

To: **Trixie-Belle Nicolle, Manager CSI Projects Imperial Health Sciences**
Submitted by: **MIT 2013 GHD-Lab Team Korn Chinsawananon, Kari Hodges, Sora Bae Kim, and Nicholas Sze**

Date: **February 15, 2013**

Trixie-Belle,

The MIT Sloan GHD-Lab team of Korn Chinsawananon, Kari Hodges, Sora Bae Kim and Nicholas Sze is excited to work with Unjani/ RTT. This project represents a semester long partnership between MIT and Unjani/ RTT, which includes a two week site visit to South Africa where additional data will be gathered and analyzed. This work plan was developed using the data provided, research the team gathered, and the insights you shared during our weekly phone calls. We look forward to your feedback.

Title:	RTT Unjani Clinic – Path to Sustainability
Team:	Korn Chinsawananon – MBA 2014 Kari Hodges – MBA 2013 Sora Bae Kim – MBA 2014 Nicholas Sze – MBA 2014
Host Organization:	RTT Unjani Clinic
Project Overview:	RTT Unjani Clinic is a clinic-in-a-container primary healthcare shop founded from RTT Group’s CSI budget. It operates on a franchise model with the revenue coming from providing care as well as selling OTC medicine. Its goal is to provide more access to quality care at an affordable price as well as to encourage more women entrepreneurs.
Problem Statement	The main problem we are focusing on is how to make RTT’s clinics a sustainable business model for delivering care. Specifically, we are trying to solve three main aspects: <ul style="list-style-type: none"> 1) Determining a pricing model and strategy for the clinics to price their products and services 2) Determining a training plan to develop the long term business skills of the Nurse business owners 3) Helping the clinics to achieve more consistently higher patient volumes
Key Deliverables:	Our key deliverables will be: <ul style="list-style-type: none"> 1) A recommended pricing model and strategy for the clinics, as well as field testing results of this model 2) A recommended training plan for RTT to develop the business skills of the clinic nurses 3) Recommendations as to how to achieve more consistent patient volumes through marketing and other strategies

Out of Scope Items:	<p>It will be outside the scope of this project to:</p> <ul style="list-style-type: none"> - Think about other revenue streams except the clinical service. - Criteria for selecting locations.
Key Inputs and Assumptions:	<p>Key Inputs:</p> <ul style="list-style-type: none"> - Clinic revenue, cost, utilization data - Data on services offered at each clinic - Data on historical patient volumes <p>Assumptions:</p> <ul style="list-style-type: none"> - Cost component remains relatively stable. - For pricing component, we will make assumption that volumes will remain relatively constant in a given year.
Impact:	<p>These deliverables will enable RTT and Trixie-Belle to begin to make RTT's Unjani clinics a sustainable business model and will allow for scalability in the future.</p>

No.	Deliverable	Task / Work-Product / Milestone	Business Process	Owner	Start Date	End Date	Status
<i>Pre-Trip Work</i>							
1	Workplan		General	Entire Team			
		Draft Workplan	General	Entire Team	2/11/2013	2/15/2013	In Progress
		Review Workplan with Advisor	General	Entire Team	-	2/22/2013	Not Started
		Review Workplan with Client	General	Entire Team	-	3/1/2013	Not Started
		Finalize Workplan	General	Entire Team	-	3/8/2013	Not Started
2	Organizational Profile		General	Entire Team	2/8/2013	2/8/2013	Complete
3	Country Briefing		General	Entire Team	-	3/1/2013	Not Started
4	Annotated Bibliography		General	Entire Team	-	3/15/2013	Not Started
5	Pre-trip Interim Study		General	Entire Team	-	3/15/2013	Not Started
6	Pricing Model		Pricing	Pricing Team	2/11/2013	3/15/2013	In Progress
		Obtain data on Costs, Revenues	Pricing	Pricing Team	2/11/2013	2/18/2013	In Progress
		Analyze data	Pricing	Pricing Team	2/18/2013	3/1/2013	Not Started
7	Pricing Strategy	Draft Pricing Strategy (how we obtained pricing structure so our model can be used in future)	Pricing	Pricing Team	2/18/2013	3/1/2013	Not Started
8	Pricing Recommendations	Propose recommendation	Pricing	Pricing Team	3/4/2013	3/1/2013	Not Started
		Review with Advisor	Pricing	Pricing Team	3/11/2013	3/13/2013	Not Started
		Review with Client	Pricing	Pricing Team	3/11/2013	3/13/2013	Not Started
		Revise recommendations	Pricing	Pricing Team	3/14/2013	3/15/2013	Not Started
9	Training Plan	Obtain current non-clinical process flow	Training	Training Team	2/14/2013	2/22/2013	Not Started
		Compare compliance results between each clinic	Training	Training Team	2/25/2013	3/1/2013	Not Started
		Develop hypothesis on best practice to be tested on the ground	Training	Training Team	3/4/2013	3/15/2013	Not Started
8	Volume Strategy	Research best practices on marketing in other projects	Volume	Training Team	2/14/2013	2/22/2013	Not Started
		Obtain historical data on monthly patient volumes per clinic as well current non-patient survey	Volume	Training Team	2/14/2013	2/22/2013	Not Started
		Compare each clinic data against others to understand more on best practice on the ground.	Volume	Training Team	2/25/2013	3/1/2013	Not Started
		Develop interview portfolio to non-visitors	Volume	Training Team	3/4/2013	3/15/2013	Not Started
<i>On-Site Work</i>							

	All Day Meeting - Team and Trixie-Belle		Entire Team	3/18/2013	3/18/2013	
	Visit Clinic 1 in J'Burg- Interview Nurse / Nurse Assistant, Shadow/Observe, Test Pricing Strategy, Interview patients/non-visitors		Entire Team	3/19/2013	3/19/2013	
	Visit Clinic 2 in J'Burg- Interview Nurse / Nurse Assistant, Shadow/Observe, Test Pricing Strategy, Interview patients/non-visitors		Entire Team	3/20/2013	3/20/2013	
	Visit Clinic 3 in J'Burg- Interview Nurse / Nurse Assistant, Shadow/Observe, Test Pricing Strategy, Interview patients/non-visitors		Entire Team	3/21/2013	3/21/2013	
	Visit Clinic 4 in J'Burg- Interview Nurse / Nurse Assistant, Shadow/Observe, Test Pricing Strategy, Interview patients/non-visitors		Entire Team	3/22/2013	3/22/2013	
	Travel to Cape Town		Entire Team	3/22/2013	3/25/2013	
	Adjust Pricing Strategy and Recommendations		Pricing Team	3/23/2013	3/24/2013	
	Visit Clinic 5 in Cape Town- Interview Nurse / Nurse Assistant, Shadow/Observe, Test Pricing Strategy, Interview patients/non-visitors		Entire Team	3/25/2013	3/25/2013	
	Visit Clinic 6 in J'Burg- Interview Nurse / Nurse Assistant, Shadow/Observe, Test Pricing Strategy, Interview patients/non-visitors		Entire Team	3/26/2013	3/26/2013	
	Visit Clinic 7 in J'Burg- Interview Nurse / Nurse Assistant, Shadow/Observe, Test Pricing Strategy, Interview patients/non-visitors		Entire Team	3/27/2013	3/27/2013	
	Work from Office		Entire Team	3/28/2013	3/28/2013	
	Present findings and Recommendations		Entire Team	3/29/2013	3/29/2013	
<i>Post-Trip Work</i>						
	Executive Summary	General				
	Student Survey about team, project, host and self	General				
	Poster	General				

Scope

Unjani/ RTT has identified two areas of its business model for the MIT GHD-Lab team to examine: Pricing and Training. Building on the work of the past Unjani/ RTT MIT GHD-Lab team and the insights of Trixie-Belle, we have broken each of these categories into a series of subcategories to be examined.

Pricing

Unjani clinics started out by charging R60 for any type of consultation. However, after Trixie-Belle arrived, she performed a cost analysis and discovered the prices to be too low to breakeven. As such, prices were raised to R80 and then to R100 subsequently. Currently, clinics charge between R100 and R150 per consultations in their newer locations.

Comparatively, the Private Sector charges upwards of R250 per consultation plus the additional charge for medications, which is on average R350.

Trixie-Belle would ideally like to charge approximately R120 to R130 per consultation, inclusive of medications, with a price ceiling of R150. Trixie-Belle would also ideally like to charge different prices for different services performed. This would enable the clinics to reach a wider range of patients (ie. patients who want a pregnancy test, but cannot afford to pay R100 for such a test).

The team will be analyzing current cost data, the inventory of services performed at each clinic, as well as the utilization of different services and supplies to recommend a pricing strategy for the Unjani clinics. The team will try to test these new pricing strategies during their on-site visits in March.

Training

Currently, each Unjani nurse/ Ffranchise owner undergoes a single training in bookkeeping methodologies and business practices when she joins the Unjani team. The training includes basic calculator skills, record keeping basics, and concepts of basic business accounting. Despite the consistency of the training model, the success of the various clinic locations in implementing the training teachings varies. Tracking of stock, medications, supplies, payments fluctuate.

In addition to fluctuations in business practices between clinics, there are also large fluctuations in client loads. One clinic has an average client load of 480 visits, while another struggles to maintain a client load of 80. Since the MIT GHD Unjani/ RTT 2011 Team performed an in depth analysis of the clinic's offered services and positioning in the healthcare delivery market, our analysis will focus more on identifying the processes and methodologies influencing the success of some clinics. These markers will be benchmarked against successful clinic practices worldwide and integrated into a training manual for clinic management. While this manual will focus on procedures, we think this internal comparison will also reveal additional techniques, such as marketing, and strategies that can be translated into standard operating procedures for all Unjani clinics. Some variables to be examined are:

- Patient flow/ visit durations
- Order and type of services received

- Payment collection processes.
- How training materials are used in clinic
- Clinic organization (where merchandise/ drugs are stored.)
- Book Keeping
- Stock Replenishment/ inventory management
- Data on compliance (by location).
- Any Cash Loss

Since the ultimate goal of the trainings is to help nurse/ owners provide a high quality service to clients, the training must help clinics provide quality care to enough clients to merit the business' existence and model's scale-up potential. For this reason, "volumizing" client loads will be an essential part of the training manual. We will re-examine the volume issue that Unjani/RTT first explored in 2011. Previously tested variables related to volume included:

- Awareness
- Alternatives
- Price
- Limited treatment / diagnosis options
- Distrust / Lack of confidence in medical staff
- Other

Variables to be explored in this project include client perception and the competitive climate. We will also explore new variables such as:

- Marketing strategy
- Brand message
- Partnerships
- Consistency of service
- Non-client (potential customer) attitudes towards product
- Client base composition
- Providing extended services (repeat customers)

The areas of examination may change as we collect more data from Unjani/ RTT and as case studies and research uncovers volume-influencing factors that may be more relevant to the franchised healthcare model.

WorkPlan Details

Phase 1: Remote Internship from Boston (Pre-Trip)

Deliverable: A Pre-trip interim research briefing, an activity plan, schedule of interviews and on-site work to be conducted (delivered first day on ground).

Our Study will be composed of four main components.

- The first component will be, a set of mini cases that analyse successful client outreach and training strategies from successful health delivery franchise models.

- Second, from information provided in these cases, we will conduct benchmarking and comparative analysis between industry practices and Unjani Clinics processes.
- Third, we will use this comparison study to create process templates to address some of the hypothesized causes of process breakdowns based on client provided information.
- Fourth, we will develop an interview portfolio consisting of draft interviews for staff, patients, and those not choosing Unjani as their medical provider.

Phase 2: On-Site Internship in Johannesburg (March 17th to 29th)

Deliverable: Summary of research performed, and preliminary findings.

The data gathering and analysis will continue on the ground at the Unjani Clinic locations. This data gathering process will be mostly qualitative, although records and data collected at the clinic level will inform our decisions and recommendations. Additionally demographic and geographic information on each clinic's surrounding community and client base will be gathered. This information will be used in evaluating and controlling for geographic influencers of clinic success.

Our qualitative data gathering will take two forms.

- Shadowing nurse practitioners at clinic locations
- Interviewing nurses

Additionally we will:

- Interview patients
- Interview potential clinics customers
- Shadow patients through the non- treatment phases of the clinic experience.

Data gathered will allow us to compare processes and methods internally across clinics as well as with the larger health delivery industry.

From these interviews we will assess the clinic's value proposition. Current clients will be interviewed on clinic services and experience. Non-Unjani users will provide insight into potential users' decision-making processes around medical services.

On site we will aggregate surveys and interview data in order to identify trends and insights. We can also deliver some initial conclusions on the effectiveness of the current process step by step, and the effectiveness of the test methodologies developed pre-trip in addressing these setbacks

Phase 3: Finalizing Deliverables Remotely

The Data collected will be aggregated and analyzed. The results will be delivered as follows:

1. Training Manual + KPI
2. Qualitative Analysis on current marketing state
3. Marketing strategy going forward

4. Recommendations for non-clinical process improvement

Additional Considerations

Where and how will you store and share data of all types? How will the entire team actually look at and use all your data, so that you benefit from all team members' perspectives?

Our team and our client has established a Dropbox folder that we are using to keep our data in a consolidated location. We will keep all data in this folder. We will organize this data into: (1) Background data (2) Pricing Analysis (3) Training Analysis (4) Volume Analysis

In addition, our team has split into the Pricing team and the Training team, so that we can each focus on a key component of our project. All members will contribute to the segment about Volumes, as Volume is a key component to the success of both Pricing and Training. The individual teams are meeting to work on their own workstream deliverables and analyses, and the team has scheduled weekly meetings to regroup as a team.

In terms of client communication, the Team is scheduling bi-weekly meetings with Trixie-Belle, and will be communicating via email as necessary.

How will you know you are on track and getting the results you seek? Not only do you need to define milestones and indicators in a practical, useful way and list critical decision points, but you need to have a team activity that addresses each milestone and decision point in a way that enables swift action in response to your assessment of where you stand.

In our weekly meetings on Mondays, the team will measure our progress against our work plan and make a judgment as to how we are progressing against our key milestone delivery dates. If we are falling behind, we will come up with a mitigation plan to address why and how to catch up.

Your communication strategy: whom you will update, how often, and how (and why)? How will you use your WedUps?

The team has been communicating primary through emails and during our weekly meetings. The individual Pricing and Training workstreams have been collaborating even more frequently (almost daily) to complete deliverables and get feedback. The team has been excellent about gathering feedback from all team members for deliverables. Typically, one person has been taking the lead on most assignments, and the others will provide timely feedback.

The WedUps will be used to keep our faculty advisors updated on our progress. They will also be used as a way to ensure we are keeping up with our weekly goals and milestones.

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Agreed to:

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