

Member of the public 27

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Dear Christiane

Every organisation has an “immune system” that tends to reject foreign objects. I find nowhere in the thousands of pages of analysis you and your colleagues have undertaken any serious investigation of the cultural obstacles to a competitive UK private healthcare market. Fact: the prevailing culture is not consistent with a competitive marketplace. I highlighted this in my original submission and the evidence I provided you.

I see huge incongruence in the “basic beliefs” (the values that represent the core ethos of an organisation) and the “operating beliefs” (the values that tend to guide day-to-day decision-making) held by people in private medical insurers, and healthcare providers and the reality.

There is an overbearing culture of “compliance” (protect myself at all costs) rather than “commitment” (Do everything possible to alleviate patient issues thoroughly and rapidly). That culture stifles positive change, innovation, brand loyalty and inflates cost (hidden or visible) to the consumer.

The key questions to ask the leaders of these organisations are “What do you think are three most important operating beliefs that your employees now hold?” Jot them down:

1.
2.
3.

Are these consistent with those firms current strategy and a competitive UK private healthcare market? Are they consistent with a proposed or tentative strategy or a future competitive market state? If not, what reconciliation steps are required in the feedback, reward and management systems in those organisations?

Cultural change is an end, not a beginning. It is the result of changes in attitudes. It is usually prompted by constructive, rewarded and consistent changes in behaviour.

I have suggested that the optimum means of addressing this is by rational persuasion. The individual market participants and their people change because he or she really believes it will be rewarding to do so. “If you are transparent, fair and accurate with your patient billing, we can have your reimbursement to you by the following working day. But if it is late, it will require a week to get into the next cycle.”

This approach is the longest-lived in creating behaviour change because it relies on internal motivation and is therefore self-perpetuating.

In summary a competitive UK private healthcare market requires that the culture of the participants be conducive to the direction being sought. To make it conducive, the immune systems of some or all of the participants may have to be suppressed and ultimately changed by modifying behaviours, attitudes and values. Too often in these competitive market improvements studies this requisite is overlooked and the land mine explodes when the Competition Commission treads on deeply held beliefs that they chose to ignore.