

Successful Strategic Planning: The Board's Role

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Gene J. O'Dell
John R. Combes, MD

The American Hospital Association's



CENTER FOR
HEALTHCARE
GOVERNANCE™

Presenters

John Combes, *Senior Vice
President & President/COO,
Center for Healthcare Governance*
American Hospital Association



Gene O'Dell, *Vice President, Strategic
& Business Planning & Vice President,
Operations, Center for Healthcare
Governance*
American Hospital Association



Deborah Swets, *Vice President,
Membership*
Washington State Hospital Association



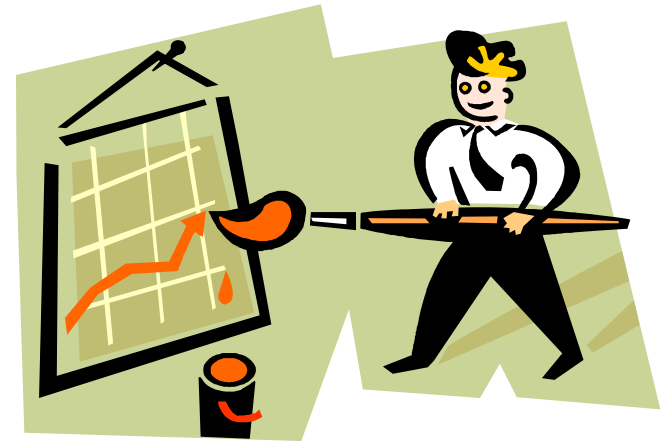
- What is Strategic Planning?
- What Good Planning Does
- What Planning Is Not
- Strategic Planning Process
- The Board's Role in Strategic Planning
- Why Plans Fail
- How Well is Your Organization Doing?



What is Strategic Planning?

Planning Definitions

- Vision
- Mission
- Values
- Goals
- Strategies
- Performance Measures



What Good Planning Does

- **Defines Roles and Responsibilities**
- **Exposes Risk**
- **Articulates an Organization's Competitive Advantage**
- **Explores Opportunities**
- **Tests Assumptions**
- **Moves towards the Vision**



What Planning is Not

Strategic Planning is **Not**:

- **An Exact Science**
- **Developed in a Vacuum**
- **A Substitute for Actively Managing Operations**
- **Something to be Delegated**

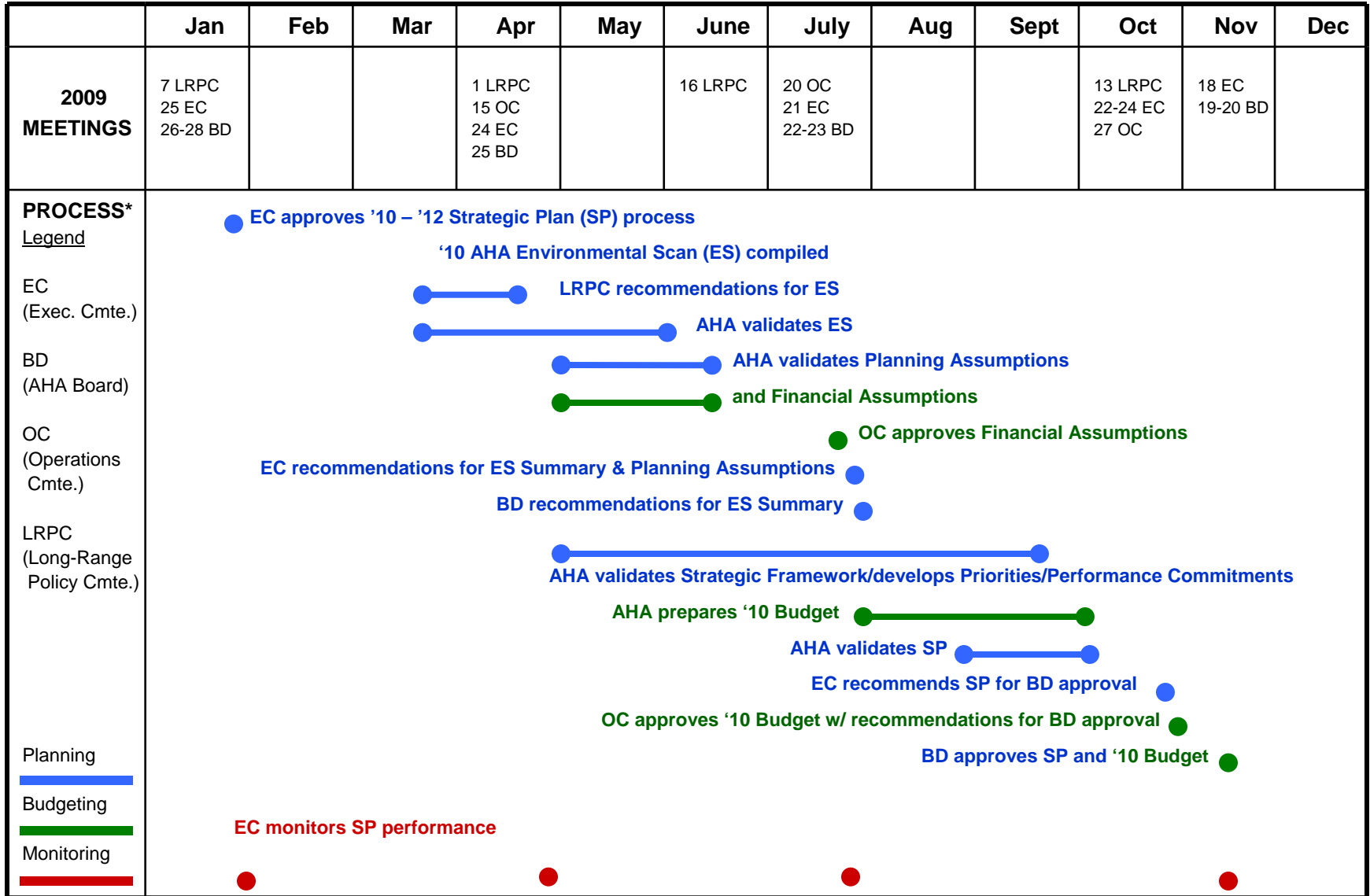


Strategic Planning Process

- **Development Timeline**
- **Environmental Scan**
- **Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis**
- **Planning Assumptions**
- **Strategic Framework**
- **Strategy Development**
- **Performance Measures**



2010 – 2012 AHA Strategic Plan *Development Time Line*



2010 - 2012 AHA STRATEGY MAP



AHA's Vision for America

A society of healthy communities, where all individuals reach their highest potential for health.

Our Mission

To advance the health of individuals and communities; the AHA leads, represents and serves hospitals, health systems and other related organizations that are accountable to the community and committed to health improvement.

Our Values

People...Integrity...Leadership...Diversity...Collaboration...Excellence...Innovation

Our Goals

1. Advance a Health Care Delivery System that Improves Health and Health Care

To pursue strategies and advocate for models and resources that promote patients and communities receiving the right care, at the right time, in the right place.

Strategies:

- 1A) Advancing Quality, Patient Safety, and Performance Improvement
- 1B) Safeguarding Fair Reimbursement and Seeking Payment Reform
- 1C) Implementing Health Care Delivery System Reforms
- 1D) Ensuring Accountability for Tax Exemption
- 1E) Improving the Health Care Work Environment and Employee Relations
- 1F) Achieving Exceptional Health Care Governance and Leadership

2. Optimize the Operational Effectiveness of the AHA

To sustain and enhance a member- and user-focused organization that promotes excellence, collaboration, innovation, growth and development.

Strategies:

- 2A) Increasing Membership Recruitment and Retention
- 2B) Enhancing the Governance Process
- 2C) Strengthening Association Capabilities

The Board's Role in Strategic Planning

- **The Board must understand the planning process and its role**
- **The Board is key to ensuring stakeholder input in the process**
- **Board planning retreats allow critical, focused time for thorough review and productive dialog**
- **Diversity of opinion is essential**
- **Boards should provide oversight of progress towards plan completion**
- **Performance metrics should be quantifiable**

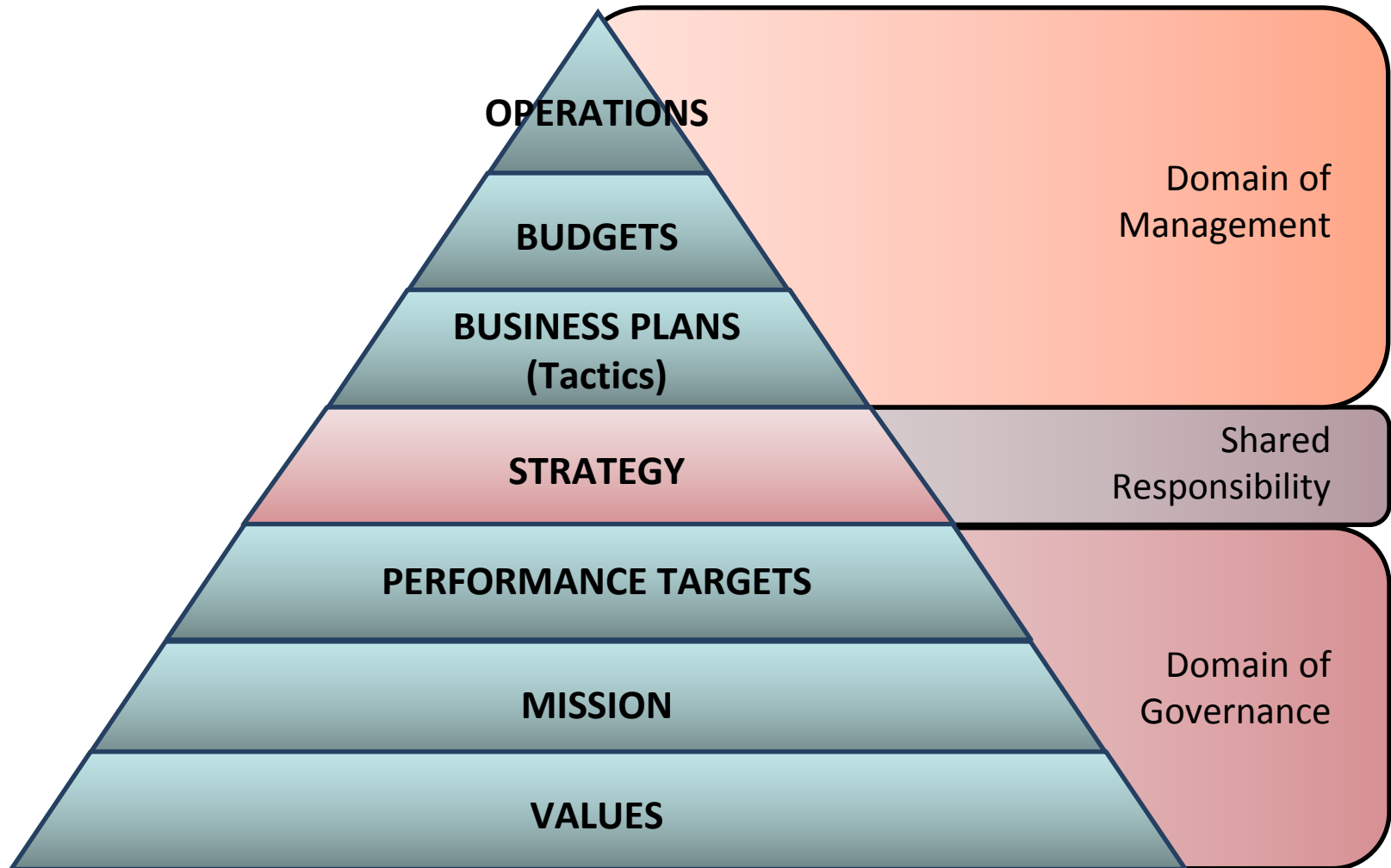


Contributing to Strategy Formation

- **Domain of Governance**
- **Domain of Management**
- **Role of the Medical Staff**
- **Shared Responsibility**

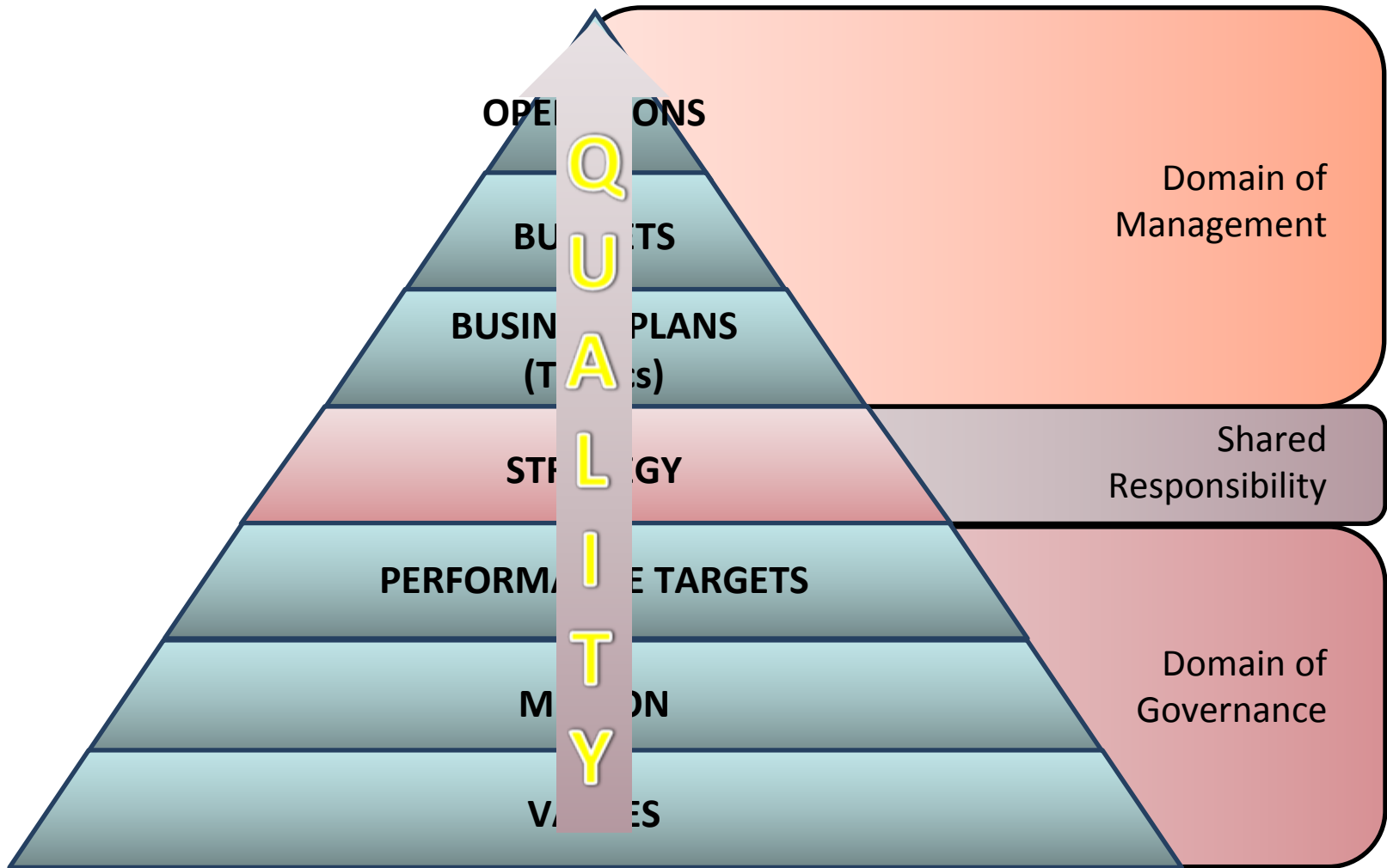


Contributing to Strategy Formation



Source: Mikhail, O., 2007, School of Public Health, University of Texas, Houston

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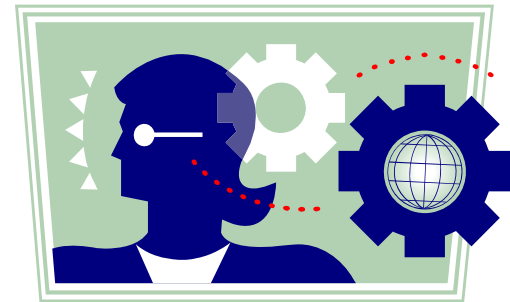
Performance

- **Defining Performance Level**
- **Tying Budgets to Strategies**
- **Implementation**
- **Monitoring Performance**



Why Plans Fail

- **CEO Philosophy**
- **Organizational Cultural Commitment**
- **Board's Working Knowledge**
- **Defined and Communicated Roles and Responsibilities**
- **Engaging Key Staff in the Process**
- **Execution**



How Well is Your Organization Doing?

- **Do you have a working knowledge of the organization's strategic planning process?**
- **What is the CEO's philosophy on strategic planning?**
- **Who is the strategic planner in the organization and what is his or her relationship to the CEO and the board?**
- **Is the board actively involved in each phase of plan development?**
- **What is the board's role in developing the strategic framework?**
- **Is the planning process top-down, bottom-up or a combination?**
- **How do you engage the medical staff in the strategic planning process?**
- **Is there a formal, routine process for monitoring performance against the plan?**



Questions and Comments



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To receive a copy of
this monograph
please contact
Jared Swiecicki at
jswiecicki@aha.org



Monograph Series