

# STRATEGIC THINKING AND PLANNING

## TOPICS

The Power of  
Innovation

Design Thinking for  
Better Governance

Strategies to Infuse  
Innovation into Your  
Strategic Planning  
Process

This section builds on the work of [Section 13](#), as well as [Health Systems in Action](#)<sup>1</sup> and work by the [Mayo Clinic's Center for Innovation](#)<sup>2</sup> to define practical ways for your governing body to conduct its annual strategic business planning. It also examines the value of “design thinking”<sup>3</sup> as a means to build innovation into your plans for success.

## THE CHALLENGE

*The District Medical Officer has asked you to develop and manage a 90-day process of strategic thinking and planning for new ways to engage youth in family planning and reproductive health services. Who would you invite into the process and how would the process generate a sense of ownership and enthusiasm among the planning participants, school, and community groups to implement the plans once defined?*

In [Section 13](#) we see that one of the most important contributions a governing body can make to a health services organization is to help you, as leaders of the organization, to think strategically and

1. Management Sciences for Health (MSH), *Health Systems in Action: An eHandbook for Leaders and Managers* (Medford, MA: MSH, 2010). Available at: [http://www.msh.org/sites/msh.org/files/ehandbook\\_2014\\_final\\_29aug14.pdf](http://www.msh.org/sites/msh.org/files/ehandbook_2014_final_29aug14.pdf)
2. Mayo Clinic, “Center for Innovation” (Rochester, MN: Mayo Foundation for Medical Education and Research, 2015). Available at: <http://www.mayo.edu/center-for-innovation>
3. For more on design thinking, see Tim Brown, “Design Thinking,” *Harvard Business Review*, 2008. Available at: <https://hbr.org/2008/06/design-thinking>

creatively about the future, including: (1) the future of the health care needs of the people your organization serves; (2) the future staffing, medicines, and technologies needed to serve your target populations; (3) the future design of integrated service delivery systems; (4) the future sources of financing for your type of organization; and (5) the ways in which you will be held accountable for the organization's work, its costs, and its results.

Governing body members should not wait for the future to be defined by forces out of their control. Be proactive and work with managers and health workers to use new ways to envision the future. Be innovative when engaging with your many internal and external stakeholders to build and implement a strategic roadmap for your journey to accomplish the desired future. To master the processes for such planning, successful governing bodies will need new perspectives and processes that weave together the best experiences of innovation and design thinking. To master your many governance challenges, old planning tools will not be enough.

## THE POWER OF INNOVATION

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Innovation is defining new ways to address old challenges—new ways that your health workers actually understand and implement in a manner that gets sustained results. For example, after scores of planning sessions in many different countries and settings, a series of videos is now available that address how governing bodies might champion process improvements in their own organizations to prevent maternal deaths.<sup>4</sup>

Can health sector governing bodies that are not expert in health services be innovative in their strategic thinking and planning? Yes. In fact, some may be significantly better in using innovative ways of planning health services, because they offer a new way to look at the challenges of your health organization. Farmers, bankers, businesspeople, and religious leaders can bring fresh thinking to your governance decision-making practices. A simple process, for example, is for your governing body to apply the classic [Challenge Model](#)<sup>5</sup> to your governance work. You define your ideal vision of how the governing body would look and behave in the future, identify obstacles or challenges to achieving this vision of a well-functioning governing body, pinpoint the causes of these obstacles and how to remove them, and explore new ways to accelerate not only overcoming the challenges but also improving the quality of your governance work.

All members of your governing body can practice creative thinking to help you achieve smarter planning for your health service programming. Let's examine how the [Kaiser Health System](#) in California looks at innovation.<sup>6</sup>

4. US Agency for International Development (USAID), Ending Preventable Child and Maternal Deaths. Washington, DC: USAID, 2014. Video series. Available at: [http://video.search.yahoo.com/yhs/search;\\_ylt=A0LEVjLGjgRVSE8Af4MPxQt;\\_ylu=X3oDMTB0N25ndmVnBHNIYwNzYwRjb2xvA2JmMQR2dGlkA1lIUzAwNF8x?p=uganda+ending+preventable+maternal+deaths&hspart=iry&hsimp=yhs-fullyhosted\\_003](http://video.search.yahoo.com/yhs/search;_ylt=A0LEVjLGjgRVSE8Af4MPxQt;_ylu=X3oDMTB0N25ndmVnBHNIYwNzYwRjb2xvA2JmMQR2dGlkA1lIUzAwNF8x?p=uganda+ending+preventable+maternal+deaths&hspart=iry&hsimp=yhs-fullyhosted_003)
5. Management Sciences for Health (MSH), *Managers Who Lead: A Handbook for Improving Health Services*. (Medford, MA: MSH, 2005), pp. 23-24. Available at: <http://www.msh.org/sites/msh.org/files/mwl-2008-edition.pdf>
6. Kaiser Permanente, Garfield Innovation Center, "How Can YOU Transform Health Care?" (San Leandro, CA: Kaiser Permanente, 2012). Available at: <https://xnet.kp.org/innovationcenter/index.html>

Kaiser Permanente leaders create a culture in which decision-makers have permission to ask bold questions, challenge ineffective ways of doing things, and create organizational and physical spaces to experiment—even fail.<sup>7</sup> They continuously explore ways to invite diverse people, patients, vendors, and citizens into their processes of problem definition and problem solving.

The [Mayo Clinic's Center for Innovation](#) also supports diverse teams of people with very different backgrounds, skills, and attitudes to work together to find new and better ways for health care service delivery with new health products, facilities, and processes. Their collaboration across many internal and external stakeholders is the key to success.<sup>8</sup>

Most innovators credit their success to their willingness to listen to the ideas and experiences of others without rushing to judgments such as, “It won’t work because it wasn’t invented here,” or “It might embarrass us that what we were doing was wrong.” This risk-taking involves both a willingness to be vulnerable to the views of others and an invitation for others, especially the beneficiaries and users of your services, to join you for problem defining and problem solving. Developing ideas together can help improve the way you make governing decisions.

## DESIGN THINKING FOR BETTER GOVERNANCE

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Your work as a governing body is focused on making the process of group decision-making effective. Just as the Mayo Clinic’s Center for Innovation uses diverse teams of people in and outside health care to improve clinical decision-making processes for better health care and health gain, this process of “design thinking”<sup>9</sup> can be used to improve governance decision-making processes.

If you outline the types of decision-making processes you have in your governing body, you can step back, invite in some new people who might think and see things differently, and explore sensible ways to try new approaches.<sup>10</sup> Any group decision-making process has the following elements, all of which require two essential ingredients: (1) engagement of diverse stakeholders with different experiences and attitudes, and open minds to listen to others; and (2) accurate, timely, trusted, and honest information.

- **State the problem:** The first and most important of five steps in this decision-making model is to identify the problem, challenge, or opportunity. Until you have a clear understanding of the problem or decision to be made, it is pointless to proceed. If the problem is stated incorrectly or unclearly, then your decisions will be wrong.

7. Anjali Sastry and Kara Penn, *Fail Better: Design Smart Mistakes and Succeed Sooner* (Cambridge, MA: Harvard Business Review Press, 2014).

8. Mayo Clinic, Center for Innovation, “Collaborations” (Rochester, MN: Mayo Foundation for Medical Education and Research, 2015). <http://www.mayo.edu/center-for-innovation/what-we-do/collaborations>

9. For videos on Mayo Clinic’s Center for Innovation process, see the “Yale Video Series” (New Haven, CT: Yale School of Management, 2013). Available at: <http://www.mayo.edu/center-for-innovation/what-we-do/history-of-the-center-for-innovation/yale-video-series>

10. Alan Chapman, “SWOT analysis.” (Leicester, England: Businessballs, 2015). Sample tools for decision-making and group analyses are available at: <http://www.businessballs.com/swotanalysisfreemtemplate.htm>

- **Identify alternatives:** Sometimes your only alternatives are to do something or not do it. Most of the time, however, you will have several feasible alternatives. It is worth researching your options to ensure you have as many good alternatives as possible.
- **Evaluate the alternatives:** This is where the analysis begins. You must have some logical approach to rank the alternatives. Two such logical approaches are discussed at [Sample SWOT Analysis](#).<sup>11</sup> It is important to realize that these analysis methods are only some of many.
- **Make a decision:** Once you have evaluated your alternatives, there may be two or more high-ranked alternatives that are very close in their evaluations. Eliminate all of the alternatives that were low ranked. Now, go back and examine the assumptions you made to refine your evaluation criteria for the close high-ranked alternatives. Do you still feel comfortable with the inputs you made? When you have eliminated the alternatives that do not make logical sense, it is time to let your intuition and subconscious work. Review all the details of the remaining high-ranked close alternatives, so they are completely clear in your mind. Then leave the project alone for a few days. When you return to it, the decision will likely be clear. This works only if you have done your homework!
- **Implement your decision:** A decision has no value unless you implement it. If you are not an effective implementer, then find someone who is. Support the success of the implementation through follow-up.

Areas in your governing work that could benefit from this simple improvement process may include how you:

- organize the time and topics for your regular meetings;
- incorporate information that is more accurate, timely, and easy to understand and use into your board meetings;
- invite beneficiaries into subgroups of the governing body to help you carry out planning and program evaluations;
- define community health needs;
- recruit and retain health workers;
- improve working conditions for your health workers;
- earn the respect of politicians in order to mobilize more resources to accomplish your mission.

**How might your governing body discuss the application of these techniques in your setting? Who could you invite from your region or from other industries to help you learn more about innovation and process improvement?**

11. Dee Reavis, "Business Analysis Made Easy" [website], Sample SWOT Analysis. <http://www.business-analysis-made-easy.com/Sample-SWOT-Analysis.html>

## STRATEGIES TO INFUSE INNOVATION INTO YOUR STRATEGIC PLANNING PROCESS

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### The Value of Scenarios

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A valuable, innovative tool is to have teams of stakeholders develop and use alternative scenarios<sup>12</sup> in planning. A scenario is a reasonable picture of how your situation or performance might look and behave in the future (usually 3 to 10 years in the future, but it could be 12 to 36 months). A scenario allows you the freedom to journey in your imagination into these alternative futures without the risk or loss of time spent actually making the trip.

Scenario-based process improvement planning can follow this five-step process:

**Step 1. Invite a very diverse set of stakeholders** who vary by age (youth and elders), sex (the number of women should at least equal the number of men), ethnicity, religion, education, training experience, and work background. Give them permission to explore new ways to evaluate the strengths and weaknesses of, the opportunities for, and the threats to your health services and/or the way you do your governing work.

**Step 2. Encourage and support them to develop alternative scenarios** about your future governing work, using at least three types of scenarios.

**Best case:** A picture or story that is the best view, one in which, amazingly, everything you need for success is in place;

**Worst case:** A story or set of assumptions in which most all factors and resources for your success either do not happen or are only partially evident;

**Likely case:** A situation or picture that falls somewhere in the middle of the other two scenarios.

**Step 3. Ask them to identify what they consider to be the advantages and disadvantages** of each scenario for your organization or governance work (making sure at least one positive and one negative implication are identified and debated) and to recommend a reasonable path or strategy to journey into each scenario that maximizes the advantages and minimizes the negatives.

**Step 4. Ask each group/team to then answer the following question for each reasonable option:** “If we were to implement this action, change, or strategy, what would be the implications for our quality, staff morale, financial position, political situation, and ability to implement it in a timely manner?”

**Step 5. Make your final decision** on how best to improve your organization, service, or governing process based on the consensus reached after weighing all of the considerations.

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12. The Organisation for Economic Co-operation and Development (OECD) defines scenarios in “WHAT Are Scenarios?” (Paris: OECD, no date). Available at: <http://www.oecd.org/site/schoolingfortomorrowknowledgebase/futurestinking/scenarios/whatarescenarios.htm>

Where do you think this process might best be used in your situation?  
How would you refine or improve the process?

## Developing and Using an Innovation Lab

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Some organizations don't wait for problems to start exploring new ways into future domains of high performance. They have some fun by inviting diverse groups into an "Innovation Lab" or a "Design Studio" to explore new ideas that have the potential to make the organization or governing body stronger. Just like good musicians or athletes who are not content with their current level of performance, they are willing to continuously look for fresh ideas and pathways.

The Mayo Clinic Center for Innovation calls one of its creative spaces [The Garage](#),<sup>13</sup> as if entrepreneurs were setting up a new business in their garage. An innovation lab or studio can be as simple as a room, tent, or grove of trees over which you have placed a sign. "Innovation Lab" participants enter to converse about how to improve the work and results. It is a safe space in which to dream, plan, and experiment. It is like a greenhouse in which new ideas can be allowed to grow, take root, and begin to flourish before being planted in the challenging realities of your underwatered, undernourished, and underfertilized field.

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13. Mayo Clinic, "Virtual Tour" [video] (Rochester, MN: Mayo Foundation for Medical Education and Research, 2015). Available at: <http://www.mayo.edu/center-for-innovation/>