

CASE STUDY

New Crystal Health Services



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Introduction

As a medical school graduate and an apprentice physician, Dr. Wisdom Amegbletor wanted what many people want: to use his skills not only to make a living, but also to make a difference. In 2003, he opened his own private clinic in Ashaiman, Ghana, not far from where he had grown up. New Crystal Health Services was tiny, with just four beds, one doctor, and four other staff members. But it provided much-sought-after basic health services for the urban poor.

Eighteen years later, New Crystal is a multifaceted healthcare business with about 450 employees, six hospitals, a pharmacy, a dental care service, a diagnostic laboratory, a microfinance firm oriented toward medical emergencies, and a healthcare training institute. It continues to maintain the same basic mission that Amegbletor started out with, which was to meet the needs of all patients regardless of income level. Most of New Crystal's patients are working people raising families in dense, urban communities in Ashaiman and in Tema, Ghana. With the public healthcare system overcrowded and the private sector usually catering to the wealthier middle class, New Crystal is helping meet Ghana's growing health needs, especially for the low-income segment, and sustaining itself as a business by filling this gap in demand for care.

New Crystal's innovative management style is a big part of its success. The company emphasizes mentoring and training of staff to make decisions rapidly, and building strong relationships with patients, including after they leave the hospital. For example, when mothers leave the hospital with their newborns, the mothers continue to communicate regularly with the hospital staff and each other for postnatal guidance through smartphone apps, often for years afterward. In general, New Crystal's respectful and helpful approach to women's health and childbirth has been a major factor in its growth and success.

In 2019, the International Finance Corporation (IFC) partnered in putting together a loan and equity investment package totaling \$5.2 million, its first healthcare deal in Ghana. This enabled New Crystal to refinance some existing loans, to construct new facilities, to renovate and extend its clinical space, and to expand the range of its services. The funds also enabled a renewed commitment for staff training, focused on raising quality of care and improving the emotional welfare of patients.

When the COVID-19 pandemic struck in 2020, the crisis further highlighted the value of hospital groups like New Crystal. Its ability to persevere through adversity, and to retain its connection to the dignity of patients and staff members, has made a difference for many people at the bottom of the economic pyramid.



We Interviewed Three Medical Leaders at New Crystal



Wisdom Amegbletor, MD, founder and CEO of New Crystal Health Services



Portia Osei-Mensah, MD, obstetrician-gynecologist



Mabel Mamley Onyameasem, head of the internal audit unit at New Crystal

Lessons from New Crystal's Story



1 Seek opportunities at the bottom of the pyramid



2 Create a culture of learning and transparency



3 Emphasize services for women



4 Cultivate resilience and flexibility





New Crystal at a Glance

Years in Business	18. New Crystal Health Services was founded in 2003.
Business Model and Revenues	New Crystal has close to 300,000 patient visits per year and earns about US\$5 million in annual revenues. There are three different sources of revenue: fees from Ghana's national health insurance, fees paid by corporations seeking medical attention for their staff, and individual payments or copayments.
Website	https://newcrystalhealth.org/about-us/
Corporate Governance	New Crystal is a privately owned company, of which the founder is majority shareholder. After the 2019 financing package, a significant minority investment is held by IPAE2. New Crystal has formally engaged the IFC corporate governance advisory team to improve its practices, policies, and procedures.
Investment History	IFC's 2019 financing package included loans and equity investments totaling \$5.2 million. The impact investment fund Investisseurs & Partenaires Afrique Entrepreneurs 2 (IPAE2) , which is dedicated to supporting socially responsible African entrepreneurial enterprises, served as equity investor.
Social and Environmental Results	New Crystal is dedicated to safety and quality of care, particularly for mothers, children, and those undergoing emergency surgeries.
Workforce	About 450 employees; more than half are women. Women hold three of the top eight senior executive positions, including that of CEO.
Geographic Footprint	There are six New Crystal hospitals, with two in Ashaiman, and one each in Tema, Adjei Kojo, Takoradi, and Michel Camp.
Social Quality Accreditations	SAFECARE LEVEL3, ISO 9001, 27001, 45001

Lesson 1: Seek Opportunities at the Bottom of the Pyramid

Around the time of New Crystal's founding in 2003, [C.K. Prahalad](#), the late business strategist and management professor at University of Michigan, suggested that businesses had a core role to play in economic development. They could seek "the fortune at the bottom of the pyramid," as he wrote in what later became a book of the same name, and help lift billions of people out of poverty. The revenues from providing goods and services at low cost to many people without much discretionary income could outweigh revenues from competing for the smaller number of wealthier customers. Prahalad's theory was correct, but not just for the large global multinational companies he had in mind. A stronger catalyst for reducing poverty appears to be small businesses that have roots in emerging economies areas and are prepared to grow larger.

New Crystal's founder Dr. Wisdom Amegbletor demonstrated his understanding of this principle when he returned to Ashaiman, near the lower-income neighborhood where he had grown up. "Dr. Wisdom," as he is universally called, used his understanding of people at the bottom of the pyramid to create a profitable business helping them. As he explains, the business could only be sustainable if it earned people's trust:

Amegbletor: *I would have liked to say I felt a higher calling. But I was just like every other business person. After medical school, I spent some time in the UK and realized that I didn't fit in very well. So, I came home, back to Ghana. At home there were only two options. The first was to go into the government sector, where I would have to qualify as a specialist and try to rise in the hierarchy. The failure rate for specialization was very high. Or I could join the private sector.*

I began working for a rural private hospital. We generated unprecedented profits, and I realized that I had some of the skills needed to manage a company. I moved back to the health field. I took unpaid internships at other private clinics to learn how they were run.

Then I found an opportunity to take over an abandoned clinic that had gone bankrupt, by paying up the rents they owed. That became New Crystal. We were new in the market. The other established private sector clinics catered to the rich. We couldn't compete. We were left with low-income people who earned less than \$50 dollars per month.

Many people think you can't be profitable serving low-income people. But the need is greater there. The rich live in a good environment. They are well protected. Their exposure to medical risk is very

"Many people think you can't be profitable serving low-income people. But the need is greater there."

—Wisdom Amegbletor

limited. It is the poor who live in unsanitary conditions. They have riskier lifestyles and sometimes make wrong choices and then they fall sick.

I had grown up in Ashaiman and I knew why people didn't like hospitals. It is a low-income community with a lot of superstitions and traditional beliefs. Going to the hospital was not a great experience for them. Government hospitals were overcrowded and were rude to patients in treatment. Privately owned hospitals were beyond their financial reach.

So, we decided to create a clinic that would treat poor people with appreciation. We had just four beds, myself as a doctor, two nurses, an orderly, and a midwife. The midwife and I lived in the offices, so our services were available 24 hours a day for emergencies. There were nights that I jumped on a bus to go to a customer who needed help.

New Crystal soon became a profitable venture, in part because of the goodwill of people in the neighborhood. Dr. Wisdom soon realized that quality of care was a critical factor, and not

necessarily available from other healthcare facilities in this price range.

▶ **Amegbletor:** *Quality is normally a bit expensive but luckily there were ways to reduce the costs. We have learned from groups like Carolina for Kibera (CFK) in Nairobi, who have undertaken to deliver quality healthcare in a resource-constrained environment.*

In general, with just a few changes and innovations, you can have everything done properly without spending a fortune. For example, it does not cost much to put in practices that reduce infections. One recent example is cervical cancer screening for women. Many hospitals do this with a pap smear, which costs about \$50 and it can take a few days to get the results. We are working with an Israeli company, MobileODT, which has a binocular imaging device that nurses can use to create an image of the cervix, and artificial intelligence to process the image. The device can detect cancer cells immediately, as accurately as a pap smear, at a cost to the patient of only \$4. We are pioneers in using it.



“We decided to create a clinic that would treat poor people with appreciation.”

—Wisdom Amegbletor

Lesson 2: Create a Culture of Learning and Transparency

An organization that balances quality, low cost, and business growth in healthcare must foster lifelong learning, not just for physicians, but for all staff members. New Crystal provides employees with collaborative training, outside training, and one-on-one mentoring by senior leaders, among them Dr. Wisdom.

One critical element is the emphasis on transparency and community building. Physicians, nurses and other staff members continually take part in online and offline sessions related to challenges they face or possible treatments. Except for patient data, most knowledge is shared openly, including what people have learned in their practices. Financial information, which most organizations guard closely, is regularly discussed and used for continuous improvement.

Physician Portia Osei-Mensah and auditor Mabel Mamley Onyameasem describe some facets of this learning-oriented, transparent organizational way of life that is rare for hospitals in any country:

► **Onyameasem:** *Dr. Wisdom believes in open book management. Everybody is privy to the same information. So, you don't think something is hidden from you. That's how he is able to rally the people around him.*

We have about 30 WhatsApp groups for internal staff, in addition to emails and phone calls. Financials for every unit are published on a daily and monthly basis, so every staff person can see how much revenue they have generated. They know what is going on. We also have a prescribers' platform where knowledge related to the work is shared, and mortality/morbidity meetings where we discuss cases. Even when I'm

home, I know what's going on in the hospital because there are updates every two hours on the WhatsApp platform. It drives us crazy sometimes, but we are used to it.

The main thing that keeps New Crystal going is the staff. Even when things were difficult, they didn't relent on learning or withdraw services. We have a very committed staff willing to go the extra mile to get things done. We respond with staff training for all levels to bring them up to a high level. We also invest a great deal in recruiting qualified people. This enhances our reputation. People who have worked for New Crystal can find other jobs easily. Highly skilled people are better at reducing inefficiencies in the system. And we have very few liabilities from negligence.

► **Osei-Mensah:** *Almost 10 years ago, when I joined New Crystal fresh from school, I was looking for a hospital that would allow me to keep learning and then apply more knowledge. At New Crystal, even though I was new, I was not limited to my specialty. I had the opportunity to work with all units. As new people join us, New Crystal still provides the same opportunity.*

Dr. Wisdom is an exceptional mentor. He is extremely available to even the lowest-ranked person in the organization. You can easily go to him to express your opinion or give him an idea about whatever you have in mind. His communication style, his strength, and his ability not to give up let us know that we can do the same.

He also invests in staff in terms of sponsoring education. If you give your best, he's willing to help you to get to the next level with an educational grant.



“Even when I’m home, I know what’s going on in the hospital because there are updates every two hours on the WhatsApp platform.”

—Mabel Mamley Onyameasem

Our training is specific to departments. Each year the head of a department will come up with learning needs for that specialty: midwives, physicians, cashiers, cleaners, security, finance. We do our own training but [this] sometimes involves external people or programs.

The culture of learning and transparency also extends to patients and customer service. As Onyameasem points out, it is easy to take openness for granted, until you find out how things are done elsewhere:

▶ **Onyameasem:** *I recently took a relative to one of the top hospitals in Accra. I expected the doctor to present lab findings to us, as we would at New Crystal. But he just wrote a prescription and left. My brother was not called later for a review, or even to find out how he is doing. I was like, wow. With everything New Crystal does for our clients, we must be really exceptional.*

Lesson 3: Emphasize Services for Women

In Ghana, as in many emerging economies, lower-income women tend to avoid going to medical facilities for maternity care. Ghana’s childbirth mortality rate is about 30 times that of OECD countries, with poor quality care recognized as an important causal factor. But New Crystal has been oriented to quality maternity and pediatric care since its beginnings. The leaders of the hospital group know that when women feel safe and welcome, the entire community benefits.

For many women treated at New Crystal, this is the first time they have trusted a medical institution for anything other than emergencies. The hospital invests in building ongoing

connections with them, through WhatsApp and other means. This demonstrates the hospital’s commitment to giving its women patients a better foundation for health, not just in quality of treatment but in preventive care and education. Dr. Wisdom Amegbletor and Dr. Portia Osei-Mensah explain how this approach came about:

▶ **Amegbletor:** *Women have been the backbone of our business. If you serve the woman, she will drag the husband to the hospital. She will bring the children when they are ill. Then she will deliver her children here. She feels at home in the hospital, and with the people. We have thus built the bulk of our value creation on serving women.*

It helps that we can provide a one-stop shop for all her health and reproductive concerns.

When a woman comes in for a checkup, for example, she has a discussion with her doctor and a counselor about cervical and breast cancer. We explain that it is the second-most prevalent killer of women, and that this is preventable if treated early. The counselor explains our imaging procedure, and we arrange for it to take place.

► **Osei-Mensah:** *In New Crystal, each doctor has a WhatsApp group for the clients they see. I have one for my pregnant women. Every week, I educate them on pregnancy. If they have*

questions, they can ask me from the comfort of their homes. Through this system we have had clients bring in other pregnant women.

Even after they leave our care, we still communicate with clients. We call them from time to time to ask how they are doing. We ask for their feedback on how we did.

We have recently established an operating theater for births. Attendance has increased dramatically. We also introduced a pregnancy school, open to pregnant women and women who want to get pregnant. We even admit women who are not coming to New Crystal.

Lesson 4: Meet Challenges with Resilience and Flexibility

Every healthcare organization faces daunting challenges at times. Many companies respond by growing more bureaucratic. They put structures and formal practices in place, often with an eye toward compliance. Compliance and standards are valuable, and New Crystal recognizes this. For example, it became a signatory to the Ethical Principles in Health Care ([EPIHC](#)), a set of global voluntary standards, in June 2021. But it also maintains a lean, flexible approach to decision making, and the ability to make changes rapidly when faced with serious challenges.

This has helped it navigate two severe crises. The first occurred in 2010, when the government-funded healthcare insurance system began delaying payments to a point that it severely affected New Crystal's cash flow and ability to operate. It was increasingly difficult to maintain quality standards while pressure grew for services from the surrounding area's working poor. The company acted quickly to develop a financing arrangement with IFC that enabled it to survive

and paved the way for further growth. Each of the three people interviewed offer more perspective on what happened:

► **Amegbletor:** *We were growing so well around 2010 that I began to think we might have a problem. Then we started to have competition in Ashaiman. Other healthcare providers had saturated the higher-income markets, and they realized that low-income patients were also a significant market. They began to compete with us.*

At the same time, the government's National Health Insurance, which covered many of our clients' costs, began defaulting in the payment of their bills. We had a payroll of almost 500 people to cover. At first, we took out short-term loans to cover the gap, but this was not sustainable. We started seeing reductions in our performance.

Around 2018, we moved in two directions at once. First, we started taking corporate clients for bundled healthcare coverage, largely within the oil and gas sector and hotels. This required some



flexibility; we have always been oriented to lower-income people, and now we have to attract and serve upper- and middle-income patients as well.

Second, we attempted to raise funds by listing on the Ghana Stock Exchange. Even though it was not successful, it brought us to the attention of other investors, and ultimately to IFC financing. This allowed us to not just think about upgrading our facilities, but to expand the services we offer.

Onyameasem: *The IFC investment gave us a bridge with which to expand our services and attend to a new middle-class income group. We are building a new facility that will be designed to attract them. It is located near a major highway, and will be able to handle acute emergencies such as road-traffic accidents. We are also building another new facility that will contain a diagnostic center, trauma center, physiotherapy, ambulance dispatch, family planning, and neonatal intensive care units.*

Osei-Mensah: *The investment also funded new specialist units including dental, physiotherapy, vision, neurology, diet and nutrition. These have attracted a broader base of clients.*

New Crystal leaders are still developing their approach to customer service with two separate groups of clients. New Crystal will have to offer the same quality of care to both, and foster the same ethics around community-building and client follow-up.

The COVID-19 pandemic has also required flexibility. Decisions have had to be made rapidly, with a minimum of bureaucratic delay. Dr. Wisdom Amegbletor, Mabel Onyameasem, and Dr. Portia Osei-Mensah comment:

Amegbletor: *The first challenge was a lack of adequate information. We were handling a lot of cases because government facilities were not equipped for them. We provided test results as well. We also shifted to remote consultation when we could, depending on whether the clients had access to phones and video call software. In some cases, we had to give treatment and follow-up remotely, rather than in person. At least it was better than no care at all.*

Onyameasem: *COVID challenged us in terms of staffing and the services we could provide. It also increased our cost of operations because of the PPE [personal protective equipment] and other and other practices to make sure the staff and clients were safe. We've learned some lessons to put in place for the future, for example, around standardized practices.*

Osei-Mensah: *In the beginning, it was quite tough on us, especially the sudden lockdown. We had to put in transportation measures for staff, and to set up intensive care units. We struggled at first to get PPE for staff. We got to know our limitations. We hadn't prepared psychologically for what would happen. But we have been able to overcome all of that.*

One thing about our culture is resilience. Dr. Wisdom does not give up. When the company is in crisis, he is determined to push to the next level. He also believes in his people. He helps each of us bring out our potential.

One thing that has kept me personally going through COVID is my determination to not give up as a healthcare professional. Every day I see people suffering. I personally have decided that whatever I have to do to make sure people are well taken care of, I will do as much as possible.

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