Volume 17 - Issue 2, 2017 - Cover Story

Presenting a Case: Financing IT Projects

The relationship between finance and IT can be a delicate one that varies from hospital facility to hospital facility. We have entered a time where traditional IT cycles have shortened dramatically. The situation is even made more complex by a fast-changing landscape, consolidation of the market on one side and emerging technologies and swiftly-growing startups on the other. HealthManagement.org spoke to top healthcare IT professionals for their advice on how best to approach C-Suite colleagues when aiming for project backing.

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- Always tie the project to the mission of the organisation and be prepared to discuss how the project positively impacts the mission financially. Ensure that the initiative is intimately connected to an initiative that the CEO is interested in.
- Make the project a business project (instead of an
- IT project) with a major business partner as sponsor and champion of the project.
- Be prepared to discuss how the project will distinguish the organisation against the competition.
- Be prepared to discuss the content of your marketing plan for the initiative, which will help the organisation gain more clients and customers. These should include blogs, conference presentations, articles and news pieces written by others.

Raphael Jaffrezic

Chief Information Officer

Galway Clinic, Ireland

In my opinion and experience of our current and previous CFO at the clinic, the following points have been critical in creating a good business case:

Stay away from the IT jargon. Use business terms to describe exactly what the business case is about in a way that is understandable by all.

- Explain the gains from a business point of view, not from an IT one. What impact will it have on specific departments, end-users and the organisation?
- Have some written support from business leaders on the request. If possible have a co-request by IT and the department(s).
- Have transparent pricing on the capex and opex impact of the proposed solution. Have a number of financial options ready, for three or five years.
- Have multiple quotes for the same solution, to show that you have done your homework.
- Do a return on investment analysis, even if it shows that there won't be any. Sometimes the project is only bringing greater quality but not an ROI ; it is best to be direct about this in my experience.
- Lastly, support everything you are putting forward with data in a clear and concise manner.

Michelle Kearns

CIO , Caredoc St Dympna's Hospital

Carlow, Ireland

- Never underestimate the power of cake! If you are planning an ICT upgrade or looking for finance for a specific project, meet your CFO and explain the plan.
- In my experience, sharing your project plan is not going to be enough as it usually won't be read or make sense to those funding it. They will look at the bottom line but not the impact organisation-wide.
- What they need is the real personal impact it will make to your employees, clinicians and patients.
- Get input from the users to explain how the ICT is going to support them, change their work practices for the better and ultimately contribute to the work output of the company.
- Back to cake; have an informal meeting before the formal meeting. Explain to them what you are trying to achieve - not in technical fancy jargon – but in plain, simple language. Explain what makes sense for your organisation and what the impact of the new upgrade or the ICT implementation will be.
- Return on investment is a phrase that comes up a lot, along with "what's this going to save me?" IT is not there to save you money but to enhance what you do for your patients and your clinicians. You are improving your service, improving your patients experience and ultimately this will lead to efficiencies and effectiveness.

See Also: [IT Needs for the Next Generation of Healthcare](#)

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- Prepare well, in advance. So often, I have seen projects prepared in a hurry. Time is the most important value we have. However, it is way better to spend more time and resources preparing a project well than having to repeat the process several times because it failed.
- Include stakeholders in the process. This also seems obvious, but there are too many projects that are managed by isolated groups. Sometimes it is users such as finance, logistics, or users' groups, sometimes IT . There are very few IT projects that can be seen in a completely isolated way. For example, catering in hospitals is often managed separately from clinical order entry, leading to no interoperability between diet prescription and actual meals management.
- Another example; IT infrastructure projects are often seen as "internal IT stuff". However, they often represent large investments or decisions and are increasingly challenged by outsourcing. It is worth having good consensus between strategy and implementation, thus widening the discussions.
- Cost-Benefit, risk and added value. A careful analysis of cost and benefit is important. What is the cost of the current system or process and the cost of maintaining it, including potential risks? As far as benefits are concerned, favouring sustainability, interoperability and re-use of data software must not be forgotten. A good approach is also to try to identify the costs and benefits for all stakeholders and present them clearly. It is also important to thoroughly define the costs/risks of doing nothing.
- Thorough identification of short and mid-term added value is also an important step.
- Market review and clear arguments are key. Each good report should contain a well established list of existing solutions, a comparison table including investment and running costs and total costs at one, five and ten years if possible. Ideally, feedback from some existing implementation should also be present.
- The 'Whaaooooo' effect. Never underestimate the 'Whaaooooo' effect, but, equally, never underestimate the "deception" effect. Huge successes are often due to enthusiasm and bad failures due to the absence of buy-in of people.

Published on : Sun, 7 May 2017