

WHY TOFFLER ASSOCIATES CONDUCTED THIS STUDY

"Our client was entering an unknown market. Without careful planning and a clear strategy, they could have ended up spending millions of dollars in an unsuccessful effort.... We delivered a detailed plan that management used to hit the ground running so they could achieve their goals as quickly as possible."

-Toffler Associates Engagement Leader

Toffler Associates Shows International Technology Company How to Adapt Core Competencies to New Marketplace and Increase Revenues

US \$1.4 TRILLION HEALTHCARE INDUSTRY IS A GOOD MATCH

Sooner or later, every company reaches a financial tipping point when achieving ever-ambitious revenue goals becomes impossible. A global communications and information technology firm recently found itself in this position. Competition in its field was so high that market share was dwindling along with revenue projections. The solution: enter other markets where their core competencies would give them an immediate advantage. Specifically, this multi-billion-dollar conglomerate decided to enter the \$1.4 trillion healthcare market, the largest-growing sector of the economy. "Technology is the company's forte," said the Toffler Associates Engagement Leader, "and health care is constantly implementing technology across the board to decrease costs and increase productivity and income. So it was a perfect fit. The problem was that our client was entering an unknown market. Without careful planning and a clear strategy, they could have ended up spending millions of dollars in an unsuccessful effort."

WHY TOFFLER ASSOCIATES?

The company brought in Toffler Associates to provide a roadmap for adapting their core competencies to the healthcare market and to discover business opportunities in this new arena. "They hired Toffler Associates based on our proven experience to take a tough problem, analyze it, research the market, and generate creative solutions that are quantitative and forthright," noted the Engagement Leader. As a first step—based on the company's years of experience fulfilling technology contracts with the U.S. Department of Defense (DoD), the National Institutes of Health (NIH) and the Center for Disease Control (CDC)—Toffler was asked to identify the opportunities within the U.S. Department of Health and Human Services (HHS). The company's familiarity with the federal government would shorten the learning curve for bidding on healthcare-related contracts

and give them experience in the healthcare field that would later help them win private-sector contracts.

Toffler Associates examined HHS's political priorities, past and existing projects, spending focus, preferred vendors, budgets and more to develop a list of potential opportunities for its client. The company chose the top four most-promising prospects—electronic healthcare records, information assurance, health informatics and fraud detection—and asked Toffler to analyze them further to see if the company's capabilities matched HHS's requirements in order to win contracts in these areas. "Our in-depth study of the fraud detection topic showed this was not a good fit for our client," explained the Engagement Leader. "The work had a very small profit margin, and adjudication, which was not one of our client's strengths, was a key part of the fraud-detection process. We saved them weeks if not months of spending time and money going down a wrong path."

18-MONTH PLAN TO NET US \$3 MILLION IN NEW BUSINESS

In addition, the technology company wanted Toffler to determine additional competencies they would need to compete in the healthcare market, and to recommend which companies they should partner with or purchase to obtain the requisite skills. The result was an 18-month tactical plan to achieve US\$3 million in new healthcare business over the following three years.

"Discovering which companies were a good fit for our client to partner with or purchase was not easy," noted the Engagement Leader. "This marketplace is very confidential, very hard to break into. But based on our previous experience in this area, we applied some creative approaches to find out the exact information our client needed to make an informed, cost-effective decision. Our client felt that we brought several big value-adds to the table. One, we saved them time and money exploring the healthcare market. Two, we could analyze complex information, synthesize it and explain it in a way they could easily comprehend it. Three, and most importantly, we delivered a detailed plan that management used to hit the ground running so they could achieve their goals as quickly as possible."