

DIGITAL TRANSFORMATION:

Why Healthcare Companies Are Adopting
A Suite Approach to Software





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As massive changes sweep the healthcare and life sciences business landscape, digital transformation has become a key strategic initiative for staying ahead of the curve. The industry faces constant regulatory change, escalating pressure to control costs and an increasingly complex competitive landscape. To adapt in this dynamic environment, organizations must be able to quickly respond to changes in market conditions, customer requirements, and government and industry regulations.

To do so, many healthcare companies are realizing the need for technology that is embedded with comprehensive business management capabilities and is built to handle change and complexity.

But where to begin the digital transformation journey? One of the critical steps centers around applications, moving your organization

away from legacy systems that don't talk to each other and onto a truly integrated suite of apps.

If you listen to the IT chiefs of healthcare and life sciences companies that have already undergone the transformation into a truly digital business, one of the common themes is dealing with myriad disparate legacy applications, often a mix of on-premise and on-demand software. The goal is to get these siloed Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), ecommerce and business intelligence applications talking to each other, or even better running out of one integrated suite.

Obviously this process requires time, effort and investment, but the upside more than makes up for the initial pain. Here are our top reasons on why moving to a fully integrated suite will pay dividends for your company.

Competitive advantage

In a data-driven world, having the latest operational stats at hand is essential for any modern healthcare company to compete—whether that’s having greater visibility into the cash flows of your subsidiaries or knowing how many invoices were processed for umbilical cord tissue.

Using applications that aren’t integrated makes it impossible to obtain these types of insights without duplicated and wasted effort. How can a CEO or CFO know if the business is getting real-time accurate data if that data has to be sourced from disparate order management, sales and accounting applications?

Adding an analytics layer on top of the different applications just results in one more piece of software to manage, with its own costs and associated resource issues. It also presents the headache of setting up the system for each individual application, and then maintaining it going forward.

The solution is to switch away from siloed applications and bring all sales and accounting systems into one place. This means that a single version of critical data can be at the fingertips of every employee who needs it, wherever they happen to be located, and without needing to rely on a third-party system or analytics expert to crunch the data for them. This, in turn, makes it easier to react to market

forces by taking immediate advantage of the data a business collects and to use it to gain valuable business insights, rather than relying on outdated, inaccurate information or guesswork.

Take the case of ClearChoice Management, a dental implant care provider that faced technology challenges around its complex subsidiary structure of over 120 entities, including dental practices, limited liability companies and holding companies. By consolidating 92 separate instances of Microsoft Dynamics GP on NetSuite OneWorld, ClearChoice was able to reduce financial close time by 80 percent and improve the quality of its financial reporting.

Such an integrated approach also cuts down on employee training requirements, as staff will only need to grasp one system rather than several different applications and overlying analytics software; and eases the process of expanding into new territories, markets or product lines, as there is just one system to deal with to facilitate the new project.

The customer is king

To best serve its customers, healthcare and life sciences companies need the most up-to-date, accurate view of their activities and profile. But this can prove extremely difficult if their order information

is entered into one system, which then has to be re-entered into a CRM system once they become a customer and then set up in the accounts system to process financial transactions. In this digital era, customers expect their experience to be seamless, without delays to processing sales, amending orders or managing refunds if necessary.

Here again, an integrated suite offers the optimum customer experience, as it means you have a single record of each customer, following from the initial prospect point right through to repeat business status. This makes it quicker and easier to offer customers updates on their orders, linked to their financial accounts and to resolve any problems swiftly to maintain high levels of customer satisfaction.

For Cord Blood, a stem cell processing and storage company, NetSuite handles the entire customer record of more than 15,000 individual clients—including business-specific data like birthdays, child names and healthcare information.

An integrated apps approach ensures all your customer-facing employees can access any interaction or transaction data required to get the deal done immediately.

Added security

Siloed applications mean each system has to be secured individually. This entails running access management, data protection and fraud prevention tools across several different systems. Even if an organization runs one combined product to provide security across your different ERP, CRM, ecommerce and other business applications, having to lock down multiple systems increases the risk of a breach, increases the cost of protection and increases the overhead associated with managing multiple app security.

A unified apps suite will remove this issue as the business can deploy a unified approach to security, laser-focused on protecting the data retained in a single system rather than trying to keep multiple doors bolted.

Licensing complexity

Every separate application a healthcare or life sciences company runs—accounting, financial planning, order management, CRM, ecommerce and business intelligence—represents extra resources wasted by the IT department deploying, integrating, managing and upgrading that system. The business will also need to juggle licensing requirements for several different pieces of software, often from numerous vendors, making the risk of noncompliance much higher.

Streamlining apps into one combined system frees up the IT team to focus on projects and systems that add competitive advantage to your business, rather than acting as maintenance and license-policy staff.

Going for growth

Payroll, expense management and incentive scheme systems underpin any good business—after all, the best organizations attract and retain the best staff. But siloed systems for functions like salary payments and holiday accruals see human resources staff wasting time filling in the same data across different applications, which can lead to errors and unhappy employees. It also makes the process of introducing new employees to the organization more complex, as their personnel details need to be added onto various Human Capital Management (HCM) systems.

Here again, an integrated suite will let your business speed up the time it takes to add staff onto the corporate payroll and other HCM functions, and keep a single-view, up-to-date record of each employee.

When do we start?

As highlighted above, a move to an integrated suite lets healthcare and life sciences companies beat the competition, keep customers happy, improve application security, decrease time spent on software licensing, and more quickly expand into new territories and introduce new staff to the organization to help the business grow. If your firm hasn't already begun a shift away from siloed applications as part of its digital transformation journey, the time is now.

EMPOWERING HEALTHCARE COMPANIES TO REACH BEYOND THE LIMITATIONS OF QUICKBOOKS



SEE WHY HEALTHCARE COMPANIES SWITCH FROM QUICKBOOKS TO CLOUD FINANCIALS

Massive changes are sweeping the health sciences business landscape and are dramatically impacting healthcare and life sciences organizations. The industry faces constant regulatory change, escalating pressure to control costs and an increasingly complex competitive landscape. To adapt in this dynamic environment, organizations must be able to quickly respond to changes in market conditions, customer requirements, and government and industry regulations. Though they recognize this need to innovate, healthcare companies have a remarkably difficult time finding business application solutions that can meet their needs in an affordable manner.

Very often, healthcare and life sciences companies have been forced to rely upon a hairball of dangerously unreliable spreadsheets that support aging accounting systems. Many are constrained by solutions that were built for a different time, where the accounting system of record was all that mattered and where systems had limited computing capability. The relatively low cost of maintaining those systems masks the cost of inefficiencies in routine tasks like the monthly close or, more importantly, the dissemination of reliable information upon which business decisions can be confidently made in a fast-paced environment.

“The fact that NetSuite is all on one platform gives us a single system of record across the business, and that’s been very valuable.”

DARREN SKOOG,
NUO THERAPEUTICS

None of that mattered when business was relatively simple or where business was being conducted in stable market conditions. But the emergence of the internet as a platform upon which to build entirely new business models and the displacement of the PC and laptop by mobile devices as the computing platform of choice by the next generation of business users has changed the status quo. Today, healthcare and life sciences organizations must consider the potential impact of both existential threats and opportunities as the starting point for rethinking their technology investments.

Fast-growing healthcare organizations are especially challenged because the opportunities afforded by a combination of globalization and the rise of the Internet have not been matched by the development of their in-house systems. Thus, these companies are faced with the difficult questions that come with growth. For example:

- How do healthcare and life sciences companies take advantage of modern technologies without overloading the organization with cost and complexity?
- Can modern systems free up information producers to become decision advisors to the wider business?
- Who can healthcare and life sciences organizations trust to provide a platform for growth that extends well beyond the back office?

NetSuite believes that healthcare companies should look to solutions that are developed for cloud as the starting point in making any decision. There are sound reasons for doing so.

A cloud-based vendor doesn't just offer software. It is offering a service. That is crucially important to understand because it means that NetSuite takes responsibility for not only the software it supplies, but the underlying technical infrastructure needed to access the solution. That includes the server hardware and database maintenance and administration, document storage, technical upgrades and the ongoing

It doesn't serve a modern cloud provider's interests to do anything other than assure customer success.

enhancements customers need. That is an entirely different way of providing a system than what has been traditionally offered where, for all practical purposes, it is the customer's responsibility to upkeep their systems on an infrastructure they must also maintain.

A vendor offering Software-as-a-Service is on the hook for all aspects of that service, which in turn means the vendor must continuously earn the trust of its buyers, backed by meaningful service level agreements. It doesn't serve a modern cloud provider's interests to do anything other than assure customer success. That is a win-win in anyone's book, but again, fundamentally different to the old way of acquiring and using software.

SUITE APPROACH

NetSuite believes in the power of an integrated suite of functionality that spans the whole of the business, linking both the back and front offices together. A suite approach allows the whole company to view operations as a single version of the truth. It can allow, for example, field sales personnel access to their customer records so that they don't go selling more to delinquent customers. That 'single suite, single view' also allows those same field sales people to spot opportunities for upselling in real-time. Furthermore, predefined roles and dashboards that are oriented around a user's day-to-day tasks allow for the most efficient consumption of information throughout the entire organization.

A well implemented cloud-based system should mean that financial activities appear as soon as they are triggered. That, coupled with 'anywhere-anytime' access means that decision makers can quickly act upon both adverse and favorable performance indicators. In that sense, decision making becomes an activity where those tasked with executing on the company's goals and strategy are able to do so with information that is akin to looking through the front windshield of a car, rather than constantly worrying about what is in the rear view mirror.

The combination of these demonstrable benefits means that a well-executed move to cloud results in a much better and predictable cost of operation than is possible in the old world.

CUSTOMER SUCCESS

- Live in early 2015 and used by 35 Nuo employees, NetSuite gives the company real-time visibility across all key business metrics to drive growth.
- Nuo Therapeutics leverages NetSuite to track products and customers to comply with FDA recall readiness requirements.
- NetSuite CRM helps Nuo comply with complex, multi-phase Medicare requirements to track Aurix efficacy for wound care, in collaboration with doctors, hospitals and other healthcare providers.
- With NetSuite, Nuo can easily tag and track promotional expenses paid to physicians, clinics and others to comply with the FDA Physician Payments Sunshine Act.

“We liked that NetSuite was cloud-based so we didn’t have to host it, and it offered functionality on our manufacturing side for forecasting and reorder points.”

DARREN SKOOG, NUO THERAPEUTICS

These and many other benefits separate the world of the old from the new, but customers need to rely upon solid references from other healthcare companies that have already taken the journey to cloud-based computing. There is an increasing number of these companies who have migrated from QuickBooks and shown demonstrable benefits as a result.

For example, when Nuo Therapeutics was having trouble meeting FDA requirements due to inventory data challenges, it realized that QuickBooks and Excel could no longer handle its complex business processes and would not be able to scale to support growth. Needing stronger financial controls and transparency in order to uplist to NASDAQ from the OTC securities market, Nuo looked to NetSuite for its flexibility, scalability and cost efficient cloud infrastructure that eliminates the need for on-premise IT systems.

Since swapping out QuickBooks for NetSuite, Nuo Therapeutics has gained new business agility and is positioned for rapid growth with an integrated cloud platform covering financials, CRM and inventory and order management. NetSuite CRM gives the sales team and account executives a single, unified record of all customer interactions and contacts to improve sales and service effectiveness. Moreover, NetSuite OneWorld global business management platform enables Nuo to seamlessly manage a R&D subsidiary and transact in multiple currencies.

It’s examples like this that make the case for healthcare and life sciences companies to move beyond the limitations imposed by the likes of QuickBooks and to reach out to meet their true potential in the cloud.

