



BEST PRACTICES IN HEALTHCARE IT GOVERNANCE

[A Digital Transformation Perspective]

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Revision History

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1. Executive Summary

Efficiency and performance improvement in the Healthcare industry, like any other industry, is of paramount importance. It directly impacts the quality of care and directly proportional to the institution's financial performance. The healthcare industry faces continuous change due to the improvements in medical technology and variations in regulatory requirements such as JCIA and HIMSS.

Information Technology Framework in healthcare should be defined in such a way that it should be ready to accommodate any changes without disrupting the working environment. IT governance is a critical discipline in the face of finite and often declining, resources. IT spends, primarily a major chunk of Capex, are required to be effectively governed through a governance model. The speed of change and its adoption can wreak havoc on its efficiency, and the governance of efforts is increasingly important to the health IT system's success.

This article explores the best-practice IT governance framework needed in the healthcare industry to ensure optimum efficiency and governance. A detailed breakdown of the IT governance process has been explored in this article which will ultimately provide the readers with an understanding to gauge the IT governance maturity.

2. What is IT Governance in Healthcare

Information Technology governance is a formal framework that provides the structure for organizations to prioritize IT investments that support business objectives and align with enterprise standards.ⁱ IT as a Service is experiencing high demand and management of demand and supply is critical to ensure appropriate deployment of limited critical resources.

IT governance focuses on the stewardship of enterprise resources by strategically aligning IT resources such as people, hardware, software, infrastructure, and services, with the clinical and business goals of the organization. Clinical goals are effective clinical risk management, conformance to JCIA standards, and creating a better patient experience, whereas the business goals might be leading to the financial and strategic performance of the organization. This necessitates the importance of having a governance model to oversight and evaluates the IT initiatives and ultimately make informed decisions.

3. Where do we stand in terms of IT Governance?

The following set of questions may be raised and answered to assess the IT governance status of the organization.

- Does the organization's IT strategy, processes, and initiatives are aligned with financial budgets and IT systems?
- Are IT investments are made in the rights projects with a clear understanding of business impact and improvement?
- Are IT efforts associated with KPIs and Is there any mechanism to measure those KPIs?
- How the IT decisions are made? Is there any IT governance committee in place?
- Is there any mechanism to measure IT staff utilization? Is it in conformance with international IT FTE equivalent standards?
- Are IT services areas and service levels defined?

4. IT Governance Pathway

Answers to the above questions will define the status of the IT governance that will ultimately lead to the IT governance pathway. The most recent exercise was to assess the IT governance status and to define the pathway to achieve the ultimate IT governance model at a large healthcare organization in Africa operating around 1200 beds and five facilities with around 6500 staff. Below actions were recommended by the author who was leading this drive.

- An IT Governance Committee has to be constituted with C-level membership from IT, finance, operations, and clinical departments.
- IT Governance charter to be built by the committee.
- A standard business case has to be built to understand the business impact of various IT decisions.
- IT to be in an advisory role where the operation drives the project.
- An approval matrix to be developed for IT investments for emergency needs and tasks related to risks and patient safety.
- Dedicated IT resources and single-point-of-contact (SPOC) to be assigned for IT projects and initiatives.
- A matrix to be built for IT resources supply and demand.
- A document to be created as an ***"IT Governance Model Framework"*** for all business units with the corporate umbrella.
- Review the above-mentioned document every two years.

5. IT Governance Framework in a Nutshell.

Table 1: Recommended Best Practice IT Governance Framework

Recommended Best Practice IT Governance Framework
Strategic Alignment with Business
<ul style="list-style-type: none">• Focus on ensuring the linkage of IT initiatives and plans with business.• Defining, validating and maintaining IT value proposition.• Aligning IT operations with enterprise operations.
Delivering Value
<ul style="list-style-type: none">• Executing the value proposition throughout the delivery cycle.• Ensures that the IT delivers the promised deliverables within the defined timeframe.• Generating cost savings and business efficiencies.
Resources Management
<ul style="list-style-type: none">• Ensuring optimal investment in, and the proper management of, critical IT resources such as applications, information, infrastructure, and people.
Risk Management
<ul style="list-style-type: none">• Risk awareness by corporate CXO's.• A clear understanding of how the organization manages the risks.• An understanding of compliance requirements.
Performance Management
<ul style="list-style-type: none">• Track and monitor strategy implementation, projection completion, resource utilization, process performance, and service delivery.

6. Conclusion

An effective IT Governance Framework is not only ensuring the effective utilization of IT resources but also provides a mechanism for management to review the IT performance against the investments. A good IT Governance Framework (ITGF) is key to an organization's success in its Digital Transformation Journey. A usual journey of building an IT Governance Framework in an integrated Digital Transformation environment takes around 12 months from inception to completion.

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ⁱ <https://www.aarete.com/insights/the-value-of-healthcare-it-governance/#:~:text=IT%20governance%20focuses%20on%20the,business%20goals%20of%20the%20organization>