and generated some 88 percent of its sales outside Germany. The outbreak of the first world war in the summer of 1914 was an unmitigated disaster for Bosch. The vast majority of the company's key foreign markets vanished in one fell swoop and most of Germany's wartime enemies seized not only the company's tangible assets, but also its industrial property rights, patents, and brands.

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After the first world war, Bosch launched a whole range of innovations for automotive technology onto the market – the electric horn in 1921, the windshield wiper in 1926, and diesel injection and the pneumatic power brake system in 1927. Under pressure from the economic crisis of the mid-1920s, which hit the automotive industry particularly hard in 1926, Robert Bosch instigated a comprehensive process of modernization and diversification in order to raise productivity and reduce dependency on the automotive industry. In only a few years, he succeeded in turning his company from a small automotive supplier into a modern and multinational electrical engineering group.

### **Robert Bosch as an employer**

Robert Bosch felt it was very important to maintain direct contact with his associates. Rather than simply earning a wage, he wanted them to feel they were a part of the bigger picture, fully integrated into the business and its operations. Ultimately, the willingness to assume responsibility also brought financial benefits. The associates at Bosch were paid comparatively high wages. Robert Bosch summed up this reciprocal relationship as follows: "I don't pay good wages because I have a lot of money. I have a lot of money because I pay good wages."

Ever since its establishment, exemplary working conditions and a good work environment had been the hallmarks of the company. Robert Bosch knew very well how these factors affected his associates' motivation and thus the profitability of the company as a whole. In 1906, he was one of the first employers to introduce the eight-hour working day. However, this move was motivated not simply by concern for the social welfare of the associates, but also by sound business sense. Under this system, associates worked more effectively and were more motivated. In addition, it was now possible to introduce a two-shift system.



From the very beginning, Bosch was especially keen to promote training among his workforce. He therefore established an in-house apprenticeship department with an apprentices' workshop in 1913.

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### **3. The visionary**

#### **Charitable commitment**

In 1935, in the guidelines for the executors of his will, Robert Bosch outlined what his civic initiatives aimed to achieve: "It is my intention, apart from the alleviation of all kinds of hardship, to promote the moral, physical, and intellectual development of the people." Time and again Robert Bosch donated money to charitable causes. He made his first major donation for charitable purposes of around 20 million German marks during the first world war, with 13 million of this sum going towards the construction of the Neckar Canal. The interest from this "Neckar" foundation went to the city of Stuttgart, where it was used to ease social hardship.

Robert Bosch showed a keen interest in education throughout his life. In addition to schools, colleges, and universities, he also focused on vocational training and adult education. In 1910, for example, he donated ten million marks to support research and teaching at what was then Stuttgart Polytechnic.

When it came to healthcare, Robert Bosch was a dedicated supporter of alternative medicine. On his 75th birthday, he donated 5.5 million marks toward the construction of a homeopathic hospital, which was opened in April 1940 as the Robert Bosch Hospital in Stuttgart.

#### **Liberal democrat**

In addition to his broad-based charitable work, Bosch was also politically active in the 1920s and 1930s. His political views were shaped early on by his liberal upbringing and were further consolidated during his journeyman's travels, particularly his time in the U.S. After returning to Germany and setting up his own business, Bosch for some time enjoyed a close relationship with his neighbor Karl Kautsky, a leading member of the nascent Social Democratic Party (SPD). Robert Bosch was unconvinced by the economic theories of Marx and Engels, but he began at this time to form his vision of what a socially minded entrepreneur should be.

A pacifist and pan-European, he was particularly committed to reconciliation between Germany and France following the first world



war. He hoped that this reconciliation would bring about lasting peace in Europe and lead to the creation of an economic area without customs barriers. Robert Bosch was therefore dismayed by the National Socialists' aggressive foreign policy and their plans for economic sovereignty. The final years of his life were overshadowed by his company's entanglement in the Third Reich's rearmament and warmongering policies. Due to their personal convictions, Bosch and his senior executives supported resistance to the Nazi regime and helped to rescue Jewish associates and others facing persecution. Robert Bosch did not live to see the end of the war and the fall of the National Socialists. He died on March 12, 1942 in Stuttgart, of complications resulting from an inflammation of the middle ear.

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Even many decades after his death, the values and way of thinking embodied by Robert Bosch still permeate a company that is present on every continent, and now employs more than 270,000 men and women. Neither revolutionary technology, nor political upheavals, nor even globalization have been able to trim back these roots.