

WHITE PAPER | HEALTHCARE

# Sustainable-First Healthcare: Building a More Resilient World



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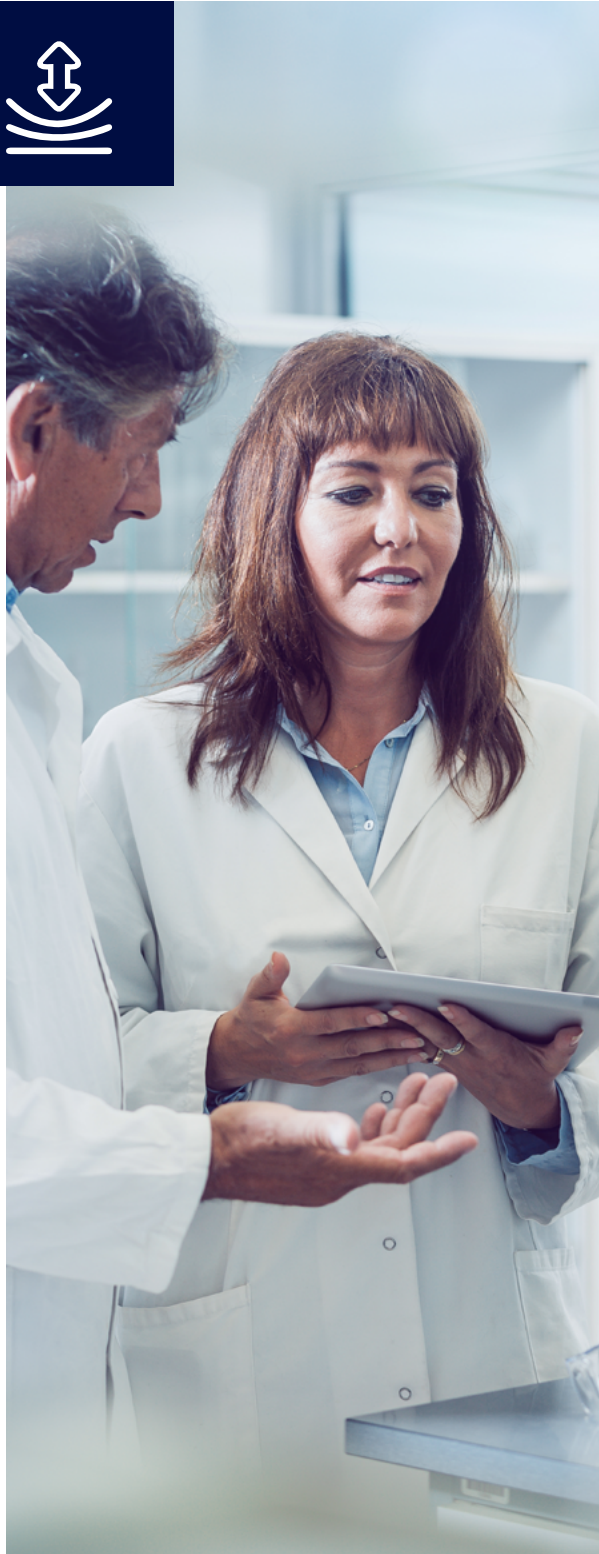
Healthcare providers want to be – and be known as – sustainable. Yet too many times quick fixes or cost decisions for short-term gains are made without scoping the long-term impact. There’s also increased public scrutiny of companies from all industries to be more sustainable. Forward-leaning healthcare organizations have now come to realize that looking through a sustainable lens first results in better outcomes for the future.

So, how does sustainability shape your organization’s outlook? One way to understand sustainability is through the rubric of environment, social and corporate governance (ESG). It’s an appropriate approach, but there’s more to it than that. “A sustainable healthcare organization is one that prioritizes ESG criteria while also leveraging digital tools and an agile workforce to create a resilient, successful and equitable business,” said Lisa Esch, SVP, NTT DATA Healthcare Provider Industry Solution. That’s a big vision. But embracing it will help you organize your efforts, engage your team and track your progress.

Maybe you’ve already launched a series of initiatives but aren’t sure how they measure up. To get a quick idea of how your organization performs against this more expansive model, please take our 10-question self-assessment at the end. It’s a simple test that touches on the four aspects of the sustainable-first approach we discuss in this paper:

 <p><b>Equitable resilience.</b> The right use of data plays a key role in overcoming obstacles and redressing inequities that impede successful outcomes.</p>	 <p><b>Social governance.</b> One way to assess your corporate governance and impact on society is through the lens of people, process, performance and purpose – the four Ps.</p>	 <p><b>Workforce agility.</b> Data-driven tools, including value-stream mapping, and a creative focus on doing more with less are key enablers of a lean and agile workforce.</p>	 <p><b>Green practices.</b> Environmentally friendly tasks can be both familiar and daunting; making them as granular as possible facilitates funding and engagement.</p>
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# Resilience and equity



Sustainable healthcare is resilient. It overcomes setbacks, withstands stresses and strains, and finds ways to operate equitably in a world that's fractured along several health and social fault lines. Achieving this type of resilience requires you to maintain transparency while ensuring privacy, collect and assess system-wide health equity measurements, engage in data-sharing with plans and other providers, and offer patients at-home access to their health records. A resilient organization focused on equity will also simplify clinician-to-clinician communication and relevant data exchanges.

Your organization can mature in these areas by recognizing the range of social determinants of health that weigh heavily on medical outcomes. You will need to determine nonclinical barriers faced by patients, such as neighborhoods and built environments, run related analytics and integrate these factors as appropriate into medical records. A resiliently modeled hospital will tap community resources to offer services that engage patients and create reciprocal paths for community members to contribute. "The increase in virtual and hybrid work will open up careers in healthcare, particularly in the non-clinician space, to a more diverse and new set of candidates," said Kim Curley, NTT DATA Services Vice President of Workforce Readiness Consulting.

Other ways you can work with communities include efforts to respond to local initiatives, conduct return on investment (ROI) analyses on long-term engagement strategies, consult with community members before enacting potentially impactful decisions, plan for emergencies, and extend your geographic footprint through alternative access and transport solutions.

A wide range of technologies can support this aspect of sustainability. Examples include the Fast Healthcare Interoperability Resources standard for data exchanges, digital engagement tools, branded telehealth services, health and wellness tools for consumers without care management, and self-monitoring tools for use at home.

# Social governance and the four Ps



Society and corporate governance already fall under the ESG umbrella. Sustainable healthcare increasingly touches these issues because of rising expectations for operations and outcomes from a range of stakeholders: patients, clinicians, non-clinicians, communities, regulators and investors. One way you can assess your organization's social governance practices is by looking at them in terms of people, process, performance and purpose.

**People.** Did your employee count decline or remain flat during the pandemic? Given the high cost of replacement, minimizing losses is imperative. Retention-boosting policies include making hybrid working environments widely available. The emergence of virtual work in healthcare systems is here to stay; patients and workers alike demand the flexibility afforded by this change.

**Process.** Sustainable healthcare organizations identify workflow obstacles and improve on existing process mapping. You can also improve processes through vertically integrated patient care and support services, the optimal use of clinical and administrative tools and digital integration with key strategic partners.

**Performance.** Competitive analysis is one way you can monitor operations. With geographically relevant data sources, healthcare providers can drill down on comparable costs and quality. To build momentum and social accountability, you can also highlight employee goals and targets for key rollout strategies, such as value-based care to clarify patient feedback or new partnerships. One key is to maintain high-level oversight while tailoring performance where appropriate, for instance, by product line and department.

**Purpose.** What are the right growth targets? Internal innovation, intentionally curated, can generate organic growth. Corporate leaders may also want to target sustainable and transformational growth through merger and acquisition activity with non-healthcare organizations. Cultural adoption within your workforce is one goal that would entail internal metrics. Partnerships with ecosystem competitors could lead to the pursuit of legitimate common goals, such as reductions in healthcare expenditures.



# Agility and lean practices



Sustainable healthcare is incompatible with rigid, inflexible and top-heavy operations. Instead, it calls for agility, adaptability and resourcefulness, leading to what's sometimes called lean healthcare. An agile and expert workforce, for instance, can help your organization identify breakthrough opportunities for enhanced clinical outcomes. You can use artificial intelligence tools to better allocate clinical staff to areas, such as emergency departments, with highly variable demands. Other agile practices include the use of project-based teams and data-driven allocation of funds.

Another element of sustainable and lean healthcare is value-stream mapping, a diagnostic technique that documents, analyzes and improves the flow of information and materials. Related considerations may include patient feedback, value investment policies, performance metrics, fast committee approvals for product and offering roadmaps, and net promoter scores. "Value-stream mapping from the root cause with a sustainable-first mindset will help organizations strategically build equitable decisions to improve long-term outcomes," said Richard Chrzasz, NTT DATA Services Manager, Healthcare Consulting.

Lean management can also promote cultural adaptability to transformation through, for instance, policies that assist your employees during transitional periods. You can further promote adaptability if you require multi-scenario budgeting, offer decision aids for implementing digital transformation, tailor transformation to meet workforce needs first and align incentive programs with company initiatives.

This approach succeeds when your organization can use resources that help you do more with less. In some cases, lean management will invest in research tools to gain insights into alternative practices; in others, it will reduce the need for external help by actively promoting from within. A lean organization is likely to have strategic partnerships with a range of third parties, offer 360-degree reviews to benchmark and measure performance, and invest in teams to manage a hybrid workplace for the long-term. "The skills that leaders need change when the workforce goes virtual and hybrid," Curley said. "A leader's day shifts from supervision of tasks to organization and inspiration to accomplish work."

# Environment-first projects



A current focus in sustainable healthcare is on green, environment-first projects with a goal of achieving carbon neutrality. This is fair, given estimates that the healthcare industry generates nearly 5% of global carbon dioxide emissions.<sup>1</sup> If your hospital aims to minimize its contribution to global warming and reduce its responsibility for healthcare damages resulting from toxic pollutants, you can take several steps:

- Benchmark your carbon footprint
- Seek green certification in new or renovated facilities
- Deploy standard building automation systems
- Increase your use of electricity from renewable resources
- Migrate to energy-efficient cloud infrastructures
- Purchase supplies with lower carbon footprints
- Convert to more reusable versus single-use supplies

Other green practices involve the adaptive reuse of resources. For example, you can establish alternatives to single-use plastics, enhance recycling initiatives, track recycled and reused materials, account for material ingredients in resources and share data with distributors. Your hospital can also improve its participation in the local food supply chain, become better at waste management and provide energy-efficient transportation options.

As green projects become more granular, employee engagement and funding become easier. But the more abstract goals face challenges in terms of buy-in and sponsorship. "Climate health and financing is a huge gap in funding for large health systems," Chrzasz said. "Organizations lack the ability to project tangible ROI on the potential investments. Tax policies and government funding will be vehicles for health systems to access capital if they can make a justifiable business case."

# A sustainability mindset



“It’s going to require leadership and commitment, and we believe it will be a good thing for everyone”

Sustainable healthcare is more than going green. Carbon-neutral solutions are key, along with other smart, environmentally friendly practices. Yet your organization’s collective conscientiousness and overall sustainability, which encompass factors not captured in standard accounting, extend into the domains of society and corporate governance, as well as into matters of equity, workforce and management.

What do all these efforts add up to? If you take our self-assessment, you’ll have an initial baseline. Establishing a sustainability metric — a socially resilient credit score — can be helpful, but the reality is that getting a handle on even one of these practices is tricky. Some involve measuring waste, in terms of both administration and goods, as well as identifying what causes that waste. Then you need to train or act to improve the outcomes for your employees and the business.

“Healthcare organizations struggle to kick off sustainability engagements or initiatives without benchmark data,” Chrzasz said. “You want to be able to create a baseline, measure performance and improve.”

Embracing this interconnected and transformative sustainable-first model is no trivial exercise. “It’s going to require leadership and commitment, and the willingness to do something different than you’ve been doing today,” Pedersen said. “Because you can’t just tiptoe your way to sustainability. You’re going to have to change your business model. And we believe it will be a good thing for everyone.”



# Sustainable healthcare assessment

Please choose the answer that best describes where your organization is at this moment in time.

- 1) **Business resilience: My organization's business continuity plan offers services and enhances innovation opportunities to...**
  - A. Expand existing service offerings of core business models
  - B. Acquire new strategic service offerings
  - C. Develop capital-intensive, homegrown, nonstrategic service offerings
  - D. My organization currently does not prioritize a business continuity plan
- 2) **Resource utilization: My organization has an integrated waste management system that prioritizes...**
  - A. Resource reduction
  - B. Resource reuse
  - C. Waste disposal
  - D. My organization currently does not prioritize an integrated waste management system
- 3) **Carbon neutrality: My organization has plans to achieve carbon neutrality by 2030 by investing in...**
  - A. Energy efficiency and optimization
  - B. Green building design
  - C. Renewable energy sources
  - D. Carbon offset purchases
  - E. My organization currently does not prioritize carbon neutrality efforts
- 4) **Community engagement: My organization promotes healthy lifestyles and better healthcare access by ensuring our community is...**
  - A. Empowered
  - B. Socially engaged
  - C. Prepared for emergencies
  - D. My organization currently does not prioritize community engagement efforts
- 5) **Health equity: My organization devotes resources to identify, measure and address health inequities by focusing efforts on...**
  - A. Community
  - B. Population makeup
  - C. Chronic conditions
  - D. My organization currently does not prioritize health equity efforts
- 6) **Social equity: My organization gathers socioeconomic and demographic data to better serve the community through...**
  - A. Performance-based incentives
  - B. Management accountability
  - C. Strategic marketing campaigns
  - D. My organization currently does not prioritize social equity efforts
- 7) **Data analytics: My organization utilizes data as a service (DaaS) to better invest in...**
  - A. Predictive analytics
  - B. Digital services
  - C. Greater clinical and cost insights
  - D. My organization currently does not prioritize utilizing DaaS
- 8) **Agility: My organization has effectively transitioned to a hybrid form of healthcare services during the pandemic through...**
  - A. Existing contingency plans
  - B. Structured rollout
  - C. Upper management directives
  - D. My organization has not effectively transitioned
- 9) **Employee engagement: My organization focuses on developing and promoting from within to offer long-term career opportunities, build company morale and outline goals with achievable outcomes through...**
  - A. Structured individual goals
  - B. General team goals
  - C. My organization currently has limited visibility into quantifiable goals
  - D. My organization currently does not prioritize internal development goals
- 10) **Digital transformation: My organization invests in digital tools that extend the healthcare experience beyond a hospital or outpatient encounter to facilitate...**
  - A. Digital transformation of existing offerings
  - B. Patient access to health data
  - C. Change management
  - D. My organization currently does not prioritize investing in digital tools

If you have any questions or if you would like to walk through your assessment with one of our healthcare experts, please reach out to our authors.

## About the authors



**Kim Curley**, Workforce Readiness Consulting Practice Leader, NTT DATA, Kim has spent her career focused on the human side of business, enabling leaders and their organizations to do more, do better and thrive through change. She leads advisory consultants who deliver people-side consulting solutions that help our clients solve their most complex business challenges. Kim is also a founder of Women Inspire NTT DATA, the company's first employee resource group, a published author and sought-after industry speaker on the topic of human and organizational impacts of automation and other advanced technologies, and the co-lead of the Talent Development Forum of the Executive's Club of Chicago.



**Lisa Esch** is a Senior Vice President and head of Industry Solutions for the Healthcare Provider business at NTT DATA Services. She has more than 30 years of experience working in the healthcare services industry with an extensive background in digital innovation, transformation, product commercialization, and sales and marketing. Lisa started her healthcare career as a registered dietitian and is a graduate of the University of Nebraska-Lincoln. She is married with two children and currently lives in Austin, Texas.



**Richard Chrzasz**, Healthcare Consulting Manager, NTT DATA, Richard's career is focused on process improvement, business resiliency through strategic initiatives such as M&A, and operating model transformation. He leads Healthcare consulting advisory services for Sustainable Healthcare, working with organizations that are pursuing more sustainable business models that can offer financial and competitive value opportunities. Richard co-leads our Enterprise Management Performance practice, working alongside industry leaders to partner in their sustainability objectives and deliver quality outcomes.

## Let's get started

Health and wellbeing are central to the human experience. Whoever you are, wherever you live, being and feeling healthy and well is a universal aspiration. Yet there are many ways to think about it. Visit our [Insights page](#) to learn more about the future of healthcare.

## Sources

1. The World Bank. "Climate Smart Health Care: Low Carbon and Resilience Strategies for the Health Sector." 2017. <https://openknowledge.worldbank.org/handle/10986/27809>

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