

White paper

Aligning stakeholder groups in enterprise digital transformation



About Damo Consulting

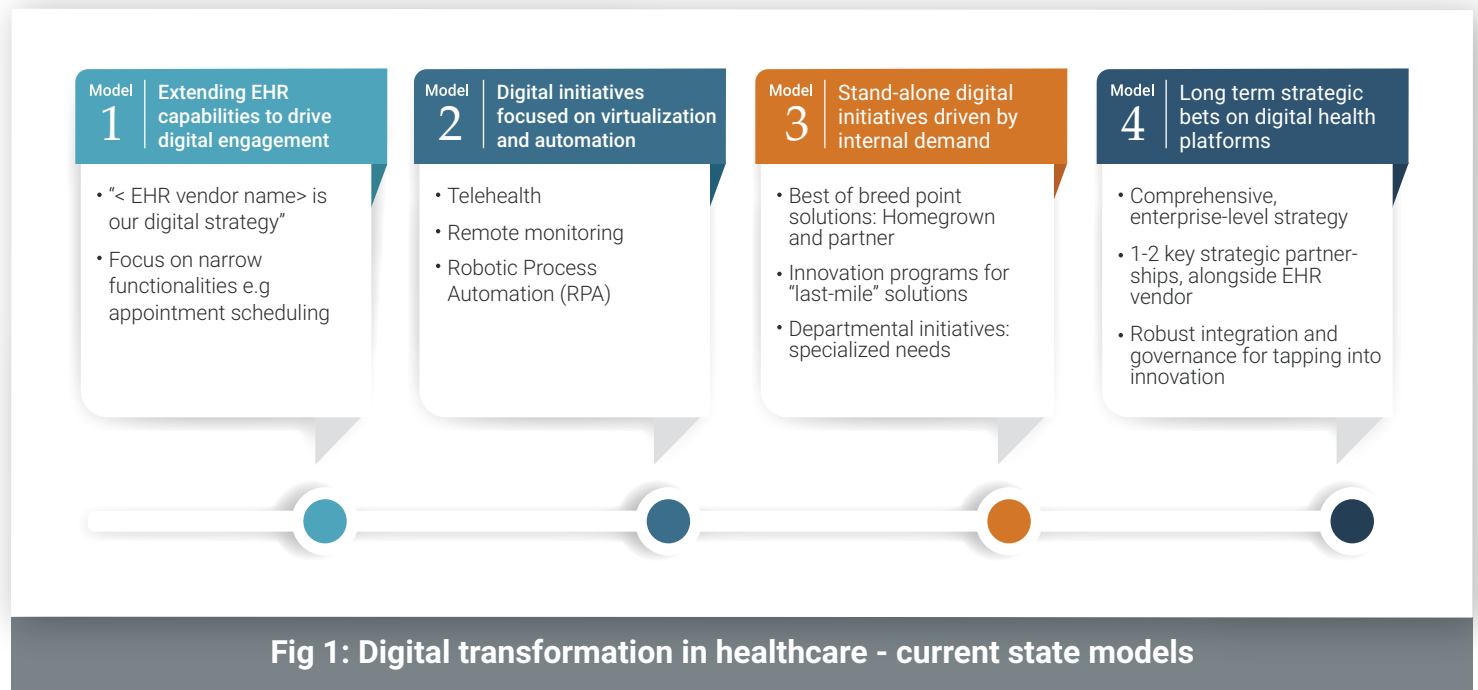
Damo Consulting is a growth strategy and digital transformation advisory firm that works with healthcare enterprises and global technology companies. We help develop and implement digital transformation strategies and enable market growth strategies. We specialize in thought leadership led brand transformation and actionable healthcare market intelligence.

You may also be interested in these:



To stay updated with the latest in the healthcare IT industry and what's new at Damo research, [subscribe to our newsletter](#).

Healthcare CIOs across the board are deeply involved in enterprise digital transformation today, with many either carrying the additional responsibility of Chief Digital Officer or transitioning into the role full time. However, digital transformation is more about culture change than about technology. While digital transformation is primarily IT-enabled, it is not the same as IT-led.



Digital transformation in healthcare today falls mostly in one of the models described in Fig. 1 above. Most health systems are somewhere between models 1 and 3, and a small number are maturing towards an enterprise approach and roadmap for digital transformation.

One of the fundamental challenges of a Chief Digital Officer is to recognize that ownership for success with digital programs lies with key stakeholder groups in the organization. Clinical and nursing operations, revenue cycle management, and patient experience are some of the prominent stakeholder groups who have a stake in the digital transformation of their functional areas. CIOs who lead digital transformation must take pains to ensure that enterprise digital transformation is not seen as an "IT" initiative – or at least, not just an IT initiative. Digital transformation depends on a range of interconnected programs within an enterprise. These include enterprise data management, enterprise analytics, patient experience, population health management, and innovation, to name a few. Rarely do all these programs lie within one function such as IT.

Here are some examples of the variations across enterprises, and how they could align enterprise digital transformation:

Enterprise analytics

While analytics often sits in the IT function, it is often as a standalone enterprise function or a enterprise function that sits inside another, such as the CFO organization. Even within the definition of enterprise analytics, routine reporting for quality metrics may sit in one function while advanced analytics that focuses on building artificial intelligence (AI) and machine learning tools may be led by a Chief Analytics Officer (CAO). The CAO works independently with stakeholder groups to identify use cases and integrate them into clinical or operational workflows.

Enterprise data management

Ownership of enterprise data and the management of the data could sit in different parts of the enterprise. CIOs usually have the ownership of core datasets such as EHR data but may not have ownership or control of other datasets. An example would be third-party consumer data which is licensed and used primarily for marketing. Further, the ownership of the data may lie within a function, while the responsibility for the infrastructure to host and manage the data may be part of the CIO organization. The advanced analytics function responsible for developing predictive models on patient health outcomes may sit in yet another part of the enterprise.

Patient experience

Many health systems have appointed Chief Patient Experience Officers, and the role often reports directly to the CEO. The patient experience officer's role involves creating alignment across the various functions that touch the patient during various stages of their journey – such as marketing, patient visits, payment and collections – and requires IT-enablement to streamline the workflows and create superior experiences for the patient.



Innovation

Many healthcare enterprises have set up innovation groups that are typically stand-alone organizations tasked with a range of objectives such as:

- *To foster and commercialize innovations within the enterprise.*
- *To create and promote innovation ecosystems.*
- *To generate new revenue streams through equity participation and royalty agreements.*

Given these objectives, the Chief Innovation Officer often has a set of goals that do not directly align with enterprise digital transformation. However, innovation groups can be great sources of new ideas and solutions for reimagining patient and caregiver experiences and therefore a critical enabler for digital transformation.

Other aspects that impact enterprise digital transformation include departmental purchase of IT solutions (shadow IT as it is often referred to) and lack of standardization of technology platforms (often exacerbated by M&A activity), to name just a couple.

Notwithstanding the variations in organizational models, several technology components required for enterprise digital transformation sit in the CIO organization today. These include enterprise IT infrastructure, core applications, information security, and systems integration. While CIOs have taken on the mantle of Chief Digital Officers in many healthcare enterprises, the role of Chief Digital Officer is emerging as one that requires cross-functional expertise – innovation management and experience design – that are characteristic of systems of engagement that directly impact revenues and customer satisfaction.

Given that digital transformation is in early stages in healthcare, the organization models for assigning ownership for implementing digital roadmap also vary widely across enterprises. Fig. 2 indicates where the role of the Chief Digital Officer sits in different health systems today.

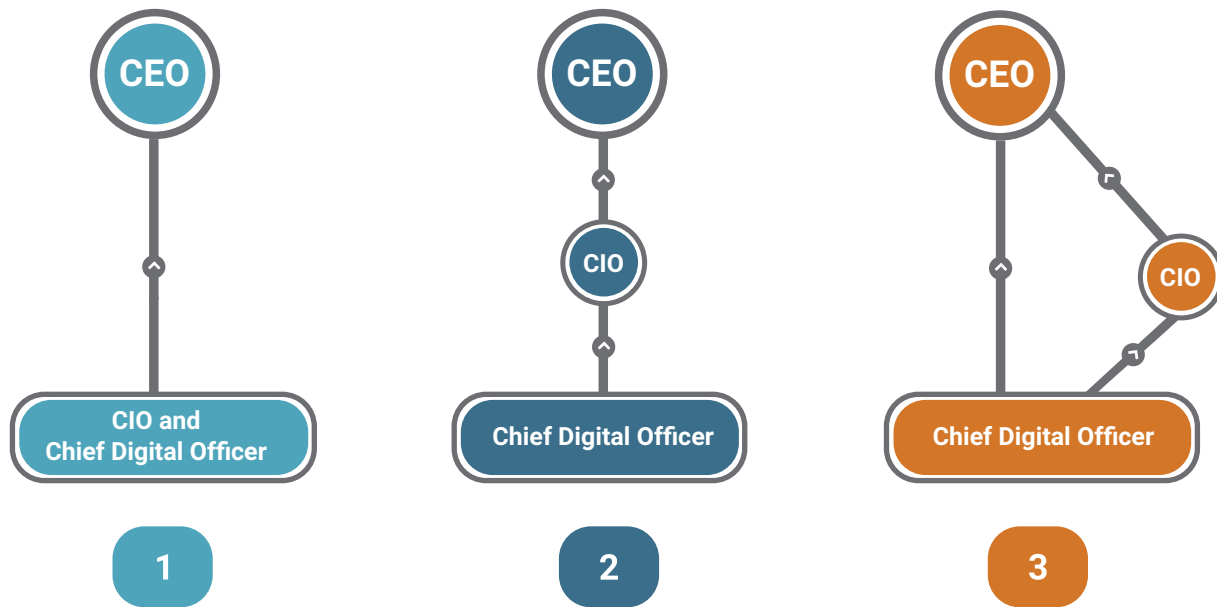


Fig 2: The role of the Chief Digital Officer today in the org structure of health systems

Regardless of reporting relationships, Chief Digital Officers are required to gain cross-functional alignment for success with implementing digital roadmaps and demonstrating sustained value with digital programs.

What successful Chief Digital Officers do to ensure alignment

Damo Consulting's work with healthcare enterprises has revealed several best practices by Chief Digital Officers who succeeded in gaining early traction and progressively won over their peers. Here are three of them:

✓ *They have an enterprise vision and roadmap*

Most healthcare enterprises today are implementing digital as stand-alone, often departmental programs. While this approach allows organizations to move faster, enterprise adoption becomes a challenge in the absence of an organizational champion with an overarching vision and a clear roadmap for implementation. The departmental/ functional approach can also often create redundancies such as duplicate purchases of software licenses and suboptimal technology architecture choices. An enterprise digital roadmap streamlines and prioritizes initiatives across the organization, often by folding in existing investments into the roadmap, and ensures all-round alignment.

✓ ***They involve stakeholders early***

The most successful digital programs involve cross-functional stakeholders early and give them an opportunity to weigh in with their expectations from digital transformation. There are several ways to achieve this such as internal surveys, focus group discussions, and one-on-one interviews with key stakeholders. Stakeholders appreciate the opportunity to have a voice in shaping the digital transformation vision and roadmap, and moreover provide valuable inputs on best practices at other enterprises in their fields. Early involvement also ensures stakeholder buy-in which is critical for the success of the program. Following a transparent process for outlining digital transformation priorities and inviting feedback from stakeholders are key enablers for winning support and ensuring successful implementation of digital programs.

“ We need help of all the stakeholders involved in the process for building a solution. ”



Neil Gomes
Chief Digital Officer
Jefferson Health

✓ ***They take inputs from their health system peers***

Chief Digital Officers do not have the luxury of unlimited budgets or extended time frames to demonstrate results. Hence, they reach out to their peers in the industry to understand what has been working well. Peer group CIOs in healthcare are often willing to share their experiences, including successes and failures, that can be valuable reference points, especially if they are further along in digital transformation. Key aspects include technology architecture and vendor choices, best practices in experience design, and innovation integration, to name a few. These inputs provide independent validation for the enterprise digital roadmap and win the confidence of stakeholders.

Address

USA

1000 Jorie Blvd #200, Oak Brook , IL 60523
Phone : (630) 928-1111, Ext 204

INDIA

Mariam Center, 7M - 302, 3rd Floor, HRBR Layout,
Kalyan nagar, Bangalore - 560 043

Email: info@damoconsulting.net

Website: www.damoconsulting.net

