Digital Transformation

Seven Strategies to Inform Your Healthcare Initiative

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Seven Strategies to Inform Your Healthcare Initiative

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For all of the buzz around digital transformation in healthcare, there's still a lot of work to be done before healthcare sees the same consumer or customer-centered experiences that have digitally transformed banking, retail, and other verticals. It's not a lack of wanting to transform; in most cases, it's often a lack of knowing how and where to start. I've talked with Chief Digital Officers, Chief Innovation Officers, Chief Strategy Officers, Chief Technology Officers, Chief Information Officers and others across the country and across provider, payer, life sciences, and health technology. I've also read extensively on this topic and will be providing links to some great research on health digital transformation. I'm excited to share my distilled findings with you now.

In their article, Promoting an Overdue Digital Transformation in Healthcare, McKinsey & Company cite their colleagues as saying the three barriers to digital transformation most mentioned by the pharma and med tech industry were not technology based, but instead culture and mind-set, organizational structure, and governance. The payoff for succeeding is real, however, as the article goes on to share potential from transformations including being able to "prevent up to 95% of adverse drug events, saving lives by improving compliance with care recommendations, reducing the number of duplicate diagnostic tests and reducing costs by 7 to 11 percent."

It's not just life sciences that stands to benefit from a digital transformation. Deloitte tells us in their analysis, The Value of Patient Experience, that "Improving the patient experience can help a hospital improve its financial performance by strengthening customer loyalty, building reputation and brand, and boosting utilization of hospital services through increased referrals to family and friends." They add that payers looking for better value are also focusing on the patient experience. In their pivotal report Forces of Change: The Future of Health, they paint the hopeful picture that "The future of health will likely be driven by digital transformation enabled by radically interoperable data and secure platforms…" which stands in in contrast to today's often disconnected silos and systems.

As is so often the case with transformation efforts, the secret isn't just wanting change and new outcomes, it's knowing where to start and recognizing digital transformation is about more than technology. Here are seven strategies that can help inform and accelerate your digital transformation.

Any successful digital transformation effort starts and ends with the customer. Before you embark, make certain you have a deep understanding of your organization's goals and objectives that are most closely tied to your customers. You'll want a digital strategy that is informed by the needs of your customers. Customers or patients/consumers/members are at the center, and their needs should drive the initiative while informing your business goals and objectives. Be holistic in thinking about and acknowledging your various constituents (not only your primary constituents) and their needs.

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Start With
the Customer

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Digital transformation efforts are about creating improved end-user experiences

In addition to your primary customers, you'll want to think about your partners, suppliers, as well as your own employees, internal constituents, and others who comprise your eco-system. We often think first and foremost of our customers. In the case of hospitals, those are patients; in the case of payers, those are members; and it's right to prioritize them, but you want to keep the whole landscape in mind so what you do in one part of your organization has a positive ripple effect on another part. A great health care delivery example of this approach is using digital strategies to make finding and integrating information easier and faster for physicians, nurses, and other care givers. Their increased productivity and decreased frustration directly benefits your patients.

This article from Healthcare IT News points to the approach Humana is taking to broadening digital health by opening a new Boston location called Studio H, committed to developing digital tools and enterprise analytics, all part of their strategic imperative to personalize and innovate the experience for their members. It's clear they are thinking about their customer members, and also about how to integrate this change management throughout their organization.

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Getting the Right Team at the Table

Digital transformation requires an aligned and committed team. Anytime you are implementing significant change, it's important to think about who needs to be at the table. Most people realize CIOs and CTOs should be engaged but sometimes overlook the importance of having their marketing and communications lead involved, for example. You'll need someone who clearly understands the brand, where it's going, market perceptions and how to enhance your messaging around your initiative. You may also need to bring in specific business process owners. For example, you may need to tap into a legacy system to present data in a more accessible way and the business and IT process owners can help you determine if you can integrate your changes into the existing legacy system or if you need to start net new.

Anytime you implement significant change, it's important to think about who needs to be at the table

Increasingly, we see companies bringing on a Chief Digital Officer, or morphing the CIO role to include this job. If you have a Chief Digital Officer, he or she is likely the sponsoring executive for your initiative. You'll also want to bring in your CISO or privacy, security and compliance personnel as your digital transformation will alter and increase your digital footprint and could create new or additional risks that you will need to address early and often. You'll need your CFO or finance team lead involved throughout the process. And, then there's the CEO. If your initiative is a small pilot that CEO can probably just be informed but if three conditions exist you benefit from CEO sponsorship and active engagement: 1) if there's significant risk for the organization, 2) if the initiative is ambitious competitively, and 3) if there is extensive financial commitment.

I advise teams undergoing this kind of change management to use a RACI process where each role is clearly identified as being either accountable, responsible, consulted or informed. Remember, there can only be one A. As this article in CIO Magazine states, A RACI matrix is the simplest, most effective means for defining and documenting project roles and responsibilities.

In addition to thinking about those you work for, it's important to think about what you offer that is a key differentiator. This is always important but is critical in digital transformation efforts, so that your work will be for the outcome or outcomes that accelerate your business growth and success. Very early on you'll want your team to be thinking about how to differentiate and how to strategically gain a market advantage. It's a good time to get clear on how you want to present your brand, your values, your mission and what current differentiators are part of your holistic message that's being presented digitally. In digital transformation efforts it's important to not only be sure your existing brand message comes through, but also that you do research to understand what each of those constituents we mentioned above want. What would be a way to delight them and exceed their expectations? If you can create an overlay of how to delight end users/customers by defining the white space your competitors haven't uncovered or captured, you're going to be well on the path to success.

In addition to finding the spaces your competitors are not yet working in successfully, also look at where they have an advantage over you. Where are areas where you are not at parity? Take some steps to lay out programs that would address what would need to happen to catch you up so you can leap ahead. But beware: there are times when it may not be strategically important to close that gap, and in fact, sometimes the most important think you can decide is what you're not going to do. Your team may decide to cede a certain part of the market to your competitors and go after something else for better differentiation or bigger gain. Your digital strategy must complement your business strategy.

Be sure your brand message comes through, but also do research to understand what each of your constituents want

This article from Becker's Hospital Review is a great example of this differentiation strategy at work for the emerging payvider segment wanting to be more successful with the lucrative Medicare Advantage market. These payviders may decide not to allocate resources to other business objectives so that they can gain share in the growing Medicare Advantage market early for a strong hold as that demographic booms in the coming years.

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Look for White Space and Differentiate

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Getting Buy-in from Stakeholders

Organizational support for your initiative is imperative if you are to succeed. You can't do this work in a silo and then unveil it to your organization. Very early in the process make sure you have clear messaging throughout your organization that shows what the initiative is, what it intends to accomplish, and why this is a strategic imperative for the health and growth of your organization or company. To get to that point, you'll succeed faster if you engage stakeholders from the beginning so they can provide their feedback and directional changes early in the editing process of your initiative. Do be sure to include meaningful metrics, and speak to the competitive edge you are working to gain so the sense of urgency needed is felt and understood by all.

Engage stakeholders from the beginning to ensure your digital strategy has a clear direction

When I say articulate your strategic plan a sigh can be heard from those who have experienced the lengthy process of writing a traditional strategic plan. You can quickly create an actionable, accountable plan or imperative that allows your team to move toward a common goal by revisiting item #1 in this list...focus on the customer. Think about their experience and what needs to change to get you from where you are to where the customer wants you to be.

A group that has done an exemplary job at creating a unified approach to change management is One Medical, completely rethinking primary care delivery focusing on the relationship between patients and clinicians. One Medical used cloud-based technologies to build their 1Life ecosystem from the ground up. Through 1Life, they deliver same day appointments, compassionate providers on 24/7 video visits and more, providing a level of personalized care that delights today's consumers.

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Recruit Outside the Box

Speaking of resources and personnel, it's been very interesting—especially in the space of digital transformation—to see how some healthcare leaders have assessed their readiness and realized they need experienced talent. We see a trend in healthcare of recruiting high-level executives from industries outside of healthcare that have already undergone successful digital transformation, such as tech, finance or retail.

We can see examples of this at providers including Providence St. Josephs and CommonSpirit, or with payers such as Humana. I'm seeing healthcare leaders being very thoughtful about transferring best practices into their organizations through hiring, and the result is accelerated digital transformation initiatives.

It's creating a very exciting time for healthcare where we are seeing some bold moves. But with boldness comes risk. Some of the big tech players have tried to move their business models into healthcare and really struggled because the nature and construct of our industry is so complex and unique unto itself. Others are succeeding. We see leaders like Amazon, Google and Microsoft all making ambitious investments in healthcare. The good news is we are now through the first generation of that recruiting outside the box wave, and we all learned from early experiments and in some cases, failures. It's exciting to see the opportunity to transform healthcare successfully in the new decade this new talent is bringing to the table.

Transferring best practices into an organization through hiring is resulting in accelerated digital transformation initiatives

The challenge with digital transformation extends well beyond adopting and mastering new technologies. There are sweeping change management initiatives that have to accompany the culture change that comes with this transformation—and success means a better, stronger, more agile and successful business—so it's worth the focus.

Understand Your Technology Isn't All That's Changing

Cultural challenges accompany technology changes because digital transformation efforts cut across organizational silos

In the case of a payer, for example, you may find an initiative with a member organization, a medical management organization, a customer service organization, a marketing organization and call centers working on the same projects, all with very specific goals and metrics by which they will be measured. When you optimize within these silos of data, you often haven't optimized the experience for the end member. You're going to think about integration across silos which can be challenging. Fortunately, third party experts like ClearDATA can offer healthcare IT consulting to address not only the technology infrastructure you are trying to transform in order to improve and personalize the end user experience, but also how to evolve your organization internally on that pathway so your people, processes and technology transform simultaneously.
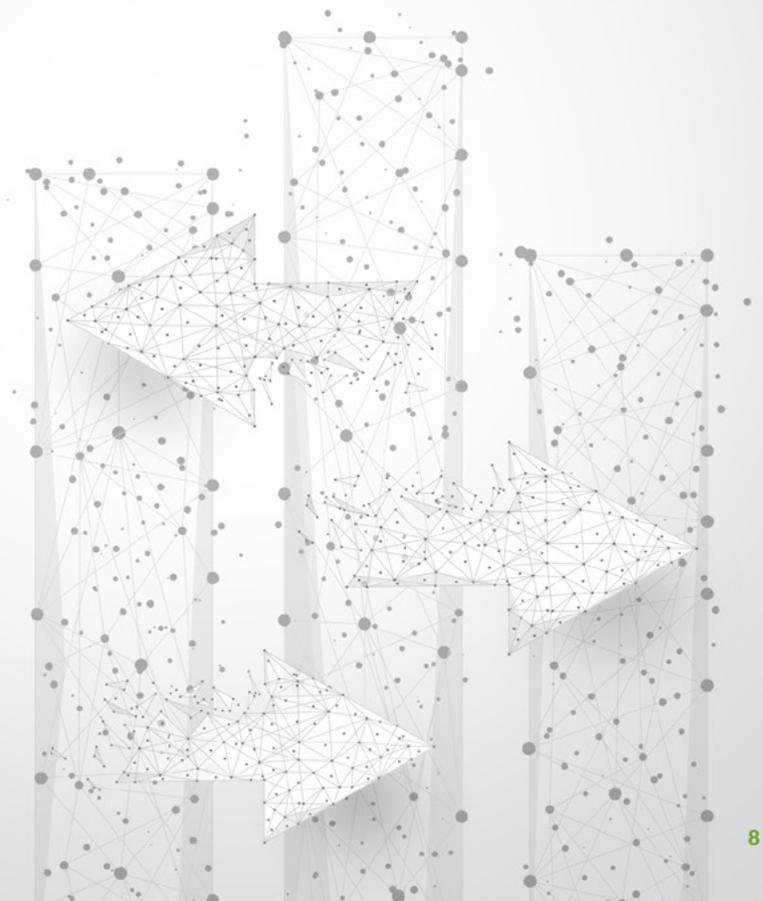
Moving away from legacy systems and goals is disruptive and you'll need to establish a way to build trust in addition to collaboration and communication. Luckily, getting the privacy, security and compliance part of your work right has the immediate impact of building trust because business units within your organization, and even across different companies collaborating, can have the assurance that risk has been reduced while productivity increases.

An example of silo busting I am continuously impressed with is the work Roche Diagnostics has done with their NAVIFY™ Tumor Board solution. We all know someone who has been diagnosed with cancer and the number one thing they need is faster, better diagnosis and treatment plans. Yet, there are radiologists, oncologists, surgeons, and many others involved in reviewing and analyzing patient data. Roche saw the need to get these teams together to get a holistic view of the patient and to provide better unified care. The NAVIFY Tumor Board securely integrates and displays a patent dashboard for oncology care teams to review, align and decide on the best treatment for the patient. Knowing the data is secure and the environment is meeting compliance standards builds trust in sharing and aggregating data.

A keen commitment to compliance will become an accelerant to your digital transformation rather than a barrier. If you use a third party like ClearDATA to automate, remediate and monitor your compliance, your team can put more energy into the customer facing elements of change.

Oftentimes I see teams focused so intently on the technology they overlook the human side of the equation, and that can create failure in the initiative. When optimizing workloads and creating new processes, silos have to be busted and cross organizational communication will need to come into play in ways it did not previously exist. Bridges have to be built. IT mindsets of building one big monolithic system that does this one thing must be abandoned for a mindset of building for the future. How can you create systems that are accessible, agile and scalable? This is where the cloud really shines as there is simply no better place for digital transformation efforts than the cloud with its infinite scaling, automation, and when working with a highly qualified provider, ability to have the best privacy, security and compliance as you grow your business. Having a 24/7 visual into your compliance stature can build trust among departments, divisions or business units that may not have worked as closely together in the past.

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Know that Transformation Requires Trust

About the Author

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A veteran health IT leader, Mr. Whyte has over 25 years experience serving the nation's largest life science, provider, payer and health solutions organizations. At ClearDATA, he is responsible for driving innovation, growth and strategic relationships. Additionally, Scott actively advises early stage health technology companies and private equity investors on health technology.

Prior to joining ClearDATA, he was an IT Vice President at Dignity Health, the fifth largest not for profit hospital system in the nation with annual revenue over $12 billion. He oversaw $500+ million in clinical systems budget for over 40 hospitals; his responsibilities included EMRs, Clinical Integration/ Accountable Care Organizations, Population Health ARRA, Health Care Reform, Patient Connectivity and Portal Strategies, Imaging, Telemedicine, Workflow and Analytics and Health Information Exchanges (HIEs).

Prior to joining Dignity Health in 2005, Mr. Whyte was Vice President and CIO at the nationally ranked Phoenix Children's Hospital. Previously he spent over 17 years helping build the healthcare practices at EY, Siemens Healthcare and Capgemini (practice now part of Accenture) serving hospitals, health insurers and life sciences companies. This included building a health consulting practice of over 70 professionals. He has spoken nationally on topics including accountable care, cloud, health information exchanges, portals and genomics.

Mr. Whyte spoke at the ONC Annual Conference, testified before the ONC HIT Policy Committee and the ONC Privacy & Security Tiger Team, and he served as the Co-Chair of the California state HIE, Cal eConnect, Technology Advisory Group (TAG). He founded and served as Co-Chairman of the HL7 Clinical Genomics Special Interest Group which is working with an international team of physicians, biopharmaceutical specialists, bioinformatics specialists and regulators to develop an international data exchange standard for genetic information.

Learn how ClearDATA can help accelerate your digital transformation

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