5 Ways Healthcare Consultants Can Differentiate from the Competition and Win

HIMSS research identifies client-focused solutions to healthcare consulting challenges

As the healthcare environment grows more complex, demand for healthcare consulting services has increased. According to one estimate, the global market for healthcare consulting will exceed $22 billion by 2026.[1] **But how do consulting firms overcome the project and communication challenges inherent in the consulting relationship to meet the expectations of their healthcare organization clients?**

HIMSS conducted research with leading healthcare organizations to answer this question and uncover insights into the healthcare client/consultant relationship.[2] The online survey tapped 100 individuals employed at U.S. acute-care hospitals and integrated delivery networks (IDNs), all of whom had responsibility for evaluating consultants, approving consulting projects, and/or managing consulting firm relationships.

Consultants are essential to healthcare organizations, providing expertise in areas outside providers' core skill sets. The top three areas where respondents turn to consultants are:
- "IT consulting for system setup, redesign or deployment" (61%).
- "Helpdesk or other managed IT services" (48%).
- "Financial management or billing" (47%).

By using consultants, providers can focus on their mission to provide high-quality care, which includes the Quadruple Aim: improving patient care, improving population health, improving the clinician experience and reducing the cost of healthcare.
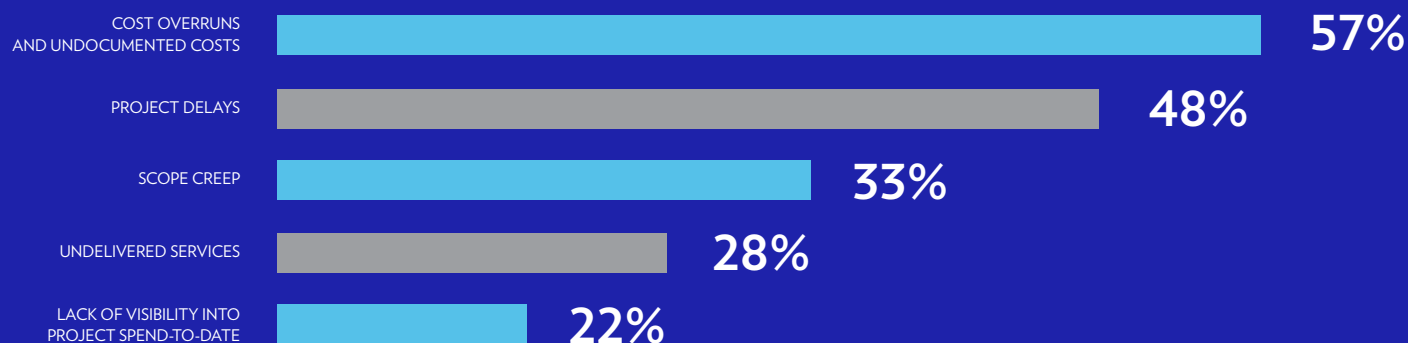
Poorly managed consulting projects, however, can create a number of new challenges for healthcare organizations simply looking to focus their skills where they belong – on their critical healthcare functions. The HIMSS research revealed that healthcare organizations regularly experience problems on consultant-led projects, including "cost overruns and undocumented costs" (57%), "project delays" (48%), "scope creep" (33%), "undelivered services" (28%) and "lack of visibility into project spend-to-date" (22%) (*Figure 1*).

It's not surprising, therefore, that 9 of 10 respondents (89%) cited "demonstrated ability to fulfill services" as a "critical" or "highly important" factor in their consultant selection process. Healthcare organizations identified five capabilities critical to the success of consulting

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relationships and projects. In activating these five capabilities, healthcare consultants can differentiate themselves from the competition and gain market advantage:

1. **Active collaboration.** 68% of respondents identified "active collaboration between consultant and organization" as the most critical factor of a successful consulting relationship. For healthcare organizations, collaboration among patients, clinicians and other care team members is key to supporting positive patient outcomes. Likewise, collaborative consulting relationships are key to the health of projects. And as healthcare becomes more digitized, healthcare organizations are becoming more adept at leveraging technology and welcoming digital tools that enhance collaboration, rather than overburden it.

2. **Actionable communications.** 60% of healthcare organizations surveyed expect "real-time, actionable communications from the consultant." Enterprisewide, healthcare organizations are inundated with communications – from patient alerts to notifications about regulatory changes and progress reporting from consultants. Just as electronic health records deliver actionable communications to clinicians, healthcare organizations need their consultants to deliver relevant, prescriptive communications in real time and at the right time to make project decisions that both support project success and their core mission.

3. **Real-time project reporting.** 57% of respondents want "real-time project reporting" from their consultants. For clinicians, high-quality patient outcomes depend on real-time access to patient data and clinical decision support tools. Similarly, consultants must be able to deliver real-time project information so that project stakeholders — from in-house consulting project managers to IT, business and/or financial leaders — can all have visibility into project status to make timely and informed decisions. It's the difference between finding out that consulting hours have already exceeded the budget and reallocating consultant hours to stay within it.

Figure 1. Top challenges healthcare organizations encounter when working with consultants

Challenge	Percentage
COST OVERRUNS AND UNDOCUMENTED COSTS	57%
PROJECT DELAYS	48%
SCOPE CREEP	33%
UNDELIVERED SERVICES	28%
LACK OF VISIBILITY INTO PROJECT SPEND-TO-DATE	22%

4. Tight controls on project budget and spend. 47% of those surveyed require "tight controls over project budget and spend". Healthcare operating margins — slim in the best of times — continue to challenge healthcare professionals and their consultants to prevent cost overruns, especially as healthcare organizations look to address their financial viability in a fluctuating market.

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5. An alert system to address variances in costs, schedule, or project KPIs. 45% of healthcare organizations surveyed want "alerts about cost variance, schedule variance, or variance in project specific Key Performance Indicators (KPIs)" from their consultants. In addition to cost variances, healthcare industry clients expect timely notification of changes to the project schedule or other key milestones. In fact, 29% of respondents are "linking payment to project KPIs" to ensure accountability. Timely communications about project variances build credibility that the consultant can manage to costs, which is the best way to ensure project success and repeat client business.

These five capabilities represent different aspects of a unified approach to supporting the healthcare organization/consulting relationship and projects. Consultants can meet these expectations by leveraging a comprehensive, project-based software solution that centralizes project information in a single, integrated platform to meet healthcare clients' expectations for transparency, visibility and efficiency.

Ultimately, a consultant's ability to meet their healthcare clients' expectations around collaboration, communication, real-time reporting, and visibility into project costs and progress will differentiate an exceptional consulting firm and enable them to retain and win new clients.

Deploying the right project-based software platform allows consulting firms to service healthcare clients most effectively. The technology resolves common challenges healthcare organizations face related to creating and maintaining efficient project processes, enabling them to stay focused on quality patient care. Likewise, client/consultant collaboration using the right technology also allows consultants to stay focused on applying their unique skillsets and expertise to reliably meet project goals and exceed the expectations of their clients.

To learn more about how consultants create strong client relations and deliver exceptional projects to scope, download *How Consulting Firms Win — The Definitive Playbook for Exceptional Talent, Project Delivery, Growth and Profitability* **today.**

References

[1] "Healthcare Consulting Services Market Size Worth USD 22.8 Bn by 2026." Acumen Research and Consulting. Dec. 12, 2019.
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[2] *Consulting Firm Success in Healthcare 2020,* conducted by HIMSS Media and sponsored by Deltek, April 2020.

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