



William Osler Health System

Making the most of healthcare funding with a smart and innovative approach to budgeting and forecasting

Overview

The need

Recent guideline changes require hospitals in Ontario to demonstrate how they are improving the care they provide to patients, as well as how efficient they are in delivering that care. Like all hospitals across the province, William Osler Health System is continuously under pressure to do more with less and was facing challenges with increasingly complex staffing models and driver-based budgeting and forecasting.

The solution

The organization transformed its budgeting, forecasting and planning processes with the **Canrock Performance Management Solution for Hospitals & Healthcare Providers**, based on IBM® Cognos® software.

The benefit

Integration of staff planning with budgets and forecasts enables scenario-planning; cuts the effort required for month-end closing, saving one day; improves quarterly forecasting and long-term outlook; helps shift analysts' focus away from data entry and validation towards data analysis to make financial planning a truly value-added service.

Healthcare organizations are under more pressure than ever to do more with less, tasked with maintaining or even improving service levels without letting costs spiral out of control. But how can you spot efficiencies unless you can look deep into the numbers?

William Osler Health System (Osler) wanted to gain the ability to look deeper, and set out to deliver relevant, timely insights into budgeting data to key decision-makers. The approach means that it can more confidently reconcile increasingly complex staffing models and drive better allocation of resources.

Keeping a handle on complexity

As one of Ontario's largest community hospitals, Osler must keep tabs on an intricate network of resources and assets to deliver optimal healthcare to growing and diverse population it serves. With budget constraints, it faced more pressure than ever to find ways to operate more efficiently. Without a clear view of budgeting, however, Osler faced an uphill struggle.

Michele Beals, Director of Finance at Osler, explains, "As a healthcare institution, we need to make tough decisions about where resources are most needed every day. The sheer complexity of the healthcare environment is often understated – for example, we need to manage between two and three hundred cost centers and a budget over CAD600 million."

She continues, "Before, Osler was typical of the healthcare industry, in that we tended to focus our investment directly on improving client care. But we made a strategic decision that without the right information, we couldn't make the right choices – and our old spreadsheet-based approach simply didn't pass muster."



Solution components

Software

- IBM® Cognos® Business Intelligence
- IBM Cognos TM1®
- Canrock Performance Management Solution for Hospitals & Healthcare Providers

IBM Business Partner

- Canrock Solutions Inc.
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With headcount by far the largest cost, Osler also wanted to ensure it could efficiently and effectively manage complicated staffing contracts. Sarbjit Dheri, Manager of Case Costing and Corporate Analysis at Osler, adds, “Our employees belong to a range of unions, each with a very different wage rate and benefit structure. It was becoming more and more difficult to guarantee we had accurately accounted for these requirements in our budgeting and planning.”

Finding the cure for pain points

Osler embarked on a public procurement process for a new solution, looking for an offering that could help the organization better integrate its staffing component, enhance visibility of revenue and maximize the accuracy of budgeting. Michele Beals says, “IBM Cognos met all of our system needs, as well as delivering the user-friendliness that would allow us to manage the solution for ourselves.”

Following a challenging experience with another vendor, Osler turned to IBM Advanced Business Partner Canrock Solutions to help with the implementation, deploying the Canrock Performance Management Solution For Hospitals & Healthcare Providers based on IBM Cognos Business Intelligence and IBM Cognos TM1® software.

Kelly Tsoumagas, Manager of Planning and Projects at Osler, comments, “Canrock’s implementation techniques and project management skills made this project a success. They demonstrated the importance of preparation, and thanks to that circumspect approach we got the design right the first time. Rather than focusing solely on the technical aspects of the project, Canrock helped us see the big picture by taking the time to understand our business challenges and provide innovative solutions.”

Trusting the numbers

Within just five months, Canrock helped Osler successfully deploy the solution, integrating it with the organization’s core MEDITECH system and conducting training sessions to encourage user uptake. Osler now has an automated, centralized budgeting and forecasting tool that is tightly aligned with its staffing rotation. Using the solution, the organization can deliver unprecedented insight to everyone with responsibilities related to its cost centers.

Michele Beals describes, “The solution has a host of users, from clinical managers, program directors and analysts to the CEO – all have access to a reporting view where they can easily retrieve data tailored to help them make better and timely decisions. Before, some users disputed the numbers, but greater transparency with Cognos gives the organization total confidence in the figures. So now, employees can focus more on adding value and finding ways to work more efficiently.”

“Using IBM Cognos, we have shortened budget and month-end close cycles – a big win for us.”

— Kelly Tsoumagas, Manager of Planning and Projects, William Osler Health System

Taking a long-term view

Analysts can utilize the solution to drive more detailed and reliable financial planning and forecasting, leveraging what-if analyses to better prepare Osler for the future. The solution has helped the organization move from high-level quarterly forecasting to a more detailed, accurate and standardized quarterly forecast process along with five-year planning to support long-term strategic thinking.

Sarbjit Dheri says, “Previously, analysts mainly worked with historical data. Today, Cognos allows them to leave behind the number-crunching to play with a range of variables to plan for the best- and worst-case scenarios. For example, we recently used Cognos to look at the costs and extra headcount that a new operating room would require, helping us work out whether it makes financial sense.”

Moving faster

Osler is so confident in the results delivered by the Canrock and Cognos solution that it utilizes the tool in its month-end closing process and as a source for external financial reports, with great success.

Kelly Tsoumagas elaborates, “Using IBM Cognos, we have reduced the time it takes for month-end closing from six to five days, a big win for the business. Previously, it would take us at least half a day to consolidate information from all our cost centers; now, we can refresh the view in just 1.5 minutes, and can count on 100 percent accuracy.”

The solution offers Osler greater flexibility than ever before, seamlessly accommodating more complicated budgeting demands. Sarbjit Dheri adds, “With the Cognos solution in place, we can rest assured that we can integrate even the most complex staff contractual requirements into our budgeting and planning quickly and smoothly.”

Michele Beals concludes, “Working with Canrock and IBM, we are taking advantage of deep insight into how our resources and activities drive costs and funding. By taking a strategic approach, we are better equipped to deal with whatever comes our way – helping us to deliver more to our patients.”

About Canrock Solutions Inc.

Canrock Solutions is a leading planning and performance management service provider that leverages powerful IBM Business Analytics technology to deliver reporting, budgeting and forecasting solutions that simply work.

To learn more about products, services and solutions from Canrock Solutions, please visit www.canrocksolutions.com



About William Osler Health System

William Osler Health System (Osler) is a hospital system 'Accredited with Exemplary Standing' that serves 1.3 million residents of Brampton, Etobicoke, and surrounding communities within the Central West Local Health Integration Network in Ontario, Canada. Osler is made up of three hospital sites: Brampton Civic Hospital; Etobicoke General Hospital and the new Peel Memorial Centre for Integrated Health and Wellness. Osler's emergency departments are among the busiest in Ontario and its labor and delivery program is one of the largest in the province.

To learn more about William Osler Health System, please visit www.williamoslerhs.ca

About IBM Business Analytics

IBM Business Analytics software delivers data-driven insights that help organizations work smarter and outperform their peers. This comprehensive portfolio includes solutions for business intelligence, predictive analytics and decision management, performance management, and risk management.

Business Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals.

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