

## Board's Role in the Strategic Planning Process

*What is the appropriate role of a hospital or health system governing board in the strategic planning process? It's somewhere between the extremes of developing plans by itself and leaving them totally to management.*

*This checklist poses questions about whether your board is following recommended practices for strategic planning.*

## Best Board Practices Checklist

### Mission, Vision and Strategic Direction

1. Does the board approve and periodically review the system's mission statement?
2. Is the mission statement a clear, succinct expression of the organization's core purpose?
3. Does the board approve and participate in developing a vision statement?
4. Is the vision statement a clear, succinct expression of the organization's desired future state? Does it provide "creative tension" between the present and a better future? Is the vision inspiring and empowering?
5. Does the board approve and participate in developing a set of strategic initiatives designed to move toward the vision?
6. Do the strategic initiatives focus on the "vital few" that are most critical for success? Do they have timelines? Are they measurable? Does management have a process for assigning responsibility and tracking performance?
7. Can all board members articulate the organization's mission, vision, strategic directions and position in the marketplace?

### Strategic Planning Inputs

8. Does strategic planning include periodic, in-depth assessment of community needs and changing market and payment conditions?
9. Are physician leaders actively involved in strategic planning? Has the organization developed an effective mechanism, such as a Clinical Leadership Council or a Physicians Advisory Council, for engaging and communicating with both the elected medical staff leaders and the most active physicians, who may not be the same?
10. Is there a medical staff development plan to match community needs with future medical resources?
11. Does strategic planning incorporate an understanding of changes in medical and information technology?
12. Does strategic planning fully engage the multiple perspectives and creative juices of the board, physician leaders and management? Does the organization apply such techniques as discovery-driven decision-making and scenario-based planning?

### Using the Strategic Plan

13. Does the board maintain a broad, policy-oriented, strategic focus in its work, and stay out of operations?
14. Is the strategic plan integrated with the master facility plan and long-range capital financing plan? Does it have a realistic plan—through operating margins, investments, debt, equity participation and fund-raising—to finance its strategic goals?

15. Has the organization developed and implemented an effective method for tracking strategic progress across the organization?
16. Does the board ask the CEO to give a “state of the union” address and articulate his or her vision at least annually?
17. Does the board devote at least a half day a year to a substantive review and updating of the strategic plan?
18. Has the board organized itself effectively for its strategic planning responsibilities, though either a strategic planning committee or a committee-of- the-whole model?
19. Does the board devote significant time to education and substantive discussion of important strategic issues?
20. Has the board established a clear set of criteria for evaluating proposals for major, new or expanded programs and services?
21. Has the board incorporated achievement of strategic goals into the executive compensation program?

