

Public Health Business Model Innovation

CREATING
VALUEDELIVERING
VALUECAPTURING
VALUE

By Moshe Engelberg, Ph.D., M.P.H.

At a time when public health agencies face severe short-term challenges, business model innovation pays huge dividends.

For the next two years, there is probably nothing more urgent or more valuable for public health agencies than to identify the structural weaknesses in their business models and quickly fix them with rigor and innovation.

By public health business model, we are referring to the way public health “business” is designed to create, deliver and capture value. When used correctly, a business model forces directors and managers to think rigorously and innovatively about their business – their stakeholders, programs, value propositions, efficiency, resource requirements, and the economics. Public health business model innovation focuses attention on how all these elements are working together as a whole. The result is effective strategies for protecting and enhancing revenue and impact.

However, instead of spotlighting business model innovation as a thematic focus, most public health agencies concentrate on the presenting problems – reduced funding, weak infrastructure, unstable political support, etc. Management teams quickly become overwhelmed and waste huge amounts of time and resources trying to solve a myriad of seemingly independent issues.

Rather, you should first conduct a root cause analysis so your management team recognizes and begins to address the foundational structural flaws in your business model- flaws that compromise the value you deliver and the funding you receive. For example, you might be focusing on pet projects

rather than health topics that demand attention and funding, or not telling your story persuasively, or not tapping into private sector partners.

For many organizations, this analysis has been a revelation, and has unleashed an outpouring of energy and creativity to solve these root cause issues.

Identifying and solving foundational business model problems has an immediate and very substantial public health impact:

- Your programs and outreach efforts are rapidly repositioned to maximize appeal to existing and new partners and funders, in ways that clearly convey your distinctive value.
- Inefficiencies, poor resource allocation, and wasted operational activities are eliminated, which decreases expenses and redirects resources.
- Energy is focused on designing and delivering the right programs and opportunities for staff and leadership, as well as external stakeholders.
- This positive momentum brings in new, more appropriate stakeholders, who help bring in the right resources for your funding needs.

It is time for public health agencies to adopt 21st century agile business thinking in order to protect current funding and achieve short-terms goals, while laying a solid foundation for lasting public health impact.

This article is based in the new business discipline known as Agile Strategy, which was developed by Michael Lurie, a collaborator and strategic partner of ResearchWorks.



By Moshe Engelberg, PhD, MPH, President of ResearchWorks. ResearchWorks is a longtime management and marketing consultant and strategic partner to the public health community.

moshe@researchworks.com
858.487.8200

12396 World Trade Drive, Suite 313 • San Diego, CA 92128