Is the Time Right for Application Rationalization? 5 Ways to Know

by Christopher Rogowski, General Manager, Healthcare IT Solutions | Sep 18, 2025



Most healthcare organizations have more applications than they need or want. This is understandable—rapid technological changes over the past decade have put pressure on IT leaders to add new functionality quickly, often without time for evaluation.

Without a clear assessment of what they have and how it's working (or not), organizations risk costly inefficiency and misguided investments and

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may never achieve a well-managed IT environment that benefits the organization, its providers, and patients.

Is this the right time to take a pause for application rationalization? Here are five ways to know:

1. You don't know which apps are in use or worth keeping

At its most basic level, application rationalization helps your organization regain clarity on the big picture of your entire technology ecosystem by producing an inventory of systems and software. From there, you can rank apps based on criteria such as usage cost, AI compatibility, clinician or patient experience, and more.

With this information at your fingertips, you can quickly determine what to keep and what to eliminate.

Pro tip: Don't forget to review your vendor agreements as well, to determine if you're getting what you paid for and whether renewals are pending that could signal a logical exit.

2. Your team needs more budget and bandwidth

In a McKinsey survey, CIOs reported that 10-20% of their budget for new products goes toward paying for tech debt. Application rationalization can accelerate that process to regain more flexibility in your budget. Innovative has calculated that the average hospital can safely eliminate 23% of existing IT programs, reducing total cost of ownership by almost a third. That frees up millions of dollars to pay off debt and invest in new technology.

Another big savings? Staff time. When your IT team members aren't overwhelmed with keeping inefficient legacy apps functioning, they can service the technologies your clinicians and patients use most and successfully drive new innovation. (Bonus: this will also help retain your best IT professionals, since it's more exciting and fulfilling work for them.)

3. Application inefficiencies and poor user experience

If your clinicians and patients are constantly submitting complaints and support requests, or opting out of using apps altogether, that's a red flag in your tech stack.

Maybe applications are siloed, requiring constant app-switching and logins. Or performance could simply be compromised by outdated or glitchy technology.

Application rationalization helps to diagnose the problem AND provide a step-by-step plan to move forward. Innovative's application rationalization process always includes an IT change roadmap along with the inventory to suggest ways to optimize the technologies you already have and streamline your portfolio through selective decommissioning.

4. A major strategic initiative is coming

If you're preparing to embark on a huge IT transformation, like an EHR migration or enterprise imaging solution implementation, it's the perfect time to conduct application rationalization.

What?! But what if all hands are already on deck for that massive effort?

Hear me out.

First, if your team is currently maxed out—and which healthcare IT team isn't?—it's wise to pull in external support to conduct a thorough app audit. Aside from contributing additional manpower, a neutral party can ensure you avoid any turf wars that might sabotage transformational change.

Next, there's speed: An experienced consulting firm can complete application rationalization in 8 to 12 weeks, from initial meeting to report submission. The process doesn't have to interfere with your project timeline.

Finally, keep in mind that your looming initiative will have to be integrated into a broader ecosystem of existing software and systems. Knowing what's operating in that ecosystem and having it running at full capacity before you onboard something new will ensure a smooth rollout that meets all expectations without unexpected hiccups.

5. You want to lower cybersecurity and compliance risk

We've all read the headlines. Healthcare is experiencing more cyber threats than any other critical infrastructure, according to the FBI's latest Internet Crime Report.

One sure-fire solution is fewer apps. Eliminating unmanaged and shadow IT reduces the number of entry points for attackers and fosters full awareness and control over what's running.

A streamlined tech stack also lowers the burden of compliance, because fewer systems to audit makes maintaining regulatory standards (e.g., HIPAA) more manageable. It's a win-win.

Bite the Bullet to Achieve Your Goals

When you make application rationalization a priority—not just once, but as a regular part of your annual IT strategy—you will be able to address these five challenges, as well as those to come. Think of it like an annual health check-up: It provides a full view of your technology environment and helps you catch issues before they become costly problems.

Healthcare may be one of the most challenging environments for IT leaders today, but it's also incredibly impactful and important. Having the right tools and knowing when to use them lets you continue that work with success.

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