



## Volume 16, Issue 1/2014 - EAHM Congress

### Hospital Management in the Time of Crisis: Constraints, Challenges and Opportunities

Attended by over 450 delegates from 18 different countries, the 24th EAHM congress was a resounding success, packed with top quality speakers, inspiring roundtable discussions and a lively social programme. The two day congress was split into three sessions: Strategic Guidelines in Crisis, Business Process Re-Engineering and New Buildings, New Logistics, New Technologies. Topics ranged from change management to value-creating partnerships; from laboratory management to innovative hospital architecture.

Although speaking about their experiences from all over Europe, most of the congress speakers highlighted the same issues and challenges and time and time again they stressed the importance of the patient. President of the Luxembourg Scientific Committee, Prof. Schubert summarised the many synergies and lessons to be learned from the congress during his closing address and (E)Hospital spoke to him to find out more. You can read this interview on page 16.

#### Technological Evolution, Economic Crisis and Hospital Management of the Future

Keynote speaker, Joel de Rosnay- Molecular Biologist, Science writer, President of Biotics International and Futurist, really set the tone for the congress, highlighting the world of possibilities that new technology is bringing to healthcare. His speech focused on the hospital of the future and he wowed delegates with exciting new technologies such as electronic tattoos, intelligent medicine and 3D printers.

De Rosnay believes that technologies are changing hospitals. We must go digital and be prepared to be more dynamic (e.g. using social networks to interact with patients). For future success doctors should be educated in management. He believes there are three conflicting logics in the hospital: administration, medical and care professionals and that coeducation is key.

In order to better manage in times of crisis, de Rosnay recommends changing our rigid system to a more fluid system. Information exchange is key, as is keeping it 'human' and encouraging social links. Hospitals should embrace innovative systems and become transversal as opposed to pyramidal/vertical. Finally he emphasised that problems should be solved together.

#### Strategic Guidelines in Crisis

The first session focused on strategic guidelines in crisis with interesting presentations from the UK, Germany, Luxembourg and Switzerland. Andrew McCormick, Permanent Secretary for Health in Northern Ireland spoke about the transformation of care in Northern Ireland. He emphasised the importance of having a clear, strategic view on how to enable and promote change. In Northern Ireland they have developed roadmaps for doctors and recognise the need for innovative tools and

practices in healthcare. Process changes must be supported and most of all, changes must be centred on individuals.

McCormick stressed the importance of European collaboration, citing e-health as an enabler for change and the EU Connected Health Alliance as good examples of such collaboration.

Moving across the Irish Sea, Peter Lachmann, Deputy Medical Director of Great Ormond Street Hospital focused on leadership and management in times of crisis and discussed how the system could change to better reflect the needs of the patients as well as to cope with the current economic situation. A medical doctor himself, Lachmann explained that doctors are taught to ask for more; more tests, more technologies etc. The question is whether we actually have to spend more.

Lachmann stressed that costs cannot be cut without reordering priorities. He believes that it is possible to take money out of the system and still make it better. But it is up to us, managers and practitioners, to decide. Real change should come from the bottom up and ideally there should be a large system-wide transformation. His key methods are distributive leadership, real data in real time, honour the work of the frontline, physicians as partners and involved patients.

His six steps for successful change are:

1. Change the clinical paradigm;
2. Reduce variation as the main problem;
3. Address flow to improve safety;
4. Decrease per capita cost growth in spending;
5. Measure differently; and
6. Introduce value as the aim of management.

Irmaut Gurkan, Head of Administration of Heidelberg University Hospital gave the university hospital perspective. Describing the situation in Germany, she highlighted the fact that there is a lot of competition in Germany, with too many beds and too many hospitals. Like the speakers before her, she believes that a change in culture is needed with new strategies and objectives. However, she went on to suggest that hospitals should behave more like companies while remaining ethical and committed to quality care provision.

In order to grow, hospitals must be willing to create new networks. Advances in medical care need a balanced budget so that profit can be invested into new technologies. Her strategy for the future is reorganisation and increased cooperation with others. We can start new companies for innovation to achieve our clinical objectives and also secure our market share. She concluded emphasising that size is not important, but the speed of our response and that we must go back to our core business-quality patient care.

Simon Scrivens, Managing Director of Healthcare at Sodexo spoke about partnerships to create value. For him, partnerships have to be based on mutuality; all parties must be on board in order to make it work. For Scrivens, risk in healthcare must be managed by the organisations best placed to manage it. Core competences are used less in healthcare than other parts of the economy; we have to realise that sometimes, outside organisations are better placed to deliver a particular service. His top tips for these value-creating partnerships include thinking strategically, and focusing on the long term, not just short term fixes. Communication between partners is essential at all stages of the process as is transparency.

No congress dealing with management in times of crisis would be complete without a contribution from the finance industry. Yves Nosbusch, Chief Economist at BGL BNP Paribas gave us the insider knowledge on the macroeconomic outlook and the implications for financing and investment. He was positive in his assessment, pointing to growth but also warned of the risk of falling back into recession.

Eric de Roodenbeke rounded off the first day of the congress with an exciting presentation on the joint project for an international competency framework for healthcare managers. This global project aims to strengthen health management as a profession and is something that the EAHM has been heavily involved with.

### **Business Process Re-Engineering**

The second day of the congress focused on practicalities with presenters talking about how they have improved processes within their hospitals. First up were Dr. Jens Peukert and Dr. Utiger who talked about their partnership involving a private hospital and a consultancy. The reasons behind such a partnership lie in the private hospital patients' demand for the best care with top of the range technologies. Innovation was needed to reduce costs so together they analysed the data and used simulations to improve processes within the hospital.

Dr. Katarzyna Mazur-Hofsäss, President of EMEA Reconstructive at Zimmer continued the idea of value creating relationships with her presentation, "Medtech companies: Suppliers or Partners?" She described the current paradox that it is good for the economy if the population spend more money on homemade cars and junk food but a crisis if we spend more on healthcare.

Medtech companies are changing their business models to address current market challenges. Operational excellence in manufacturing, supply chain and sales execution is a key goal as is the need to adjust to growing demand for economic outcome data. Companies must eliminate non-value adding activities and cost centres and shift from selling products to selling services. This is a two way process: hospitals don't want to pay for company inefficiency but similarly, companies don't want to pay for hospital inefficiency either.

Moving to the laboratory, Friday morning's session featured two presentations that focused on laboratory management. Mads Nybo from Odense University Hospital in Denmark showed delegates some practical examples of lab optimisation. He emphasised that the lab reflects the hospital in terms of workload, increased demand and economy. Labs are under pressure with an increasing number of samples, increasing demands to the test menu, increasing demands on turnaround time and increasing quality demands. He argued that the laboratory is not the department in which to cut costs but to invest as increased lab efficiency equates to increased hospital efficiency. Opportunities lie in IT and new technologies and point of care testing.

Florian Kainzinger, CEO of Labor Berlin also stressed the importance of the lab. There is more to laboratory than test tubes, with patient data being a key feature of the department. Labs are integral to patient diagnosis and treatment and cannot be taken out of the patient record. For this reason he believes traditional outsourcing is not sufficient. The solution in Berlin was to create Labor Berlin, a company that combines the entire medical laboratory supply of the two hospital groups in Berlin. This equates to supplying over 10,000 hospital beds.

Rounding off the session on business process re-engineering, Prof. Peter Gausmann gave an overview of clinical risk management and the insurance industry. Our patients demand safety in diagnosis,

treatment and care and clinical risk management ensures this is successfully delivered. A triad of insurance, claims and risk management suffices to cope with the outlined requirements. Networking these three elements creates a sustainable and effective safety concept.

### **New Buildings, New Logistics, New Technologies**

The final session of the congress focused on New Buildings, New Logistics, New Technologies. Keith Hamer from congress partner Sodexo spoke about business continuity in healthcare institutions and presented his case for asset lifecycle and maintenance services. For Hamer, the three essential elements for business continuity are people, processes and infrastructure/equipment and hospitals must take care to balance costs with performance and risk.

Rafael Sala López told delegates about the innovative Spanish Marina Salud hospital. 99.9% digital, the hospital uses state of the art technology and was designed to transmit a peaceful sensation to its patients. Creating a culture of impact assessments at Marina Salud ensures that the hospital focuses on its core value.

The last two speakers of the day energised the crowd with their innovative ideas. Dr. Helen Bevan, Chief of Service Transformation, NHS Institute for Innovation and Improvements spoke about the need for transformational change in our hospitals and offered some interesting methods. Most large-scale change initiatives fail to meet their objectives and so she believes big change must come from a different perspective and it must be “high energy” change. Bevan introduced delegates to Change Day, which took place on 03/03/14 and urged everyone to use the day to start a process for meaningful change in their hospitals, involving all level of staff.

Henny van Laarhoven, Director of Orbis Gruppe presented the Orbis Medisch Centrum, an innovatively designed hospital that puts patients at the centre- treating them as guests. Thanks to careful planning from the start, a high quality of care and maximum efficiency are not mutually exclusive concepts at the OMC. Innovation can also be seen behind the scenes where managers are not allocated their own offices, freeing up more time to interact with colleagues and keep an eye on processes how and when they happen.

### **Conclusion**

Each session ended with a roundtable discussion, which gave delegates the opportunity to actively participate in the congress and many lively debates were had on the topics of Financial Crisis and Efficient Communication, Manage the Change... Change the Management, and Steering Innovation. These discussions continued during the networking sessions, with delegates sharing their experiences and learning from each other.

The 24th Congress of the EAHM certainly fulfilled its mandate of educating delegates on hospital management in times of crisis. Organised at short notice due to the effects of the financial crisis on our Greek colleagues, the event itself is a testament to European solidarity, to facing challenges head on and achieving quality results. EAHM President Heinz Kolking closed the congress with the exciting news that IMPO, the new working model for the EAHM, has been formally accepted by the Board and Executive Committee in the Luxembourg Declaration.

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