

Transition Partners

Preparing for the Future: a Critical Imperative for Hospitals

For hospitals, preparation is critical for continued success. Changing times require quick responses -- to the government, regulators, insurers, doctors, communities and suppliers. Legacy systems, inflexible interfaces, deficient business processes, ineffective capital utilization and poor customer and patient support all inhibit quality hospital service. The first step to solving those problems is to identify them through an assessment

“Before anything else, preparation is the key to success.”

Alexander Graham Bell

A recent case study follows, detailing a Transition Partners' IT assessment and transformation performed for a large hospital system. The engagement enabled the hospital to successfully resolve issues and deficiencies and position themselves for efficiency, growth, and implementation of Electronic Health Records (EHR).

Background

A large West Coast hospital system's leadership was concerned that the Information Technology (IT) department was responsible for inefficiencies which added unnecessary cost, negatively affected quality, and impaired patient service. Transition Partners was engaged to assess this situation, recommend corrective steps and position the hospital for efficiency and further growth.

Our Approach

Transition Partners conducted an IT Assessment to objectively determine the hospital's IT strengths and weaknesses and to provide strategies and improvement recommendations. Subsequently, we led transformation activities to prepare the hospital for future initiatives, including Electronic Health Records (EHR).

Results

At the engagement completion, the hospital system was well prepared to address current and future issues:

1. **They were organized to make good decisions** based on good information.
2. **They addressed the underlying problems** that were preventing them from making progress.
3. **They established an effective management framework** (architecture, IT governance and project management).

Engagement Details

Assessment: We made several findings during our assessment. Multiple IT organizations existed, the hospital had old systems, user support was problematic, there was limited use of new technologies, and business processes were warped to conform to inflexible systems.

The hospital needed a major transformation of their Information Technology organization and their use of technology. To achieve their goal, we recommended that the client:

1. **Establish one IT organization** – The hospital, for a variety of reasons, had several IT departments. Not only were the IT departments inefficient, standards did not exist and multiple implementations of the same solutions were prevalent.
2. **Implement effective Project Management** – No clear understanding of all of the work that was being performed existed.
3. **Establish IT Governance** – As a consequence of no IT governance, little review was afforded the many active projects. There was no overarching project management that determined when projects were off-target and needed intervention.
4. **Outsource IT service delivery** – Engage a service provider that could meet the current and future needs of the hospital.

Transformation: Following the assessment, we led the hospital's IT transformation. We first developed principles to focus the transformation activities:

1. **Establish core architecture and processes**
2. **De-couple systems** so operating entities can implement their own technology solutions
3. **Work on only those things that deliver significant benefits** to the business within the financial constraints of the enterprise
4. **Outsource technology delivery**

We then led the process to develop the strategy and the vision. We documented the existing architecture and determined the future state which included input from all of the hospital's stakeholders. Using the current state and future state, we developed the transformation plan. A great deal of effort was devoted to developing consensus within the hospital's departments and gaining agreement on how to proceed. This process included many one-on-one meetings to gather information, jointly develop solutions and gain the support of each of the departments. The product of this work was the joint vision for the future environment:

- An open enterprise architecture with common information repositories for information storage to allow data sharing, consolidation, and transparent access to information.
- An environment where all forms of information (data, text, image, voice) can be managed in a secure and integrated manner.
- The flexibility for hospital departments to be able to select and deploy system solutions independent of information repository constraints.
- A very scalable infrastructure.

Concurrently with developing the strategy and vision, we implemented the assessment recommendations:

1. **Established one IT organization.** We assessed the existing IT staff and designed the new IT organization; we reviewed, improved and created standard IT business processes; we reorganized the several groups into one; and we assumed day-to-day responsibility of leading and running the IT organization.
2. **Developed and implemented a project management process.** We created the project management process and identified the tools, reports, and the reporting mechanism. We then introduced the process to the hospital and trained the organization on the project management process.
3. **Designed and implemented IT governance.** We reviewed the current practices, application portfolio and backlog. Using this information, we established an IT governance framework. The governing bodies, including charters, were established and we introduced the concept of a decision package, the approval process, and necessary forms. We then developed the service request and reporting process which included the business process, service request tracking system and reporting requirements. The implementation strategy was critical - in addition to proper oversight, awareness and training were provided and the backlog was reviewed and incorporated into the IT governance process.
4. **Directed the outsourcing of IT service delivery.** First, we developed the outsourcing strategy and developed and issued the solicitation. Next, we helped the hospital select vendors to receive the solicitation. As the vendors were preparing their proposals, we served as intermediaries between the hospital and vendors and managed all of the interactions. We led the proposal evaluations and guided the hospital in selecting the winning vendor. Finally, we provided expert advice and assistance to the hospital during contract negotiations.

Key success factors critical to the hospital's IT transformation were:

1. **Establishing guiding principles** to avoid downstream conflict and confusion. Activities that did not support these principles were immediately put into question.
2. **Establishing the appropriate governance model** to provide visibility into actions. Including all stakeholders in the decision process is important. Unlike efforts led by one group in the hospital, inclusion avoids dysfunction, the usual disconnects and related implementation problems. Moving decision making to the front line is also necessary – this speeds up the decision process and helps continue the momentum.
3. **Develop and keep trust.** People don't like change, including doctors. It is important that a level of trust be developed and kept throughout the organization. For example, pop-ups to ensure that the physicians are making the right decision will break trust and kill the effort.

Based on our recommendations, the hospital established an organization structure that incorporated the key success factors and led to a successful transformation and EHR implementation. Key organization aspects included:

1. **An eMD Steering Committee** composed of a cross-section of the hospital's leadership team. The Chief Information Officer represented IT.
2. **An eMD Issues Committee** that consisted of physicians. These physicians were critical to facilitate issues resolution. In order to meet the implementation schedule, the Issues Committee developed turnaround times for issue resolution and other factors to ensure swift deliberations.
3. **Subordinate organization functions** headed by non-IT personnel:
 - a. Informatics
 - b. Clinical Decision Support
 - c. Adoption
 - d. Communication
 - e. Policies
 - f. Knowledge and Content

The eMD organization was successful because it was able to battle inertia, it drove progress toward goals and it removed roadblocks.

Conclusion

The IT assessment and transformation prepared the hospital for their next major initiative – an integrated healthcare system with electronic health records that includes:

- **Open enterprise architecture** with common databases for information storage to allow data sharing, consolidation, and transparent access to information using standard reporting tools,
- **Management of all forms of information** (data, text, image, voice) in a secure and integrated manner and
- **Architecture that is scalable** with high performance and high-availability technologies

The hospital was initially excited about moving forward and with the preparatory work by Transition Partners, they have made significant improvements. Establishing this new environment was a huge success that continues to deliver benefits to the hospital today.



Tom Pettibone and Dennis Conley are Managing Partners for Transition Partners (www.TPCo.us), a national management consultancy recognized by senior executives as trusted advisors to rapidly solve strategic, management and operational problems in Information Technology. GartnerGroup says: "Transition Partners prides itself on the experience level of its consultants. The majority are former CIOs or former managers of IT functions. They synergize business management and technology to bring value to their clients." The New York Times adds: "For taking on technology trouble-shooting, there's Transition Partners."