

**Consulting Services Agency for Medical Organizations**

BUSINESS PLAN



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## Abbreviations

AHA - The American Hospital Association

APIAHF - Asian& Pacific Islander American Health Forum

AONE - American Organization of Nurse Executives

BLS - The Bureau of Labor Statistics

HRET - The AHA's Health Research & Educational Trust

JICA - Japan International Cooperation Agency

LLC - Limited Liability Company

MoH - The Ministry of Health of Azerbaijan Republic

PESTEL - Political, Economic, Social, Technological, Environmental, Legal

PWC - PricewaterhouseCoopers

SEO - Search Engine Optimization

SMB - Small and Medium Business Development Agency of the Republic of Azerbaijan

SMM - Social Media Marketing

SWOT - Strengths, Weaknesses, Opportunities, Threats

TABIB - Azerbaijani Management Union of Medical Territorial Units

WHO - World Health Organization

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## Abstract

The growing population worldwide causes an increase in demand for better-managed healthcare institutions. However, the health management system in Azerbaijan lacks professionals who can cope with the new trends in health management. Hospitals worldwide get assistance from healthcare consulting firms to improve their performance. However, there is no consulting firm in the health sector that can fill the gap in Azerbaijan. This capstone project will evaluate the feasibility of opening and operating a consulting firm for medical institutions and includes the assessment of the current market from many aspects for introducing a new type of consulting firm named “Consulting Services Agency for Medical Organizations” in Baku. The first part of the paper includes the types of services a consulting firm can provide, based on the current literature regarding the importance of and demand for these services. Secondly, a market analysis of the Azerbaijan economy and the business environment was carried out. Lastly, surveying 43 private and public hospitals operating in Baku, the business's demand and possible revenue were studied. Also, this data was analyzed to form the customer profiles, projected income, and growth strategy. The results show that there is a need for specific services to be provided by consulting firms. After evaluating the initial costs for set-up and variable costs of the business, it is concluded that the consulting firm can be opened and successfully operate in Azerbaijan. Financial projections confirm possible positive profits in the first year of operation, but substantial profits will be earned in the third year.

**Keywords:** Consulting agency, healthcare management, health sector, hospital management, startup, Azerbaijan.

## 1. Introduction

### 1.1 Project idea background

Each person's health is their priority, and everyone visits hospitals at least once in their life. In general, as average life expectancy increases among the population, the need for healthcare organizations will also increase (Pearson, 2021). The existence of the global pandemic in the last two years increased the hospital visits by patients substantially as well. According to the Global Competitiveness Report 2020, with the rise of the COVID-19 and ageing population, the capacity of the healthcare institutions cannot meet the demand of the increased population (World Economic Forum, 2020). This clearly shows that health system capacity should be expanded by every country. It also means that people are and will need good healthcare and its management. Moreover, the lack of health management education of hospital directors in Azerbaijan worsens the situation.

There has been a rising trend that hospitals need to hire health managers in the last decades. Healthcare management is planning and coordinating non-clinical activities in healthcare institutions. It is a particular type of management that requires knowledge in healthcare operations and technology (Sharma & Gupta, 2015; Pearson, 2021). Although responsibilities and duties of health manager can vary depending on the type and size of the organization, healthcare managers and administrators have a set of common responsibilities such as managing health informatics, managing budgets, communicating with staff and investors, recruiting and training medical staff, creating work schedules, and increasing operational efficiency (Pearson, 2021). The decisions made by the healthcare managers focus on making sure that patients receive the best care possible, and these decisions affect overall hospital's performance (Thompson et al., 2017). Healthcare management is the fastest expanding occupation because of the growth and diversification of the healthcare industry (U.S. Bureau of Labor Statistics, 2010). As a result, the demand for healthcare managers is on the rise. It is predicted that the number of healthcare management jobs will rise 32% between 2019 and 2029. This number is eight times higher than the average for all other occupations (U.S. Bureau of Labor Statistics, 2021). There will be 133,200 new jobs in health management between 2019 and 2029 (U.S. Bureau of Labor Statistics, 2021). Although there is high demand for specialized healthcare managers, there is a very low supply of workers. It is difficult to find suitable candidates with specialized skills and advanced education for health management jobs (Pearson, 2021).

Healthcare institutions are complex, and these organizations require good leadership, supervision, and coordination of employees. The tasks carried in healthcare organizations are very complicated, and individual staff cannot get the job done alone. Therefore, there is a need for high coordination of many workers to complete the tasks in a healthcare organization (Thompson et al., 2017). For this reason, in many countries where hospitals cannot hire healthcare managers, hospitals get assistance from healthcare consulting firms. These agencies hire people with the education and knowledge of healthcare management and offer hospitals a wide range of services. Only in the USA, there are about 17,521 healthcare consulting firms that earn a sum of \$6 billion annually (O'Chucks, 2021). According to Kirkpatrick and Neogy, healthcare management consulting firms are significant and help hospitals and even the government improve healthcare (2016). There are many other articles that mention the

importance and benefits of these healthcare consulting agencies (Kindo, 2017; Potyraj, 2017; Potyraj, 2019; Consultancy.uk, 2020; PayrHealth. 2021).

Although all the information and statistics mentioned above are mostly the USA and Europe based, the overall situation is the same in Azerbaijan as well. There is an increasing demand and a low supply of healthcare managers in the sector. As a deputy minister of the Ministry of Health of Azerbaijan Republic (MoH), I witnessed the changing trend and the need for a better-managed healthcare system in my country. In Azerbaijan, most of the director generals and chief doctors of the hospitals are practising doctors. They are too busy to deal with all the responsibilities of specialized healthcare managers. For this reason, there is a demand for healthcare managers or agencies that can provide help in the management of the hospitals in the health sector in Azerbaijan. As a worker in the health system, I personally believe that there is a need for a health management agency in Azerbaijan. This business plan aims to discuss the feasibility and viability of opening the first consulting firm that can help hospitals in healthcare management by offering some specific services.

## 1.2 Market Overview: Current Hospital Management in Azerbaijan

As a first step of evaluating the possibility of opening the agency, there is a need to analyze the current management system in Azerbaijan and the gaps in management. Unfortunately, there is limited information on the internet about the management of the hospitals and healthcare institutions in Azerbaijan. For this reason, an interview was conducted with authorities of the Ministry of Health of Azerbaijan Republic to learn all management details. They were from the Center of Public Health and Reform of the MoH, and from the Health Management Department of the MoH. The interview questions can be found in Appendix A. Their answers to the interview questions are summarized and given below as it is:

Currently, Azerbaijan has a multiple level healthcare management system. This is true for central government, regional and local levels. The healthcare system management is divided among the Ministry of Health and The State Agency on Mandatory Health Insurance at the central government level. Ministry of Health is responsible for policy development, international relations, medical education and training, and administrative management of sanitary services, psychiatric clinics, and National Oncology Center and National Ophthalmology Center. The State Agency on Mandatory Health Insurance is responsible for financing over 750 hospitals and clinics in Azerbaijan and managing these institutions through its daughter agency TABIB, Azerbaijani Management Union of Medical Territorial Units. The public hospitals are financed by this agency, while private hospitals create their own budgets. However, with the introduction of the mandatory health insurance system in Azerbaijan, public hospitals become legal entities and have a right to make their own budget and charge patients who do not have insurance or do not want to visit a hospital under the coverage of insurance.

The local healthcare institutions are also managed differently based on the following:

- level of care: primary, secondary and tertiary;
- scientific-research and/or care delivery only;
- under MoH or The State Agency on Mandatory Health Insurance.

In general, most scientific-research institutions, including tertiary level institutions, have divided management where the chief doctor covers clinical services and the director covers administrative services and overall managerial oversight of the healthcare organization. Both chief doctors and directors are practising doctors. Scientific-Research Institute of Pediatrics, Obstetrics, Lung diseases and several others are governed by the director and the head doctor, each responsible for certain aspects of the healthcare organization. Primary, secondary, and tertiary level hospitals are all managed by directors and chief doctors, also practising doctors. Secondary level hospitals are all the public and private hospitals, and tertiary level hospitals are specific centres that specialize in one particular area of healthcare and do research. Both secondary and tertiary hospitals require better management. Primary care hospitals are polyclinics that serve only patients that live nearby, and they most probably will not be interested in any consulting service. All in all, all the types of medical institutions are managed either by directors or chief doctors whose main education is medical and not management.

There are two types of hospitals in Azerbaijan: public and private hospitals. Both types of hospitals are managed by the hospital's director generals and chief doctors, who are mainly practising doctors. Private hospitals and clinics also have leadership with divided roles, including directors to cover administrative management and chief doctors to cover clinical services. There are also heads appointed to each department within the hospital who are responsible for dealing with the micro-management of the department. Private hospitals' leaderships have been relatively more successful in the overall management of the organization with equally effective implementation of sales and marketing, communication, recruitment and compensation for medical and non-medical staff and others. However, public hospitals and institutions with leadership comprised of directors and chief doctors so far have not achieved the clear separation of roles and responsibilities. They also failed to focus on administrative management and such services as sales and marketing, patient communications, recruitment, and effective financial management. This failure stems from a lack of knowledge and skills in administrative management issues, a lack of experience in these areas, and the fact that the majority of directors are still former or current doctors with no training in business administration or management.

There are very limited options to study Health Management in Azerbaijan as well. Limited universities offering master degrees are the Azerbaijan State Economic University, which offers Master of Health Management with the capacity of 16 students since 2016 and Azerbaijan Medical University, which has provided a 2-year master's degree in Health Management since 2019. In addition, Azerbaijan Medical University has also offered a 3-year residency program on Social Hygiene and Health Management since 2011. However, as these programs are full-time and only offer morning classes, there is a low enrollment level from the people already working in the health sector. In addition, the universities' limited capacity and hectic schedules make it almost impossible for the current hospital managers to get management education.

The interviews made it clear that there is a need for expertise in health management, especially for the public hospitals in Azerbaijan and most of the hospitals need assistance in sales and marketing. Along with the lack of education and expertise in health management, no agency can offer management services to the hospitals in Azerbaijan. In practice, there are many agencies in other countries that help hospitals with a wide range of services. Taking into

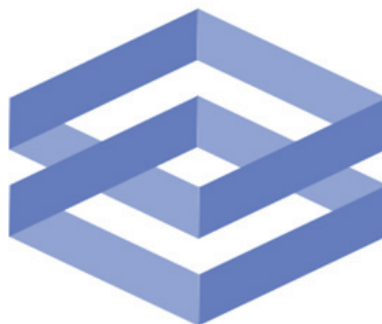
account all these points, as a worker in the healthcare system, I believe that there is a demand for an agency that can help hospitals and medical institutions with the management in Azerbaijan.

## 2. Overview of the agency

### 2.1 General information

The agency's name is going to be “Consulting Services Agency for Medical Organizations”. As the agency will be one of its kind, the name is intentionally straightforward and easily understandable. The agency is expected to serve both private and public hospitals in Azerbaijan. Public hospitals were funded by the government and did not seek profit from the patients before. However, with the introduction of the mandatory health insurance system in Azerbaijan, public hospitals started to charge patients that visit hospitals. This increased the interest of the public hospitals for better management. That is why the initially expected clients will be both private and public hospitals operating within the Republic of Azerbaijan. The agency will hire employees with any health management knowledge within the country. Due to lack of the education platforms related to health management in Azerbaijan, there can be a lack of professional workers. In this case, the company will provide workers with training in health management. The outsourcing option can be thought of in the future when the company starts to make profits as it will be costlier to outsource health managers from other countries.

It is essential how the brand will be seen by the customers. All the details, including colours, design and messages used while presenting the company matters (Samli, 2013). For this reason, the blue colour is selected for the company's logo. “Blue is associated with credibility, trust, knowledge, power, professionalism, cleanliness, calm and focus” (Pras, 2017). As these qualities are very important for healthcare providers, the blue colour is often used by medical organizations (Pras, 2017). At the same time, a chain symbol is used in the logo to symbolize the importance of cooperation between hospitals and the consulting agency. Figure 1 shows the prototype of the logo.



Consulting Services Agency for Medical Organizations

Figure 1: Logo Prototype of “Consulting Services Agency for Medical Organizations”.  
Created manually at [freelogodesign.com](https://freelogodesign.com).

## 2.2 Mission, Vision, Goal, Core Values

The mission of the company is to provide management services to medical institutions in the country. In other words, our company's mission is to improve the delivery of health services by helping hospitals in health management. Improvement in the health system is positively related to the well-being of the nation. For this reason, improving the healthcare management in the country will lead to better serving hospitals, which will result in a better economy.

When it comes to the company's vision, the “Consulting Services Agency for Medical Organizations” aims to become a developed company in the field of health management in the international arena. Therefore, the company will focus on its growth strategies. After serving the hospitals in Azerbaijan, our company can start serving neighbouring countries such as Georgia, Kazakhstan, and Russia that lack health management agencies.

The agency's overall goal is to become a global brand worldwide in the future. With the specialized employees, innovative ideas, and right growth strategy, the goal of the company will be fulfilled in the future.

As health is a very sensitive and crucial topic for everyone, the core value of any medical institution is to put patient safety first. As the company will serve medical institutions, just like hospitals, the core value is also to make patients wellbeing a priority.

## 2.3 Services provided

There is a wide range of services provided by healthcare consulting firms worldwide. The agency will provide the services related to the agency's mission and are more feasible to implement in the new operating agency. Moreover, these services are chosen after reviewing their importance in the literature, the interview results mentioned above, and personal knowledge. There will be four main services provided in the agency: marketing, corporate ethics/training, healthcare analytics/data analysis, patient portal. Patient portals will be created among these services after the market analysis and evaluation of demand for this service as it can be costly to provide during the first years of operation.

### 2.3.1 Promotion Marketing

The company will assist the hospitals to diversify their marketing strategies for attracting more patients. The rise in the number of hospitals created more options for the patients than before. Patients do not feel the need to go to the closest hospitals and rather do research online to decide on healthcare providers (Gandolf, 2020a). For this reason, it has become more important to have planned and budgeted marketing in the hospitals to reach new patients and make previous patients revisit when needed (Gandolf, 2020a). As the healthcare philosophy is to make patients priority, marketing techniques in other industries do not apply to healthcare services (Purcarea, 2019). Every message given by the hospitals should show that the wellness and health of the patients is a priority. As the patients are more informative and knowledgeable, hospitals need the branding to connect with customers to create lasting relationships (Kumar

et al., 2014). For this reason, healthcare institutions need to have a very specific marketing approach (Thomas, 2008; Purcarea, 2019)

Hospital marketing requires a team of specialists who acquired knowledge through years of study, training, and practice (Gandolf, 2020b). Hospital marketing helps the hospital to communicate with the patients. It can create a hospital image, provide information to the patients about medical services, increase customer satisfaction, and also bring new customers for increasing profit (Singh, 2018). One of the main goals of healthcare marketing is to analyze the needs and desires of patients for meeting those necessities (Prasetyo & Sulistiadi, 2019). The analysis done by a consulting firm for marketing can help hospitals understand the needs of patients. This can be used to create a management strategy for more profit (Singh, 2018). Moreover, hospital marketing is beneficial for the patients. Thanks to hospital marketing, consumers will have more information about medical services and can avoid “doctor shopping”, which can result in worsened medical conditions and delayed treatment (Singh, 2018).

Considering all the information acquired from the literature, hospitals will demand a consulting agency that can successfully do hospital marketing because of its importance and complexity to implement. Moreover, hospital marketing fits the company’s mission: better quality health for consumers and high profits for hospitals. For this reason, the company will offer this service. The agency will provide two types of marketing services depending on demand. One will be creating a marketing strategy for increasing the hospital's sales and profit. The second marketing strategy will be for creating the brand/image of the hospitals.

### 2.3.2 Corporate Ethics/Training

The company will assist the hospitals in increasing corporation among workers of the hospitals by updating the work environment and providing training to workers. In the healthcare setting, communication is essential as a quick conversation or simple misunderstanding can create a life or death situation (Ossmann, 2021). According to statistics, medical errors are the third cause of patient death in the USA, and 80% of these medical errors occurs because of miscommunication among healthcare specialists (Makary & Daniel, 2016). For this reason, patient safety and health are highly affected by effective teamwork in hospitals. The complexity of healthcare delivery makes effective teamwork even more critical (Babiker et al., 2014). Experts in patient safety also believe that collaboration and the ability to work in a group are essential in healthcare. If clinical and nonclinical staff work together, hospitals can achieve better patient outcomes and increase patient satisfaction (Bhatt, J. & Swick, M., 2017). In the hospital setting, not only the cooperation of healthcare workers but also cooperation between doctors and managers is important (Klopper-Kes, 2011). One study suggests that collaboration with managers can increase hospital performance (Klopper-Kes, 2011).

The AHA’s Health Research & Educational Trust (HRET) and American Organization of Nurse Executives (AONE) gives information and tools for improving communication and teamwork in hospitals (Bhatt, J. & Swick, M., 2017). These tools include creating a good workspace and environment for effective teamwork and training the workers. It is studied that 56% of the interactions between healthcare workers are unplanned, so the workspace is very important (Ossmann, 2021; Real et al., 2017; Zhang et al., 2015). All the above-stated

information shows the importance of cooperation in the hospital, and that is why the company intends to help hospitals to improve teamwork and communication. For this, the company will conduct an organizational analysis by collecting and analyzing data to find out what are the possible problems among the workers and provide solutions accordingly. These solutions will include providing training, changing workspace and other tools. The company can assist hospital management in providing healthcare workers with needed workspace and training for which they usually do not have time or knowledge.

### 2.3.3 Healthcare Analytics/Data Analysis

With the increase in the new approaches to healthcare, the competition in the industry is rising (IBM, 2021). In addition, with the increasing technological advancement, the health sector has also become the sector that can improve using data analytics (Rangaiah, 2021). In many countries, especially in the USA, hospitals are increasingly using data analysis to improve the hospital's performance and patient outcomes, track the care given to the patients, correct inefficiencies in patient care, and even do budgeting (Sisense, 2021). All of these assist hospitals to be competitive in the market while also giving the best care to their patients.

Healthcare analytics is gathering and analyzing healthcare data for better decision making (Wan & Gurupur, 2020). These data range from medical expenses, the behaviour of patients to demographic information of patients (Rangaiah, 2021).

There are 4 types of data analysis that can answer different essential questions in the health sector (Bikmeyer, 2020). First, descriptive analysis is done by using the data from the past to see the trends. This can be used to create patient profiles, analyze patient behaviour and etc. Predictive analysis, on the other hand, is used to forecast the future. This analysis can be used to determine future expenses, the number of staff needed in each department, and etc. Prescriptive analysis is used to analyze how a strategy or intervention will affect the hospitals. It can show how the performance or budget of the hospital will be affected after any new decision. Lastly, discovery analytics is used to find connections and/or outliers in the data (Bikmeyer, 2020). This can be used to identify the unusual events and their cause.

Applying data analytics in the health sector can benefit hospitals from different aspects. The list of the potential benefits of data analysis is as follows:

**Industry Advancement:** Data analytics have long term benefits for industry improvement. By analyzing new and old data, hospitals can predict the spread of diseases, find treatment for diseases, detect life-threatening situations in advance and many more (Rangaiah, 2021). According to ThoughtSpot, which is also a consulting firm providing data analysis services abroad, predictive analysis can help hospitals be prepared for situations that can negatively affect their operation (2021). Data analytics can help healthcare providers find connections to efficiently solve the challenges that hospitals are facing (IBM, 2021).

**Financial Management/Cost Reduction:** Hospitals' data analytics can improve financial management as well. Hospitals and healthcare managers can use data analytics to analyze administrative and financial data to offer better services to patients at a lower cost. There is a vast amount of money spent by hospitals due to overstaffing or understaffing (Rangaiah, 2021). These problems can be resolved by predicting the number of patient admissions and the staff that is needed. In this way, unnecessary money spent by the hospitals

can be prevented. Data-driven analytics is important to identify and intervene in disease early. It can also aid hospitals in predicting the rise of disease and treatment costs of patients (Rangaiah, 2021). For this reason, it can be an essential tool for budgeting.

**Patientcare:** One of the primary purposes of data analytics in the health sector is to help doctors make decisions regarding patient care faster to enhance the treatment (Rangaiah, 2021; ThoughtSpot, 2021). Collecting data in healthcare institutions can increase the communication between doctors and patients and improve the quality of care by giving insights into the patients' specific conditions (Cprime Studios, 2021). It is especially beneficial if the patients have complex medical histories and multiple health conditions. The data analysis tools can predict the risk of developing diseases such as diabetes and help make an early diagnosis (Rangaiah, 2021).

Considering the importance and benefits of data analysis in the health sector, it will be crucial for the agency to provide this service. Therefore, it is expected that the demand for this particular service will be high.

#### 2.3.4 Patient Portals

The company will assist hospitals in creating patient portals and/or websites. According to the American Hospital Association (AHA) and AVIA, which is the agency aiming to digitalize healthcare, 75% of the hospital executives in the USA are very conscious of the importance of digital innovation (Sullivan, 2018). One of these innovations is patient portals. Healthcare portals are more widely used in all sizes of healthcare institutions in many countries (Heier, 2021). A patient portal is a website or mobile application where patients can make appointments, track their visits, access lab results, prescriptions, billings, and talk with their provider (Vorvick, 2020). Because of the convenience of the patient portals, an increasing number of patients registering and widely applying the portals (Heier, 2021). Patient portals enable a patient to access their personal medical information and, in this way, improve patient engagement and communication (Dendere et al., 2019). The benefits of the patient portals include and are not limited to the discovery of the medical error, improvement of patient-doctor communication, and easier access to medical records (Otte-Trojel et al., 2014). Creating a patient portal can increase efficiency in hospitals as it makes communication easier and faster (Heier, 2021). In addition, it can improve patient satisfaction and engagement and is very useful for both patients and hospitals (Griffin et al., 2016).

Moreover, patient portals are helpful for collecting data about the patients who visit the hospitals. Patient portals include data about the patient visits and their frequency, the age of the patients, the doctors that take care of the patients and much other information. This information can be used to learn about the patient profiles and improve the services for attracting more patients. In addition, this data can be used to provide complementary data analysis services to the hospitals.

Taking into account all the benefits of the patient portal to hospitals and patients, they will be included in the services that the company will provide. However, the feasibility of providing these services will be evaluated before officially offering them in the first years of operation.

## 2.4 Minimum viable products (MVPs) of the project

It is important how the company will make its appearance to the customers. As we live in a digital era, the marketing of the company will be done online. There will be two leading platforms that customers will be able to use to get information about the company and contact us: website and mobile application.

### 2.4.1 Website

With the rise of other digital platforms such as social media, the popularity of the websites decreased substantially. However, websites are still the first place people visit after searching the company on Google (Pak, 2021). The absence of the website can raise suspicion about the reliability of the company. The first impression is significant, and the website is typically the first place that the customers will visit (Pak, 2021). Aside from the first impression, the main reason for creating a website is to increase the credibility of the company (Kaplan, 2020). Consulting Services Agency for Medical Organizations will also set a website to create a digital presence. The prototype of the website is visualized in Figure 2. The website will include information about the company, the services, and contact.

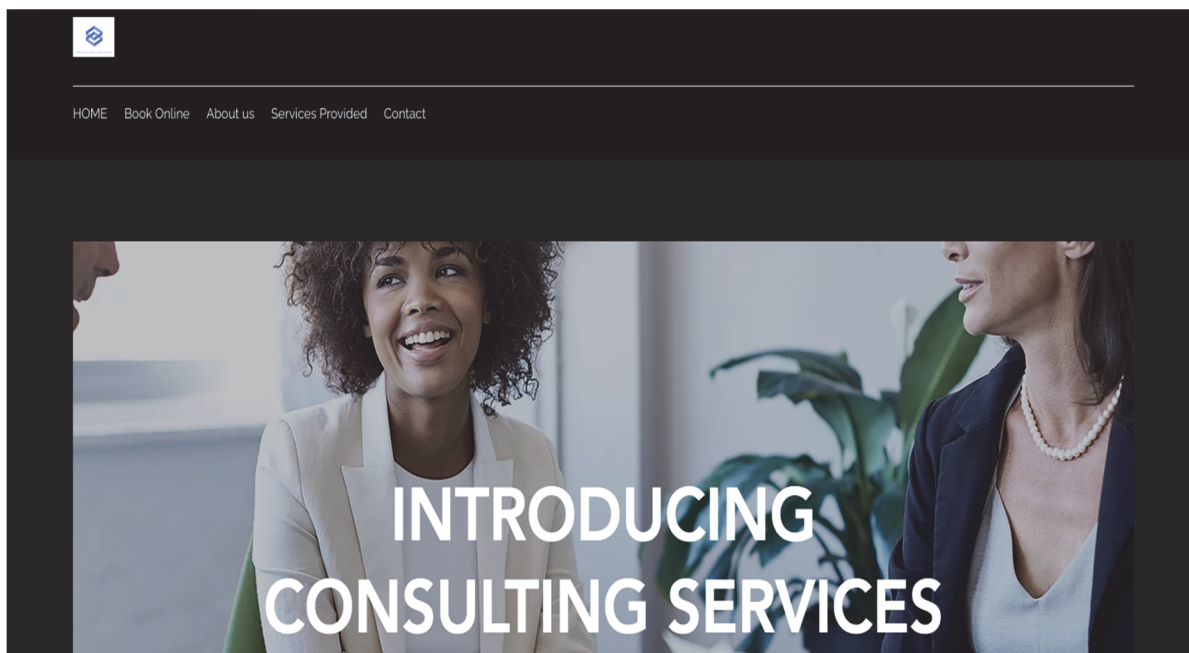


Figure 2: The view of the website of the agency. Created at wix.com.

### 2.4.2 Mobile application

By the end of 2020, 3.5 billion smartphones were used worldwide, which increased the demand and the usage of mobile apps by customers (Gustec, 2021). Mobile applications are especially important for improving communication as consumers can quickly get in touch with the business. It allows business owners to learn more about their consumers. It collects data

regarding customer profiles and can be used to analyze the customers in the future. Although the number of hospitals is limited in Azerbaijan, the mobile application will especially be beneficial when the agency also operates in other countries. Moreover, the messaging tool that mobile application provides can increase the communication between customers and workers of the agency. It makes it easy to solve problems and even get customer feedback. Taking into account the benefits of the mobile apps, the goal of the company is to provide a technically stable application that can be used for communication. The prototype of the application is illustrated in Figure 3.

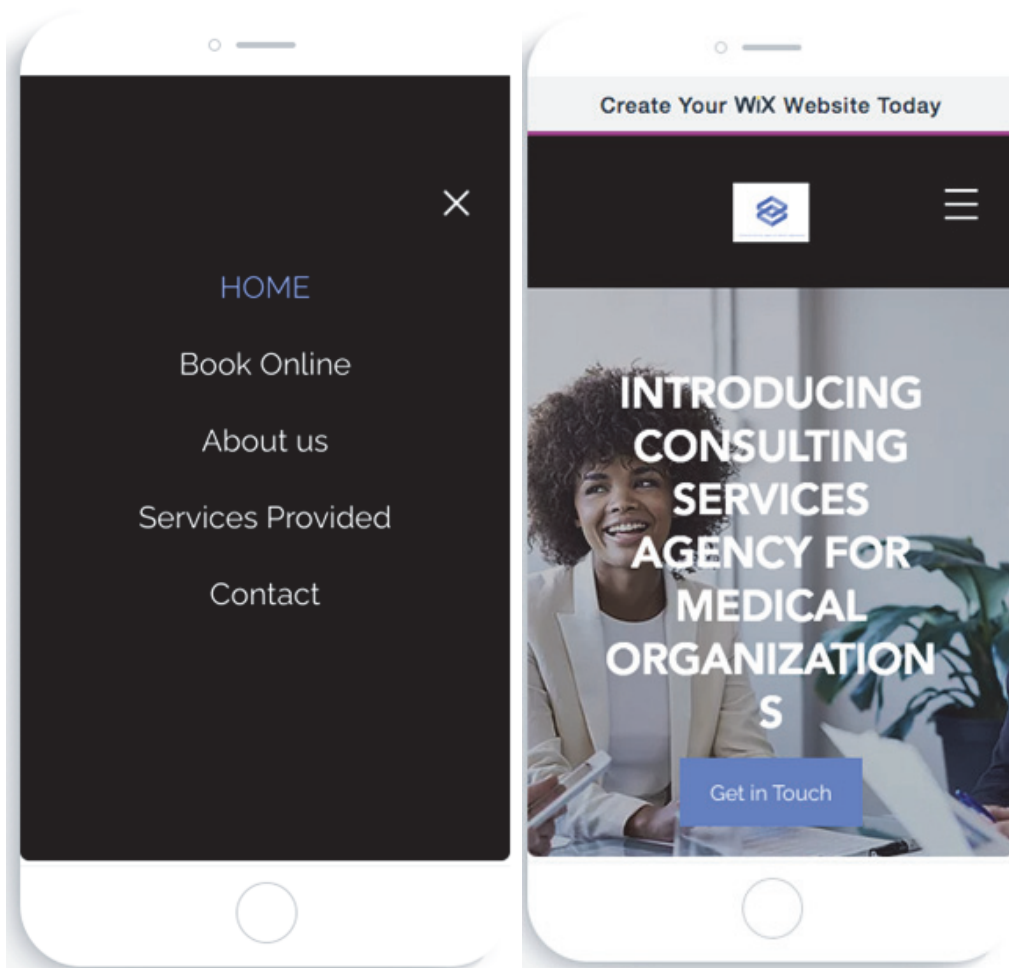


Figure 3: The view of the mobile app of the agency. Created at wix.com.

## 2.5 Key partnerships

The success of any business is also related to how key partners will participate in achieving the mission and vision of the business while respecting the core values. There are several key partners that the “Consulting Services Agency for Medical Organizations” will work with.

**Employees:** Specialized employees are vital for the success of the business. The main employees of the agency will be directors with a health management degree. They will be overseeing all the services provided to the hospitals and help the employees with their knowledge

of health management. Moreover, it is important to build a good relationship with customers based on trust. This can only be possible if the employees respect the privacy of the information they will receive. At the same time, it is essential for the employees to understand the vision and mission of the company and do their best to help the hospitals to improve their service and efficiency. It will also be important to remind the employees of the company's core value which is prioritising patient safety.

**Co-founders:** The cooperation between the cofounders of the agency is equally essential with collaboration among workers as they are representatives of the agency (Schalk & Curşeu, 2010). They should be knowledgeable about the health sector and always take into account the core values and mission of the company in every decision.

**Government:** The last and maybe the most important partner of this consulting agency is the government of Azerbaijan, as the agency can serve to improve the healthcare system of Azerbaijan. For this reason, it can be in the government's best interest to support the agency financially and help with providing training to employees both locally and internationally. Therefore, it is crucial to be in contact with the Ministry of Health and The State Agency on Mandatory Health Insurance for any possible partnerships as it can be beneficial both for the agency and government.

## 2.6 Legal perspective

As the company will be the first consulting firm in the health sector, it is essential to revise the legislation for operating a business in Azerbaijan. The Azpromo report which is written by a marketing research company, gives information about many important points to consider when opening a business in Azerbaijan (Azpromo, 2020). According to this report and the Ministry of Economy of Azerbaijan Republic, there are several forms of businesses that can be operated in Azerbaijan, namely, general and limited partnership, cooperation, and joint stocks (Azpromo, 2020; Ministry of Economy, 2021). The company will operate as a limited liability company (LLC), which “is an entity established by one or more individuals and/or legal entities contributing their shares to the charter capital” (Azpromo, 2020, p. 27). There is no specific amount of capital initially asked to create the business. However, some amount of capital can be required after the assessment of the business and all the needed documentation (Ernst & Young, 2017).

According to the legislation of Azerbaijan, the development of information systems requires getting a license from the Ministry of Transport, Communication and High Technologies (Azpromo, 2020). For being able to get a license, the company also needs to register as a for-profit legal entity and this process is handled by the State Tax Service under the Ministry of Economy of Azerbaijan Republic (former Ministry of Taxes) (Ministry of Economy, 2021). Other than this, there was a need to submit documentation for opening the business to the State Tax Service regarding income tax, Employment Center, Ministry of Labor for hiring workers, Ministry of Justice, MoH and Social Protection Fund (Ernst & Young, 2017). The process of getting needed documentation initially took around 34 days (Ernst & Young, 2017). However, Azerbaijan Republic made changes to legislation in 2018 for shortening the period of time needed for opening business. As a result, it takes around 3-5 business days to get all documentation for licensing and permits (Azpromo, 2020). As this

company is unique and new in the health sector, additional permits, licenses, and documentation can be required by the government.

## 2.7 Ethical perspective

Ethical dilemmas can arise in any business settings. However, it is susceptible when the health of people is in the matter. Earning profits is essential for the successful operation of the company, but at the same time, the core value of any agency in the health sector is prioritizing patient safety. For this reason, in any setting, the agency should focus on patient safety first rather than increasing profits.

The second ethical problem that can arise within the company is that the clients' data, such as patient information provided for data analysis service, can be susceptible. This data cannot be shared with other competing hospitals or the public. It should be protected accordingly. The workers of the agency will sign a contract regarding the protection of the data, and they will be legally responsible if any leakage of the data happens.

## 3. Methodology

### 3.1 Types of Analysis

For opening a healthcare consulting firm it is essential to do feasibility and market research (O'Chucks, 2021). For this reason, several types of analysis were carried out to analyse the business environment and evaluate the feasibility of opening the business. In the research done by the MoH of Sri Lanka and Japan International Cooperation Agency (JICA), the survey was designed and sent to directors and deputy directors of the hospitals to collect information regarding the costs (2007). A similar approach was used in this business plan as well. The survey was designed and distributed to the hospitals operating in Azerbaijan to find out the size of demand for services of the business, types of additional services needed from hospitals, and the amount that hospitals are willing to spare for each service to evaluate the feasibility of the project. Based on the results from the survey, Cost and Benefit analysis was carried out to see if the business can make a profit. Second, there was a market analysis for evaluating the business environment in Azerbaijan. This analysis can help understand the problems that the business can face and the opportunities of opening a business in Azerbaijan. The market analysis will include the SWOT, PESTEL analysis and as well as analysis of competitive advantage.

### 3.2 Survey Design

For surveying with the directors of the hospitals, the specific letter of permission was sent to the Ministry of Health by the vice-rector of ADA University. A copy of the letter can be found in Appendix B. After the permission was granted, the list of the emails of hospital directors was requested from the Analytical Expertise Center of the MoH. The MoH itself was interested in the project, so they provided the needed list. The list included information about more than 1000 hospitals and private doctor offices in Azerbaijan as a whole. As the agency will operate in Baku, only the hospitals that serve in Baku were chosen from the list.

Moreover, the list included small doctor offices that can hardly pay enough money for the services of our agency. For this reason, our target hospitals are the ones with more than 50 employees. After filtering the email list, the survey was sent to 110 directors of public and private hospitals on the list via email. The survey consists of 15 questions. Taking into account the limited time of the directors, only 43 hospitals agreed to participate. The survey was initially designed and distributed in the Azerbaijani language as most of the directors may not know the English language. The translation of the survey can be found in Appendix C. The survey includes demographic questions and questions regarding each service provided by the consulting firm. First, for evaluating the demand of hospitals, questions such as “what services would you like to receive” is included in the survey. The survey also includes questions to quantify the amount of money the hospitals are willing to pay for each service. These data are used to calculate the agency's projected income and do cost and benefit analysis.

### 3.3 Limitations of the Analysis

There are some limitations associated with the analysis that will be done to check the feasibility of the project. The questions asked to the directors regarding their willingness to pay is a subjective answer. This does not ensure that the hospitals will actually demand services from the agency or pay the exact amount they mentioned in the survey. Moreover, although hospitals can mention that they will be demanding services, their timing cannot be measured. It can be possible that they are planning to get services in the future. Lastly, the directors' opinions can change when making an actual decision. The answers to the survey questions are subjective, and more people will be involved when it comes to making the final decision about requiring services. For this reason, making assumptions based on this data cannot ensure for 100% that there will be profit for the agency. However, it can give some insight into the market and possible income of the business.

## 4 Survey Results

Demographic questions revealed that out of 110 hospitals, 43 hospitals took the survey, and 20 of these hospitals were public while 23 were private hospitals. 30% of the hospitals had 50 to 200 workers, 53% had more than 500 workers, and the rest were medium-sized hospitals, 200 to 500 workers. The directors of the hospitals were the ones filling in the survey, and they were asked to mention their education level. Half of the directors of the private hospitals had some additional education or training in management, while only 17% of the directors of public hospitals had management degree. This shows that there is a lack of managers with a health management degree, and it is especially true for public hospitals.

The first question regarding the consulting agency asked the hospital directors was whether or not they are willing to get services from the consulting agency. All the hospitals that participated in the survey mentioned their demand for a consulting agency. The reason for this can be that the hospitals that are interested in the consulting agency agreed to take part in the survey. The high demand for the consulting agency confirmed that it is possible to start the operation of the business in the country. Then the directors were asked to mention

which services they would like to receive from our agency. Out of 4 services provided by the agency, the percentage of the hospitals demanding the survey is illustrated in Figure 4.

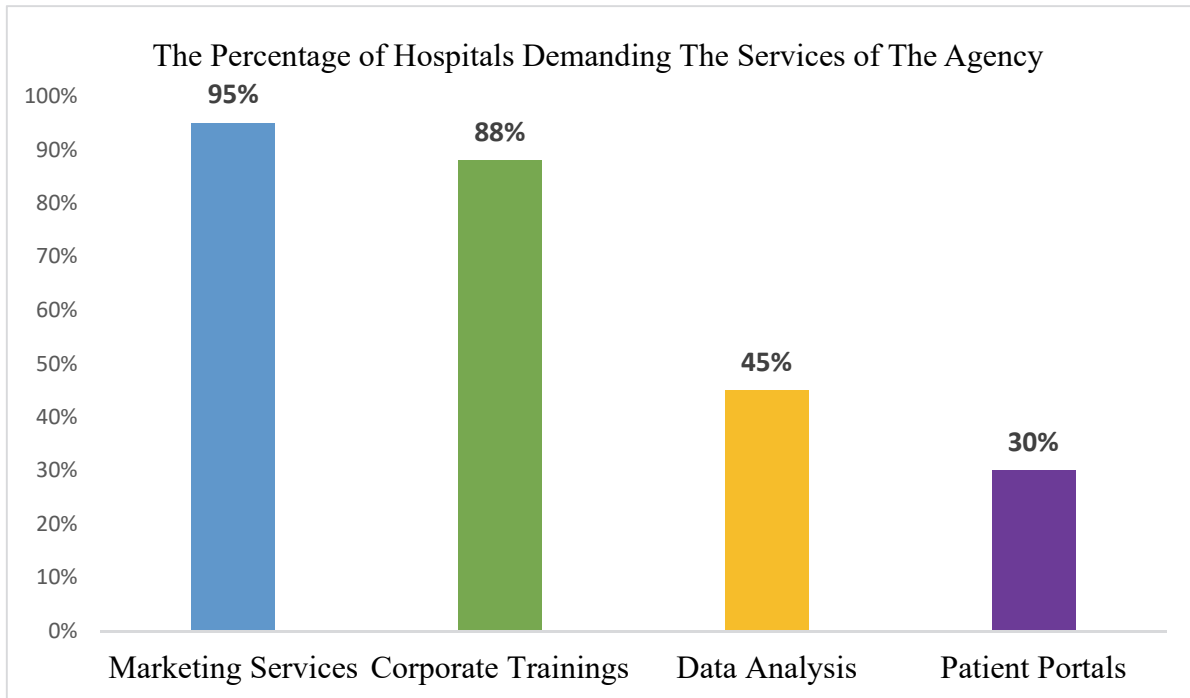


Figure 4: Demand for the services of the “Consulting Services Agency for Medical Organizations”.

The most demanded services of the agency are marketing services and corporate training. 95% of the hospitals would like to receive marketing services, and 88% were interested in having corporate training. Almost half of the hospitals wanted to get data analysis services. The least demanded service is patient portals. As the demand for patient portals is not high enough and the cost associated with the provision of this service, this service will be provided in the future. The more detailed information about the answers of the hospital directors regarding each service is as follows:

**Marketing Services:** Regarding the marketing services, the hospitals were asked to mention which platforms they would like to be promoted. Social media was mentioned by 79% of the respondents, and the rest of the respondents said that they would like to receive all types of promotions, including TV/radio promotions and banners. Moreover, 80% of the hospitals were interested in getting Search Engine Optimization (SEO) marketing service to improve the hospital's image. All in all, all the hospitals are willing to pay for marketing services to improve both sales and the image of the hospitals.

**Corporate Training:** To learn more about how hospitals manage cooperation between employees and what can be the gaps in the hospitals. Also, some other questions were asked. First, directors were asked to mention how they improve collaboration in the hospital. Only 14% of the hospitals were giving training to the employees to improve the cooperation, and 40% of the hospitals were just having discussions with the employees that have conflicts in the hospital. Other hospitals did not mention how they were improving cooperation. It was also

asked if the hospitals are satisfied with the current level of collaboration. Although 70% mentioned their satisfaction, they were still interested in getting corporate training services. The results show that the cooperation in the hospitals needs to be improved, and most hospitals do not use training. For this reason, the service provided by the consulting agency will benefit hospitals.

**Data Analysis:** The hospitals were asked to mention in which area they would like to use data analysis service. 20% of the hospital wanted to analyze their current patient profiles to learn more about their patients and how to diversify the patient pool. 31% of hospitals wanted to forecast the budget of the hospitals, and 49% of the hospital directors wanted all types of data analysis services, including the frequency of hospital visits of patients. This information will be taken into account while hiring data analysts for the agency.

## 5 Human Resources

As the initial results of the survey confirmed that there is demand for the consulting agency in Azerbaijan, further analysis regarding the agency is provided in the following sections of the business plan. For evaluating the feasibility of the organization, it is important to know the number of employees that are needed to be employed.

### 5.1 Employees

The company will need to hire professionals to provide three services (marketing, corporate training, and data analysis). The success of any organisation largely depends on the employees that it has. Without successful management of the team of specialized workers, the firm cannot get the attention that is needed for building the brand. There are a number of specialists that the “Consulting Services Agency for Medical Organizations” firm will need. It is possible that not all of the specialists will be hired at once as it can be costly to create many departments within the agency. Still, as the company grows, the main focus will be including specialists from different sectors to provide the best service possible. The list provided below includes the specialists that can be useful for the operation of the company. The contract with these workers will be signed for a year because that service will no longer be provided if there is not enough demand. The most important professionals that need to be hired from day one are healthcare managers, application developers, marketing and customer service professionals.

1) **Directors (with health management degree):** One of the most important employees of the agency are the directors that have healthcare management education. The team of directors will be hired and oversee all the operations related to service provision in the agency. The agency will focus on finding professionals with a degree in health management. If not, specific training will be provided to people with related knowledge about the field. It is also possible to outsource some healthcare managers from abroad to train the personnel. There are few people from the University of Economics in Azerbaijan who have a degree in health management, and they will be offered the job. As the directors will control and oversee all the services provided by the business, they are the core of the

agency, and their performance will be evaluated to ensure that they are completing their responsibilities properly.

- 2) **Human Resource Professional:** The human resource professionals will improve cooperation in the hospitals by providing training and advice about the work environment. They will also deal with hiring professionals for the agency.
- 3) **Data Analyst:** Two data analysts will be employed to analyze data that will be provided by the hospitals. One of the data analysts will be specialized in analyzing financial data. At the same time, the other one will focus on analyzing patient data. More data analysts will be employed if the demand from the hospitals increase or the amount of data will be large enough to be handled.
- 4) **Marketing Professional:** There will be three marketing professionals hired as the first stage of operation in the agency. One of the marketing professionals will specialize in digital marketing. There will be one marketing professional that will work for SMM (Social Media Marketing) as a content manager. The other marketing professional will deal with the design. Although it would be better to have marketing professionals with a health marketing degree, it might be not possible to find these professionals in Azerbaijan. For this reason, the marketing professionals of the agency will work with the directors to provide specific healthcare marketing services to the hospitals.
- 5) **Budgeting and Finance Professional:** There will be a need for an employee with finance knowledge to deal with the cost and benefit analysis of each project that the agency will get. The amount of money required from the hospitals will be different based on various factors, such as the size of the hospital. For this reason, the budgeting and finance professional will be responsible for figuring out how much to require from the hospitals for each project. He/she will also deal with all the budgeting and finance.
- 6) **Receptionist/Customer Service Representative:** The receptionist or customer service representative will be the main person to communicate with the clients. They will make appointments, talk with customers and take notes of any issues they are having. They will make sure that each department is getting the necessary information about customer complaints and recommendations.
- 7) **Lawyer:** As the data and information given to the agency can be sensitive, it is essential to have a lawyer that can deal with all the legal obligations and the contracts. The lawyer will write all the contracts signed with clients and employees about protecting the information. He/she will also help to solve any legal problems that can come up from the hospitals in the future.

## 5.2 Organizational Chart

The organizational chart illustrates the hierarchy in the organizations as well as the different departments that each specialist will work at. For example, it can be seen from the chart that the team of healthcare managers will oversee all the tasks completed by the operation and marketing department as the tasks assigned to this department will be related to healthcare management (Figure 5).

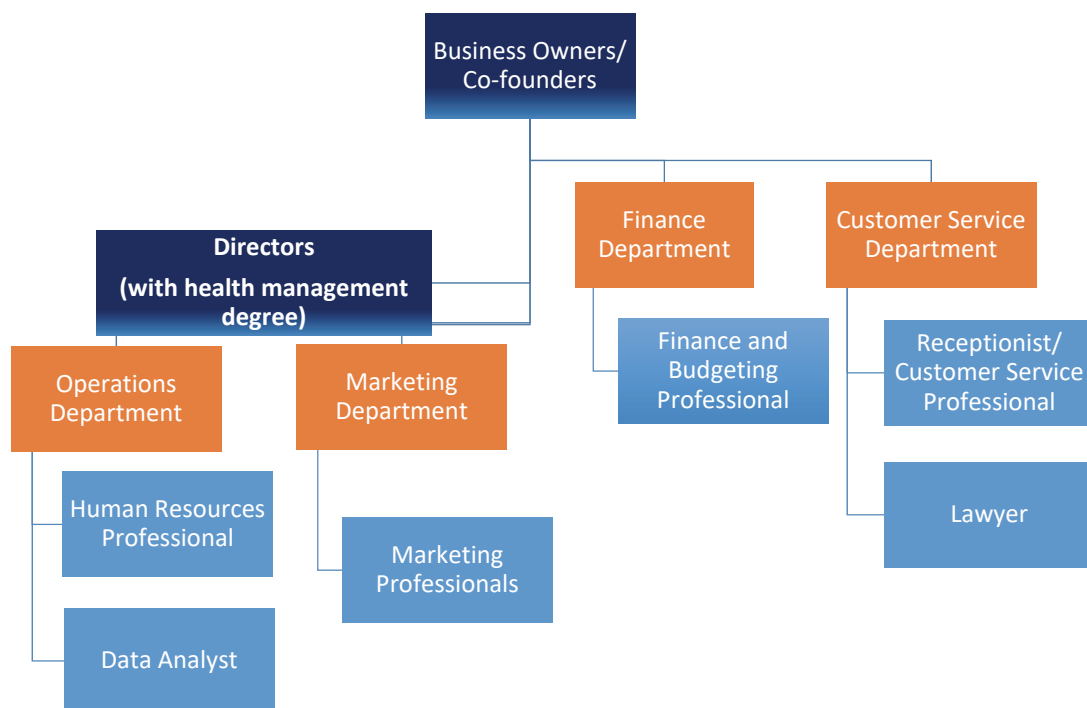


Figure 5: Organizational chart.

## 6 Financial Projections

### 6.1 Initial Investment

The initial set-up cost of the business includes all the costs that the agency needs to spend for starting the operation of the business. These costs are divided into three categories: cost for physical capital, digital tools, and establishment. The costs do not include the wages of the employees and monthly expenses of the business except the rent. The wages of the employees will be mentioned in the next section. The costs in table 1 also are shown in USD, and the calculation is done by approximating and rounding up the numbers (1 USD is equal to 1.7 AZN).

<b>Establishment costs</b>		
Expenses for legislation (permits and licenses)	2,000 AZN	1,177 USD
Office rent for a year	30, 000 AZN	17,647 USD
<b>Physical Capital</b>		
Computers	20,000 AZN	11,765 USD
Other amenities	2,000 AZN	1,177 USD
<b>Digital Tools</b>		
Mobile Application	8,000 AZN	4,706 USD
Website Design	3,000 AZN	1,765 USD
Marketing	10,000 AZN	5,882 USD
<b>Total Cost</b>	<b>75,000 AZN</b>	<b>44,117 USD</b>

Table 1: Initial investment.

Table 1 shows the estimation of all the costs for initial investment, and it is

approximately 75,000 AZN (44,117 USD). Therefore, the business's co-founders can invest a portion of this cost. However, the Small and Medium Business Development Agency of the Republic of Azerbaijan (SMB) will also be applied to the possible funding. If the funding will not be granted, there is also an option to take a loan with a 10% interest rate to cover some of the cost. More specific information about the costs is given below.

**Legislation expenses:** According to PricewaterhouseCoopers (PWC), an international firm providing financial services worldwide, there is no cost to register the LLC company in Azerbaijan (2017). However, some specific permits and licenses must be acquired to start the consulting firm. In addition, there are also costs associated with registering in the pension fund. The approximate cost needed to get all the documents and pay fees is 2,000 AZN (1,177 USD).

**Office rent expenses:** The office will be rented rather than owned to minimize costs. As consulting firms do not need special equipment or interior, the only cost will be the monthly payment of the rent. The office also has all the furniture. The monthly cost of renting the office with furniture is 2,500 AZN, making the yearly expense 30,000 AZN (17,647 USD).

**Computers:** As the agency plans to provide data analysis and digital marketing services, there is a need to supply the employees with high technology computers. The second-hand computers will be bought from online selling apps as “tap.az”. The cost of one MacBook Pro is around 2,600 AZN, and 7 of these computers will be purchased for healthcare managers, marketing professionals, and data analysts. In addition, MacBook Air will be bought for the receptionist, and it costs 1,600 AZN. The total cost of purchasing second-hand computers will be around 20,000 AZN (11,764 USD). As the agency grows, there will be a need for more computers.

**Other Amenities:** For the workers' comfort, the money can be spent on coffee stations, creating a small kitchen, etc. The amenities can be added at the request of workers as well. Furthermore, small changes in the design of the rooms and workstations can be made to improve communication between workers and supervisors as well. The AGAT Design firm (Instagram/aqat\_dizayn\_insaat) was conducted, and the cost of all these changes will be around 2,000 AZN (1,177 USD).

**Website:** For the website of the agency, there is a need to purchase the domain. There will be a need to hire a website developer. The whole process of creating the website will take up to 3,000 AZN (1,765 USD).

**Mobile application:** Creating a mobile application is a more complex process than the website. There is a need to register the application in both IOS and Android stores to make it accessible for everyone. The registration fee for IOS and Android is 510 AZN (300 USD) and 43 AZN (25 USD), respectively. The mobile application will also have a messaging section to store the clients' data. For this reason, it will take more time and funds for developers to create it. After talking with some app developers, the amount dedicated for the whole process is 8,000 AZN (4,706 USD).

**Marketing:** The marketing expenses for the agency will be higher as the agency will be the first one in the sector. For this reason, there is a need for a perfect marketing strategy to create the brand name in the sector. The clients of the agency are hospitals, and that is why the number of expenses on the social media ads will be the lowest. Only 1,000 AZN will be

spared for social media ads. This is because the customer pool that the agency is hoping to get will not be using social media that much. The highest portion of the money will be spent on billboards and TV/radio commercials to create awareness about the company. The average cost of one billboard is around 500 AZN, and 2,000 AZN will be spent to place four billboards. The billboards will be located in areas closer to the hospitals. The TV/Radio commercials will take up to 4,000 AZN. Lastly, 2,000 AZN will be spent on google ads/SEO. There is flexibility to change the amount spent on google ads very quickly, so the money spent on this marketing strategy can be increased in the future. For the other small marketing expenses, 1,000 AZN will be spared. The agency will pay the maximum total marketing cost of 10,000 AZN (5,882 USD). This amount is expected to be fixed and spent mainly in the first year of operation. The expectation is that hospitals will be aware of the agency once all marketing strategies are applied. Only digital marketing will be done in the future. The marketing officials of the agency can easily handle it. For this reason, it is not expected that the agency will spend additional money for marketing in the first years of operation.

## 6.2 Cost and Benefit Analysis

The Cost and Benefit Analysis can show the feasibility of opening the business. It will show the possible revenue and the costs needed to operate the business. The calculation of the revenue is based on the survey results. The survey conducted with hospitals included questions that asked hospitals to give a precise amount of money that they would like to spare for each provided service of the agency. The average amount of money that the hospitals are willing to pay for each service was calculated by excluding two outlier hospitals willing to pay too high for services. **The results revealed that all the other services are in very high demand except for patient portals. The amount of money that the agency can earn from each project is shown in Table 2.**

Monthly Revenue	
Project Name	Expected Revenue
Data Analysis	7,000 AZN (4,118 USD)
Corporate Trainings	6,000 AZN (3,529 USD)
Digital Marketing	8,500 AZN (5,000 USD)
Marketing: Brand/Image Creation	7,500 AZN (4,412 USD)
<b>Total Revenue</b>	<b>29,000 AZN (17,059 USD)</b>

Table 2: Monthly Revenues.

The assumption made for calculating the final monthly revenue is that the agency will have one project from each service it provides every month. This way, the total revenue that the agency can have for each month is expected to be 29,000 AZN (17,059 USD).

When it comes to calculating the cost, the establishment cost or, as in economic terms, a fixed cost that needs to be spent for opening the business is illustrated in Table 1. However, it is essential to look at the agency's variable cost or monthly expenses to decide if it can start operation. The main variable costs of the business are the salaries paid to workers and the utility costs. For this reason, only monthly expenses will be included in the cost and benefit

analysis. Table 3 summarizes the number of the workers, the salary that will be paid to each worker, and the utility costs. The number of workers is chosen based on the expected workload that the agency will have during the first year of operation. As the most demanded service is marketing, three marketing professionals will be hired. Each worker's salary is decided after talking with the HR professionals who work in the related fields and getting information for the average wages in the market.

Monthly Costs		
Monthly Wages		
Employee Position	Monthly wages	Number of employees
Receptionist	700 AZN	1
Directors	3,000 AZN	2
Marketing Professional	1,500 AZN	3
Data Analyst	2,000 AZN	2
Human Resources Trainer	1,500 AZN	2
Business Lawyer	2,000 AZN	1
Finance and Budgeting Professional	1,500 AZN	1
<b>Total</b>	<b>21,700 AZN (12,765 USD)</b>	<b>12</b>
Monthly expenses		
Internet	50 AZN	
Utility Bills	250 AZN	
<b>Total monthly expenses (excluding annual rent)</b>	<b>300 AZN (177 USD)</b>	
<b>Total Monthly Costs</b>	<b>22,000 AZN (12,941 USD)</b>	

Table 3: Monthly Expenses.

The number of workers should be at least 12 for being able to serve the hospitals, and the total amount of monthly costs is 22,000 AZN (12,941 USD), including utilities.

After calculating the expected monthly revenues and monthly costs, the cost and benefit analysis can be applied to see if the business's revenue can cover its monthly costs. Table 4 shows the annual revenue, annual cost (including the income tax), and net difference, and it can be concluded that it is feasible to open the business. **It is important to note that annual income is calculated by taking out 75% of the non-taxable part of annual income and by calculating 25% of the remaining taxable income (The Ministry of Taxes, 2019). The net difference or the money that the agency can earn annually (excluding other costs) is expected to be 56,625 AZN (33,250 USD).**

Total Annual Cost (including annual income tax)	Total Annual Revenue	Net Difference
264,000 AZN (155,294 USD)	348,000 AZN (204,705 USD)	84,000 AZN (49,411 USD)

Table 4: Cost and Benefit Analysis.

### 6.3 Projected Income Statement

The projected income provides information about all the annual costs and revenue of the company, including the money spent for establishing the business. The analysis only takes into account the main costs and revenues. It does not consider other changes in costs that can be caused by inflation or other unexpected events. This analysis will predict the company's income for the next three years and show the profit that the company can generate if any. The analysis can also show the period of time needed to payback the cost spent for establishment. All numbers are presented in AZN and USD (1 USD is 1.7 AZN). Table 5 illustrates the projected income statement.

Income Statement	Year 1	Year 2	Year 3
<b>Revenue</b>			
<b>Annual Income</b>	348,000 AZN (204,705 USD)	435,000 AZN (255,882 USD)	696,000 AZN (409,412 USD)
<b>Expenses</b>			
<b>Rent</b>	30,000 AZN (17,647 USD)	30,000 AZN (17,647 USD)	45,000 AZN (26,471 USD)
<b>Utilities</b>	3,600 AZN (2,118 USD)	3,600 AZN (2,118 USD)	4,200 AZN (2,471 USD)
<b>Salaries</b>	260,400 AZN (153,177 USD)	314,400 AZN (184,941 USD)	452,400 AZN (266,118 USD)
<b>Investment Cost</b>			
<b>Establishment Cost</b>	15,000 AZN (8,824 USD)	22,500 AZN (13,235 USD)	37,500 AZN (22,059 USD)
<b>Taxes</b>			
<b>Income Tax</b>	21,750 AZN (12,794 USD)	27,188 AZN (15,993 USD)	43,500 AZN (25,588 USD)
<b>Net Income</b>	<b>17,250 AZN (10,147 USD)</b>	<b>37,312 AZN (21,948 USD)</b>	<b>113,400 AZN (66,706 USD)</b>

Table 5: Projected Income Statement.

More detailed information about each figure in table 5 is as follows:

**Annual Income:** As stated above, annual income is calculated based on the hospitals' answers. The average amount of money hospitals are willing to give for each service is approximated. It is assumed that the business can earn at least that amount once the operation starts. For the first year of operation, the assumption is that the business will have one project from each service provided. The expected income for the first year is 348,000 AZN (204,705 USD), and this number is the same amount mentioned in the cost and benefit analysis. After one year of operation, it is expected that the number of projects provided will rise. The assumption is that there will be a 50% increase in the number of projects that provide digital marketing and corporate training. This assumption is that, in the survey, most of the hospitals were interested in these two services. For this reason, there might be more demand for these services, and the annual income will be higher. The business expects to have at least two projects each month from each service for the third year.

**Rent:** The office will be rented, and the contract will be signed for two years. Although the number of employees will rise in the second year, the office will also accommodate those changes. However, there will be a need for larger office space for the third year. For this reason, the rent will increase by 50% in the third year of operation.

**Utilities:** The utilities are calculated to be 300 AZN (180 USD), as mentioned in Table 3. The annual amount paid for utilities is not projected to change for the first two years. However, as the office will be more prominent in the third year, utilities' costs will also rise.

**Salaries:** There will be 12 workers hired in the first year of operation, as mentioned in Table 3. The total salary paid in the first year is 260,400 AZN (153,180 USD). In the second year, as the agency will provide more digital marketing and corporate training services, two marketing professionals and one trainer will additionally be hired. This will increase the cost to 314,400 AZN (184,941 USD). Furthermore, there will be a need for more workers in the third year as the workload will be doubled. For this reason, two market professionals, two data analysts, one human resource trainer, and one healthcare manager will be hired. As a result, the total annual salary paid to the workers will be 452,400 AZN (266,117 USD) in the third year of operation.

**Establishment Cost:** According to the calculation done in Table 1, the total amount spent for the initial investment was 75,000 AZN, including rent. As the rent is already included in the projected income statement, the establishment cost that will be spent for opening the business is 45,000 AZN (25,470 USD). The assumption is that this money will not be taken from the bank and can be paid over three years. Therefore, the amount is divided into 3 and 15,000 AZN (8,825 USD), which can be paid yearly (inflation is not accounted for). In the first year of operation, the agency will be obliged to pay the exact 15,000 AZN. However, in the second year, the increase in the number of workers will require buying three more computers — each computer costs around 2,500 AZN. Therefore, the cost will increase by 7,500 AZN and be 22,500 AZN (13,323 USD) in the second year. For the third year, six additional computers will be purchased, and the cost will be 37,500 AZN (22,060 USD).

**Income tax:** According to the State Tax Service under the Ministry of Economy (2019), 75% of the annual income is not taxable. The income tax for the remaining income is 25%. Therefore, the income tax for each year is calculated by using the annual income and this information.

#### 6.4 Break-Even Analysis

After reviewing the costs and revenues of each year of operation, which is represented in Table 5, it can be concluded that the company will be able to break even in the first year of operation and earn a positive annual profit of 12,825 AZN (7,545 USD). The substantial increase in the profit is expected to be in the third year of operation. The company can implement its growth strategies at that point. It is important to note that all the assumptions made while calculating the profits should hold for the break-even to happen. The firm's success will depend on the stability of the economy and demand for the provided services.

## 7 Market Analysis

### 7.1 SWOT Analysis

For understanding the business conditions, it is essential to do SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis. The SWOT analysis can help identify issues that will affect the performance of the business (Employment, Small Business and Training, 2020). The SWOT analysis analyzes the company's future success by looking at four significant aspects, namely strengths, weaknesses, opportunities and threats (Table 6).

Strengths	Weaknesses
<ul style="list-style-type: none"><li>• Lack of competitors in the market</li><li>• Specific training provided to employees</li><li>• Focus on digitalization</li><li>• Innovative ideas</li><li>• Presence of communication platforms</li><li>• Prioritization of patient safety</li><li>• The emphasis of the company on trust and information security</li></ul>	<ul style="list-style-type: none"><li>• Finding qualified professionals</li><li>• Lack of awareness about the consulting firms</li><li>• High costs for digitalization</li><li>• Lack of investors due to lack of awareness</li></ul>
Opportunities	Threats
<ul style="list-style-type: none"><li>• Providing new services</li><li>• Creating branches in other cities and countries</li><li>• Partnering with and outsourcing from international agencies</li><li>• Bringing professionals from other countries for training</li><li>• Becoming a nationwide brand</li></ul>	<ul style="list-style-type: none"><li>• New competitors</li><li>• Customer relationship</li><li>• Information leakage</li><li>• Economic problems: Budget cuts of hospitals</li><li>• Keeping workers motivated</li></ul>

Table 6: SWOT Analysis.

**Strengths:** The main strength of the agency is that there are not any competitors in the market. As an agency, the focus on innovation, such as creating patient portals and digitalising communication with customers, can differentiate the company from its future competitors. In addition, the agency aims to provide training to its employees, which will help the agency build a team of professional employees. Lastly, emphasis on privacy and trust will create a lasting relationship with customers.

**Weaknesses:** Because of the lack of education in the country in the health management field, the main problem in operating the agency is to find qualified professionals who are knowledgeable about health management. As there is a lack of awareness about the consulting firms for hospitals, it will take time to establish the brand. This can also make it harder to find investors. In addition, the agency aims to create patient portals for hospitals and mobile apps for the agency, which can be very costly and time-consuming.

**Opportunities:** The opportunities for the agency are broad and promising. First of all, many new services can be provided to the customers after evaluating demand. New branches can be opened in other cities and countries to serve more hospitals. Moreover, the agency can

be a nationwide brand that collaborates with the government to improve hospital management all over the country. In case of a high workload, the agency can collaborate with and outsource from international agencies. Lastly, bringing professionals from other countries to train employees can benefit both managers and employees as consulting firms are new in the health sector in Azerbaijan.

**Threats:** Some potential threats may arise for the agency in the future. The new competitors can enter the market. This can especially happen when the agency succeeds as a pioneer in the sector. Customer relationships are fragile because the customers' trust defines the amount of work the agency will receive. Any negative situation associated with the agency can substantially decrease the flow of the customers. It is essential not to have any sensitive data leakage from the company that negatively affects the customers. It can be hard to keep workers motivated. Lastly, as the services provided by the agency are new to the hospitals, hospitals can decline to get the services when they have a budget cut policy. For this reason, the downfall of the economy can be a considerable threat.

## 7.2 PESTEL Analysis

PESTEL analysis is used to analyze the external forces that can affect the operation of the business. The analyzes break down risks and opportunities that business can face into Political, Economic, Social, Technological, Environmental, and Legal factors (Corporate Finance Institute, 2021). The analysis is also crucial for understanding what kind of challenges a business can experience and being prepared to face them.

**Political factors:** Azerbaijan is a politically stable country. Although there is a conflict between Azerbaijan and Armenia, the government does not have any threatening forces that can negatively affect the operation of the agency. Moreover, the war with Armenia in 2020 and the treaty signed between the two countries is expected to bring more political stability and economic prosperity. A constant increase in foreign direct investment and GDP also shows that the political environment in the country is suitable for business owners.

The other political factor affecting the businesses is corruption rate. Azerbaijan is ranked 129<sup>th</sup> among 180 countries for its corruption index (Transparency International, 2020). Many reforms in the country aim to decrease corruption rates. Compared to the corruption index rate of 2012, Azerbaijan improved in this matter and scored 30 in 2020. For this reason, there should not be any political matters that can negatively affect the company now or in the future.

**Economic factors:** In the last 15 years, GDP and trade more than doubled in Azerbaijan (Azpromo, 2020). Although the country experienced devaluation recently, the statistics show that it is recovering. According to the World Economic Forum Global Competitiveness Report of 2020, Azerbaijan is ranked 37<sup>th</sup> most competitive economy (World Economic Forum, 2020). Moreover, the recent World Bank report ranked Azerbaijan the 9<sup>th</sup> best country to start a new business (World Bank, 2021).

Azerbaijan is an economically active country because of its population and government policies. According to the Azpromo report, half of the population in Azerbaijan is economically active, and the literacy rate is 99.8% (2020). These statistics show a pool of educated employees that the new operating business can hire. There are several reforms initiated by the government to improve the economy. The President launched economic reforms in 2016 that

created a welcoming business environment, and legislative reforms made the process of opening the business much easier (Azpromo, 2020). In 2016, Azerbaijan implemented several reforms to improve the financial banking system, resulting in a more stabilized economy (Bayramov et al., 2017).

The only concern about opening a business in Azerbaijan is that the country still highly depends on its oil sector, making the country's economy exposed to economic fluctuations. Most of the country's budget accounts for the income from oil exports. The country experienced economic downfall because of decreased oil prices in 2008, 2012, and 2018. Some reforms aim to reduce the country's dependence on the oil sector and stabilize the economy. In addition, there are many macroeconomic reforms to improve other business sectors to diversify the country's source of income. The current inflation rate and government focus on reforms can be expected to result in a more stable economy that is less dependent on fast-changing oil prices.

**Social factors:** The economic fluctuations and the recent rise of the global pandemic make people more sensitive about spending prices. Therefore, although people will choose the best health service provided, budget-friendly options will be considered. In this sense, the effectiveness of the firm's marketing strategy services may not give the best results. Moreover, due to COVID-19, some public hospitals are closed to accommodate the COVID patients. For this reason, some hospitals can be reluctant to spend money on innovations or marketing that the agency will offer. But, on the other hand, hospitals are more in need of management recommendations.

**Technological factors:** There are over 450 e-services provided by state authorities that fasten the process of opening and operating the business (Azpromo, 2020). The launch of the "ASAN" government service made it easy to gather personal and legislative documents for both public and business owners. This resulted in more business opportunities and foreign investment (Bayramov et al., 2017).

**Environmental factors:** Differently from the other countries, very few environmental disasters in Azerbaijan can alter the business operation or damage the property.

**Legal factors:** Azerbaijan tries to make it legally easier to open and operate a business for attracting investments. A law "On Licenses and Permits" passed in 2016 and 2018 creates a system that helps get permits and licenses faster. The online portal ([www.icazeler.gov.az](http://www.icazeler.gov.az)) provides information about licenses/permits and easy access to apply for one (Azpromo, 2020). The licenses are given for an unlimited period, and opening the business becomes less problematic. Moreover, there are fewer government regulations for Azerbaijan businesses compared to other countries. For example, there are no local content requirements and business inspections (Azpromo, 2020).

Macroeconomic analysis of the business environment and factors affecting the business show that there are very few problems the business can face. Economic fluctuations can hurt the company, but the agency's correct projections and financial stability can prepare the business to successfully operate in the upcoming years. In general, the business environment in Azerbaijan is good for starting a new business.

### 7.3 Competitive Advantage

**There have been very limited to no experience in Azerbaijan for professional-level services to fully manage or assist in managing the hospitals or clinics by a third-party or consulting agency.** However, there have been some successful experiences with a group of doctors coming together and buying in or renting the private hospitals to manage them. Currently, several hospitals in Baku are governed by a group of doctors, and they are quite successful. However, they also have difficulties in sales and marketing activities, human resources management and strategic development.

There are not any competitors to the agency within Azerbaijan. For this reason, the company will focus only to provide the best service possible to meet customer needs. Based on the answers of the head of hospitals to the questionnaire, the agency will try to build strong bonds with the customers of the agency. However, more competing agencies can be opened after the agency's success. Therefore, the agency will periodically analyze the market and bring innovations accordingly to be competent.

## 8 Organization and Management

### 8.1 Location of the office

The location of the business can determine the number of customers and can increase the visibility of the brand. For starting a healthcare consulting firm, the best avenue is the area where healthcare providers mostly reside (O'Chucks, 2021). The office will be rented in the street of the Azerbaijan Medical University (Samad Vurgun street) as many public and private hospitals are also located nearby. This street can be a good choice as many doctors and potential doctors will see the brand name. This area is also more budget-friendly compared to the city centre.

The firm will also allow workers such as data analysts to work from home. It will also give workers flexibility and decrease the space needed for the first office. Therefore, it is essential to be in the cost-minimizing stage for the first period of the operation.

### 8.2 Operations Planning

It is essential to have all the policies and guidelines used within the agency written down to decrease the confusion among workers. The misunderstandings within the organization can lead to lower employee satisfaction and motivation. Clear rules and regulations can reduce the stress among workers because there will be guidelines to look at that includes all the information about the operation of the business. For this reason, the agency will adopt and provide workers with a set of policies and guidelines.

#### 8.2.1 Work Policies

The successful completion of the tasks and cooperation of the workers in the agency are also determined by the internal policies. Therefore, it is essential to have specific guidelines that can assist the employees in dealing with any questions. The guideline will include information about how to deal with clients, the list of frequently asked questions, and the list of the issues that each department deals with. This can help to prevent conflicts in work, which, in turn, can

increase cooperation among employees. For improving cooperation, there will also be a policy demanding employees give their supervisors information in every task completed.

Moreover, there will also be policies about the working hours, working locations, vacations, and deadlines for completing each task. It can prevent delays in completing the tasks and allow employees to plan their work. In this way, the company plans to serve the hospitals as effectively and as fast as possible without overwhelming the employees. Lastly, ethical guidelines will be provided to give the workers a clear idea of what to do and not to do.

### 8.2.2 Legislation Policies

It is also essential to provide workers with the crucial legal issues they can face at work. The information dealt with in the health sector is very sensitive. Employees will sign a contract stating that they will keep all the information at work private and confidential and can face severe consequences for releasing or leaking this information.

### 8.3 Customer Service

The evaluation of customer feedback can be the best way of evaluating performance, improving organizational outcomes and growing the business. While analyzing the customers' experience, it is important to look at what went wrong and their feedback about how the services can be improved. The information gathered from customers should be used to enhance the brand and differentiate it from future competitors. The customer experience review will be done through the agency's mobile application and one-to-one meetings with customers. The mobile application will have a section for the customers to give feedback. After the delivery of each project, the agency will try to talk with the clients about their overall experience. This will also create stronger bonds with customers.

### 8.4 Quality Assurance System

Many scholarly articles emphasize the importance of quality assurance plan in different sectors. In general, in the business sector, quality assurance is the systematic evaluation of the process of creating the final product and the quality of the product delivered to the customers (APIAHF, 2021). The quality assurance plan should also include the guidelines that can help workers to meet the quality standards set by the business (APIAHF, 2021). Quality assurance is made up of four components (APIAHF, 2021). The standards set by the business is the centre of quality assurance. At the same time, quality monitoring, assessment, and improvement are part of the quality assurance plan. Quality monitoring is the collection of the information, quality assessment evaluates the actual performance, and quality improvement is making decisions for achieving better quality (APIAHF, 2021). The benefits of quality assurance are better quality programs, greater client satisfaction, lower costs, better communication in the agency, and increased confidence about the services of the firm among clients and funders (APIAHF, 2021). Because of the many quality assurance benefits, the agency will also adapt a quality assurance plan.

**Quality Standards/Work Plan:** The quality assurance plan is a group effort (APIAHF, 2021). The plan will be created with the directors/co-founders of the firm and the team of employees that will work on each project. There will be a separate quality assurance plan created for each service that the agency will provide. The first thing done by the team will be creating a work plan. The work plan will include the timeline for each task and a list of the employees responsible for carrying them. It is important in the quality assurance plan to define the roles and responsibilities of workers to overcome the delays in task completion that can also cause the higher cost for the firm (RoboSTEAM Consortium, 2019). Secondly, the quality standards will be set for each task. These standards will be defined with the agreement of the employees and supervisors. The work plan should be adequate, and the standards should be feasible to achieve (RoboSTEAM Consortium, 2019). The work plan creation will be done in one meeting, and the same template will be applied to the services provided to the new clients. The plan will also include to whom the problems and changes in the work plan can be reported. The main goal while creating the plan will be making clear guidelines without leading to a lack of flexibility (RoboSTEAM Consortium, 2019).

**Quality Monitoring:** The quality monitoring in the agency will be done by the healthcare managers. They will oversee the whole process and evaluate the final product. The agency will try to create a space where the workers can easily communicate with each other and their supervisors. The google hangout groups will be made to ask questions and inform each other about the tasks finished or provide any additional information.

**Quality Assessment and Improvement:** For the quality assessment of the final product delivered to the clients, there will be one last meeting of the employees and directors. After that, the final version of the service will be served to the clients. However, the assessment part of the quality assurance plan does not end with the delivery of the product. It is also essential to find out what was effective and what was not in the process of completing the tasks (RoboSTEAM Consortium, 2019). For this purpose, there will be a survey designed and provided to employees after each project to find out how the services and work experience can be improved. This survey will help the agency learn from its mistakes (RoboSTEAM Consortium, 2019). The sample survey questions that will be provided to workers can be found in Appendix D. Some of these questions are taken from the quality assurance plan of one Erasmus project (RoboSTEAM Consortium, 2019). Directors will discuss the results of the survey questions. If needed, the innovations will be applied after discussion with professionals.

The quality assurance plan can be time-consuming, especially when the company grows and has many projects to deliver. For this reason, the agency will outsource the quality assurance team in the future or hire a separate team of employees that can deal with the quality assurance plan.

## 9 Business Model Canvas

The Business Model Canvas is very important for showing all the essential parts of the business plan in one framework (Makela & Pirhonen, 2012). For example, the Business Model Canvas of the business plan of opening “Consulting Services Agency for Medical Organizations” is as follows (Table 7):

<b>Key Partners</b> 1) Employees 2) Co-founders 3) Government	<b>Key Actions</b> 1) Marketing 2) Data Analysis 3) Corporate ethics/training	<b>Customer Relationships</b> 1) Face to face meetings 2) Feedback/Messaging system in mobile application 3) Survey/Phone meetings after delivery of each project	<b>Value Proposition</b> Hospitals will be able to improve their marketing and cooperation within the agency. In addition, they will be able to use data analysis to improve efficiency.
	<b>Key Resources</b> 1) Human Resources 2) Intellectual Resources	<b>Channels</b> 1) Websites 2) Social Media 3) Mobile Application (Play Store, Appstore) 4) Commercials (TV/Radio, billboards)	<b>Customer Segments</b> Public and Private Hospitals
<b>Cost Structure</b> Establishment Cost (Legislation Costs, Website, Mobile App, Rent, Physical Capital, Marketing)  Variable Cost (Salaries, Taxes, Utilities)		<b>Revenue Streams</b> Earnings from providing marketing, corporate training, and data analysis services to hospitals.	

Table 7: Business Model Canvas - Consulting Services Agency for Medical Organizations.

Key Partners of the agency are the actors that play an important role in the agency's operation. Key Resources are the main factors that help the business work, and in the case of the consulting agency, these are the human and intellectual resources. Key Actions is the summary of all the business's services in the first years of operation. Customer Segments mentions the key customers of the business. Channels represent the different networks used to interact with the customers. As mentioned above in the business plan, the agency will use websites, mobile apps, social media and different advertisements to reach its customers. The customer Relationships section shows the different ways of interacting with customers. The agency will mostly talk with the customers face to face to learn about their needs and expectations. After delivering the services, the agency has a feedback system in mobile app and survey provided to the customers to learn about their experience and advice for improvement. Value Proposition is the benefits that the business can offer to its customers. Lastly, Cost Structure and Revenue Streams summarise the sources of the costs and revenues.

## 10 Company Strategies

As it is feasible to open the agency and the business environment is suitable for operating the business, the business strategies should be planned as well. The strategies are as follows:

## 10.1 Marketing Strategy

The company's marketing strategy is critical as there is a need to create the brand and gain the customers' attention to use the service that did not exist before in the country. There are several marketing strategies that will be taken. Firstly, billboards will be placed in the areas that the biggest hospitals are located. This is because the agency's customer base is the high-rank workers in hospitals. For this reason, the visibility of the brand name in different corners of the city can help get attention. For the same reason, the agency will not put too much focus on social media ads. Few social media ads will be placed with the link to the agency's website on Facebook. Another important marketing strategy will be paying for google ads or, as called officially, Search Engine Optimization (SEO). This will help the agency name pop up when the words such as healthcare and management are searched in the google search section. Lastly, the TV and radio commercials about the agency will be created to reach a bigger audience.

Additional to the traditional marketing, the agency will also try to have personal meetings with the Ministry of Health, The State Agency on Mandatory Health Insurance, TABIB, and the hospitals to give information about the agency. Furthermore, specific conferences related to healthcare will also be attended.

## 10.2 Pricing Strategy

The amount of money required from the hospitals will be different based on the size of the hospital, the services they require, the scope of the project, the time spent on the project, and the number of employees needed to complete the tasks. For this reason, the price will be determined by the agency's finance department after talking with the clients. The finance department will consider the wages of employees and the initial investment made for opening the agency to find out the minimum amount required to complete the tasks. This will help cover the rent and other monthly spendings of the agency and have at least zero or positive profit in the first few months of the operation.

## 10.3 Growth Strategy

The future of the agency also depends on the successful growth strategy. It is not possible to provide a very wide range of services for the initial operation because of the costs. However, the right growth strategy can ensure large profits in the future. There are several plans inside the growth strategy of the agency.

**Additional branches:** The health sector in Azerbaijan is not limited to the city of Baku, there are many large hospitals operating in many other cities as well. After the successful operation of the consulting firm in Baku, the main growth strategy of the business will be opening new branches in other main cities of Azerbaijan. The first city that the business is planning to operate will be Ganja, which is the second biggest city in the country. The hospitals in the cities will be contacted to learn about their demand and needs before opening the branches. Moreover, the business is planning to serve neighbouring countries such as Georgia, Kazakhstan and Russia after five years when the agency will secure enough profits. After ten years of operation, the agency aims to operate in developing countries of the west such as

Turkey, Ukraine, Estonia, etc. The goal of the agency is to become an international brand in future.

**Customer analysis:** To grow the business, customer feedback will be collected and analyzed. After delivering the services, customers will be provided with a small questionnaire that includes questions about their satisfaction and suggestions. This information will be analyzed to see which services need to be changed and how the business can be improved. Moreover, information about the customers will be used to create customer profiles and plan strategies to diversify the customer pool.

**Additional services:** The agency provides only three services for the first few years of operations, but there is a wide range of services that can be provided in the future. The initial survey provided to the hospitals included a question about the additional services that the hospitals were interested in. Although the hospitals did not mention which other services they would like to receive, almost 30% of the hospitals in the survey were interested in having patient portals. For this reason, firstly, this service and other IT supporting services will be provided to the hospitals. The additional services include giving smart energy solutions and waste management solutions, creating telemedicine, providing medical equipment, etc. After the feasibility analysis of each service that can be provided in the future, the company will update its provided services. According to the projected income analysis, the initial plan is to update the services after three years of operation as the organization will start to earn a substantial income. Then, there will be an annual analysis of the market demand for services that can additionally be provided.

**Market analysis:** The other analysis that will be done to improve the growth strategy in the future will be market analysis. Currently, there are no competitors in the market. However, the positive profit of the organization can increase the entry of rivals into the market. Moreover, economic changes can also happen. For this reason, there will be a market analysis done every two years to update the growth strategy and make changes to the agency if needed.

**Training/Employee development:** Lastly, to grow the business and provide the best services, the business will send its employees abroad for training and education. Many foreign countries have advanced education systems specialized in health management. Specialized workers that have knowledge about the latest trends in health management can be a great asset for the organization. This also can create a competitive advantage for the business.

#### 10.4 Risks and Exit options

**Low probability risks:** The PESTEL analysis done in the market analysis part of the paper showed that the fluctuations in the economy could affect the operation of the business. Although inflation is not forecasted in the near future, the company needs to be ready to adjust. Therefore, the company will create a plan with the finance department that will include the new income projection and possible cut back in the company in case of inflation.

**High probability risks:** The other main risk that the company can face is not having enough customers. The survey with the 43 hospitals showed that there is demand for the consulting agency in the health sector; however, external factors can cause the hospitals not to require any service from the agency. Also, there is a possibility of not having enough customers in the future due to the scarcity of hospitals operating in Azerbaijan. Once the current hospitals

that demand the services are served, there can be fewer customers in the future. Therefore, there will be a constant need to provide more services and open new branches in other cities and even countries. For this reason, there is a need to do market analysis constantly and make decisions based on data. There is also a need to create an exit strategy if things do not go as planned and the agency suffers from a lack of customers.

**Exit strategy:** If the agency fails to earn the income and continue its operation, it may exit the market after 2 or 3 years of operation. The lack of demand for the agency will be the leading cause of this decision. If the agency fails to cover its monthly costs (variable costs), it will be closed. There will be a result of this decision. Some initial investments, such as computers, will be sold at a lower price (considering a few years of usage). This will reduce the sunk cost. However, there will also be a need to pay employees according to legislation. For this reason, the founders of the agency should be prepared for and able to pay back all its debts after the operation stops. The best-case scenario is that there will be some money in the agency's budget that will cover the cost. In the worst case, the founders will take a loan from the bank.

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## Appendix

### **Appendix A**

#### Interview Questions for the employees of the Ministry of Health

This interview is done to collect information about the current health management system in Azerbaijan. This information will be used in the capstone project that talks about the possibility of opening a consulting agency for medical organizations. Many people can view the information you provide so its availability can be considered public. Please, give verbal consent to participate in the interview and be aware that your name and position will be mentioned in the paper. You will be asked a set of questions, and the interview will not take up more than 20 minutes of your time. Thank you very much in advance, and your contribution is highly appreciated.

#### Questions:

- 1) What is the current management system in Azerbaijan?
- 2) Who is managing hospitals? What are their key responsibilities?
- 3) Who appoint the managers to the hospitals? Is there a difference between public and private hospitals in this sense?
- 4) Should the managers of the hospitals have health management degree?
- 5) Who is dealing with marketing, improvement of cooperation, budgeting, and data analysis in the hospitals?
- 6) Do you think that hospitals are managed in the best way possible?
- 7) Do you think hospitals need services from a consulting agency?
- 8) Which areas of management needs to be improved by the private and public hospitals?

## Appendix B

The permission letter for conducting the survey was sent to the Ministry of Health of Azerbaijan Republic



№ 22/6478-21

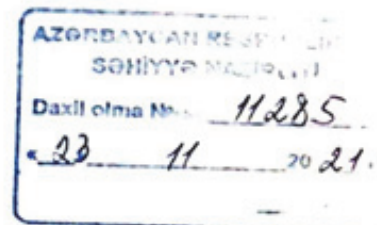
22 - noyabr 2021-ci il

Azərbaycan Respublikası  
Səhiyyə Nazirinin birinci müavini  
Azərbaycan Respublikası  
Səhiyyə Nazirinin səlahiyyətlərinin icraçısı  
cənab Teymur Musayevə

Hörmətli Teymur müəllim,

ADA Universitetinin MBA proqramı üzrə tələbəsi Əliyev Rahim Rafail oğlu Consulting Services Agency for Medical Organizations (Səhiyyə qurumları üçün konsaltinq xidmət agentliyi) adlı diplom işi ilə bağlı tədqiqat aparmaq üçün Azərbaycan Respublikası Səhiyyə Nazirliyinin Analitik Ekspertiza Mərkəzinin Tibb müəssisələrinin reyestrindən çıxarışın verilməsinə köməklik göstərməyinizi xahiş edirik.

Hörmətlə,



## Appendix C

### Survey questions for hospital heads

Dear Survey Participant!

Thank you for participating in this survey. This survey intends to analyze the demand of the hospitals in Azerbaijan for the services of the healthcare management agency. A Healthcare management agency is a firm that provides different services such as marketing and data analysis to the hospitals for helping with management. Your contributions are highly appreciated. The survey should not take up more than 20 minutes of your time. The survey includes questions about different management services and your willingness to pay.

The contact information collected below will be kept private. It will be used only if there is a need to contact you again. The data collected will be completely anonymous.

Questionnaire ID: \_\_\_\_|\_\_\_\_|\_\_\_\_|\_\_\_\_|\_\_\_\_

Name of the hospital: \_\_\_\_\_

Name of the respondent: \_\_\_\_\_

Position of the respondent: \_\_\_\_\_

Contacts of the respondent:

Phone: \_\_\_\_|\_\_\_\_|\_\_\_\_\_

E-mail: \_\_\_\_\_

1. How many workers does your hospital have in total?  
 50-200 workers  
 201-500 workers  
 more than 500 workers
2. Is the hospital public or private?  
 public hospital  
 private hospital
3. Who is dealing with the management of the hospital? Please, specify the position name and education of the employee.  
Position name: \_\_\_\_\_  
Education level/Major of the employee: \_\_\_\_\_
4. Would you like to receive a service from a health management company?  
 Yes  
 No
5. What kind of services would you like to receive from a health management agency? Please, select all that apply.  
 Healthcare Marketing  
 Organizational Review/Corporate Ethics  
 IT assistance (patient portals)  
 Data Analysis  
 Other. Please, specify.

--

6. Would you like to receive any other IT assistance in your hospital? If yes, please specify.

7. Would you like to have patient portals in your hospital? If yes, how much money will you be willing to spare to create the patient portals?

Please specify in \_\_\_\_\_ AZN.

8. Would you like to receive any data analysis service for your hospital? If yes, which kind of information would you like to be analyzed? Please, check all that apply.

\_\_\_ Patient Profiles

\_\_\_ Finances and Revenue Forecasting

\_\_\_ Hospital Visits

\_\_\_ Other. Please, specify.

9. How much money will you be willing to give for receiving data analysis services?

Please specify in \_\_\_\_\_ AZN.

10. How are you regulating and improving the cooperation between the workers in your hospital?

11. Do you believe that there is enough corporation and team-building efforts among your workers?

\_\_\_ Yes

\_\_\_ No

12. How much money will you be willing to spare for the training of your workers to improve cooperation?

Please specify in \_\_\_\_\_ AZN.

13. Which promotion platforms would you like to have for your hospital?

\_\_\_ TV/Radio promotions

\_\_\_ Social Media

\_\_\_ Banners

\_\_\_ Other. Please, specify.

14. Would you like to promote the popularity (branding) of the hospital with a Search Engine Optimization (SEO) digital marketing tool?

Yes

No

15. For each type of marketing strategy, how much money will you be willing to give to promote the hospital and doctors?

1. Marketing for increasing sales (banners, TV/Radio promotions, Social Media, Banners)

Please specify in \_\_\_\_\_ AZN.

2. Marketing for image, brand creation (SEO, Digital Marketing)

Please specify in \_\_\_\_\_ AZN.

## Appendix D

Survey questions for Quality Assurance Process (RoboSTEAM Consortium, 2019)

### “Section 1: Project Organization

1. How clear were the objectives of the project?

2. Are the objectives well defined?

- Yes
- No

3. Are the objectives quantified?

- Yes
- No

### Section 2: Process

4. Was the project implemented as planned?

- Yes
- No

5. What led to any variations of the implementation plan?

6. How smooth was the completion of the tasks?

7. Was there a problem with communication?

- Yes
- No

8. What went wrong or could have been done better while completing the task?

### Section 3: Outputs

9. Was the project delivered on time and within budgeted costs?

- Yes
- No

10. Were the customers satisfied with the output?

- Yes
- No

#### Section 4: Lessons learned

11. What are the key lessons learned during the delivery of the project?

12. Was there a conflict?

- Yes
- No

13. If yes, how was the consensus reached?

14. What were decision-making mechanisms employed when conflicts arose?

15. Who held accountability for delivery?

16. Who held accountability for problems in delivery? Was this shared?

17. Were there any conflicts with the customers?

- Yes
- No

18. Do you have any suggestions for any part of the task completions?

“