

# Building Support for a Health System Strategy

TWO-HOSPITAL HEALTH SYSTEM

OVERVIEW

HSG recently engaged with a two-hospital health system with approximately \$700 million in net revenue to build a health system strategy.

CHALLENGES

The client had two specific requirements related to the consulting process:

- 1 Engage stakeholders to gather insights and opinions and effectively integrate that data into the planning process, thereby strengthening the plan and creating buy-in.
- 2 Facilitate effective meetings with leadership committees within the health system to present findings, foster discussion, and shape the final strategic plan.

## CLIENT QUICK FACTS

- ✓ Two-hospital health system
- ✓ 250+ employed providers
- ✓ \$700M net revenue
- ✓ Client since: 2010

In short, HSG was asked to engage the stakeholders in the process and make the plan theirs, rather than simply creating a plan and delivering it to the client.

Ironically, addressing these needs was easy because HSG always pursues stakeholder engagement when completing a strategic plan. One of the guiding mottos at HSG is:

“...at the end of this process, we get to board a plane and go home. **The plan has to be yours, something you believe in and can implement with enthusiasm.**”

– DAVID MILLER, FOUNDING PARTNER, HSG

### THE PROCESS

#### Engagement of Stakeholders

HSG's approach to the initial engagement was not revolutionary. We interviewed a broad set of constituents, including board members, physicians (both employed and independent), system executives, departmental directors and function leaders, as well as community leaders. We also completed focus groups to gain information from employees and community members. During the strategy development project, we completed more than 50 interviews and four focus groups.

#### Facilitation of Meetings

The greatest level of engagement during the process occurred in the planning meetings and was driven by the meeting structure. HSG's team presented a mountain of data and information and outlined approximately 20 potential strategic priorities based on our observations, experiences, and insights, engaging participants along the way.

Next, we challenged the group with two questions: What is missing? and What is essential? Determining essential elements of the plan created a very productive discussion, drove positive and dynamic group interactions, and influenced how strategies were prioritized. That discussion received impassioned responses from many steering committee members. It also increased mutual understanding among colleagues and made the prioritization process easier.

The final element of the process was to "vote" on the priorities. After the group had developed a ranking system, committee members were given the opportunity to argue for initiatives that had been de-prioritized. Based on this input, management would define the priorities in consultation with board leadership.



### THE RESULTS

When HSG did a post-project review with the client, the health system leadership reported their delight with our engagement of their stakeholders and defined it as a key differentiator for our consulting team and the overall process of developing a strategy.

Another key differentiator identified by the client was our data intelligence, particularly our assessments of claims data that provided insights about patient flow and referral patterns. Being grounded in real numbers and data proved very helpful in understanding the market and structuring the plan. Our perspective on the data also provided insights that were new to the client and its stakeholders.

### THE RESULTS

While many strategies from the plan are still being implemented the health system's financial performance is running ahead of forecast, revenue growth is strong, and the leadership team is optimistic that the plan will ultimately be a success.

Ensuring key players were engaged throughout the consulting process led to their supporting the strategic plan and it being a resounding success thus far.



#### KEY DIFFERENTIATORS

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For more information of HSG strategic planning capabilities, call **David Miller, Founding Partner**, at (502) 814-1188.