



# Inside the mind of a healthcare CIO

What you need to know to sell  
to them successfully



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Hi, I am Adam Turinas, CEO and Founder of healthlaunchpad.

Selling to healthcare organizations is incredibly hard.

I have been in your shoes. I sold products and services to many of the largest and most complex healthcare systems. I met with hundreds of healthcare executives, including CEOs, CIO, CMOs, Transformation, Innovation and Digital Executives. Before my career in healthcare, I worked in many other industries, and none are as tough to sell into as healthcare organizations.

Figuring out which organizations are in the market for what you sell, pinpointing out who you need to meet with, and then getting a meeting are not getting any easier. Sales cycles are glacial and hard to manage. When you finally get a “yes”, getting a signed contract takes weeks.

There are many people involved in the sales process. If you are selling a technical solution, the CIO will be required, either as a decision-maker, an influencer or as a gatekeeper. The more you understand about them, the more likely you will be successful.

We have created this deep dive into the mind of a CIO as it relates to selling to them. We hope it gives you new insights and ideas that will make you more successful.

This piece is based on interviews with IT executives and decades of experience in dealing with healthcare organizations. The quotes are from a CIO with three decades of experience in healthcare IT across many different types of healthcare organization.

In this resource, you will learn about:

1. The budgeting process
2. How priorities are set
3. Things you need to know about the CIO
4. Why the process takes so long and what you can do about it
5. How decisions are made
6. Why relationships matter
7. How to market to healthcare organizations.

If you would like to learn more about healthlaunchpad you can email me at [adam@healthlaunchpad.com](mailto:adam@healthlaunchpad.com) or [sign-up to our newsletter](#).



## 1. THE BUDGETING PROCESS

### How does the budget cycle work?

The first half of the year is the window to get your solution into the budget. As a rule of thumb, budgets are submitted for review around Labor Day, reviewed through Thanksgiving, and approved in December.

*"The annual operating budgets and the capital budgets are approved in December. So, all of the work to decide what's going into those need to be done in the three months prior to December. Any product selection needs to be evaluated in the first half of the year."*

If your solution has been budgeted by Labor Day, you may have to wait until next year.

*"In healthcare, there's a very long lead time. Once the budgets are assigned, you can show up with the best deal in the world, but the money's already been allocated, decisions of how it's going to be spent have already been made."*

Getting budgets for new and incremental items is very hard and takes a great deal of effort by IT and other stakeholders.

*"There isn't that much change in budgets year to year, so much of the budget is known. This year's budget is similar to what was being done the prior year. So, the lion's share of next year's money is continuing maintenance on what you bought in years prior, that prior year and years before that. So, there's not a huge amount of fresh IT money."*

### Who owns the budget?

Most budgets for new solutions are owned by the operating departments NOT by IT.

*"Hospitals work in two different ways. Most hospitals put the cost of the software into the department budgets. For instance, PAC's budget is put into radiology, even though it's a massive user of IT services."*

*The reason for that is simple. You want to keep the expenses as closely aligned to the department that's generating the revenue as you can. That way, you can tell what the*



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*cost of delivering radiology is when you look at the radiology budget, compared to revenue radiology brings in."*

The biggest technology expenses for solution that affect the whole organization are owned by the IT department.

*"If it's used by more than just nursing—if it was used by nursing and radiology and pharmacy—then it tends to be placed in the IT budget. For instance, the core cost of the EMR goes into the IT department because it's spread across the whole hospital."*

Budget approval is a team sport. Many stakeholders have a say and need to sign-off.

*"...operational partners' budget and not IT's budget, it still needs approval perhaps ... It still needs to be approved by the COO, Chief Operating Officer and CFO... It probably needs the VP over that operational department, the chief nursing officer, VP of quality, VP of patient services people, VPs over that specific department."*

## The December Hustle

IT departments know that they can get the best deals in December.

*"Everybody knows that you can get your best deal at the end of the year. So frequently, the contracts get signed in December because there's a monetary value for getting the deal on the books before the end of the year."*

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## 2. HOW PRIORITIES ARE SET

### How are priorities set on what gets purchased?

Priorities are set based on healthcare trends, hospital needs and capacity to change.

*"The priorities for the year tend to be set looking to see in those areas where the industry trends are changing, and the long-term needs of the hospital are changing, where can we take steps this year to continue those journeys."*

### How do you find out what the healthcare system will be buying?

In most cases, the IT department is NOT the department that decides what gets purchased.

*"... if you're trying to figure out what the hospital's going to buy from a technology standpoint, the CIO is not necessarily the person you should be asking, because the need is probably coming from an operational owner. "*

### How is the list of vendors is developed?

The first filter is what will work with what they already have...

*"The question is, what technology can you integrate into your current enterprise architecture in terms of application suites?"*

..then the shortlist is created by the CIO.

*"I'm going to reach into my memory bank of people who I've spoken to in the past. I'm going to do some internet research. I may go to the advisory board and see what they've listed as digital front door initiatives. I may reach out to my peers and see what they're doing...This is how I create the list"*



### 3. THINGS YOU NEED TO KNOW ABOUT THE CIO

#### Do you know what makes the CIO tick?

**When you are selling to a CIO, keep in mind what they enjoy about their role. Typically, the balance of business strategy and technical prowess to solve problems. Pitch your offering as a strategic solution to a major business issue.**

*"The blend of both strategic and technical knowledge and thinking that's necessary. It's strategic in that you need to know the goals of the hospital and where the market's going. It's operational because you need to know whether the solution being proposed could be operationalized, and technical because you really need to understand the connectivity, interoperability, and the functionality of the applications being proposed."*

**Selling a replacement for an existing solution is easier for hospitals to buy than selling a new thing.**

*"If it's existing money, it's easier in that the spend is already in the budget, but you have to then align the start with the end of a contract year. And, if it's new money, it's harder because that's going to increase the overall size of the budget and that can only be done if there's an increase in revenue that's cited some number of times, five times greater than the cost or you're reducing expense by reducing head count for instance."*

#### Do you have an operational champion?

**You won't succeed in selling your solution without an operational champion.**

*"Getting the CIO's approval doesn't get the project on the books. It's getting the buy-in from the operational partner who's going to implement the solution that matters. The operational leaders have to be committed to doing it and getting the value. Then, the CIO has to approve it from a security and infrastructure standpoint. So, you've got to find a product's champion and then get the technological approval of the CIO."*

**Finding the right operational champion is hard.**

*"They generally don't go to events like HIM or national events for their particular arena, as much as IT does, and I don't think they go shopping for new technologies when they*



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*do. So, the first step is to figure out who the operational team is, and then start to reach out to them.”*

Quite often, IT doesn't need to get involved until the purchase-related issues become technical.

*“Once you've got some interest, I recommend a vendor only conversation so we can ask things about how the product's architected from a security standpoint. Is it in the cloud? What interfaces are necessary? What downstream systems, where it fits in the enterprise architecture that we currently have. So, I don't know where we'll fit that in.”*

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## 4. WHY THE PROCESS TAKES SO LONG AND WHAT YOU CAN DO ABOUT IT

### Can a vendor speed up the sales process?

CIOs don't think that the process can move any faster and they are just as frustrated as you are about this.

*"I don't think there is any way. There are too many people and too many steps in the process. To speed up the sales process is maybe just flat-out impossible."*

### Qualification is critical

"Always Be Qualifying". If you can't speed up the process, you need to keep checking-in to ensure that the project will go ahead.

*"The deals that are going to get done, you need to be constantly qualifying us. Is this a solution we want to do this year? And, do we want to actually push the issue to, Do I still see this as important. Do I want to get to it. Or I don't think we'll do it this year."*

The best vendors "audition" their customers. They qualify customers proactively.

*"I just did a call with somebody who shut me off after half an hour because they knew that I wasn't a real possibility to sell to in the next year.*

*And, they were good at that. It was polite, and they just said thanks, our half hour's up. And I said, "I have a couple more questions." They said, "Well, maybe we'll get back together later." And, I knew the answer was no, I'm not going to sell to you."*

Get the issues that you know will be obstacles down the road out of the way at the beginning of the process. It is better to qualify out a customer or be rejected early in the process than waste your time on an unwinnable opportunity.

*"...if they say they need interfaces we don't have and are not available in the EMR, then we can say this product won't work."*



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The capacity to change can be THE major obstacle to deciding to purchase something new. Make this one of your qualification criteria.

*"The challenge is getting the operational partners, the people who need to change, to be willing to change and maintain that change to get the value out of the products being proposed."*

### What are the factors that slow the process down?

The more IT resources you need to complete your sale, the longer the process is going to take.

*"...getting all of the sign-offs by IT, scheduling the meetings to get your interface team to talk to our interface team can take weeks just because the people you're trying to get to are busy implementing or doing other projects."*

You can't control the time legal takes but taking care of everything else first will avoid getting bogged down later.

*"Many times, the process is held up by legal trying to "stick it to" the vendor, letting them hold the liability. But legal doesn't want to review it until all the business terms are worked out, it's a sure thing we want to do this, and we've got the money. They don't want to waste their time."*

### How do you control the controllables? Take care of things that will could slow the process later

Show that you have 'been there done that' as early as possible.

*"IT ends up wasting their time in evaluating cross-checks. If nursing wants to look at three possible nursing acuity products, they want IT to review all three. So, it would be helpful if there were ... they've done this before."*

Lead the buyer. Get ahead of the questions that always come up.

*"If you know what the steps are, and you know what the questions IT generally asks you, prepare those answers. Have an interface specification, for instance, and maybe a summary, like an executive briefing on it instead of immediately diving into the AO1 field four. So, legal, technical, operational, and budgetary."*



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Get security, HIPAA, contracting issues out of the way.

*"And, getting those details out of the way, cybersecurity, what do you need to know from me to know that the data you want to give me will be safe? Get the BAA. Contracting is currently the long pole ... getting legal, first of all, legal wants the vendor to hold all responsibility, and the vendor wants to hold no responsibility."*

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## 5. HOW DECISIONS ARE MADE

### Who is involved? Hint: Decision-making is a team sport

IT recommends and gives the pros and cons.

*"IT will make a product recommendation that this one seems to have the best fit for what we can do on an IT side, and if you pick product B, you can't have this feature that they're claiming, because we have no way to interoperably provide data to fulfill what they say it would do..."*

Then the operational partner makes the call.

*"... Then, it's up to the operational partner to say, "Yeah, I could live without that," or, "okay, no, I'll pick the other product. In the end, the business owner makes the decision."*

The CFO can undermine the decision if they are not convinced that your solution delivers a hard ROI.

*"The most important red flag that CFOs are looking for are Soft ROIs. For example, a solution will save 15 minutes as day for every nurse in the hospital. In aggregate, that's a lot of time saved! But if you can't reduce a single nurse out of the payroll, it's a soft cost and doesn't actually exist because you can't reduce labor expenses even though time was saved."*



## 6. WHY RELATIONSHIPS MATTER

### How do you earn trust? Being likable is the first step

*"There are a couple of vendors that pissed me off at the start, and it's very hard when you make enemies within IT for your project to go smoothly. We all want to do business with people we like. You need to build that likeability, and the best way to do that is to get together and share some things that are going on in their area, and maybe things that you don't even sell.*

*Just starting to build that relationship and be somebody that they want to have more conversations with. It then moves on to the kinds of innovative things going on, in particular, the ones that you'll bring to bear."*

### What are the common pet peeves among hospital CIOs?

CIOs get sick of salespeople asking them what their problems are.

*"The question I hate the most is "tell me what problems you have," because I'm pretty sure whatever they pitch is going to be aimed at one of those problems."*

CIOs dislike being asked who else they should talk to.

*[A major pet peeve] is that I receive two or three emails a week asking me who a vendor should talk to inside My hospital for solutions. For instance, a vendor that sells software that deals with quality, and they want to know who in my hospital they should talk to.*

*First, I hate giving out the names of people inside the organization because then they say, "Well, the CIO recommended I talk to you." Second, they're not being creative enough to find out who that is. A couple of phone calls, a bit more digging on LinkedIn, and they should be able to find out that answer.*



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Be careful with vanity logo slides.

*“One of my per peeves is the vanity slide at the beginning of the presentation about all the great organizations that use the product, for two reasons. One, I don't care who uses your product if I don't want to buy your product. Two I am skeptical, that your solution has been deployed across the whole organization”*

### How do you change misperceptions?

Sometimes you have to change misperceptions about your solution based on bad prior experience with other vendors. It's not you, it may be the other guys.

*“If a vendor comes in with a solution similar to yours and so, I recently had a vendor come in selling some clinical decision support software that claimed it would be based on evidence and departmental utilization. They followed ... I'm trying to figure out, they were horrible. I'm trying to figure out whether ... so, the next person who comes in pitching a departmental clinical decision support person has to answer all of my objections I had with the first vendor before we can get to objections I would have with their product.*

*I may already have decided that you can't do this because the vendor who came in before them with a similar product had a poorly architected product or a bad sales process. So I may be prejudiced against the solution that's being brought in by a vendor who pitched something similar. So, you'd have to fix the damage the first vendor did.”*



## 7. HOW TO MARKET TO HEALTHCARE ORGANIZATIONS

### How do you reach the CIO?

Email is still the best way to reach many CIOs ...

*"I know, it's email and for me, my bandwidth is reduced down to 90% email and 10% LinkedIn."*

...but often they respond just to make you stop sending them emails.

*"Emails will eventually get responded but mostly to get them to stop I get 100 emails a day. If I don't say no thank you, I get that same 100 the next day, or the next week. So, the only way to get the HubSpot to stop is to answer."*

Content that addresses an organizational strategic priority is more likely to generate leads and get read.

*"It's usually something that the business owner's talking about or is in the short-range direction of the industry or the hospital. Sometimes the business owner isn't talking about it yet, but it's something that I've heard about or believe is a trend for healthcare. I generally like seeing where they say they're going to make a difference in the email I get."*

CIO softens takes the lead in the organization in presenting new ideas. Messaging and content that's about innovation can attract interest.

*"I probably bring six to eight vendors in, or do presentations on the concept underneath it. For instance, I did a session, a training session for the senior management team or the VP team on robotic process automation. It's something we don't do. It's something that's never been spoken of and something that I believe will become a major component of healthcare."*



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## How do you engage a champion?

Educational content that addresses operational questions is a good place to start.

*"They generally aren't interested in anything new right off the bat. They are interested in education, they're just not interested in being sold to, and they're afraid to purchase anything. So, if you can get into their head and show that A, that you're somebody that is nice and they would want to do business with, is good."*

**Why it's important to stay in touch and keep marketing to the operational champion.**

*"We're just moving ahead this year with some remote patient monitoring. I brought in a vendor with an innovative solution three years ago, two years ago, one year ago, talking to the operational partner in our patient navigation group, and they weren't interested. And then this year, they reached out to him themselves and brought him in."*

## How do you get a meeting with a CIO?

**Provoke a reaction. Strong but credible claims are more likely to provoke a request that you prove it.**

*"Here is how we're going to save money or make a change or something. Sometimes I ask for clarification on how that can be done, because it doesn't seem to me that it's possible, that their product actually does affect a given workflow or outcome. So, I'll ask just to see if there's something, if they have a novel way to do something, I don't think those products generally do."*

**You can earn the right to have a meeting by proving your ROI.**

*"So, I like knowing that it's going to have an immediate payback or your people are already doing this, just not as effectively. I may want to then, before I get a full blown pitch, just find out a bit more. So, I'll reply back and say, "Explain to me how I could get an ROI in one year with this product."*

**Tip: Educate them before you meet them. Let them invest the time to prepare.**

*"...it's actually helpful to read a white paper before seeing the pitch from the product because I then get to see how it's being utilized by somebody. So, I will be interested in white papers."*



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*White papers that are covering again, an area ... it's actually helpful to read a white paper before seeing the pitch from the product because I then get to see how it's being utilized by somebody. So, I will be interested in white papers."*

## **NOTE: Phishing and ransomware have become a major problem for companies marketing to IT executives**

**They are less likely to click on links because of phishing and ransomware.**

*"I won't click on anybody that says they have a white paper for me to read. I got to go to their website to get it because the odd of it being phishing are growing every day.*

*It's hard, if you say click here to learn more, we'll have an ROI in three weeks. It's got a 20X ROI that'll begin in three weeks, click here to learn more. Why is that not a phishing? I don't know them. I'm not expecting it, and they're asking me to do something that could download ransomware or some virus.*

*So, it's going to be harder and harder for people to get you to click on anything."*

**Recognizing the issue will gain trust.**

*"And then, I will always ... first of all, I appreciate that they recognize the risk and they've made it easy for me to go get the same thing on their website. I trust going to people's websites. I probably shouldn't, but I do."*

**Gated content and forced registration can create barriers. They know why marketers use this technique.**

*"They would rather have me give them my username and then they've got me in their HubSpot, before they let me have the white paper, because they want to capture me.*

*So, I have to trust you enough to give you my information as opposed to making the white paper available ... if you said because I trust you, you don't have to give me any information. Here's the white paper. They go, good on you."*

**Try sending attachments rather than using gated content.**

*"There's nothing I can click on- So, if they send the white paper, then it's already been scanned by me cybersecurity software and I can open the document."*



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Or try making it easier for them to reach out to you.

*"Put the contact information on who to reach out for, for more information, but not a detailed pitch, to find out more. If you have any questions whatsoever, email X and then I may follow up with a question. You may want to put that at the top of the white paper too so that if I don't make it to the bottom of it. If you have any questions whatsoever, want to have a chat about this, not a sales pitch, but ask some questions, send them to X@Y.com and I'll get back to you.*

*So, then I'm starting an out and out conversation. You can capture me at that point, because you know I actually have interest."*

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## About healthlaunchpad

Healthlaunchpad is a new firm that helps technology companies grow. We serve technology companies who want to enter the US healthcare market or are looking for insights and ideas to help accelerate sales.

We have also created the Mentor Program, a private network for healthcare technology executives to build community and create opportunities to give feedback to select technology firms. Succeeding in the healthcare market is incredibly hard. We know this first-hand.

You have to understand what specific needs you can meet and how you can reach the people in healthcare who need what you offer. Reaching these right people can seem impossible. Our services are designed to help you overcome these problems. We will get you in front of healthcare executives to get you feedback and insights, help you create a winning go-to-market strategy and then get you into market.

### What We Do

#### LAUNCH — FOR BUSINESSES ENTERING THE US HEALTHCARE MARKET

- Market Check: Get feedback on your products and solutions from healthcare executives
- Go-to-Market Strategy: Develop a detailed action plan to enter the US Healthcare market successfully, including positioning, sales and marketing plan and creating a customer Advisory Board
- Launch and build – Enter the market successfully. Get Pilots, lead generation, partnership formation, hire team, win your first customers

#### BOOST — FOR HEALTHCARE COMPANIES LOOKING TO GROW FASTER

- Get feedback and insights from healthcare executives
- Learn how to market more effectively
- Sales process optimization
- Generate more qualified leads

#### MENTOR PROGRAM — FOR HEALTHCARE ORGANIZATION EXECUTIVES

- An exclusive community for technology and operational leaders from healthcare
- Meet companies who are making a difference in healthcare curated for you
- Take part in monthly educational webinars on topics selected by you
- Exchange ideas and seek advice