Why we need innovation to improve quality and reduce costs

Helen Bevan

Definition of innovation

“Doing things differently and doing different things”

Source: NHS Institute
Some headlines from the English National Health Service (NHS)

- Realise a savings gap of £20 billion by 2014
- Represents 4% compound improvement, four years running
- Achieve these outcomes at a scale and pace never seen before in any healthcare system or industry

NHS Operating Framework 2012/13

“quality and outcomes drives everything we do”

[We will focus on]“clinical outcomes, including the reduction of health inequalities, to drive a change in culture, behaviour and the way we deliver clinical services”
The NHS strategy

Quality
Innovation
Productivity
Prevention

Chief Executive's Innovation Review

“It is widely accepted that more of the same will not do. More radical changes in the way services are delivered and how people work will be required. We need to plot a sustainable course for the future of the NHS. Innovation can help provide the route-map, improving quality at the same time as driving productivity and efficiency in a difficult financial environment”

“Revolution begins with transformation of consciousness”
Paul Bate

Different thinking for different results

First order change

More of, or less of... the same thing
Different thinking for different results

First order change

- budget reductions across the board (“share the pain”)
- cost improvement goals are separate from quality improvement goals and are of primary importance
- make the current system “leaner” and less wasteful
- assess and understand performance
- work harder
- capture data

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tighter control and scrutiny; management grip
Different thinking for different results

Second order change

Stand back..........Reframe......See the big picture...

- Drive out unwarranted variation across the system
- Seek big system level solutions as well as microsystem solutions
- Regard productivity and cost improvement goals as a subset of quality and patient goals
- Build meaning and understanding of the need for change, connected to higher purpose and NHS values
- Build commitment to take action across the organisation and the wider system
- Create the capacity and capability for change
Different thinking for different results

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Call to action to secure the future

Some key questions

• What kinds of innovation should I be thinking about?
• Which kinds of innovations are most likely to deliver my quality and cost goals?
• What are the risks around different kinds of innovation?
Types of innovation

• Process innovation
• Service innovation
• Strategy innovation

Source: Kathryn Baker

Task

• What are the differences between process, service, and strategy innovations?
• Give some examples of each from your own experience
Examples of process innovation

- Redesigning the appointment process in the GP surgery
- Reinventing the triage process in Accident and Emergency
- Making it easier for patients to order repeat prescriptions
- Redesigning the job application process within recruitment and selection
- Introducing a rapid turnaround “one stop shop” for outpatient testing

Strategy innovation

“the question today is not whether you can reengineer your processes; the question is whether you can reinvent the entire industry model.”

Gary Hamel
Examples of strategy innovation

- Transforming the paradigm of urgent and emergency care across the community
- Designing radical new integrated models of health and social care for people with long term conditions
- Shifting power: patients, families and communities as co-creators and producers of health
- Building new approaches to large scale change based on mobilising principles from social movements and community organising

Examples of service innovation

- Creating new specialist services in the community, eg, intravenous therapy, deep vein thrombosis, complex wound clinics
- Introducing hyperacute stroke services across the city
- Creating a “virtual” induction for all newly appointed clinical staff
- Radical redesign of the clinical pathway for people who break their hips
- Introducing “virtual wards” for intensive support outside of hospital
**Kinds of service innovation**

Integration  
Simplification  
Substitution  
Segmentation

**Substitution:** providing higher value, lower cost care for patients/service users through

- **location substitution:** substituting high tech clinical environments for community based settings
- **skills substitution:** enhancing the skills of specific groups of staff to undertake roles previously undertaken by those with a higher skill level, for instance enabling nurses to prescribe drugs, a role that was previously only carried out by doctors
- **technological substitution:** maximising the use of new technologies in the service. A specific type of technological substitution is *channel shift*\(^{[42]}\) by which organisations seek to encourage their service users or patients to access or interact with services via channels other than those to which they are accustomed. A typical channel shift is moving from face to face or phone interaction to self-service online.
- **clinical substitution:** moving from a medical care model to community care or family or self care model
- **organisational substitution:** looking at a wider range of providers to those who have traditionally delivered NHS care, for instance voluntary and community groups and social enterprises.
Discussion

• What kinds of service innovation strategy can we employ in our current setting?

Discussion

• Which kinds of innovation are most important to deliver quality and productivity improvements at scale?
Matching our mindset/innovations to our level of ambition

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Source: adapted by Helen Bevan from Brooks and Bate (1994)
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Ambitions for change

1st order:
- Planned incremental (small scale change)
- Achievement but more limited in scope or scale than potential suggests

2nd order:
- Underachievement of goals for large scale change
- Achievement of goals for large scale change

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