Building the Foundation for Healthcare Excellence: Optimising Non-Clinical Project Delivery

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Executive Summary

Successful clinical care increasingly relies on robust supporting infrastructure and efficient operational systems, yet delivering the non-clinical projects that underpin these systems presents significant challenges.

Health service Chief Information Officers (CIOs) and Chief Financial Officers (CFOs) face mounting pressure to deliver strategic value amidst complex governance requirements acute skills shortages and tightening budgets.

The ability to effectively manage non-clinical projects—from IT implementations and infrastructure upgrades to process improvements and facility management—is now a key differentiator between high-performing and struggling healthcare organisations.

This white paper discusses how adopting an integrated approach to project portfolio management (PPM) transforms non-clinical project delivery from a source of risk and waste into a strategic enabler of clinical excellence and financial sustainability.

The Critical Link: Non-Clinical Projects & Clinical Excellence

Frontline clinical services cannot operate effectively in isolation. They depend heavily on well-executed non-clinical functions and the projects that support them. Delayed electronic health record (EHR) rollouts impact clinician efficiency, poorly managed facility upgrades disrupt patient services and IT infrastructure failures compromise data security and continuity of care.

The imperative to optimise these non-clinical projects is more critical now than ever. Post-pandemic recovery efforts, heightened demands for digital transformation and persistent cybersecurity threats place immense strain on healthcare resources and operational resilience. Successfully navigating this environment requires a strategic approach to managing the projects that build and maintain the organisation's operational backbone.

Mounting Pressures on Healthcare Project Delivery

Globally healthcare organisations face significant pressures that directly affect their ability to deliver essential non-clinical projects and consequently impact frontline services. Key challenges include...

Cost Pressures and Funding Complexity

Navigating a complex funding environment, strict reporting criteria and intense scrutiny from multiple stakeholders presents significant hurdles for senior leadership. Maintaining financial control and oversight across diverse project portfolios, while concurrently demonstrating value and achieving performance metrics for funding bodies, government and the public is a constant balancing act. Without clear integrated visibility across these portfolios risks are often overlooked until they escalate into critical costly issues.

The Intensifying Resource Crisis in a Competitive Market

Both Australian and New Zealand healthcare organisations are grappling with severe and systemic workforce pressures impacting recruitment retention and operational capacity.

- **Australia:** Official reports confirm widespread workforce challenges. Projections indicate a potential shortfall of up to 123000 nurses by 2030 with **82% of healthcare occupations experiencing shortages in 2023** (Australian Government Jobs and Skills Australia 2023). Burnout an aging workforce and training pipeline issues exacerbate these shortages particularly in rural remote and aged care settings (AIHW).

- **New Zealand:** Similar pressures exist with significant reliance on International Medical Graduates (IMGs) and high levels of reported burnout. **36% of general practices** had closed their books to new patients in 2024 primarily due to staff shortages (GenPro 2024). Projected specialist shortfalls are expected to widen and a large proportion of General Practitioners intend to retire within the next decade further straining capacity (Te Whatu Ora Association of Salaried Medical Specialists RNZCGP).

This scarcity compounded by the global demand for project professionals—the Project Management Institute estimates **25 million new project professionals will be needed by 2030** (PMI Thought Leadership)—creates a significant challenge for CIOs and CFOs. How can they maximise the effectiveness of existing staff while creating an environment that attracts and retains vital talent?

Research indicates that organisations with mature project portfolio management capabilities report higher staff retention in key technical roles demonstrating PPM's role in mitigating these pressures (Sullivan J. 2008. Retain and sustain. PM Network 4(1) 28–29). In this climate optimising the deployment of *existing* skilled staff through effective PPM becomes not just ensuring scarce resources focus on the highest priority initiatives.

KEY CHALLENGE ———————————————————

The Strategic Imperative: Aligning Projects with Healthcare Outcomes

Non-clinical projects must demonstrably support the broader healthcare mission. When initiatives fail to align with clinical needs or organisational strategy, they risk becoming expensive distractions rather than enablers of better care.

Research indicates that organisations operating without integrated portfolio visibility report that a significant percentage (estimated around 42%) of projects deliver below-expected value despite meeting technical requirements potentially hindering progress towards strategic goals.

The High Cost of Fragmentation

Managing non-clinical projects through disconnected spreadsheets, emails and disparate departmental systems creates substantial hidden costs that directly impact a health service's costs:

- Duplication of effort and resources across teams using different tracking methods.

- Delayed decision-making due to inconsistent reporting, data silos and lack of real-time information.

- Resource bottlenecks and overallocation caused by limited visibility across the entire project portfolio.

- Strategic misalignment leading to investment in lower-priority initiatives.

- Compliance risks stemming from inadequate documentation, governance trails and inconsistent processes.

- For a typical mid-sized health service industry analysis suggests these inefficiencies can translate to an estimated **15-22% of project budget being wasted** — funds desperately needed for frontline care delivery, technology upgrades or addressing workforce challenges.

Integrated PPM: The Framework for Excellence

Leading health organisations are transforming their approach by implementing a comprehensive, integrated project portfolio management (PPM) framework. This framework provides the structure, visibility and control needed to overcome fragmentation and align project delivery with strategic objectives. Key components include:

1. Achieving Integrated Portfolio Visibility
Establishing a single source of truth for all project information enables executives to *proactively* assess project health across the entire portfolio in real time, identify interdependencies and make timely data-driven decisions based on complete information, enhancing overall organisational agility.

2. Optimising Scarce Resources & Planning Capacity
With portfolio-wide visibility executives can *strategically* match resource allocation to priorities, identify capacity constraints *before* they impact delivery, manage demand for specialist skills effectively and *demonstrate efficiency gains* crucial for cost discipline. This allows organisations to maximise the value derived from their limited resources.

3. Ensuring Strategic Alignment & Realising Benefits
Mature PPM establishes clear lines of sight between project outputs, strategic healthcare objectives, investment decisions and expected outcomes. This ensures investments deliver *measurable ROI*, contribute directly to strategic goals and allows for systematic tracking of benefits realisation long after project completion.

4. Embedding Governance & Compliance by Design
Effective PPM embeds governance into workflows through: standardised approval processes aligned with funding requirements, automated reporting that satisfies regulatory obligations *efficiently*, clear audit trails for all decisions and integrated risk management, providing *proactive risk mitigation* across the project lifecycle.

Case Study: Healthcare Transformation in Action

A regional health service faced significant challenges managing its portfolio of 87 concurrent projects with limited resources and complex reporting requirements. By implementing an integrated PPM approach the organisation achieved tangible results:

- **28% reduction** in time spent on compliance reporting, freeing up valuable staff time.

- **34% improvement** in resource utilisation across the portfolio ensuring skills were applied where needed most.

- **16% decrease** in average project delivery timeframes accelerating strategic initiatives.

- **$4.2M in cost avoidance** through early risk identification and mitigation.

"Having real-time visibility across our entire project portfolio has transformed our ability to deliver strategic value" stated the organisation's CFO. "We're now able to make informed decisions about resource allocation respond quickly to emerging risks and demonstrate clear value to our stakeholders."

# Conclusion: The Strategic Imperative for Healthcare Executives

For health service CIOs and CFOs the transition from fragmented project tracking to integrated portfolio management is no longer just an option but a strategic necessity. The traditional approach is unsustainable in the face of current financial, workforce and operational pressures.

By establishing a unified data-driven approach to non-clinical project delivery, healthcare organisations can directly address key executive priorities: enhancing cost control, demonstrating clear value and ROI improving organisational performance and supporting complex initiatives like digital transformation.

Integrated PPM provides the solid foundation required to enable clinical excellence, ensure financial sustainability, foster better CIO-CFO collaboration and position the organisation for long-term success. Evaluating your current project management maturity against this framework is the critical first step towards unlocking significant operational efficiencies and reinforcing the foundations of excellent healthcare delivery.

About **psoda**
PPM SOFTWARE

Psoda provides integrated project portfolio management solutions designed for organisations with complex project environments. Our platform delivers the visibility control and insights that healthcare executives need to optimise project delivery and maximise the value of every investment.
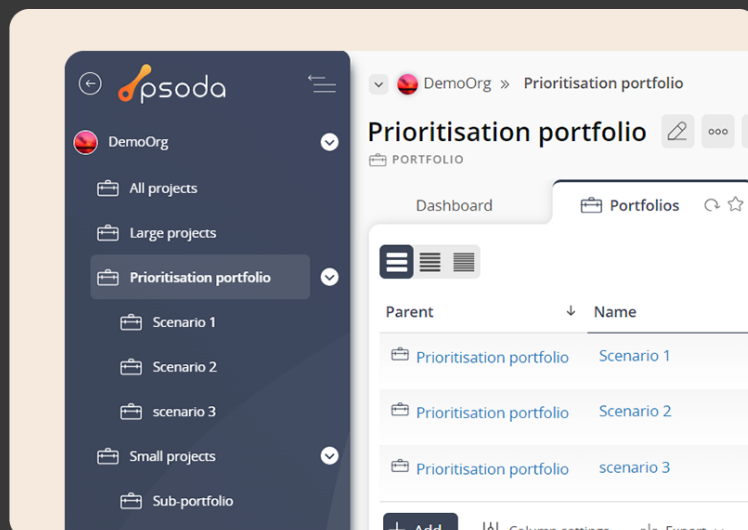
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