



Diaconal Institutions: Sustainable values in a market-based economy

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Diaconal Institutions: Sustainable values in a market-based economy

- 1. Diaconal institutions: Roots and values**
- 2. Diaconal institutions: Market-based transition**
- 3. Diaconal institutions: Strategic choices**
- 4. Diaconal institutions: Value-based sustainability**

Diaconia

“Helping People in Needs”

The Good Samaritan



Diaconal Institutions

“Faith-based welfare provision”

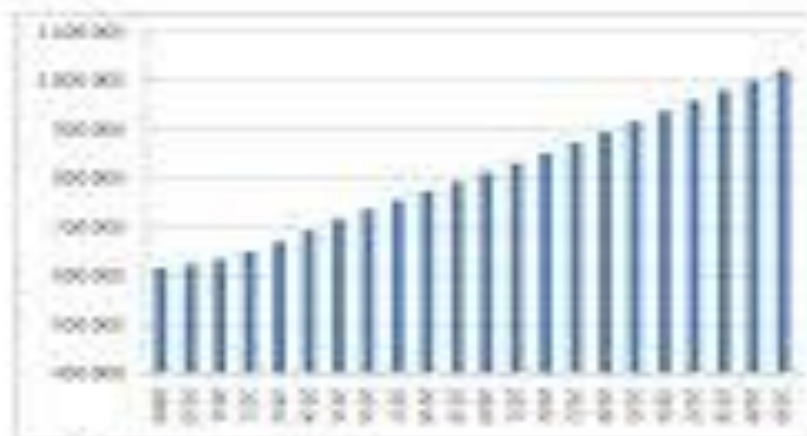
Care for the Sick, the Disabled and the Elderly

Europe has growing number of elderly



Norge får stadig flere eldre

Fra 2009 til 2030 vil antall personer over 65 år øke med ca 400.000 (66%).



Antall personer over 65 år
Kilde: SSB, Antall eldre i regional helset



BRUGERSTYREDE
LANSKAPSRÅDET



Diaconal Institutions

“Faith-based welfare provision”

Care are for the Poor, the Homeless and the Refugees...



Festung Europa?
Aufrüsten; Auslagern, Weggucken
in der EU-Migrationspolitik

Donnerstag, 23. Januar
Gewerkschaftshaus
Wilhelm-Leuschner-Str. 69-77
Frankfurt

Roter Club

The background of the text is a solid blue color with a pattern of overlapping, tangled barbed wire. The wire is a dark brown or black color, creating a complex, web-like structure.

The Basis for Diaconal Institutions is Christian Humanitarian Values

1. The moral imperative:

The Golden Rule

1. The secular imperative:

The Human Rights

Diaconal Institutions: Early movers in a privatized world

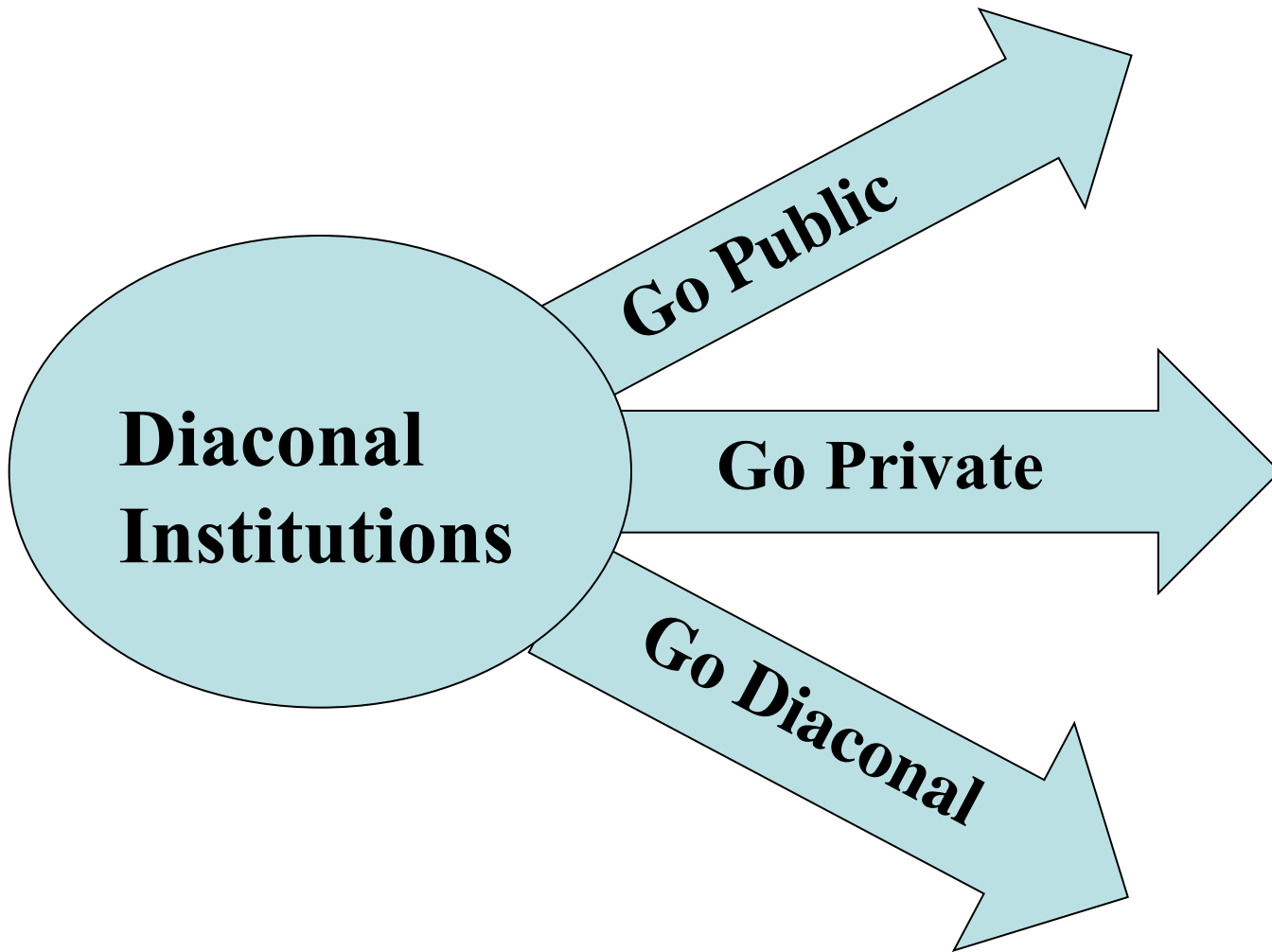
- 1. Family was initially the only human care unit**
- 2. The church started to share care responsibilities with families ('Charity')**
- 3. Local diaconal institutions were formed**
- 4. Community diaconal institutions were formed**
- 5. National diaconal institutions were formed**
- 6. International diaconal institutions were formed**

The Rise of the Welfare State: The state takes over health and care

- 1. Communes and state took responsibility for health and care**
- 2. Public health and care institutions became dominant**
- 3. The European Total Welfare State emerged**
- 4. Diaconal institutions became supplements and specialists**

The Market-Economy Wins: Rise of privatized health and care

- 1. Accelerating costs of health and public welfare**
- 2. Private commercial players in niche markets**
- 3. Outcontracting of health and care services to Non-profit NGOs**
- 4. Outcontracting of health and care services to Private Commercial Institutions**
- 5. Diaconal Institutions in a squeeze between market and state**



Health and Care: Demand driven growth

1. Growing elderly population
2. Growing immigration
3. Growing purchasing power
4. Growing life expectancy
5. Growing health and care expectations

Health and Care: Supply driven growth

1. **Growing supply of health services**
2. **Growing supply of health products**
3. **New medical technology**
4. **New pharma technology**
5. **New life science technology**

Medical Hospitals: Main drivers

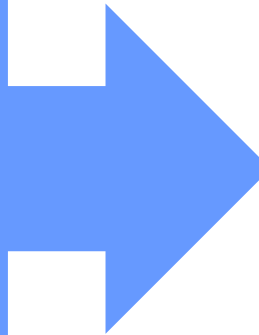
1. Professionalization
2. Specialization
3. Consolidation
4. Bureaucratization
5. Quality controls
6. Legal actions
7. Costs escalations

Value driven



**Diaconal
Institutions**

**Market
driven**



Technology driven



**Government
driven**

Diaconal Institutions

“Does value-based institutions make a difference?”

Diaconal Institutions: Strategic Space

Excellent Care

**Value
based**

**Excellent
Dedication**

**Excellent
Quality**

Excellent Efficiency

How can diaconal institutions be differentiated?

		Strategic positioning			
		Below	Parity	Above	Excellent
Competitive parameters	Efficiency	0	1	1	1
	Quality	0	1	1	1
	Speciality	0	0	1	1
	Care	0	0	1	1

Tests of Diaconal Excellence

1. Does the patient experience a difference?
2. Does the personell make a difference?
3. Does the institution produce better health outcomes?
4. Does the institution provide services for disadvantaged groups?
5. Does the institution provide services in disadvantaged regions of the world?

Health Care Institutions: Need for diversity

1. **Government health care institutions provide general public health care and welfare services**
2. **NGO health care institutions provide health care supplement and special group welfare services**
3. **Private health care institutions provide volume and specialty health care at a profit**
4. **Diaconal institutions provide value based health care (of outstanding total quality)**

Value based health care: Does it really make a difference?

1. Providing more 'warmth in care'?
2. Providing more 'time in care'?
3. Providing more 'dignity in care'?
4. Providing more 'life quality in care'?
5. Providing more 'meaning in care'?

Some strategic issues for consideration

1. Focus on low status patients (e.g. drug addicts)
2. Focus on low status medicine (e.g. geriatrics)
3. Focus on low pay markets (e.g. the poorest of the poor)
4. Focus on low integration groups (e.g. Muslim refugees)

Diaconal Institutions at a Cross-Road

- 1. Strong forces of equalization (government funding, professionalization, quality stds)**
- 2. Strong forces of differentiation (private health, R&D hospitals, medical technology)**
- 3. Diaconal institutions should differentiate themselves by providing value-based care (going 'the extra mile')**

Strategic Issues in Diaconal Institutions

1. **Should they totally rely on government funding?**
2. **Should they totally rely on the medical professions?**
3. **Should they totally rely on traditional governance structures?**

Is There a Future for Diaconal Institutions?

- 1. Health care and welfare services are high growth industries in Europe**
- 2. Health care and welfare services need diversity in ownership and delivery**
- 3. Diaconal institutions should be the value-based alternative driving quality, innovation and human-centered care**