Strategic Leadership: Plotting Your Course Regardless of Your Size or System

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Agenda

• Strategic Planning
  – Process and Stakeholders
  – Key Strategy Development Elements
  – Implementation & Performance Monitoring
• Using strategic planning in your workplace
Strategic Planning: Overview

What is strategy?
- The choices that leaders and leadership teams make as they define a way for their organization to succeed and have more impact

Why do organizations choose to develop a strategic plan?
- Strategic planning provides a direction and outlines measurable goals that an organization as a whole – leadership, members, and staff - can align around
- A strategic plan guides decision-making, and focuses the energy, resources, and time of everyone in the organization in the same direction for maximum impact
ACC’s Current Strategic Plan (2014-18)

The Strategic Plan positions the College and its members for success in meeting the **Triple Aim** of improving cardiovascular health through lower costs, better health and better outcomes.
STRATEGIC PLANNING: PROCESS
Who Will Be Involved?

• Who will be involved?
  – Input from the right people
  – People who are interested
  – People who are committed to the process
  – No conflict of interest
  – People who will not derail the process

• How will you involve all staff?
Strategic Planning: Stakeholders

• Engaging stakeholders in strategic planning is essential
  – High involvement in the process by a variety of stakeholders tends to generate better outcomes and a greater sense of ownership

• Who should be engaged in the strategic planning process?
  – Anyone having a vested interest in the success of the organization
  – External stakeholder opinions and insights add insight to understanding the operating environment, as well as to a vision of the organization’s future
  – Employees know the strengths and weaknesses of the organization, often understand what gets in the way of success, and have first-hand knowledge of what it takes to deliver

Source: https://www.everettcc.edu/cecc/enewsletters/stakeholder-engagement-strategic-planning
Strategic Planning: Stakeholders @ ACC for Example
Strategic Planning: Process Overview

- Strategy Development
  - Mission and Vision
  - Strategic Goals
  - Performance Metrics
  - Core Values

- Strategy Implementation
  - Annual Strategic Priorities & Initiatives
  - Annual Budget
  - Performance Targets

- Monitor Performance
  - Strategic Dashboard (tracks our progress)
  - Strategy Reviews

ITERATIVE REFINEMENT

Long-Term  

Short-Term
STRATEGIC PLANNING: DEVELOPMENT
Strategic Planning: Development

<table>
<thead>
<tr>
<th>Conduct Research and Analysis</th>
<th>Align on Strategic Direction</th>
<th>Build the Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Understand the current state</td>
<td>• Review the mission and core values</td>
<td>• Identify major initiatives and projects</td>
</tr>
<tr>
<td>• Identify relevant future trends</td>
<td>• Establish a vision</td>
<td>• Develop an implementation roadmap</td>
</tr>
<tr>
<td>• Identify key strategic issues and opportunities</td>
<td>• Set goals and metrics</td>
<td>• Develop financial and resource plans</td>
</tr>
</tbody>
</table>
Strategic Planning: Development

Key Elements

<table>
<thead>
<tr>
<th>Mission</th>
<th>Strategic Plan</th>
<th>Vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal #1</td>
<td>Goal #2</td>
<td>Goal #4</td>
</tr>
<tr>
<td>Metric</td>
<td>Metric</td>
<td>Metric</td>
</tr>
<tr>
<td>Strategies</td>
<td>Strategies</td>
<td>Strategies</td>
</tr>
</tbody>
</table>

Core Values
Strategic Planning: Development

Key Elements

**Mission:** Why does the organization exist?

**Vision:** What is the change resulting from the organization’s work?

**Goals:** What are the organization’s desired outcomes?

**Metrics:** What measurable impacts will the organization hold itself accountable to?

**Strategies:** What choices will ACC make to achieve its goals?

**Core Values:** What will guide ACC’s actions, behaviors, and decisions?
Key Elements: ACC’s 2019-23 Strategic Plan

Mission:
To transform cardiovascular care and improve heart health

Vision:
A world where innovation and knowledge optimize cardiovascular care and outcomes

Core Values:
- Patient-Centered
- Teamwork & Collaboration
- Professionalism & Excellence

Goal 1
Increase relevance as the CV professional home

Goal 2
Generate and deliver actionable knowledge

Goal 3
Advance quality, equity, and value of CV care

Goal 4
Ensure organizational growth and sustainability
STRATEGIC PLANNING: IMPLEMENTATION AND PERFORMANCE MONITORING
Moving From Strategic Planning to Strategic Management

• Implementation
  – Approval
  – Finalize ‘First Year Action Plan’ (action, who is responsible, completion date, resources required, how it will be evaluated)
  – Determine/align resources needed
Strategic Planning: Monitoring Performance

• Once the organization commences strategy implementation, it must continually monitor (and adjust) performance to achieve the strategic goals.

• Monitoring Performance is done via periodic reporting and strategy reviews meetings – cadence (i.e., monthly, quarterly, etc.) depends on the organization.
  – Reporting (via a Dashboard) – Tracks organization’s progress on initiatives and performance measures
  – Strategy Review Meetings – Leadership meetings monitor, manage and adjust (if needed based on results)

• Monitoring Performance @ ACC is done in several ways:
  – Monthly reporting via a Strategic Performance Dashboard
  – Staff strategy sessions (~ 6x per year)
  – ACC Board Meeting reviews and course adjustment decisions
Strategic Planning: Critical Success Factors

- Communication
- Cultural Alignment
- Change Management
- Periodic Evaluation and Updates
PREPARING TO CONDUCT A STRATEGIC PLANNING PROCESS
Discussion

• Do you do strategic planning in your workplace?

• Do you have a mission, vision, and values?

• Do you track metrics in your workplace?
Strategic Planning Models: X-Matrix

Howard Walpole, MD, MBA, FACC
February 22, 2018
Hoshin Kanri

Strategic Planning Process
Hoshin Kanri Defined

- Hoshin Kanri is a **step-by-step** planning, implementation and review process.
- It is a **systems** approach to the management of change in critical business processes.
- A **proven technique** that helps organizations focus efforts and achieve results.
A Brief History

• **Hoshin process** developed in Japan during the 1960s from Quality Management practices in Bridgestone Tire company, Toyota, Nippon, Denso, Komatsu and Matsushita. It was strongly influenced by the Plan-Do-Check-Act (PDCA) of Deming and Management by Objectives of Peter Drucker.

• The Japanese words **hoshin kanri** can be generally interpreted as direction (setting).

• The words **nichijo kanri** can be interpreted as daily (fundamental) management.

• The blending of these two methods is key to the success of the **hoshin** process.
Why use Hoshin Kanri?

• To ensure that insight and vision are not forgotten and ignored as soon as planning activities are over.

• To guarantee planning documents, once finalized, are kept alive and acted on daily.

• To prevent the daily quota of fire-fighting, unplanned ‘strategic’ meetings, and quarterly bottom-line pressures taking precedence over the really strategic plans

• To have short-term activities determined and managed by the plans themselves.

• To ensure a continual process of checking to make sure what is done each day reflects the intentions, the targets and the vision of the company has agreed to pursue.

• To have both a planning and deployment process to guide and focus the organization.
Four Key elements of Hoshin Kanri

Focus on the vital few (Pareto Principle)

Catch ball – validates understanding

Shows relationship of actions to big picture

Review Cycles – Monthly and Annual Review
Hoshin Planning

Process

Establish Organizational Vision
Develop Strategic Objectives
Develop Annual Objectives
Deploy Annual Objectives
Implement Annual Objectives
Monthly Review
Annual Review

Self Diagnosis

Lean & Other Tools

C A T H B A L L

P D C A

Self Diagnosis

Annual Review
Develop Strategic Objectives

Strategic Planning is determining those 3-5 years breakthrough objectives that will move the organization towards world class.

Balanced Score Card

Strategy Maps

SWOT Analysis
Develop Annual Objectives

Strategic Themes from Strategy maps, Balanced Score cards become the 3-5 year Breakthrough Objectives in the Hoshin Matrix. Use of the Hoshin Matrix for tracking & Management of these objectives is an effective approach.
**Hoshin X Matrix**

**X Matrix Labels**

1. 3-5 Year Breakthrough Objectives
2. Annual Breakthrough Objectives
3. Supporting Action/Project Priorities
4. Action Measures of Success

**Step 1: What?**
- Breakthrough Thinking

**Step 2: How Far? This year?**

**Step 3: How? Which Key Supporting Action/Project?**

**Step 4: How Much and When? Measures**

**Step 5: Who? Resource Deployment**

**Strategic Plan Owner:**
- Date:
### Strategic X-Matrix: 2009-2010 Quality Management Division v1 (06/2009)

<table>
<thead>
<tr>
<th>Goal</th>
<th>Objective</th>
<th>KPI</th>
<th>Action Item</th>
<th>Resource Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Quality Management Systems</td>
<td>- Increase compliance with ISO 9001 standards</td>
<td>- Reduce non-conformance rates by 20%</td>
<td>- Training programs for employees</td>
<td>- New software implementation</td>
</tr>
</tbody>
</table>

**2nd Level Tactical Improvement Plans**

<table>
<thead>
<tr>
<th>Objective</th>
<th>KPI</th>
<th>Action Item</th>
<th>Resource Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Productivity</td>
<td>- Increase throughput by 10%</td>
<td>- Implement new manufacturing processes</td>
<td>- Training programs for employees</td>
</tr>
</tbody>
</table>

**2010-2012 Strategic Plan**

<table>
<thead>
<tr>
<th>Objective</th>
<th>KPI</th>
<th>Action Item</th>
<th>Resource Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhance Customer Satisfaction</td>
<td>- Increase customer satisfaction ratings by 20%</td>
<td>- Improve product design and user experience</td>
<td>- Customer feedback analysis</td>
</tr>
</tbody>
</table>

**3rd Year Strategic Plan**

<table>
<thead>
<tr>
<th>Objective</th>
<th>KPI</th>
<th>Action Item</th>
<th>Resource Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand Market Presence</td>
<td>- Increase market share by 15%</td>
<td>- Develop new product lines</td>
<td>- Market research and analysis</td>
</tr>
</tbody>
</table>

**4th Year Strategic Plan**

<table>
<thead>
<tr>
<th>Objective</th>
<th>KPI</th>
<th>Action Item</th>
<th>Resource Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Sustainability</td>
<td>- Reduce carbon footprint by 25%</td>
<td>- Implement energy-saving measures</td>
<td>- Environmental assessments and certifications</td>
</tr>
</tbody>
</table>
Remember…

• Goals
• Strategies
• Tactics
• Metrics
Summary

• The Hoshin Kanri process has been validated over the last 40 years.
• This process is applicable to small and large organizations alike.
• It is an effective alignment tool to translate strategies into actions.
Questions/Comments:

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A Look at Strategic Planning

Michele Molden, MBA
New

A Look at Strategic Planning
Strategy

A plan of action devised by leadership to achieve a major goal offering competitive advantage, generally over a long period of time.
Continuous
Emergent
Adaptive
1. Continuous

Strategic planning tends to be periodic, while a design mindset tends to think of strategy as something that is continuous rather than discrete.
If the rate of change on the outside exceeds the rate of change on the inside, the end is near.

Jack Welch
2. Emergent

Whereas strategic planning tends to be dominantly top-down, design thinking is empathy focused - with many stakeholders, inside and outside of the organization, having a voice.
Strategy as “a pattern in a stream of decisions.”
Henry Mintzberg
3. Adaptive

The objectives of strategic planning are most often high aspirational, major goals. But strategic design is more apt to tweak around the edges, looking for smaller wins that can then be replicated across the organization.
It is not the strongest species that survives, nor the most intelligent,” Charles Darwin wrote in 1859. “It is the one that is most adaptable to change.”
Strategy is a design problem.
ALIGNMENT- CHANGE MANAGEMENT & LEADERSHIP

Suzette Jaskie
# Planning Coming Together

<table>
<thead>
<tr>
<th></th>
<th>FACILITATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Imperatives</td>
<td>Alignment, Change Anchors</td>
</tr>
<tr>
<td>Milestones to Success</td>
<td>Alignment, Resource Focus</td>
</tr>
<tr>
<td>Annual Top 10</td>
<td>Alignment, Coordination</td>
</tr>
<tr>
<td>Cascading Goals</td>
<td>Alignment, Coordination</td>
</tr>
<tr>
<td>Reporting and Meeting Structure</td>
<td>Communication</td>
</tr>
<tr>
<td>Communication Plan</td>
<td>And they will follow</td>
</tr>
</tbody>
</table>

**CULTURE – TRUST**
St. Elsewhere Strategic Imperatives

- Superior Clinical Execution
  - Recruit best physicians
  - Train and develop APP thru medical education

- Reduce Variation in Care
  - Metric management at disease state program and/or departmental level
  - Peer-to-peer learning communities
  - Fuel variation solution thru value grants

- Increase Financial Contribution
  - Date accuracy
  - Integrated departmental purchasing
  - Adopt talent management
  - Value metrics for productivity

- Foster Innovation Culture
  - Data Standardization and integration
  - Capital targeting to innovation technology
  - Integrated imaging to pre-procedure planning

- Patients as Partners in Care
  - Patient advisory boards at program level
  - Continual functional evolution of patient portal
  - Remote and telservices
<table>
<thead>
<tr>
<th>Department Objective</th>
<th>Assessment</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow patient visit volume</td>
<td>10%</td>
<td>✅</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>VP Objective</th>
<th>Assessment</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow patient visit volume 10%</td>
<td></td>
<td>✅</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ORG - Objective</th>
<th>Assessment</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow patient visit volume 10%</td>
<td>+ 40 pt/provider monthly aver</td>
<td>✅</td>
</tr>
<tr>
<td>Recruit Physician with Data Specialty</td>
<td>Sourcing candidates</td>
<td>✅</td>
</tr>
<tr>
<td>95% Compliance MIPS Metrics</td>
<td>97% rolling 90 day aver per provider</td>
<td>✅</td>
</tr>
<tr>
<td>Reduce cost per beneficiary 7%</td>
<td>5% reduction achieved</td>
<td>✅</td>
</tr>
<tr>
<td>Increase outreach location</td>
<td>Clotville office opened 3/1</td>
<td>✅</td>
</tr>
<tr>
<td>Improve patient satisfaction 15%</td>
<td>All HCHAPS scores meet; except hospital quiet</td>
<td>✅</td>
</tr>
<tr>
<td>APP Education Charter Complete</td>
<td>Complete</td>
<td>✅</td>
</tr>
<tr>
<td>2 phys driven outcomes per program in execution mode</td>
<td>HF complete, EP in process IC &amp; structural outstanding</td>
<td>✅</td>
</tr>
<tr>
<td>Structured CT report and impl of Heart Flow</td>
<td>HeartFlow implemented</td>
<td>✅</td>
</tr>
<tr>
<td>Innovation Grant in execution</td>
<td>First grant awarded</td>
<td>✅</td>
</tr>
</tbody>
</table>
Managing Culture

Great discoveries and achievements invariably involve the co-operation of many minds.

*Alexander Graham Bell*

<table>
<thead>
<tr>
<th>Expert Culture</th>
<th>Collective Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Power</td>
<td>High Affiliative</td>
</tr>
<tr>
<td>Thick skinned</td>
<td>Thin Skinned</td>
</tr>
<tr>
<td>High risk</td>
<td>Risk Averse</td>
</tr>
<tr>
<td>Insensitive to collectives</td>
<td>Injure: commission or omission</td>
</tr>
<tr>
<td>Results vs. process</td>
<td>Process vs. outcomes</td>
</tr>
<tr>
<td>Like to lead</td>
<td>High need for recognition</td>
</tr>
<tr>
<td>Fast clear decisions</td>
<td>Consensus based decisions</td>
</tr>
<tr>
<td>Conflict motif: direct</td>
<td>Conflict motifs: denial, passive aggressive, explosion</td>
</tr>
</tbody>
</table>

Source: Leading Transformational Change, Chapter 4, “Cultural Factors: The Expert Culture and the Collective Culture”
Tenets of cultural and organizational transformation

**Fundamental Change Management required to mitigate complexity, inflect access**

1. Create Urgency
2. Build a Guiding Coalition
3. Form a Strategic Vision
4. Galvanize Stakeholders
5. Remove Barriers
6. Generate Short-term Wins
7. Sustain Acceleration
8. Institute Change

**Aligning diverse stakeholders**
- Administration
- Providers
- Staff
- (State and National stakeholders)

**Deploying effective cultural instruments**
- Governing bodies
- Provider compact
- Service values and standards
- Meaningful incentives

**Operationalizing for tangible outcomes**
- Standard policies and procedures
- Replicable protocols
- Dedicated infrastructure

**Targeting organizational hallmarks of sustainable progress**
- Mutual Understanding
- Trust
- Accountability
- Satisfaction
- Reliability
