

APPROACH

Stroudwater's hospital and system strategic planning combines the creative process of shaping a compelling vision of an enterprise's future success with a disciplined approach of defining the tasks, accountabilities, and progress measures that are crucial for successful execution of the vision.

With over two decades of strategic planning experience, Stroudwater recognizes that there is no single "one size fits all" method for creating high value strategies for hospitals and systems. Our approach is customized to the circumstances and realities of each client.

Each customized approach does share foundational characteristics. These include at a minimum:

- A re-assessment of organizational mission and purposes
- Development of a vision that describes future success
- An analytical review of the current status and trajectory of market conditions, including demographic, competitive perspectives including market share analysis, population-based use rate trends, and future changes in supply side market characteristics
- Clinical service specific reviews of existing volume trends, new service opportunities, and specific options for competing or affiliating with other providers in the market
- An evaluation of strategic options. This frequently takes the form of a scenario planning exercise that models alternative strategic options and their implications for achieving organizational purpose
- An analysis of capital structure, financial performance indicators, and future investment requirements and funding strategies for strategic execution
- Development of a strategy map and key performance indicators for communicating and tracking performance around the strategic plan

TEAM

Strategy is at least as much art as science, requiring highly experienced and knowledgeable staff to create. As an expert firm with consultants averaging over 17 years of healthcare experience, we offer high level intellectual resources to support strategic engagements.

These experienced consultants also bring multi-disciplinary backgrounds including clinical, financial, operational, facilities, strategic, transactional, and analytic perspectives to the process. This allows Stroudwater to connect the dots when defining a strategy by recognizing the interdependencies and synergies that must be effectively woven together within a strategic plan. Recommending growing clinical

programs without addressing where new clinical staff will be accessed is fruitless. Targeting facilities investments without a means to efficiently access capital only yields frustration. Our commitment is to strategies that can be practically executed in a manner that generates both enterprise and community value. Our strategies always include metrics for measuring performance against plan, making it a living, dynamic tool for performance improvement.

Strategic planning has been a focus of our company since its founding in 1985. We have completed hundreds of strategic plans for organizations as small as critical access hospitals, to regional referral centers and academic medical centers. Despite the breadth of Stroudwater's experience in strategic planning, it is important to recognize that each strategic assignment is planned in a customized manner based upon the specific realities of the client.

CASE STUDY

SITUATION

A northeastern community hospital recognized the need to develop a strategy for "scaling up" in order to more effectively compete with multi-billion dollar competitive systems

GOAL

Develop a strategic process that evaluates organic vs. transaction oriented roll-up strategies for growth, including facilities, capital, and operational perspectives

SOLUTION

Initial integration of three community hospitals (soon to be five) that will advance the business scale, clinical service array, quality infrastructure, and facilities infrastructure to a level that will allow it to compete more effectively in the regional market

RESULT

Improvements in financial performance, clinical performance, and growth trajectory that have helped solidify the future of the system in a challenging market.

PRACTICE LEADER

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