# IT Service Management & Project Management in U.S. Hospitals and Health Systems

TeamDynamix

IDC ESTIMATES THAT SPENDING BY HEALTHCARE ORGANIZATIONS ON DIGITAL TRANSFORMATION TECHNOLOGIES WILL INCREASE BY 22 PERCENT BY 2023.

Supporting this trend can be daunting.

This eBOOK will explore the impact that increased tech spend has had on IT organizations in healthcare and how some CIO's are addressing this challenge.

KEY FINDINGS

44%

Lack of IT Resources

54%

Project Delays

34%

Poor Communication
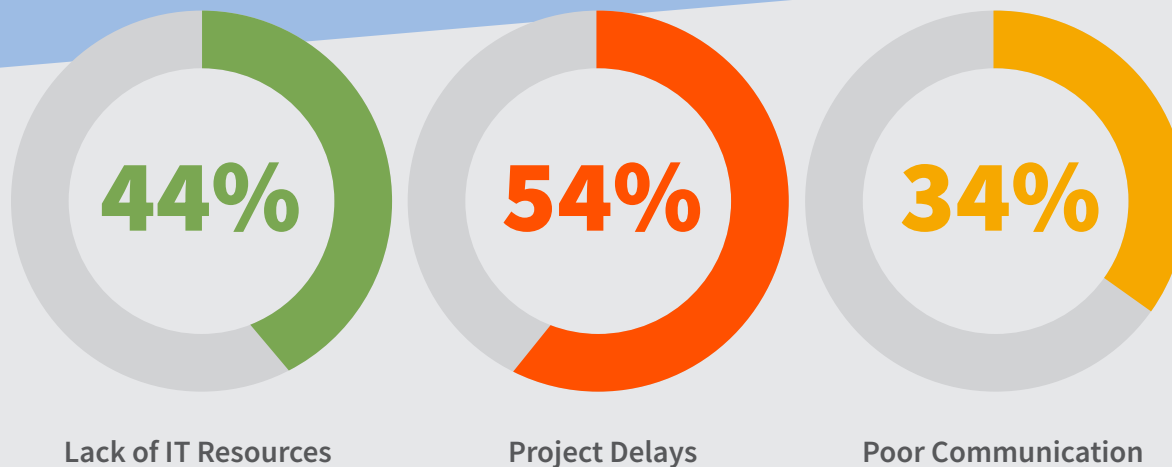
As tech spend continues to increase in healthcare, CIO's are challenged by competing priorities, lack of resources and the need for increased infrastructure. These challenges arise from the need to evaluate IT budgets and place the emphasis of tech spend on transformational initiatives aimed at impacting patient outcomes. Yet, behind the scenes, the infrastructure and operational teams needed to support the increase in projects and demand for support is often impeding progress.

To overcome these challenges, CIO's in healthcare need to reduce costs of infrastructure and operations in order to deliver a higher level of service. This eBOOK explores some solutions.

HIMSS Media conducted this research in September 2019 on behalf of TeamDynamix. The research was conducted to better understand how U.S. hospitals and health systems are approaching IT service management and IT project management.

The Journey Into Comprehensive IT Service Management and Project Management

As requests for services and support from end-user groups begin to accelerate dramatically, healthcare CIOs are turning to solutions that offer comprehensive solutions to their IT service management and project management challenges. The healthcare industry is both different from and similar to other industries, along a variety of dimensions.

When it comes to information technology development, senior healthcare information technology executives face some unique constraints and challenges, including those around cybersecurity and the sensitivity of patient data, and the tremendous fragmentation of data across the healthcare operating environment. At the same time, senior healthcare IT executives face challenges around budgeting and process that are not dissimilar from those faced by their peers in other fields, including education, transportation, retailing, government, and manufacturing.

KEY TAKEAWAYS

A single view of work: bring tickets, incidents, problems & projects together

If given a magic wand to solve a key ITSM or IT project management issue, people in tech-related roles in healthcare would improve coordination and prioritization of projects across departments, use a single unified tool for tracking projects and tickets, and allocate more people and resources to IT service and project work.

Room for growth in IT project management maturity

Four-in-ten report having limited IT project management maturity, with either no formal processes in place or just some governance structures guiding project management work. Another three-in-ten have full intake and tracking processes, but lack a full formal framework for managing IT projects.

Formal intake processes are common, but unified resource tracking is not

The majority have a formal project intake and formal change management processes in place, but fewer than one-in-five have a single view of resource allocation for IT tickets and project work.

Large organizations ahead of mid-sized in IT project management

Large organizations are more likely to have a formal IT project management intake process in place, and to locate themselves in the highest level of IT project management maturity.

ONE VIEW OF ALL WORK

IT Service Management & Project Management Belong Together

The total forecasted spend for healthcare is estimated to rise 22 percent by year 2023. Since this massive sum is ideally targeted toward transformative IT, CIOs need to be prudent about IT spend for platforms such as ITSM & project management. Further, they need to ensure that they are delivering services and managing projects on time, on budget and to citizen expectations. But with information and tools distributed across multiple platforms, organizations often lack the unified view needed to perform work efficiently, make well-informed decisions, and meet service and project goals. The challenge is magnified when multiple services and projects are underway concurrently.

All of this can result in budget and time overruns. To overcome this, organizations are looking at how service requests are made and routed to improve response times and outcomes. An increased focus on project planning and management can drive better delivery and resource utilization. An integrated work management platform combines service management and project portfolio management into a centralized hub to help governments gain visibility; automate workflows; enhance efficiency; and ultimately provide better experiences to the public, businesses, and employees. Hospitals are under pressure to stretch IT budgets and spend dollars responsibly.

For these reasons, IT leaders are starting to move IT Service Management and Project Management together so that the full scope of work can be managed, workflows can be streamlined and end-users can benefit from having a centralized view of work assignments.
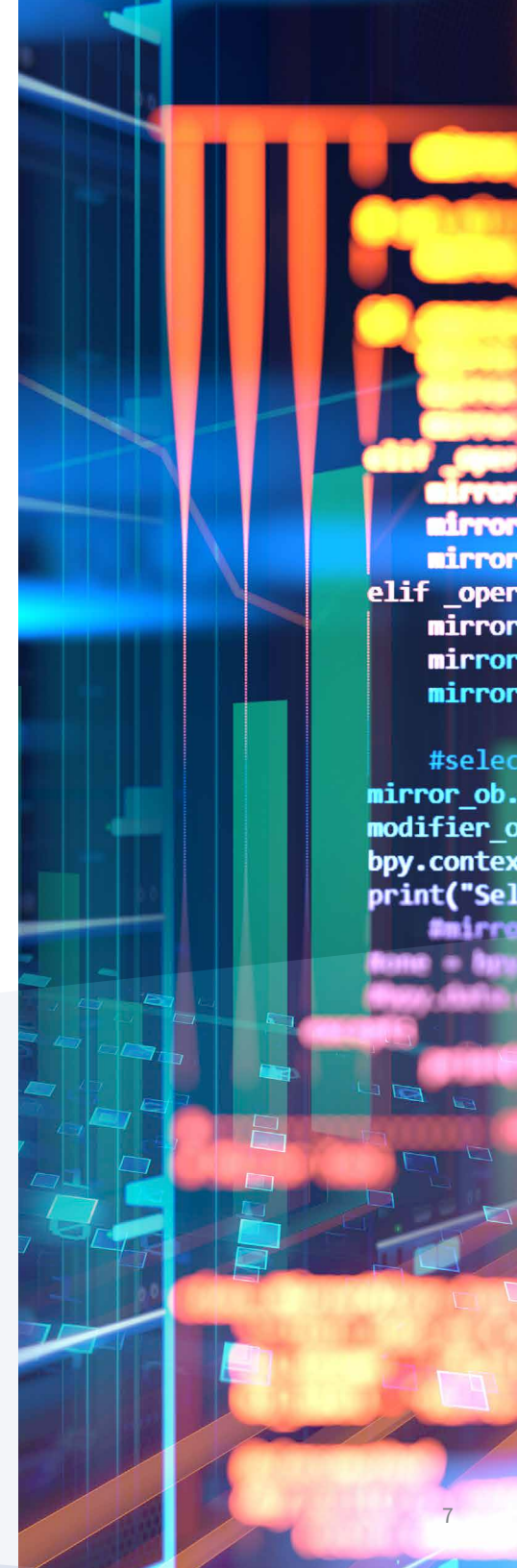
THE ROLE OF THE PMO

Make it part of your DNA – create a formal PMO

One of the first steps an organization can take toward improved PM maturity is to institute a formal PMO. The PMO in and of itself will not solve an organization's problems but it will be a very tangible commitment to maturing the organization and delivering improved project outcomes.

Even those organizations who don't invest a significant amount of their annual operating budget in projects cannot ignore formal initiatives—the rate of technological advancement (and obsolescence) is too great. By committing to a PMO, and tasking it with delivering improvements in some of the meaningful metrics identified in this report, organizations can see immediate results. Recommendation two is the first area we believe that PMO should focus.
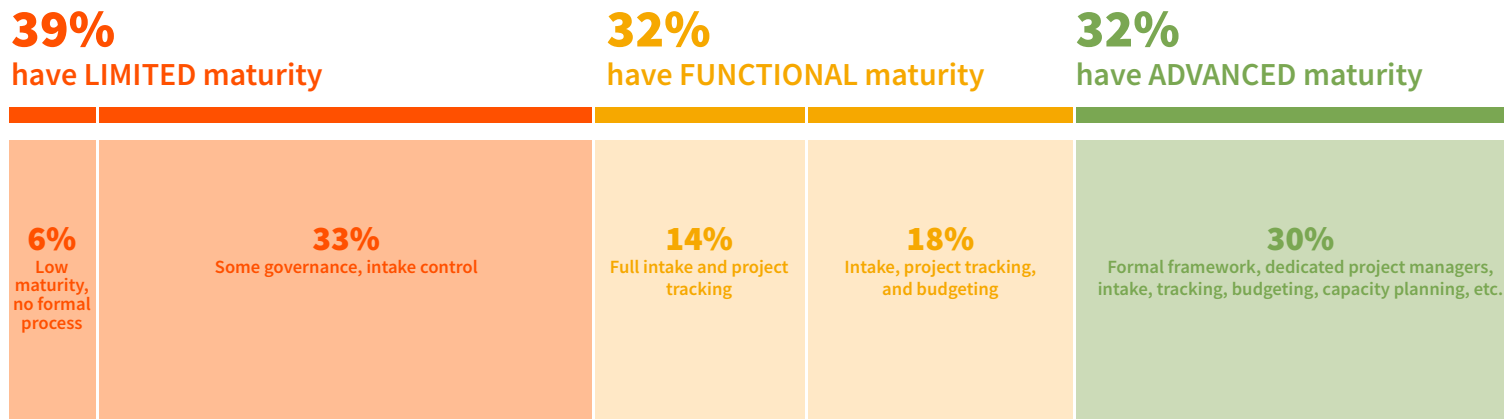
Why a project portfolio makes a big difference:

If your hospital is like any other, there may be numerous projects that contribute to that overall effort—each with its own timeline, budget, resources, etc.—PPM (project portfolio management) platforms allow you to look across all projects within a portfolio is vital.

By managing with a portfolio approach—rather than managing projects in isolation—stakeholders can see how everything is tracking and aligned to the strategic needs of the business.

7-IN-10 ORGANIZATIONS HAVE LIMITED OR FUNCTIONAL IT PROJECT MANAGEMENT MATURITY

How would you rate your organization's IT project management maturity?

39%
have LIMITED maturity

32%
have FUNCTIONAL maturity

32%
have ADVANCED maturity

6%
Low maturity, no formal process

33%
Some governance, intake control

14%
Full intake and project tracking

18%
Intake, project tracking, and budgeting

30%
Formal framework, dedicated project managers, intake, tracking, budgeting, capacity planning, etc.

Large organizations more likely than mid-sized organizations to have advanced IT project management maturity

37% | Large (more than 500 beds) | **32%**
31%

30% | Mid-sized (90-500 beds) | **55%**
15%
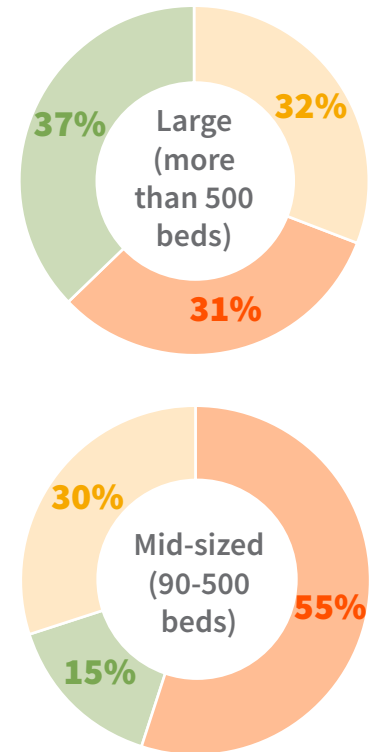
Q.9: How would you rate your organization's IT project management maturity? Base: Total Respondents: n=101; Large (>500 beds): n=68; Midsized (90-500 beds): n=33
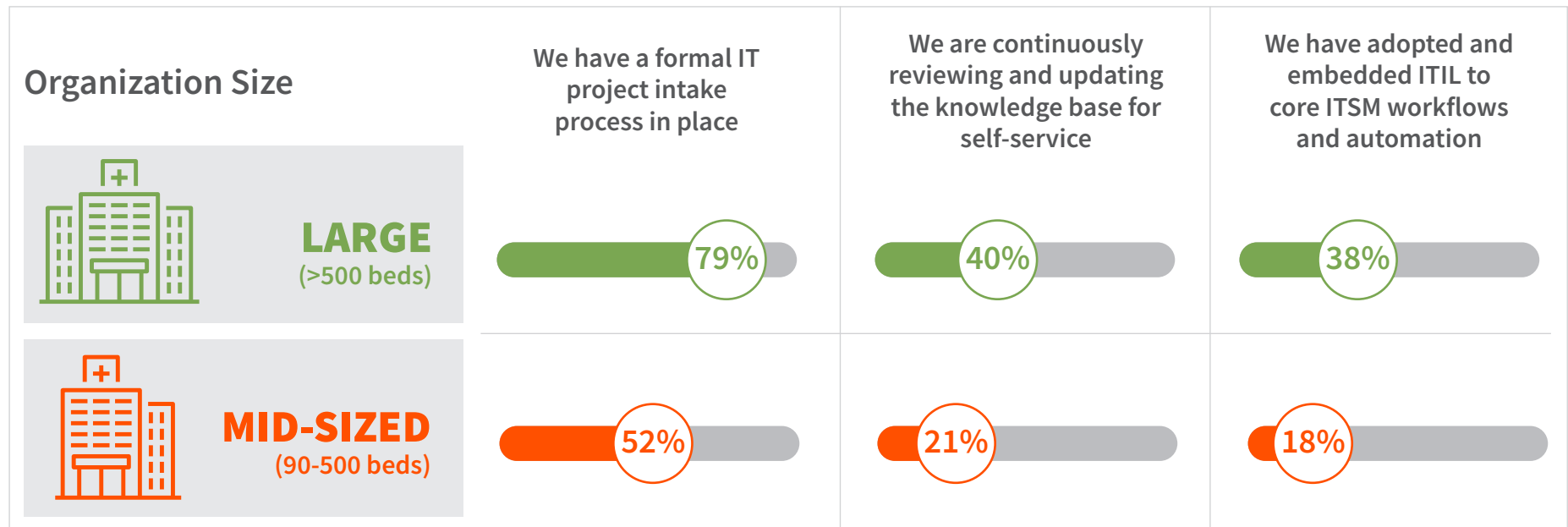
PROJECT INTAKE

Project Intake Matters: Learn how to say "Yes!" or "No!" to projects

Not all projects that are requested should get the green light for a variety of reasons, and sometimes the project itself checks all the right boxes but the timing is bad. A formal project intake process helps organizations determine which projects are right for now, right for later, and in some cases just not right for the business.

Being able to make this assessment objectively will foster stronger and more trusted relationships with stakeholders. For projects that do proceed, there is a lot that can change along the way, especially for long-term projects. Budget cuts, changes in strategy, etc. can all influence the direction of a project, and project governance is the process by which you evaluate these challenges to determine if the project can (or should) proceed as planned, be put on hold, or stop it dead in its tracks.

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Which of the following are in place at your organization today?

Organization Size	We have a formal IT project intake process in place	We are continuously reviewing and updating the knowledge base for self-service	We have adopted and embedded ITIL to core ITSM workflows and automation
LARGE (>500 beds)	79%	40%	38%
MID-SIZED (90-500 beds)	52%	21%	18%

Q.8: Which of the following are in place in your organization today? Base: Large (>500 beds): n=68; Mid-sized (90-500 beds): n=33; Items shown are significantly different at the 95% confidence level.

Aligning Resources to Strategic Vision at Covenant HealthCare

HC Innovation interviews Frank Fear, CIO, Covenant HealthCare

As the CIO, I have IT resources, and I need to assess their capacity. I look at what capacity do they have to work on projects, to work on change requests, to work on support requests. At the 40,000-foot level, having a comprehensive project management solution that also operates with the IT service management platform, allows me visibility for insight into those areas, and allows me to plan for project-based work based on the capacity to handle support requests and change requests. We use the ITIL framework which buckets elements into support incidences versus change requests; it can help determine whether a request will require the establishment of a new project or not.

The Impact of Digital Transformation in Healthcare

Like other businesses, we're becoming a digital business that provides healthcare, just as Tesla is becoming a digital business that provides cars. Our customers need our support so the demand is escalating and it's only going to increase.

A huge element in the acceleration and intensification of demands on his IT department and on the IT departments in hospital-based organizations nationwide, has to do with the post-EHR operational environment.

Just a small number of years ago, a relatively small percentage of patient care organizations in the United States had digital health records, so naturally, the first step was to implement EHRs. And the government came in with HITECH to help us become electronic. We're now over 90-percent fully electronic in our processes. So now, we need to learn how to work different, and we need to leverage information technology to help create those process and performance changes.

Resource Capacity Planning

The desire for new technology solutions to support change and other processes, is insatiable; it far outweighs the capacity. So I need to be able to clearly articulate what my IT organization's capability is. And, it's very important for me to be able to sit down with those in governance, to evaluate our full capacity, and manage the governance around what is possible.

Bringing IT Service & Project Management Together for a Single View

IT service management and project management must be conceptualized at the highest levels of an organization, and must be governed actively and consciously, in close relation to the organization's core business objectives and needs. In this area, technology is inseparable from technology management and from governance.

In healthcare, the needs will only accelerate dramatically in the coming months and years as the shift from a volume-based payment system to a value-based one accelerates and intensifies. CIOs and other healthcare IT leaders can no longer rely on anecdotally based, guesstimated evaluations of needs and resources in their organizations. A more evidence based, quantifiable and quantifying, set of processes, is needed.

An organized, comprehensive, strategic process of service management and project management needs to be delivered in an integrated way, via a flexible, supportive platform. Cost-effectiveness, efficiency, and improved clinical outcomes, are all becoming essential to survival – it is vital that we have a clear picture of how IT will support.

Frank Fear is CIO of Covenant HealthCare, a healthcare system centered around a 540-bed community hospital in Saginaw, Michigan. Covenant encompasses 4,500 employees, and serves patients across a one-and-a-half-hour radius extending out from the main hospital campus. The health system supports the IT needs of a large number of physician offices and facilities in the region, including approximately 340 providers in the area.

A MOVE TOWARD ONE PLATFORM FOR ITSM & PPM

All this relates to key concepts in the area of IT service management and project management, two core concepts in this area. Key points about this are:

IT service management and project management must be conceptualized at the highest levels of an organization, and must be governed actively and consciously, in close relation to the organization's core business objectives and needs.
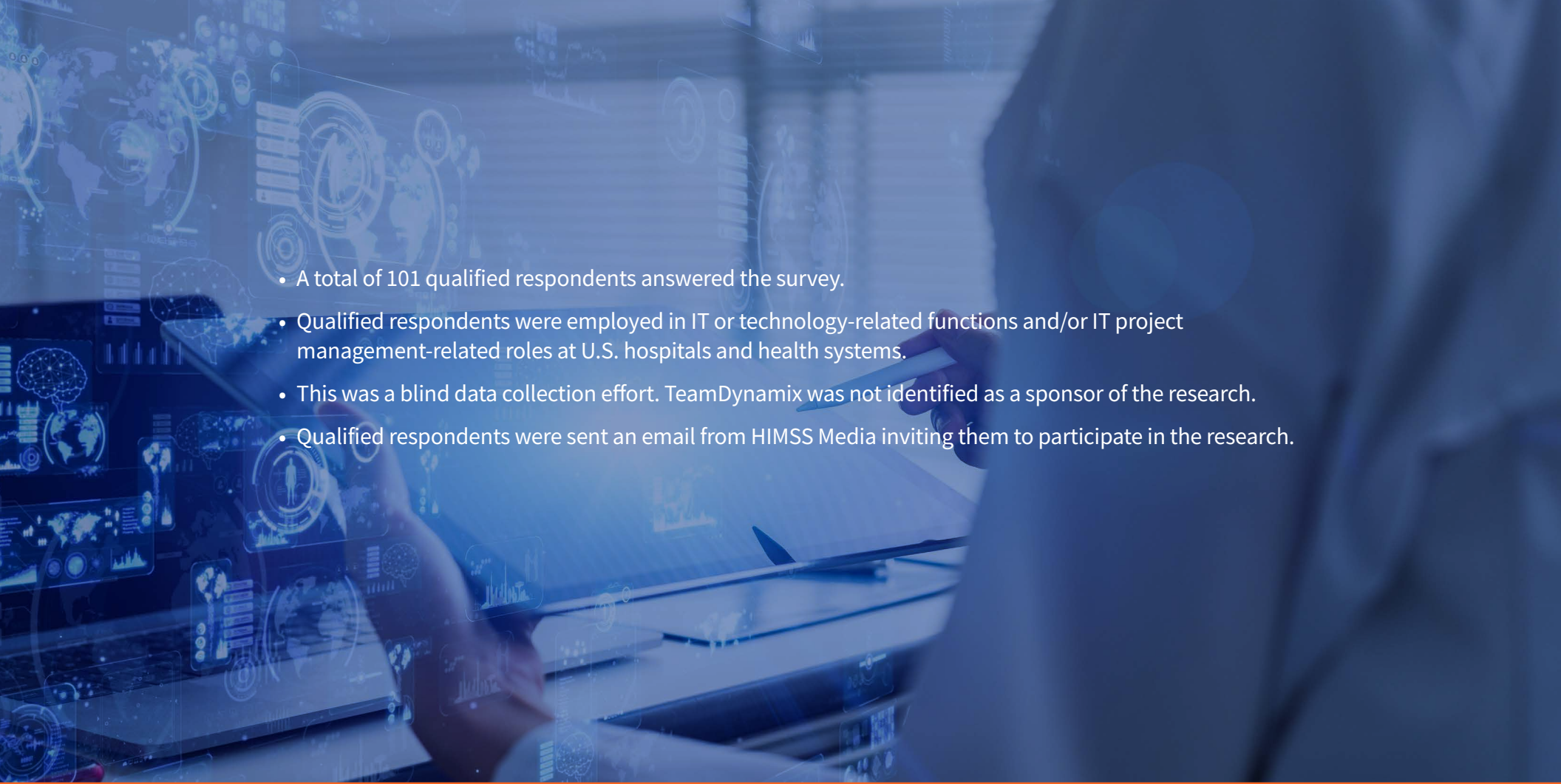
In this area, technology is inseparable from technology management and from governance. All are interrelated, and must be managed and developed as such.

In healthcare in particular, the needs will only accelerate dramatically in the coming months and years, as the shift from a volume-based payment system to a value-based one, accelerates and intensifies.

CIOs and other healthcare IT leaders can no longer rely on anecdotally based, subjective evaluations of needs and resources in their organizations. A more evidence-based, quantifiable and quantifying, set of processes, is needed.

An organized, comprehensive, strategic process of service management and project management needs to be delivered in an integrated way, via a flexible, supportive platform, in order to help healthcare CIOs move forward effectively in the emerging operating environment in healthcare, in which cost-effectiveness, efficiency, and improved clinical outcomes, are all becoming essential to survival.

- A total of 101 qualified respondents answered the survey.

- Qualified respondents were employed in IT or technology-related functions and/or IT project management-related roles at U.S. hospitals and health systems.

- This was a blind data collection effort. TeamDynamix was not identified as a sponsor of the research.

- Qualified respondents were sent an email from HIMSS Media inviting them to participate in the research.

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