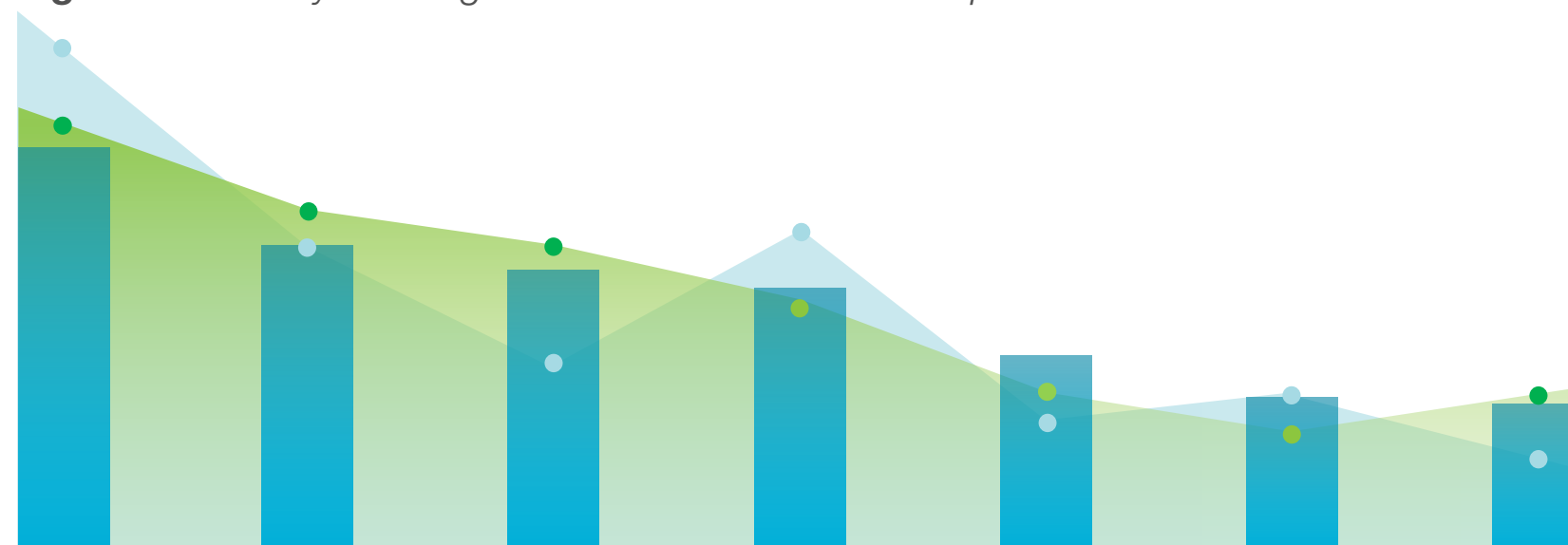


Healthcare Industry

We surveyed 178 top executives from the Healthcare industry for our latest C-suite Study. So what differentiates them from other CxOs?

Figure 1. Industry convergence is Healthcare CxOs' top concern



Convinced about convergence

CxOs say industry convergence is the key trend reshaping the business landscape. Healthcare CxOs – and Life Sciences CxOs – are even more convinced that's the case than their peers in other sectors (see Figure 1).

Today, the competition's often invisible until it's too late.

■ Global
■ Healthcare
■ Life Sciences

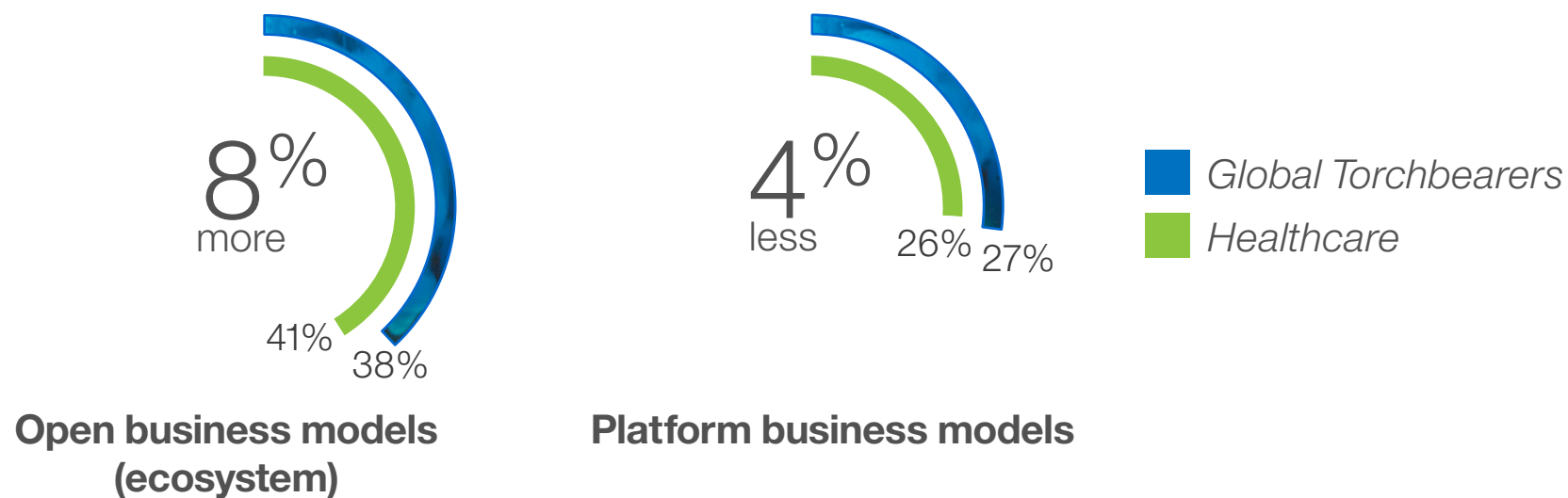
Industry convergence **The "anywhere" workplace** **Rising cyber risk** **Redistribution of consumer purchasing power** **The sustainability imperative** **Alternative finance and financing mechanisms** **The sharing economy**



Open to change

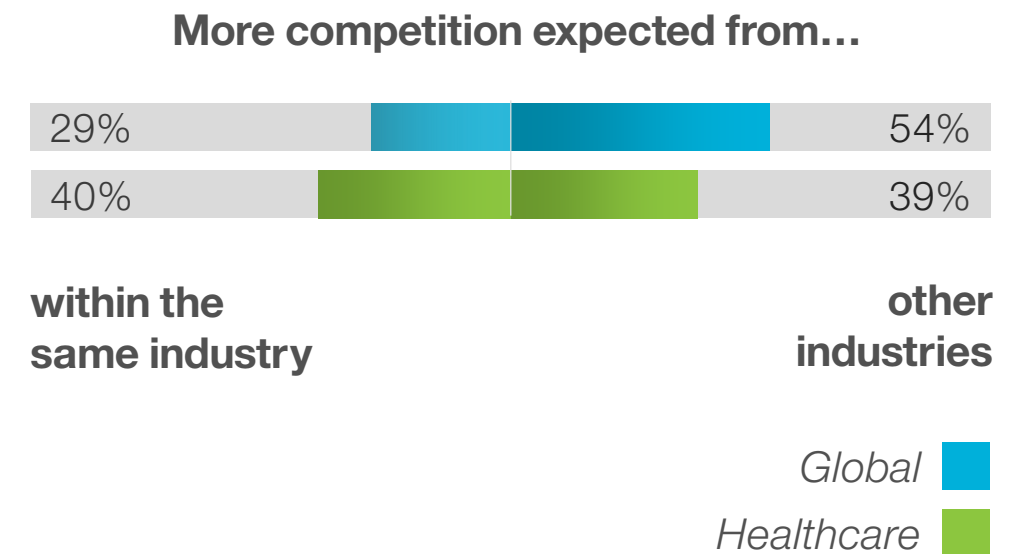
A growing number of Healthcare CxOs are embracing the change by forming ecosystems of insurers, hospitals, physicians and life sciences firms to deliver integrated care. In fact, they lead the way in this respect. We identified a small group of highly successful enterprises in our global sample. Torchbearers, as we call them, possess several distinctive traits, including the fact that they're more likely to have adopted collaborative business models. Healthcare CxOs are right up there, too (see Figure 2).

Figure 2. Healthcare CxOs, like Torchbearers, take a particularly collaborative stance



However, Healthcare CxOs are much less attuned to the risk of competition from 'left field' than other CxOs (see Figure 3). This seems somewhat surprising, given the plethora of electronics and technology firms and retail pharmacies now targeting the wellness and fitness space.

Figure 3. Healthcare CxOs are much less worried about a land grab



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Healthcare – Industry Point of View

Healthcare CxOs also seem to be downplaying the significance of technology. It's still the main game-changer, as far as they're concerned – and the proliferation of medical devices bears them out. But they don't accord it the same importance as they did two years ago, when we completed our previous C-suite Study (see Figure 4).

A different take on tech

That said, Healthcare CxOs aren't ignoring what technological advances could achieve. They're deeply interested in the Internet of Things and mobile solutions – both key technologies for enabling digital health (see Figure 5). They're also exploring the potential of cognitive computing.

Figure 5. Healthcare CxOs are focusing on smart and mobile solutions

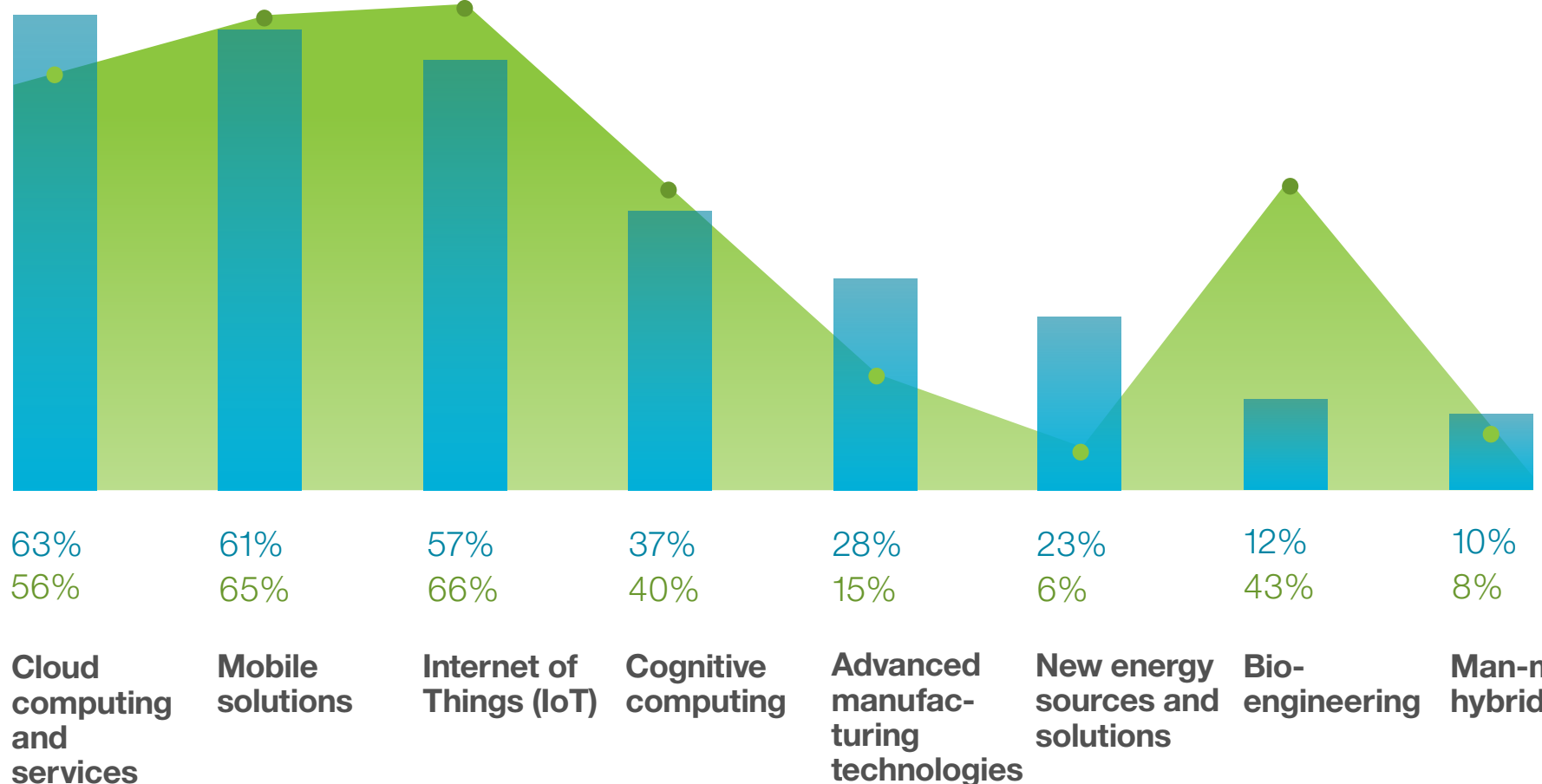
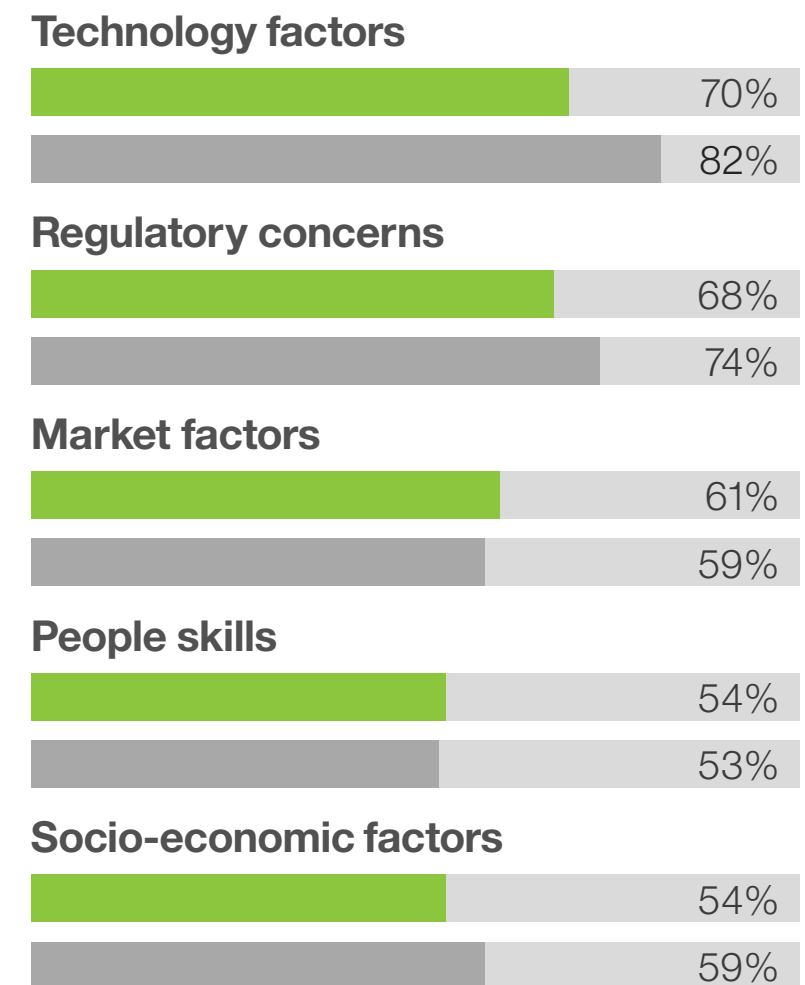


Figure 4. Healthcare CxOs don't rank technology as highly today



■ 2015 Healthcare
■ 2013 Healthcare

■ Global
■ Healthcare



REDEFINING BOUNDARIES | Insights from the Global C-suite Study Healthcare – Industry Point of View

However, they recognize that new technologies bring new challenges. Their top concern is IT security, as it is for the CxOs in our overall sample. But they also worry far more than other CxOs about regulatory compliance violations (53 percent versus 35 percent). Stringent rules on protecting patients' electronic health records are probably a factor here.

Healthcare CxOs are, likewise, quite wary about taking the lead. Eighty percent of Torchbearers aim to reach the market first, when they're launching new business models or new offerings. By contrast, only 51 percent of Healthcare CxOs aspire to be pioneers.

Of course, caution is important – and safety critical – in an industry where lives are, quite literally, at stake. Yet, in an era of disruptive innovation and intensifying competition, coming late to market with marginally superior offerings isn't good enough. Any healthcare organization that wants to thrive must dominate the market before its rivals do and demonstrate that it's the best.



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