



JOURNEY INTO HIGH PERFORMANCE DOMAINS: How Boards, Physicians and Executive Leaders can Master Nine Habits for Strategy Execution

Series: Part 2 of 3

THIS SERIES FOCUSES ON:

- WHAT ARE “STRATEGIC VISIONING CHARRETTS” AND “SCENARIO BASED PLANS”
- WHY DO THEY YIELD SUPERIOR RESULTS?
- HOW CAN THEY BE USED IN VARIOUS PUBLIC AND PRIVATE ORGANIZATIONAL SETTINGS?

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FUTURE MAPPING: The Art and Science of Strategic Visioning for Business Planning (Habits 1-5)

Future Mapping: The Leader’s Value-Add

The vitality of every career and every organization is all about mapping and navigating a journey from the present into an uncertain future. Mastering our personal and organizational well being, therefore, benefits from our capacity to understand the future (where we are likely to go) and our ability to guide our careers and organizations into a desired future.

How can we do this in the most cost effective way? High performance organizations find it useful to approach the challenge of “Future Mapping” by exploring answers to the four classic questions of strategy development.

- Where are we today? (Situation Analysis)
- Where should we be going tomorrow? (Goal Formulation)
- How shall we get there? (Resource Allocation Decision-Making, MBO with budgeting)
- Are we getting there yet? (Performance Monitoring and Contingency Plans)

The process of posing and answering these questions is best done by a group walking through some virtual scenarios of alternate futures. This is called “visioning”. There are five critical habits and related tools for board, clinical and executive leaders to use in their Future Mapping or “visioning”.

- Habit 1: Build Performance Culture Compacts
- Habit 2: Use SWAT Teams (Strategic Wisdom Action & Tactics)
- Habit 3: Do Scenario Framing
- Habit 4: Rely on Strategic Visioning Charrettes
- Habit 5: Conduct Situation Assessments

Habit 1: Performance Culture Compacts

Leaders help create high performance organizations by fostering a culture in which colleagues and “Followers” understand what they are to do, and how they might do it – a culture in which barriers to do it are removed by their leaders; and resources they need to accomplish their work are readily available. Unfortunately the most essential resources needed to excel are not typically under our direct control, but come from folks in other revenue or cost centers. To clarify these inter-dependencies, high performing cultures are using “Performance Compacts” to clarify and guide the scores of exchanges among operating units needed for high workforce productivity and satisfaction.

A “Performance Compact” is a simple but powerful tool with which people or departments define key promises they agree to make to other colleagues or operating units, in return for reciprocal service or support promises made to them. These mutual promises are often signed and posted in common work or waiting areas to remind and celebrate their recognition of mutual inter-dependency.¹

Habit 2: SWAT Teams (Strategic Wisdom Actions & Tactics)

The essential operating unit for high performance organizations are “self-directed teams” or workgroups composed of an eclectic collection of front line and senior managers, as

well as inter-disciplinary and inter-departmental participants. These stakeholders (employees, vendors, customers, even regulators) are invited and empowered to participate in a process of problem or opportunity definition, and then the development of strategies or investment projects to accomplish important performance metrics they have helped define. Called “Strategic Wisdom Action & Tactics” Teams, they are asked to recommend sensible strategies, workplans and budgets that they would be prepared to help implement, and which have a high probability to yield big results and early wins.

Habit 3: Scenario Framing

To thrive today, high performance organizations describe or “frame” for tomorrow the future context or operating environment in which they expect they will face and remove challenges and pursue opportunities. The “Masters of Future Mapping” must become comfortable with two tools:

- Building scenarios, and
- Strategic visioning within these scenarios.

There is usually a hierarchy of future scenarios or alternate future contexts that frame where we will seek our business success:

- Macro – Societal or National level scenarios
- Meso – Industry or Market level scenarios

- Micro – Organizational or Personal level scenarios

These alternate futures are a product of the interplay of multiple factors; some which can frustrate your success, and some which facilitate your success. The trick is to quickly envision the top priority factors that could frustrate success, and then remove them. And also to identify the top priority factors that facilitate success and cultivate or nurture them!

Where do we find the stimulation and raw materials to do this envisioning? Where can we go, or to whom can we turn for help to identify the most important factors (+ or -)?

Yes, you can turn outside the organization to consultants, think tanks, and research departments for help, but often you can find faster and smarter sources within your internal circle of colleagues and frontline workers.

Successful companies require a workplace culture that fosters engaged and committed employees. The largest single factor that makes or breaks employee engagement and top performance is to have excellent front line managers who walk the talk of listening and supporting workers to achieve stretch goals of productivity and customer service.

First Break All The Rules, p. 40

Scenario based planning is in vogue and involves a series of considerations. The goal of the process is to define and prioritize key trends in each of seven dimensions of the future. (See Exhibit 2) This can be accomplished in three scans:

- Google key words in each of the **seven** dimensions of:
 - Demographics
 - Technology
 - Economy
 - Political Regulatory
 - Consumer Psychographics
 - Competitor Moves
 - Sources of Money
- Scan the web sites of large consulting firms, think tanks and futurist organizations or trade associations in your industry for their views on “Environmental Scans” of trends in your industry or market
- Conduct polling by phone interviews, executive roundtables or web surveys of industry thought-leaders

Array the results of these scans in a scenario framing matrix as illustrated in Exhibit 2, and then consider the following ideas to fill in the matrix with insights and implications for alternate future situations.

Eclectic Team: Assemble and engage a diverse collection of frontline staff, senior and middle managers (even customers and vendors) to have two types of conversations about the

results of scenario scanning exercise displayed in the seven Trend Clusters of Exhibit 2. Conversation 1: What is the probability and importance of each trend in the seven context dimensions, and Conversation 2: What are the implications (at least one positive and one negative) for each of the trends on your operations and strategic moves?

Diverse Readings: Encourage your SWAT teams to do readings of future business, consumer, technology, and economic trends within and outside your industry. This enriches their capability to consider new challenges and opportunities in your strategic thinking process.

Metaphors and Analogies: Have your SWAT teams explore alternate strategies borrowed from other industries that parallel attributes of your industry. For example, hospitals can learn customer service from hotels, banks and cruise ships; and safety processes from high risk nuclear power plants and aircraft carriers.

Outside In Thinking: Support SWAT teams to think like consumers and competitors, and define alternate future strategies for alternate future scenarios by thinking what they would expect from us; i.e. define our internal strategies from the outside in.

The Q Factor: Great performance comes from teams that ask probing questions. The “Q Factor” is the art and science of asking strategic



questions about actions that can best build on your strengths, overcome your weaknesses, position you to take advantage of opportunities and guard against your threats. Ask questions that can not be answered with yes or no, such as: How might we...?, Why can't we...? What actions could we take that would convert our big fears and threats into big dreams and opportunities?

As you review insights about how you expect to look and behave in each scenario, consider via another round of brainstorming, what you should do, and what you should avoid (i.e., quickly build your lists of “Do’s” and “Taboo’s”).

You must speculate about the future before you map it, and before you journey into it. The strategy map helps guide you from where you are to where you'd like to be.

The path you chose to move through the minefield of alternate scenarios in pursuit of various opportunities will be your roadmap into a desired future.

Exhibit 2: Scenario Framing Matrix: *Place clusters of trends and the implications in each cell*

Context Dimensions	Worst Case	Likely Case	Best Case
Demographics			
Technology			
Economy			
Political-Regulatory			
Consumer Psychographics			
Competitor Moves			
Sources of Money			

Habit 4: Strategic Visioning

Great organizations periodically arrange for their SWAT teams to develop a bold vision after walking through and contemplating the consequences of alternate scenarios. Joel Barker even encourages teams to use his “Implications Wheel” to consider implications of each consequence.²



A Vision is a clear and provocative statement of your desired future state, i.e., how you want to look and behave in a description of the context or environment in which you or your organization’s future work might reasonably be expected to unfold. We must envision what the future might look like, then contemplate or envision how we would need to behave to

achieve an optimal level of success in such a future context.

A new tool for visioning is the adaptation of the architects’ and urban planners’ “Visioning

Charrette”.³ The Charrette is an intensive group planning process that can extend from one to four days. The group of board, managers, physicians, frontline staff, consumers, vendors and policymakers work intensively in small and large teams to explore alternate strategic moves in alternate future scenarios. The compression of this iterative process of thinking, planning and re-planning; brainstorming actions and reactions; and playing-out the likely consequences of various strategic moves is like chess, military maneuvers or NASA’s simulation of various options and issues.

Exhibit 3 provides a summary framework of how high performing organizations can employ a ten step approach to Future Mapping as a fresh approach to their strategic business planning. Have a conversation with

SOURCES CITED IN THIS ARTICLE:

¹ See e.g., Neal C. Johnson, Deputy Executive Director, Center for Public Trusteeship and Governance Association of Governing Boards of Universities and Colleges, Public Higher Education Performance and Accountability, 2004
² See e.g., Barker <http://www.strategicexploration.com/i-wheel/index.htm>
³ See <http://www.charretteinstitute.org/>
⁴ Source: James A. Rice, Ph.D., FACHE, jim.rice@IHStrategies.com

Exhibit 3: Summary of Future Mapping⁴

Ask your SWAT Teams to define:

Future Mapping Components Modules	Description	Do's: What facilitates work of this component? <i>(embrace and enhance these)</i>	Taboo's: What frustrates work of this component? <i>(avoid or remove these)</i>
1. Scenarios	Definition of alternate possible futures for market and organization		
2. Vision	Desired future state of how you want to look and behave in a future scenario		
3. Gap Analysis: Vision vs. Scenario - Situation Analysis A	Defines gaps or disconnects between your vision and expected future scenario		
4. Readiness and Capability Assessment - Situation Analysis B	Defines your ability to take advantage of opportunities or minimize consequences of threats		
5. Strategic Road Map (Balanced Score Card)	Defined set of strategies and resource allocations to move from current situation to desired vision (Classic strategy and financial plan)		
6. Contingency Plan(s)	Pre-planned, midcourse corrective actions for undesired variation of actual vs. planned activities		
7. Obstacle Removal via Aikido Action Planning	Team defined actions to remove obstacles and constraints to the execution of strategic roadmap		
8. People on the Bus	Assure people with right competencies are committed to execute the strategies		
9. Drive the Bus	Execute strategy while monitoring progress to plan		
10. Celebrate the Progress	Nurture a performance culture that relies more on carrots than sticks for success		
REPEAT THE PROCESS			

your board or executive team about how you would refine and use this process to move you into a high performance domain.

Habit 5: Situation Assessment

Successful organizations build their strategies for strong future performance upon a candid analysis of their “Readiness to Execute”. They quickly define and act on their evaluation of current strengths, weaknesses, opportunities and threats within the scenario you have judged your most likely context for future performance.

The classic “SWOT Analysis” is still a smart and efficient tool to stimulate stakeholder engagement; generate

sensible insights into your competitive capabilities for excellent customer service and economic vitality; and helps to build an appreciation for action among those you need to help implement your strategies. An important feature of such a situation assessment is a “Gap Analysis” that identifies the difference between the preferred performance in a future scenario, and your current performance in your current reality. Worksheets to help you through this assessment can be downloaded from the Integrated Healthcare Strategies website at www.IHStrategies.com.



The previous/remaining articles of this series describe these habits and offer practical insights into their use.

Part 1 of the series is entitled: “Exploring the Domain of High Performance: Mastering Nine Habits for Peak Performance” teaches how to remove barriers to high performance using Aikido Action Planning and introduces the nine habits.

Part 3 is entitled: “Aligning and Rewarding a Passion for Performance” and it explores the last four habits of high performance organizations.

Questions and comments on this series can be directed to Jim Rice at jim.rice@IHStrategies.com.

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