Change Up Your Approach to Strategy

Many hospice board members feel overwhelmed when it comes to planning in today’s quickly changing environment, and may be tired or frustrated with the way they’ve done strategic planning in the past. The first change in mindset is to acknowledge that we live and operate in a different world than 20 years ago.

Adapting to a “New” Normal

Today we work in a quickly changing environment, labelled by some with the acronym V-U-C-A.

In healthcare, we are experiencing a number of trends that invigorate this VUCA environment. They include:

The first is the rapid increase in data. SINTEF, one of Europe's largest independent research organizations, estimates that 90% of the world’s information was created in the last 24 months. So both the volume and velocity of information is increasing exponentially, creating a huge challenge to stay on top of what is happening and what is predicted to happen.

New technology is rapidly altering what we’ve always done things. New tools and algorithms are begin applied to healthcare, resulting in new ways of delivering care from new diagnostic tests, new medications, predictive algorithms and new means of communicating and delivering care.

At the same time, this data and many tools are now available to patients and families, changing the relationships between patient and provider, and setting new expectations on the part of consumers. It’s estimated that 50% of Gen Xers
have no PCP, and 71% of Millennials cite the internet as their preferred method of healthcare interaction. Patient expectations are increasing, and in parallel, payers expectations are increasing: looking for simultaneous improvements in patient satisfaction, cost and outcomes.

Further disruption comes from the entry to new players in healthcare. Not only are there new competitors starting up or moving into new geographic areas, some new entrants are major players in unrelated areas who now are deciding to enter or expand into health care. Think Apple, Lyft, Walmart and CVS for starters.

The bottom line is that we can no longer predict what’s going to happen in several months, let alone in several years.

**New Approaches for a New Normal**

Adaptive Planning is a term that is being used to contrast with the way that strategic planning has traditionally been done....it’s characterized by:

1. **Recognizing Patterns instead of Collecting Data**

   Traditional strategic planning usually involved lengthy data gathering to support an attempt to predict the future. Adaptive planning focuses, instead, on identifying patterns and trends for use with other elements described below.

2. **Experimenting versus Predicting**

   Adaptive planning emphasizes experimentation, presuming that predictions are no longer a viable option. Pilot projects based upon emerging patterns can test hypotheses and are easy to adapt to the findings and outcomes of the experiment. No one is betting the organization, only experimenting, and perhaps experimenting in several ways to see whether one or both is a better approach.

3. **Creating Strategy Filters versus thick binders of strategic implementation plans**

   Strategy Filters are criteria that help organizations to quickly assess whether a new opportunity aligns with key strategic criteria or not. It avoids wasting resources on opportunities that don’t fit the pre-determined screening criteria. These criteria usually focus on key risk and value/vision criteria are have been deemed top priorities for the organization, which accelerates identifying high-value opportunities and allows an organization to move forward more quickly than if they began evaluation from scratch.

4. **An Ongoing/iterative process – (every board meeting) versus one monolithic effort every few years**
Today’s rate of change demands continual evaluation of strategic options. With established strategic filters, it’s easy to have an ongoing review of the environment and of new opportunities. Discussions can confirm if the filters still remain valid, and whether new opportunities have been identified which merit experimentation.

5. Everyone Executing versus Execution from the top-down

Traditionally, strategic plans were formulated by senior manager and then pushed down through the organization. With the advent of strategic filters and ongoing re-evaluation and experimentation, organizations are recognising the value of involving the entire organization in providing input to strategic filters and the ongoing feedback process on strategic experimentation. A result of this approach is the one-page strategic plan – a simple depiction of the key filters that all employees can use to identify opportunities and to inform their everyday work.

These new approaches support an agile and flexible organization. It can be faster and more efficient, and it engages more of the organization in its formulation and execution, thereby bringing more resources to bear and building buy-in for accountability in execution.

Contact Integriti3D to find out more about how we can assist you in approaching strategy differently....