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## Preface

The title of this book is taken from an article which was published in the Australian and New Zealand Journal of Medicine in 1994. The authors J. Braithwaite, R. Vining, and L. Lazarus applied a vision of the organization that Jack Welch, former CEO of General Electric (GE), had developed to make his company successful: *boundarylessness*. In the 1990 Annual Report of GE, Welch projected, “Our dream for the 1990s is a boundaryless company, a company where we knock down the walls that separate us from each other on the inside and from our key constituencies on the outside.”

For Jack Welch, boundarylessness was the way to increase productivity. In his CEO letter to GE’s shareholders, he wrote one year later, “1991 did, however, once again remind us how absolutely critical productivity growth is in the brutally Darwinian global market places in which virtually all of our businesses compete. [...] But to increase productivity, you first have to clear away all the impediments that keep you from its achievement—primarily the management layers, functional boundaries and all the other trappings of bureaucracy.”

Welch stressed boundarylessness as an instrument for productivity growth through cost-cutting, which is important in order to survive in highly competitive markets. The hospital is not primarily considered an organization which provides services on competitive markets. Though, the hospital of today, which is a fact, also faces tough cost pressures. However, the goal of hospital management is higher efficiency of health care and good effectiveness. It is the key to achieving the target triangle (quality, access, and affordability) of health care based on a sustainable reimbursement system. The objective of hospital managers is to ensure the provision of high-quality care and healing environment services despite increasing financial constraints.

With the book in hand, the Center for Advanced Studies in Management (CASiM), the interdisciplinary research center of HHL Leipzig Graduate School of Management, aims at addressing this challenge. This requires more than planning and control of a firm. It goes beyond accounting and digitalization. The patient is more than a mere customer. Efficiency management in a hospital is based on both a profound understanding of medicine and nursing on the side of the manager and a deep understanding of business economics and health services on the side of the medical scientist. And for both sides as well as for the regulator, a

deeper understanding of the impact of the regulatory framework on the outcome of the health care system is indispensable. The former traditional boundaries between health professionals, administrators, and nursing staff have to be removed to enable new effective forms of cooperation. The successful hospital of the twenty-first century is a *boundaryless hospital*.

And above all, managing the hospital requires a deeper and holistic understanding of the patient. To achieve this, on the one hand, the experience of the medical and nursing staff should be taken into consideration and recommendations should be monetarized against the background that a significant proportion of the healing success is actually psychology, and on the other hand, the new field of so-called *personalized medicine* should be further developed. Personalized medicine is a vision for health care. There may be similar concepts in other fields, particularly in marketing consumer products, where business economists talk about “markets of one” or “lot size one,” but in medicine the concept is different. Our author Manfred Dietel defines personalized medicine as “the intention to diagnose and treat patients more precisely adapted to their individual needs.” This new development has its background in modern tendencies: globalization with boundaryless markets, digitalization with boundaryless IT tools, demographic aging, and increasing risk.

All health care systems try to cope with the rising expenditures of health care, but the systems differ from country to country. Insurance—public or private—is one way to finance the costs of health care. Insurances may cover all expenses or they may require the sick persons to pay their health expenditures themselves. Regardless of the particular health care system, Jan P. Beckmann provides in his introductory contribution a philosophical underpinning for our approach to reach more efficiency and better outcomes with new economic instruments.

Boundarylessness in our understanding does not mean that there are no rules. On the contrary: The boundaryless hospital has to work on the basis of codes of conduct and contracts with regard to both internal and external relations. From Hirschhorn and Gilmore, we already know about the importance of internal “boundaries of the boundaryless company,” as they called it in the Harvard Business Review in 1992. They argued that the players in a boundaryless company “must figure out what kind of roles they need to play and what kind of relationships they need to maintain in order to use those differences effectively in productive work.”

Regarding the external boundaries, Alvin Roth, a 2012 Laureate of the Nobel Memorial Prize in Economic Sciences, gives a striking example of the positive impact of market design on the supply of donor kidneys. In his 2015 book on matchmaking and market design, his explanation of the entire process of establishing a kidney transplant network impressively shows the potential of synergies which can be exploited if the formidable obstacles caused by different logics on different sides can successfully be overcome: “Garet’s frustrations led him in late 2007 to form an exchange network he called the National Kidney Registry. It [...] aims to facilitate potentially quite long non-simultaneous chains by recruiting hospitals and non-directed donors. If a hospital sends a non-directed donor, the NKR promises to end one of its chains at that hospital. That ensures that

the hospital doesn't "lose" a transplant by sharing its donor: Keep in mind that hospitals earn revenue on their transplants; they're commercial enterprises as well as caregivers."

Cooperation and Big Data are the key words for the new developments in health care. They are the topics of this book. Cooperation in our understanding of a boundaryless hospital does not only refer to scientists from various disciplines and practitioners from different medical branches working together but also to the overall management of the value chain in the health care process and a new form of relationship between the doctor and the patient. As an example, Florian Kron and his coauthors present a new form of organization which provides the medical services cancer patients need—the Comprehensive Cancer Center (CCC): "The CCCs are the forefront to fight cancer. From an organizational perspective these large centers are highly complex. They cannot operate as standalone organizations but rely on cooperation in a network of hospitals and office-based physicians." Big Data means huge databanks with information about individual patients with individual diseases and individual methods for treating those diseases. But it is more than "number crunching" and repository management: Big Data solutions generate decision-relevant information. They aim at improving diagnosis and accelerating start of therapy to increase therapeutic effectiveness and patient outcome.

The papers in this book address international and interdisciplinary aspects. After introductory contributions in Part I, Parts II and III seize the previously identified opportunities across countries and disciplines and analyze whether the new concept is suitable to meet future challenges better. They elaborate and comment on the health care systems of Finland, Germany, Malta, the Netherlands, Portugal, and Switzerland. They deal with different diseases such as cancer, heart diseases, epilepsy, and inflammatory bowel disease, and with chronic care. The new developments also lead to new professions. Maarten Janssen and his coauthors draw attention to the "physician assistant" (PA) in the Netherlands. "Increasing experience, developed routines, specialization and trust among the medical and nursing staff enables PAs to gradually expand their occupational place, highlighting the fluidity of its boundaries." In the final Part IV, the boundaryless hospital is particularly reflected from the patient's perspective. Among other topics, the authors discuss the relevance and importance of patient involvement and its innovative potential for further development of health care.

Each book publication is the result of a considerable collective effort, and the completion of an edited volume always requires additional coordination. We would like to use this opportunity to thank all contributors collectively for their important efforts in realizing this project.

Some contributors we would like to praise individually. Specifically, we thank all authors for their highly stimulating papers and all reviewers for their critical and constructive feedback.

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We hope this publication will not only provide interesting reading but will also encourage further discussions and academic research on the boundaryless hospital and other innovative approaches to coping with the challenges and opportunities of health care in the twenty-first century.

We welcome your feedback via [casim@hhl.de](mailto:casim@hhl.de).

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