

LEARNING OBJECTIVES

- By the end of this lecture, the student will be able to:
 1. Describe strategic planning and the strategic planning process;
 2. Discuss the importance of strategic planning as a dynamic process in healthcare organisations;
 3. Identify healthcare market powers and trends, and understand their potential impact on health services;
 4. Describe SWOT analysis;



STRATEGIC PLANNING (SP)

- Every organization needs to be successful over the long term in order to survive; a critical factor leading to that success lies in how well an organization can plan for the future and tap market opportunities.
- Strategic planning is the process of identifying a **desired future state for an organization and a means to achieve it.**
- Strategic planning is the systematic and organized process whereby an organization creates a document indicating the way it plans to progress from its current situation to the desired future situation.
- Through an ongoing analysis of the organization's operating environment, matched against its own internal capabilities, an organization's leadership is able to identify strategies that will drive the organization from its present condition to that desired future state.
- Healthcare managers at all levels need to understand the purpose of strategic planning, its benefits and challenges, the key factors for its success, and their vital role in the process.



THE PLANNING PROCESS

- Strategic planning is a dynamic and not a linear process.
- the **SWOT (Strengths, Weaknesses, Opportunities, Threats)** Analysis provides a foundation for strategy development.
- This analysis serves two important functions: to gather a snapshot of how the organization is currently interacting with the market in comparison to the internal capabilities and intended strategic direction of the organization, and to identify market opportunities and threats that the organization may want to address in future strategic efforts.



SWOT DEFINITION

- **Strengths** – Factors that are likely to have a positive effect on (or be an enabler to) achieving the clinic’s objectives
- **Weaknesses** – Factors that are likely to have a negative effect on (or be a barrier to) achieving the clinic’s objectives
- **Opportunities** – External Factors that are likely to have a positive effect on achieving or exceeding the clinic’s objectives, or goals not previously considered
- **Threats** – External Factors and conditions that are likely to have a negative effect on achieving the clinic’s objectives, or making the objective redundant or un-achievable.

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STRENGTHS

*Examples:
Special expertise, reputation, cost,
advantages, technology
advantages, etc...*

WEAKNESSES

*Examples:
Limited service lines, marketing
deficiencies, management of staff
problems, etc...*

OPPORTUNITIES

*Examples:
New technology, lack of dominant
competition, new markets or
services, etc...*

THREATS

*Examples:
New or increased competition,
insurance plan changes, adverse
demographic changes, adverse
govt. policies, economic
slowdowns, etc...*

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EXAMPLE OF SWOT

MISSION, VISION, VALUES

- The information gleaned regarding the interaction of these five forces (healthcare workforce, consumers and payers, innovations in technology, regulatory environment, and competitive rivalry) in the market is matched against the organization's **Mission, Vision, and Value (MVV)** statements.
- As the driving purpose of the organization, the MVVs are reviewed as part of the strategic planning process to ensure they continue to be aligned with the organization's future market environment and to help identify future desired strategic directions.
- The **mission** of any organization is its enduring statement of purpose. It aims to identify what the organization does, whom it serves, and how it does it.
- For example, Radiologix, a radiology services company, “strives to be the premier provider of diagnostic imaging services through high-quality service to patients, referring physicians and mutually beneficial relationships with radiologists who provide expert interpretations of diagnostic images”

Strategic Plan
Company Slogan here

DX
COMPANY NAME

Company Overview

Mission Statement	Our mission is to provide the best template for our customers. We are dedicated to creating a profession, catchy and engaging designs for your clients. These available templates can be used to get more sales and attract potential investors. We are committed to developing a user-friendly PDF editor that can be used by our customers to customize these templates.
Vision Statement	Our vision is to create professional looking PDF templates on the go. These available templates can be used to get more sales and attract potential investors. This will make our users have a peace of mind and focus on their work. We are committed to developing a user-friendly PDF editor that can be used by our customers to customize these templates.
Core Values	These are the Core Values of the ABC Company: 1. Commitment 2. Client focus 3. Growth 4. Integrity 5. Leadership
Summary	ABC Company is a web application that provides PDF templates to the users. These available templates can be used to get more sales and attract potential investors. We are committed to developing a user-friendly PDF editor that can be used by our customers to customize these templates.

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MISSION, VISION, VALUES

- On the other hand, a **vision** statement strives to identify a specific future state of the organization, usually an inspiring goal for many years down the road.
- The vision of the American Hospital Association is “of a society of healthy communities, where all individuals reach their highest potential for health”.
- The **values** statement should help define the organization's culture—what characteristics it wants employees to convey to customers.
- An example of one such value from Duke University Health System in North Carolina is: “We earn the trust our patients place in us by involving them in their health care planning and treatment and by exceeding their service expectations”.



MISSION, VISION, VALUES

- Although the mission statement is generally the most enduring of the three, each of these statements may be altered over time to adapt to the environment.
- As an example, the increasing influence of **consumerism** in health care drove an organization to revise its vision and value statements to become more **customer service focused**, which in turn (hopefully) helped to change the organization's culture.
- Reaffirming and/or adjusting these three statements in relation to market activity is a critical step in determining the desired future state of the organization.



REFERENCE

Buchbinder, S. B., Shanks, N. H., & Kite, B. J. (2019). *Introduction to health care management*: Jones & Bartlett Learning.



Thank you!