


# Advancing value-based healthcare (VBHC) through collaborative innovation

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**The UK NHS's are all seeking sustainable, outcomes-driven care, adopting VBHC with its focus on better patients outcomes relative to cost: an approach underpinning the recent 10 year plan for England. A joint project between an International Biopharmaceutical Company and Swansea University explored effective collaboration for successful VBHC implementation**

As healthcare systems around the globe deal with growing complexity, ageing populations, and escalating costs, the need for fundamental transformation has never been more urgent. In the UK, the National Health Service (NHS) faces similar pressures, prompting a renewed focus on delivering more sustainable, outcomes-driven care and has recently launched its 10 Year Health Plan for England with a vision of neighbourhood health centres, digital-first centres, and preventative care, and highlighted recently by the Health Innovation Southwest Network, CEO Jon Siddall that:

*“analysis by Frontiers of Economics, identified £278bn of potential productivity gains via targeted focus on cardiovascular, mental health, musculoskeletal and respiratory conditions, unlocking workforce productivity, population health gains, and economic growth in the life science sector.”*

One approach gaining momentum is Value-Based Healthcare (VBHC) – a strategic framework that prioritises patient outcomes relative to a financial/ value cost. To realise its full potential, however, VBHC demands not only new ways of working as proposed above, but a genuinely collaborative partnership between the healthcare system and the life sciences sector.

A recent joint research project conducted by an International Biopharmaceutical Company and Swansea University's School of Management, 'Collaborating to Deliver Value in Health Care: Exploring the Conditions Required for Success in UK Health Care and Life Science Sector', sheds important light on this evolving landscape. Through in-depth interviews with 48 senior leaders across the NHS and pharmaceutical industry, the project explores the enablers and barriers to successful VBHC implementation, highlighting the critical role of collaborative innovation.

## **Aligning two systems for one goal**

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The study set out to understand what enables – and impedes – effective collaboration between the Health Care System ('System') and the Life Sciences Sector ('Sector') in adopting VBHC. Participants shared real-world experiences of successful and unsuccessful partnerships, identifying a set of recurring themes that hold important lessons for future VBHC initiatives.

Trust emerged as the single most cited enabler of success (27%), closely followed by goal alignment (25%). When both parties establish mutual understanding, respect, and transparency, they are better positioned to co-develop shared objectives and hold joint accountability for outcomes. Conversely, the most cited barriers to success were lack of trust and governance challenges, with participants noting that compliance hurdles, overly complex contracts, and poor data governance frequently stall or derail collaboration.

## **Building a culture of collaboration**

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One of the key insights from the research is that culture matters just as much as capability. Effective partnerships require more than the right expertise – they require aligned mindsets, consistent communication, and patient-centred values.

Participants emphasised the importance of having 'a common language' between sectors, understanding each other's priorities, and appointing empowered leaders who can navigate both clinical and commercial landscapes. As one respondent noted, "The individuals leading these partnerships must be resilient, respected, and able to bring the right people to the table at the right time."

Transparency, willingness to adapt, and clinical champions also featured heavily as cultural enablers. Where these are absent, however, partnerships may become transactional or short-lived. Some participants reported a lingering perception of industry as overly sales-driven, which hinders trust-building and limits the potential for meaningful co-creation.

## **Governance as a double-edged sword**

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Interestingly, governance emerged as both a critical enabler and a major barrier. When executed well with co-created Memoranda of Understanding, Standard Operating Procedures (SOPs), and clearly defined project boundaries, governance structures can accelerate collaboration. However, when overly bureaucratic or unclear, they become one of the most consistent points of friction.

Concerns about data sharing, intellectual property, and funding transparency were frequently raised, suggesting the need for new enabling policies and contractual frameworks that support rapid yet compliant collaboration. The research points to a shared recognition across both sectors that governance must evolve to match the speed and agility required for innovation.

## Innovation, incentives, and scalability

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The study also underscores the importance of having clear pathways for innovation adoption and scalability. Importantly, with reference to adoption, there are three considerations:

1. Assessing the innovation potential for adoption.
2. Assessing the company's readiness for adoption and spread.
3. System readiness for adoption planning.

Many interviewees expressed frustration that even well-evidenced pilots often struggle to scale due to siloed organisational structures or fragmented systems. Successful partnerships, by contrast, deliberately design for scale from the outset and align with national strategic priorities.

Incentive structures, both formal and informal, also play a key role. Policymakers have a critical opportunity to support VBHC adoption by creating funding mechanisms, recognition schemes (with some success in the US), and leadership incentives that reward cross-sector innovation focused on patient outcomes.

## Towards a future-ready workforce

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One of the project's more forward-looking insights relates to workforce capabilities and roles. As data become central to outcome measurement, and as partnerships span increasingly complex ecosystems, there is a growing need for new skillsets in both sectors. Future roles may include partnership architects, value-based care analysts, and system-level integration leads – roles that blend clinical, digital, and commercial fluency.

Participants also highlighted the importance of knowledge sharing and learning from 'exemplars' – successful models that can be adapted and replicated across other regions and care pathways.

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