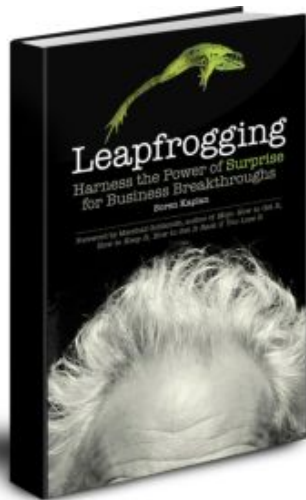


TOP 10 BESTSELLER
amazon.com

WALL STREET JOURNAL.
BESTSELLER

BARNES & NOBLE
#1 BESTSELLER



Leading Innovation to Transform Healthcare



Soren Kaplan, Ph.D.
skaplan@leapfrogging.com

FAST COMPANY



Forbes.com



monster



OPEN

Objectives

- Provide insight into the dynamics of disruptive innovation & change
- Explore specific opportunities for leading the transformation of health care

Ball Pass Ground Rules



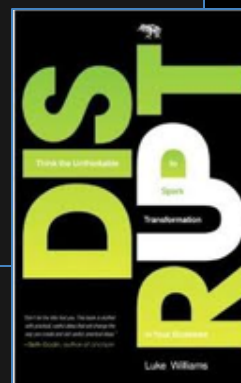
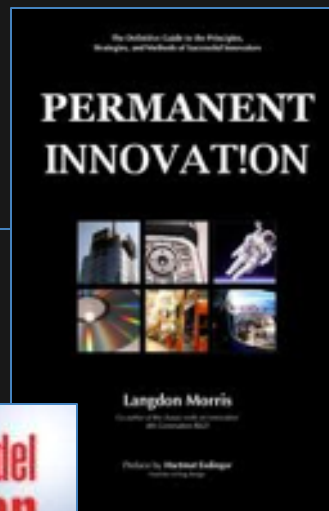
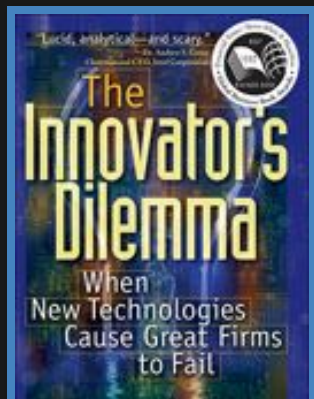
- Get into teams
- The goal is to be the team with the fastest time
- Every player must receive the ball
- The timer starts the moment the ball is set in motion by the first team member
- You can take up to 4 attempts, however, the order of passes must stay the same (e.g., team member A to B to C must stay the same)
- If you make multiple attempts, your team's last attempt will be the time that will be used in the competition
- The activity ends in 15 minutes
- Each team needs a designated timer (they only time, they don't receive the ball)











Casualties of Disruptive Innovation

BORDERS®

The logo for Borders, featuring the word "BORDERS" in a bold, black, sans-serif font with a registered trademark symbol. Below the text is a solid magenta horizontal bar.

 **BlackBerry™**

The BlackBerry logo, featuring a stylized icon of a BlackBerry keyboard to the left of the word "BlackBerry" in a bold, italicized, black, sans-serif font.



Card Trick Video



How many “F” ’s are in the sentence below?

- Finished files are the result of years of scientific study combined with the experience of many years of practical financial application.

The Innovation Challenge



This 'telephone' has too many shortcomings to be seriously considered as a means of communication. The device is inherently of no value to us.

Western Union Internal memo, 1876

The Innovation Challenge



The wireless music box has no imaginable commercial value. Who would pay for a message sent to nobody in particular?

RCA Founder David Sarnoff's associates' response to his request for investment in the radio, 1920's

The Innovation Challenge



***There is no reason for
any individual to have a
computer in their home.***

Ken Olsen, President, Digital Equipment Corporation, 1977

Strategic Foresight – Harnessing emerging forces

- Which obvious & non-obvious trends (inside & outside our industry) might shape our world? Do we focus too narrowly?

Industry/Market Forces Specific customer/consumer wants and needs, shopping and distribution preferences, spending habits...	Economic Conditions Macro (GNP, trade, inflation), Micro (wages, consumer spending), regional variation...	Technological Forces Emerging technologies, technological infrastructure, breakthroughs, R&D trends...
Demographic Patterns Aging populations, family/household composition, labor force composition, immigration...	International Relations Levels of conflict and wars, trade and protectionism, monetary systems and exchange rates...	Competition New competition, industry structure, product substitutes, alliances, acquisitions...
Social/Lifestyle Factors Consumer values, psychographic profiles, education levels, social issues, home ownership, lifestyle trends...	Political & Regulatory Geopolitical trends, policy shifts, government projects, deficits, emerging policies and regulations...	Value Chain Factors Consolidation/fragmentation, of supply chains & distribution channels, alternative channels ...
Physical Environment Air/water/land pollution trends, environmental protection trends, global warming effects...	Natural Resources Energy prices and availability, raw materials supplies, resource usage trends...	Wild Cards Surprise forces with major impact, lower probability but significant consequences...

Types of Innovation



Incremental Innovation

- *Small improvements* in core products, business, or processes (*colors, flavors, etc.*)

Sustaining Innovation

- *Major advances* in core products, business, or processes (*“next gen”*)

Disruptive Innovation

- *Breakthroughs* that change the game – or create a new game (*white space, blue oceans, etc.*)

Easier
Shorter term
Process improvement

Harder
Longer term
Core process (Re)Design



Types of Innovation

Incremental Innovation

- *Small improvements* in core products, business, or processes (*colors, flavors, etc.*)



Sustaining Innovation

- *Major advances* in core products, business, or processes (*“next gen”*)

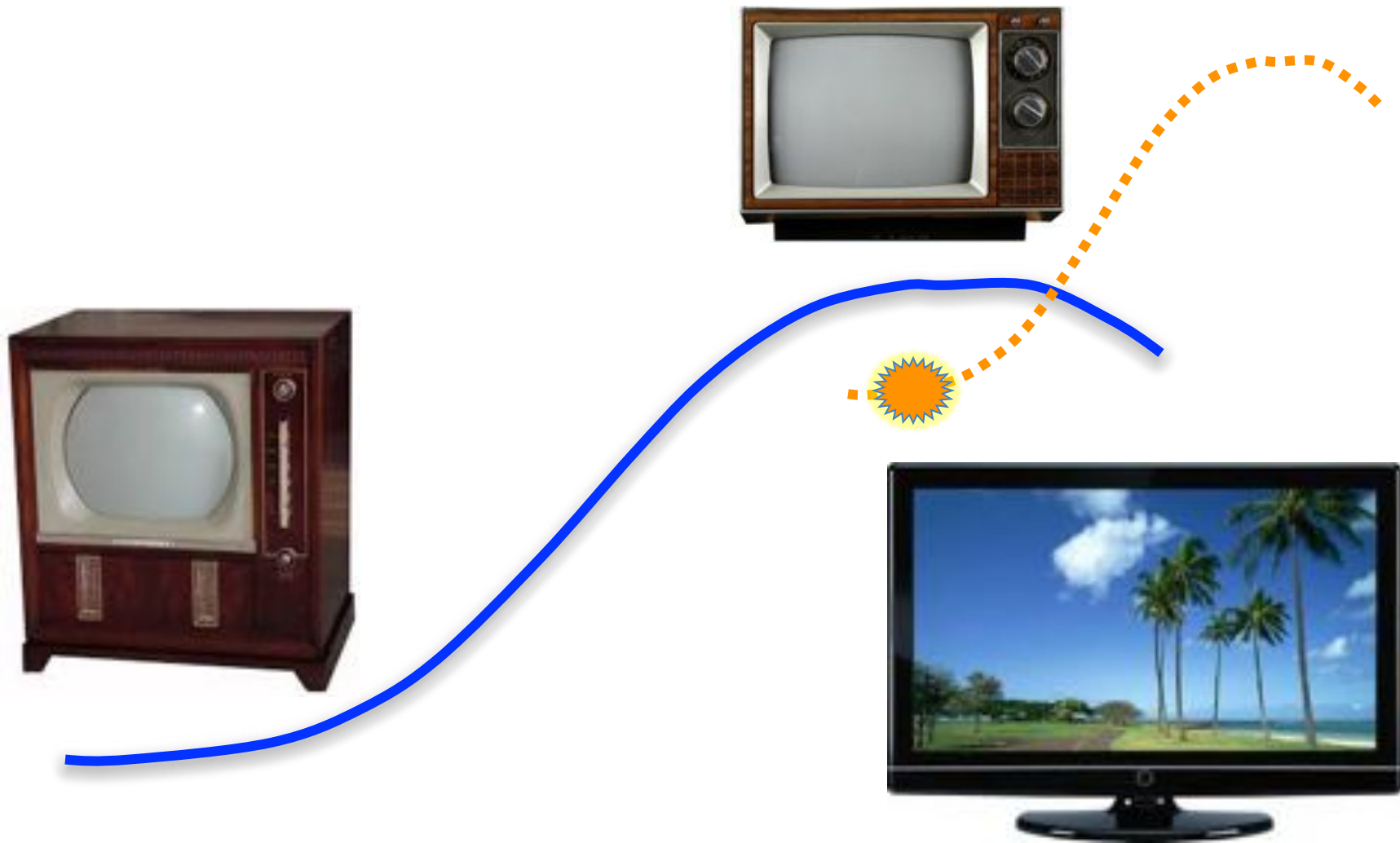


Disruptive Innovation

- *Breakthroughs* that change the game – or create a new game (*white space, blue oceans, etc.*)



S-Curves & innovation across the life cycle



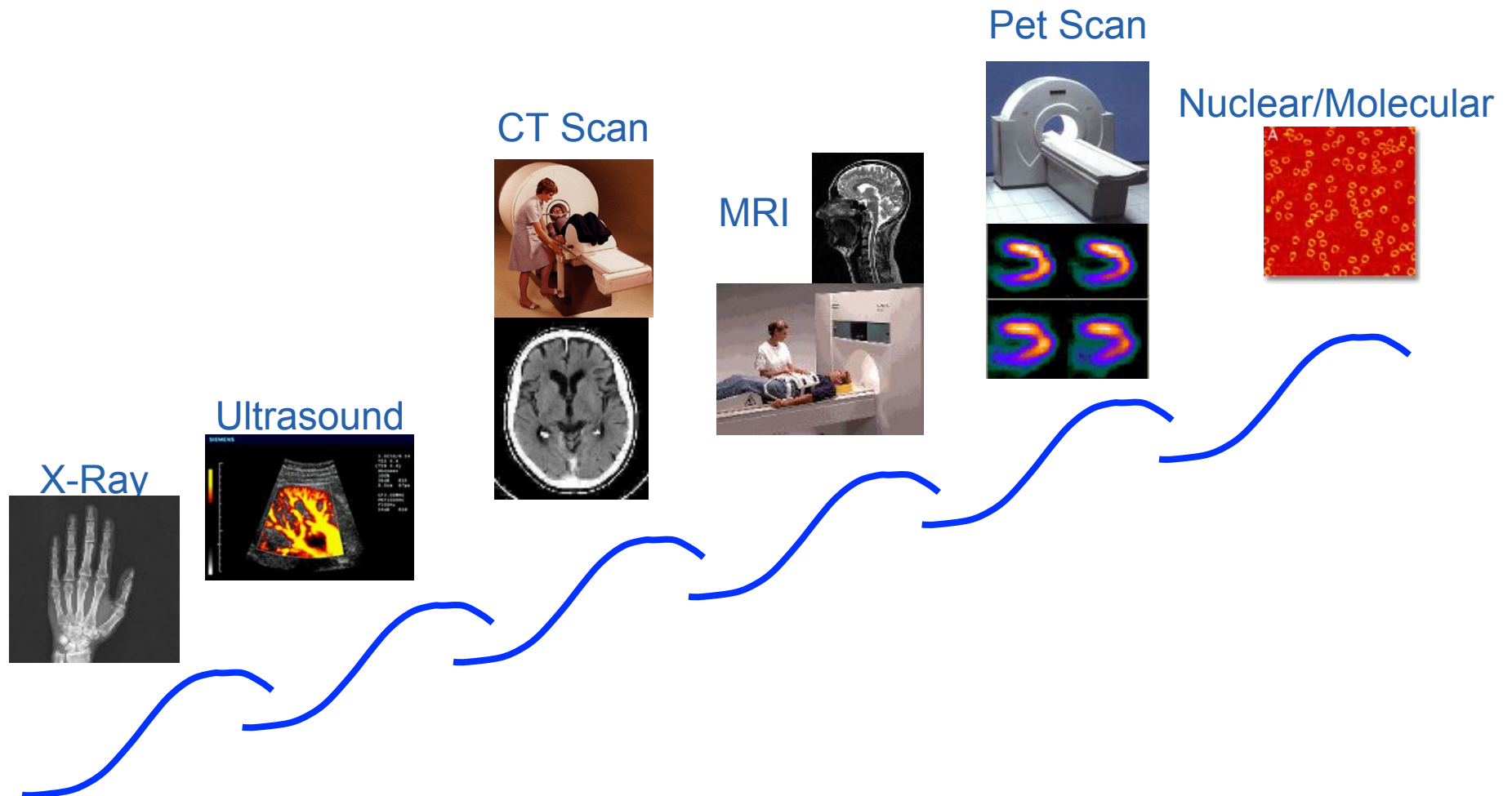
A classic example of disruptive innovation



S-Curves in “Value Exchange” Business Models



S-Curves in “Medical Imaging”



Break Outs (15 minutes)



Identify a series of “S-Curves” that demonstrate how “family physician care” has evolved over time

Create a minimum of three S-Curves that represent the past, present, & future

Capture your work visually and be prepared to share your ideas with the larger group.



S-Curves in “Family Physician Care”

- Health Records
- Practice Workflow
- Practice “business models”
- Family physician “services” (traditional vs. expanded)
- Location of care (office, schools, community, etc.)
- Patient care & experience
- Others?



Leading the Healthcare Transformation

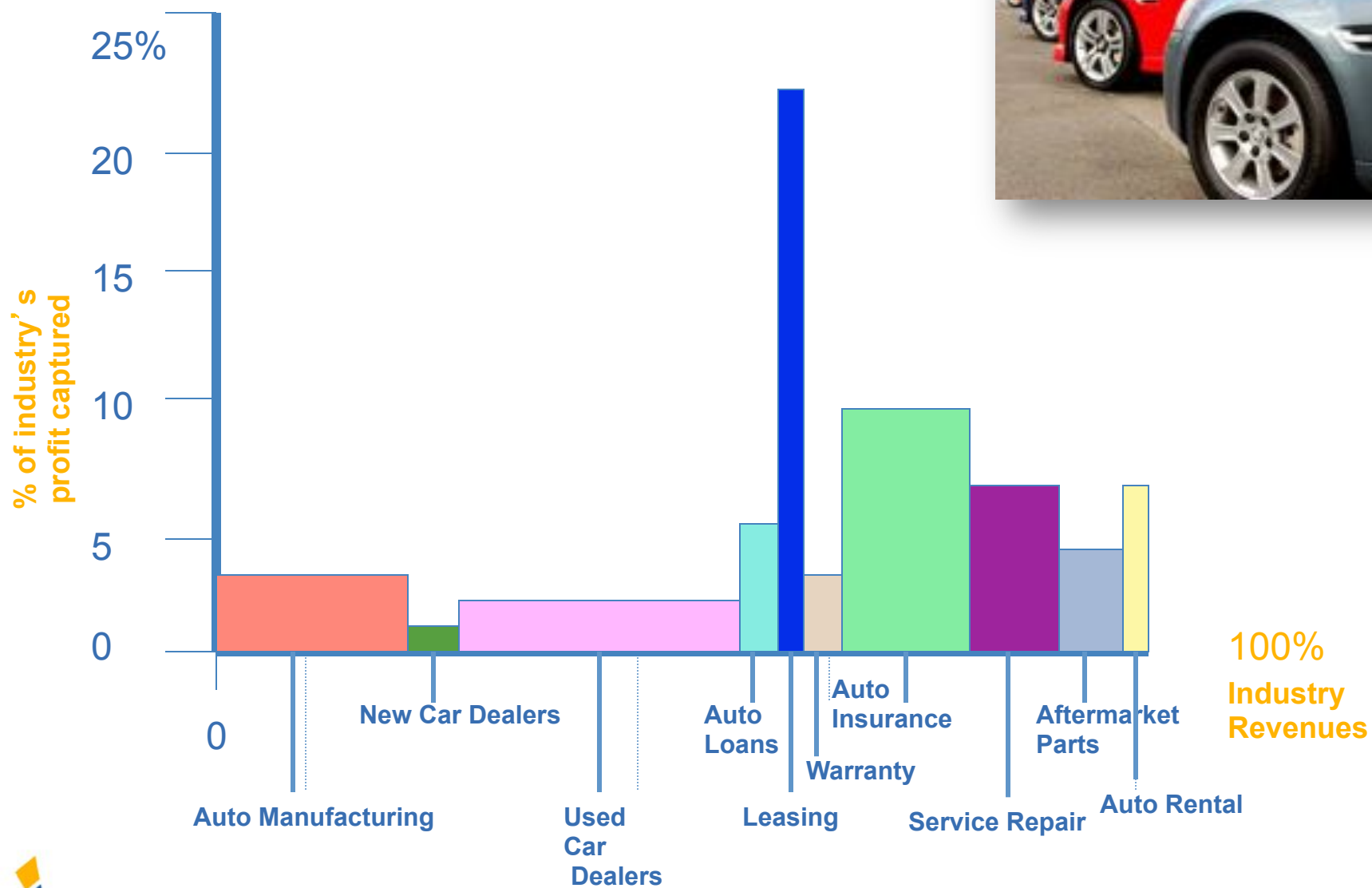
3 Strategies for Disruptive Innovation



- 1. Rethink Your Role**
- 2. Create New Business Models**
- 3. Disrupt Yourself**



Automotive Industry Profit Pools



THE LIFE CARE RETIREMENT COMMUNITY

 **The Village**
at Penn State



Who do we serve? (and what are their unique needs?)



What business are you in?

- **Family Health Care?**

Or....

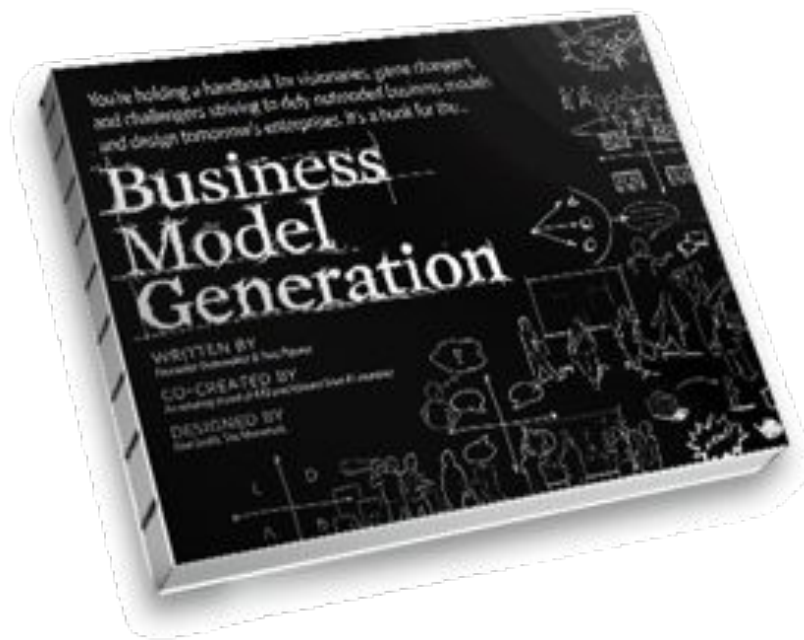
- Life care?
- Wellbeing?
- Home care?
- Retail clinic care?
- Health care navigation?
- Enhancing quality of life?
- In the office or in the community?

3 Strategies for Disruptive Innovation



1. **Rethink Your Role**
2. **Create New Business Models**
3. **Disrupt Yourself**

Business Models



A business model describes the rationale of how an organization creates, delivers, and captures value (economic, social, cultural, or other forms of value).

Business Models

- Business models answer three questions:
 1. How do we add the most value?
 2. How do we make money?
 3. How do we create competitive differentiation?



VINTAGE BY THE POUND

**CLOTHES
CONTACT**

PART OF RETRO CITY FASHIONS, INC.





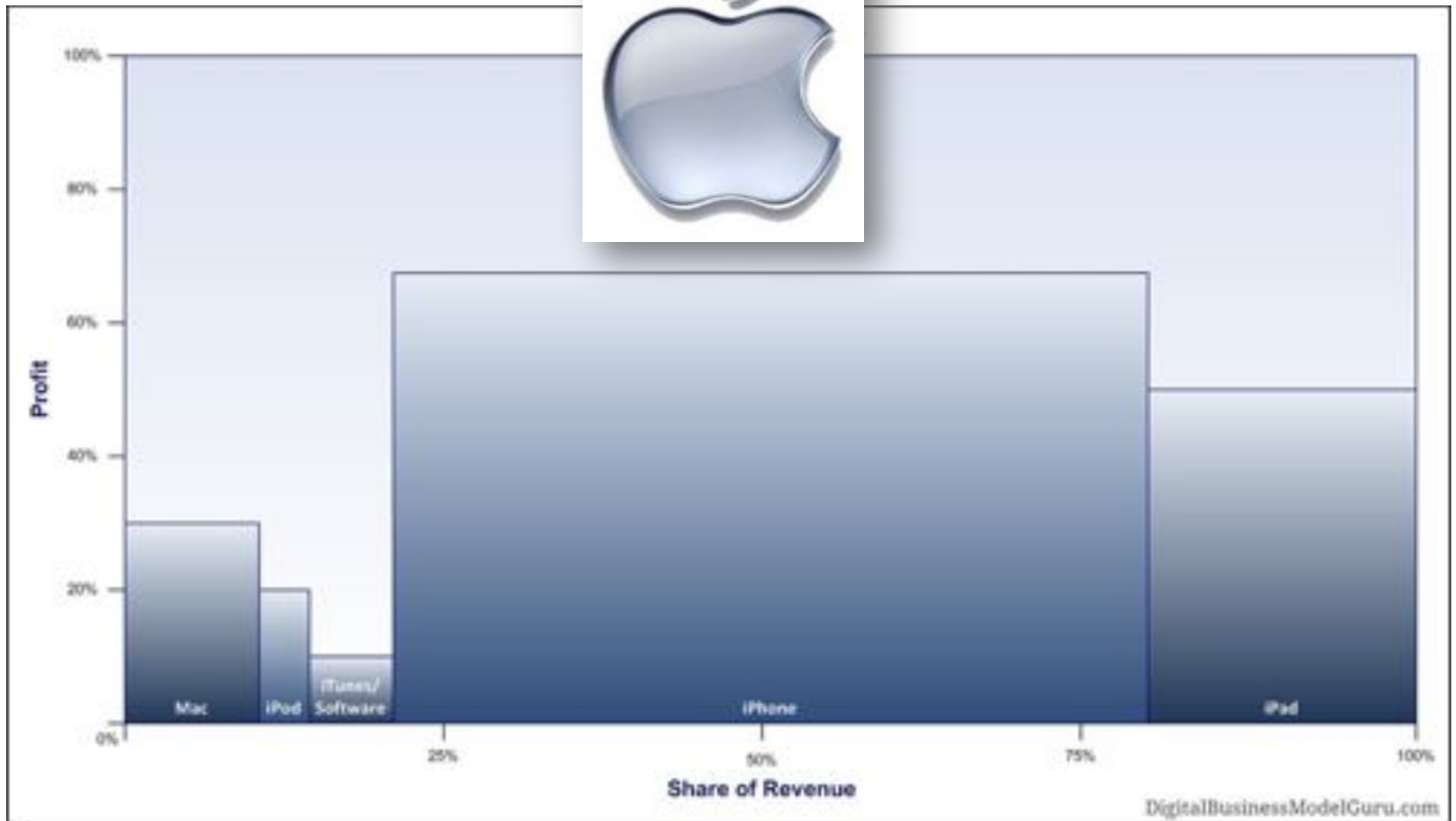
CLOTHES
\$12/lb.
(or less)



What is a “business model”?



Business Model Profit Pools (Apple, today)



Expand Your Offerings – How to Make Money

Products	Product Bundles	Product / Service Solutions	License	Access	Membership / Subscription
Per “product” <ul style="list-style-type: none"> • Course • Exam Fees • Re-certification • Book • Supporting products 	Price per set of complementary products <ul style="list-style-type: none"> • Courses with materials • Certificates with materials 	Price for product and a supporting service <ul style="list-style-type: none"> • Certificates with personal coach • Certificates with access to learning community 	Use of intellectual property / technology <ul style="list-style-type: none"> • For a given time period • Unlimited amount of time • For unlimited features • For limited features • Tiered levels 	Price based on access to single event, venue, information or resources <ul style="list-style-type: none"> • Per incident (support svcs) • Per admission (movie, concert, ball game, theme park) • Season pass (theme park) 	Price based on ongoing or longer-term access <ul style="list-style-type: none"> • Time period (monthly, yearly, lifetime) • Number of units • For unlimited features • For limited features • Tiered levels

[how we work](#)[meet our physicians](#)[our services](#)[pricing](#)[locations](#)[blog](#)[my one](#)

The Doctor's Office. Reinvented.

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[Watch the Video](#)[Become a Member](#)

408 W 34TH STREET, S.F.

“A group of San Francisco doctors that truly care about your health, use technology to its fullest and are easy to access.”



— Kush SF

“...this place can't be beat. They are tech-savvy and allow you to communicate with the very responsive doctors via email.”



— Don T. SF

“...same-day appointments, responsive doctors and a holistic medical approach - available to the mass market.”

CNNMoney

“I'm adding @onemedical to the list of Amazing Things I Wish I'd Paid For Earlier in Life. Such a good service.”



— Dunstan O. SF

WHY ONE MEDICAL?



No stress. No hassle. See a doctor

YOUR SATISFACTION. GUARANTEED.

By becoming a member, you will enjoy all the services and benefits that One Medical has to offer. Members support our practice with an annual fee

What else can you offer?

- **Products?** (e.g., supplies, subscriptions to supplies?)
- **Services?** (e.g., via partnerships with Lifeline or others?)
- **Reimbursable Services?** (e.g., Dieticians, Health Coaches)
- **“Subscriptions”** (Concierge medicine)
- **Lab testing?**
- **Clinical Trial Support?**
- **Medical Device Product Development?**
- **Market Research Data?**
- **Multi-Generational Services?**
- **Family Support Services?**
- **Etc.**

3 Strategies for Disruptive Innovation



1. **Rethink Your Role**
2. **Create New Business Models**
3. **Disrupt Yourself**

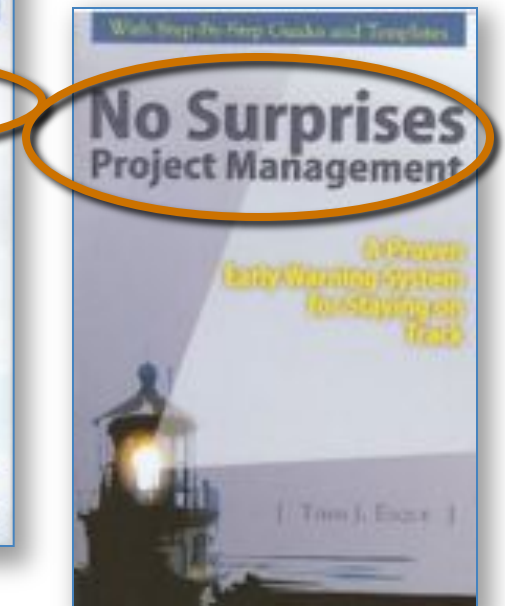
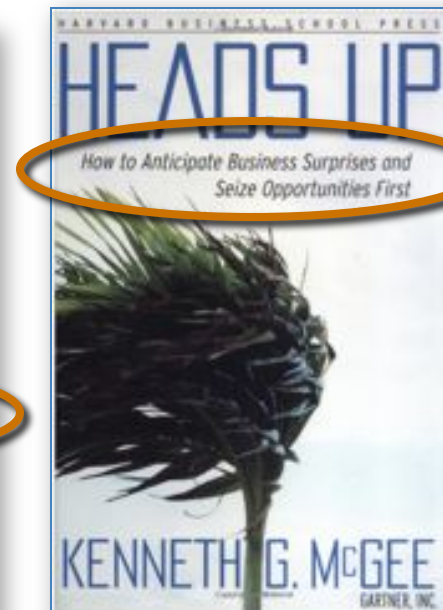
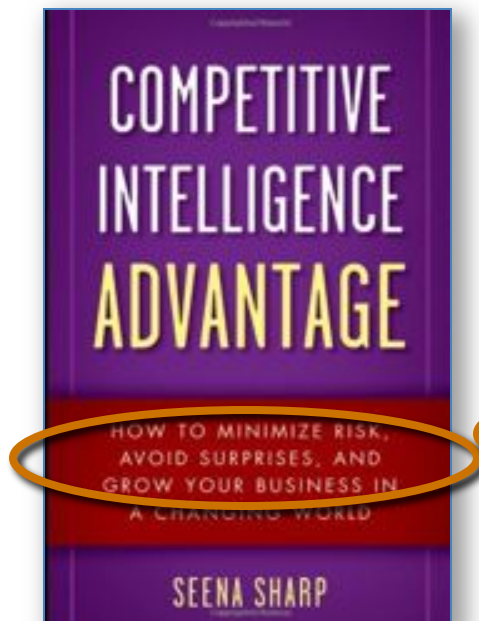
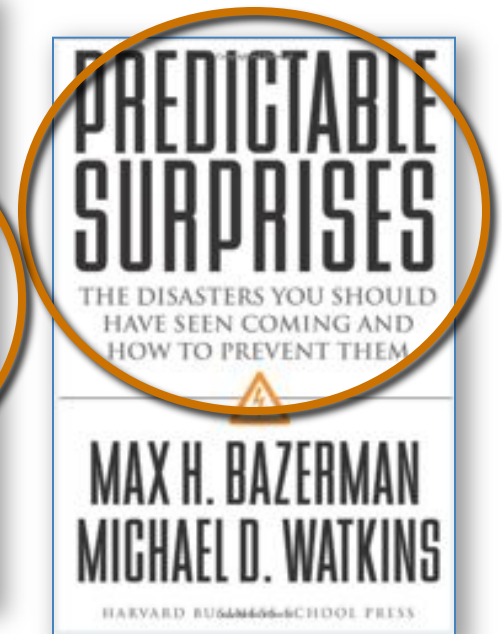
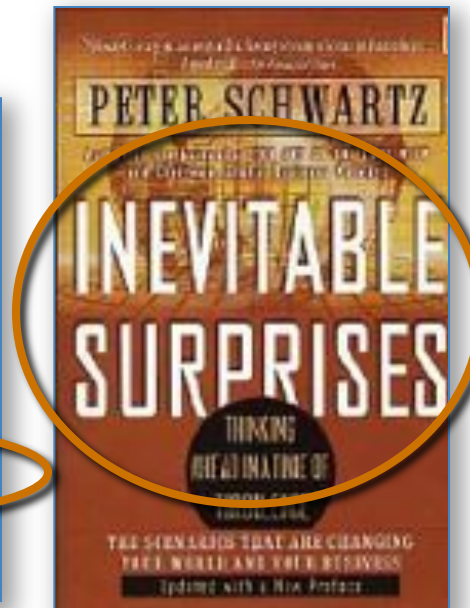
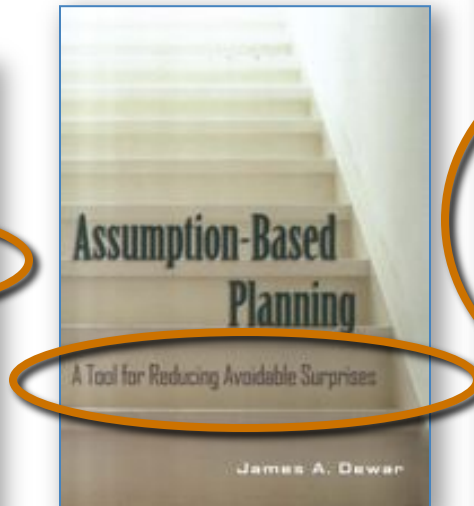
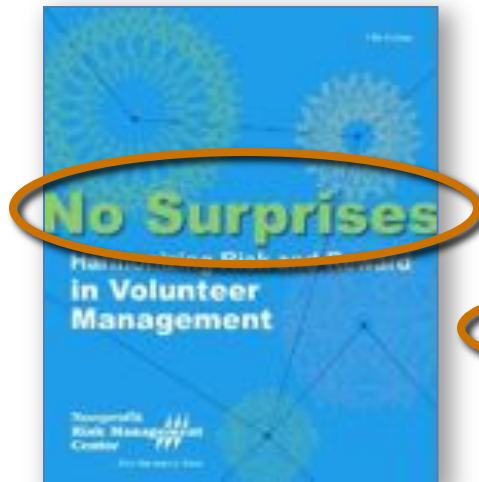


AUTO
PILOT

AGE

DISENGAGE







What do X-Box and Coke dispensing have in common?





Get REALLY close to the customer





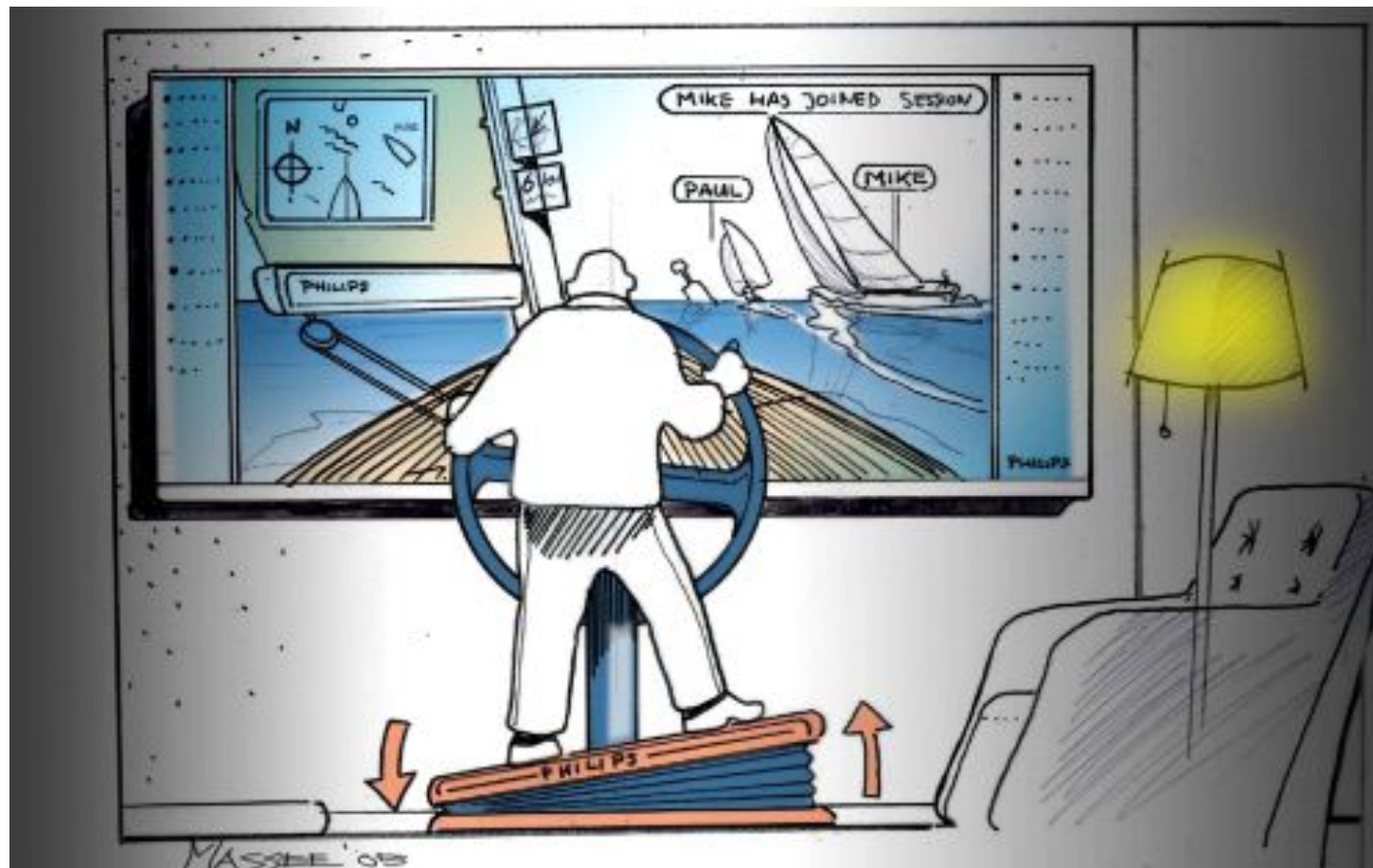


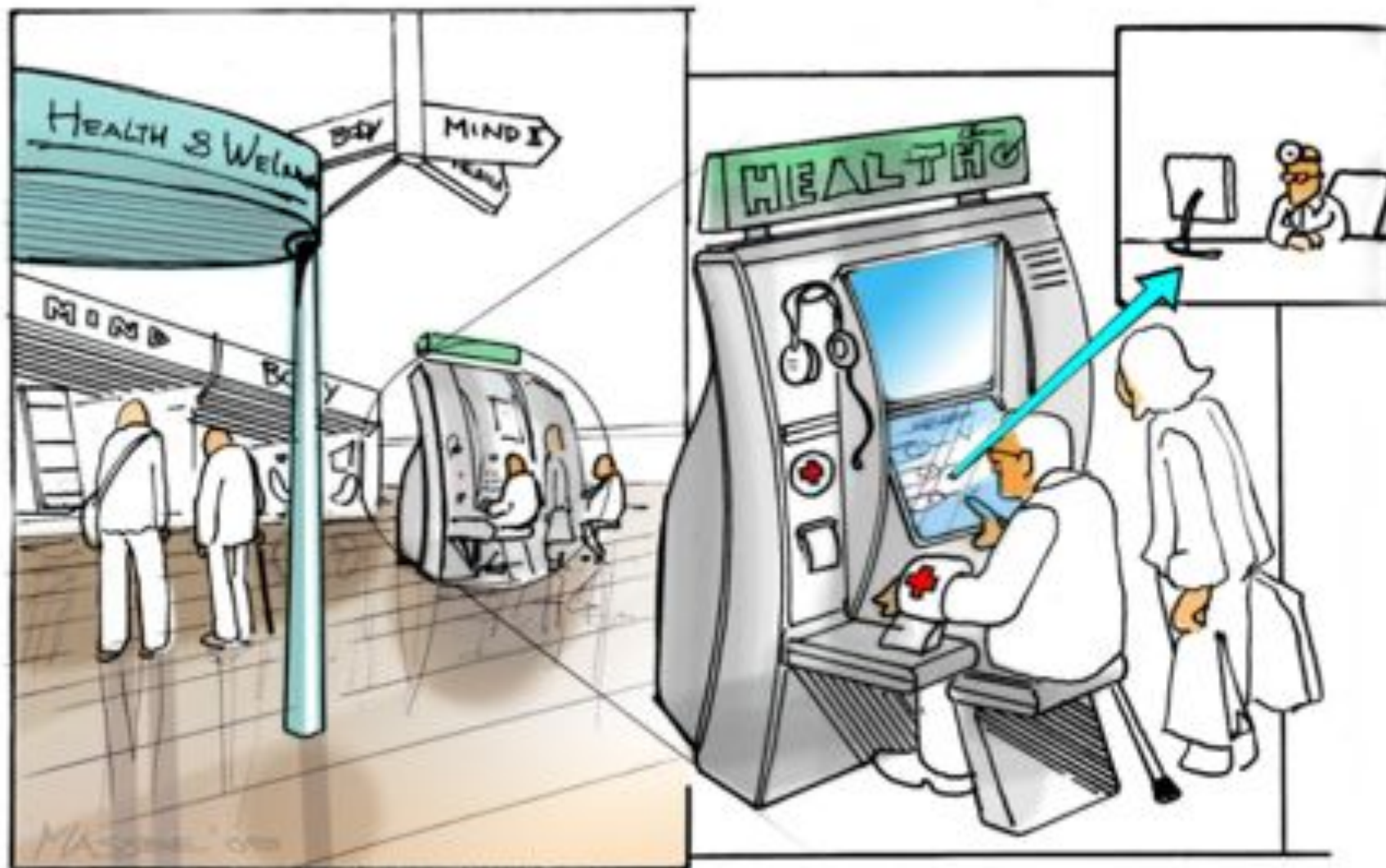




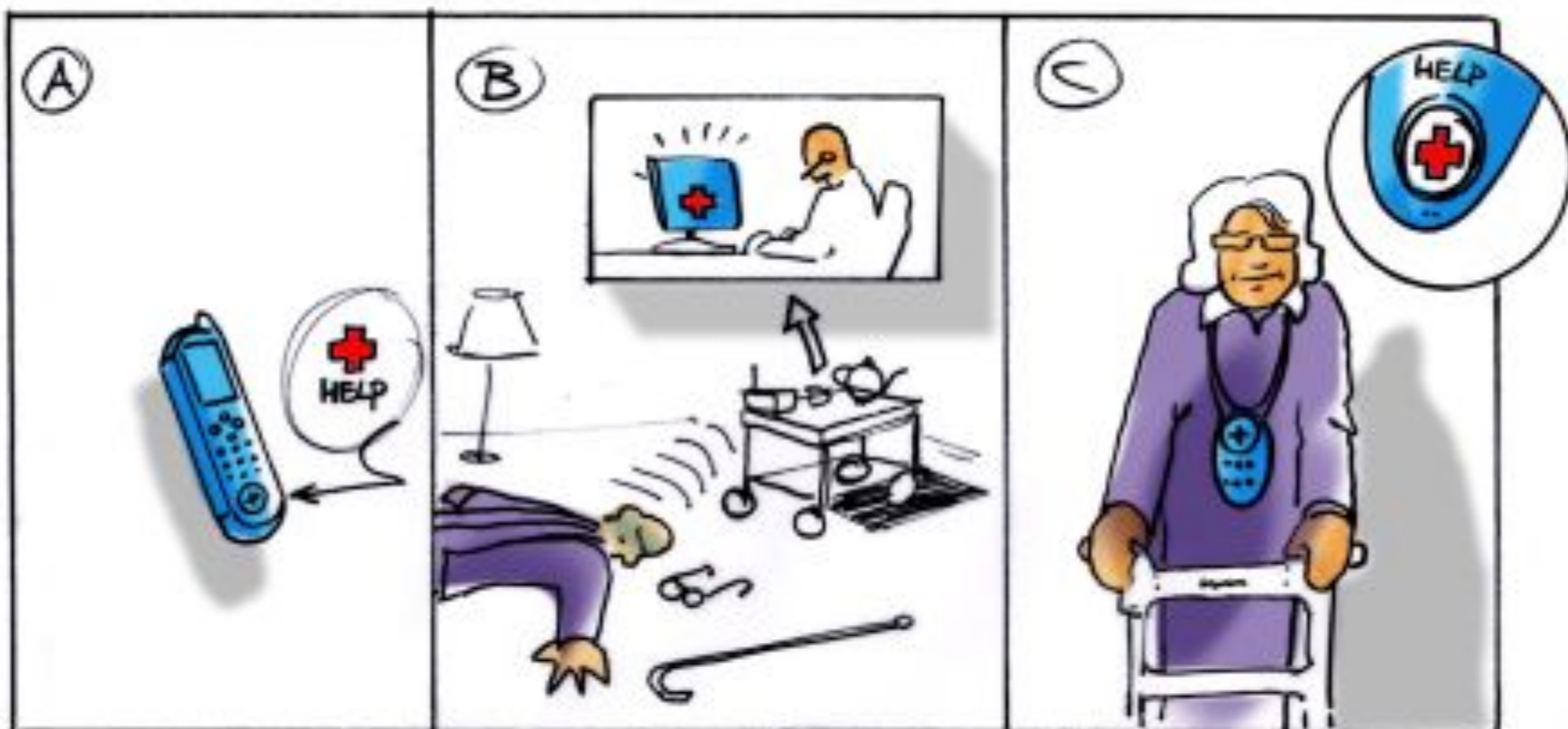








#3



Lifeline is a good starting Point to deliver on the “Sweet Spot”

The screenshot shows the Philips Lifeline website. At the top left is the Philips logo with the tagline "sense and simplicity". To the right is a language selector set to "United States / English" and a search bar. A navigation menu includes links for Consumer Products, Shop, Healthcare, Lighting, Contact and Support, and Company and Press. Below the navigation is a blue banner with the text "PHILIPS Lifeline". The main content area features a large image of a woman and an elderly woman talking, with the headline "Helping you live independently at home". Below this image is a blue bar that reads "Philips Lifeline provides access to help 24 hours". On the left side, there is a sidebar with links: "How Philips Lifeline Works", "Lifeline Products & Services", "Independent Living Assessment", "Lifeline for a Family Member", "Lifeline for Yourself", "Falls & Conditions", "Unmatched Service", "Sign Up for Service Today", and "Company Areas" (including "About Philips Lifeline" and "Financing"). On the right side, there are two boxes: "Page options" with links to "Enlarge font size" and "Reduce font size", and a call-to-action box that says "Call Lifeline now: 1-800-380-3111" and "Get help at the touch of a button". Below this is a small graphic of a calendar and a bar chart, with the text "Concerned about maintaining independence?".

PHILIPS
sense and simplicity

United States / English

Search

Consumer Products Shop Healthcare Lighting Contact and Support Company and Press

PHILIPS
Lifeline

You are here: Philips Lifeline Home

How Philips Lifeline Works

Lifeline Products & Services

Independent Living Assessment

Lifeline for a Family Member

Lifeline for Yourself

Falls & Conditions

Unmatched Service

Sign Up for Service Today

Company Areas

About Philips Lifeline

Financing

Helping you live independently at home

Philips Lifeline provides access to help 24 hours

Page options

Enlarge font size

Reduce font size

Call Lifeline now:
1-800-380-3111
Get help at the touch of a button

Concerned about maintaining independence?

Lifeline is a good starting Point to deliver on the “Sweet Spot”



I live alone and anytime I need you, the Lifeline provides help and that's what's important to me, knowing I can reach emergency and I don't have to place a call for help. - Lusille B.

First: Choose a Communicator

 <p>Basic Unit</p> <p>click here for more info ►</p>	 <p>Voice Extension</p> <p>click here for more info ►</p>	 <p>Telephone w/ Reminders</p> <p>click here for more info ►</p>
--	--	---

Second: Choose a Personal Help Button

 <p>Classic Pendant</p> <p>click here for more info ►</p>	 <p>Slimline Pendant</p> <p>click here for more info ►</p>	 <p>Tempo Watch</p> <p>click here for more info ►</p>
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Quicken 2005 Premier Home & Business - Wiki - [Checking]

File Edit Tools Online Business Cash Flow Investing Property & Debt Planning Tax Reports Help

Back Update Reports Setup Services Quicken.com Customize

Quicken Home

Business Center \$0.00

Cash Flow Center

Checking 99,910.11 \$99,910.11

Investing Center \$0.00

Property & Debt \$0.00

Checking Register Overview

Delete Find Transfer Reconcile Write Checks Set Up Online View Report Options How Do It?

Date	Num	Payee Category	Memo	Payment Exp	Cr Deposit	Balance
10/1/2006		Opening Balance [Checking]			R 100,000.00	100,000.00
10/25/2006	100	Wikipedia		75.00		99,925.00
11/1/2006	DEP				123.67	100,048.67
11/3/2006	ATM			40.00		100,008.67
11/4/2006	101			98.56		99,910.11

Payment Exp Enter Edit Split

Net Worth \$99,910.11

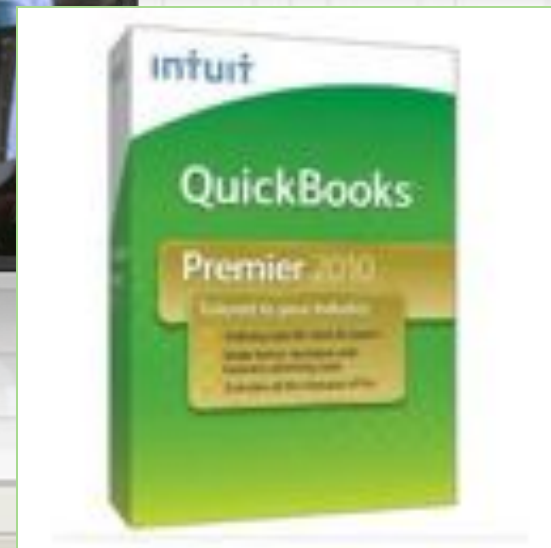
Financial Overview

Customize Hide Amounts

Download Transactions Scheduled Transactions (0 Due)

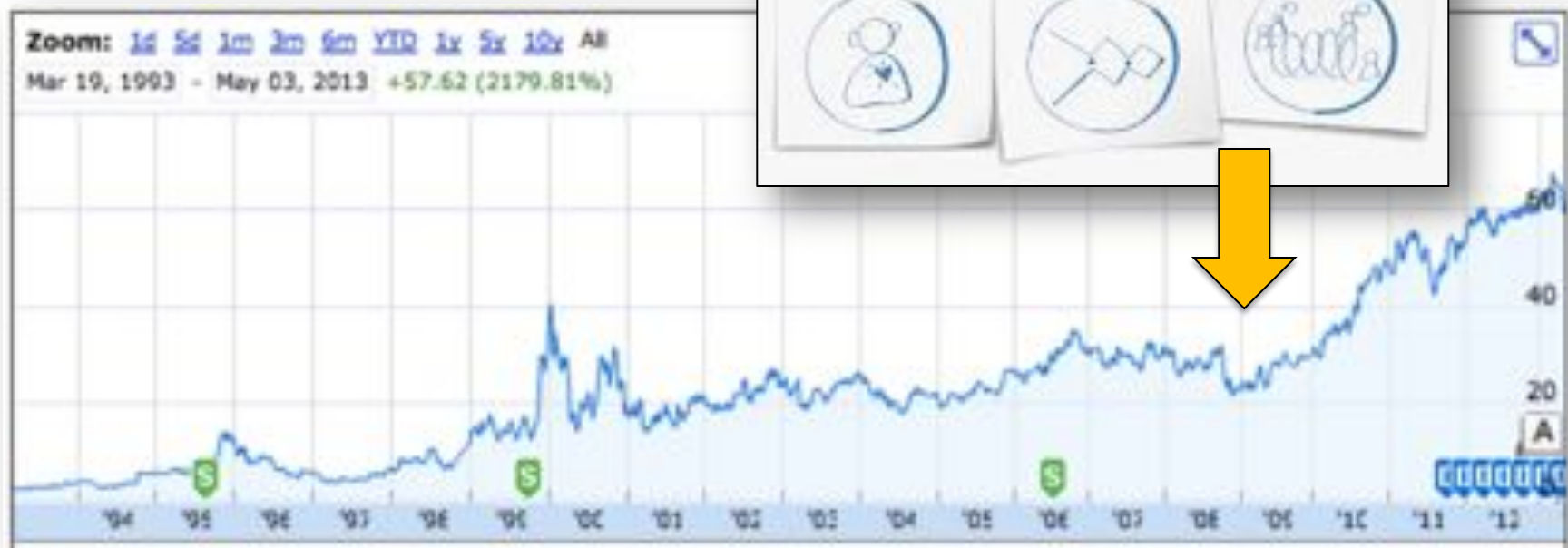
Set Up Online Payment Pay your bills electronically from this account using Quicken Bill Pay

Pay vendors online the easy way - Quicken Bill Pay



Innovation Catalyst is a true catalyst for growth

intuit®









WELCOME

Welcome to Catalyst, a day-long immersion in Intuit's innovation culture. Catalyst will not be your standard conference. The PowerPoint will be minimal. Instead, you will take part in exercises where you will actively use innovation techniques and learn by doing. Working with our Innovation Catalysts, you will practice building deep customer empathy, quickly running experiments, and applying our Design for Delight principles to solve business problems.

WHAT TO EXPECT

Today is a day where we will be learning new ways of solving old problems. It is a day of learning how to be used being uncomfortable and all the great insights that are falling fast. Most importantly, it is a day for learning innovation tools that will evoke change and creativity. You are here and look forward to spending a reward.

A FEW GROUND RULES

1. Everyone is a designer.
2. Be open to new possibilities.
3. Be present.
4. Everyone has an equal voice.
5. Work as a team.
6. Share what you learn. #innovationcatalyst

A message from Brad Smith, President and CEO

Welcome to Catalyst!



You are part of a select group invited to participate in this inaugural event. We are excited you are here and excited to share our approach to innovation with you, our partners and friends.

Today, we are living in a world where the pace of change is not evolutionary, but revolutionary. As the world becomes more global and more connected, new models and methods are reshaping the way we do business across industries and cultures.

This new landscape presents all of us with both great opportunities and

innovative companies are transitioning to an culture, where it is not the opinion of the highest paid that drives key decisions, but the data derived from a new data-driven world, the role of leader is changing. It is not only where you do it, strong innovation skills are a modern workplace.

experienced this first hand. The tools and techniques we have helped turbocharge our own innovation culture, ideas and ultimately delight our customers.

When you leave today, you will be armed and inspired with skills to lead innovation in your own organizations. We hope you will enjoy your day innovating at Intuit!

Catalyst

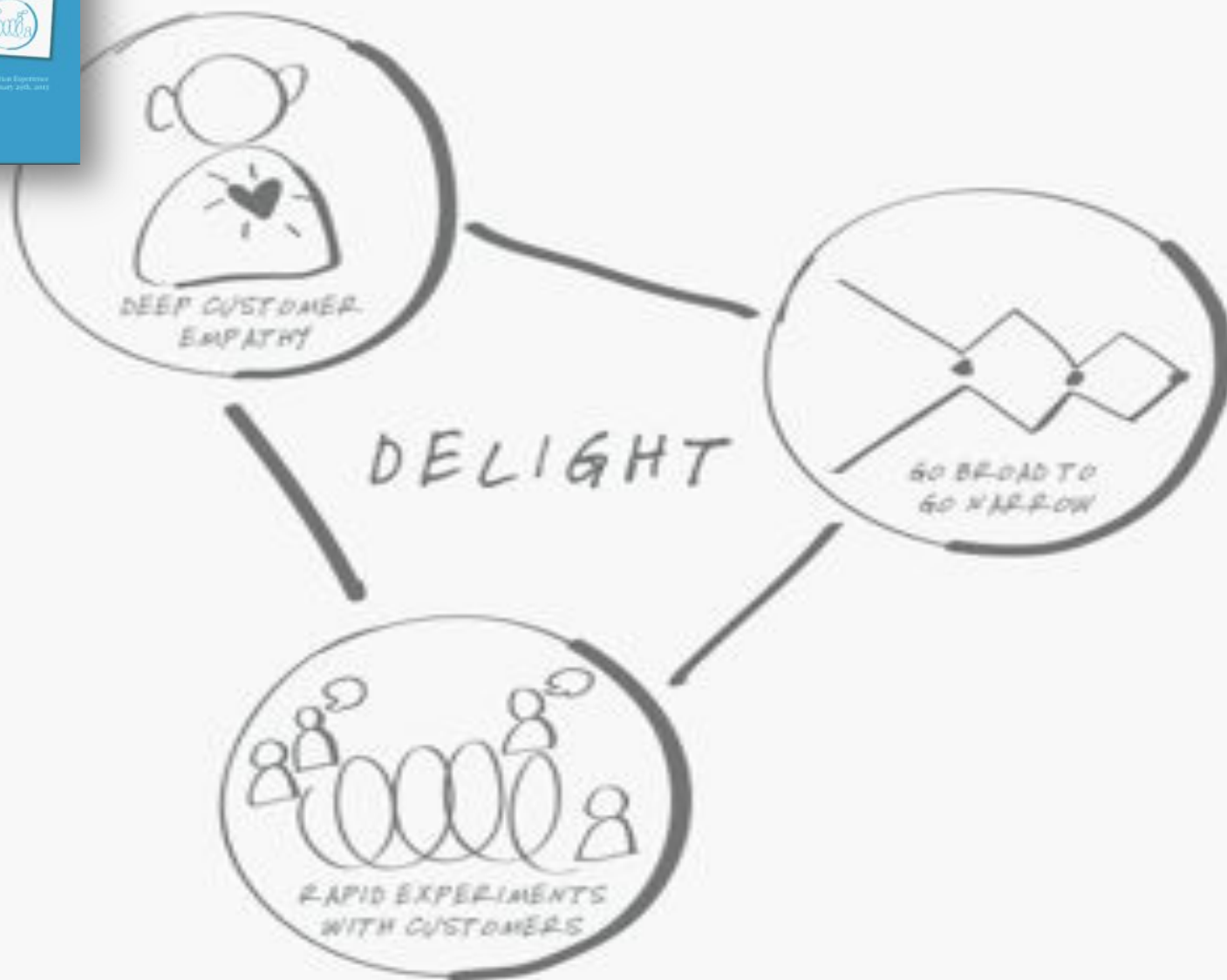


An Intuit Innovation Experience
January 29th, 2013

intuit



Design for Delight



Innovation Sessions



Creating an Innovative Environment

facebook



**DONE IS
BETTER
THAN
PERFECT**

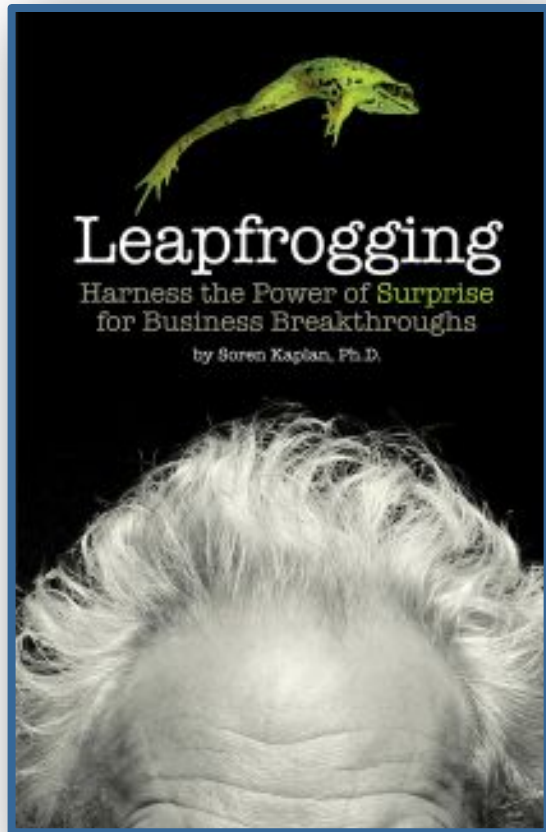
**WHAT WOULD
YOU DO IF
YOU WEREN'T
AFRAID?**

**MOVE
FAST AND
BREAK
THINGS**

Do Things that Disrupt Yourself

Disrupt Yourself	How
External Talent	Hire people from outside
“Customer” Research	Ask patients, caregivers, about their needs and opportunities
Market Safaris	Tag along with care providers to discover new needs & problems – in the community & at home
Leadership Development	Give hi-potential employees specific business challenges as part of their development
Innovation Sessions	Bring people together for future-focused strategy & innovation sessions
Culture of Innovation	Create an environment that fosters new ideas & “experiments”

Discussion & Q&A



Soren Kaplan, Ph.D.
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