



Strategic Planning: Formulating Strategies

The March/April 2004 “Strategic Planning Column” described the foundation that must be built before you can formulate strategies for your cancer program. This month’s column will discuss strategy formation. There are 4 important considerations to remember when formulating strategies:

- First, strategies must respond to key planning issues. Strategies are the defined mechanism for an organization to interact in its environment and move from its current position on a particular issue to the future desired position (solution to resolve the issue). Based on the strategic assessment (foundation described in the previous column), determine the general strategic direction for the program. At this state in the planning process, the strategic direction for the program will either be
 - Formulative (eg, only midcourse corrections and identification of new opportunities for growth are required for the program), or
 - Fundamental (eg, the issues facing the program are so severe that a significantly and drastically different direction is required for the program to remain viable in the future).
- Second, a strategic plan should identify a limited and manageable number (eg, 3–6) of *core* strategies that will contribute to the cancer program’s future success and growth. These strategies will provide solutions to resolve those issues that currently prevent the program’s growth or threaten its future success and viability.
- Third, additional strategies may come into play to *support* achieving the core strategies. Although the support strategies may be important to cancer program and hospital leadership to formulate and achieve, they cannot be allowed to become a distraction from achieving the core and essential strategies that are required for program success.

Most cancer programs, unless they are faced with unusual circumstances, will require strategies that address the following topics:

- Hospital/cancer program physician business relationships (eg, joint venture and/or ease of practice strategies [for time spent by physicians in the hospital]).
- Services, technologies, facilities, and capacities.
- Quality position, disease management process, and the cost and quality relationship in the program.
- Market strategies (eg, channel distribution) to determine future program and physician practice sites.
- Marketing strategies to differentiate and promote the program.
- The program’s role and relationship with networks that exist in the market and any potential cancer program affiliation.
- Cancer disease-specific referral strategies.
- Cancer program organizational and business structure.
- The program’s role in clinical research.

For those readers who currently manage or are actively involved in cancer program management, you can use this article as a self-evaluation tool to determine the relative strengths and weaknesses of your cancer program strategic plan. Review your plan against the essential strategic plan elements described in this article and use the assessment mechanism illustrated.

Assessment key to analyze essential strategic plan elements.



= The element is contained or addressed in our strategic plan.



= The element is partially contained or addressed in our strategic plan.



= The element is not contained or addressed in our strategic plan.

Establishing the foundation to formulate strategies and then formulating strategies that are supported by hospital and cancer program physicians is a significant accomplishment in ensuring future cancer program success. In retrospect for many organizations, this is the easier part of the planning process. Designing and executing the implementation requirements typically present challenges for organ-

izations. Strategic plan implementation will be the subject of the July/August 2004 “Strategic Planning Column.”

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