



# Creating a Dynamic and Useful Strategic Plan

*A Toolkit for Health Centers*



**CAPITAL LINK**



NATIONAL ASSOCIATION OF  
Community Health Centers

## ACKNOWLEDGEMENT

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### ***About Capital Link:***

Capital Link is a non-profit organization that has worked with hundreds of health centers and primary care associations for over 18 years to plan capital projects, finance growth, and identify ways to improve performance. We provide innovative consulting services and extensive technical assistance with the goal of supporting and expanding community-based health care. Additionally, Capital Link works in partnership with primary care associations, the National Association of Community Health Centers, and other entities interested in improving access to capital for health centers. For more information, [www.caplink.org](http://www.caplink.org).

### ***About the National Association of Community Health Centers:***

Federally Qualified Health Centers serve over 22 million people at more than 9,000 sites located throughout all 50 states and U.S. territories. Because health centers serve patients regardless of their abilities to pay, they depend on public financial support and need a unified voice and common source for research, information, training, and advocacy. To address these needs, the National Association of Community Health Centers (NACHC) organized in 1971. NACHC works with health centers and state-based primary care organizations to serve health centers in a variety of ways:

- Provide research-based advocacy for health centers and their clients.
- Educate the public about the mission and value of health centers.
- Train and provide technical assistance to health center staff and boards.
- Develop alliances with private partners and key stakeholders to foster the delivery of primary health care services to communities in need.

As a founding partner of Capital Link, NACHC appoints some of Capital Link's board members. The two organizations work closely together on issues related to health center capital development and economic impact.

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# INTRODUCTION

The health care industry is experiencing rapid change brought on by demographic shifts, economic influences, policy changes, and bureaucratic adjustments. These changes are especially significant for Federally Qualified Health Centers (FQHCs) because of their significant reliance on government programs for reimbursement. While always important, strategic planning has recently become an organizational imperative for health centers<sup>1</sup> as they seek to successfully navigate uncharted territory.

Strategic planning is an organization-wide effort to assess key influences, reinforce operating systems, establish objectives, and mobilize staff and other stakeholders to meet the challenges of a changing environment. The process begins with a health center examining and reaffirming its mission and purpose, which should remain at the forefront of planning to ensure alignment of decisions and actions with values and vision. The next steps provide health centers with a reliable pathway to future success by generating well-informed expectations, measurable organizational objectives, and definitive steps to attain those goals. The final steps focus on distilling the experience, values, ideas, and vision of your board, staff and stakeholders into the critical actions needed to manage strategically and, ultimately, sustain your efforts.

This toolkit is divided into five sections, representing each of the key strategic planning components. Each section contains the tools, information, and resources necessary to guide health centers through the strategic planning process in a series of linear steps. Although this toolkit is comprehensive and each tool fulfills a specific function, it's designed to be user-friendly. It isn't necessary to use all of the tools to complete an effective strategic plan, although we recommend using some tools from each section.



<sup>1</sup> In this document, unless otherwise noted, the term "health center" is used to refer to organizations that receive grants under the Health Center Program as authorized under section 330 of the Public Health Service Act, as amended (referred to as "grantees") and FQHC Look-Alike organizations, which meet all the Health Center Program requirements but do not receive Health Center Program grants.

# PART 1

## SELF-ASSESSMENT

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All strategic planning processes must begin with a thorough organizational appraisal. The self-assessment tools in this section will help a health center plan for its future by first reviewing what it does, how well it does it, and how prepared it is to meet upcoming challenges. These tools are designed to help the health center evaluate its strengths and weaknesses, physical and operational capacities, operational efficiency, financial performance, leadership and governance effectiveness, and readiness for growth and policy changes. Completing this step will give the health center an improved understanding of its current capabilities, which should be viewed with a critical eye since these findings will provide insight into improving your performance in the future. Keep in mind that quality improvement begins and ends with the board of directors and a good supporting staff. Quality improvement is an organizational philosophy that should be fully integrated into the fabric of the mission, vision and operation of your center. The information collected and documented during this appraisal is the basis for considering the potential financial and operational impacts related to implementing new goals in subsequent phases of the planning process.



*This section contains the following self-assessment tools:*

*Getting Started*

*Readiness Checklist*

*Defining Roles*

*Vision, Mission, and Values Review*

*History and Accomplishments*

*Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis*

*Leadership Assessment*

*Financial Capacity Review*

*Operational Readiness and Quality Assessment*

*Physical Space Assessment*

*Technology Assessment*

*Self-Assessment Summary*



## Getting Started

What should success look like at the completion of the planning process? What does your health center wish to achieve from the planning process? What issues or choices do you think need to be addressed during the planning process? Are there any non-negotiable items that need to be articulated upfront? This tool provides a starting point for the planning process and results in a clearer understanding of what lies ahead.

**How to Use:** Use this tool as an exercise to identify the main areas of concern and opportunity that need to be addressed throughout the strategic planning process. Documenting these areas upfront will help ensure that they don't get lost in the shuffle. Answer the following questions and make note of all important observations. Refer to this tool periodically as you move through the planning process.

**Who Should Use:** Leadership team and key Board leadership (CEO, CFO, CMO, Board Chair, and Board members designated by the chair – Board participation should be based on the expertise and potential contribution as well as on the size and complexity of your services and geographic reach.)

1. *Mission.* How well are we achieving our mission and how could we make a greater impact?
2. *Financial.* Are our operations financially viable? How can we ensure the long-term financial stability of our organization? Do we have effective financial management systems in place to monitor our finances? Do we have sufficient capital to sustain growth?
3. *Administrative Capacity.* Do we have the administrative capacity to effectively and efficiently support our programs and services? What would it take to maximize our organizational capabilities in terms of planning, human resources and leadership, organization culture and communication, and our technology and facilities infrastructure?
4. *Physical and Technological Capacity.* What are our current physical space requirements? What do we anticipate they will be in the future? What are our technology needs now and in the future?
5. *Governance.* How effective is the board at connecting us to our community and providing strategic leadership for our health center? How effective is the board at ensuring that charitable dollars are used effectively and efficiently, and that the organization is fulfilling its mission? What can we do to ensure that our board is able to fulfill its governance role now and for the future?



## Readiness Checklist

Is the staff ready? Is the board ready? Are resources available? Is the timeline developed? This quick checklist can help you avoid delays, obstacles, and false starts, which can reduce the staff’s confidence in the process.

**How to Use:** Use this tool before beginning the planning process. This checklist will help you ascertain how prepared you are to begin the planning process.

**Who Should Use:** CEO and Board Chair

| Are the following components in place for successful planning? |  | Yes | No | Unsure or N/A |
|--|--|-----|----|---------------|
| 1.   | Commitment, support, and involvement from top leadership   |     |    |               |
| 2.   | Clearly defined roles and expectations for all participants in the process, including who will provide input and who will be the decision makers   |     |    |               |
| 3.   | Willingness to gather information on strengths, weaknesses, opportunities, and threats; effectiveness of programs; community needs (current and future); and competitors and (potential) collaborators |     |    |               |
| 4.   | Appropriate planning committee mix: strategic thinkers and actionaries (those able to see things through to completion), and big-picture/conceptual thinkers and detail-oriented/perceptual thinkers   |     |    |               |
| 5.   | Willingness to be inclusive and encourage broad participation, so that people feel ownership of and are energized by the process   |     |    |               |
| 6.   | Commitment of resources (e.g., staff time, board time, dollars spent on market research, consultants, etc.)  |     |    |               |
| 7.   | Board and staff understands the purpose of planning and has clarity on the desired outcomes of the process and issues to be addressed  |     |    |               |



| <i>Are the following components in place for successful planning?</i> |  | <i>Yes</i> | <i>No</i> | <i>Unsure or N/A</i> |
|---|--|------------|-----------|----------------------|
| 8.  | Willingness to: question the status quo and look at new ways of doing things; ask the hard questions, face difficult choices, and make decisions that are best for the organization's current and future constituencies, and support organizational change as a result of the planning efforts |            |           |                      |
| 9.  | The financial capacity to sustain in the immediate future without a financial crisis to detract from strategic planning  |            |           |                      |
| 10.   | Top management's commitment to careful consideration of recommendations rather than disregarding decisions in favor of intuitive decision-making   |            |           |                      |
| 11.   | No serious conflict between organization's key players (although a healthy dose of disagreement and even heated discussion can be expected)  |            |           |                      |
| 12.   | No major decisions from external sources expected in the next six months   |            |           |                      |
| 13.   | No merger or other major partnership efforts (i.e., strategic restructuring negotiations) currently under way  |            |           |                      |
| 14.   | Board's and top management's willingness to articulate constraints and non-negotiable items upfront  |            |           |                      |
| 15.   | Commitment to: tie process to annual planning/budgeting; create detailed annual operating plan for upcoming year, and monitor/revise strategic plan as needed  |            |           |                      |
| 16.   | Commitment to allocating resources to support implementation of core strategies  |            |           |                      |





## Defining Roles

This tool identifies who will be leading and participating in the strategic planning process and defines their roles, considering the involvement of staff and board members as well as patients, policy makers, and other community stakeholders. Many will participate briefly, but the eventual outcome will have more value with diverse input.

***How to Use:** Identify strategic planning participants and assign tasks and responsibilities. First, consider the following preliminary questions. Then, based on your answers, fill out the “Who’s Who Worksheet” on the following page to identify the roles and responsibilities of specific individuals.*

***Who Should Use:** CEO and Board Chair should develop a proposed “who’s who” list for review by the board.*

### **Preliminary questions for discussion:**

1. Who makes what decisions?
  - a. Who will decide the strategic direction for the organization?
  - b. How much input will be sought from the board and the staff?
2. Should we use an existing committee, the whole board, or appoint a strategic planning committee for some or all of the work (including coordination, external stakeholder interviews, research, etc.)?
3. If using a strategic planning committee, which board and staff members should be on that committee (and should we include non-board members)?
4. Should we include patients in the process (beyond community board members) and if so, how?
5. Should we include policy makers in the process and if so, how?
6. What outside stakeholders can help inform the process?
7. Who will lead the process?
8. What process should we use to conduct strategic planning? (e.g., “Conduct data collection first and then have a retreat” or “Kick off the planning process with a board/staff retreat and then create issue-focused board/staff task forces to collect and analyze data and make recommendations to the board of directors,” etc.).
9. Should we use a consultant to facilitate the process and if so, how should we select the consultant? What should his/her responsibilities be?



Strategic Planning Process “Who’s Who” Worksheet

| Leadership and coordination |             |      |                      |
|-----------------------------|-------------|------|----------------------|
|                             | Name, Title | Role | Key responsibilities |
|                             |             |      |                      |
|                             |             |      |                      |
|                             |             |      |                      |
|                             |             |      |                      |
|                             |             |      |                      |
|                             |             |      |                      |

| Contributors       |  |  |  |
|--------------------|--|--|--|
| Self-Assessment    |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
| Environmental Scan |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
| Impact Evaluation  |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
| Establishing Goals |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
| Action Planning    |  |  |  |
|                    |  |  |  |
|                    |  |  |  |
|                    |  |  |  |



## Vision, Mission, and Values Review

Vision, mission, and values statements should articulate a health center's beliefs and values, and define its purpose, establishing the direction that guides every aspect of its daily operations. Vision and mission are closely related concepts that can easily be confused. To distinguish between the two, a **vision statement** typically expresses an organization's broader conviction about its work in the world, empowering those who embrace the mission of the organization to understand how it connects to "the bigger picture." It can be a single sentence or even just a few words. A **mission statement** articulates the particular focus of an organization's efforts, in service of its vision—and often describes who will benefit from its efforts.

Here are a few examples of vision and mission statements:

### *Cleveland Clinic*

Vision: Striving to be the world's leader in patient experience, clinical outcomes, research and education.

Mission: The mission of Cleveland Clinic is to provide better care of the sick, investigation into their problems, and further education of those who serve.

### *Health Resources and Services Administration (HRSA)*

Vision: Healthy Communities, Healthy People.

Mission: To improve health and achieve health equity through access to quality services, a skilled health workforce and innovative programs.

**Values statements** generally articulate an organization's core beliefs and the things it holds dear in carrying out its mission. Here's an example of a values statement:

### Statement of Values

Cleveland Clinic was established by visionary leaders who believed in simple, guiding principles. Six fundamental values form the foundation of the Cleveland Clinic's culture:

- **Quality.** We maintain the highest standards and achieve them by continually measuring and improving our outcomes.
- **Innovation.** We welcome change, encourage invention, and continually seek better, more efficient ways to achieve our goals.
- **Teamwork.** We collaborate and share knowledge to benefit patients and fellow caregivers for the advancement of our mission.
- **Service.** We strive to exceed our patients' and/or fellow caregivers' expectations for comfort and convenience.



- **Integrity.** We adhere to high moral principles and professional standards by a commitment to honesty, confidentiality, trust, respect, and transparency.
- **Compassion.** We demonstrate our commitment to world-class care by providing a caring and supportive environment for our patients, patients’ families, and fellow caregivers.

At the outset of any strategic planning process, health centers should review their current vision, mission, and values statements. Do any of them feel “not quite right” for representing who you are and what you believe now? Do any need “tweaking” to more clearly articulate who you are and what you believe? Are your priorities clearly expressed? Reviewing these statements in the light of the changing health care environment can often suggest revisions that will better align your internal and external expectations. If your health center doesn’t have vision or values statements, you may wish to create them by using this tool and the examples provided on the prior page.

***How to Use:** Review your vision, mission, and values statements and break them down into components, considering beliefs or concepts that may be missing but are important to include going forward. Then prioritize/rank each component by level of importance. It is also important to direct your mission into outcome-based initiatives. Refer back to this list during the planning process so you can allocate resources to accomplish all elements of your mission.*

***Who Should Use:** CEO, Board, and/or Strategic Planning Committee*

| Current vision   |                      |
|------------------|----------------------|
| Vision component | Rank and explanation |
|                  |                      |
|                  |                      |
|                  |                      |
|                  |                      |



| <i>Current mission statement</i> |                      |
|----------------------------------|----------------------|
| Mission component                | Rank and explanation |
|                                  |                      |
|                                  |                      |
|                                  |                      |
|                                  |                      |

| <i>Current values statement</i> |                      |
|---------------------------------|----------------------|
| Values component                | Rank and explanation |
|                                 |                      |
|                                 |                      |
|                                 |                      |
|                                 |                      |



## History and Accomplishments

This tool allows you to view your successes and key milestones over time, and identify lessons learned. Nothing launches a planning process better than reminding yourself how well you've overcome obstacles in the past.

**How to Use:** Summarize your organization's history and accomplishments in one-year, five-year, or 10-year increments, depending on your organization's age. Information collected can be presented at the outset of a strategic planning retreat or as a written report to be reviewed beforehand.

**Who Should Use:** CEO, with assistance from other staff as needed

| Timeline  |  | 19_ | 19_ | 19_ | 19_ | 20_ | 20_  | 20_ | 20_ | 20_ | 20_ | 20_ | 20_ |
|---|--|-----|-----|-----|-----|-----|--|-----|-----|-----|-----|-----|-----|
| List key internal organizational events and/or shifts in priorities (use the timeline to place events in chronological order) |  |     |     |     |     |     |  |     |     |     |     |     |     |
| List external events impacting the organization (use the timeline to place events in chronological order)                     |  |     |     |     |     |     |  |     |     |     |     |     |     |
| Lessons from history: Keys to stability and growth  |  |     |     |     |     |     | Lessons from history: Recurring themes that contribute to instability    |     |     |     |     |     |     |
| What have we accomplished since our last strategic planning process?  |  |     |     |     |     |     | What have we not accomplished since our last strategic planning process? |     |     |     |     |     |     |



## ***Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis***

This tool prompts you to define your organization’s primary strengths and weaknesses—the internal forces working for and against your organization. It also helps catalog your organization’s key opportunities and threats—the political, economic, social, technological, demographic, or legal trends that are or may impact your organization’s ability to achieve its mission. Your SWOT list will provide a basis for the Environmental Scan.

***How to Use:*** Consider the following questions and record your responses in the corresponding boxes on the following page. Use this tool as an exercise at (or in advance of) a strategic planning retreat.

***Who Should Use:*** CEO, Board, and/or Strategic Planning Committee

### ***Strengths***

- What advantages does your organization have?
- What do you do better than anyone else?
- What unique resources can you draw upon that others can’t?
- What do people in your market see as your strengths?
- What are the key factors that allow you to attract patients and staff?
- What are you “known for”?

### ***Weaknesses***

- What could you improve?
- What should you avoid?
- What are people in your market likely to see as weaknesses?
- What factors dissuade potential patients from coming to you?
- What factors contribute to difficulties in hiring appropriate staff?
- What about your health center most embarrasses you?

### ***Opportunities***

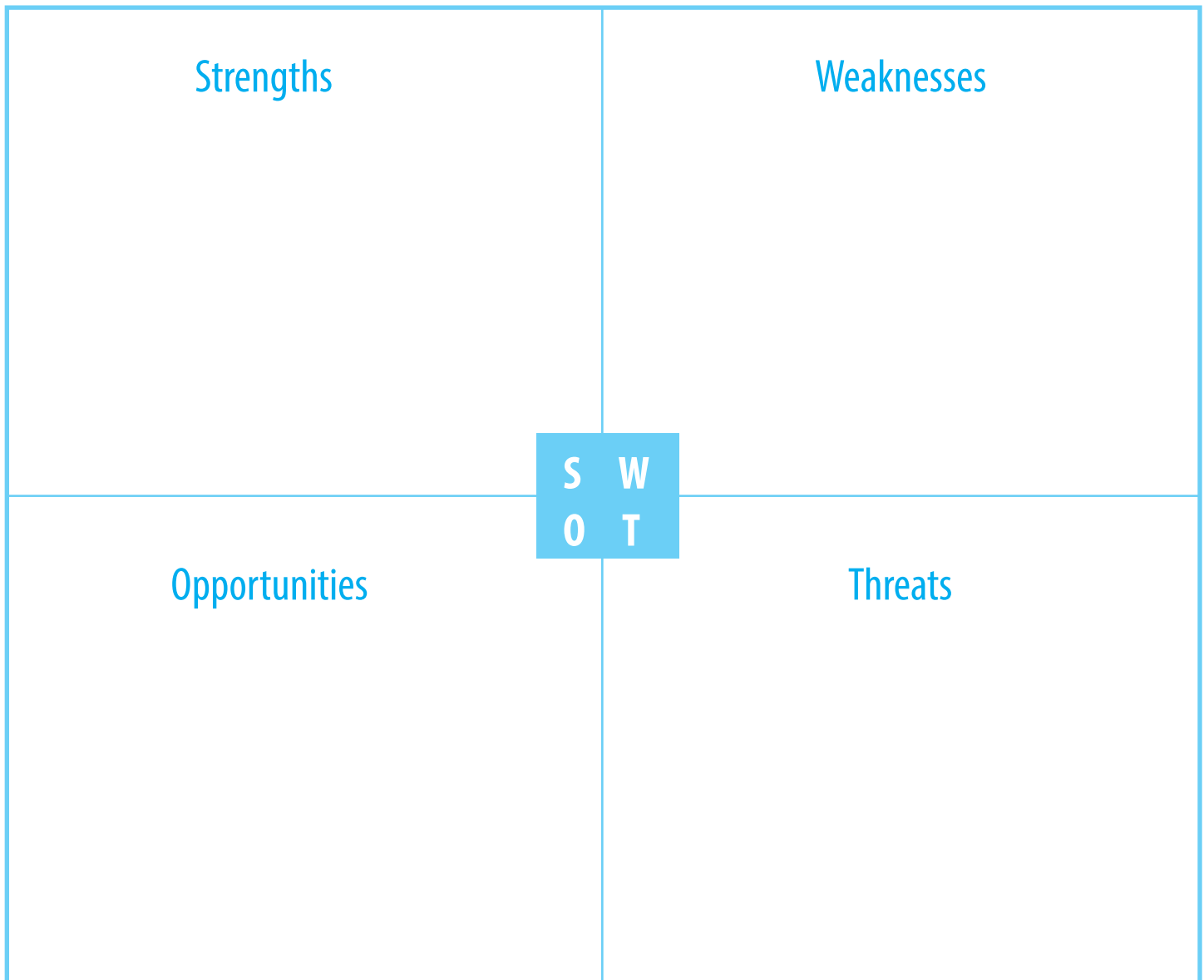
- What good opportunities can you spot?
- What interesting trends are you aware of?
- What changes in the state policy environment create opportunities for you?
- What changes in the federal policy environment create opportunities for you?
- What changes in technology can you harness on behalf of your patients?
- What demographic changes in your community will create opportunities?
- Are there opportunities for collaboration with others in your community that would benefit your patients and/or the health center?



Threats

- What obstacles do you face?
- What are your competitors doing?
- Are quality standards changing in ways that will be difficult for you to meet?
- Will changes in the state or national policy environment negatively affect you?
- Is changing technology threatening your position?
- Is your financial position weak?
- Could any of your weaknesses seriously threaten your sustainability?

SWOT Analysis







## Leadership Assessment

Health centers are experiencing dramatic operational and financial challenges, more so now than in any time in their history. For example, the decline in the number of working-aged adults coupled with growth in the number of elderly will generate unprecedented economic and social consequences for health care and the society at large. And the retirement of health center leaders, which is part of this trend, will affect each health center individually. These demographic transformations are unavoidable and inevitable. In response, each health center must ensure that its board of directors and senior administrative staff are prepared to successfully manage leadership transitions and consider the ways in which demographic changes will alter the delivery of health care. It is also important to recognize that sometimes leadership comes from unexpected places in an organization. Often there is a non-supervisory staff member who, by his or her experience or innovative ideas, serves as a leader in spite of being outside the “chain of command.” So, you should keep an open mind when assessing where and how leadership occurs in your organization.

**How to Use:** Use this tool to rate the leadership skills present in your health center. Keep in mind this is not a performance evaluation; it is an assessment of leadership skills and potential in the organization. This tool will help you to assess leadership strengths and weaknesses and what plans, if any, should be made for management succession at various levels in the organization.

**Who Should Use:** CEO and senior leadership team; Board leadership

| Leadership Metric   | Score |   |   |          |   |   |   |      |   |    |
|---|-------|---|---|----------|---|---|---|------|---|----|
|   | Low   |   |   | Moderate |   |   |   | High |   |    |
|   | 1     | 2 | 3 | 4        | 5 | 6 | 7 | 8    | 9 | 10 |
| 1. Competency: To what degree is leadership staff viewed by stakeholders, employees, and the public as being competent in their field and capable of leading the center to success?               | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 2. Knowledge of Industry “Landscape”: To what degree do leadership staff and the board have a current understanding of changes occurring in health care and the community health center industry? | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 3. Staff Education: How much emphasis does the center place on educating and training staff?  | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 4. Goal-setting and Accountability: Does your center discuss and establish annual goals for key areas of the health center’s operation? Is progress reviewed regularly?                           | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |



| Leadership Metric  | Score |   |   |          |   |   |   |      |   |    |
|--|-------|---|---|----------|---|---|---|------|---|----|
|  | Low   |   |   | Moderate |   |   |   | High |   |    |
|  | 1     | 2 | 3 | 4        | 5 | 6 | 7 | 8    | 9 | 10 |
| 5. Communication: To what degree are staff, board members, and other stakeholders informed about important issues facing the center?   | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 6. Measuring Outputs and Outcomes: To what extent does your center measure productivity? Are results benchmarked against budget, previous years, and peer groups to identify needed improvements?  | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 7. Creating an Inspiring Culture: To what degree are your board and staff inspired by your mission and eager to accomplish your goals?   | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 8. Initiative: Is your center identifying and seizing the opportunities presented by the rapid changes in health care? To what extent would you say your organization is anticipatory vs. reactive?  | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 9. Funding Success: The mission cannot be accomplished without satisfactory funding. How would you assess the performance of the organization's fundraising effort?  | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 10. Quality of Services: Health centers are called upon to deliver high quality, increased access, and lower costs. How do you assess your center's ability to maintain quality given these sometimes-conflicting mandates?  | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 11. Strategic Planning: Does your center prepare and update a strategic plan? Does your strategic planning process invite formal input from all staff? Board of Directors? Community stakeholders?   | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |
| 12. Succession Planning: Do you have a succession plan for your key staff and board positions? Is there a person in the organization that could serve as interim CEO should the need arise? Are you building a talent pool of individuals at your health center that could step in and fill key positions? If there is not a current staff member who could fill a vacancy, is there a plan for searching for a replacement? | ✓     | ✓ | ✓ | ✓        | ✓ | ✓ | ✓ | ✓    | ✓ | ✓  |



## ***Financial Capacity Review***

This tool provides an overview of a health center's financial strengths and weaknesses by comparing 15 important indicators against established targets and industry standards. Measures tracked include productivity, cost, staffing, and utilization since they greatly influence financial success and growth capacity.

***How to Use:*** *In the table on the following page, list your organization's data and compare to Capital Link targets,<sup>1</sup> your own targets, and peer results.<sup>2</sup> To the extent you are able to identify weaknesses in any area, consider how these may limit progress on strategic goals and how to address them going forward.*

***Who Should Use:*** *CFO, for presentation to the full Board*

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<sup>1</sup> Capital Link targets are based on detailed multi-year analyses of hundreds of national health center financial audits, and represent a range of performance results that typically accompany financial success.

<sup>2</sup> Capital Link periodically updates national medians for financial health indicators; check [www.caplink.org](http://www.caplink.org) for the most recent data available.



| PERFORMANCE SNAPSHOT<br>(Sample)    |  | Capital Link Target | Health Center Target | Current Year Health Center Results | 2016 National Median* |
|-------------------------------------|--|---------------------|----------------------|------------------------------------|-----------------------|
| FINANCIAL HEALTH                    |  |                     |                      |                                    |                       |
| 1                                   | Operating Margin                           | >1-3%               |                      |                                    | 4.2%                  |
| 2                                   | Bottom Line Margin                         | >3%                 |                      |                                    | 5.4%                  |
| 5                                   | Personnel-Related Expense as % of Revenues | <70-75%             |                      |                                    | 70.4%                 |
| 4                                   | Days in Net Patient Accounts Receivables   | <60 Days            |                      |                                    | 41                    |
| 3                                   | Days Cash on Hand                          | >30-45 Days         |                      |                                    | 64                    |
| PRODUCTIVITY & FINANCIAL OPERATIONS |  |                     |                      |                                    |                       |
| 6                                   | Physician Productivity (Visits)            |                     |                      |                                    | 2,844                 |
| 7                                   | Mid-Level Productivity (Visits)            |                     |                      |                                    | 2,416                 |
| 8                                   | Dental Provider Productivity (Visits)      |                     |                      |                                    | 1,825                 |
| 9                                   | Medical Provider Productivity (Patients)   |                     |                      |                                    | 876                   |
| 10                                  | Medical Team Productivity                  |                     |                      |                                    | 299                   |
| 11                                  | Cost per Visit                             |                     |                      |                                    | \$222                 |
| 12                                  | Cost per Patient                           |                     |                      |                                    | \$842                 |
| STAFFING & UTILIZATION              |  |                     |                      |                                    |                       |
| 13                                  | Medical Support Staff Ratio                |                     |                      |                                    | 1.9                   |
| 14                                  | Non-Clinical Staff Ratio                   |                     |                      |                                    | 36.7%                 |
| 15                                  | Visit Growth Rate                          |                     |                      |                                    | 6.8%                  |

\*Calculated by Capital Link with available financial audits and UDS data as of 3/12/18



## **Operational Readiness and Quality Assessment**

This tool contains a two-step process for reviewing both the effectiveness and quality of current operations as well as organizational readiness for change. First, it provides a range of questions to help you clarify your operational model. Second, it prompts you to complete a program evaluation to identify what's currently working well and the opportunities for program growth and improvements to continuity of care.

***How to Use:** Complete the questions below to create the framework for a program of services that considers your plans for growth and begins to define how that program can be provided with clarity and effectiveness in your community. Use this tool to generate discussion at a strategic planning retreat or assign this task to a work group of staff and board representatives to discuss and report findings to the full board at a retreat.*

***Who Should Use:** Clinical/operations leadership and/or a committee with intimate knowledge of operations*

### **Clarify Your Operational Model**

1. Who is your “community”? Does it include all residents of your geographic region or a targeted sub-group of residents? Or is the geographic region loosely defined? Will your definition of “community” need to change to accommodate growth?
2. What are the possible points of entry at your center? How does someone become a patient? Is this process consistent with your vision? If not, what impact does that have on your strategic plan?
3. How do your patients define the care they receive at your health center when talking with friends and family? How do your employees define their employer when talking with friends and family? Do your answers reflect a need to redefine your health center in order to support growth?
4. How are you doing with respect to quality measures and patient satisfaction? What are you doing well and what needs improvement?



5. How would you describe your daily patient flow patterns? As smooth as a quiet pond or as tumultuous as the changing ocean tide? Tailored to organizational objectives or patient requests? Do your answers suggest that changes in staffing, hours, facility, or services are needed?
  
6. How does your health center define the Integrated Patient Care Team? By multiple disciplines or multiple skill levels? Virtually united or physically collocated? Does this definition facilitate an organizational culture change to a Patient-Centered Medical Home model of care?

### *Complete a Program Evaluation*

1. Make copies of the program summary table on the following page, and complete one for each program and service your health center provides. Be specific!
  
2. Examine opportunities for new services that may be arising.
  - a. Are there providers who are retiring or leaving the area?
  
  - b. Has there been rapid growth of a population in your community that would specifically benefit from the integrated team approach of a community health center?
  
  - c. What are your referral patterns? Are there services you refer often enough that could be supported on-site? If so, what are they? Are there services for which your patients must consistently go out of the area to access? If so, what are they? Are there specific types of referrals with very poor follow-up rates, secondary to transportation or language barriers? If so, what are they?
  
  - d. What services are the community and/or your patient population frequently requesting?



**Program Summary Table**

|  |  |
|--|--|
| Name of program/department   |  |
| Program/department purpose   |  |
| Description of current scope and scale of activities                         |  |
| Current staffing levels  |  |
| Current budget   |  |
| Why did we start this program?   |  |
| Is our reason still relevant?  |  |
| How effective are we being (and how do we know)?                             |  |
| Do we cover our costs with this program?                                     |  |
| Are we meeting our patient satisfaction and quality goals with this program? |  |



## Physical Space Assessment

Every strategic plan must include thoughtful analysis of an organization's physical space. The impetus for this necessity comes from many sources. Does your center have enough space to accommodate current needs and future growth? Is your operating model likely to change, thus requiring a different space design? Will you be adding services that require specially-designed spaces? What is the condition of your current buildings? Do you lease space and wish to own?

***How to Use:** Answer the questions below to identify your potential physical space needs.*

***Who Should Use:** Leadership team, working in conjunction with the Strategic Planning Committee*

1. What is the age and physical condition of your existing buildings? Will any need to be renovated, replaced or expanded in the next five years?
2. Is your existing space sufficient to accommodate future growth? If not, what new or improved space will you need in the next five years?
3. Do your existing facilities help you attract patients, and recruit and retain providers?
4. Is your existing space configured in a manner that provides optimal productivity and enables potential operating model changes?
5. Are your current sites located appropriately to serve your market and provide you with a competitive advantage? Are there new markets you are considering that will require additional sites?
6. If you lease space, is this situation optimal for your needs or do you need to consider replacing the leases or buying/building space?
7. Do you have collaboration or co-location opportunities that will require additional space (e.g., pharmacy, other medical or behavioral health providers, schools, housing, commercial enterprises, etc.)
8. Do you have sufficient working capital and/or debt capacity to improve or expand your existing space?
9. Are you aware of the grants that are available to health centers for capital improvements?
10. Are you aware of low-cost financing tools such as New Markets Tax Credits, USDA financing, and special loan programs for health centers?
11. How do you prioritize the needs identified in this process?





## Technology Assessment

This tool serves as a basis for evaluating whether your health center's technological capability and capacity is sufficient to support your systems and processes, both now and in the future. It will also help you to identify your health center's technological strengths and shortcomings, and to prioritize investments.

**How to Use:** *Answer the questions below and consider the recommendations and notes in italics.*

**Who Should Use:** *Senior leadership with input from lead IT staff; shared with Board and/or Strategic Planning Committee*

1. Does your center have an inventory of software and systems and a policy regarding the renewal/replacement of IT systems? *IT staff and management should review inventory regularly, and report annually to senior leadership.*
2. What does your network infrastructure consist of? *If your center has a network diagram, it should be reviewed regularly with your IT staff. If not, your center should consider creating one.*
3. Are any of your computers running Windows XP? *If so, consider upgrading. Microsoft is no longer supporting operating systems older than Windows 7 so older systems are more vulnerable to viruses, attacks, and malware. Additionally, older systems will not support newer software.*
4. How often does your center update and review your backup and continuity plans? Is your important data backed up offsite? *Backup and continuity planning is essential to make sure your center is safe from data loss. Larger centers should conduct a review every three months, while smaller centers should do so every six months. Backup systems testing on a regular basis for both onsite and offsite systems, is recommended.*



5. What management reports do you review on a regular basis? What management reports would you like to review on a regular basis? *The purpose of this question is to initiate an open and ongoing discussion within your center to determine whether your ability to extract data from your systems is adequate.*
  
6. How is your IT function staffed? Is staffing currently adequate? What additional staff may be needed? If you outsource your IT function, are you being provided with the appropriate level of service? *Information Technology outsourcing is popular and is a great option for smaller centers. However, it's important to align your needs versus the services provided to ensure that what you are receiving is both adequate and cost effective. With a rapidly-changing technology environment, centers sometimes overlook the need to re-match their support with the centers goals, needs, and objectives.*
  
7. What does your center hope to accomplish with technology, now and in five years? *The most overlooked technology-related discussion is often: What do we need our systems to do? Regular conversations with leadership, staff, and patients helps ensure that your technology is effectively responding to your center's needs.*



## Self-Assessment Summary

This tool summarizes the most important insights regarding your health center’s capabilities, gleaned from information gathered during the self-assessment process. Compiling the key “take-aways” of this process in one place allows you to quickly scan the most important findings so you may consider them when developing your organizational goals and action steps. You should refer to this summary to help you identify and define important influences that will inform your impact inventory, discussed later in this toolkit.

**How to Use:** List all of the key findings from the self-assessment process below. Once complete, present this tool to the planning committee to gain consensus that the content accurately reflects the results of the self-assessment process. Refer back to this summary during the impact evaluation phase.

**Who Should Use:** Strategic Planning Committee

**Core Values:** Referring back to the Vision, Mission, and Values Review tool, list the most important principles of your health center. These are tenets that must be upheld during the planning process. Note if any area needs strengthening or improvement in order to allow the health center to reach its aspiration.

| Core Value | Notes |
|------------|-------|
|            |       |
|            |       |
|            |       |

**Core Competencies:** List the skills and capabilities that are critical to your success. Note specific strengths that should be leveraged or limitations/weaknesses that must be overcome.

| Competency | Strength | Limitation or Weakness |
|------------|----------|------------------------|
|            |          |                        |
|            |          |                        |
|            |          |                        |



**Key Opportunities:** Identify the most important opportunities for further exploration.

| Opportunity | Notes |
|-------------|-------|
|             |       |
|             |       |
|             |       |
|             |       |

**Key Threats:** Identify the most important threats that must be mitigated to achieve goals.

| Threat | Notes |
|--------|-------|
|        |       |
|        |       |
|        |       |

**Resource Evaluation:** Consider what resources the center has available to employ and what resources may be limited.

| Resource  | Strength | Limitation or Weakness |
|---|----------|------------------------|
| Financial: Equity, net margin, cash reserves, credit lines  |          |                        |
| Operational: Productivity, patient satisfaction, employee satisfaction, staff capacity                    |          |                        |
| Physical: Facility space, space utilization, equipment, technology  |          |                        |
| Human: Future skills needed; training needs; provider and skilled staff availability; leadership capacity |          |                        |
| Cultural: Capabilities to serve the cultural diversity of your service area                               |          |                        |
| Competitiveness: Location, programs and services, advantages, sustainability                              |          |                        |

## PART 2

### ENVIRONMENTAL SCAN

---

Most health centers are unable to devote time to regularly reviewing external influences that might affect their organization, leaving them dangerously vulnerable to changes in the industry. In times of rapid change, as we are experiencing now, success requires anticipation and preparation. The strategic planning process must include a concerted effort to identify and assess major external influences at all levels—local, state, and federal—so that health centers can achieve/maintain sustainability. While this process cannot predict the future, exploring the possible events, choices, policies, and issues that could affect your health center, no matter how inexact, is better than simply managing reactively.

The following tools are designed to help your health center examine marketplace demands, competition, technology trends, the economy, and government policy in order to create a catalog of possibilities to be utilized in the next step in the strategic planning process: the impact evaluation.



*The tools in this section include:*

*Issue Inventory*

*Issue Research*

*Web Search*

*Stakeholder Input*

*Market Assessment*

*Possibilities Inventory*



## Issue Inventory

This tool helps you identify and categorize the key issues that are likely to create conditions that could have significant consequences for your health center. The issues are divided by origin – federal, state, local, and unique to your health center.

**How to Use:** Solicit input from a variety of sources and enter the key issues according to origin in the worksheet below. Use this list to inform the Issue Research tool found on the following page.

**Who Should Use:** Staff, board members, state Primary Care Association (PCA), NACHC, and local stakeholders.

| Category  | Origin  |       |       |                                |
|---|---------|-------|-------|--------------------------------|
|   | Federal | State | Local | Specific to Your Health Center |
| Demographic trends (e.g. aging baby boomers and their impact; changes to racial/ethnic composition)             |         |       |       |                                |
| Health care policy (e.g. changes to Medicare and Medicaid)  |         |       |       |                                |
| Possible bureaucratic requirement modifications (reimbursement process, performance and reporting requirements) |         |       |       |                                |
| The economy   |         |       |       |                                |
| Local issues  |         |       |       |                                |
| Workforce issues  |         |       |       |                                |
| Physical space needs  |         |       |       |                                |
| Staff recruitment   |         |       |       |                                |
| Other   |         |       |       |                                |



## Issue Research

This tool provides a means for identifying the issues that require further research and assigning each issue to participating staff to investigate and record the findings. This process helps you begin to envision the future landscape in which you will operate and provides the basis for identifying impacts during the impact evaluation phase.

**How to Use:** *Make copies of the table below and complete one page for each key issue (as identified in the issue inventory).*

**Who Should Use:** *Assigned staff*

|  |
|--|
| Identified issue:  |
| Who will research:   |
| Possible outcomes:   |
| Possible negative implications:  |
| Possible positive implications:  |
| What will be affected and how (e.g., vision, mission, services, systems, structure)? |



## Web Search

An environmental scan is a thoughtful assessment of the issues that may confront your center in the near term. This tool allows health centers to collect information regarding issues and programs important to future operations from suggested websites. This information will be used to develop the possibilities inventory at the conclusion of the environmental scan section. Since these influences are in a constant state of change, periodic review is recommended.

***How to Use:** Search the internet for information on health care policy issues (both state and local), economic trends, workforce information, demographic issues for health care, and local issues that may affect the patients of your center. Record your findings using the worksheet on the following page.*

***Who Should Use:** CEO, Board Chair, and Strategic Planning Committee*

General categories of review should include the following:

1. National Health Policy: Identify potential changes that will impact your center such as Medicaid reform and possible impacts of the Affordable Care Act (ACA) legislation.
2. National and State Regulatory Requirements: Including Patient- Centered Medical Home requirements, participation in Accountable Care Organizations, the impact of payment system reform, and your state's policy on Medicaid reform and its likely impact on your health center.
3. Economic Assessment: Review what effects the changing economy will have on employment rates, interest rates and federal and state budgets.

## Suggested websites:

Resources, Tools, and Information on Health Centers:

- Capital Link: <http://www.caplink.org/>
- National Association of Community Health Centers: <http://www.nachc.com/healthreform.cfm>
- The Bureau of Primary Health Care: <http://www.bphc.hrsa.gov> and <http://bphc.hrsa.gov/technicalassistance/>
- U.S. Department of Health and Human Services: <http://www.ahrq.gov/health-care-information/index.html>

Health Care and Public Policy:

- Concord Coalition: <http://www.concordcoalition.org/>
- The Commonwealth Fund: <http://www.commonwealthfund.org/>
- Kaiser Family Foundation: <http://kff.org/>
- Citizen Source: <http://www.citizensource.com/>
- Pew Charitable Trusts: [http://www.pewtrusts.org/our\\_work\\_detail.aspx?id=988](http://www.pewtrusts.org/our_work_detail.aspx?id=988)





### Web Search Results

| <i>Issue</i> | <i>Source</i> | <i>Possible Consequences</i> |
|--------------|---------------|------------------------------|
|              |               |                              |
|              |               |                              |
|              |               |                              |
|              |               |                              |



## Stakeholder Input

This tool assists you in recording ideas, priorities, and recommendations from internal and external stakeholders, including patients, staff, government, other “safety net” providers, and those involved in the health system in general. What do they see as being the most problematic issues in the future? What impact do they expect from changes that lie ahead? How do others see your health center’s role in the community? The findings from this investigation will further inform the issues you’ve identified from your staff and board and the implications these issues may hold for the health center.

**How to Use:** *Using results from the issue research and the web search tools, solicit observations, thoughts, ideas, and recommendations from your stakeholders. Record your findings and how each stakeholder could assist in the strategic planning process and beyond.*

**Who to Use:** *CEO and Board Chair*

**Stakeholders to Contact:** *Elected officials, local hospitals, colleges and universities, major employers in your area/employer groups, local business organizations, major local charities or social groups, the school board, school and post-secondary institutions, municipal staff responsible for community development, planning board, the chamber of commerce, economic development organizations, local human resources groups, etc.*



| <b>Stakeholder</b>   | <b>Input</b><br>(Observations, thoughts, ideas,<br>and recommendations) | <b>Methods</b><br>(Interviews, surveys, retreats, in-depth<br>program evaluation worksheets, etc.) |
|--|---|--|
| <b>INTERNAL</b>  |   |  |
| Staff, for example: <ul style="list-style-type: none"><li>• All of the staff</li><li>• Management team</li><li>• Some staff (specific)</li><li>• Volunteer staff</li></ul> |   |  |
| Board of Directors   |   |  |
| <b>EXTERNAL</b>  |   |  |
| Patients, partners, allies, community  |   |  |
| Specific individuals to<br>be interviewed (e.g., key<br>community leaders)   |   |  |



## Market Assessment

Whether your health center is expanding to a new site or evaluating changes in its existing service area, a market assessment provides essential information to guide your organization's strategic direction. It is important to define your service area, determine health needs, and study the payer mix in order to estimate market share, competition, unmet needs, and growth opportunities.

***How to Use:** Use the resources below to collect and analyze demographic and health information by geographic location.*

***Who Should Use:** CEO, in coordination with senior staff*

### 1. Define Market Service Area

Using zip codes, a health center can focus on the general population or specific segments (e.g., children, women of childbearing age, etc.). Sources include:

- American FactFinder by the U.S. Census <http://factfinder2.census.gov>
- Fee-based sites such as DemographicsNow [www.DemographicsNow.com](http://www.DemographicsNow.com)

### 2. Determine Health Needs

State and county health departments are usually the most up-to-date source for accurate health indicators, such as immunization and mortality rates. The following resources also provide similar health indicators for all states:

- County Health Rankings <http://www.countyhealthrankings.org/>
- Community Health Status Indicators [www.cdc.gov/CommunityHealth](http://www.cdc.gov/CommunityHealth)
- HealthLandscape [www.healthlandscape.org](http://www.healthlandscape.org)

### 3. Assess Population Size by Payer Mix in Health Center Service Area

It is important to understand the potential payer mix in your service area and to understand which of the currently uninsured might enroll in Medicaid or the health insurance exchange. The following resources provide payer mix information.

- Medicaid: Enrollment data is available through the state offices of Medicaid
- Medicare: Enrollment by county at <http://www.cms.hhs.gov/MedicareEnrpts/>
- Uninsured: US Census <https://www.census.gov/did/www/sahie/data>
- Exchange-eligible: Uninsurance Explorer Tool [www.udsmapper.org](http://www.udsmapper.org)



#### **4. Estimate Market Share**

Compare your health center's patient base to overall service area market size by payer to estimate its market share. For example, if there are 4,000 Medicaid enrollees in your service area and your health center has 800 Medicaid patients, your market share is 20%. Lower market share suggests greater market potential, while any market share of the Medicaid population that is over 60% merits a close analysis of other Medicaid providers as described below.

#### **5. Review Competition/Similar Providers**

Understanding the market environment in which your health center operates includes an analysis of similar providers. The UDS Mapper ([www.udsmapper.org](http://www.udsmapper.org)) provides detailed market data on the federally funded health centers and Look-Alikes providing care down to the zip code level. However, analysis should not stop there. Below are a few resources to help identify other providers in your area who are accepting Medicaid and the uninsured:

- State Medicaid websites often share phone numbers of providers (e.g. family practitioners, OBGYN, and pediatricians) that are accepting new Medicaid patients.
- For rural areas, market data on service site locations can be found via the Centers for Medicare and Medicaid (CMS) website (<https://www.cms.gov/center/rural.asp>). Note that rural health clinics and critical access hospitals are often the greatest source of primary care, although these entities are not required to serve the uninsured.

#### **6. Estimate Unmet Need/Strategic Program Opportunities**

This final step pulls the market information together and establishes the foundation for programmatic decision-making. Planners should answer the following questions:

- Based on the demographic data, health indicators, and insurance mix, what is the unmet need of the population segments?
- How should the health center address those opportunities via program changes/expansions/refocus?



## Possibilities Inventory

This tool helps you create a detailed summary of the issues and implications that may affect your health center, derived from previous tools in the environmental scan process. The potential impacts may be related to financial, economic, workforce, bureaucratic, mission, patients, or community possibilities and could be both positive and negative. You should refer to these summary notes to help you identify and define important influences that should be addressed in the impact inventory, discussed later in this toolkit.

**How to Use:** For each issue identified in previous tools, record the potential negative or positive impacts on the worksheet below, noting that many issues will have entries in both categories. Estimate when each issue may become actionable so you can plan your response.

**Who Should Use:** CEO or assigned staff member

| <b>Possibility</b> | <b>Potential negative impacts</b> | <b>Potential positive impacts</b> | <b>Timing</b><br>(When is this issue most likely to become actionable?) |
|--------------------|-----------------------------------|-----------------------------------|---|
|                    |                                   |                                   |   |
|                    |                                   |                                   |   |
|                    |                                   |                                   |   |
|                    |                                   |                                   |   |

## PART 3

### IMPACT EVALUATION

---

The tools in this section help you determine the likely consequences that the opportunities and vulnerabilities previously identified in the self-assessment and the environmental scan would have on your health center's operations. The goal of the impact evaluation is to create a probability-weighted list of effects in order to identify and, to the degree possible, quantify any operational and financial exposure. These tools also create a foundation for developing specific goals and prioritizing the elements of the action plan. You should begin by laying the self-assessment summary and the possibilities inventory side by side and use them to inform the impact inventory. This process provides the continuity and depth of understanding derived from your previous work that is essential to defining impacts.

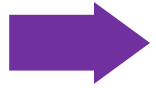


#### *Tools Include:*

*Impact Inventory*

*Impact Assessment*

*Impact Catalog*



## Impact Inventory

This tool will help you determine the potential impact that each possibility, previously identified in the possibilities inventory in the environmental scan section, will have on your health center operationally, financially, and clinically.

**How to Use:** For each possibility identified in the possibilities inventory, record its potential impact on programs, structures, and operating systems. Use one page for each possibility.

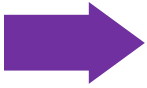
**Who Should Use:** CEO or Board Chair in coordination with senior staff

|             |
|-------------|
| Possibility |
|-------------|

| Program impacted | Implication (cost, revenue, staff, space, other) |
|------------------|--|
|                  |  |
|                  |  |

| Structures and systems Impacted | Implication (cost, staff, capacity, expertise, other) |
|---------------------------------|---|
|                                 |   |
|                                 |   |





## Impact Assessment

This tool helps determine the priority to place on each identified possibility and potential impact from the impact inventory, based on its probability and importance to the organization. Though this is not an exact estimation, this process will help develop and prioritize the goals and elements of the action plan.

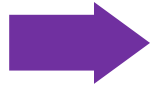
**How to Use:** List the possibilities and each of its associated potential impacts, both positive and negative. Next indicate the importance and probability of each impact, to determine its level of priority for planning and/or action steps.

**Who Should Use:** CEO or Board Chair in coordination with senior staff

Use the following matrix for determining priority level:

|                    |  |
|--------------------|--|
| Priority Level 1 = | Probability: Very likely or likely; Importance to the organization: High   |
| Priority Level 2 = | Probability: Very likely or likely; Importance to the organization: Medium |
| Priority Level 3 = | Probability: Unlikely; Importance to the organization: High or medium      |
| Priority Level 4 = | Probability: Very likely or likely; Importance to the organization: Low    |
| Priority Level 5 = | Probability: Unlikely; Importance to the organization: Low                 |

| Possibility | Impact scenario | Probability<br>(very likely, likely, unlikely) | Importance<br>(high, medium, low) | Priority level |
|-------------|-----------------|--|-----------------------------------|----------------|
|             |                 |  |                                   |                |
|             |                 |  |                                   |                |
|             |                 |  |                                   |                |
|             |                 |  |                                   |                |
|             |                 |  |                                   |                |
|             |                 |  |                                   |                |
|             |                 |  |                                   |                |



## Impact Catalog

This tool allows you to create a catalog of the most important identified possibilities, their various impacts on programs and systems, and your initial thoughts on potential action steps that should be taken. The impact catalog serves as the basis for the goal setting and action planning phases of your strategic plan.

**How to Use:** List your highest priority possibilities (including at least priorities 1–3 as listed in the impact assessment). Add specific proposed action steps required under the various scenarios to produce desired outcomes.

**Who Should Use:** CEO and Board Chair in coordination with senior staff

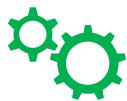
| High priority possibility<br>(from impact assessment) | Program impacts | Structure and systems impact | Potential action steps |
|---|-----------------|------------------------------|------------------------|
|   | 1.<br>2.<br>3.  | 1.<br>2.<br>3.               | 1.<br>2.<br>3.         |
|   |                 |                              |                        |
|   |                 |                              |                        |
|   |                 |                              |                        |

## PART 4

# STRATEGIC GOALS AND OBJECTIVES

---

The tools in this section help planners focus on the most important priorities by determining the handful of core accomplishments necessary to achieve the organization's mission and vision. Mechanisms for developing more specific objectives, which enable the accomplishment of organizational goals, are also discussed. These tools facilitate the implementation of effective action plans.



### *Tools Included:*

*Establishing Strategic Goals*

*Establishing Objectives Related to Strategic Goals*



## Establishing Strategic Goals

Strategic goals are statements of the organization’s planned achievements based on its analysis and understanding of the market needs and opportunities (environmental scan), its own strengths and capabilities (self-assessment) and the possible futures it envisions for itself (impact evaluation). They should reflect and support the organization’s vision and mission and be long-term (3–5 years) in nature. An example of a strategic goal and its success measurement is included in the chart below.

**How to Use:** *Brainstorm key organizational challenges and opportunities (internal and external) and determine a maximum of five strategic goals on which to focus. Discuss and document how the team will measure success for each item.*

**Who Should Use:** *CEO in coordination with senior staff and Strategic Planning Committee*

| <b>Strategic goal</b><br>(Operational, program, financial, community, other)                                  | <b>Measurement of success</b><br>(What constitutes a successful outcome?)                             |
|---|---|
| Example:<br>Goal #1: Become the primary care provider of choice for the low-income community of Anytown, USA. | Achieve 50% market penetration for populations below 200% of FPL in our primary service area by 20XX. |
| 1.  |   |
| 2.  |   |
|   |   |
|   |   |
|   |   |



## Establishing Objectives Related to Strategic Goals

Objectives are generally smaller goals that contribute to the achievement of the larger, strategic ones. They are more specific and time-defined and are sometimes referred to as “enabling goals,” since completing them is necessary for overall success. Many organizations update their objectives regularly as part of the annual planning and budget process, which helps tie the strategic plan to operational and financial performance in a tangible way.

Objectives should meet “SMART” criteria as follows: they must be Specific, Measurable, Attainable, Realistic, and Time-Defined. They must also be supportive of one or more defined strategic goals. An example of several objectives that relate to a strategic goal is included in the chart below.

**How to Use:** *As part of a brainstorming session to identify objectives that would support the achievement of your goals, use the table below to record the specific objectives you will pursue, as they relate to your organizational goals. Note that you will likely have multiple objectives related to each goal. Review the SMART criteria shown in the accompanying graphic to make sure each objective includes all components of the criteria.*

**Who Should Use:** *CEO, in coordination with senior staff and Strategic Planning Committee.*

| <p><b>Strategic goal</b><br/>(from establishing strategic goal tool)<br/>(Operational, program, financial, community, other)</p> | <p><b>Objectives</b></p>   |
|--|--|
| <p>Example:<br/>Goal #1: Become the primary care provider of choice for the low-income community of Anytown, USA.</p>            | <p>Increase patient population below 200% of FPL from 10,000 in 2015 to 12,000 by 2016.<br/>Increase positive responses to anonymous patient exit questionnaire by 5% each quarter to achieve 90% by 2016.</p> |
| <p>2.</p>  |  |
| <p>3.</p>  |  |
|  |  |
|  |  |



| <b>SMART Goals Criteria</b> |   |
|-----------------------------|---|
| <b>S</b>                    | <b>Specific</b><br>What am I going to do? Why is this important to do at this time? What do I want to ultimately accomplish? How am I going to do it? |
| <b>M</b>                    | <b>Measurable</b><br>How will I know that I have reached my goals?  |
| <b>A</b>                    | <b>Attainable</b><br>Can I see myself achieving this goal? Can I break it down into manageable pieces?  |
| <b>R</b>                    | <b>Realistic</b><br>Is the goal too difficult to reach? Too easy?   |
| <b>T</b>                    | <b>Timely</b><br>What is my target date for reaching my goals?  |

## PART 5

### ACTION PLAN

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This final set of tools is designed to help guide you through the process of authoring a plan of action. Measuring capability (self-assessment), possibilities (environmental scan), likely consequences (impact evaluation), and organizational goals and objectives (establishing strategic goals) provide the knowledge necessary to assemble a plan of action.

There are two components of the action plan:

1. **Immediate Action Plan:** Identifies actions that should be taken now to accomplish specific objectives toward your goals while minimizing the occurrence of negative possibilities and maximizing the occurrence of positive possibilities.
2. **Contingent Action Plan:** Outlines what steps the health center will take if and when one of the high-priority future possibilities occurs.

The combination of these two plans provides the most effective means of targeting specific actions in the near term, while being ready to move ahead expeditiously with contingent actions if/when certain triggers occur.



#### *Action Plan tools include:*

*Back to the Future*

*Immediate Action Plan*

*Contingent Action Plan*

*Community Action Resource*

*Sustaining Action Summary*

*Reaffirm Your Vision, Mission, and Values*



## Back to the Future

This tool helps you review the successful negotiation of past obstacles to develop an action plan for solving anticipated future problems. Planners analyze a problem that existed for the health center sometime in the past and document how it was resolved, including what strategy was used, who was involved, what resources were needed, and what programmatic, system or policy changes were required. It’s also productive to analyze strategies that failed. Planners can use the insights gained by the review process to focus on the possible problems identified in the impact evaluation. This process provides planners with important insight to define what resources, processes and efforts must be addressed in each component of the action plan.

**How to Use:** Use this form to prompt dialog and record the outcomes of the discussion on past obstacles and how they were resolved.

**Who Should Use:** Senior staff and CEO during brainstorming session

| Past problem description | What strategy succeeded or failed? What obstacles were faced? | What resources were needed to succeed:<br>Who: internally/ externally<br>What did they do?<br>When? Sequence of events | What did success or failure look like? |
|--------------------------|---|--|--|
|                          |   |  |  |
|                          |   |  |  |
|                          |   |  |  |





| Current or future problem description | Based on experience what is your best strategy to resolve this problem? What obstacle will be faced? What would success look like? | What resources will need to be empowered?<br>Who: internally/ externally.<br>What do they need to do?<br>When will they need to do it? | What will success or failure look like? |
|---------------------------------------|--|--|---|
|                                       |  |  |   |
|                                       |  |  |   |
|                                       |  |  |   |
|                                       |  |  |   |



## Immediate Action Plan

This tool creates the heart of the strategic plan. It helps planners develop specific action steps to achieve each of the health center’s goals and related objectives and identifies a staff member responsible for its successful implementation. Completion of this tool will also identify the resources needed (human, financial, community, public policy, bureaucratic) to accomplish the defined goals.

**How to Use:** For each strategic goal and its related objective(s) identified in the planning process, complete the table below. Identify the specific action steps that can be taken immediately and assign a staff member who will be responsible for taking the identified action, noting any resources that will be needed and the time frame in which it should be accomplished. (Make a note of action steps that can be taken only when certain triggers have been activated; these should be included in the contingent action plan.) Note that you may have multiple action steps related to each objective.

**Who Should Use:** CEO and assigned staff

### Goal (from Establishing Strategic Goals Tool):

| Objectives (from establishing objectives tool) | Action steps   | Who is responsible | Needed resources | Time frame |
|--|----------------|--------------------|------------------|------------|
| Objective 1                                    | 1.<br>2.<br>3. |                    |                  |            |
| Objective 2                                    |                |                    |                  |            |
| Objective 3                                    |                |                    |                  |            |
| Objective 4                                    |                |                    |                  |            |



## Contingent Action Plan

This tool focuses on identifying action steps that cannot be initiated immediately. These are actions that you deem advisable only if certain triggers occur. This contingent plan of action identifies possible occurrences that would impact the health center but have not yet happened. Like the immediate action plan, it identifies the goal, objective, action step, designated leader, and strategy. It also includes a trigger point, which is the occurrence that would cause the health center to initiate its action steps.

**How to Use:** Review the impact catalog for possibilities that are not yet actionable (and are therefore not addressed in your immediate action plan). Using the chart below, develop action steps that you will undertake for these high priority possibilities, if certain triggers occur. See example on the following chart.

**Who Should Use:** CEO, Senior leadership and Strategic Planning Committee

### Strategic Goal#1 (from Establishing Strategic Goals Tool)

Example: Become the primary care provider of choice for the low-income community of Anytown, USA.

| Objective<br>(from establishing objectives tool)   | High priority possibility (from impact catalog) | Action step     | Designated leader | Strategy  | Trigger point  |
|--|---|-----------------|-------------------|---|--|
| Increase patient population <200% FPL by 2,000 ... | HRSA Expanded Services grant opportunity        | Apply for grant | XYZ               | Add integrated behavioral health services at Main Street site | Begin preparation once CEO deems high likelihood of grant cycle—based on information from NACHC, HRSA statements, etc. |
|  |   |                 |                   |   |  |
|  |   |                 |                   |   |  |
|  |   |                 |                   |   |  |



## Community Action Resource

This tool identifies what community resources may be activated to assist with implementing both the immediate action plan and the contingent action plan. Completing this tool allows you to see the scope of community resources available and how they can be helpful to you.

**How to Use:** Using your stakeholder input gleaned during the environmental scan phase and the high-priority possibilities identified in the impact catalog, consider how stakeholders can help you address positive and negative impacts. Populate this table with your ideas. See example included in the table below.

**Who Should Use:** CEO and leadership team, in conjunction with Strategic Planning Committee

### Community Action Resource Worksheet

| Strategic goal (from establishing strategic goal tool)                                   | Objective (from establishing objectives tool)      | High-priority possibility (from impact catalog) | Action step (from immediate or contingent action plan) | Community person or organization | What do we ask of them?   | Who will make contact? |
|--|--|---|--|----------------------------------|---|------------------------|
| Become the primary care provider of choice for the low-income community of Anytown, USA. | Increase patient population <200% FPL by 2,000 ... | HRSA Expanded Services grant opportunity        | Apply for grant  | Mayor of Anytown, USA            | Expedited zoning approval for expansion of existing site<br>Letter of support for application | CEO                    |
|  |  |   |  |                                  |   |                        |
|  |  |   |  |                                  |   |                        |



## Sustaining Action Summary

This final tool is a format for summarizing the overall action plan. This is an “at-a-glance” listing of goals, objectives and action steps in abbreviated form that specifies the leader, resources needed/secured, other stakeholders/collaborators and the timing or trigger for action. The completed summary represents the roadmap for your activities going forth, and in essence becomes your strategic plan. Rather than a daunting, cumbersome narrative that is placed on the shelf and seldom, if ever, accessed, your plan consists of a concise document (with lots of background materials) that you can refer to daily, weekly and monthly to see that you are progressing to achieve your goals.

**How to Use:** List your goals, objectives and action steps along with the other information delineated in the following table. Maintain and update this list frequently.

**Who Should Use:** CEO, senior staff and Board.

| Goal | Objective | Action step | Lead | Resources needed/secured | Stakeholders/collaborators | Timing/trigger |
|------|-----------|-------------|------|--------------------------|----------------------------|----------------|
|      |           |             |      |                          |                            |                |
|      |           |             |      |                          |                            |                |
|      |           |             |      |                          |                            |                |
|      |           |             |      |                          |                            |                |



## **Reaffirm Your Vision, Mission, and Values**

Your vision, mission and values should clearly reflect your health center's aspirations, core purpose and beliefs. Upon completion of the strategic planning process it is essential that you test your planning results against these important statements to assure they clearly portray the ideas and concepts you have honed and developed through the planning process.

***How to Use:** This step simply calls for you to retrieve and review the vision, mission and values review tool that you completed in the self-assessment process. Refine and update these statements as necessary.*

***Who Should Use:** CEO and Strategic Planning Committee, for reaffirmation and approval of any changes or amendments by the Board.*

**Vision:** Revisit your vision statement using the tool provided in the self-assessment section of the toolkit. Does it reflect your current aspirations for your work? If not, update it so it does.

**Mission:** Review your mission statement to confirm that you have represented your purpose and intent in clear and concise terms. Update as needed.

**Values:** Review your values. Is anything missing? Have your priorities changed? Update as needed.