



## Establishing an ETO to Deliver Healthcare Transformation

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Our Healthcare clients continue to invest heavily in digital modernization, AI-enabled capabilities, operating model redesign, and new patient and member engagement strategies. From clinical workflow optimization to advanced analytics and consumer experience platforms, these transformation initiatives are expanding across nearly every part of the healthcare ecosystem. Yet despite these investments, many leadership teams still encounter a persistent challenge: **their strategy is advancing faster than execution.**

As initiatives multiply across departments, priorities begin to compete for resources, interdependencies increase, and the connection between strategic initiatives and measurable enterprise value becomes more difficult to sustain.

Increasingly, we are helping our clients address this challenge by establishing an **Enterprise Transformation Office (ETO)**—a centralized governance function responsible for aligning strategy, execution, and value realization across the enterprise.

Large-scale healthcare transformation initiatives often span multiple clinical functions, technology platforms, vendor partners, and operational teams. Without an effective coordinating structure, these efforts can easily become fragmented. An ETO can provide the governance framework needed to ensure that critical initiatives remain aligned with your enterprise priorities while maintaining accountability for results. Some common benefits we have seen include:

**Strategic Alignment** - Ensuring your transformation program directly supports enterprise priorities such as growth, care delivery improvement, cost management, and patient/member experience.

**Portfolio Visibility** - Providing leadership with a consolidated view of major initiatives, interdependencies, and resource requirements across the organization.

**Value Realization Tracking** - Measuring the financial, operational, and clinical impact of actions and decisions.

**Executive Decision Support** - Accelerating cross-functional decision making and removing barriers that can slow implementation.

**Change Enablement** - Supporting adoption of new workflows, digital capabilities, and operating models across the enterprise.

Many of our clients already operate Project Management Offices (PMOs), an ETO operates at a more strategic level—focusing on **enterprise outcomes rather than simply tracking project milestones.**

While the specific structure can vary by organization, we see successful ETOs typically include three core elements:

**Executive Sponsorship** by a senior executive - often a Chief Transformation Officer, Chief Operating Officer, or Strategy Executive - supported by an enterprise transformation steering committee. Executive sponsorship ensures that transformation initiatives remain connected to strategic priorities and that cross-functional decisions can be made quickly.

**Core Transformation Team** including leadership responsible for:

- Transformation portfolio governance
- Value realization measurement
- Change management and communication
- Transformation analytics and reporting
- Coordination with enterprise architecture, digital strategy, and data initiatives.

**Embedded Transformation Leaders** to help maintain alignment between enterprise priorities and operational execution.

This structure allows the ETO to function as a **“control tower”** to provide visibility, insights and coordination across the organization.

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As healthcare organizations continue to modernize their operations and technology platforms, several trends are shaping the evolution of ETOs.

**Greater Focus on Value Realization** - Historically, many transformation programs focused primarily on delivering project milestones. Today, there needs to be greater emphasis on measuring sustainable outcomes, including financial performance, operational efficiency, and patient or member experience improvements.

**Transformation as an Ongoing Capability**- Rather than being created to oversee a single program, ETOs are becoming permanent competencies within healthcare organizations—supporting continuous improvement, innovation, and operational modernization.

**Integration with Strategy and Finance**- ETOs are increasingly positioned at the intersection of strategy, operations, and finance, ensuring transformation initiatives remain closely linked to enterprise priorities and value creation.

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The rapid expansion of **AI and advanced analytics in healthcare** is accelerating the need for enterprise-level transformation governance.

AI initiatives frequently span multiple departments and data sources—from clinical decision support and revenue cycle automation to population health analytics and patient engagement tools. Without

centralized governance, organizations often accumulate disconnected pilots that fail to scale into enterprise capabilities. An ETO can help your organization:

- Prioritize AI initiatives aligned with enterprise strategy
- Establish governance frameworks for responsible AI use
- Integrate AI capabilities into operational and clinical workflows
- Measure the financial and operational impact of AI investments

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## A Final Thought

Ultimately, the purpose of an ETO is to **create enterprise value**. When implemented effectively, the ETO helps:

- Translate strategy into coordinated enterprise initiatives
- Align people, processes, and technology investments
- Improve decision velocity across complex transformation efforts
- Deliver measurable financial, operational, and patient/member outcomes

As healthcare transformation becomes continuous rather than episodic, establishing strong transformation governance capabilities help leaders convert strategic ambition into lasting competitive advantage.

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## How Sunstone Helps

Visit us at [www.sunstonemanagementadvisors.com](http://www.sunstonemanagementadvisors.com) to learn more about how we partner with healthcare payers, providers, and portfolio leadership teams to:

- Architect actionable transformation strategies
- Stand up execution governance and operating systems
- Build leadership alignment and delivery capability
- Ensure financial, operational, and clinical outcomes are realized – and sustained

## About the Author



**Joe Rolewicz** is a Founding Partner of Sunstone Management Advisors, a growth advisory firm focused on helping healthcare and insurance companies identify and unlock their full enterprise value. With over 25 years of experience leading complex transformation initiatives for healthcare and insurance businesses, he leads our Transformation Consulting Practice, leveraging experiences gained from over 50 different clients as well as Senior Manager roles with national consulting practices. He is also the former SVP of Planning and Project Management for a national managed behavioral health organization. Joe received his Bachelor's of Business Administration in Finance from James Madison University and a Master's in Business Administration from Loyola University in Maryland. **Questions or comments?** Feel free to contact Joe directly at [jrolewicz@sunstonemanagementadvisors.com](mailto:jrolewicz@sunstonemanagementadvisors.com) or connect with him on LinkedIn at [www.linkedin.com/in/josephmrolewicz](http://www.linkedin.com/in/josephmrolewicz)