HEALTHCARE APPLICATION PORTFOLIO MANAGEMENT AND RATIONALIZATION

FINDINGS FROM A SURVEY OF CHIME MEMBERS

CHiME®
College of Healthcare
Information Management Executives

GALEN
HEALTHCARE SOLUTIONS

RESEARCH OVERVIEW

Many factors, including healthcare IT standardization and market consolidation, have recently converged to render several provider organization applications redundant or obsolete. The COVID-19 pandemic has exacerbated this situation by generating additional economic uncertainty. In response, healthcare information technology leaders are launching, re-engaging, or expanding application portfolio management and rationalization efforts to drive out costs, optimize the functions of the workforce, and accelerate innovation.

Purpose

This survey is intended to capture sentiments, expectations, and insights from provider organization information technology executives and uncover the latest trends regarding healthcare application portfolio management.

Respondent Demographics

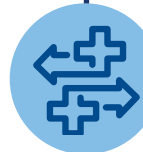### 61 Total Survey Respondents

14 Representing Single Hospital Systems

20 Representing Multi-Hospital Systems

10 Representing Regional Health Systems

8 Representing Ambulatory/Specialty Groups

9 Representing Others (HIE, National Blood Service, Public Healthcare Safety Net System, FQHC, Specialty Hospital)

CHiME

GALEN HEALTHCARE SOLUTIONS

KEY FINDINGS

The most-frequently cited approach for increasing the effectiveness of Application Portfolio Management (cited by 38% of respondents) was the ability to decommission systems. The next biggest area of opportunity identified was scoring of applications.

Only 10% of survey respondents say their organizations have a fully operational application portfolio management and/or rationalization initiative, despite the fact that a decisive majority (73%) agree that reducing the cost resulting from an excess of systems and applications is a high priority for their organization.

A lack of tools and resources capable of addressing application portfolio management and/or rationalization was acknowledged to be a problem by 41% of survey respondents with 50% citing lack of resources as the biggest barrier to implementing an application portfolio management and/or rationalization initiative.

Only 30% of survey respondents say their organization has a dedicated team in place for enterprise architecture, application portfolio management, and/or rationalization.

Using a spreadsheet to inventory and track the application portfolio is understood to have limited utility, yet 50% of survey respondents continue to rely on this approach.

CONCLUSION

What should be done right away?

- Get started now

- Examine your portfolio

- Address overlapping and duplicative applications to improve your organization's financial posture

A portfolio analysis will reveal application decommissioning and data archiving as the most effective means of attaining direct cost reduction. However, migration, integration, and automation provide additional instruments for portfolio simplification, increased productivity, risk reduction and enhanced security.

Ultimately, each healthcare delivery organization must formulate a risk profile of their application portfolios and rank each of those applications in terms of their functionality, the type of information processed, and its business value. A comprehensive risk assessment will make possible a prudent, cost-effective blueprint for consolidation, remediation, or elimination of legacy applications.

CHiME   GALEN
               HEALTHCARE SOLUTIONS