Facing Fears: IT Leaders Share the Keys to Doing Application Rationalization Right

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When it comes to application portfolio management, there are numerous components that need to be addressed — particularly when migration or rationalization is part of the equation. The most important consideration, however, isn't the technology piece, but rather, the human aspect.

Stephanie Hines, VP, Peaks Region IT Lead, Intermountain Healthcare

"More often than not, when folks are resistant to swapping out a solution or making a change, it's usually not about the system," said Stephanie Hines, VP, Peaks Region IT Lead, Intermountain Healthcare, during a recent webinar. "It's the fear of 'what will I need to do differently' and 'will I be successful in that change.'"

In some cases, it's fear that users won't be able to access legacy data; in others, it's the fear of relinquishing trusted applications and having to adopt new workflows. Whatever the case, leaders are learning that the fear is very real and can't be pushed aside. In fact, it should factor heavily into the strategy for application rationalization, according to Shaman Akhtar (Director of Customer Success, Hospitals and Health Systems, ELLKAY). Losing access to data is "the biggest concern" for those going through the process, he said, and therefore, having conversations is "very critical."

During the discussion, the panel — which also included Nicholas Szymanski (CIO, Signature Healthcare) — talked about how they're incorporating the people and process aspects into their plans, and how they're addressing the other roadblocks that come into play with application rationalization.

The right start

Not surprisingly, the most common drivers for rationalization are reducing costs and working toward 'systemness,' as is the case with SCL Health, which is in the process of merging with Intermountain Healthcare. "We're in an industry with single-digit margins," said Hines. "It's our responsibility to continue to look at ways to deliver value and decrease cost across the application portfolio."

She believes that by "continuing to rationalize and constantly taking a critical look at our spend," her team can also more effectively stay on top of the market. "It keeps vendors on their toes knowing you're always looking at your portfolio. It keeps everyone honest and keeps us pushing forward."

Nicholas Szymanski, VP & CIO, Signature Healthcare

But before that can happen, organizations need to find the right time and place to start. An ideal opportunity, according to Szymanski, is the contract renewal process, which can prompt discussions around which solutions are (and aren't) necessary, and help move toward consolidation.

At Signature, his team is taking a critical step in that direction by standing up a project management office, which will review and cross-reference all requests. If a duplicate is found, the group that submitted the request is required to present a business case as to why the solution is needed. "Having that type of structure is very helpful for an organization of our size," he said. "It helps ensure people aren't purchasing one-off applications or renewing applications that we don't even know about, which is even scarier from a security standpoint."

Having a PMO, Szymanski added, provides an extra layer of security by making sure legal, cybersecurity, and other departments are involved in the process. "It's really important to have that in place."

The "emotional connection"

What's also essential, whether it's a PMO or any type of governance structure, is inviting those on the frontline to provide input as to how the applications are used on a day-to-day basis — and how they're affected by changes, according to Akhtar. "In some cases, they've helped develop the application," and as a result, "there tends to be an emotional connection."

Understanding that connection, he added, can help "inform some of the processes" going forward and build trust among users, which is paramount. Of course, there are numerous methods leaders can take to achieve that goal. Below are some of the following best practices provided by the panelists:

- **Be specific.** At Signature, Szymanski's team asked users to build a rubric specifying what they need from a solution versus what's nice to have, and make sure they all agree to the requirements. Doing so ensured that "they ultimately made the decision, which was the most powerful part," he said. "My role is to give them the information and the structure, and help implement it."
- **Get in the trenches.** Hines, a nurse by background, is "a big fan of getting in the trenches," especially when users are pushing for a niche solution. For leaders, it's an opportunity to "flip the conversation from 'what do you want in terms of features and functionality' to 'what are you trying to experience,'" she said. "I'll say this about physicians and nurses: we sometimes tell people we want a drill when we really want a hole."
- **Utilize analysts.** Hines also advised sending analysts onto the frontline to understand the users' needs, and show how similar results were achieved with other applications to help build their confidence. "Rarely are you going to be able to completely reproduce the experience that someone has in a given application but, more often than not, you're able to help them create the outcome."
- **Offer a test drive.** Providing users with an opportunity to "test drive" an application and go through the steps can generate critical discussions about what they're trying to accomplish,

Hines said. “Having an analyst talk through other modifications that would get the same outcomes is far more successful than having conversations around features and functionality.”

- **Communicate the ‘why.’** As with any initiative, change management is a key factor in achieving success — and it starts with explaining the ‘why,’ according to Akhtar. “You have to bring leaders and teams together and make sure they understand that this is a shared benefit for the entire organization — not just in reducing expenditures, but also in terms of standardizing processes,” he said. “You want to make sure that gets communicated from the top all the way to the bottom.”
- **Appoint champions.** An essential part of the application rationalization process, Akhtar noted, is identifying champions to represent different constituencies — and making sure it’s the right person. For example, clinical applications would be represented by the CMIO. “It needs to be someone who understands the data and understands the compliance needs from a data perspective.” Just as important, he added, is appointing peers at the leadership level to act as change agents who communicate pertinent information to their teams.
- **Be a translator.** As is often the case, CIOs and other leaders must be willing to advocate for application rationalization initiatives. “It’s imperative that we translate the importance of this to the rest of leadership, to the rest of the organization — anyone who is going to be involved,” said Szymanski. “Our job is to translate why that’s important and to know what each person is going to take away from it.”
- **Employ empathy.** The decision to consolidate apps is not easy, and it’s important for clinicians to realize that, noted Hines. “It’s critical to help folks understand not to take ‘no’ personally, and to really develop empathy in the conversation,” she said. “Relationships and trust are the foundation of doing this well.” Therefore, it’s important to be able to deliver answers in a clear, yet gentle, way.
- **Teach people skills.** That doesn’t just apply to C-level executives, but other leaders as well, Hines added. “You need to prepare your people to deal with the people side of this,” she said. “Our folks are smart. They understand the market — that’s the easy part. Don’t avoid those conversations or put that to the side. It’s the secret sauce.”
- **Focus on the long game.** Although some benefits will be realized early on, it’s critical to view application rationalization as a long-term commitment, according to Akhtar. “It doesn’t end. It’s a continuous effort that we have to manage.”

The final — and perhaps most important — piece of advice from the panelists is to get started. “If you’re not doing it today, you need to just take the plunge,” said Szymansky. Although the first steps can be intimidating, they shouldn’t act as a barrier. Neither should the quest for perfection, he added. “You’re never going to have to perfect solution, so don’t wait.”

To view the archive of this webinar — Successfully Leading Application Portfolio Rationalization Initiatives (Sponsored by ELLKAY) — please click here.