Strategic Informatics: Planning for the Future of AtlanticHealth

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What business strategy is all about—what distinguishes it from all other kinds of business planning—is, in a word, competitive advantage. Without competitors there would be no need for strategy, for the sole purpose of strategic planning is to enable the company to gain, as effectively as possible, a sustainable edge over its competitors.

—Keniche Ohnae

Background

AtlanticHealth is a large academic healthcare center on the east coast of the United States. Consisting of a 400-bed hospital, a medical school, a dental school, and a nursing school, the institution serves almost 150,000 patients annually with more than 600,000 annual outpatient visits. In addition to teaching and patient care, AtlanticHealth ranks in the top thirty institutions in National Institutes of Health funding and is the recipient of more than $200 million annually in research grant funding.

Despite heavy investment in the institution’s information technology (IT) infrastructure, AtlanticHealth has shied away from the “bleeding edge” of technology. Technological competencies at AtlanticHealth include the following: a clinical data repository, a local area network connecting all of AtlanticHealth’s campus considered to be the largest private network in the state, and a recently implemented picture archiving and communications system (PACS). The PACS is Web-enabled and provides on-demand desktop access to diagnostic images and information both inside and outside AtlanticHealth facilities without the need for a special workstation. PACS Web distribution is touted as being a cost-effective solution that facilitates physician-to-physician consultations, speeds diagnoses, reduces time to treatment, and improves patient care. The PACS implementation has been successful overall, but its transmission speed has been criticized as being too slow.

AtlanticHealth has yet to implement a fully functioning electronic patient record. Unlike many competitors in the same city, its clinical staff continue to use paper charts for each hospitalization and outpatient visit. Many have developed “auxiliary charting systems” in their own offices because access to medical records can be variable. (A vendor who had been contracted to develop an ambulatory electronic medical record [EMR] product recently declared bankruptcy. Another vendor subsequently bought its ambulatory medical record product, and the ambiguity surrounding this product has
Another problem is AtlanticHealth’s appointment-scheduling system. It was recently “desupported” by the vendor, and the replacement system still doesn’t work properly.

The Dilemma

Kelly Johnson, who has been chief information officer (CIO) for a year and a half, has been asked by the chief financial officer (CFO) and the chief executive officer (CEO) of AtlanticHealth to prepare an IT strategic plan. Kelly recently attended an IT steering committee meeting. This committee is made up of administrators and representatives from most of the clinical employee groups that use the information systems at AtlanticHealth. There she outlined her process for developing an IT strategic plan.

First, she’d develop an instrument that would be used to survey her division managers to determine the state of AtlanticHealth’s information systems relative to the state of the art in the marketplace. Based on the areas of weakness identified, she and the assistant CIO would prioritize the list for presentation at the next IT steering committee meeting and seek funding for the top items on the list.

Unfortunately, her proposal was met with immediate criticism and even overt hostility by some of the IT steering committee members, especially the clinicians. One doctor said, “How in the world is an IT person in your building going to determine what I need in my clinic! I don’t know how many times I come to this meeting telling you we need a wireless network for our PDAs [personal digital assistants] to optimize our data entry and billing, but you guys never make it happen!” Nurses, residents, and researchers shared similar disappointment in describing perceived unmet IT needs.

The CFO also shared her concern that all IT projects be prioritized by their cost-effectiveness to the institution, not solely according to technological merit. Someone else suggested that an IT vision statement be developed.

The meeting continued past its scheduled end time, with a heated discussion over how the IT department should construct the IT strategic plan and what exactly should be contained within it. Kelly left the meeting feeling deflated. It was clear that she needed a method for developing AtlanticHealth’s IT strategic plan.

She wondered how much time and effort she should devote to IT strategic planning to avoid letting other IT projects lag behind schedule. How would she ever generate consensus on an IT strategic plan among the IT steering committee members given their varied perspectives and desires?

Analysis

Main Issues

- No consensus of mission and vision.
- No identification of external opportunity and risk, and of internal capabilities and advantages.
- Insufficient communication between the CIO and committee members and lack of trust between them.
- Organizational politics impact on strategic planning.