The Culture of Innovation in Healthcare – System Innovation.

Roundtable 5 Summary Report

INNOVATING health

creating a new conversation

INNOVATING health series

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About the Series

HISA is delivering a new thought leadership series - *Innovating Health. Creating a New Conversation.*

Through a series of roundtable events and other activities, we aim to lift and support the digital health innovation agenda in healthcare. To create a new conversation, we seek to bring together health leaders with industry experts, challenge current thinking with new and different perspectives, harness our collective knowledge and ideas, and ultimately share topics and discussion with others to stimulate sector change. The series is in collaboration with and supported by Accenture.

Never has there been a time of such pressure on the healthcare system. The need to transform is vital.

Conjointly, the conditions and promise of innovative change are tangible through the development and application of new digital technologies, rapidly changing business models, Government policy reforms, the rise of health consumerism, and service led reform.

"Many of the ways we go about improving health and care were designed in a different mindset for a different set of circumstances.

Given the radical and complex nature of our transformational challenge, these 'tried and tested' methods increasingly won't deliver what we need to deliver for patients."

Helen Bevan and Steve Fairman NHS UK

Event 5 – The Culture of Innovation in Healthcare – System Innovation
Melbourne 23 November 2016

Overview

The Innovating Health Series returned to Melbourne. This roundtable re-examined the **Culture of Innovation in Healthcare with a particular focus on 'system innovation'**. It addressed a problem statement from a previous session.

> *"Healthcare has plenty of innovation. We have world leading research, development of new drugs, treatments and medical devices, advancing digital systems and an ever-expanding digital health start-up sector building smart solutions. The problem is that these innovations are fragmented, not-connected or take too long to implement. We don't just need product innovation in healthcare, we need system innovation."*

Through this series, the **Culture of Innovation** keeps coming up as key issue or barrier to healthcare moving forward. Often these statements are couched in administrative or regulatory barriers. It has also been observed that in terms of innovation, there is a lot of noise and energy, but generally the primary drive is to support digital business and jobs growth, and second is to solve problems of the day.

Certainly, our health systems need greater connectivity. Connectivity to deliver efficiency and effectiveness gains which are increasingly required, but also to bring true connectivity between clinical service providers and multi-disciplinary teams across the service continuum. Connectivity between clinical services, care providers and patients to better empower the consumer to manage, participate and indeed to better enable their own health and wellness.

But connectivity – often far beyond health systems and health policy – also helps us to find new ideas, new approaches, new ways of working. In turn, these can spur paradigmatic shift in our health systems and approaches – defining the pathway to the health systems and outcomes of the future. Ultimately – the greatest challenge of all is one of **"how"**.

We welcomed back to series Simon Terry who led our first conversation on culture, together with Prof Vishaal Kishore as our discussion guides to explore the challenges of health system innovation and cultural change. Both guides brought different experiences and perspectives on system innovation in healthcare. The aim was to build threads of a story acknowledging that people, culture and change is a really difficult problem but there is opportunity.

The discussion was the most thought provoking and pragmatic to date with a number commitments from attendees to pick up the outcomes from the session and identify "crucibles" for change. Actions to take back to their own organisation that contribute to system innovation and change. This was a great outcome for series which seeks to move away from issues towards practical change.

Highlights and Take-Away Points:

1. **Clear definition of innovation as a step change** – With the demands on the health system, rise of consumerism and digital disruption on our doorstep there is constant discussion on innovation and the language of innovation. Agile, design thinking, entrepreneurs, incubators, accelerators, hacking, startups etc. are all used. The language of innovation is not at all clear to those in dealing large health service delivery and managing organisational change. The thought of doing things differently with the constant pressures and demands in healthcare is almost unbearable.

   The drive for doing things differently is in effect innovation. Perspectives presented to help understanding and provide a definition that resonates were:
   - Seldom do we innovate alone. Eco-systems matter, relationships matter, open collaboration matters.
   - Not all players are in the same place and therefore view innovation differently and have different value drivers.
   - If we want to be different, we have to do things differently.

   Clearly, we can be innovative in our own areas but if it is not linked to new models of care and system-wide changes we need to question the value and if can we do more. Innovation was discussed in terms of challenging the current systematic views and acknowledge the value of those changes being "in the eye of the beholder". We need to challenge current thinking, enable our innovators, collaborate and look not only to internal but system-wide changes to increase value. Understanding what we mean by innovation and reduce ambiguity is a clear step change.

   "If we want to be different, we have to do things differently."
   Professor Vishaal Kishore

2. **Enhance the ability to leverage healthcare strengths in research, learning and broad system roles** – Healthcare has a complex eco-system of participants and activities. Many health leaders and influencers working in and across the system have many roles and "wear many hats" – administrators, practitioners, researchers, teachers.

   We need to recognise and better leverage the strengths of healthcare including the learned people working in the system. We have significant expertise which we can draw from and who are generally dealing with the day to day problems and the demands of health service delivery. If we leverage and better focus those people in across system change, we can hope to see improvements in innovation and change.

   "It is amazing how many hats people are wearing in healthcare.
   How do we build the same capacity and processes for innovation in
   healthcare?"
   Simon Terry

3. **Focus on system change and value creation** – We generally have good clinical and medical innovations in healthcare. Whether it be the latest treatments, medical responses, drugs or devices. Where we don't do so well is in service delivery. There are many reasons why this is the case, but a lot of discussion reflected on the traditional and hierarchical nature of our organisations.

Moving forward there is a recognition that we need to focus more on broader systemic change and value creation for multiple participants in any new business or care model change. Multiple participants to any change and innovation will have different and varied views of the value of any innovation and change. With any change, we need to understand how the funding flows as this is a critical component of system operation and adoption of change. Health leaders can set the context for innovation and change by applying approaches such as design thinking to change the frame of reference that allows other participants and ideas across the system to be incorporated.

"Design thinking leads to innovation. It is not innovation in itself.
It however allows to change the frame of reference which brings new participants and ideas into the process."
Elizabeth Deveny

4. **Creating reflective space to learn, to examine the system and to do things differently** – Healthcare is great at responding to a crisis. We collectively go above and beyond to address major problems. What healthcare does not do well is spend time after a crisis reflecting on what they did well, what they did differently, what they could do differently for future. We generally get caught up in the business of our work and our day to day activity. We don't have the space or the time to reflect and examine what we can do differently, particularly in relation to system and workflow change between other service providers and stakeholders.

As health leaders, it was agreed that it is incumbent on us to make that space. Allow innovation to run alongside quality improvement initiatives even if we are not necessarily funded for this activity.

"We don't provide the right structures and support for innovation in healthcare."
Allison Patrick

5. **Creating spaces and time for change agents to grow, to learn the system, to connect with others** – Healthcare as an industry is very conformist. So much so that we have the ability to stifle and crush the innovative spirit. We do not generally provide spaces or time for people with innovative traits to flourish and grow, and to link with others that are of similar thinking across other organisations. The operational service delivery model dominates.

Similarly, we do not train people with these skills. Many post graduate structures do not support innovation and new thinking.

What we need is the ability to recruit people with inherent innovative traits, build internal expertise, to create the right team and culture to contribute to the bigger vision. It was suggested that from a clinical point of view, that having someone who is cross-trained and can assist with translating between multiple stakeholders would greatly benefit and enable additional ideas and different thinking to be included in service and care model changes.

"In practical terms, we highly value innovation. It is just that the sector is highly conformist. We do what the system pays us to do. We have the ability to crush the innovative spirit of people with new ideas."
Prof Chris Bain

6. **Make innovation part of the everyday not just for crisis or special projects** – Currently system innovation is generally treated in isolation, as something separate from what we normally do. We are adaptable and innovative in a time of crisis, or we think about innovation and change when new projects are being planned and delivered. However, if we are serious about be innovative to address the many issues and problems of healthcare we need to make innovation part of everyday. This goes to the heart of the culture of an organisation and how it collaborates with others to bring change.

Attendees questioned Accenture representatives in attendance whether health services participants might learn from how a large global corporation treats innovation. This led to the importance of measuring innovation, as well as not shying away from imitating and replicating the innovation of others as a rapid way of scaling up things that work.

In conclusion, health leaders in attendance challenged each other on what each of them were going to do about it after the session. All agreed to find their "crucibles" and come back to a future forum together to share their actions.

> *"Where are the crucibles for innovation*
> *and change in our organisations?*
> *It is for us go back and identify and action these crucibles*
> *for change."*
> *Dr John Zelcer*

Conclusion - HISA Reflection on the Event

The level of discussion and thought sharing at our fifth and final **Innovating Health Roundtable** for 2016 was great to see and we thank the attendees for their participation. We also thank Simon Terry and Professor Vishaal Kishore for leading the discussion and providing their experience and thinking in this area.

Our key take-away as participants and observers at the event were:

- Ensure there is clear definition and understanding of innovation as a step change
- Leverage healthcare strengths in research, learning and broad roles of system participants to build capacity in innovation and cultural change
- Focus on broader systemic conversations about value creation, for whom and how funding follows as a key ingredient for system innovation and change
- Create reflective space to learn, to examine the system and to do differently
- Create spaces and time for change agents to grow, to learn the system, to connect with others. This includes how to navigate power, resistance, work the system and how to connect and curate across the system.
- Make innovation part of the everyday and not just for crises and specially funded projects. Include the importance of innovation measurement and the ability to learn off other to fast track innovation.

We look forward to our next instalment in the series in the New Year on the **Knowledge Translation in Health**.

Innovating Health – Health Leaders in attendance:

- Prof Vishaal Kishore, Innovation and Public Policy RMIT (Guide)
- Simon Terry, Founder Change Agents Worldwide (Guide)
- Gareth Goodyear, Executive Chairman Parkville Precinct
- Julie Bissnella, Peter Mac
- Matiu Bush, Peter Mac
- Sophia Chancey, Accenture
- Dr Kudzai Kanhutu The Royal Melbourne Hospital
- Simon Goodritch, Portable Studios
- Dr John Zelcer, Epworth Healthcare
- Assoc Prof Chris Bain, Mercy Health
- Dr Caroline Clarke, The Royal Victorian Ear and Eye Hospital
- Lizabeth Deveny, South East Melbourne Primary Health Network
- Dr Damian Claydon-Pratt, Epworth Healthcare
- Dr Grace Lai, Periop Partners
- Alison Patrick, Mercy Health
- Ian Manovel, Accenture
- Andrew Saunders, Department of Health and Human Services
- Elain Zelcer, Accelerating Commercialisation
- Dr Louise Schaper, CEO HISA
- Greg Moran, HISA Host

Innovating Health Series website resources - http://innovatinghealth.org.au/resources/