1. No audio

2. As discussed, the first steps in strategic planning are to articulate the mission and values, along with the vision of the organization.

3. A vision statement provides “what the organization wants to do” to achieve its mission. A vision allows people to come together around a common purpose and move in a particular direction. It helps employees make decisions and serves as a foundation for planning. The vision is management’s view of the future. What is the best way for the organization to achieve its mission? Unlike the mission, which is infrequently changed, the vision changes in response to environmental changes. Visioning recognizes that organizations must change and a change process is necessary.

4. For example, the Affordable Care Act of 2010 changes the environment for health insurance companies, hospitals and physicians. The law does not change the mission of these organizations; however, it forces them to change certain aspects of the way they do business. For example, health insurance companies will no longer be able to deny coverage based on pre-existing conditions. Hospitals and physicians must achieve certain quality metrics or risk being paid less. Thus, the law forces these organizations to make changes in how they achieve their mission.

5. The visioning process has 5 steps. Among the first steps is to clarify the organization’s values and to understand the mission, which has been discussed. In addition, it is necessary to scan the current environment to understand where change will be needed.

6. A vision is then created to articulate a clear image of the future and is then subsequently implemented through a strategic planning process that develops goals, objectives and implementation plans.

7. This is the American Cancer Society’s vision statement. It reflects what the organization is doing to achieve its mission. More detail is evident relative to the mission statement. As the environment changes, the vision statement will change as well.

8. As an example, the Veteran’s healthcare system changed its vision in the mid 1990s. What forces precipitated this? It was a major and significant change.

9. Prior to the change, VHA decisions tended to follow past precedent. This resulted in the north having more funding and resources despite the population shift and growth in the south. Another concern was privatization. Some had suggested the VA system could be privatized. The VA made the decision to embrace managed care values and work towards acting like an integrated health system, now reflected in their mission statement. Part of this change required reducing the emphasis on inpatient care and emphasizing less costly outpatient settings. In addition, the VA consolidated facilities that were underutilized and created networks of facilities and clinics that would better serve veterans. Finally, eligibility was revised to better establish who was and who was not eligible for services. Prior to the change, veterans could be eligible for services at one VA medical center but not at another. Also, the VA adopted an electronic medical record.

10. In strategic planning, once the mission, values and vision are understood, goals and objectives are formulated.
11. Goals are statements about what an organization seeks to accomplish and are stated as results or targets. They are used to motivate desired behaviors. To be achieved, they must be acceptable to the people who are expected to accomplish them.

12. This is a goal from the U.S. Department of Health and Human Services’ strategic plan. It provides a desired end point that is stated in general terms.

13. Objectives are developed for each goal, and are stated as target or desired outcomes that would lead towards achieving a particular goal. They differ from goals in that they are stated in measurable terms. Similar to goals, they must be acceptable to the people who are expected to accomplish them, and they should be achievable.

14. These are the objectives associated with HHS Goal #1. The objectives are stated in terms that could be measured, such as the reduction in tobacco use over a defined period of time.

15. Goals and objectives can be developed for all aspects of organizational performance, including operating, financial and quality performance.

16. The next phase of strategic planning is Strategic Assessment. This entails both an external environmental analysis and internal capability analysis. These are important in identifying and addressing current and future issues that could affect performance or the achievement of goals. This phase is also referred to as a SWOT analysis, since it identifies an organization’s internal Strengths and Weaknesses, as well as external Opportunities and Threats.

17. The external environment that affects health organizations and programs is very diverse, and includes both general and health care environments.

18. The external environmental analysis entails scanning, monitoring, forecasting and assessing. The analysis should identify external threats, and external opportunities that should be taken into consideration when implementing strategies. Threats and opportunities affect the achievement of goals, as well as the feasibility of various strategies.

19. The internal capability assessment identifies an organization’s strengths and weaknesses. It considers the capabilities and expertise available within an organization to pursue various strategic directions. Organizations have limitations, which can include financial limitations or lack of depth in management or in an expertise area.

20. The third phase of strategic planning is Strategy Choice. This is the process at which different strategies are conceptualized and formulated to achieve the various goals and objectives. These strategies are considered in the context of identified strengths, weaknesses, threats, and opportunities. In this process, different strategies are identified and selected based on their potential for success.

21. The fourth phase of strategic planning is Program Implementation. This is when plans are put into action. The final phase is Control, at which time outputs are monitored and evaluated to determine whether goals were achieved.

22. Page 642 of the text provides this outline of a strategic plan, identifying the key components of a complete plan.

23. In addition to planning at the organization level, planning has also occurred at the national level through a variety of federal initiatives.
24. Over time, different concerns have motivated health planning efforts, such as quality, access or cost concerns. Early concerns pertained to quality. The recent ACA of 2010 focused on improved access to care by reducing the number of uninsured, and greater accountability for quality. While the U.S. does not have an overall health plan, many federal planning initiatives have shaped our current health system.

25. Federal health planning initiatives have had diverse goals, which have included increasing hospitals, reducing mortality rates from major diseases, requiring community health planning, establishing health status goals, and controlling unnecessary cost.

26. One federal health planning initiative was the Regional Medical Programs or RMPs that were established in 1965. It was an outgrowth of a 1964 Presidential Commission. The Commission was charged with developing a plan to resolve the major causes of death, which were heart disease, cancer, and stroke.

27. The plan was to establish Regional Medical Programs that would use federal funds to create a network of regional centers that included diagnostic and treatment stations, and medical complexes that would bring together scientific research, medical education, and medical care. The goal was to have the best and most advanced medical knowledge and facilities for heart disease, cancer, and stroke, and accessible to the greatest number of citizens. The plan was not rooted in public health and did not emphasize prevention. Instead, it focused on medical management of the three diseases.

28. The American Medical Association opposed Regional Medical Programs. They did not want power shifted to academic health centers that control medical education and research. As a consequence, this opposition precluded the development of a nationwide network consistent with the original vision and it relied on coordination through volunteerism. These programs were not successful, as evidenced by the fact that the leading causes of death are still heart disease, cancer, and stroke. The RMPs were phased out in the 1970s.

29. This was followed by a major federal health planning initiative, the National Health Planning and Resource Development Act of 1974. This legislation provided funds to states to establish state health planning and development agencies. The state agency’s purpose was to plan and control the future development of health services, primarily hospitals. Governors were expected to divide their states into local planning areas, which would then have a Health Systems Agency to govern planning.

30. Health Systems Agencies, or HSAs, could be public or private organizations. However, they could not be an educational institution, such as a medical school. This prohibition was a backlash from Regional Medical Programs effort. HSAs were expected to collect and analyze data, establish long term and short term plans for their community, review and approve applications for federal funds for local health programs, and annually recommend on construction or conversion of medical facilities in the area.

31. The goal was to improve the health of area residents by increasing accessibility, accountability, continuity, and quality of services. It would also contain cost increases, in particular by preventing unnecessary duplication of health care facilities and expensive technologies.

32. Although the law was passed in 1974, federal guidelines were not drafted until 1979 due to much disagreement. Guidelines pertained to the types and characteristics of health services and health status goals to be achieved through the planning process. Subsequently, the Act was eliminated by the Reagan administration in the early 1980s, as it was inconsistent with New Federalism, which emphasized state rights. However, the health status goals emerged as Healthy People 2000.