

MARKET INSIGHTS

Beyond 2020

Navigating while innovating: *Considerations for launching in a risk-averse environment*



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People often speak of having to adjust to the ‘new normal,’ the place where we begin to accept a new status quo that represents the next pinnacle of progress and innovation. Sometimes the new normal is simply dealing with a new level of systematic complexity that arises as the health economy and population grows, and we grapple with an ever-expanding landscape of health system needs that are as complex as they are diverse.

Contributing from all angles to simplify that systematic complexity will be one of the greatest opportunities going forward for Canada’s health system in the wake of the 2020 pandemic. Canada, as a global citizen, is fortunate to have one of the best domestic health systems in the world today. That’s not to say that we (or any other domestic health system) do not naturally struggle with the advancement and refinement of the system, however, the challenge being that parts of the system can become susceptible to the risk of reaching a glass ceiling where progress cannot be made in isolation. That next hurdle to success will not be due to a lack of smart strategists, creative marketers, intelligent health care professionals, many great advancements in medical practice or the incredible product innovations we are seeing in this day and age. The challenge at hand is that the stakeholders must collaborate to find, align and measure incentives towards a common overall outcome. The use of disparate technologies deployed in silos, compressed economics driving health policy decisions and a highly regionalized

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process create risk in many parts of the system, which translates into a system primarily focused on commoditizing its parts, rather than finding a new normal of integration, innovation and investment. These risks are not new, yet they slowly accumulate until outliers such as pandemics, recession and international conflict test the limits, creating a bounty of lessons learned through which all stakeholders discover a great deal about the health of the system itself.

With those factors heavily influencing both the end-state quality and economic backbone of the health system, we must be careful to monitor where incentives and interests become misaligned. This is simple enough to say, however knowing how much to give versus take when negotiating between health system stakeholders can be a fine balance. This is particularly true given that the system is made of 30-plus million people (patients included), reflecting a multitude of interests in health, each of which being no less important than the others. Despite the complexity, it is key to find fundamental alignment that is economically viable, that enables innovation and that ultimately furthers the well-being of patients. Our suggestion is that weighing plans against the patient journey and outcomes is a helpful anchor to determining the effectiveness of launch plans, whether that be a new product or a new organization to Canada. By seeking out a keen understanding of the health system's interdependencies with the patient journey and identifying where it is unique and where it has common threads, cross-system stakeholders will benefit from

being able to formulate higher-level solutions and health partnerships.

It is encouraging to see stakeholders coming together to respond and innovate in times of crisis. It is precisely this type of continued collaboration that is required to take the health system to the next level. Managing to interweave both parties' unique interests and economic needs will be the next level interface needed to create a more innovative and efficient health system. By taking the time to assess and agree on the environmental factors that will enable health system collaboration up front, we will benefit from a great deal of insight that will ensure that investments of time, money, research, commercialization and patient engagement are integrated into launch plans that bring not only an innovative product but also an innovative health system process to patients.

There is more collaboration to be had. Let's navigate this together.

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Ben Parry, Associate Managing Director, The Pangaea Group, is based in Toronto. He brings more than a decade of collaboration with executive teams helping them launch innovation and navigate the healthcare system in Canada. He has assisted healthcare organizations with commercialization, channel optimization and trade integration of pharmaceuticals, medical devices, over-the-counter and natural health products. Share your thoughts and engage with Ben - bparry@pangaea-consultants.com.