

# ROLE OF ICT IN HEALTHCARE INDUSTRY VALUE CHAINS

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## ABSTRACT

In light of the growing importance of information and communication technologies (ICT) in every facet of today industry landscape, the research examines ICT's role in improving the value proposition in healthcare sector, which its complete potential has yet to be realized. We discuss issues facing the healthcare industry, need for healthcare automation, their pros/cons, and the value they create as aligned with business performance goals. We acknowledge industry's trials as well, it's slow pace of adoption of ICT in part due to the regulatory burdens and lack of standardization.

**Keywords:** ICT, healthcare, value chain automation.

## KEY ISSUES

Today in the global economy information and communications technology (ICT) is the major driver, not just of improved quality of life, but also of economic growth. Moreover, there are strong indications that ICT has the potential to continue driving growth for the foreseeable future. Healthcare has always been at the cutting edge of technology for patient treatments and monitoring, yet the industry has made little use of information and communications technologies (ICT) to support these practices. This is changing rapidly as the industry begins to realize the full potential of these technologies and increased uptake creates a host of opportunities for vendors, systems integrators, service providers and resellers.

Traditional healthcare business model is changing significantly driven by an aging population, funding constraints, greater demand for care and a greater awareness of medical errors. The industry is increasingly turning to ICT to meet these challenges. In addition, there are other market- and industry-factors in play. Local and central government healthcare ICT programs are being instigated in the US and around the developed world. These provide infrastructure as well as individual programs to deliver specific applications to make use of this infrastructure. Customer-facing applications such as Electronic Patient Records, electronic self-reservations, and data applications are driving demand in the electronic solutions market in healthcare. Buyers in healthcare institutions have a clinical background and often no experience of other types of work, which means that the benefits provided by ICT must be made transparent. In addition, healthcare buyers are more skeptical than in other markets and there is a need for a clear business case and demonstrable Return on investment (ROI) from cost savings.

## REFERENCES

A set of references are available upon request from Arvinder Loomba, San Jose State University.