Creating and Implementing Strategic Plans: The Future

Lynn Oppenheim, PhD
CFAR
September 20, 2013
About CFAR: Readying Organizations for the Challenges of the 21st Century

CFAR is a **private management consulting firm** that helps leaders create organizations in which talent and innovation flow freely across the enterprise; people own the changes they need to make, and behavior is aligned with strategy.

CFAR was spun off from the **Wharton School** in 1987 with academic roots in business and the social sciences.

Our clients are **mission-driven organizations**—including universities, foundations, health and hospital systems, academic medical centers, family businesses, and Fortune 500 companies.

We **partner with our clients** to understand what is getting in the way of their success and provide tools, resources, facilitation, ideas, and insights that improve outcomes and performance.

**We help our clients...**

- **Lead**
- **Engage**
- **Act**
What do we know about the future that will drive changes in how we develop strategic plans?

**The world is turbulent**
We need to look beyond predictions.

**The pace is accelerating**
We need engagement to propel ourselves from strategy to action quickly.

**Technology provides new ways to communicate**
We need to ask the right questions.

**We live in a networked world**
We need to develop a strategy that reaches beyond our organizational boundaries.
Planning within Turbulence: The Changing Nature of Change

Episodic Change

Objective: Control Change
Strategy: Buffer and protect operations by building redundancies, boundaries, and slack resources

Continuous Change

Objective: Embrace Change
Strategy: Build agility by opening the organization, removing boundaries and barriers to change

Disruptive Change

Objective: Prepare for Change
Strategy: Build resiliency by planning for contingencies and assuring a capacity for recovery and renewal

Planning within Turbulence: Organizational Postures Toward Change

- **We are not fast or effective in reacting**
  - Higher Performers: 7%
  - Lower Performers: 23%

- **We first watch how others react, then react**
  - Higher Performers: 13%
  - Lower Performers: 22%

- **We are the first to react once change occurs**
  - Higher Performers: 13%
  - Lower Performers: 16%

- **We anticipate and plan for change before it happens**
  - Higher Performers: 46%
  - Lower Performers: 27%

- **We induce change and force others to react**
  - Higher Performers: 20%
  - Lower Performers: 11%

There are many kinds of scenarios, and not all help us address the strategic concerns of academic medicine.
Scenarios: Look Broadly for Disruptive Possibilities

Narrow and deep | Broad and shallow
Let’s explore the disruptive forces we face in academic medicine

- Spend five minutes individually developing your own list of ‘disruptive forces’
- Turn to your neighbors and in groups of two and three
- Share your lists with each other—
  - What common themes emerge?
  - What interesting outliers?
Scenarios not only need to look far afield, good scenarios also need to...

- **Tell a coherent story** so that people can see themselves in the future.

- **Consider the resources needed** so that the scenario is grounded in reality.

- **Look outside** as well as inside the organization—so that they explore how the actions of others can affect you.

**Scenario thinking builds organizational resilience**
The pace is accelerating so we need to move from strategy to action quickly.

The **plan** is **not** the purpose.

It is the **planning process** that **propels** us forward.

**Engagement** in the development of strategy readies the organization to **implement** quickly.
The challenge is to **align the interests** of the top people when every one of them ‘volunteers’ their **talents and energies** to your organization.
Who participates and how?

Participation must be **authentic**.

And there are **many ways** in which to participate . . .

- **Steering committee**
- **Core group**
- **Board**
- **Other stakeholders**
Regional Health System
Proposed Timeline & Process for Updating the Strategic Plan

**Phase One: Data Gathering & Discovery**
- **Conduct interviews**
  - Research financials
  - Process and analyze research and interview data to develop “current state” of the business
- **Prepare strategy**
- **RHS updates current strategic plan**
- **Review interview themes & current state**
- **Determine plan for engaging the Board**

**Phase Two: Creating the Strategy**
- **Strategic Options**
  - CFAR to develop survey
  - **Administer survey**
  - Analyze results
  - Opportunity to engage stakeholders throughout RHS
- **Develop Scenarios**
  - Review survey results
  - **Design Sept. Board Retreat**
  - Develop communication strategy

**Phase Three: Finalizing and Enacting the Strategy**
- **Craft updated strategic plan**
- **Deliver plan to Board**

**Overall Process Outline**

**Steering Committee**

**Board Meetings**—Engage Board with the current state of the business, Strategic Options, (and case as appropriate)

**Steering Committee**

**Board Meeting**
- Work with Strategic Options results
- Work with scenarios
- Provide counsel

**Steering Committee & Mgmt Team**
Creating and Implementing Strategic Plans Workshop

Regional Health System
Proposed Timeline & Process for Updating the Strategic Plan

Overall Process Outline

<table>
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<tr>
<th>April</th>
<th>May</th>
<th>June</th>
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**Determine plan for engaging the Board**

**Phase One: Data Gathering & Discovery**

- Conduct surveys
- Analyze results
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**Phase Two: Creating the Strategy**

- **Strategic Options**
- **Develop Scenarios**

**Sept. Board Retreat**

- Develop communication strategy

**Board Meetings**—Engage Board with the current state of the business, Strategic Options, (and case as appropriate)

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**Steering Committee & Mgmt Team**

Deliver plan to Board
Phase Two: Creating the Strategy

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Strategic Options
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Phase Three: Finalizing and Enacting the Strategy
- Determine plan for engaging the Board

Overall Process Outline:
- April
- May
- June
- July
- August
- September
- Oct/ Nov
- Dec

Key Meetings
- Steering Committee
- Board Meeting

Board Meetings—Engage Board with the current state of the business, Strategic Options, (and case as appropriate)
Technology can help you communicate—if you ask the right questions
The challenge is not how to send a message about strategy—the choices are abundant…

The **challenge** is to have that **message** pull people **into the process**.
Technology can help you learn the wisdom of crowds—if you ask the right questions

Tiered health insurance products will make us less competitive in the markets we serve.

Source: CFAR Strategic Options Survey and Stakeholder Interviews
In groups of two to three..

1. Identify two to three ways you could use emerging technology to **reach out to more stakeholders**

2. What might be some of the **barriers** you would encounter in getting their engagement?

3. What are two to three ways you can **acknowledge and reward participation**?

You’ll have a chance to share some of your observations with the full group.
Take a look at the Healthcare Ecology
Our network and our partners affect our ability to live into our missions. For example, they shape our ability to ...

<table>
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<tr>
<th>Deliver clinical care</th>
<th>Provide interprofessional education</th>
<th>Advance our research agenda</th>
<th>Meet the needs of our community</th>
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Creating and Implementing Strategic Plans Workshop
Strategic planning for the future will require us to build resilient organizations to accelerate our reactions to turbulence and disruptive changes. By engaging people through authentic participation, that can be technologically enabled, and considers our network as well as ourselves, so that we can propel ourselves forward, moving from strategy to action quickly.
It’s a great time to do strategic planning! Enjoy the ride.

Peter Vail and Greg Shea