

## Unjani Blog Entry #1 – 3/16/2013

This has been a long week for each and every one of us with midterms and papers due, but we are really excited to be flying off to Johannesburg. We met up for a quick drink at the airport and had a 6.5 hours flight to Amsterdam.



During the layover, we aimed to learn ten words in Afrikaans, and Zulu, but we figured that we could not pronounce them correctly. Therefore, we decided to perfect it on the ground with the help of the local. We spent a few hours in Amsterdam before catching our flight to Johannesburg.

Our plan of taking the train had to be changed when we arrived in Johannesburg at 11pm. The train obviously stopped running so we were approached by the cab driver at the airport who offered to help finding a cab big enough to fit 4 of our luggage in. We were a little bit worried not only of the possibility of getting conned but also with the probability of putting ourselves in danger since it was really pitch-black out there. We concluded that we had no choice so we decided to take it on the condition that we pay by meter only. We ended up paying around R500 which was roughly within the quoted price.

From our initial ride, we could see some potential problem with the distribution of goods and services (healthcare included) since Johannesburg seemed much more dispersed than we had imagined. We saw two residential areas separated by empty land. We couldn't help but wondered what the area around the clinic site would actually be like. I guess we will find out in a few days.

Arriving at the Glendalmond Hotel situated near Sandton station smoothly, the team found another problem with the unique electrical plug in this country. We managed to have three functioning ones among the total of 7 brought. We learned that this is another thing to take into account before travelling, but at this point having 3 is more than enough to get us going as a unit.



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All in all it had been a long day with 18 hours flight, but we are thankful to be arriving safely, and we are really excited to get our on the ground work started this Monday.

## Unjani Blog Entry #2

Jetlag is awful.

Today was our first day of work at RTT/Imperial health, and it was a long one for four people with jetlag. With Nick's amazing planning skills we seamlessly used Johannesburg's beautiful metro to travel against traffic into the outer 'burg area of Rodenburg. The imperial health shuttle, which takes employees from the metro station to the RTT campus about 4kms away, has two pick up times: 7:15 and 7:45AM. So we arrived bright and early for our 9:00AM meeting with Trixie Belle. The early arrival gave us plenty of time to familiarize ourselves with the office, the friendly Imperial Health staff and Mabatu, Trixie Belle's assistant.

Mabatu helped us pin down certain aspects of the medical system in South Africa that we previously did not understand. There are over 4,000 public clinics throughout South Africa primarily employing nurse practitioners. In fact, nurse practitioners are a huge part of the public clinic system. While the public clinics provide quality care, and much of the types of care the Unjani clinics cannot— birthing, anti-retroviral treatment, etc.-- many of the clinics are overcrowded. Patients cue at 6:AM for the clinic's 9:00AM opening. Clinics send patients home unseen – even if they have waited all day—if the patient hasn't been seen by the public clinic's closing time. The average wait time is 6 hours. Doctors and surgeons also populate the healthcare market and are relatively available although they charge upwards of R250.

Mabatu also explained the employee provided insurance system in SA. Currently there are privately insured South Africans serviced by five main providers, the largest of which is Discovery. This insurance – often co-bought by the employee and her employer, provides free medical care up to a certain dollar maximum. Employees can see any designated provider at no cost (providers are reimbursed a set amount per type of visit). Only certain employers provide this insurance. Currently, the Unjani Clinics are not set up to receive insurance but are hoping to soon.

A lot to learn before 9AM!

### **Unjani Blog Entry # 3**

Today nurses from six of the seven clinics attended a marketing training at Imperial Health / RTT headquarters. As part of the training, the MIT Unjani Team was tasked with introducing itself and its work to the nurses as well as ask for assistance in interviewing community members and patients in their clinics' areas.

The marketing training was extensive. The entrepreneurs learned the four P's , market segmentation, and branding. They also engaged in group work. Many had questions about pricing and discounting, and received feedback on their current marketing methods. Boundaries and protocols were set and many of the women's promoting activities were deemed as no longer appropriate. Instead, the women were given comprehensive tools to help them identify the best marketing for the Unjani brand.

Team MIT Unjani sat in on the training to hear how RTT communicated its priorities and interests. This meeting was incredibly insightful because it gave us an opportunity to observe the interactions between the organization and its franchisees, understand how trainings were currently delivered and received, and also hear some of the struggles the women felt they would have in implementing these strategies.

With the new guidelines set, our previous idea—of having the nurses tell us about their successful marketing strategies-- was no longer appropriate. Over a quick lunch break we created another group activity: asking nurses to share an aspect of pride about their clinic. The women shared their stories first with each other and then each clinic had one representative share their accomplishment with the group.

What materialized from this conversation as pretty powerful; nurses were harnessing the power of their communities to gain validity, customer traction, cheaper product supply prices and safety. Required to provide statistics to the Ministry of Health, one nurse only released records after the Ministry of Health agreed to donate vaccinations. Another Unjani clinic has negotiated with the public clinic to handle public clinic overflow and perform family planning injections on their behalf if the public donates the materials and allows public clinic staff to assist. One woman was proud that an attempted break-in was stopped by her security guard during his rounds. All the nurses had faced challenges and implemented solutions.

Knowing this, tapping into their vast knowledge base will facilitate team MIT Unjani's success. It was a successful enlightening day.

## **Unjani Blog Entry #4**

Today we visited Kwaggafontein, an urban/ rural area mix outside of Pretoria, South Africa. The clinic there, a refurbished container, recently moved locations in an effort to increase business. Previously located on one of the nurse's family plots, the container was moved to a donated space in the taxi rank at the city's center. Although the move was advantageous location-wise, the new location came with its own obstacles: lack of access to water, a long wait time to set up electricity, and an unlevelled ground that pitched the clinic on an angle. Improvements to get the clinic up and running continued even with opening day two days away.

Despite the logistical problems the new location offered, this MIT team felt great excitement. After handing out flyers to the community, visiting the local free clinic, private doctors, and interviewing potential clients, we felt this clinic had the most potential for success for several reasons:

### **Location:**

This clinic was located right next to a taxi rank making transportation to and from the site easy, and lending clinic visibility to all taxi travelers. Serving thousands of people a day, the taxi rank serves as one of the city's activity hubs.

The clinic is also located next to the city's business center, providing access to the "shackpreneurs" of the downtown area—our target audience—and the town's shopping center/ mall area. Additionally the clinic is located next to a private doctor's office, with a cue 30 long, and an over populated public clinic. All of the clinic's potential markets converge on this location making targeting and converting the community into clients easier. There is a clear unmet need in this community.

### **Team:**

Unlike any of the other clinics, this clinic had a strong leadership team. First, this clinic is run by two nurses, an administrative nurse, [name removed] and a clinical nurse, Gugu. Together they have an extensive knowledge of treatment, business administration, and training. Additionally they have hired a part-time PR major to serve as their assistant and provide marketing advice and implementation for them.

### **Services:**

Unlike many of the other clinics, Kwaggafontein has diversified their services to align with the community's needs. They are the only clinic to provide CD4 testing and viral load testing for the HIV/ AIDS affected community. In order to do this at low costs to themselves, they have partnered with several organizations. Providing these high demand services means the clinic also provides highly profitable services. While other clinics struggle to charge R150 per visit, the viral load testing is reasonably priced at R900.

This clinic has also included ointments, salves and more valuable/ less accessible OTC treatment options into their product mix. This allows them to differentiate themselves

from the local goods shops and charge a premium instead of competing with those shops on price.

**Processes:**

Unlike the other clinics, Kwaggafontein has developed strong methodologies, processes, and organization tools for their inventory reporting, client management, and marketing. Additionally they have extensive pricing lists that are highly visible, making collecting payment easier and more coherent.

Although Kwagga has yet to achieve high patient numbers, we will watch and implement changes in this clinic over the next four weeks with the hopes of creating the first self-sustaining clinic model for Unjani, which will become the basic model for all future expansion initiatives.

## Unjani Blog Entry #5

In Johannesburg, and throughout South Africa, there is much talk about the Broad Based Black Economic Empowerment law established by the South African government and enacted in 2007.

The law awards a series of points to companies that foster the economic empowerment of black South Africans, in this case defined as all non-whites, by doing business with, having a stake in, or providing development to black owned businesses. Doing business directly with a black owned business is not the only way to attain points. Hiring blacks, or hiring a company that is sourcing material or doing business with a black owned business are also ways to obtain points. The effectiveness of the law at creating opportunities for the SA black population is frequently debated, as is the law's effect on hiring and firing practices in the private sector.

Additionally there are discussions about the corruption of the program as many of the programs cannot and are not monitored in ways that ensure the law's mission is upheld. While participation in the program is not mandatory unilaterally, participation and a high score are necessary to secure government contracts. In a country where the government is highly invested in the private sector and is the biggest job provider, the significance of this score can deeply affect a company's livelihood.

On a smaller scale, this law plays a role in the Unjani project. While the MIT team's goal was to create a pricing and marketing strategy that will create clinic self-sufficiency, there is less urgency in reaching this goal. The existence and expansion of the clinics provides a benefit to Unjani's host company, even though the current clinic model is operating at a loss. Regardless of the clinic's ability to reach self-sufficiency, the clinic model and its expansion will continue because of the intangible benefits the clinic provides to its parent company, the parent company's clients, and the community as a whole.

Given the inherent value the Unjani Clinic model provides to its parent company, the Unjani MIT team must look at profitability and ability to replicate through a series of lenses. There is a chance that given the expense of the specific model, and a series of immutable truths—that the clinics have to exist regardless of profitability, and they should be black nurse owned, and they inherently provide a benefit to the parent company's clients—the idea of profitability must factor in the “social profit” the clinics provide to multiple parties in determining the break even point. Additionally, a yearly loss may be acceptable. The break-even date might be farther in the horizon. Lastly, expanding the model might be more important to the company than having a viable prototype up and running sufficiently first.

Given these variables, the MIT team has decided to over a range of recommendations including most and least aggressive actions that can be incorporated in a way that allows the parent company to determine its acceptable risk in pursuing the current clinic model.

## **Unjani Blog Entry #6**

One of the important issues we are attempting to determine is customer willingness to pay. With a fragmented medical care market, and with free and high cost competition, willingness to pay will help Unjani clinics connect with their potential clients efficiently.

### **Current Pricing Method:**

Currently pricing is set based on the value the service offers. Doctors' offices charge R250 and upwards per visit. Given that the Unjani nurse clinics provide comparable services in equally high quality facilities, Imperial has set the price of R150 as competitive given the general costs of providing services to patients.

### **Testing in the field:**

While this price is competitive in the doctor market, the current nurse clinician market is "free." Nurses are the primary care givers at public clinics throughout South Africa. And this public health model might influence consumer's willingness to pay for nurse services more than competitive pricing with doctors' offices. Given the fact that there is currently no SA business model for nurse clinicians, we thought testing willingness to pay would be a great starting point for determining consumer receptiveness to a new nurse-paid model.

### **Results:**

At each clinic location we polled between 10 and 20 participants on their willingness to pay for nurse administered medical services. What we found is that willingness varied by location, as did receptiveness/ acceptance of the model. In Kwaggafontein, where there was a busy urban business center, willingness to pay was high, with most respondents indicating R120-180 as reasonable per visit pricing.

In Soweto, an extremely populated area with high unemployment and a much younger average respondent age, "fair price" for nurse services was set at R0-70. The idea of paying for nurse services seemed foreign, especially since the same services could be accessed for free. In Soweto, there were multiple large public clinic options that were new, clean, and well managed as far as medication and wait times.

While Imperial knows the importance of branding and keeping prices consistent to support that brand, different communities have different willingness and ability to pay. The communities are in fact very different. In setting one consistent price across clinics Unjani will have to consider the low price point as well as the high one. With the majority of clinic locations serving the under employed and income-less, a unified pricing model may lead to a general underpricing of services.



## **Unjani Blog Entry #7**

It is time to head back to the US. We have visited 6 underserved townships. Our driver Eric has made us gifts to return with: a homemade broom and a drinking gourd. We have gone to his house, met his cousin, walked the streets of Alexander township. We have been called true South Africans.

But in addition to getting a taste of the city, and its people, we have tried to see inside the thoughts of all the different Unjani stakeholders too. We have lived as much as possible in the minds and motivations of the creators of Unjani clinic. And now, after much team debate, long meals, diagrams, and spreadsheets, we are returning home.

Johannesburg is a dangerous city. It apparently is plagued with crime despite its safe feel. Every house has a gate. Every gate has electrical wire around its top. And most gates also have a guard.

It is hard to tell in a city like this what is real and what is not. The violence seems to be a culmination of current Johannesburg and its violent past. People recall incidents from years ago as validation for the strange almost charged vibe it currently has. The same goes for the medical care systems and development industries that reside in this city.

There are pieces to the medical story that reside in the present situation. There are initiatives in the present that seem to be redressing inequities of the past. And in both the case of the city and the medical care, pulling story from fact and present from past has been a journey and lesson in organizational culture and processes and country history too.

Hopefully, with both feet planted firmly in Boston, answering these questions, and the ones posed by our project will be easier, with answers becoming clearer through research, conversation, and sharing with the other Global Health teams.

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