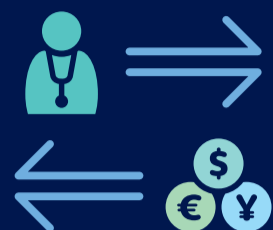


The responsible business of healthcare

How to balance the clinical with the commercial to deliver better care



“ Business and healthcare have long had an uneasy relationship but a modern, innovative approach to healthcare transformation doesn't have to be the ruthless commercialization of care. Instead, the adoption of effective business models and business practices can realize the best of organizational and operational strategy and fuse it with the high practice standards of those passionate about the Hippocratic Oath. Clinical professionals should absolutely be focusing their time on the medicine part but hospital operations has to be run like a business. ”

Dawn Bruce, Philips Services & Solutions Delivery Leader, Canada

How to create modern healthcare systems that are both fit for purpose and purpose-full?

Imitation is the greatest form of flattery so clever borrowing from responsible business starts by considering impact; working out where and what innovative approaches proven to work in business will deliver the most value.

Step 01 Start in operations, the control center of any hospital



Building operational performance capabilities – through long term strategic services partnerships – offers both a change package and a measurement strategy. In a time when well over half of all hospitals report negative operating margins, driving down costs by achieving operational excellence is one of the most important yet overlooked areas. Healthcare operations management integrates quantitative and qualitative aspects of management to determine the most efficient and optimal methods of supporting patient care delivery.

Step 02 Adopt a holistic, integrated approach fusing people, process and technology



Dawn Bruce and her team help healthcare systems to apply and embed innovative operational management and improvement strategies by using the Philips Operational Intelligence approach of the partnership of continually synchronized people, processes and technology. To help operational staff to get started, she recommends focusing the integration of people, process and technology, with an appreciation always of the human element to ensure change.

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Step 03 A focus on people should start by innovating the customer experience and embracing collaborative leadership and management styles



Priority 1: The customer experience

A healthcare experience, whether a checkup, a visit to the emergency department or an MRI procedure, should be as frictionless and comfortable as possible. Look to hospitality as a guide on customer-centricity. A standout example of zoning in on the customer experience is the application of Disney principles to healthcare. The Walt Disney World Resort has created an experience for healthcare professionals to study the leadership, management and service strategies of the Walt Disney World Resort.

Priority 2: Leadership as a cross-functional art and the rise of the servant leader

Throughout healthcare there is definitely a need for a new leadership style. This especially true as the industry looks to retain talent and optimize performance. It will increasingly need to rely on a millennial workforce that does not want to follow the traditional leadership style. Servant leadership inverts the norm. Instead of the people working to serve the leader, the leader exists to serve the people. This is very much different to traditional leadership styles, focusing on 'command and control'.

Step 04 Adopting highly effective business processes including Lean, Agile as well as systems thinking and design thinking



Priority 3: Lean business processes

Lean business principles such as Lean Six Sigma can be used to help create more operationally intelligent health systems, to focus on their customers through targeting eight key wastes. For example, Lean Six Sigma is used to reduce defects that can result in medical errors, manage costs and operational improvement and quality.

Priority 4: Complement KPIs with OKR

Utilizing both KPIs and OKRs offers the opportunity for macro and micro operational visibility. OKRs are tied to business goals and objectives, rather than employees' work. KPIs on the other hand can be tied directly to an employee's day-to-day work — they're designed for achieving success in the workplace.

Priority 5: Adopt disruptive innovation

Adopt the disruptive innovation tools that make change stick. These include the importance of multidisciplinary teams, design thinking capabilities and systematic innovation processes that prioritize empathy and customer-centricity. These soft skills should be coupled with systems thinking capabilities; the tech-originated practice of understanding the interconnectedness of how health systems operate, their complexity and how they interact.

Step 05 Choose to align with partners that share your passion and purpose



One of the most positive learnings healthcare can make from business is to utilise businesses' own learning for its own benefit but also to seek out companies with a shared vision, values and purpose. For example, one of the most compelling reasons healthcare organizations cite for partnering with a company like Philips is the benefit of shared learnings in addition to shared values.

Tip 5: Embrace technology and drive for interoperability but learn from business that achieving this is a cultural, rather than a technical shift

For every healthcare institution, technology is a significant investment and an essential component in quality healthcare delivery. And yet, technology should be seen as an enabler, not the fix all solution, with innovative strategies employed.

Priority 6: Strategically manage technology

Taking a business minded approach to technology management establishes the foundation of a different type of problem-solving dialogue-based relationship that unpicks the true challenges and opportunities amid the complexity, preventing purely transactional relationships and removing 'catalogue-based thinking'.

In summary:

The more healthcare embraces ideas, concepts and thinking – many of which may have originated in the business world – to improve the way healthcare is delivered and experienced, the faster and more effectively our global systems will transition to their long awaited, value-based care transformation.