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10 tips for SMEs who want to work with the NHS



A CATALYST
FOR INNOVATION
IN HEALTH

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If you are a start-up or a small or medium-sized enterprise looking to do business with the NHS, there are several things you need to get right – apart from having a great product.

The following ten tips have been compiled by health tech innovators who have learned the hard way.

1. GET THE BASICS RIGHT: MAKE THE STRATEGIC CASE

“Don’t sell your product in isolation,” says Peter Greengross, medical director at The Learning Clinic. “Make the case for how it fits into the wider patient safety, cost reduction or IT strategy. Preferably all three.”

Your product is an enabler not a solution; for the NHS, it is one possible piece in a much bigger jigsaw. It is not enough to focus just on the business case for your product (though you must do that). You also need to help any potential champion or customer place it within a wider strategic case for change.

Your pitch has to address that strategic case, and articulate the benefits to patients, to clinicians and to the system, also acknowledging the implementation challenges. To state the obvious, you need to understand not just the NHS and the challenges it faces, but the specific challenges facing each of your target customers.

Making the assertion that your offer will help to meet the [Five Year Forward View](#) is not going to be good enough. Your pitch needs to be specific and

tangible. Immerse yourself in the organisation you want to sell to and make sure you are speaking to their particular ‘pain points’. (See tip 3.)

Andy Williams, chief executive of the Health and Social Care Information Centre, says: “Automating the way things work now is one thing. The real value is to be found in designing solutions for a transformed health and care system.”

Do not underestimate the number of customer groups within a single organisation. Just as the NHS isn’t a homogenous entity, neither is a large NHS trust. Each specialty, department and ward will have its own set of challenges.

This is where the strategic sale comes in. The trick lies in identifying what the common problems are across the organisation and the common benefits you can yield. If you sell your product or service into a department without identifying and selling in the strategic system benefits from day one, you will struggle to scale beyond your initial point of entry (e.g. the ward or department).

2. GET THE BASICS RIGHT: YOUR VALUE PROPOSITION

You need to be able to articulate the value of your offer in clinical, financial and technological terms. Your innovation stands a decent chance of being adopted if you can show:

- Benefits to patients
- Positive financial impact
- Demonstrable impact and the speed with which this impact can be made
- Credible evidence of where your product has worked elsewhere (but see note above about local ‘pain points’)
- Alignment with policy and organisational strategy
- That you understand and have sought to mitigate risks
- That you have a commercial model that makes you viable (see tip 6)

Dr Michael Brooks, chief medical officer of PatientSource, developed its product in part with the people they wanted to use it. He says: “Doctors and nurses know more about what they want from an EPR than developers or UX experts.”

This proposition needs to be credible – backed up by evidence. The [AHSNs](#) may be useful sources for this kind of support, or you can commission it directly.

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We commissioned independent health economics input and it has been hugely helpful in supporting conversations with potential customers.

Barnaby Perks, chief executive, Ieso Digital Health

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3. FIND THE RIGHT ORGANISATIONS

This advice may seem obvious but some SMEs try to sell generically to every eligible organisation. Geography, [digital maturity](#) and other circumstances (e.g. [special measures](#)) will have an effect on whether they are ready for the product. It is strongly advised that the market is segmented:

- Do your research into organisations, their people and their particular challenges and priorities. Read their board papers.
- Don't ask how you can help; explain how you can help.
- Be clear and concise in describing your offer.

If you're starting at square one and looking to enter the market, consider these questions:

- Should we be targeting providers or commissioners? Providers (this includes GPs)

are at the coalface with patients and at the sharp end of redesigning services to meet their needs; Commissioners (should) have a more strategic overview of system needs and the potential to engineer transformation through contracts.

- Which parts of the country face the biggest challenges that you can help address? There is a great deal of publicly available data on prevalence, demographics, healthcare quality and financial status.
- What kind of help is available to navigate the NHS? AHSNs, Innovation Hubs and NHS England's Innovation Connect are good places to start.

Narrow the eligible organisations down to a manageable target and do your research on them.

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A simple test: do they have an electronic health record? If not, are they really likely to be in the market for clever digital solutions?

Andy Williams, chief executive, Health and Social Care Information Centre

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We recommend avoiding the following:

- Generic emails that say little more than, 'We have a great product which will meet your Five Year Forward View demands.'
- Direct mailers that don't recognise the specific 'pain points' of each organisation.
- Conversations with national organisations including NHS England and AHSNs suggesting they purchase your product for a cohort e.g. every clinical commissioning group. These organisations do not have this kind of purchasing power.

10 tips for SMEs who want to work with the NHS

AN APPROACH TO FINDING THE RIGHT ORGANISATIONS

One way to identify your customers is to use freely available open data to profile organisations and segment the market into tiers. This will help to prioritise sales efforts and focus marketing resource on organisations that are most likely to benefit from your value proposition.

There has been genuine success from lead-generation campaigns using this approach. At ZPB, our approach is:

- Identify the indicators and characteristics that define the 'ideal' customer (using a mix of hard and soft intelligence). This might be organisations that have long lengths of stay or high readmissions. It might be CCGs that have high numbers of certain populations or long-term conditions. It might be something transient such as a health economy that has no foundation trusts in special measures.
- Identify sources of open and available data that can be used to identify performance. These include:
 - [HSCIC Indicator portal](#): includes the compendium of public health indicators and metrics connected to the NHS Outcomes Framework.
 - [My NHS](#): includes data on GP practices, trusts and care homes as well as consultant-level outcomes.
 - [NHS Choices scorecards](#): includes data on outcomes for a number of surgical procedures.
 - [PHE public health profiles](#): includes data on children and young people, mental health and sexual health.
 - [NHS Atlas of Variation](#): maps on variation in quality, cost and outcomes.
 - [NHS England Data Catalogue](#): includes QOF data, friends and family test and A&E wait times.
 - [PHE data and tools directory](#): includes data on obesity, prevalence and health inequalities.
- Identify outliers across a number of variables, i.e. trusts that have high readmissions and long A&E waits. This can be done simply in Excel using quintiles or quartiles or more robustly using statistical outliers.
- Run the analysis, producing a tiered list of trusts, and then overlay this with 'soft' intelligence such as procurement history, behaviour patterns, incumbent suppliers, leadership style and culture.
- Identify the resource requirement against each level. Use this to target conversations and messaging.

Source: [ZPB Associates](#)

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*Talk to me about how you can help solve my problems
– don't give me your usual generic sales pitch.*

**Dr Ian Abbs, medical director, Guy's and St Thomas' NHS
Foundation Trust**

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There are a number of warning signs that might mean an organisation is not ready for a serious conversation. These might include:

- Signs they do not have budget, such as asking for a free pilot (see tip 7).
- They don't return your emails or move the conversation forward by including other necessary decision makers.
- They see products as an IT 'thing' rather than in the context of patient benefits.

Finally, don't get star struck and target vanguards or big brands e.g. London teaching trusts. Small successful hospitals are equally valid and in many cases are better equipped to work with SMEs

4. FIND THE RIGHT PEOPLE

When it comes to the NHS, finding the right people to talk to can feel like finding a needle in a haystack. However, this is a market in which establishing personal relationships is fundamental. It is all about finding (and supporting) determined individuals, those willing to challenge the norms and make the right connections.

One of the most common gripes from SMEs is the need to get so many different individuals on board with your proposition. However, NHS hospitals have complex governance and this is necessary for a successful relationship.

What successful SMEs say is that you want to seek out – at the very least – a board-level champion, someone who can make things happen and cut through bureaucracy, and

support from clinicians. The finance director (FD) is a key stakeholder too. They also say:

- One champion is never enough. NHS managers and clinicians move on, often at an alarming rate.
- Don't waste time bemoaning the fact that they don't 'get it'. If your target customer doesn't feel a burning need and see the change you are trying to enable, move on.
- Recognise that you have a role in helping your 'champions' make the case for you internally – and be helpful!

Once you have found champions within an organisation, work with them to produce case studies and help spread the word to other similar organisations. Make these people your advocates internally and externally.

5. DON'T EXPECT TO FIND SHORTCUTS

Selling to the NHS takes hard graft and persistence. Passion and clever tech is rarely enough, and there are no easy routes to market – you have to be prepared to wear out your shoe leather.

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I frequently find myself explaining to people: No, NHS England is not going to buy your product or make every NHS organisation buy your product.

Zoe Bedford, chief executive, ZPB

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It is worth being imaginative though. Larger private providers may offer routes to market. For example, Virgin Care actively seeks out innovations from elsewhere and has a clear market-scanning process through which it sets out its clinical priorities and financial envelope.

Commissioners can also come into their own here. If they mandate use of your products, or similar products, as a condition of contract it can be a fast track to adoption across a locality.

10 tips for SMEs who want to work with the NHS

6. TAKE RESPONSIBILITY FOR YOUR COMMERCIAL MODEL

Your commercial model is your business, and the best advice is to be flexible and creative. You need to understand the financial constraints that your customer is facing and help them look for options, at the same time as being clear on what is possible for you:

- Can they exploit a capital budget?
- Is there a contracting for outcomes option?
- Is there a risk- and gain-sharing option?
- Is there national funding ('tech funds') available at this time?
- Can you leverage other funding e.g. Innovate UK or SBRI?

7. AVOID PILOTS!

Pilots are often a default option, but the strong consensus among our expert group is to avoid, avoid, avoid. The only thing worse than a pilot is an unfunded pilot.

The panel found very little evidence that pilots were an effective foot in the door that consistently led to more sustainable longer-term contracts. You should push for a real contract, and an agile approach to realising value. Test and learn arrangements are good options, with an element of risk- and gain-sharing.

Too often, pilots go nowhere after the pilot phase completes, because:

- Pilots are often the easy 'fobbing off' option, a way to defer any real decision.
- Pilots are by definition small-scale. They may prove something about effectiveness but cannot demonstrate system-wide value.

8. UNDERSTAND PROCUREMENT

The glacial pace of NHS procurement is a common gripe. It's a bit of a quagmire but you need to do your homework on procurement thresholds, rules and the frameworks that might enable procurement of your product.

If you have developed a strong relationship with your potential customer, and there is a genuine desire to work in partnership with shared goals and values, then you can work together to co-design a specification. Assuming it exceeds relevant thresholds, they will then need to put it out to tender, but you should be in pole position. But beware! It is a nasty surprise if you find that it is going to be procured via a framework that you are not on. This can and unfortunately does happen frequently. Forewarned is forearmed – and recognise that you might have to do a deal with a partner who is on a framework in order to get procured.

It is not unusual for people in the NHS to believe there are rules where none exist and for SMEs to find themselves in a position to advise on what is possible. For example, there is a myth that the NHS cannot talk to companies at all before they get into a procurement exercise. This is simply not true: the NHS can have any number of pre-procurement conversations. It is only once a procurement is under way that restrictions apply.

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If procurement is the issue, then the battle is already lost.

Jon Cutler, head of UK advisory services, Health 2.0 Europe

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9. COLLABORATE

You are in a competitive marketplace but it pays for SMEs to be collaborative. From an NHS point of view, the digital challenge is large and multifaceted, and the offering of any one SME is likely to be a small cog in the wheel. Building relationships with other SMEs with complementary offers may well make you stronger together.

Partnering is a useful strategy too. For example, [Big White Wall](#) grew out of a partnership with the Tavistock and Portman NHS Foundation trust,

which provided legitimacy and important clinical governance support at the outset. Another example is [WebGP](#), which partnered with EMIS, enabling testing and development at scale.

On a broader level, anyone operating in this digital health space is effectively part of movement that is pushing and supporting the NHS to move towards a digital future. It follows that there is a risk that negative competition between digital health SMEs diminishes everyone and undermines a common goal.

10. KEEP BUILDING YOUR EVIDENCE BASE

In the swing of developing a business and delivering for customers, it is easy to neglect some important things. Never forget to:

- Identify the data that is meaningful and useful to your customer (not just you).
- Invest in collecting outcomes data from the start, even if your contracts only require process-oriented KPI reporting.
- Keep gathering data on value and outcomes.
- Ask for endorsements and referrals to other potential customers.
- Produce strong case studies, preferably co-authored by your customers.
- Enter your customers into awards and make them heroes. They have, after all, moved mountains and resolved seemingly intractable obstacles to get you and your product working well in their organisation.

WHAT MAKES A GOOD CASE STUDY?

Good case studies are not just puff pieces. There are a number of key characteristics. Many case studies don't cover these basic elements adequately and so their potential is not maximised. They need:

- Clearly sourced data on value and outcomes.
- Patient stories.
- Testimonials from clinicians and customers – both about the value of the product and the experience of working with you.
- To be concise, well-designed and engagingly presented.

Case studies should ideally address these kinds of questions:

- What was the problem, issue or opportunity?
- What were the benefits/business case?
- What were the outcomes, including ROI? How does this compare to before (i.e. can you benchmark)?
- How did the implementation work? How were challenges overcome and which people were key to this?
- What were the critical success factors?

Source: [ZPB Associates](#)

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Data, endorsements and case studies are key elements for your website, marketing materials and pitches. Also think about where and how to distribute your case studies more widely. For example, policy leads in NHS England and DH are always looking for strong case studies that match policy priorities. [The CCIO Network](#) is a potential route for pushing out case studies, as is NHS England's [Innovation Showcase](#).

A WELL-LIT RUNWAY: WHAT AHSNS CAN OFFER SMES

The North East and North Cumbria Academic Health Science Network (NENC AHSN) has created [The Innovation Pathway](#) to deliver a range of services to support the SME community, as well as NHS organisations, with the aim of contributing to regional wealth and improving patient care. It is a unique opportunity for SMEs to access and benefit from the vast expertise within the healthcare sector, and will help with the development and commercialisation of innovative ideas.

FURTHER, FASTER: A DIGITAL RESOURCE

ZPB Associates and Guy's and St Thomas' Charity convened an expert group that explored the issues surrounding digital health in the NHS from all perspectives and the result, [Further, Faster](#), offers practical insights and recommendations for SMEs and NHS organisations. This site is a continually evolving resource for people wanting to scale the use of technology in the NHS. This could be a hospital CEO, an A&E consultant, a general manager, a commissioner, or a business with a game-changing product.

We want to provoke action. We want:

- SMEs to review their strategies and sales pitches against the practical tips and insight we can offer.
- NHS Boards in both commissioners and providers to embrace digital as a core part of the strategic change agenda.
- Strong leadership that will permit and enable productive relationships between SMEs and the NHS.

We encourage all parties to use this as a guide when preparing for a meeting with a potential customer or partner.

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