

Switching off supply by understanding demand

Health services are commonly described as being 'supply driven', that is, the more services that are available the more demand that is created. However, this is to see demand from inside the system looking back out. What about when we understand demands from the perspective of those who are placing them?

Careful study from this perspective reveals an unsurprising truth, namely that people want services that help them from their point of view and with the problems that matter to them. In other words, people want what they need not necessarily what the system chooses to provide.

Further study from this perspective quickly reveals that the supply driven nature of today's system is nothing more than a consequence of a systemic failure to understand the problems that matter to people from their point of view, leading to failure demand and the over-supply of services for no added value.

The opposite is also true. When demand is understood from the outside-in, people typically either stop consuming service or dramatically reduce and stabilise their consumption. Understanding demand in this way gives commissioners and providers a view of their true capacity and where they need money to flow. Being 'supply driven' is revealed then, to be nothing more than a failure of today's system, not an inevitability or a symptom of 'difficult' citizens who 'want the earth' and who need 'nudging' or 're-educating'.