

# GlobalHealth Lab

## **class 2 Technology and strategy; Lina Sayed**

Spring 2013

Anjali Sastry  
and colleagues

# Plan for today

- Quick notes
  - Meet Alison
  - Thumbs up on WedUps!
  - Adding Tricia Morente to all-star lineup, Feb 28<sup>th</sup>
- Introduction to today
  - Point of care picture
  - Perspectives of technology and strategy in global health
- Lina Sayed
- Coming up:
  - Mentor check ins (meeting 1)
  - Tuesday lunch session
  - Organizational profile
  - Professional development plan
  - Next class: Global health overview

**What is needed at the point of care?**

# What is needed IN THE DOCTOR-PATIENT INTERACTION?

- list everything!
- then discuss: how does technology impact these inputs

# TECHNOLOGY

Diagram of [Embrace infant warmer](#) removed due to copyright restrictions.

# Kevin Starr, Mulago Foundation, asks the following

- Is the product needed?
- Does it work like it's supposed to?
- Will it get to those who need it?
- Will they use it right when they get it?

# A Tale of Two Supply Chains

FACTOR	MEDICINE SUPPLY CHAIN	COCA-COLA SUPPLY CHAIN
<b>Production</b>	<ul style="list-style-type: none"> <li>• Production occurs mostly internationally.</li> <li>• Capital intensive and highly skilled production process.</li> <li>• Production is strictly regulated by national and international agencies.</li> <li>• Large economies of scale.</li> </ul>	<ul style="list-style-type: none"> <li>• Production of Coca-Cola concentrate occurs internationally.</li> <li>• Bottling is less capital and skill intensive.</li> <li>• Bottling carried out locally in each market.</li> </ul>
<b>Information Gathering</b>	<ul style="list-style-type: none"> <li>• Lack of systematic information collection tools.</li> <li>• Expensive one-off monitoring and data collection.</li> <li>• Central, assumption-based supply chain planning.</li> </ul>	<ul style="list-style-type: none"> <li>• Systematic information collection tools.</li> <li>• Innovative methods of data collection using third parties and own sales force.</li> <li>• Data-driven supply chain planning.</li> </ul>
<b>Distribution</b>	<ul style="list-style-type: none"> <li>• Product-specific distribution asset investments (both human and capital assets).</li> <li>• Higher need for traceability and security.</li> <li>• Limited competition in the distribution segment.</li> <li>• Poor contract compliance on attributes such as service level, and delivery lead time.</li> </ul>	<ul style="list-style-type: none"> <li>• Generic distribution asset investments.</li> <li>• Competition used to achieve higher contract compliance.</li> <li>• Horizontal collaboration.</li> <li>• Higher frequency of delivery to retail points of sale.</li> </ul>
<b>Retail Point of Sale</b>	<ul style="list-style-type: none"> <li>• Limited to regulated pharmacies or government-run clinics.</li> <li>• Limited innovation on new points of sales due to regulation.</li> </ul>	<ul style="list-style-type: none"> <li>• Variety of retail sales points such as restaurants, bars, or supermarkets, in cities, towns, and smaller retail kiosks in rural areas.</li> <li>• Constantly innovating to create new points of sale.</li> </ul>
<b>Incentive Structures</b>	<ul style="list-style-type: none"> <li>• Limited ability to create incentives for actors in publicly run distribution systems.</li> <li>• Simple single-party contracts.</li> </ul>	<ul style="list-style-type: none"> <li>• Incentive alignment through contracting given due importance.</li> <li>• Sales incentives, service-level incentives commonly used in both pricing and employment contracts.</li> </ul>
<b>Consumption Benefits</b>	<ul style="list-style-type: none"> <li>• The consumption of some medicines, vaccines, and other health products results in higher benefits to society as a whole and not necessarily to individuals.</li> <li>• Medicines are what people “need.”</li> </ul>	<ul style="list-style-type: none"> <li>• The benefits from consumption of consumer products and soft drinks accrue primarily to the end consumer. In fact, society may sometimes bear a cost from their consumption.</li> <li>• Soft drinks are what people “want.”</li> </ul>

Stanford Social Innovation Review, Winter 2013  
 From “Learning from Coca-Cola” by Prashant Yadav, Orla Stapleton, and Luk Van Wassenhove  
[www.ssireview.org](http://www.ssireview.org). Used with permission.

# STRATEGY

# Value in healthcare

What Is Value in Health Care

Supplementary Framework Papers:

Value in Health Care

Measuring Health Outcomes

Reponses: [Correspondence](#)

***The New England Journal of  
Medicine***

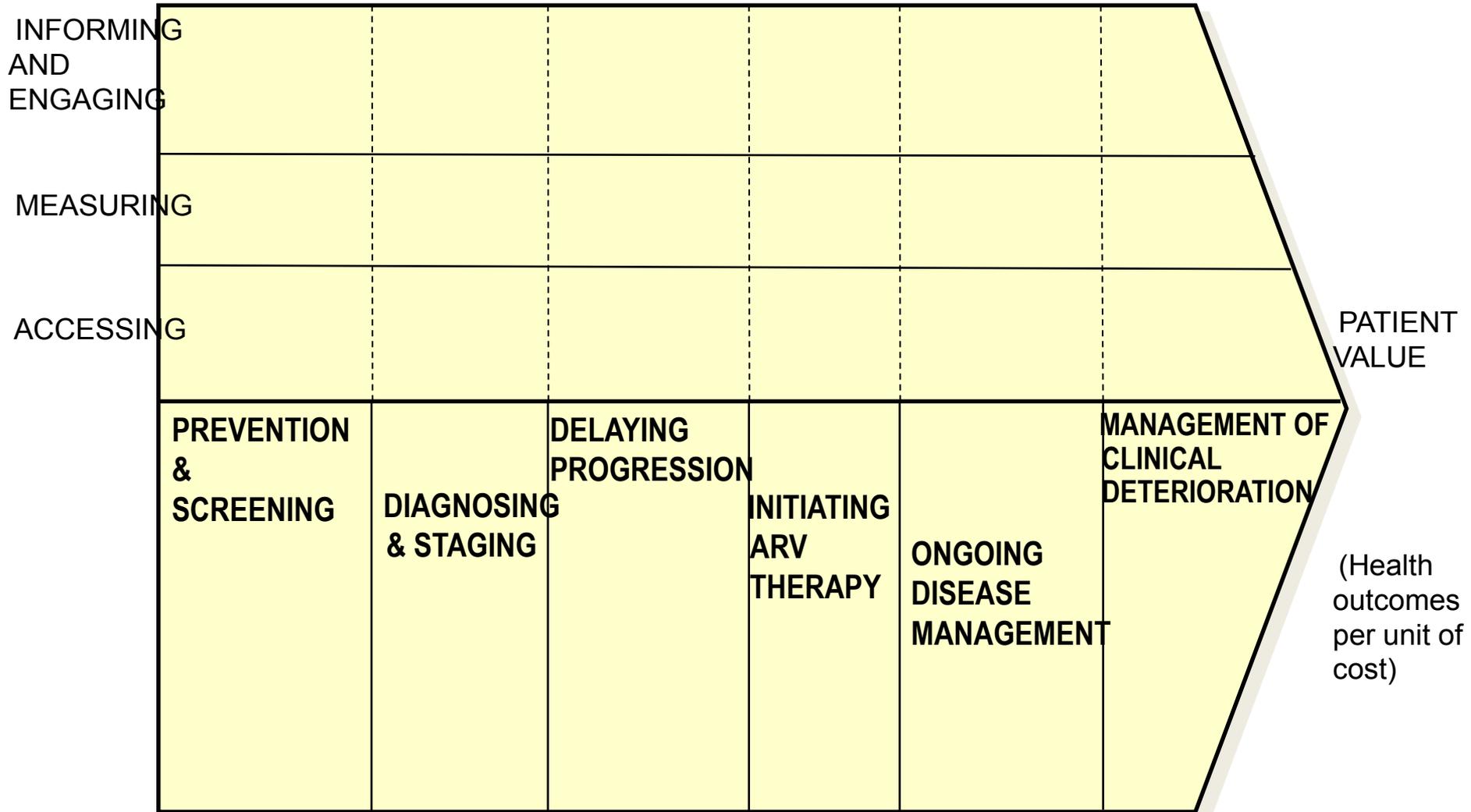
Michael E. Porter

December 8, 2010

Diagram of outcome measures hierarchy (Fig. 1)  
removed due to copyright restrictions.

# HIV/AIDS Care Delivery Value Chain

## Resource-Poor Settings



# Coming up

- Review this week's readings, including optional, for applicability to your project
- Mentor check ins (meeting 1)
- Tuesday lunch session
- Organizational profile
- Professional development plan
- Next class: Global health overview

Yadav, Prashant, Orla Stapleton, and Luk Van Wassenhove. 2013. “Learning from Coca-Cola.” *Stanford Social Innovation Review*, Winter: 51-55.

Sinha, Sidhartha R, and Michele Barry. 2011. “Health Technologies and Innovation in the Global Health Arena.” *The New England Journal of Medicine*, September 1: 779-781.

Rhatigan, Joseph, Sachin Jain, Joia S. Mukherjee and Michael E Porter. 2009. *Applying the Care Delivery Value Chain: HIV/AIDS Care in Resource Poor Settings*. HBS/GHD.

Porter, Michael E. 2008. “Value-Based Health Care Delivery.” *Annals of Surgery*, 248(4), October: 503-509.

Malkin, Robert A. 2007. “Design of Health Care Technologies for the Developing World.” *The Annual Review of Biomedical Engineering*, April 12: 567-587.

Blaya, Joaquin A, Hamish S.F. Fraser, and Brian Holt. 2010. “E-Health Technologies Show Promise in Developing Countries.” *Health Affairs*, June 6: 244-251.

Peterson, Kyle, Samuel Kim, Matthew Rehrig, and Mike Stamp. Circa 2012. “Competing by Saving Lives: How Pharmaceutical and Medical Device Companies Create Shared Value in Global Health.” *FSG report*.

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