

# Strategic Planning: A Growth Strategy: Making It Work Within Your Organization

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**Cost containment has been a predominant theme in healthcare organizations across the country. Having accomplished many of the goals for reducing costs, organizations realize that future profitability will not be gained simply by cutting costs.** Healthcare systems are beginning to define and implement growth strategies in order to optimize revenue and referral opportunities. Using a business/retail approach to working with customers, many organizations are investing in growth strategies to build better services, position the service with the “right” customer, deliver according to expectations and gain customer trust and loyalty.

Successful growth will depend on the ability of your team to develop services that meet the customer’s expectations; packaging and positioning the services in a way that demonstrates the benefits to the customer. Healthcare systems face the very real challenge of differentiating the value and benefits of their services. Your staff’s ability to meet this challenge is critical to your organization’s sustained success.

## Why Bother with Another New Strategy?

Think about your recent shopping experiences. Which vendors or stores do you return to over and over again? Who will you “never do business with again?” All customers of healthcare organizations measure your organization by the retail benchmarks we experience in our everyday lives. Healthcare is being measured against the best products, services, stores, and staff in the world. There are three common factors intrinsic to the growth of success in retail: consistency in the offering, hiring the “right” people and providing ongoing guidance to the staff. Yet, in healthcare, because of cost containment, budget constraints, labor shortages and outsourcing trends, there has been an absence of strategy and a decline in staff growth and development.

As you confront survival or growth opportunities in today’s healthcare environment, it is vitally important that you hire and retain the right people and provide ongoing assistance with their development. As part of your growth strategy, staff should understand the philosophy, mission, vision and values of your organization, what makes the organization special for the patient and other customers and contributions each employee can make to the organization. They will then be able to grow into valued employees who can exemplify the organization, focus on their role in achieving, strategic outcomes, ensure delivery and develop proactive relationships with customers.

## Initiating Growth Strategies

Review in detail the organization’s current strategic plan to identify where growth strategies should be initiated. Build a tactical plan that integrates the staff and service line efforts into the overall strategy. These plans may be built focused on the customer population or from the service line approach. Once this has been done at the senior management level, identify the task force or staff who will be involved in the implementation and/or delivery of services. Key steps for this process includes *plan, involve and engage, and measure and reward.*

## ***Plan***

Your growth strategy should be customized to your services – focused on understanding the customer’s needs and demonstrating your organization’s ability to meet them. Develop a customer-focused strategic plan that identifies the goals, strategies and tactics with a timeline. This plan should detail the sales, marketing, operations and service initiatives that will need to be in place. Build a plan that provides for continuing progress at each stage of the employee’s development within your organization, service line and/or customer group. Include time for mentoring and skill development, which can be both formal and informal, and can unfold one-on-one or in a group. Your growth plan should clearly define the methods you will use to coach and measure employees in doing their jobs.

## ***Involve & Engage***

Include your staff in the planning process in order to capture their input and to obtain their commitment to the accountabilities associated with the strategy. Involve them at a level appropriate to their position and engage them in tasks that can be measured. An expert facilitator, from within or outside the organization, can engage the team in a customer-focused process and approach to gain customers, keep them and increase their business. Role-playing and scripting are an important part of the process because they give your staff a chance to try out the newly learned skills. To generate success, your staff must walk away with the knowledge needed to build and nurture long-term relationships with your customers. As a manager, you can play a key role in educating your team. Even though you spend much of your time managing staff and mapping out strategies, always take time to develop customer accounts. Don’t lose sight of the customer’s experience nor your staff’s performance in the field.

Provide ongoing education. If you employ an experienced staff, implement a mentoring program that pairs new team members with successful, experienced colleagues. If you have a limited number of staff, use an outside facilitator to provide ongoing support to your team. This support can be in the form of periodic telephone meetings to answer questions, review materials, continue role-playing or further develop the growth strategy. This may also take the form of face-to-face, one-on-one time in the field with your business development staff and their customers.

## ***Measure & Reward***

It is important to build employee reward and recognition as a part of the organization’s new way of thinking. Human resources, training and organizational development departments should be involved in this part of the strategy. Performance standards and measurement systems, compensation and reward programs and staff development and training programs should be crafted to align the activities and results of staff involved in the customer’s experience with the organization. Many health systems have created “disconnects” by managing a clinical department according to productivity and cost management while rewarding the strategic, sales and marketing staff for generation of increased revenues and volumes.

Beyond the internal wins and the referral growth achieved by a growth strategy, customer retention should also be a focus of this initiative. With better service, the satisfaction level and word of mouth experience will be more positive. This can be achieved by creating team accountabilities for customer retention and growth. Although this is sometimes difficult to build in a measurable result, it supports the customer experience model.

## **The Bottom Line**

The reality of increased referrals and revenues while retaining a positive image requires the organization to be focused on customers' needs. It is time to focus on the core businesses and the customer. Successful organizations are building strategic plans to focus on acquisition, retention and growth strategies. Support that activity with a staff who can present a consistent message about your organization to whomever they are talking to, whether employers, physicians, consumers or payers. The development and implementation of a growth strategy that includes the staff in planning, implementation and skill development is one of the best ways to ensure that your organization's business development efforts result in increased market share and profitability.



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