

# Tough Love: Managing your lab customers to improve relationships and outcomes

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**Myth: Exceptional service  
requires complete deference to  
customer requests**

# Where high customer deference makes sense:



# And where it doesn't:



# Facts:

- Customers' requests often don't represent the best ways to meet their needs
- Customer requests can have unintended consequences
  - High deference to customers requires high flexibility
  - High flexibility entails major tradeoffs in both cost and quality.
- Most customers care more about cost and quality than about getting things “their way”

# Common Customer Problems in Laboratories

- Inappropriate test orders
- Requests for customization to fit customer convenience
- Specimen collection and submission errors
- Missing or erroneous information on orders

# Goal of this presentation

Describe ways in which clinical laboratories can:

- Create better partnerships with customers
- Make it easier for customers to follow desired behaviors

**But won't customers be  
offended if you tell them  
what to do?**







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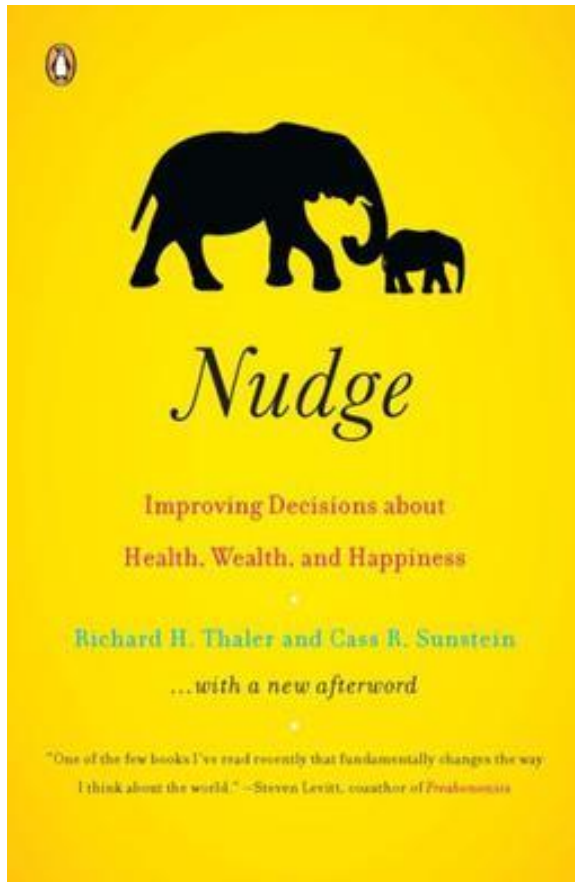
# Achieving High Quality in a Service Business

The customer is an active participant; not simply a passive user.

Therefore:

Service quality is dependent on the customer's behavior.

# Applied Behavioral Economics



- Human thinking isn't perfect
- Use the imperfection to your advantage

# Fast vs Slow Thinking

- Humans spend most of our time in System 1 (fast) thinking mode
  - Intuitive
  - Quick
  - Honed by experience
  - But subject to biases
- Humans only switch to System 2 (deep thinking) when there's a reason to do so
- Source: *Thinking, Fast and Slow*. 2013: Daniel Kahneman

# Shortcuts



# Mental Shortcuts

- Default Effect
- Bandwagon effect
- Stereotyping
- Reciprocity
- Attribution bias
- Availability heuristic
- Loss aversion
- And on and on...

**Default Effect: When given a choice between several options, the tendency to favor the default one.**



# Default Effect: Retirement Plans

- Workers are 15 times more likely to save for retirement when their employers offer retirement plans
- For workplaces offering retirement plans:
  - If workers have to sign up, 70% will participate
  - If they're signed up automatically, 90% will participate
- Source: AARP

# Default Effect: Opiate Prescriptions

- Two emergency departments lowered the default number of pills for opiate prescriptions in their EHR
- Prescriptions for 10 pills (the new default) increased by 22%
- Source: Delgado MK et al. *JGIM* 2018. 33(4):409-411.

# Default Effect: Laboratory Ordering

- Standardized order sets
- Limited panels
- Reflex panels
- Removal of tests from menu

# Default Effect: Specimen Handling

- Standardized collection kits
- Visual clues
- Standardized handoff and submission processes

**Bandwagon Effect: The tendency to do or believe things because many other people do/believe the same.**

# Bandwagon Effect (Herd Mentality): English Tax Collections

- Simple reminders: “We have not received your return; please file it...”
  - 33% response
- “Social” reminders: “Nine out of ten people with a debt like yours, in your area, pay their tax on time. You are in the minority...”
  - 39% response

Source: [www.behaviouralinsights.co.uk](http://www.behaviouralinsights.co.uk)

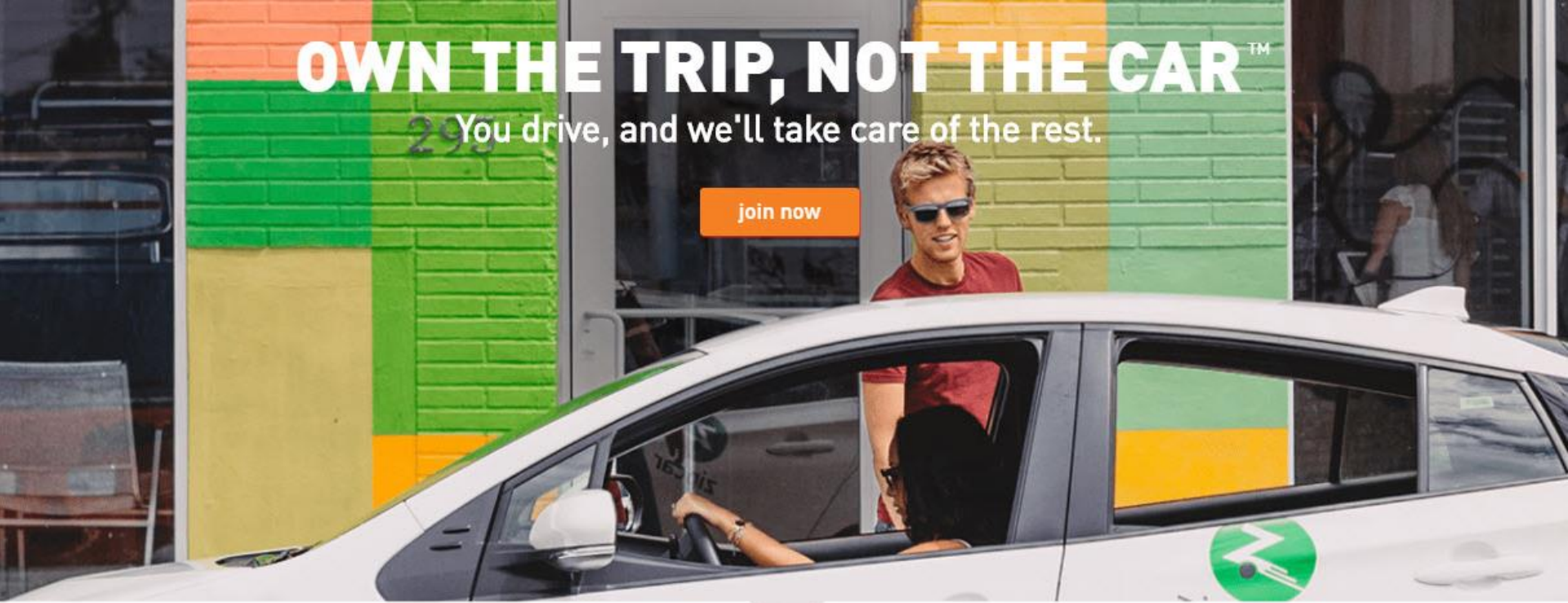
# Bandwagon Effect: Blood Product Utilization

- Cardiac surgery transfusion protocol: reduce target Hgb to 8 g/dL
- Both group and individual feedback on protocol adherence
  - 50% reduction in transfusions in patients with Hgb > 8 g/dL
- Source: Beaty CA et al. *Ann Thorac Surg* 2013; 96(6):2168-2174

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# Cultural reinforcement

- Culture = common ground, unwritten expectations
- What cultural values do we share in clinical medicine?
  - Patient comes first
  - High performance
  - Evidence-based medicine

# Summary

- High service quality requires active management of customers
- Customers value quality more than they value deference
- Nudging is a powerful way to manage customers
  - Default options
  - Bandwagon effect