Healthcare









Here's what's happening in healthcare! Low CPB — Chief Faculty- Healthcare

Due to branding errors and brand projection pitfalls in healthcare, the practitioners be it start-ups or established healthcare, getting low margin practice as against the high margin practice they expect. We call this low CPB (Configuration Practice Base / Cash Pay Business)

This is happening due to lack of so many factors and one of them is almost zero in-depth branding. Branding (administration) oneself professionally in the market is the need of the hour; it does not mean having fleet of white elephants in the hospital in the form of employed CEOs, CFOs, GMs, etc.,: no, it's getting connected with the patients and the public and making staff to work towards reaching your ideals, making their organisations robust thru world-class updated systems

Floating websites or social media professionally following conversion principles is need of the hour and not inundating these platforms with full content and boring copy cat information

Another factor to increase the branding is the One-O-One communication with the patients and being professional in case presentation skills

In our live projects with several healthcare institutions, we consistently observe the healthcare is plagued by 'silos' wherein pts & staff are made to run pillar to post due to sickening org culture that seeped in & unfortunately managements give minimal importance on building a strong organizational culture, rushing in only to invest heavily in infrastructure, equipment which often leads to Cost of Poor Quality (COPQ), ultimately resulting in ('imbalance') operational inefficiencies, financial distress, and debt accumulation.



In this newsletter you can expect:

COPQ OVERVIEW

CASE STUDIES

HOW WE
TRANSITIONED
ABOVE HC

CULTURE CHANGE

ACTION STEPS TO GET ROBUST ORG CULTURE





COPQ OVERVIEW

The Cost of Poor Quality (COPQ) in healthcare refers to the financial impact of failing to meet quality standards in patient care and inability to run the healthcare with 'required' professional standards accumulating various costs associated with poor quality, which can ultimately affect its overall branding & sustenance at the end. Here's a breakdown of how COPQ manifests in healthcare:

Components of COPQ in Healthcare:

- Internal Failure Costs: 8 wastes of HC
- External Failure Costs: Costs incurred after the service reaches the patient
- Appraisal Costs: Costs spent on monitoring and checking to ensure quality
- Preventive Costs: Costs associated with preventing defects and ensuring first-time right care

All the above topics are heavy to understand and we cover them all in our CMIO Project

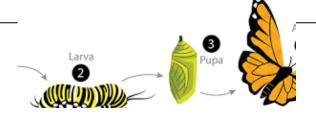


₹12 CR LOSS HEALTHCARE RESTORATION

During our Lean SWOT Analysis of a mid-sized 150-bedded hospital, we identified several critical issues contributing to a high Cost of Poor Quality (COPQ), which had escalated to debts amounting to approximately ₹12 crore (\$1.36 million). The hospital was grappling with frequent patient readmissions, medication errors, increased patient complaints, zero referrals, lawsuits related to patient care quality, and a complete absence of Cash Pay Business (CPB).

These challenges not only compromised patient outcomes and satisfaction but also led to elevated operational costs and resource strain. Additionally, the hospital faced alarming rates of attrition among patients, staff, and consultants. Marketing efforts were ineffective, and the public had largely lost trust in the institution. Leadership integrity was questionable, with internal frauds further deteriorating the hospital's credibility. Before they plunged into disaster, we Tabor, made futile approaches to help modernize their systems and processes, the hospital's management remained resistant to seeking professional external guidance—similar to many others reluctant to embrace change. 'Only' when they plummeted they remembered us & sought our help!!





HOW WE TRANSITIONED IT

To revive this critically ailing hospital, the entire TABOR team, including all faculty members, began by conducting a comprehensive primary assessment through Lean SWOT analysis. Following this, we assembled cross-functional internal teams comprising members from the TABOR board, carefully selected external recruits, and committed hospital staff. One of the most challenging aspects of the transformation was mobilizing the internal workforce. Most of the staff had become disengaged and bureaucratic due to prolonged financial mismanagement and repeated branding failures. Gaining their trust and identifying those genuinely aligned with the hospital's recovery vision required significant effort and discernment from our team. With the right team in place, we conducted a series of Kaizen events to develop and execute strategic interventions across Phases A, B, and C. A major organizational restructuring was undertaken, which involved the removal of numerous non-performing and counterproductive personnel across all levels. This was followed by focused recruitment drives and rigorous retraining programs.

Subsequently, we implemented robust operational systems and launched an organization-wide cultural transformation through several pro-staff initiatives. A key milestone in this journey was the successful revival of the hospital's innovation-driven culture, which had nearly vanished over time.

One of the most demanding yet impactful efforts was 'creating' burning platform among staff & consultants was to Innovate & Improve (i2) & 'culture change' an unhealthy organizational culture. Once this foundation was built, we established a world-class marketing department, which drove targeted initiatives across digital platforms, corporate partnerships, and referral networks. This strategic focus on brand visibility and engagement ultimately led to the hospital's restored reputation and sustained revenue growth.



Culture Change

Organizational culture change refers to the intentional transformation of an organization's values, beliefs, processes, and strategic direction—its very DNA—to better align with its vision and core principles. In the healthcare sector, this shift is vital for achieving new performance benchmarks and creating a healthier, more productive work environment.

Key elements of this transformation typically include:

- A renewed attitude toward patient-centered care
- Enhanced interdisciplinary collaboration
- Evolved leadership approaches
- Greater openness to change and innovation
- Clearer accountability and shared responsibility
- Improved communication across all levels
- Reinforced ethics and compassion, particularly within senior leadership

Transforming organisational culture is one of the most complex challenges for any healthcare institution. However, world-class organisations such as Apple, Mayo Clinic, and Virginia Mason demonstrate that when innovation is embedded across all levels—from senior executives to frontline staff—it leads to exceptional outcomes for both patients and the institution, much more an organisation gets High Margin Practice (HMP) Unfortunately, many hospitals still underestimate the importance of culture change. During our field visits, we frequently observe leadership teams overlooking cultural reform, often prioritising short-term operational fixes by investing on equipment, overall beautification & in traditional marketing!. The consequence is a deep-seated, cynical organisational mindset that leads to poor service, disengaged teams, and ultimately a high Cost of Poor Quality (COPQ) (losses)



GENERAL ACTION STEPS TO GET ROBUST ORG CULTURE

- Quantitatively measure your current culture
- Design Future culture, Definitive targets.
- Prepare whole team from top to bottom to work towards meeting above goals
- Create burning platform to change
- Ensure staff and stakeholder participation
- Communicate and demonstrate the change, again and again and again and then ... again.
- Birth in El- Emotional Intelligence all throughout the facility to face day today challenges
- Embed Continual Trainings & drill in Lean Systems like DSM (Daily Standup Meeting) and regular VSM, (Value Stream Mapping), 5S, etc.,
- Make all from to bottom to innovate & change the whole atmosphere
- Audit departments regularly
- Pool metrics
- Embed world-class systems

We cover all these in our live projects!



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