

Proper IT Governance Begins with These Best Practices



As seen in Managed Healthcare Executive.

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Leadership, according to the late management expert Warren Bennis, is the capacity to translate vision into reality. While that's clear in industries and organizations of all types, it's especially so in IT leadership, which fundamentally works to make an organization's business visions real.

IT leadership begins with the fundamental principles of governance, to help direct and guide an organization. But IT governance can be a challenge for many health care organizations, which may lack the best-practice IT governance principles, guidelines, and processes necessary for success in today's technology-dependent, budget-constrained environment.

To help determine if your organization is adhering to best practices in IT governance, you may wish to ask:

- Are our IT strategies, processes, and initiatives consistently aligned with the overarching strategies of our entire enterprise?
- Are we investing in the right IT projects at the right time—not too soon, not too late—to ensure that our organization is well-served?

- Are all key organizational stakeholders consistently and properly informed regarding our IT efforts—i.e. there are no surprises?
- Are we sufficiently staffed with high-quality talent—or have rapid access to external resources—to meet our current and future IT demands?
- Are we consistently meeting our IT time, budget, and quality standards?
- Are our internal clients and users satisfied with our IT service and results?
- Are the details of our IT strategy properly tethered and aligned with the details of our strategic plan?

Proper IT governance is not just a “feel-good” exercise, but critical to the mission and success of your organization. As Peter Weill and Jeanne Ross documented in their seminal book, *IT Governance: How Top Performers Manage IT Decision Rights for Superior Results*, firms with superior IT governance have 25 percent higher profits than firms with poor IT governance, given the same strategic objectives.

IT governance sets the tenor, tone, and execution necessary to ensure that all of the above questions, and more, are answered not only to the satisfaction of your C-suite leadership but also to the benefit of your employees and patients. Considering that IT now touches every possible facet of a health care organization’s operations – from parking and maintenance to clinical care – it’s vital to adhere to industry-regarded best practices in IT governance.

The Best Practices

Align IT and organizational leadership – Long gone, thankfully, are the days when organizational leadership operated under the belief that IT leadership could somehow be overseen from afar, with periodic check-ins on progress. Today, given the strategic dependence of IT initiatives and their aggregate cost, IT leadership must report directly to and be aligned with organizational leadership. That’s particularly important considering the frequency of organizational changes led by, or crucially involving, IT efforts—the CIO alone cannot successfully lead such efforts; he or she must be championed by the organization’s entire top leadership structure to ensure systemic success.

Follow the lead of your IT steering committee – Ideally, an IT steering committee should be comprised of senior leadership representatives, from all major departments in your organization, who not only understand the technology needs of their respective departments, but are also able to holistically consider IT on behalf of your entire organization. The leadership of this committee, which should meet regularly (not just regarding major initiatives), should include representatives from IT as well as the clinical and operational sides of the organization. In fact, you may even wish to have a clinical technology subcommittee, to ensure that IT decision-making is thoroughly aligned with everyday clinical practices.

Ensure governance support – Given the likely intense daily demands placed on organizational leaders serving on IT steering committees and subcommittees, it’s important that these members have access to proper support.

These might include sufficient administrative staffing, back-office systems, research access, and technical infrastructure. By “freeing” committee and subcommittee members from having to dive into the granular details of such tasks as fact-finding and research, you enable these members to devote sufficient time to prioritize requests, weigh new requests, and recommend strategic priorities.

Adhere to fundamental IT governance processes – Your organization’s IT success rests on its adherence to key IT principles and processes, such as project prioritization, periodic project status monitoring, and communications. It can also help ensure that all other departments remain on board with IT initiatives. For example, by developing project prioritization processes that allow for cross-organizational input, you can avoid internal dissension in which other departments or individuals attempt to influence IT project priority decisions, given the inevitability of competing needs and demands. Once you have established your systemic IT priorities, stay with them. Making too-frequent “course corrections” undermines your IT leadership.

Adopt project portfolio management – If your organization’s IT needs are sufficiently large, complex, and diverse (and most are!), consider implementing project portfolio management (PPM) – a formal set of processes and tools to orchestrate, prioritize, and monitor your portfolio of IT projects. Led by a project management office director, PPM examines the risk-reward of each project, the available funds, the likelihood of a project’s duration, and the expected outcomes. Then, a group of organizational decision-makers evaluates the returns, benefits, and prioritization of each project to determine the best way to invest the organization’s capital and human resources.

Stay current on regulations – Ensure that your organization stays abreast of pending and proposed regulations affecting your organization. You do not want to be caught playing catch-up to comply with new regulations. For example, this past fall the Centers for Medicare & Medicaid Services (CMS) and the Office of the National Coordinator for Health IT (ONC) each released a final regulation that may affect your organization’s IT needs: CMS published the [Meaningful Use 2015-2017 Modifications/Stage 3 Rule](#) and ONC released the [2015 Edition Health IT Certification Rule](#).

Create a transparent timeline – In accord with a “no surprises” mindset, communicate to all pertinent departments an annual schedule of IT steering committee meetings and, correspondingly, major IT project initiatives. Note which meetings will focus on reviewing and approving the annual IT plan and budget. Note also, when and where applicable, the departments (and individuals) responsible for oversight and execution of major IT project initiatives. Understand that none of this information is carved in stone, and often frequently subject to unexpected issues and delays. Monitor and regularly update this information accordingly.

Keep abreast of progress – Establish metrics to determine progress of IT performance and monitor it regularly. Establish project key performance indicators (KPIs) as the basis for determining which metrics to track. For example, these could include such metrics as on-time milestone completion, user satisfaction, system availability,

and budget versus actual spending performance. Establish IT baseline performance measurements and improvement targets, then monitor the metrics and make adjustments to meet specific performance goals. Consider using pre-mortem and/or post-mortem analysis to help prevent IT-related issues from occurring and/or keep issues from recurring.

Regularly communicate – In an information vacuum, audiences will often make incorrect assumptions about you and will fill in the voids that you’ve failed to communicate. Do not let that occur. Instead, develop a strategy and plan for communicating the decisions and results from your IT governance processes across your entire organization. By proactively doing so, you will significantly curtail the amount of angst regarding IT initiatives and greatly lessen the considerable time it inevitably takes to clear up misconceptions and misunderstandings. You can also use these same communication efforts and channels to announce (and celebrate!) your major IT successes, such as completions of major technology upgrades or the benefits of major clinical system implementations. Your IT staff will greatly appreciate being publicly recognized for their tremendous efforts.

A Final Word

A health care organization’s IT department bears a critical role in the overall success of the organization. And with today’s greater emphasis on operational efficiencies, patient safety, data security, regulations and performance metrics, IT matters more than ever. Having in place a sound and effective IT governance structure is fundamental to any high-performing health care organization.