

Process, Priorities, and the Strategic Plan: How to Request New Information Technology

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by Chris Miller

You know your department needs new information technology, but what kind? And how can you convince senior management to commit budget dollars to its acquisition? Here, our expert outlines the steps to take before the request for proposal.

They say it's all about the money. But in today's HIM environment, value is the key word. Determining the value of information systems in most healthcare organizations today is a slippery business. The plain truth is that most provider organizations do not invest enough in information technology or process knowledge to know if a new, automated information system is really valuable.

My consulting experiences indicate that 80 to 90 percent of healthcare provider organizations use an emotionally charged, political process for system selections. Often, the most vocal and insistent department directors (or physicians or vice presidents) get what they want out of the next fiscal year's budget—by decibel level alone. Sometimes these types of selections prove to be valuable. More often, they do not.

This article delineates steps to defining the value that a new information system offers to your department and the organization as a whole. Use these steps to develop a comprehensive picture of what you want from a new automated information system, then use this picture as a platform to communicate your desires, priorities, and expected outcomes to those who make the budget decisions. Thorough research and planning before you present your request to commit dollars to a new IT solution will answer most of the questions that typically come from these approving bodies before the final endorsement is awarded.

The steps discussed take place before a request for proposal (RFP) is developed. Of course, a small, community hospital and a large, multi-clinic, research-intensive academic medical center certainly have distinct needs and may have different practices for requesting details about information system management technologies from the universe of vendors offering solutions for a particular set of requirements. But for the most part, the steps leading to the development of an effective RFP are common.

Numerous changes in current HIM activities related to improving patient safety, patient confidentiality, and health information security demand updated technology. The number of tasks and activities for which HIM is responsible has grown exponentially. Increased attention and subsequent surveillance of patient confidentiality—especially in light of HIPAA requirements—prompts directors to look for more automated and better integrated information management solutions.

As you present your case for a more complete and effective automated information system, bear in mind four critical steps:

- Pay attention to the bigger picture. What is your organization's strategic business plan and direction?
- Gain and articulate process knowledge. You'll need a thorough awareness of the work flows, functions, and activities within your department, and the critical interfaces with other departments' processes.
- Understand your organization's established procedures related to systems selections.
- Apply the previous three steps to create a comprehensible and clear package of information to support a request for the desired system solution.

Pay Attention to the Bigger Picture

Considering the bigger picture enables you to familiarize yourself in some depth with the strategic business plan of your organization and, possibly, to contribute to it by offering insights from your operational perspective. Consider the organization's

overarching goals to help you select a better information systems solution for your department and bring value to your organization.

What is the Strategic Business Plan?

The strategic business plan refers to how business is going to be conducted on an everyday basis and what should be considered for growth into the future relative to your organization (its size, its mission, its environment, and its location). True strategies are aimed at taking over the world—at least that part of the world where your organization provides its services—by winning more market share from your competitors. Healthcare providers gain market share by providing more services, different services, the only services of a particular type, or just doing the same services better.

In the strategic business plan, you'll find statements about how resources are going to be used to capture more market share. How much influence you have in the allocation of resources to your department depends largely on your ability to show that those resources will advance the organization's strategic goals.

The process of developing a strategic plan differs for each organization. Some organizations hire a planner to create and update the plan. On a quarterly basis, that person may ask you to update any strategic statements from your department that may be included in the plan. Your department may offer a laundry list of items needed to provide better service to your internal and external customers.

But a strategic plan is more than a collection of unrelated departmental wish lists. The important piece of the strategic planning process is the relation between the needs and goals of multiple departments and how they fit into the organization's overall plan.

Few organizations succeed at cross-pollinating thoughts, ideas, concepts, and plans across different departments. But one way or another, you must develop a sense of how your department interacts with other departments to achieve organizational goals. It's the key to justifying a new or upgraded information management system.

How the Strategic Plan Shapes Your Request

Your grasp of the bigger picture is important in your selection of a better information systems solution for two reasons. First, the resource needs that other departments might include in their perception of the bigger picture may affect a solution you might ultimately select. For example, is the business office requesting the purchase of a document imaging system to improve its work flow processes and reduce billing turnaround times? Could you take advantage of that same system for some of your work flow? Will the plans of other managers affect your workload, work flow, or processes at critical interface points? Whether those intersections are related to interfaces in the technology world or not, they are critical to the success of your work or another's work.

What Are Critical Interface Points?

These are places where information flows into and out of your department. They are usually identified as containing time-sensitive or process-limiting information either for your department or another department. For instance, if there are still manual functions within your total process that must be accomplished—such as printing out a report from one system in order to manually re-enter it into another system, or converting from an automated to a manual process to complete a step—that is a critical interface point. The manual pieces could be automated to shorten the process completion time or to provide a decision maker with a complete information picture.

Second, knowledge of the bigger picture is key to structuring a systems selection request because it contains guiding information about the organizational leadership's view of the actions and resources needed to keep the organization on track in delivering on its mission. This guidance takes the form of stating what leadership will do in their marketplace to capture more

of that marketplace. What it also provides you by default, even if not explicitly stated, is what the organization will not do. The strategic plan might state that the organization will provide full healthcare continuum services to the community population. This means that your organization will provide emergency services, oncology services, cardiac services, and women's services, but it also may mean that your organization will not provide shuttle service from the parking lots.

Pay attention to what is stated and not stated in the strategic business plan. It provides direction for what to include in and exclude from your systems requirements document.

Gain and Articulate Process Knowledge

Explicitly, process knowledge is visualizing the processes (for example, work flows, functions, and activities) within your department and knowing them well. Implicitly, process knowledge includes critical interface points. As the department director or manager, you would typically be considered the expert related to the overall functions and work flow within your department. This holds true in smaller organizations because the department head is close to the staff and the department provides the minimum functionality to meet federal, state, and nationally recognized standards. However, larger organizations are apt to have more complex structures due to the sheer magnitude of work and may have different managers over coding, filing, release of information, and other duties.

Formal mapping of processes and work flows can be time consuming and expensive to create, maintain, and change over time. In fact, process mapping projects are unusual in provider healthcare settings because of the expense and the perception that they add no value. Though a full-blown process mapping effort for most facilities is not always needed, a high-level process diagram and its associated data dictionary can offer great value. A high-level process diagram identifies critical interface points, work flows and related breakdowns, and time compression. Time compression is the characteristic of a model to show events that may happen in the future related to specific process steps that you will not normally see until you implement the information system under discussion. Such a high-level process map will add to your overall knowledge of how processes are interrelated and connected within the bigger scope of your organization.

Understand the Organization's Established Procedures

It is critical that you know what steps your organization takes to select new information management systems. Some organizations have a separate and formal process to select new systems. Others may integrate it with the normal budget approval package for the next fiscal year. Either way, your organization's IT department should be involved early in helping to define the requirements of your automated system.

Familiarity with your organization's system selection process will provide you with guidance and prevent you from making decisions contrary to established guidelines and incompatible with technical limitations of the current technology and applications architectures. Your IT department's aid is key to putting together a proposal that conforms to the established approval process. Early involvement with the IT department allows you to provide feedback about any mismatches between their standards, architectures, and technical parameters, and your information systems requirements.

Keep in mind that your IT department will be very concerned about what type of system you want and what type of technology it will take to operate it effectively. As your organization's experts in technology, they will likely be responsible for installation and implementation. Following implementation, they will have to keep it up and running. The current skills of the IT department may be sufficient to maintain the new system, or the IT team may need to add new skills or even a new staff member. Because the IT department operates under budget constraints, hiring new personnel or adding new skills may not be an option and may affect the decision to select one solution over another.

What Are IT Architectures?

These refer to standards for applications, such as a specific type of database or underlying programming language, and also to hardware, data communications equipment, and wiring (internal and external, as in phone lines used for data transfers). If your IT department has a hard-and-fast rule that the hardware must be a specific brand, then your options may be limited. A peripheral inclusion to the

technical architecture is the network operating system (NOS); you must find a system that operates over whatever NOS is used in your organization.

Develop a Package of Information

As you develop the information package to share with decision makers and the IT department prior to creating the RFP, you must answer two final critical questions:

- What are your functional requirements? In other words, what do you want the system to do?
- What are your priorities for those functionalities?

You need to prioritize the functionalities because eventually you will have to match your requirements against vendor products, and you need to know what your most important functional and work flow improvement issues are going to be. Answers to these questions will form the highest-level guidelines to direct how you will approach vendors once the rest of the RFP process is initiated.

What Do You Want the System to Do?

Your completion of the first three steps offers guidance on what to aim for in system selection. The strategic business plan explains what you are contributing to from an organization-wide perspective; your own departmental policies, procedures, and functions tell you what the system should do for your operational functions; and the IT systems selection process provides applications and technical guidelines to follow.

When you eventually look at vendor products, you will have to make difficult decisions about the functionality and work flow design they provide versus your department's current functionality and work flow processes. Your options will be:

- Accept a vendor's design as is and implement the changed work flow structure in your department. This usually goes against everyone's desire to keep what they have and avoid change but is the only way to truly leverage the advantage of the new technology. This is the recommended option
- Do not accept a vendor's design and force the vendor's application to conform to your current functions and work flow processes. This is usually very costly and enjoys limited success because vendors can only bend their designs so far. The expense and inflexibility of this approach make it inadvisable
- Take the middle road. Change both your process and the vendor's design a little to end up at a somewhat optimized solution. The full benefit of accepting the vendor's design is usually lost in this option. This is usually the easiest approach, especially in smaller organizations, and doesn't require inordinate process change. However, if you go with this approach, hire an outside expert to make the process changes in order to take advantage of the purchased technology

Prioritize Your Requirements

Before you take this proposal to the decision makers, IT, and eventually the vendors, prepare a prioritization scheme. This is your defense against last-minute "better ideas" that may subvert your goals. During the definition of requirements, it is appropriate to incorporate changes and improvements to your processes. Suggestions for process changes or improvements can come from almost any source during this time frame. What you are trying to avoid is having people come back after you've done all this work and add new thoughts (although, if your style is flexible enough, you can decide whether late suggestions are entertained). A carefully considered prioritization scheme is documentation of what you need and why. During the selection process, you will know whether or not a vendor can closely match your needs and your priorities and not be swayed by vendor claims that all things are possible.

Everything in Context

Though it may seem tedious, the time spent preparing to write an RFP for an information system is the most important part of the process. The steps outlined here compel you to consider the needs of your department in the context of your organization's

strategic objectives, reflect on the functioning of your department in relationship to the rest of the organization, and work within the boundaries of your IT architecture. By framing your department's requirements and objectives in the context of the organization's strategic goals—the big picture—you document the value of your proposed information technology solution.

And it's all about the value.

Chris Miller (chris_miller@superiorconsultant.com) is a senior management consultant with Superior Consultant Company.

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