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Promoting Management and Leadership

## Seven Innovation Strategies to Win Patients and Staff



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### Seven Strategies Hospital Systems Can Pursue to Advance Their Clinical Capabilities

Healthcare service providers face significant challenges in attracting patients and retaining qualified staff. The most obvious way to outshine one's competitors is to offer superior clinical capabilities, but such innovations can seem prohibitively expensive. Read about seven strategies that hospital systems can employ to advance their clinical capabilities, respond to the evolving challenges of healthcare today, and attract both clinicians and patients.

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*The key to commercial success is being more systematic.*

#### Invest in new diagnostic and therapeutic modalities to improve outcomes and expand services

The most obvious way for service providers to augment their clinical capabilities is to offer the very latest diagnostic and therapeutic technology. For instance, innovative imaging techniques can significantly improve the speed and reliability of diagnosis, and hence of treatment success. They can also reduce the length of hospital stays, and as a result, the overall cost of treatment.<sup>1</sup> Novel clinical procedures and processes can also have a positive effect on medical staff – for example, by reducing the workload, or promoting the flow of information and knowledge sharing along the treatment chain. And ultimately, no service providers want to be the last ones in their region to offer diagnostic and therapeutic capabilities that are being touted by all of their competitors. Therefore, navigating this challenge requires an outcomes-based investment strategy for acquiring the new equipment necessary for remaining competitive, along with a fleet management approach to ensure that each new investment continues to provide clinical value throughout its lifetime.

#### Implement patient-centered process innovations

Companies that systematically focus on innovation in products, services, business models, and customer targeting grow more quickly, generate more revenue, and are more successful.<sup>2</sup> The same goes for healthcare providers, for whom innovation has become a key success factor. So, just like companies in the business and academic sectors, hospitals benefit from participation in innovation networks. To be able to offer patients new treatment options, they need access to new medical procedures. A particular challenge for companies across all industries is how to create appropriate structures for innovation and develop an effective innovation culture. Healthcare providers with a strong culture of innovation that runs through all business sectors, and promotes ingenuity and knowledge sharing, are especially successful. Moreover Communication and a consistent,

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comprehensible strategy implementation have a strong influence on the success of innovation.

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*Physicians and business people must align each other's competencies to establish...*

#### **Include clinician leadership in the top tiers of management**

Innovations that are removed from patients, such as improved logistics and accounting processes, may represent very sound, sensible investments. However, these innovations contribute less to building a good reputation or a strong competitive position for a hospital than innovations that directly contribute to improving clinical capabilities.<sup>3</sup> While it is increasingly being recognized that clinician leadership within hospitals is not only beneficial, but essential to ensuring that hospitals implement the kinds of patient-centered innovations that are needed to remain competitive, achieving the goal of increasing such leadership can remain elusive. When institutions make investment decisions, the focus is often more on the purchase costs and return on investment (ROI) and less on their impact on patient outcomes, patient safety, and employee satisfaction. In order to identify and implement promising innovations with beneficial effects on clinical capabilities, physicians and business people must align each other's competencies to establish a qualified shared decision-making process. This enables managers who are traditionally more numbers-oriented to develop a necessary understanding of the mindset and needs of their medical departments – and vice versa.

#### **Pursue innovation in eHealth**

Electronic medical record digitization is transforming the flow of information and access to healthcare services – with corresponding implications for patient outcomes and treatment costs. The emerging telemedicine market is providing underserved rural populations in emerging countries with access to medical expertise for the first time.<sup>4</sup> Telemedicine has proven to contribute to improvements in diagnosis and treatment for aging populations<sup>5</sup> or chronically ill patients.<sup>6</sup> Suitable partners for hospital operators can also come from other industries such as the retail, technology, telecommunications, and consumer products sectors, and can often innovate at a faster pace than traditional healthcare companies, with lower costs.

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#### **Improve outcomes through innovative service delivery models**

Integrated care programs have the potential to more adequately respond to the comprehensive needs of people with multimorbidities by taking a holistic approach, while making efficient use of resources. Such programs are characterized by patient-centered, proactive, and coordinated multidisciplinary care, using new technologies to support patients' self-management and improve collaboration between caregivers. The program shows that improved treatment results don't necessarily require groundbreaking technical innovations. Instead, significant progress can often be made through targeted knowledge and information exchange as part of organizational innovation.<sup>7</sup>

#### **Consider specialization instead of diversification**

A critical mass of patient cases and indications is a prerequisite for capability advancements in any institution. Disease-specific competence centers or service lines support hospitals in becoming established as clinical opinion leaders, recruiting highly qualified staff, and investing more successfully in technical equipment. Experience derived from managing a large number of cases can also increase clinical capabilities and thereby improve patient outcomes. One way that hospitals can effectively attract more patients and enhance their clinical experience and capabilities is to organize themselves by service lines in strategically defined clinical areas. By developing a focused service-line strategy, hospitals can also free up additional financial resources, which can then be redirected to further improve their clinical capabilities in key areas through investment in modern, patient- and user-friendly technical equipment and/or innovative services and care concepts.

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*Ways to identify opinion leaders. (Source: Doumit, G., et al. 11)*

#### **Cultivate opinion leaders to drive patient demand, attract qualified staff, and enhance your institution's reputation**

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Opinion leaders represent an often-untapped resource to ensure that patients receive medical care based on the best evidence. They can have a significant influence on whether and how quickly innovations are implemented in clinical practice for the benefit of patients. As respected and well-connected sources of information, they can serve as a bridge to span the knowledge-translation gap from bench to bedside, through early adoption of new evidence and subsequently influencing the majority of practitioners in a clinical group. Although full-service general hospitals are still the mainstay of acute-care delivery in most countries, this tradition is undergoing a revolution in the U.S., among other places. Immense clinical complexity; the advent of performance transparency for evaluating quality, service, and costs; and growing competitive intensity are challenging the notion that any hospital can excel across a broad spectrum of clinical service lines.<sup>9</sup> Even if generalists won't disappear entirely, focusing on a few clinical service lines can help hospitals compete, while also improving operations, raising clinical quality, and enhancing service to their communities.

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