

Healthcare sector should reach out to technology scale-ups

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It is now clear that the future of healthcare organisations depends on their ability to change, increase agility, and develop resilience continually. Success in the new normal means taking the opportunity to design the future of the organisational culture. And there is no better sector to learn from than technology scale-up leaders who survive and prosper in an environment requiring constant transformation.

Why scale-ups?

Spending most of my career with scale-ups and joining a hospital board during COVID-19, has opened my eyes to the lessons healthcare leaders can learn from scale-ups within the innovation ecosystem.

COVID-19 forced the health industry to undergo a change in a capacity it hasn't encountered before. It is not a one-off change, but a new paradigm that compels healthcare industry leaders to question the agility and scalability of their organisations now and into the future.

While immunisation research is undergoing significant progress, the pandemic is unlikely to disappear, nor be the last one. Health organisations are now required to adopt a different leadership model and develop an organisational culture that supports constant changes, agility and resilience.

During the lockdown in Melbourne hospitals and other health organisations experienced operating on the continuum that many scale-ups live in: some operations needed to scale up fast, while others were on hold. For example, there was a period with a delay of non-essential elective surgeries, while at the same time, some hospitals had to double and even triple their ICU capacity. Now, when there is a long queue for elective surgeries, there is a need to scale up these services. These activities involved training, restructuring work arrangements and procedures, overloading the system and putting immense pressure on the entire team.

Scale-up leaders are used to operating in such environments. Scale-ups do not run on a linear growth, where the company adds new resources and its revenue increases as a result. Scaling is often achieved without a substantial increase in resources. The scale is achieved by increasing service

and revenue without incurring a higher cost.

Core challenges scale-ups, and the health sector share include:

Technological changes - scale-ups operate in a challenging competitive landscape and constant technological changes that require regular adjustments and at the same time opens windows to new business opportunities. The accelerated introduction of telehealth services during the pandemic, questions the traditional way health professionals are used to working, but also presented them with exciting prospects.

Employee shortages- scale-ups operate in a talent shortage environment (such as lack of qualified engineers); the health and aged care sectors were also challenged by employee shortages, as well as from an ageing workforce. Both sectors have a working environment that can be highly stressful, and hence they need to deal with workforce burn-out and retention issues.

Team upskilling - due to the skills shortage and the fast changes in technologies, scale-ups are in a constant need to upskill their teams. The health sector now needs to upskill their workforce with digital and technological capabilities to cater for telehealth and other technological advancements, such as artificial intelligence and automation.

Organisational culture- scale-ups have a short window of opportunity, and they have to ensure they deliver before the window is closed. Producing innovative solutions on time and budget means proactively leading the organisational culture, supporting the team and communicating the “why” (mission). When employees do not buy into the company’s mission, they are often not engaged. Employees in the health sector choose their profession for the “why”, but the industry as a whole tends to pay less attention to proactively leading the organisational culture. In both sectors, when culture is a problem, employee turnover is on the rise, and customer satisfaction is suffering.

Leading on the stagnation-accelerated growth continuum

Scale-ups navigate their way on a growth continuum between stagnation and acceleration. They deliver services and products under constant business barriers (financial, talent, infrastructure, market access and leadership capacity) and operational constraints (changes in goals and priorities, lack of resources, team instability, ineffective structure and lack of processes).

To successfully operate on this continuum, scale-up leaders must develop scalable processes and invest in their organisational culture and employee's development.

Adopting different people, culture and leadership perspectives

It is fair to claim that the pandemic caught us all by surprise and unprepared. The silver lining in this crisis is that it has accelerated processes in the healthcare industry, such as the use of telehealth in a way that there is no going back. Now it is time for leaders to stop and reflect and ensure they learn from the journey and shape their organisations powerfully to the future. Now is the time for them to develop a culture that allows their organisations to change, increase agility, and build resilience continually.

These are not small cosmetics, but in many cases, we are talking about significant systematic changes combining strategic thinking, culture, workforce, leadership and agile processes.

Scale-up leaders can offer their healthcare colleagues insights in regard to how to lead an organisational culture that supports constant changes and innovations; operation and how to build agility into processes when continually moving on the growth continuum between stagnation and acceleration; how to develop the leadership team to think strategically about opportunities as well as how to build high performing multidisciplinary ad-hoc teams.

There is no better time than now to reflect on healthcare sector and implement the changes that need to be made.

Dr Zivit Inbar is the founder and CEO of DifferenThinking, a consulting practice that specialises in people, culture, leadership and performance strategies for growth.

Contacts

Dr Zivit Inbar
0400355210
mailto: zivit@differentthinking.com.au