

*Strategic Planning
Without Marketing Isn't Strategic*

ICAHN 2019 Annual Conference

11/13/2019

Table of Contents

Speaker Introduction

Strategic Planning Best Practices

ICAHN Conference Survey: Background & Methodology

Survey Results

So What?

Appendix: Strategic Planning Bibliography, Surveys

Speaker Introduction

Cheryl Powers

MBA, PRC

President, The Research Edge[®] LLC, 1995- present

- Specialize in service industries, government, non-profits
- 60% in healthcare
- 80 healthcare projects since 2014

The Research Edge[®] LLC Clients



CENTER FOR
DIAGNOSTIC IMAGING



Minneapolis
Convention Center



CENTER FOR TRANSPORTATION STUDIES

Strategic Planning Best Practices

Strategic planning best practices

Start with the issues

- Scenarios
- Present vs. future
- Strategic questions facing the organization

Bring together the right people

- Diversity
- All departments or business units
- People with needed expertise

Dye, Renee, Olivier Sibony. How to improve strategic planning, McKinsey Quarterly, August 2007.

Strategic planning best practices

Create a planning cycle that fits your organization

- 1 year, 2 years, 3 years

Implement a strategic plan management system

- Assign accountability
- Track execution
- Fit the metric to the initiative

Integrate human resources systems into strategic planning

- Staff evaluations and incentives tied to the plan
- Include initiative specific metrics

ICAHN Conference Survey: Background & Methodology

Background & Methodology

Online Survey

- Survey was open from 10/8/19-10/28/19

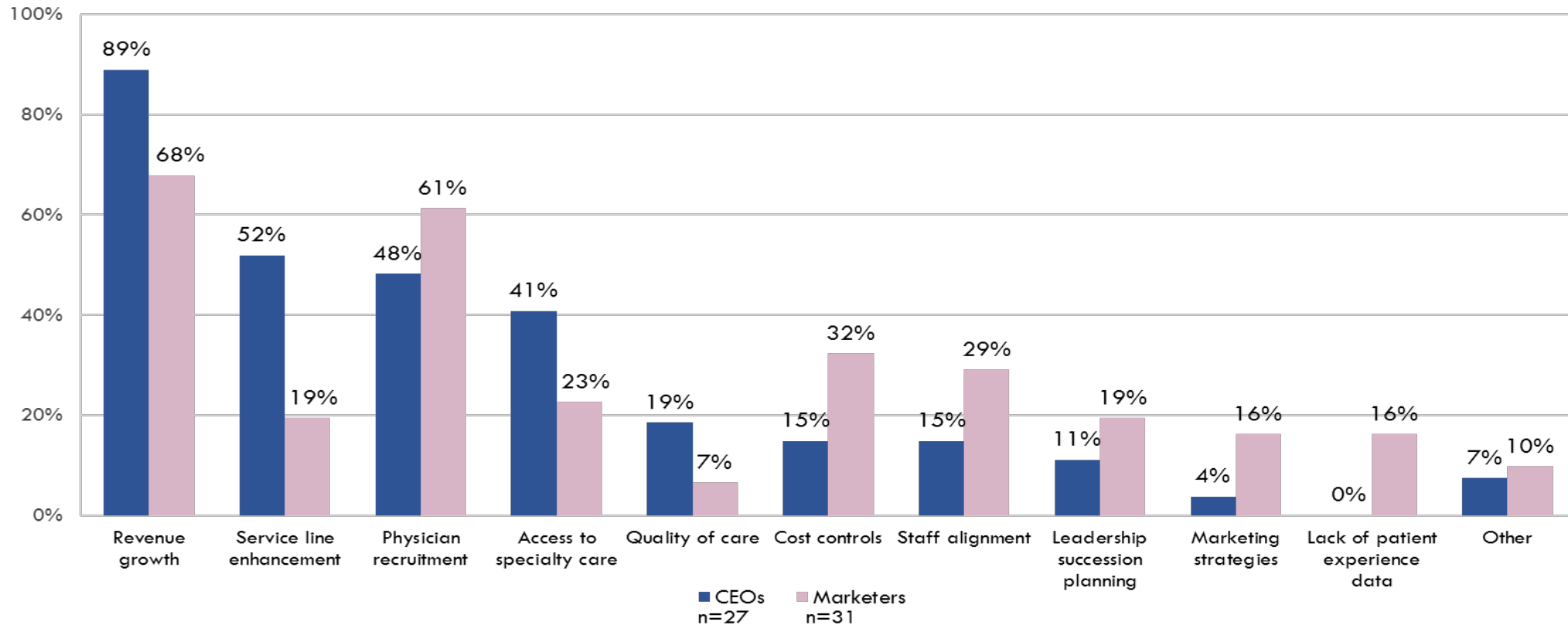
ICAHN Participants:

- 31 Marketers
- 27 CEOs

The small sample size means these results are qualitative in nature.

Survey Results

More agreement on top challenges among CEOs than marketers



In your opinion, what are the three most significant challenges facing your hospital in the next three years?

Differences in top three challenges

CEOs

Revenue growth

Service line enhancement*

Physician recruitment

Marketers

Revenue growth

Physician recruitment

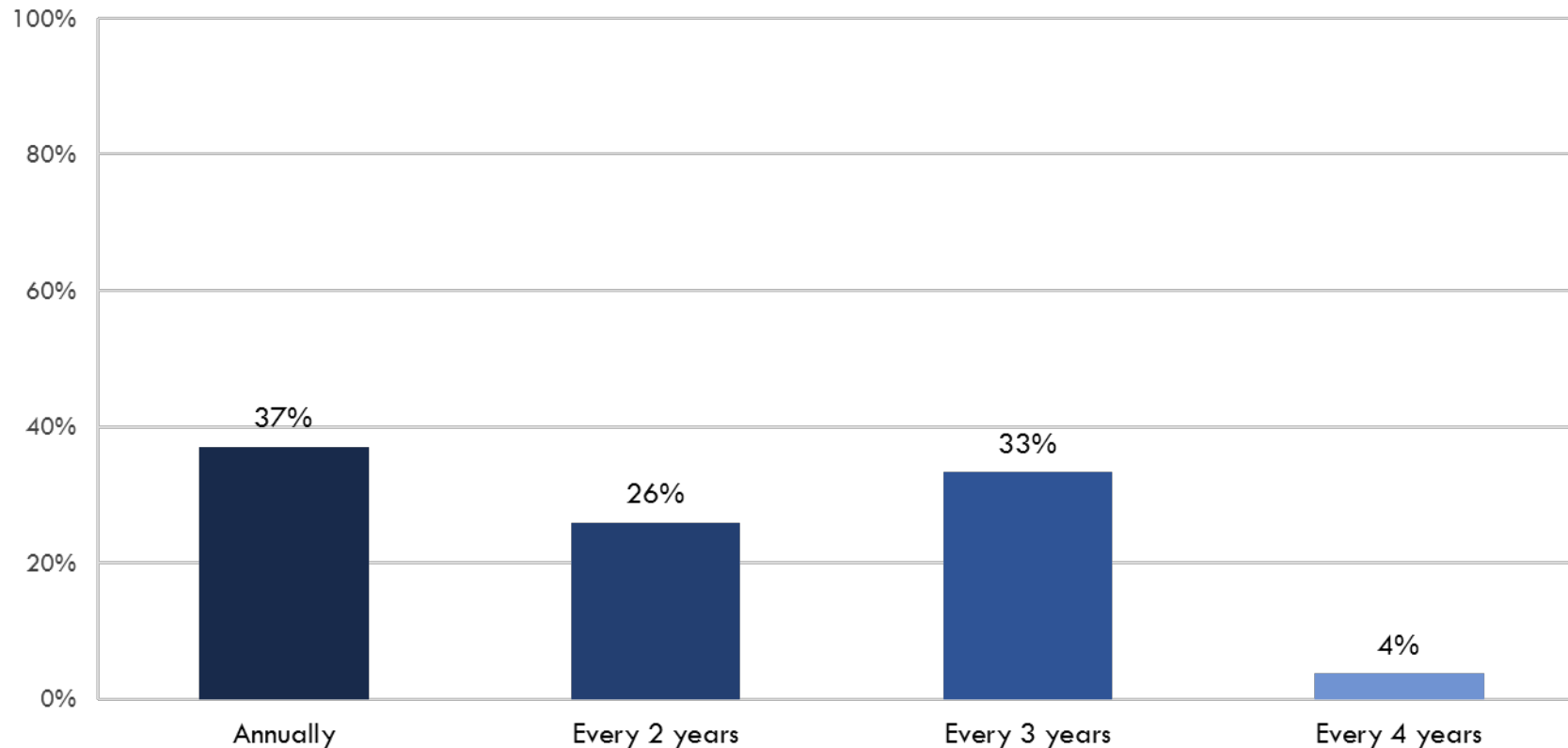
Cost controls

*Challenges with significant differences

Bold indicates majority reporting

In your opinion, what are the three most significant challenges facing your hospital in the next three years?

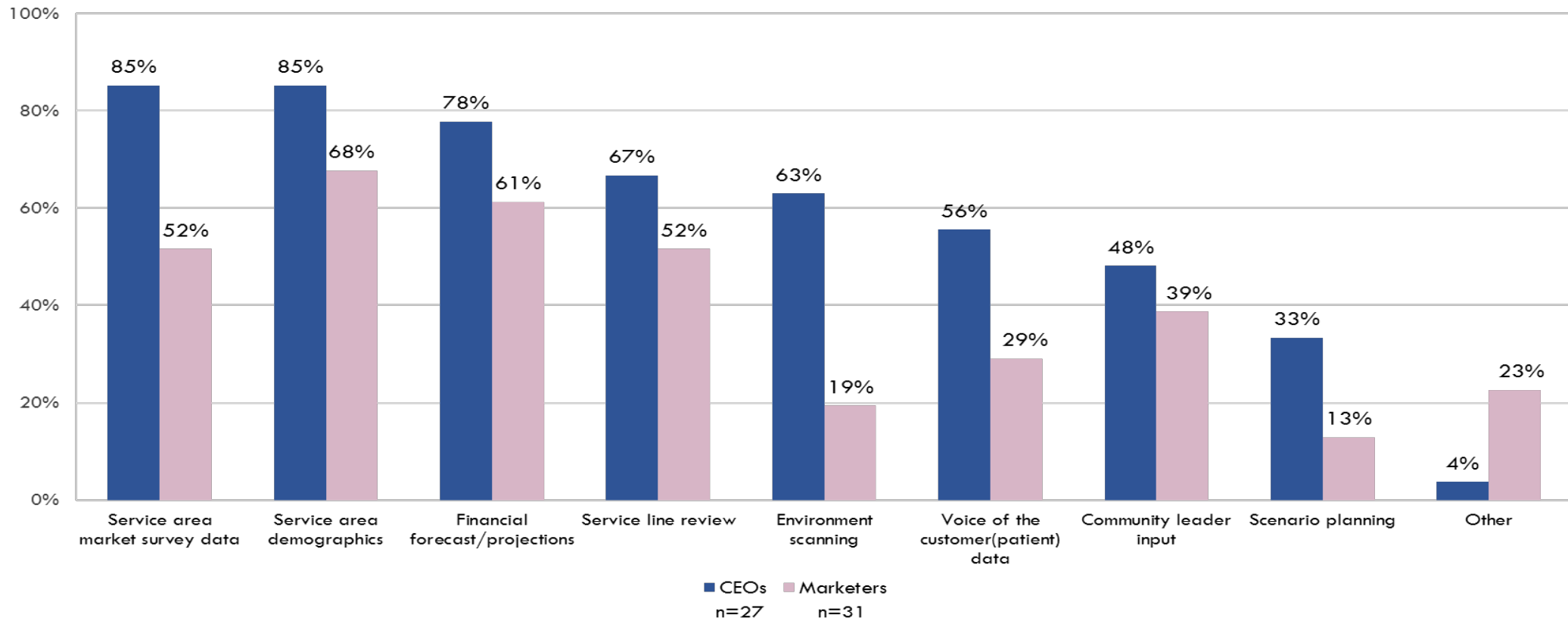
CEOs most often report 1 or 3 years cycle



n=27

CEOs only: How often do you create a new strategic plan for your hospital?

Market data and financial forecasts are the most commonly used inputs



Which of these inputs or methods were used during your hospital's most recent strategic planning process?

Differences in most commonly used strategic planning methods

CEOs

Service area market survey data*

Service area demographics*

Financial forecast/projections

Service line review

Environment scanning*

VOC data*

Community leader input

Marketers

Service area market survey data*

Service area demographics*

Financial forecast/projections

Service line review

***Methods with significant differences**

Bold indicates majority reporting

Which of these inputs or methods were used during your hospital's most recent strategic planning process?

Strategic plan strengths: Process

CEOs

- Who is at the table
 - Board, providers, community
- Methods
 - SWOT, discussion, explore all facets
- Inputs
 - Big picture, healthcare trends
 - Focus on customer needs, market needs
 - Environmental assessment
 - Focus on tangible processes

Marketers

- Who is at the table
 - Community, board
 - Participation, in general
- Inputs
 - Big picture
 - Finance
 - Market data, community needs
- Don't know



Plan Strengths

In your opinion, what was the strongest part of your hospital's most recent strategic plan?

Strategic plan strengths: Output

CEOs

- Consensus of direction, commitment
- Quality
- Branding
- Measurable action plans, goal tracking
- Specific goals
 - Service lines, infrastructure, geographic expansion

Marketers

- Relationship building
- Future goals, details
- Marketing, visibility
- Specific goals
 - Infrastructure
 - Primary care

In your opinion, what was the strongest part of your hospital's most recent strategic plan?

Desired plan improvements: Process

CEOs

- More participation from
 - Board, providers, community, marketing
 - Team buy-in
- Methods
 - More time
 - Leadership, vision
 - Speakers on trends
- Inputs
 - Competitors
 - Community health
 - Demographics, industry data
 - Informatics

Marketers

- More participation from
 - Community, stakeholders, marketing,
 - Physician leadership
 - Team effort
- Methods
 - More time
- Inputs
 - Big picture
 - Finance
 - Market data, community health
- Everything, nothing, don't know



Plan
Improvements

In your opinion, what part of your hospital's most recent strategic plan could be stronger?

Desired plan improvements: Output

CEOs

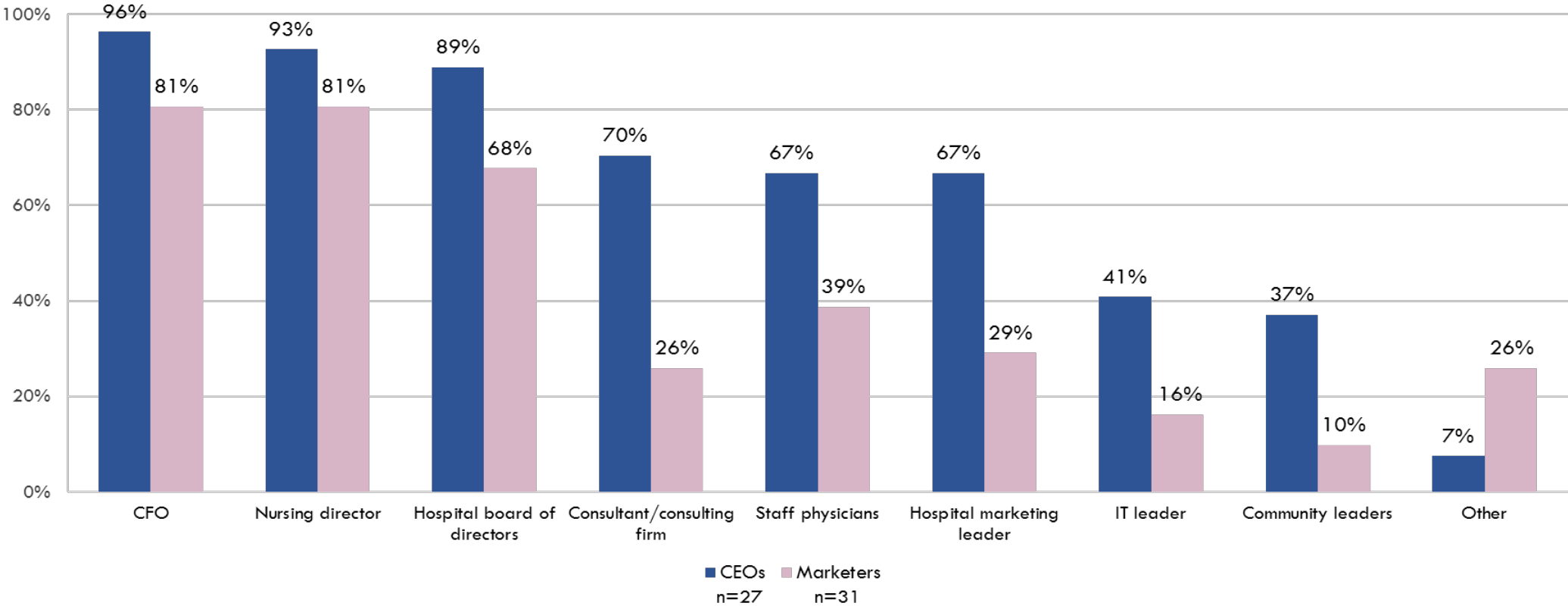
- ‘On the right track’
- More future vision than operational plan
- Broader, higher view
- Revenue opportunities
- Don’t know

Marketers

- Key initiative rationale
- Clear vision of future
- Actionable goals
 - Follow-up on planning
- Specific goals
 - Connect finance to new services
 - Increase clinic visits

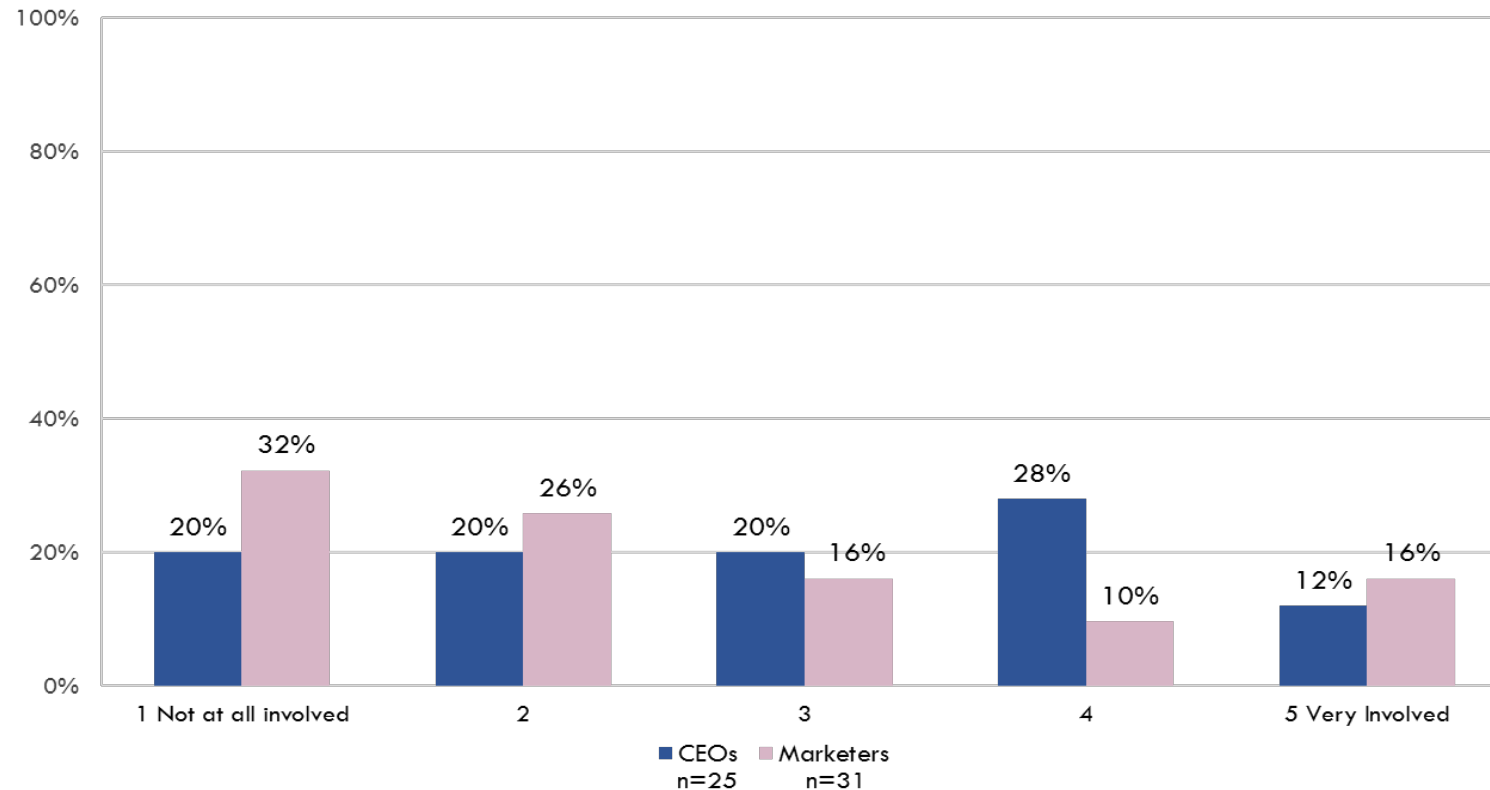
In your opinion, what part of your hospital’s most recent strategic plan could be stronger?

Perceptions of attendees differs



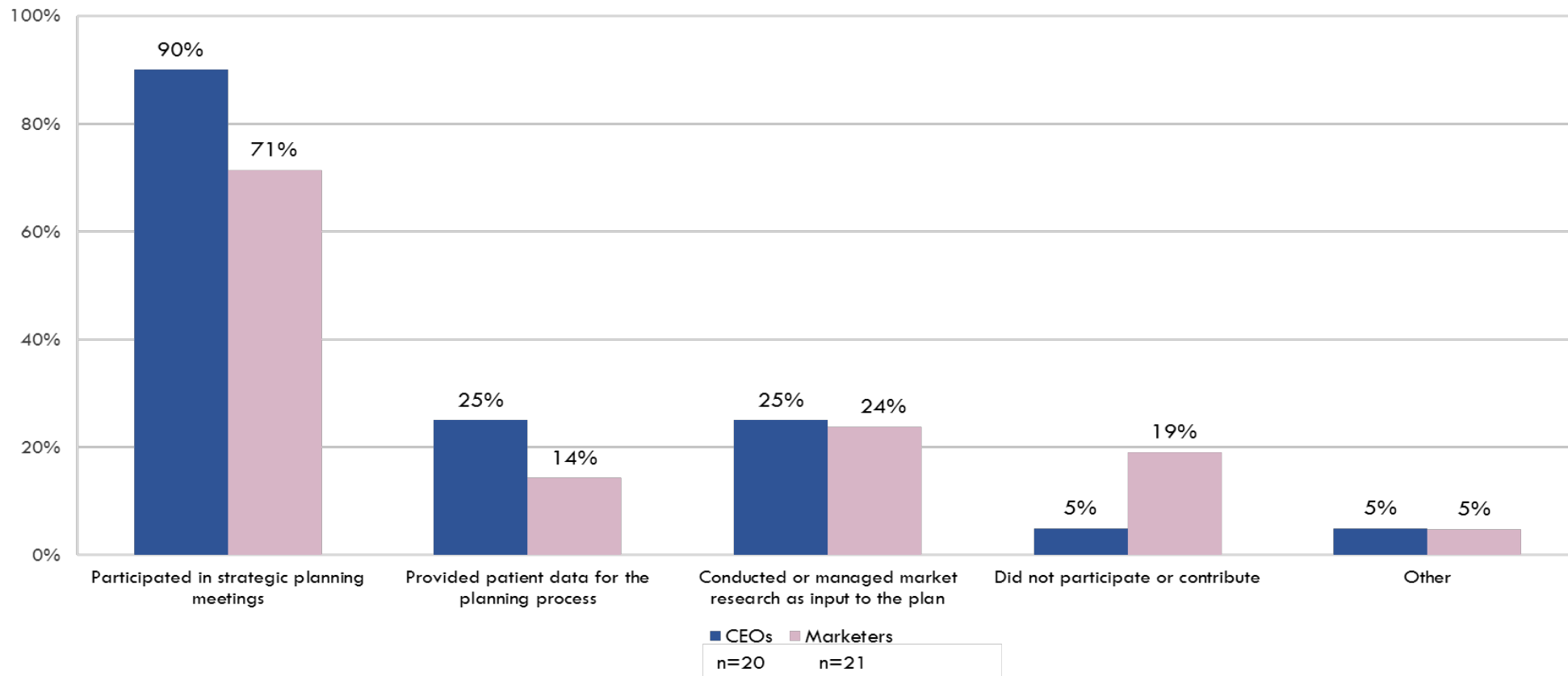
Who, in addition to [CEO], participated in your most recent strategic planning meetings?

CEOs split on marketing staff involvement in strategic plan



How involved has marketing staff been in the development of the most recent strategic plan?

Meeting participation is most common marketing involvement



What was marketing's involvement in the development of the most recent strategic plan?

Data is marketers' key contribution

CEOs

- Provide input:
 - Local market data, demographics
 - Trends
 - Voice of the customer, insights
 - Website analytics
- Identify community members to participate in strategic planning
- Public relations, communicate the plans
- Be part of the process
- Don't know

Marketers

- Be involved, a seat at the table
- Provide voice of the customer, community voice and data
- Insights into problems, potential challenges
- Identify 'market-ready' services
- Don't know



Marketing
Contributions

In your opinion, how can marketing contribute more to the strategic planning process at your hospital?

Additional resources for planning process improvement

CEOs

- Data
 - Marketing information
 - Patient data, 'lost' patients
 - Demographics
 - Comparative data
- Best practices
- Healthcare trends
- Input from the public
- Nothing/Don't know

Marketers

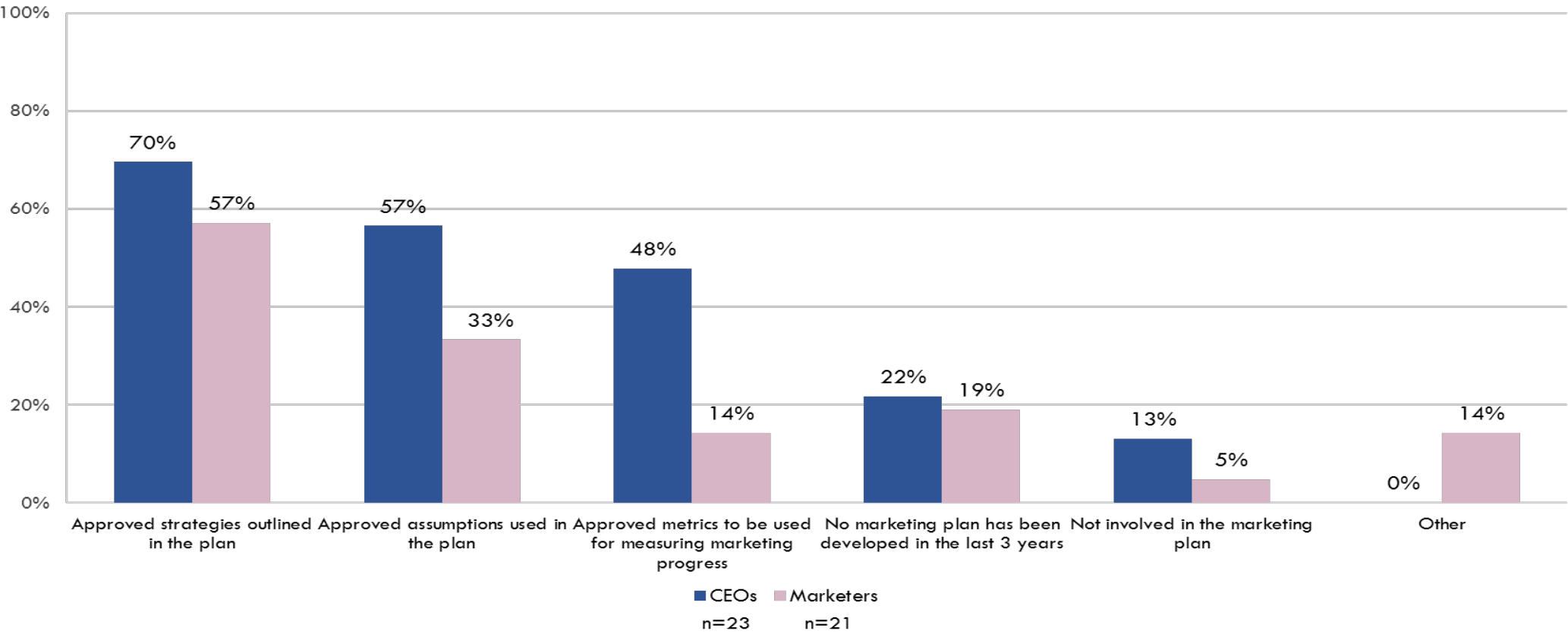
- Data
 - Marketing information
 - Patient data, 'lost' patients
 - Demographics
 - Comparative data
 - CHNA
- Employee input
- Day-to-day operations input
- Payor mix, service line
- Don't know



Add'l Resources

What additional information or resources would improve the strategic planning process?

Majority of CEOs involved in marketing plans



What was the [CEOs] involvement in the development of the most recent marketing plan?

So What?

Differing view of top challenges

- Put on the CEO's, the CFO's glasses
- Identify and talk with people currently involved
- Learn the language of finance
 - How does it apply to what you can provide

Other ways to get 'in sync'?

Differences in strategic plan process and inputs

- The use of marketing data is both a strength and desired improvement.
 - Read, digest your hospital's current strategic plan
 - Identify the data gaps and strategize how to fill them
- The most reported shortcomings are around process.
 - Identify missing participants, facilitate their inclusion
- Other ways to leverage data needs?

Marketing plans can drive involvement

One-third of CEOs report no involvement or no marketing plans.

- Engage leadership for input/sounding board
- Use marketing plan development to demonstrate your capabilities
- Show you connect the dots between marketing plans and strategic planning
 - Incorporate the strategic plan in the marketing plan

➤ Other ideas?

Questions

THANK YOU

Appendix

Strategic Planning Bibliography

Porter, Michael. Competitive Strategy Techniques for Analyzing Industries and Competitors. Free Press, 1998.

Rumelt, Richard. Good strategy/Bad Strategy The difference and why it matters. Crown Business, 2011.

Recardo, Ronald & Tim Toterhi. Strategic Planning Unleashed An applied methodology and toolkit. Ruis Publishing, 2014.

Barksdale, Susan & Teri Lund. 10 Steps to Successful Strategic Planning. American Society for Training and Development (ATD Press), 2006.

Society for Health Care Strategy and Market Development Books

Bridging Worlds: The Future Role of Health Care. 2nd edition, SHSMD, 2018.

Health Care Strategic Planning Insights: A SHSMD Benchmarking Report. SHSMD, 2019.

Scenario Planning for Hospitals and Health Systems. SHSMD, 2019.

By the Numbers: Benchmarking Report on Health Care Marketing/Communications, SHSMD,

CEO Survey

The 2019 ICAHN conference includes new sessions for hospital marketing leaders. One of the marketing track sessions will be a presentation on the value and role of marketers in hospital strategic planning. As an ICAHN CEO/Administrator please contribute your ideas and opinions about strategic planning challenges and processes by completing the following brief survey. Your input, as well as that of ICAHN marketing leaders, will be shared (anonymously) as part of this session at the conference.

1. In your opinion, what are the THREE most significant challenges facing your hospital in the next three years? Check 3 items

- Quality of care
- Leadership succession planning
- Revenue growth
- Cost controls
- Physician recruitment
- Staff alignment
- Lack of patient experience data
- Access to specialty care
- Service line enhancement
- Marketing strategies
- Other (Please specify) _____

2. How often do you create a new strategic plan for your hospital? Check only one

- Annually
- Every 2 years
- Every 3 years
- Every 4 years
- Other (Please specify) _____

3. Which of these inputs or methods were used during your hospital's most recent strategic planning process? Mark all that apply

- Scenario planning
- Environment scanning
- Voice of the customer(patient) data
- Service area market survey data
- Service area demographics
- Financial forecast/projections
- Service line review
- Community leader input
- Other _____

4. Who, in addition to yourself, participated in your most recent strategic planning meetings? Mark all that apply.

- Hospital board of directors
- CFO
- Nursing director
- IT leader
- Staff physicians
- Hospital marketing leader
- Community leaders
- Consultant/consulting firm
- Other (Please specify) _____

CEO Survey

5. In your opinion, what was the strongest part of your hospital's most recent strategic plan?

6. In your opinion, what part of your hospital's most recent strategic plan could be stronger?

7. What additional information or resources would improve the strategic planning process?

8. How involved has marketing staff been in the development of the most recent strategic plan? *Check only one.*

- 1 Not at all involved Skip to Qtn 10
- 2
- 3
- 4
- 5 Very involved

9. What was marketing's involvement in the development of the most recent strategic plan? *Mark all that apply.*

- Did not participate or contribute
- Provided patient data for the planning process
- Conducted or managed market research as input to the plan
- Participated in strategic planning meetings
- Other (Please specify) _____

10. In your opinion, how can marketing contribute more to the strategic planning process at your hospital?

The last question is about marketing plans at the hospital.

11. What was your involvement in the development of the most recent marketing plan? *Mark all that apply.*

- No marketing plan has been developed in the last 3 years
- I am not involved in the marketing plan
- Approved assumptions used in the plan
- Approved strategies outlined in the plan
- Approved metrics to be used for measuring marketing progress
- Other (Please specify) _____

Thanks for your time and opinions. They will be incorporated into the marketing track presentation on marketing and strategic planning

Marketer Survey

The 2019 ICAHN conference includes new sessions for hospital marketing leaders. One of the marketing track sessions will be a presentation on the value and role of marketers in hospital strategic planning. As an ICAHN marketing leader, please contribute your ideas and opinions about strategic planning challenges and processes by completing the following brief survey. Your input, as well as that of ICAHN CEOs/Administrators, will be shared (anonymously) as part of this session at the conference.

1. In your opinion, what are the THREE most significant challenges facing your hospital in the next three years? *Check 3 items*

- Quality of care
- Leadership succession planning
- Revenue growth
- Cost controls
- Physician recruitment
- Staff alignment
- Lack of patient experience data
- Access to specialty care
- Service line enhancement
- Marketing strategies
- Other (Please specify) _____

2. Which of these inputs or methods were used during your hospital's most recent strategic planning process? *Mark all that apply*

- Scenario planning
- Environment scanning
- Voice of the customer(patient) data
- Service area market survey data
- Service area demographics
- Financial forecast/projections
- Service line review
- Community leader input
- Other _____

3. How involved have marketing staff been in the development of the most recent strategic plan? *Mark only one.*

- 1 Not at all involved SKIP TO QTN 5
- 2
- 3
- 4
- 5 Very involved

4. What was marketing's involvement in the development of the most recent strategic plan? *Mark all that apply.*

- Did not participate or contribute
- Provided patient data for the planning process
- Conducted or managed market research as input to the plan
- Participated in strategic planning meetings
- Other (Please specify) _____

5. In addition to your hospital's CEO/Administrator, who participated in your most recent strategic planning meetings? *Mark all that apply.*

- Hospital board of directors
- CFO
- Nursing director
- IT leader
- Staff physicians
- Hospital marketing leader
- Community leaders
- Consultant/consulting firm
- Other (Please specify) _____

Marketer Survey

5. In your opinion, what was the strongest part of your hospital's most recent strategic plan?

6. In your opinion, what part of your hospital's most recent strategic plan could be stronger?

7. What additional information or resources would improve the strategic planning process?

8. In your opinion, how can marketing contribute more to the strategic planning process?

The last question is about marketing plans at the hospital.

11. What was your CEO's involvement in the development of the most recent marketing plan? *Mark all that apply.*

- No marketing plan has been developed in the last 3 years
- I am not involved in the marketing plan
- Approved assumptions used in the plan
- Approved strategies outlined in the plan
- Approved metrics to be used for measuring marketing progress
- Other (Please specify) _____

Thanks for your time and opinions. They will be incorporated into the marketing track presentation on marketing and strategic planning.