

# STRATEGIC PLANNING

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# STRATEGIC PLANNING INTRODUCTION

- ▶ Setting yourself apart from other practices
- ▶ Your strategic plan will be:
  - ▶ Roadmap spelling out where you are going over the next few years and how you will get there
  - ▶ Coordinated systematic process
  - ▶ Oriented to the whole organization
  - ▶ Management tool
- ▶ Your purpose: the direction of our practice is well thought out and resources are wisely used
- ▶ Plenty of reasons not to plan

# NEXTING

**“The human brain is an anticipation machine and making future is the most important thing it does”.**

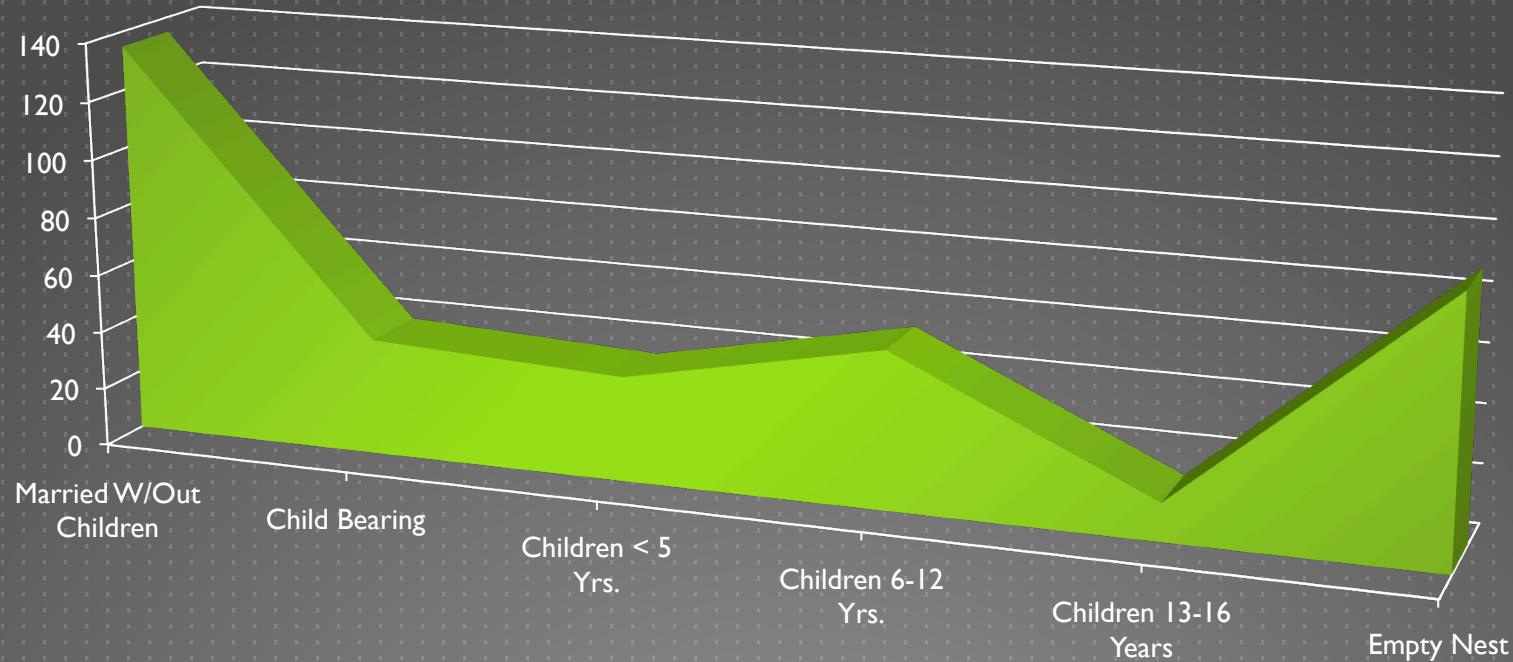
# FUTURE IMPERFECT

**“As impressive as it is, our ability to simulate future selves and circumstances is by no means perfect. We fill in details that won’t really come to pass and leave out details that will. We find it impossible to ignore what we are feeling now and impossible to recognize how we will think about the things that happen later.”**

Daniel Gilbert

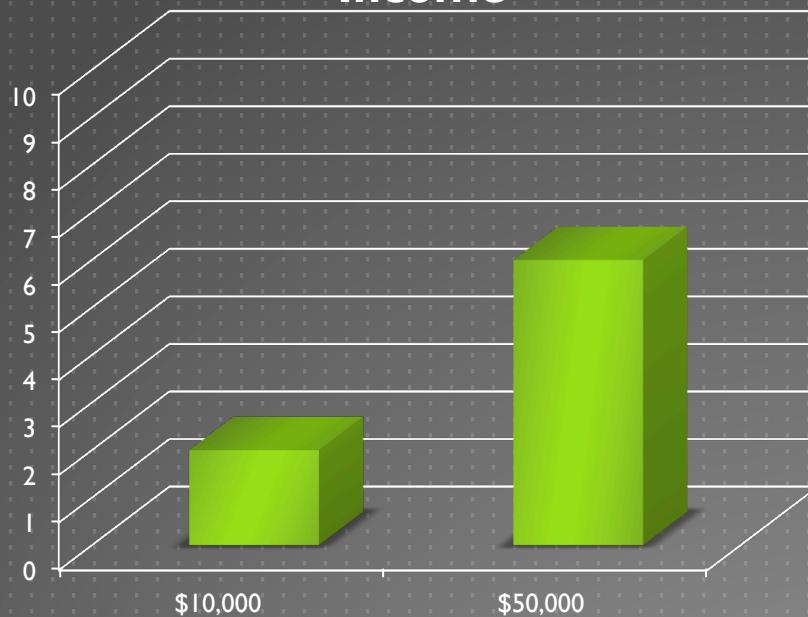
# FUTURE IMPERFECT

## Marital Satisfaction

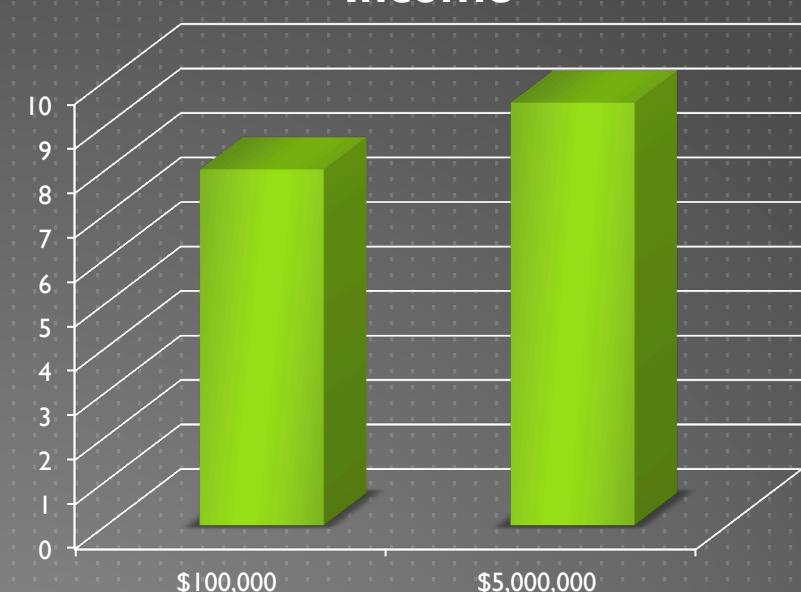


# FUTURE IMPERFECT

**Financial Satisfaction: Lower Income**



**Financial Satisfaction: Higher Income**



# COMPONENTS OF SUCCESSFUL PLANNING

- ▶ Reflects values of the practice, describes what makes you unique
- ▶ Inspires change and revision in your service and operations
- ▶ Drives continual improvement and moves you toward your vision
- ▶ Clearly defines criteria for achieving success, creates actions that fit together and reinforce each other
- ▶ Assists everyone in daily decision making
- ▶ Shapes future by folding planning into your daily workflow

# PRACTICE PERSPECTIVES

## ► **Strategy and Culture**

- ▶ People, processes, experiences, ideas and attitudes
- ▶ Personality, environment of the facility. Improving your culture helps implement strategy. Developing strategy can transform your culture

## ► **Internal and external forces**

- ▶ Internal forces- strengths and weaknesses- those within your control
- ▶ External forces- opportunities and threats - forces outside of your control

# PRACTICE PERSPECTIVES

## ► **A balanced perspective**

- ▶ Creating goals and objectives in multiple practice areas ensures a balanced process
- ▶ Finances, operations, patients and people of the practice

## ► **Detailed Implementation**

- ▶ Engage in the difficult work of getting there
- ▶ Accountabilities, time lines, budgets, milestones and to-do's are what brings meaning and life to your plan

# STRATEGIC PLANNING COMPONENTS

- A vision statement
  - Guides higher performance
  - Reference points for coordinating efforts to common goals
- Description of goals and objectives
  - Results are a by-product of your focus
  - Tyranny of the day-to-day leads to focus on the urgent
- Strategies used to achieve the goals- the how
- An action plan to implement goals
  - Fewer reports, less analysis, more action

# GETTING THE MOST OUT OF YOUR STRATEGIC PLAN

- ▶ Diverse, yet appropriate planning team
- ▶ Commit to openness, trust, safety, honesty
- ▶ Allow time for big picture thinking
- ▶ Get full commitment from key people in the practice
- ▶ Allow for free and open discussion of each person's position within the practice

# GETTING THE MOST OUT OF YOUR STRATEGIC PLAN

- ▶ Make the plan actionable- what, who, when, where, how, how much
- ▶ Keep the plan fluid, nimble and adaptable
- ▶ Centralize the project through smart IT systems

# THE STRATEGIC PLANNING PROCESS



# SITUATIONAL ANALYSIS: SWOT

- ▶ **Goal:** Find ways to use strengths to take advantage of opportunities while defending yourself against threats and minimizing weaknesses
- ▶ **Added Benefits:**
  - ▶ Tool to analyze any situation and develop a response
  - ▶ Basis for assessing core capabilities and competences
  - ▶ Evidence for, and cultural key to, change
  - ▶ Stimulus for group experience

# CONDUCTING A SWOT ANALYSIS

- ▶ Focus on today
- ▶ A strength or weakness can be the presence or absence of something
- ▶ Verifiable detail and data adds credibility
- ▶ Keep it short, simple. Avoid complexity and excess analysis

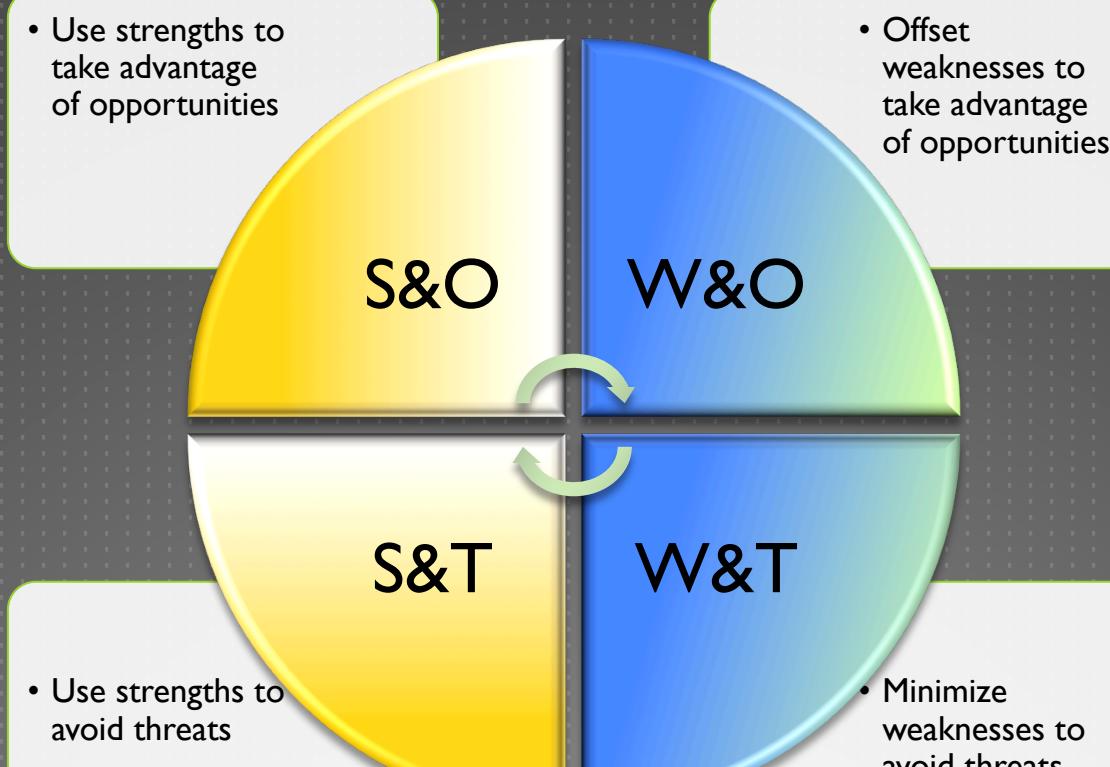
# SWOT EXTERNAL FACTORS

- ▶ Opportunities and Threats such as:
  - ▶ Socio-economic forces
  - ▶ Changes in the health care market
  - ▶ Third party payer mix and directives
  - ▶ Risk management
  - ▶ Demand for your services
  - ▶ Emerging technologies
  - ▶ Regulatory opportunities and restrictions

# SWOT INTERNAL FACTORS

- ▶ **Strengths and weaknesses such as:**
  - ▶ **Certain services offered**
  - ▶ **Governance**
  - ▶ **Quality of care**
  - ▶ **Staff experience and knowledge assets**
  - ▶ **Cost management capabilities**
  - ▶ **Culture of the organization**

# SWOT SUMMARY



# KEY ISSUE IDENTIFICATION

- ▶ Collectively or in sub groups, identify specific areas that need attention
- ▶ Targets for change and goal possibilities
- ▶ For each issue: determine what you would like to see more of and less of

# VALUES AND FUTURE VISION

- ▶ **Identify core values**
- ▶ **Fewer words, more images**
- ▶ **Less left brain, more right**
- ▶ **Creating your vision statement**
  - ▶ Your challenge to yourselves
  - ▶ Sense of higher purpose
  - ▶ What you value and believe in
  - ▶ Collective touchstone to keep you on track
  - ▶ Useful, applicable, brief

# PEDS ONE VISION STATEMENT

PedsOne is the only company of its kind in the country, based in Winooski, Vermont. People who work with or for us know that our culture is made up of three things:

**Make a better future:** by doing superlative work with uncompromising integrity. Sounds lofty but we believe our uncompromising standards for excellence as billing specialists means that pediatricians can then provide better care for children. When children are vibrant and healthy, anything is possible and we all sleep better knowing that the future is in good hands. We accomplish this by being dedicated experts who are accessible when needed and flexible to client needs.

This also means we strive to be excellent with our co-workers and vendors and we do that by sharing knowledge, supporting each other and fostering mutual trust and respect.

**Nourish 360:** A commitment to do awesome work is challenging and requires that we cultivate and sustain all parts of us- our mind by rigorous learning, our body by living healthy, our heart by having fun in a flexible work environment. This is how we refuel our tanks.

**Be of service:** We aim to be stewards of the community and world around us. We reach out, support and give back because we acknowledge that we are at our best when of service to others. We leave the world better than when we found it because it is the right thing to do.

# PRIORITIZE GOAL POSSIBILITIES

- ▶ **By weighted voting**
- ▶ **Typical methods of evaluating:**
  - ▶ **How connected they are to your overall vision**
  - ▶ **Financial impact and cost**
  - ▶ **Degree of difficulty**
  - ▶ **Length of time for implementation**

# IMPLEMENTATION: PLAN FRAMEWORK

- ▶ **For each prioritized goal:**
  - ▶ Assign person or team as owner
  - ▶ Establish time frame with milestones
  - ▶ List major tasks
  - ▶ Estimate budget
  - ▶ Identify possible obstacles

# S.M.A.R.T GOALS

- ▶ **Specific:** Answer the question how much and what kind.
- ▶ **Measurable:** Quantify to facilitate management, implementation
- ▶ **Attainable:** A stretch that inspires but realistically reachable.
- ▶ **Responsible:** Assigned to a person or department.
- ▶ **Time Specific:** A timeline of when the goal should be accomplished.

# IMPLEMENTATION

## ► Why others fail

- ▶ 60% don't link strategy to budgeting
- ▶ 75% don't link employee incentives to strategy
- ▶ 86% of managers spend < one hour per month discussing strategy
- ▶ 95% of staff don't understand company vision or strategy.

# IMPLEMENTATION:“COOL TEAMS”

- ▶ **Communicate-** to employees so they understand how they contribute.
- ▶ **Ordinary-** Build implementation into everyday workflow to keep long-term goals in sight.
- ▶ **Ownership-** Build accountability. Create high visibility to drive the changes by connecting each objective to an owner/team.
- ▶ **Linked-** Implementation is an integral part of the strategic planning discussion.

# IMPLEMENTATION:“COOL TEAMS”

- ▶ **Track-** your progress with measures to create a sense of forward motion.
- ▶ **Empowerment-** Provide the necessary tools for each owner to impact the relevant measures.
- ▶ **Achievable-** by limiting the number of goals and actions.
- ▶ **Meaningful-** Create understandable, embraceable vision and values so employees gain buy-in.
- ▶ **Stake-** Encourage ownership- if people don't have a stake and responsibility in the plan, it will be business as usual for all but a few.

# Thank you

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# APPENDIX

## **Center-State Health Center SWOT Analysis**

### Strengths

- ▶ Commitment to providing quality care by physicians and staff
- ▶ Strong leadership by CEO
- ▶ Strong support and commitment by board of directors
- ▶ Medical Home designation
- ▶ Day Care component for employees and members of community
- ▶ Mental health and primary care providers working together toward common goals
- ▶ Strong component of specialists within an hour drive of Centerville
- ▶ Leadership team creative problem solvers
- ▶ Employees who are knowledgeable regarding quality improvement strategies
- ▶ Very functional building that allows maximum efficiencies for employees
- ▶ Recognized as a model within the industry
- ▶ Strong information system technology focus
- ▶ Located in an area with an excellent quality of life and strong school systems
- ▶ Accountability to the community and accountability and access to the board and administration
- ▶ Agreement with hospital for benefit grant

# APPENDIX

## Center-State Health Center SWOT Analysis

### Weaknesses

- ▶ Lack of capital/reserves
- ▶ Not having FQHC status

### Opportunities

- ▶ Take a leadership role to address health issues within our communities
- ▶ Continue to get a handle on costs associated with health care
- ▶ Continue to measure and accept benchmark data as a valid comparison for quality improvement
- ▶ Be proactive in exploring new technologies available for training, continuing education and recruitment
- ▶ Explore the potential integration of telemedicine technology
- ▶ Be an active participant with developers of senior housing projects
- ▶ Explore the potential of a new building in Hanksville
- ▶ Continue to review media opportunities and how to best communicate the benefits of Center-State to current and future patients
- ▶ Continue to set the bar high and be a model in the health industry
- ▶ Explore what other medical services can be offered

# APPENDIX

## Center-State Health Center SWOT Analysis

### Opportunities (cont)

- ▶ Explore the possibility of hiring or shifting some responsibilities to help with the ever increasing “business demands” of health care
- ▶ Ability to negotiate an agreement for CRDC Hanksville
- ▶ Continue to explore ways to be a pilot for new technology and grant opportunities
- ▶ Build on the services afforded by the Medical Home designation
- ▶ Build on the joint committee meetings and discussions with Hospital
- ▶ Apply for and receive FQHC status

### Threats

- ▶ Increasing health care costs and falling revenue
- ▶ Not knowing the impact of a national health care plan
- ▶ Increase charity care
- ▶ Ability to negotiate a fair reimbursement with insurance companies for patient visits
- ▶ Patients not willing to be accountable for their own health and wellness
- ▶ Ability to attract young physicians who will commit to the area
- ▶ Lack of technology viewed as inability to achieve high quality medical care
- ▶ Lack of team or collaborative approach among community providers

# APPENDIX

## **Center-State Health Center SWOT Analysis**

### Items to Support

- ▶ Apply for FQHC status
- ▶ Explore potential for new building in Bristol
- ▶ Explore possibilities for new medical services at Center-State
- ▶ Continue negotiations for CRDC Hanksville
- ▶ Explore the possibility of hiring or shifting responsibilities for business demands of health care

# APPENDIX: COOL TEAMS PROCESS

- ▶ **Communicate-** to employees so they understand how they contribute.
  - ▶ Monthly email messages
  - ▶ In envelopes with paychecks
  - ▶ Company flyers, newsletters, announcements
  - ▶ Part of staff meetings
- ▶ **Ordinary-** Build implementation into your everyday workflow in order to keep long-term goals in sight, otherwise, the “tyranny of the day-to-day” will take over.
  - ▶ Re-craft job descriptions
  - ▶ Strategic planning is a regular event- annually
- ▶ **Ownership-** Build accountability. Create high visibility to drive the changes by connecting each objective to an owner/team.
  - ▶ Lead by example and prioritize your strategic plan against other demands.
  - ▶ Keep the plan front and center
  - ▶ Talk about the plan regularly, in conversation with colleagues, board members, community members.

# APPENDIX: COOL TEAMS PROCESS

- ▶ **Linked-** Implementation is an integral part of the strategic planning discussion.
- ▶ **Track-** your progress with measures to create a sense of forward motion.
  - ▶ Keep the plan alive with your Balanced Scorecard. Team members know where they stand in order to keep implementing the plan.
  - ▶ Input numbers monthly
  - ▶ Report backs by owners at monthly group meetings
- ▶ **Empowerment-** Provide the necessary tools for each owner to impact the relevant measures.
  - ▶ Time, money, people, space, IT
  - ▶ Owners are responsible for requesting resources
  - ▶ Rolled into the overall budget
- ▶ **Achievable-** by limiting the number of goals and actions
  - ▶ Make tough choices of elimination
  - ▶ Prioritizing actions so you know where to begin
  - ▶ Constantly focus on “next steps” so everyone knows what is to be done next

# APPENDIX: COOL TEAMS PROCESS

- ▶ **Meaningful-** Create an understandable, embraceable mission, vision and values so employees gain buy-in.
  - ▶ Make sure the plan is simple so that everyone can understand and adopt it
  - ▶ Eliminate jargon
  - ▶ With each word or phrase, ask “what does that mean?”
- ▶ **Stake-** Encourage ownership- if people don't have a stake and responsibility in the plan, it will be business as usual for all but a few.
  - ▶ Tie incentives to overall, team and individual results.
  - ▶ Identification