

Experience-Based Consulting: The Value Proposition

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Consulting is a profession universally accepted and well entrenched throughout the business world. Whether it is providing objective analysis, supplying a specific expertise, managing a project, or simply adding extra manpower, consultants can add value. However, what are the attributes of a good consultant? In health care, with the rapid pace of emerging technologies, economic intricacies, and the complexities of clinical care, hands-on experience is the key. Recognizing the power of consultants with hands-on experience, the Department of Radiology at Massachusetts General Hospital launched the Radiology Consulting Group, an “experience-based” model for consulting that may potentially shift the profession’s paradigm.

Key Words: Consulting, radiology, consulting models, experience-based, health care, management, information technology

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THE MODEL

Theory

For years, many academic medical centers, such as Massachusetts General Hospital (MGH), have been on the cutting edge of technology, service delivery, and clinical process design and redesign. They have invested millions of dollars learning how to adopt new technology and how to redesign operations to leverage important emerging technologies and clinical trends. Consequently, colleagues, vendors, and even consulting firms from throughout the country and the world have continuously visited, toured, and learned from them. Although it is the academic mission to teach, these visits consume inordinate amounts of time and resources from their hosts, and in the majority of cases, there is no charge for this exchange of intellectual property.

In essence, in these visits, hospital staff members serve as consultants. They provide invaluable information and tested solutions from real-life learning laboratories. Recognizing the value of this intellectual property, in 1998, the Department of Radiology at MGH formed the Radiology Consulting Group (RCG) as a vehicle to share this experience with colleagues across the country and throughout the world. The theory of our consulting

model is to package all the intellectual property developed within departments of radiology as well as other departments and market it throughout the health care industry on a fee-for-service basis. In so doing, we are giving the multitude of hospitals and physician groups who seek consulting services another option: experience-based consultants.

Methodology

In the experience-based model, consultants are matched with a project on the basis of the particular expertise required. If, for example, a client were interested in learning how to start a positron emission tomography/computed tomography (PET/CT) program, the core project team would include staff members who work directly with PET/CT. In addition to these subject matter experts, each team has a project manager, who manages the relationship with the client, ensures timeliness with deliverables, and facilitates all logistics. Structuring the RCG to match a domain expert, who is typically a manager within the department, with a project manager maximizes efficiency and the use of personnel while ensuring continuity and customer relations.

The size of a team varies on the basis of the size and scope of the engagement. It is important to note, however, that clients in the RCG consulting model gain access not only to the designated project team but also to all the resources of the MGH Department of Radiology. In the PET/CT example, financial analysts will most likely connect with a client to analyze insurance and billing issues, experts in medical informatics and com-

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puter sciences may contribute advice regarding connections to radiology information systems and picture archiving and communications systems (PACSs), and radiology marketers will provide direction on how to grow the new service line. This expansive group of resources results in a comprehensive set of recommendations and solutions for the client, comprehensiveness that is difficult to match outside of the experience-based model.

Structure

The RCG is managed by a full-time director and overseen by a seven-member board composed of senior lay and physician managers within the department of radiology. Although the RCG has only 7 full-time employees, it is not uncommon to have 20 or more additional personnel working on individual projects.

The RCG is a cost-revenue center of Radiology Associates, an entity within the Massachusetts General Physicians Organization that formally operates under the name Massachusetts General Physicians Organization d/b/a Radiology Consulting Group. The RCG shares the not-for-profit status of the Massachusetts General Physicians Organization. Revenues generated from the consulting engagements are used to support the teaching, research, and clinical care initiatives of Radiology Associates.

When the RCG was formed in 1998, Radiology Associates dedicated half a full-time equivalent employee to the venture. Other than the staffing resource, no other financial investment was made at the outset. By sharing office space, supplies, and the infrastructure of Radiology Associates, overhead was kept to a minimum. In the first 2 years, operating expenses for the RCG averaged around \$300,000, and revenues grew from approximately \$100,000 in the first year to \$300,000 in the second. Radiology Associates absorbed the losses. By the third year, the RCG began gaining recognition in the industry, and demand for services grew. As a result, the RCG required more full-time staff members to meet this growing demand as well as more sophisticated business systems to manage the growing organization. This included the addition of three more employees, the development of a comprehensive Web site (<http://www.thercg.com>), the implementation of a time and billable hours database, and the deployment of a contact management database. Now, in the sixth year of the RCG, operating expenses total approximately \$1 million. Salary and benefits constitute the majority of the expense. The other major expenses include compensation to departmental personnel for participation on consulting engagements, sales and marketing, and rent and utilities.

The RCG's revenues have grown from a modest \$100,000 in its first year to a forecasted amount for fiscal

year 2004 of \$1.4 million. Overall, the RCG has been profitable over its existence. The margins realized are reinvested into Radiology Associates and used to support the group in their teaching, research, and patient care mission.

THE VALUE OF EXPERIENCE-BASED CONSULTING

Credibility

As noted above, in the experience-based consulting model, consultants staffing each project have all worked in busy radiology settings linked to the assignment as managers, clinicians, or support service specialists. They have been in the trenches and truly understand and appreciate the dilemmas, challenges, and perspectives of client stakeholders. This fosters a colleague to colleague approach that builds credibility with staff members, elicits trust, and facilitates collaboration. When RCG clients realize that the "consultants" are radiologists, technologists, PACS administrators, or film librarians, all who understand their business, attitudes change and momentum for the engagements builds.

Efficiency

With an experience-based consultant, even complex consulting engagements become much more efficient. The RCG does not need to spend extended periods of time on site learning the business before diagnosing the problems and recommending solutions. The efficiencies of the experienced team benefit clients in two key ways. First, client staff members are not tied up for weeks answering questions, producing data, and hosting the consultants on site. Second, project hours are far fewer, which leads to cost savings for the client on the consulting engagement.

Tangible, Realistic Deliverables

An experience-based consulting team produces "experienced" recommendations and solutions. The RCG's deliverables are tangible and are designed to elicit results. Rather than provide clients with voluminous reports documenting problems, the experience-based model enables the RCG to go beyond "diagnosis" (i.e., the wait time in CT is too long) and provide "treatment" (i.e., the job description for a nurse to add, the process map of a redesigned workflow with intravenous placements performed outside of the room and additional dressing rooms, and revised scheduling templates).

Breadth and Depth of Radiology Expertise

Because of the relationship between the RCG and the Department of Radiology at MGH, the RCG has access to a large number of resources and subject matter exper-

Table 1. Radiology Consulting Group service lines

Information Technology	Management Consulting	Practice Management	Clinical Management	Training and Education
PACS	Operational reengineering	Billing and revenue recovery	Patient safety	PACS schools
Speech recognition	Strategy and business development	Marketing	Radiologist workload analysis	Competency-based training workshops
RIS	Financial analysis and asset management	Imaging center development	Contract review	Imaging center symposiums
Teleradiology	Staff recruitment and retention	Strategic planning	Peer review	Failure mode effectiveness training

Note: PACS = picture archiving and communication system; RIS = radiology information system.

tise spanning the entire continuum of the specialty. The RCG has organized this expertise into the following five distinct service lines (see Table 1):

- **Information technology:** the RCG assists clients with a full spectrum of services to support their PACS, radiology information system, speech recognition, and/or teleradiology initiatives. Services include building strategic plans for technology acquisition, vendor selection, project planning for system deployment, implementation support, training, and system troubleshooting.
- **Management consulting:** the management consulting service line provides services such as helping clients identify and implement operational efficiencies, manage assets, design space and workflow, evaluate new ventures, and build strategic plans.
- **Practice management:** this service line focuses on radiology group practices, providing services such as billing audits, marketing strategy and implementation support, and strategic planning.
- **Clinical management:** using the RCG's team of radiologists, this service line concentrates on both the clinical and professional aspects of radiology. On the clinical side, services include peer reviews, quality assurance program evaluation and development, and patient safety initiatives such as radiation dosage analysis. On the professional side, the RCG's services include contracting support and radiologist productivity analysis.
- **Training and education:** the RCG provides a variety of courses and symposiums on topics including PACS, patient safety, and imaging center development. These courses are provided on a group or indi-

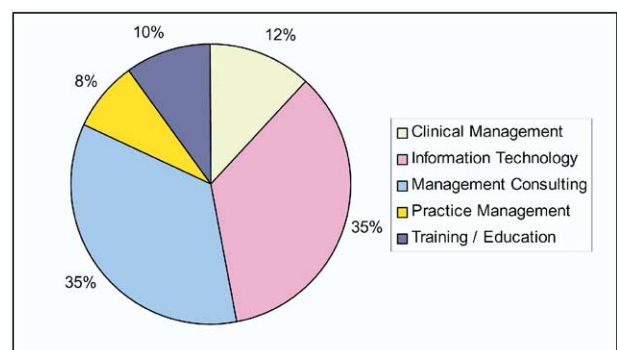
vidual level, held both on site at MGH and off site, and range in duration from 1 day to several weeks, depending on the training objectives.

Information technology and management consulting constitute the largest percentage of RCG engagements. Fig. 1 illustrates the breakdown of all services.

COLLATERAL BENEFITS OF EXPERIENCE-BASED CONSULTING

Professional Development

From the outset, the founders of the RCG envisioned the consulting group as a vehicle to provide professional development opportunities to the departmental staff. That vision has become a reality. The consulting engagements have honed skills such as problem solving, critical thinking, business writing, and presentation delivery. In addition to skill development, the experience of stepping outside of one's own environment and visiting colleagues

**Fig. 1.** Service line breakdown.

and radiology practices across the country and throughout the world has had a tremendous positive impact on the professional growth of departmental staff members. Each time our consulting teams teach, we also learn.

To prepare staff members to participate with the consulting group, the RCG has created training programs similar to those of the large traditional firms. The programs are focused on strengthening the business acumen of the primarily clinical and technical staff members. Beyond business and analytical skills, there are specialty programs addressing topics such as clinical trends in radiology, vendors in the marketplace, and modality overviews to ensure that the consultants are always up to date and well prepared to assist clients. The training programs are voluntary and extremely well received.

Recruitment and Retention

The RCG has enriched the work experience of those who have participated. The RCG provides department staff members with the opportunity to step outside the day-to-day operation, see other radiology services, travel throughout the world, and share expertise with colleagues. It is rewarding personally and professionally. It is also financially rewarding, because staff members receive bonuses for their participation. Some of the strong retention rates in the department are attributed to the presence of the RCG. Furthermore, the opportunities provided by the RCG have also helped the department recruit new staff members.

Showcasing the Department

For the MGH Department of Radiology, the RCG has brought incredible exposure. We have hosted numerous clients as part of our consulting engagements and in the last year alone trained more than 300 people in our on-site PACS courses. This enables us to showcase our successes to colleagues throughout the world of radiology, and it rewards hard work and builds pride.

Return on Investment

The RCG has provided a vehicle to capture revenue for our intellectual property. The MGH Department of Radiology spent millions of dollars acquiring the knowledge. The RCG now enables that investment to stretch beyond the walls of our organization and allow others to learn from our experiences.

CHALLENGES

Balance

Experience-based consulting is a balancing act. The model requires departmental staff members participating

on a consulting engagement to manage two jobs. They must continue to work their "day jobs" while meeting the timelines and expectations of their clients. To strike the balance and ensure that neither the department nor clients would be compromised, the RCG assembled a core of full-time employees to serve as project managers and provide project support. Full-time staff members now handle all the logistics, background analysis, and deliverable production and formatting. This support is critical.

Scaling

The most difficult element of the experience-based model is scaling it to meet demand and to grow the business. Can you develop the bandwidth to service the demand without sacrificing the model? The strength of the model is that those who consult also remain deeply rooted in the practice of radiology. How many staff members can you have out of the department at one time? We are still exploring the answer to this.

Learning Curve

The third, but most easy to overcome, challenge is the learning curve of running a consulting business. How do you market your services? How much do you charge for your intellectual property? How do you position yourself for growth?

At present, the RCG markets its services by attending major tradeshows, speaking at national conferences, and publishing books and articles. Additionally, the RCG has strategically aligned itself with three firms that offer services that complement the RCG portfolio. These include WorldCare International, a global telemedicine company, Sterling Planning Alliance, a health care facility planning company, and Source Atlantic, a capital planning and asset management company. These companies serve as great marketing channels for RCG services. Other marketing efforts include a robust Web site and a growing database of contacts. The RCG has not as of yet produced any print advertisements.

SUMMARY

To date, the RCG has conducted more than 80 client engagements and has worked in over 30 states and six countries, proof that the concept of experience-based consulting is resonating with clients. The buzzword these days in differentiating one firm from another is *value proposition*. In the experience-based consulting model, the value is clear: credibility, breadth, and depth of resources, efficiency, and results.