



# STRATEGIC PLANNING

Irma I. Almoneda, RN, MAN  
UP College of Nursing





**Objectives:** At the end of the session, the learners will be able to:

1. Discuss the concepts underlying the strategic management.
2. Discuss the steps in conducting a strategic planning.
3. Participate actively in the workshop for strategic planning, given a particular situation.

**STRATEGIC PLANNING** (Huber, 2010), is a fundamental activity in strategic management. This is a process triggered by recognition of the need for an organization to establish its competitive position in the market place to address some other believed needs (i.e. seeking magnet recognition, awards, or simply to establish future direction).

Questions to be answered :

- Where are we currently?
- Where do we want to go?
- How will we get there?

**A Strategic Plan** - is a document specifying the plan for actualizing the organization's mission. This may also involve a business plan or an action plan (either as part of the strategic plan or as an adjunct to it) that consist of the who, what, by when, where and in general terms.

**Strategic Management** – is the management of organization based on its vision or mission.

**Organizational vision or mission** - is a guiding framework that describes what the organization views as its business and future direction.

The **core values** – define the characteristics or values that underlie the organization's activities. These values are central to the organization and how it conducts its business.

**Core purpose** – the reason that the organization exists.

**Strategy** – is a competitive move or business approach designed to produce a successful outcome.

**Tactics** – are operational choices for action that are made to implement a strategy.



## Steps in the strategic planning process:

1. Developing or identifying the organization's mission or vision
2. Setting objectives
3. Developing strategies to achieve the objectives
4. Implementing the strategies
5. Evaluating the results

## 1. Developing / Identifying the Organization's Mission or Vision

- Determination of what the organization is
  - what business it is in and for whom
  - where the business seeks to be in the future
- The mission statement reflects the vision of what the organization seeks to do and to become
- Provides a clear view of what the organization is trying to accomplish
- Indicates its intent to carve out a particular position in the industry or field

**Example:** A hospital aiming an award---“To provide a superior service based on Christian values to improve the quality of life for People and the communities served”

## 1. Developing / Identifying the Organization's Mission or Vision...(cont.)

- the core values of an organization and its core purpose inform its mission statement
  - are held whether or not circumstances changed
  - embodied in the culture of the organization and do not changed
- the core purpose – the reason why an organization exists
  - provides the direction, and contributes to the articulation and implementation of its mission

Some questions that may assists the planners to arrive at specific mission and vision:

- What business are we in now? Who are our customers now?
- What do our customers expect from us now?
- Who will be our customers in the future?
- Who are our current stakeholders other than our customers?
- How will those stakeholders change in the future? /their expectations?



## 1. **Developing / Identifying the Organization's Mission or Vision...(cont.)**

- Other questions:
  - what are the values on which we base our work?
  - how essential are these to the organization?
  - would these values be supported if circumstances changed?

Generally, addressing the strategic planning process questions involves considering both the internal and external environment.

Inputs of many individuals in the crafting of the vision has the advantage of getting more perspectives and also help them more engaged in making the vision a reality.

## 2. Setting Objectives (include the strategic goals and objectives)

**Objectives** - are the targets an organization wants to achieve. These can be short-range or long-range targets. These are ways and means to accomplish the mission and realize the vision

- generally define the who, what, and where of the strategies to be implemented
  - allows the individuals to recognize where they are currently is, where it wants to go, and what time it will take to get there.
- the strategic objectives— provide a way of converting the rather abstract mission of an organization into concrete terms
    - targets performance that when taken together will accomplish the mission
    - offers a way of measuring progress towards achieving the mission
    - reflects statements not “what” but “what should be”
    - may be generally written in terms of financial outcomes that relate to improvements in fiscal health / stronger position in the industry

**Vision**

**Mission**

Our purpose ...

**Goal 1**

**Goal 2**

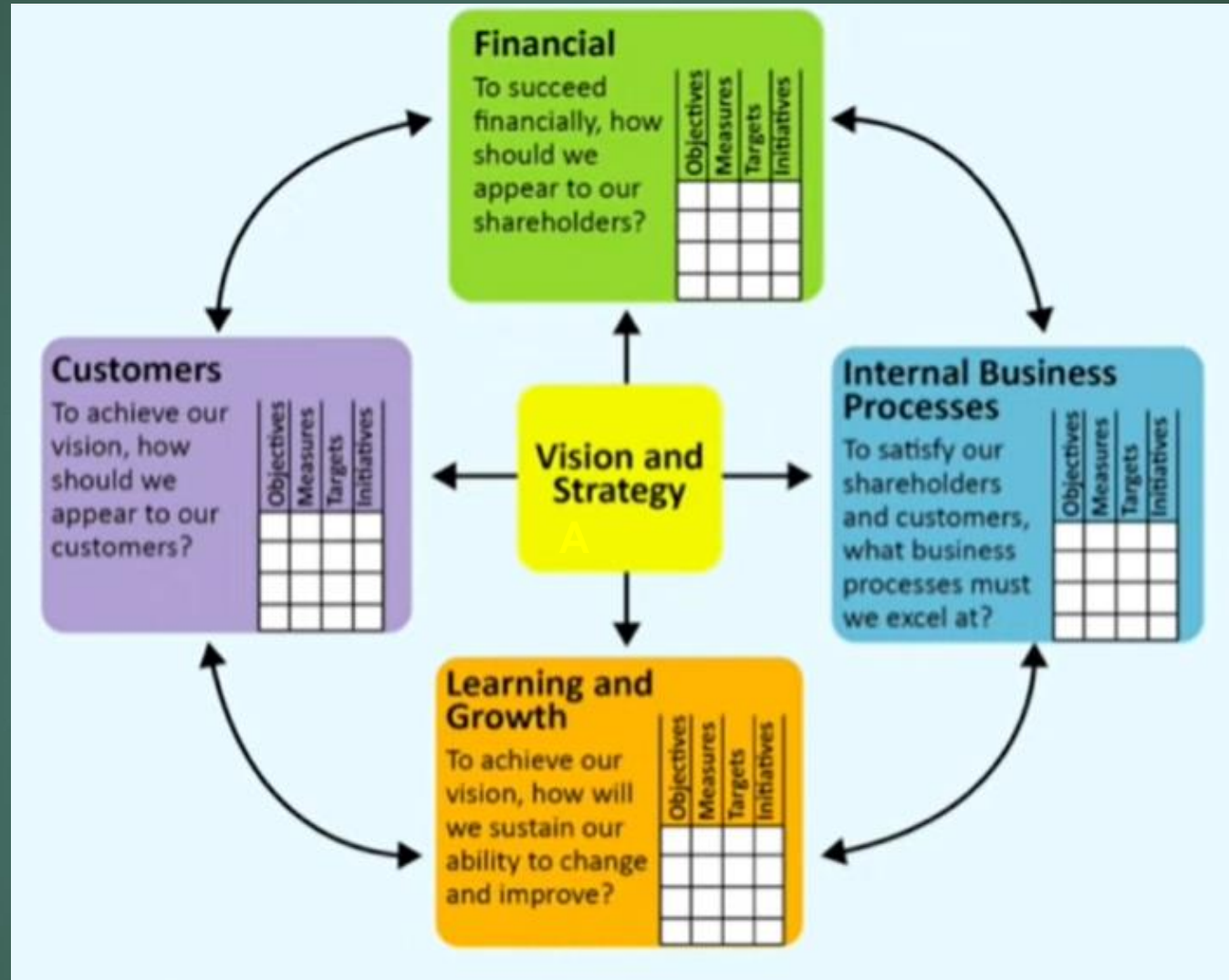
**Goal 3**

**STRATEGIC PRIORITIES**

**SPECIFIC OBJECTIVES AND INITIATIVES**

**PERFORMANCE MEASURES AND TARGETS**

**KPI's**



## BALANCE SCORECARD

### 3. Developing an Implementation Strategy

- Making a decision on how to achieve the financial and strategic objectives
  - how to obtain a competitive advantage over rivals in the field/ industry
  - how to respond to changing conditions both internally or externally
  - how to defend against adverse conditions
  - how to grow the business to increase market share

Thus, the **objectives** are targeted results and outcomes while the **strategy** is how to achieve that outcome

- Strategy must be deliberate and purposeful (planned and intentional) and also flexible enough to be responsive to events that are unanticipated
- Strategy basically reflects how operations are managed, how it treats customers and stakeholders, how it responds to changes (industry & market), how it capitalize opportunities, how it achieves financial & strategic objs.

## 4. Implementing the Strategy

- Involves trying out activities in a way that determines how best to close the gap between how things are done and what it takes to achieve the strategy. i.e. Given an objective related to improvement of the financial bottom line, the first step is to determine the current cost and compare it with desired cost to decide what needs to be changed to reach the desired lower cost.
- Strategy must be implemented proficiently, efficiently, and in timely manner for it to be effective.
- Implementing strategy is closely linked with the organization's operations. It involves managing, budgeting, motivating, changing culture, supervising and leading.

#### 4. *Implementing the Strategy... (cont.)*

- Strategic planning and its implementation are managerial processes that perform the following functions:
  - demonstrate leadership in the implementation of strategy
  - reward good performing personnel
  - appropriate allocation of resources to activities critical to strategy
  - formulate policies and procedures that support identified strategy
  - initiate continuous quality improvement activities
  - develop and reward best practices
  - maintain a culture that supports the strategy

## 5. Evaluating Effectiveness

- The final step in strategic management is to evaluate the outcomes of the strategic planning process and the implementation of the strategy.
- Evaluation component is an ongoing process and not a static endeavor. The nature of health care environments is ever changing so that performance and strategy should be constantly evaluated.
- If necessary, midcourse correction to the strategic plan, the strategic objectives, or the strategy.
- Part of the evaluative process of a strategic plan is an annual review of the plan, of the underlying assumptions, feedback received from the performance data, activity reports, market indications, and customer survey
- Environment analysis that may include both internal (mission statement and values) and external.



## STRATEGIC PLANNING (stratadecision.com)

Strategic Planning (in health planning) –is involved in creating objectives and setting goals for where a company would like to go in the future, and constructing a plan to achieve these objectives.

- takes into account potential government policy changes, technological advancements and economic trends that could change an organization's operations in a significant way.
- Ensures success not only in the short run, but in long term as well.
- Understanding the organization of the institution and how this organization is necessary for the entire system to succeed is important in creating an effective plan with specific strategies.

## STRATEGIC PLANNING (stratadecision.com)

- Sometimes reevaluating who controls which aspects of the business, and the hierarchy that follows, can be beneficial.
- Sound foundation in which the organization is built upon is important so that communication and ideas can flow freely while implementing strategic healthcare planning.
- Designing company goals and a path to achieve these objectives allows staff at every level, from administrators to physicians, to have a drive and passion that is extremely important in the medical field(stratadecision.com).
- Considers long-term issues and goals in an organization. This may be done in an organization's components such as department or services (Finkelman, 2015)

## Conducting and Environmental Scan

- include the internal and external environment
  - internal -- strengths, weaknesses
  - external -- opportunities & threats

SWOT analysis (strengths, weaknesses, opportunities & threats)

PESTLE (political, economic, sociological, technological, legal and environmental)

## Internal Components

- strengths and weaknesses internal to the organization may be related to:
  - resources
  - programs
  - operations in key areas of the organization

Example:    Operations: efficiency, capacity, processes  
              Management: systems, expertise and resources  
              Finances: resources, performance

## Overview of Strategic Planning

- Where are we now?
- Where are we going?
- What is going to get in our way?
- What do we need to do to get to where we want to go?

Need for alignment of strategies with:

- leadership team
- vision and the strategy
- with the whole organization



**Aligning strategy with vision and purpose**

## 1) Vision statement

Where do you see your organization in 3- 5years? In 10 -15 years?

- get your team to describe your vision
- what is the big goal that everyone in the organization can contribute?
- What do operations look like? Staff? Clients?

Like a blueprint for a house –you build a design

## 2) Mission statement

- why do you exist?
- who do you do it for?
- who is your customer?
- what do you do for them?

Need to be simple to understand, not a marketing exercise

# Values

Serves as the DNA of the organization

- What your organization value?
- What are the cultures and norms of you organization?
- What is the way you do things here?

Contains all the functions and processes for the growth, reproduction and the lifelong existence/competitiveness of an organization

Goals and strategies

Need for alignment of strategies with:

- leadership team
- vision and the strategy
- with the whole organization

## Risks to good implementation

- Leadership
- Communication
- Resources
- Buy-in (push vs. pull)

In creating a plan –need to work backwards to create tasks, roles and individual areas of responsibility.

How do we create work plans?

## Implementation constraints

- Time
- Budgets
- Human Resources
- Other Constraints



**Vision**

**Mission**

Our purpose ...

**Goal 1**

**Goal 2**

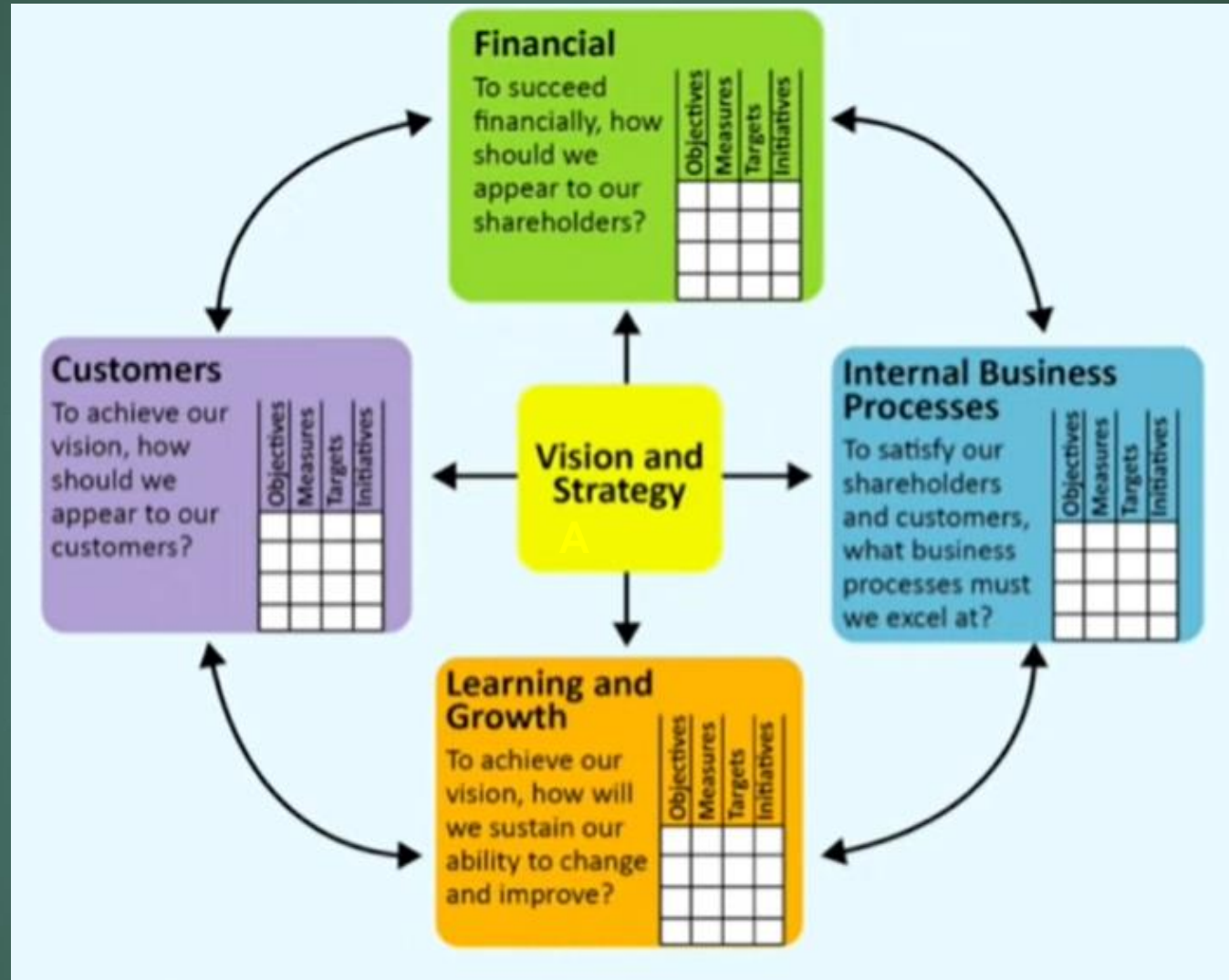
**Goal 3**

**STRATEGIC PRIORITIES**

**SPECIFIC OBJECTIVES AND INITIATIVES**

**PERFORMANCE MEASURES AND TARGETS**

**KPI's**



## BALANCE SCORECARD

## Cascading the Goals

- Organizational level
- Team level
- Functional level
- Personal level

Need to see the Big Picture vs. Practical application

## Elements to be considered

- People
- Communicating the plan

This is all about alignment

## How do you get alignment?

- Communicating clearly and simply
- Get buy-in
- Match goals and motivation
- Capability to execute


## References:

Huber, L.D. (2010). Leadership and Nursing Care Management. Saunders and Elsevier. 4<sup>th</sup> Edition

The steps of the strategic planning process.

<https://www.youtube.com/watch?v=HQQ6348u6o08&t=76s>

Strategic planning. stratadecision.com



**Scenario:** You compose the key personnel of a Nursing Service in a 300-bed secondary government hospital located in a community setting. The hospital provides basic services to include medical, surgical, obstetrics and gynecology and pediatrics. Other amenities are the emergency room services, laboratory, radiology, central supply, dietary, transportation and out-patient services among others.

The Nursing Service is organized under the leadership of the chief nurse consisting of the following branches: Nursing Administration, Clinical, Education and Training, and Nursing Research and QA Branch.

The mission of the hospital is to provide high quality and client-centered basic health services to all clients that seek medical treatment both in and out patient at X Hospital. Its newly crafted vision is to be highly responsive to the needs of the clients in the current times.

## Scenario (cont):

With the creation of the Universal Health Care Act (RA 11223) in February 2019, the Medical Director has directed the Chief Nursing Service to plan how to extend the hospital services beyond the four walls of the hospital specifically focusing on the health promotion and disease prevention initiatives. However, with COVID 19 pandemic that occurred plans for the preparation for the UHC was interrupted as the hospital prepared for the surge of cases. Fortunately, the community was very compliant to safety and quarantine protocols that spread of infection was contained. Hence, planning for the implementation of the Director's directives has to be reopened.

Currently, nursing issues confronting the Nursing Service of Hospital X is understaffing due continuous turn over of nurses who are going abroad.

## Scenario (cont):

Workshop Proper: the group has to choose one member to assume the chief nursing service position who will spearhead the activity.

1. Formulate a vision and mission statements for the nursing service that will ultimately help you develop your philosophy.
2. Identify the core values and the core purpose
3. Set goals and objectives
4. Implement the strategies
5. Evaluate the strategies



End of Presentation