



## The Promise of Strategic Planning and the Reality of Results

A Case Study of Organ Procurement Organizations

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This strategic planning case study covers a span of seven years and highlights outcomes from two organ procurement organizations. It was written to provide a brief summary of thought provoking discoveries experienced by two very different organizations. The organizations highlighted include Midwest Transplant Network in Westwood, Kansas and Life Alliance Organ Recovery Organization in Miami, Florida.

The promise of strategic planning is typically the trigger for developing a new strategic plan. Strategic planning is considered to be a key requirement for a well-run organization and business leaders are taught in business school and through professional development activities that a planning process addressing short and long term goals and objectives is the key to bottom line results. "Everyone knows" strategic planning is the right thing to do. What is not taught is how to implement and manage the process. The reality of typical results is almost always disappointing. It doesn't have to be that way.

Between 70% and 90% of strategic plans fail to deliver the outcomes intended from the development and execution of a strategic plan. The most common causes of failure include lack of a plan for execution, inconsistent alignment between the strategic plan and the work performed daily, insufficient resource planning, and the ever-present challenge of effective communication. In most organizations, fewer than 15% of employees can identify even a single strategic goal and do not understand how the work they do contributes to the strategic plan.

The two organizations featured in this study are in different stages of the strategic planning maturity process, however, the strategic planning development processes included similar stages:

- 1) *Stakeholders and Employees:* Identification of current satisfaction and engagement levels for all key stakeholders and employees. During these sessions, factors contributing to exceptional partnerships were identified and integrated into strategic planning efforts.
- 2) *Internal and External Analysis:* In-depth study was conducted to determine the state of the internal organization and the external environment. Common tools like SWOT, Environmental Analysis, and results outcome analysis were used. The difference with this process is that the information gathered in this step is not simply documented, it becomes one of the key inputs into the development of long and short-term goals and objectives.
- 3) *Development of Strategic Plan Elements:* For the long-term component, vision, mission, core values, goals, objectives and measures were developed. These will be the guiding principles of the plan for the next five years.
- 4) *Development of Tactical Plan Elements:* These provide focus areas for the organization each year of the plan. The tactical plan is translated into implementation plans providing timelines, resource allocation, and expected outcomes.
- 5) *Monitoring and Governance:* A disciplined process for leadership review is identified, ensuring the plan is monitored appropriately and providing meaningful opportunities to address unexpected challenges and to change priorities. Measurement outcomes are reviewed and the plan is adjusted as needed.

Both organizations are experiencing improved outcomes as a result of embarking on the development and deployment of best practice strategic planning approaches. In addition, both organizations have experienced positive outcomes that may not have been anticipated when beginning the process.

### Midwest Transplant Network

***Cultural Transformation, Organizational Learning and Knowledge Management:*** Embarking on the development of a robust strategic planning process is challenging. The initial process took about nine months and those involved would say that the challenges were beyond what they expected. Many organizations lack knowledge of truly best practice strategic planning approaches. These skills don't tend to be core competencies, so professional services provide important support to shorten the learning time and reduce the risk of missteps.

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During the first year, professional services were provided to establish the process and to lead the organization through each of the critical steps. It was frustrating for MTN and time consuming. There were times when their employees questioned the intensity of the work and some of the guidance provided, but they persevered. The second year was a bit less frustrating and they knew what to expect and they stayed true to the process. The planning process was smoother and took less time. Professional services were in place, but at a reduced level from the first year. In year three the organization started to fly on their own. Professional services facilitated the internal and external analysis, but MTN was able to do the majority of the strategy development on their own that year. They are currently in year six and are executing year one of their second five-year plan. Professional services assisted with stakeholder feedback and facilitation of the internal and external analysis, but MTN had clear control of the process. They adjusted the process to the best fit for their organization. They referenced the lessons learned along the way and adjusted approaches accordingly and the organization learned.

The strategic planning process built MTN's organizational learning and the capacity to conduct best practice strategic planning on their own. Below are some of the unanticipated outcomes identified:

- 1) **Cultural Transformation** was evident throughout the process. In the seven years, MTN has experienced significant growth in organizational outcomes and staff. MTN believes the growth could not have been managed as well without the strategic planning process.
- 2) **Knowledge management** was built through capacity building and through the process for capturing strategic planning outcomes and a high degree of inclusion of employees at all level.
- 3) **Resource management** approaches early in the process resulted in significant over-allocation of key personnel. Five years later they use a resource allocation process based on realistic allocation of organizational and employee capacity.
- 4) **Leadership governance** processes embraced the task of managing the plan in addition to typical topics like financial review and key priorities.
- 5) **Embedment** was achieved through fidelity to the process year over year and communication about the plan and outcomes.

### **Life Alliance Organ Recovery Agency (LAORA)**

**Stakeholder Engagement:** LAORA is in the tactical plan execution and governance phase. While still early in the strategic planning development process, they have already experienced improved outcomes and a stakeholder engagement level far above what was displayed prior.

Some unexpected things happened with their stakeholders starting with the initial announcements of the information gathering sessions. Each of the items below would be considered positive, all together they provide a view of a highly engaged set of stakeholders, which is an enviable position to be in. It is simply not typical to have stakeholders rabidly engaged from the beginning.

Here's the course of events:

- 1) LAORA announced their intent to complete a robust strategic planning process that would include opportunities for stakeholders to provide input. Within a week, there was a waiting list for several of the groups.
- 2) Some of the stakeholder groups are typically hard to get time with. Trauma surgeons, hospital executives, and other key hospital personnel are busy people, yet they showed up. Not only did they participate in the sessions, they came with content they specifically wanted to provide. They were prepared and they were passionate. They wanted to be part of the development of the future for LAORA. So we scheduled a full day session for them to be able to help prioritize the future strategies (at their request), and they showed up. These incredibly busy people took a day out of their schedule to be engaged.
- 3) LAORA shared the report developed as an outcome of the stakeholder sessions with all who attended and with key stakeholders, providing a level of transparency unexpected by those attending the sessions.
- 4) Offers increased immediately, within a couple of days of holding the stakeholder sessions. From organizations not previously active on a regular basis.

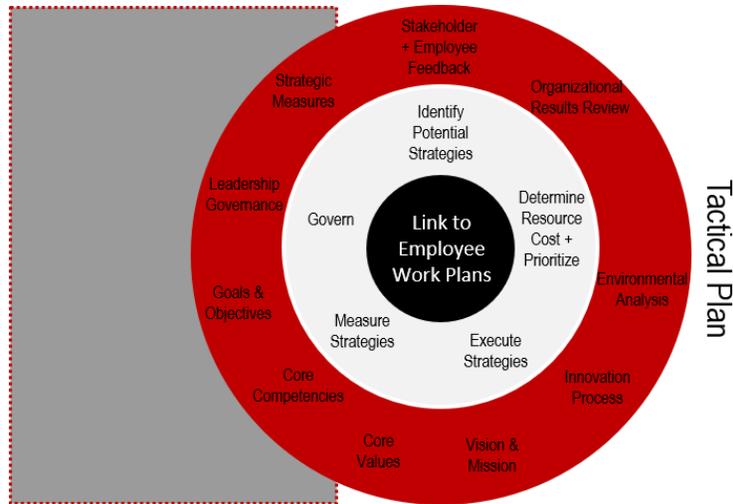
The act of simply embarking on the plan started the chain of reaction toward improved outcomes. Strategic plans are frequently criticized for the length of time to show result, LAORA's example shows results start happening immediately. LAORA is now in the second year of their planning efforts. The stakeholders are an integral part of the problem-solving process to facilitate tight alignment between the opportunities for improvement initially identified and the solutions implemented.

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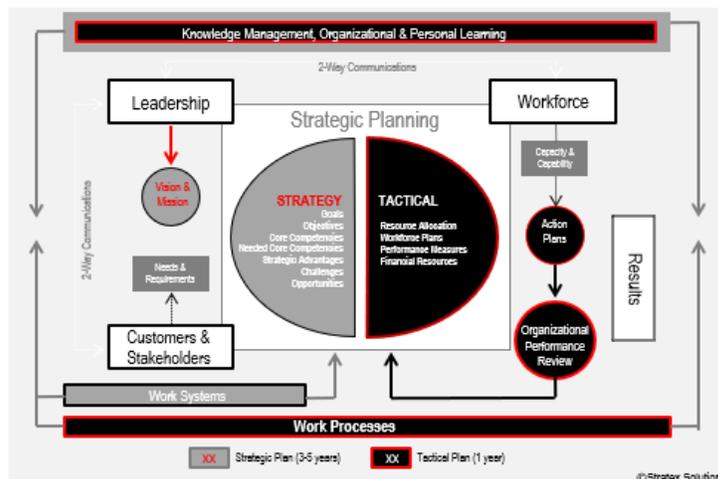
This case study highlights the experience of two organ procurement organizations adopting best practice strategic planning approaches. The path is not easy, and it takes fidelity to the process and a willingness to be wildly transparent. There is a reason why textbooks and organizational success course stress the importance of strategic planning, the outcomes can be a key differentiator between world class success and mediocrity. However, when not practiced with fidelity to best practices, the promise of results are frequently not met.

## Strategic Planning Process



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## Strategic Planning System



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