



THE 8 P'S OF A SUCCESSFUL NEW RADIOLOGY CENTRE

BY ROB MAROSZEK, MBA, B. SCI

WHAT MAKES A HEALTHCARE VENTURE SUCCESSFUL?
A GUIDE TO PLANNING, SETTING UP AND GROWING A MEDICAL IMAGING BUSINESS

COPYRIGHT

© Robert P. Maroszek
Rev. 1/2014
2014 Melbourne, Australia

ABOUT THE AUTHOR

Rob Maroszek is the Principal of Medimco ® and can be reached at rm@medimco.com or via Twitter @robmaroszek

His expertise is in healthcare infrastructure management and growth planning, reaching across public and private hospitals, general practice and allied health and community based organisations.

Rob has successfully been involved with radiology and healthcare firms in Australia, United States and Europe. His experience draws on previous engagements in business development and management consulting in industries such as real estate, information technology, renewable energy, hospitality and luxury markets.





FOREWORD

One of the most frequent questions I am asked by radiologists I have worked with over the years are

- How do I grow my radiology business?
- What are the secrets to a successful expansion?
- How do I ensure strategic growth and business longevity in a way that supports population demand and growth?

I try to answer those questions in a concise fashion. It is by no means an exhaustive guide, but hopefully it will help healthcare entrepreneurs to organise the planning stage of a new venture and set the stage for follow up research, discussions and actions you should consider.



Who would benefit from reading this ebook?

- Radiologists and other clinicians who wish to venture out and establish their own healthcare business
- Healthcare consultants, operations managers and business development specialists who would like to establish a baseline set of guiding principles of a successful new medical imaging business
- Healthcare property developers and builders who wish to learn about some of the unique factors behind starting, growing and operation a radiology centre
- Hospital administrators who would like to learn more about the particular needs for future radiology departments

I hope that after reading these pages you will become hungry for more knowledge and insight on the matter. If you feel like you need more information on a particular subject, if you wish to learn about real case studies and learn from real data join the discussion by participating in my blog or connecting via social media, sign up for the newsletter and stay put for the next book title, in which I get more into the technical details, example data, real case studies, statistical analyses and a lot more.

Connect & share





1

INTRODUCTION

THE 8 P'S

This ebook has been developed to map out a simple but comprehensive set of guiding “success factors” for medical imaging departments, private groups as well as individual clinicians and registrars.

These guidelines are based on my own experience in the industry both as a senior executive for a \$250M+ private group as well as consultant, small business owner and founder of a radiology firm.

Even though there is no bulletproof model to ensure success, profitability and longevity of your business, there sure are key ways to maximise the odds of exactly that, as well as steps to take in order to minimise or limit risk involved with starting, growing and running a radiology firm.





CAREER PATHWAY. LIFESTYLE CHOICE

Medical graduates, in this case radiology registrars, tend to make a choice early in their clinical career; whether to pursue a hospital and teaching path, seek employment for a corporate radiology group or sometimes to find a gap in the market and reach within to activate their entrepreneurial spirit and start their own practice.

Some have the ability to manage clinical work as well as the commercial side of the venture. However, I have found that best results were often achieved when working with a business manager or consultant in order to cover all areas of planning, risk analysis, and due diligence.

Historically we seem to notice trend cyclicity between “corporatisation” and conglomeration of prac-

tices vs. a tendency for independent practices and partnerships to be formed in the marketplace.

Both models are perfectly viable, as long as business fundamentals are factored in.

Historically we notice cyclicity between private independent clinics and partnerships formation vs. conglomeration into larger corporate groups and holdings.

- Conglomeration allows for some economies of scale and group buying power as well as marketing and operational efficiency as well as staffing flexibility and greater talent retention.
- Independent group formation fosters healthy competition in the marketplace, custom tailored service offering, innovation and industry growth.



GROWING YOUR OWN PRACTICE VS. PROGRESSING IN A CORPORATE SETTING IS A LIFESTYLE CHOICE



GROWING YOUR BUSINESS VS. WORKING IN IT

I have worked with quite a few clinicians who are also successful healthcare business owners but for many others, the workload and multi-disciplinary nature of running a practice becomes daunting and in the end overwhelming. This limits the potential commercial and business opportunities for healthcare providers.

In addition, many owners who also worked clinically shared with me that they would have realised their

goals of growth and expansion sooner had they worked with a trusted infrastructure and operations advisor.

With a bit of insight you can differentiate between engaging in day-to-day operations, the pure act of running the business and the activities devoted to “stepping” outside of that realm, analysing the current operation and enhancing it, reviewing opportunities and pursuing them. The joy and sense of accomplishment after achieving palpable results set in a strategic fashion, such as lowering overhead costs, increasing patient and referrer retention rate and repeat referrals or growing the geographic referral base can be exhilarating.

Many clinicians would have realised their goals of growth and expansion sooner had they worked with a trusted infrastructure and operations advisor





COLLABORATIVE APPROACH TO EXTRAORDINARY RESULTS

I have always been an advocate of a collaborative approach to achieving extraordinary results. This is the drive behind my experience with start-up companies and new businesses across Australia, the United States of America and Europe. As soon as you start engaging staff, clients or potential clients in sharing feedback, while you mindfully listen and act on it, they become your allies and greatest supporters.

The days of “build it and they will come” are long gone. Access to information about new technologies, modalities and services is readily available not only for you, but also your patients, clients, and competitors. Never stop innovating, while remaining true to your core business, clinical and ethical principles.

Never stop listening, reviewing, acting and generating and delivering value.

In this ebook I embrace a broad range of factors which are part of an enormous effort, namely starting, running and growing a healthcare business, and try to capture the key drivers of what I found to work well and saw working well for firms and organisations I followed over the years.

In this ebook I embrace some of the key driving factors that work well for firms I followed over the years

I simply call them the 8 P's.



I have seen ventures succeed or fail depending on how the 8 P's were addressed and followed.

These P's cover factors both on a macro and micro level

Macro factors such as:

- Economical
(e.g. economic cycles, reimbursement models)
- Demographic
(e.g. population trends, risk factors, chronic disease management)
- Political
(e.g. focus on public vs. private reimbursement)

Micro factors such as:

- Management,
- Positioning (both geographical and market positioning)
- Financial forecasting and KPI's
- Last but certainly not least, a few seemingly less crucial matters such as the right parking arrangement and access to electrical infrastructure which in my opinion are actually quite important

I have seen ventures succeed or fail depending on how these factors were addressed and followed. "Success" or "Failure" can of course be a relative term and can refer to, for example failure to plan for sustainable growth and long-term longevity and profitability, in essence "losing focus" or success in growing rapidly but failure to implement quality assurance systems and clinical guidance and supervision which lead to poor performance and reputation and ultimately exit from the marketplace.



8 P's apply to many sectors of healthcare and are universal. They will evolve over time based on ongoing feedback and continuous data analysis

The 8 P ebook was written with medical imaging sector in mind. However, many other healthcare specialties as well as general practice can take equally valuable lessons from the 8 P ebook. The success / failure factors are really quite universal.

Finally, how could I promote collaboration and continuous feedback to clients without living by it and practicing it myself?

The 8 P's are meant to be enhanced and tailored by the industry and users like you. Get online, go to my company blog on medimco.com.au/blog, register and share feedback, comments, objections with me and other users. Participate in the discussion and observe how this model evolves over time and learn valuable insights along the way. Plus, I will continue adding valuable tools and industry reports.



2

THE 8 P'S



POPULATION

When planning your first community based outpatient radiology centre you probably have already conducted several interviews with family, friends and colleagues to find the next area of demographic demand for your service.

Perhaps you are expanding your existing practice into a new area? Maybe you are considering buying a practice? Or, are you participating in a tender for hospital based service provision?

Thank You for previewing this eBook

You can read the full version of this eBook in different formats:

- HTML (Free /Available to everyone)
- PDF / TXT (Available to V.I.P. members. Free Standard members can access up to 5 PDF/TXT eBooks per month each month)
- Epub & Mobipocket (Exclusive to V.I.P. members)

To download this full book, simply select the format you desire below

