

CASE STUDY

for health care providers worldwide

How Hywel Dda Hardwired Flexibility into Strategic Planning

Four steps one Welsh health system took to modernize their planning approach

Published – February 2021 • 15-min read



Table of contents

Overview	pg. 03
Approach	pg. 04
Step 1: Audit your previous strategic priorities with an eye for redundancy	pg. 05
Step 2: Introduce a narrative in which flexibility is part of strategic planning	pg. 06
Step 3: Split goal setting and feasibility assessment into two functions	pg. 09
Step 4: Empower non-execs to carry out new objectives	pg.
Results	pg. 13
Supporting artifact	pg. 14
Related content	pg. 15

Overview

The challenge

Covid-19 made strategic planning and decision-making difficult because the disease was new, health systems had little information about it, and executives needed to make decisions quickly and prioritize those decisions rigorously. After adopting “pandemic response” frameworks, leaders realized that previous planning and decision-making structures were inefficient given today's rapidly changing environment. Now, leaders are struggling to hardwire the flexibility they achieved during the pandemic into their strategic planning processes.

The organization

Hywel Dda University Health Board is a publicly funded integrated care system serving 384,000 people in Midwest Wales, U.K. It is part of NHS Wales. The system funds and manages acute, primary, community, mental health, and dental care, as well as services for people with disabilities across its provider sites.

The approach

Hywel Dda took four steps to revamp both its strategic framework and its process for setting strategy. They audited and reorganized their previous strategic plans to eliminate overlap of old mandates. They added flexibility to their strategic planning mindset and created two teams to constantly scan the environment for variables that would affect their long-term plans. They hardwired a lighter-touch governance structure developed during Covid-19 that puts non-executives in critical roles to deliver against new objectives.

The result

The new strategic framework was well-received across Hywel Dda's executive teams. The changes made to how they think and talk about strategic planning, and the associated process changes, now allow the organization to respond to environmental pressures quickly and tweak their long-term plans as needed. These changes increased autonomy and accountability of leaders at the board, executive, and unit levels.

Approach

How Hywel Dda hardwired flexibility into its strategic planning process

In the wake of the Covid-19 pandemic, Hywel Dda's executive team and board created a new strategic framework and decision-making structure that embraces flexibility and agility. The structure enables the system to rapidly respond to emerging pressures and mandates, and adjust their strategic priorities accordingly. It also empowers leaders throughout the organization to own and carry out work on any new priorities.

The four steps

The executive team took four steps to create a new strategic framework and decision-making structure capable of rapidly flexing to meet any emerging demand on the health system.

01 Audit your previous strategic priorities with an eye for redundancy

02 Introduce a narrative in which flexibility is part of strategic planning

03 Split goal setting and feasibility assessment into two functions

04 Empower non-execs to carry out new objectives

01 Audit your previous strategic priorities with an eye for redundancy

Hywel Dda’s leaders audited all of the system’s previous strategic priorities to remove any overlap or obsolescence, and reaffirm the system’s long-term trajectory. The chief executive, with support from the strategy director and the project management office, reviewed 458 strategic “priorities” that had built up, unchecked, since 2017. The priorities fell into three buckets:

1. **Previous strategic recommendations:** 2017-20 strategic plan, long-term system transformation plan
2. **One-off recommendations and national guidance:** top-down recommendations from the Welsh government, quality assurance targets
3. **Current strategic priorities:** the new 2020-23 strategic plan, Covid-19 response requirements

Within this sprawl, the same goals often appeared numerous times in different formats and within different plans, leaving ample room for simplification. Leaders first examined the previous priorities to identify where mandates overlapped. They also checked to see if any goals were no longer relevant and whether they were missing any priorities critical to the pandemic response and recovery. Next, the chief executive and the deputy chief executive (who also serves as the Medical Director) worked with the board to reorganize the priorities into a clearer strategic framework. They challenged each board member to draft their own priority framework based on the audit’s results and Hywel Dda’s current challenges. The chief executive and deputy chief executive synthesized Hywel Dda’s new strategic framework out of feedback from the board members. Since the board had given their input throughout the process, they gave their approval shortly after the final version was complete.

02 Introduce a narrative in which flexibility is part of strategic planning

As executives designed the strategic framework and consulted with the board, they developed a new way of thinking and talking about system priorities. This narrative reflected the mind-shift executives needed to embrace to ensure flexibility in the organization’s planning process. This narrative has two layers. On top are the broad, aspirational objectives that the organization is continually chasing—its “true north.” Below them are time-bound tactical moves they’ll make in the direction of true north. These tactical moves are time-bound, iterative, and measurable.

Hywel Dda’s chief executive used a sailing metaphor to describe this plan. The organization’s six strategic objectives (its “true north”) are “smudges on the horizon.” Those objectives are ideals rather than specific targets, since the organization should still be moving toward them in three years, five years, or even a decade. Five of the six strategic objectives came from previous cultural values or strategic priorities, meaning that staff and leaders were already familiar with them. The sixth was borne out of a need to conserve resources during and after Covid-19.

Hywel Dda’s six strategic objectives lay out its long-term identity:

1. Putting people at the heart of everything we do
2. Working together to be the best we can be
3. Striving to deliver and develop excellent services
4. The best health and well-being for our individuals, families, and our communities
5. Safe, sustainable, accessible, and kind care
6. Sustainable use of resources



2: INTRODUCE A NARRATIVE IN WHICH FLEXIBILITY IS PART OF STRATEGIC PLANNING

After naming the six, high-level strategic objectives, Hywel Dda drafted 65 tactically oriented “planning objectives” to move the organization toward the strategic objectives over specific time spans. To carry the sailing metaphor further, if the strategic objectives are “smudges on the horizon,” then the 65 planning objectives are the “paddle strokes” that Hywel Dda will make to achieve them. Each planning objective falls under one of the six strategic objectives and has defined metrics and timelines. A single executive director oversees each planning objective by working with managers at the unit, division, and department levels.

This new way of thinking and talking about strategic priorities allowed Hywel Dda to shift from static to dynamic planning. Leaders constantly scan the horizon to see if they need to pivot left or right—update, add, or delete objectives—to keep “sailing” toward their true north.



We wanted the words in the strategic objectives to have meaning that can evolve over time. **They’re ideals that we aspire to—they’re smudges on the horizon. And the planning objectives are paddle strokes that will take us there.** The planning objectives can change and morph over time as our environment and directives change, but the direction is clear.

Steve Moore, Chief Executive
Hywel Dda University Health Board



2: INTRODUCE A NARRATIVE IN WHICH FLEXIBILITY IS PART OF STRATEGIC PLANNING

Here are two examples of what this looks like. For the strategic objective “putting people at the heart of everything we do,” there are about a dozen planning objectives (“paddle strokes”) to move in that direction. For instance, one planning objective is to design a training and development program that would build excellent customer service for all staff in public and patient-facing roles, and to have the program running by April 2021.

Another strategic objective is “sustainable use of resources.” One of a paddle stroke under that objective is to develop a plan to make all services carbon neutral by 2030 and begin its implementation within the next three years.

These are just two examples of the 65 concrete goals that Hywel Dda detailed. Achieving each of these goals will bring the organization closer to their strategic objectives—those “smudges on the horizon.”

03 Split goal setting and feasibility assessment into two functions

Being flexible while developing and executing strategy requires continuous monitoring of the operating environment. To ensure the freshest situational analyses, Hywel Dda created two steering groups that constantly scan the environment and bring any new mandates to the board and C-suite. These executives can then add, subtract, or change any of the 65 “paddle stroke” objectives to better steer the ship.

To do this effectively, Hywel Dda divided the analytical responsibilities across two teams. One team scans the broader health care environment to identify emerging pressures and develop novel solutions and approaches to address them. The other team assesses the feasibility and timelines of implementing these new solutions based on resource availability.

Collectively, these two teams provide an efficient funnel for new strategy proposals to flow to the c-suite. The **Transformation Steering Group (TSG)** operates as the top of the funnel to generate new observations, insights, and plans. And the **Strategic Enabling Group (SEG)** works as the filter to help the board select the solutions with the highest likelihood of success.



3: SPLIT GOAL SETTING AND FEASIBILITY PLANNING INTO TWO FUNCTIONS

Responsibilities and composition of the TSG-SEG steering group dyad:

1. Transformation Steering Group

Scans the environment for new mandates or external pressures and crafts intelligence-based proposals for new planning objectives. Proposals clarify why the new objective is a priority, and what purpose it serves.

- **Representation from:** *Chief executive; medical director; board members; and directors of finance and planning, performance, informatics, and commissioning*

2. Strategic Enabling Group

Establishes resource requirements and a timeline by which Hywel Dda can achieve new objectives that the TSG proposes. If the timeline and resources necessary are viable, the proposal is sent to the board for a ratification process.

- **Representation from:** *Procurement and sourcing; capital and estates; workforce, data, and informatics; legal; and finance*

04 Empower non-execs to carry out new objectives

When Covid-19 erupted across the U.K., Hywel Dda implemented the NHS’s Command and Control Structure to ensure lockstep across the continuum of care. Hospitals and community organizations typically set up command-and-control structures during disasters to clarify decision-making authority, task ownership, and resource management.

After the first wave of Covid-19, Hywel Dda wanted to translate some of the key elements from the command-and-control structure to their internal decision-making and execution processes. In their new formation, executives approve (or decline) proposals for new planning objectives that the TSG-SEG dyad brings them. Once a planning objective has been approved, the responsibility for implementation is cascaded down to managers and their teams. The rationale is that those closest to the work should be the ones making the changes.

“

The interesting thing about a command-and-control structure is that it can be very empowering. It’s fundamentally democratic—we tell our teams, ‘We have this problem and a vision, can you solve it for us?’ It emphasizes personal accountability. **The clarity around roles and responsibilities forces everyone to take ownership of their tasks, instead of making excuses or waiting to be told to go and act.**

Steve Moore, Chief Executive
Hywel Dda University Health Board



4: EMPOWER NON-EXECS TO CARRY OUT NEW OBJECTIVES

Hywel Dda uses a medal nomenclature to describe which parts of the organization have which responsibilities. The gold group (the board and chief executive) ensures the system progressively moves toward their six strategic objectives. They decide if a new planning objective proposal is in service of those six strategic objectives, and thus worth pursuing or not. Once ratified, the gold group passes the new planning objective onto the silver group (executive directors) to create plans to achieve each planning objective. The bronze group (unit/divisional directors) implement these plans and see them through to completion.

Hywel Dda’s new structure empowers staff throughout the system:




Source: "Strategic Discover Report," Hywel Dda University Health Board, July 2020; Hywel Dda University Health Board; "Public Board: Maintaining Good Governance COVID-19," Hywel Dda Board Meeting documents, 30 July 2020; Hywel Dda University Health Board, Wales, UK; Advisory Board interviews and analysis.

Results

How we know it's working

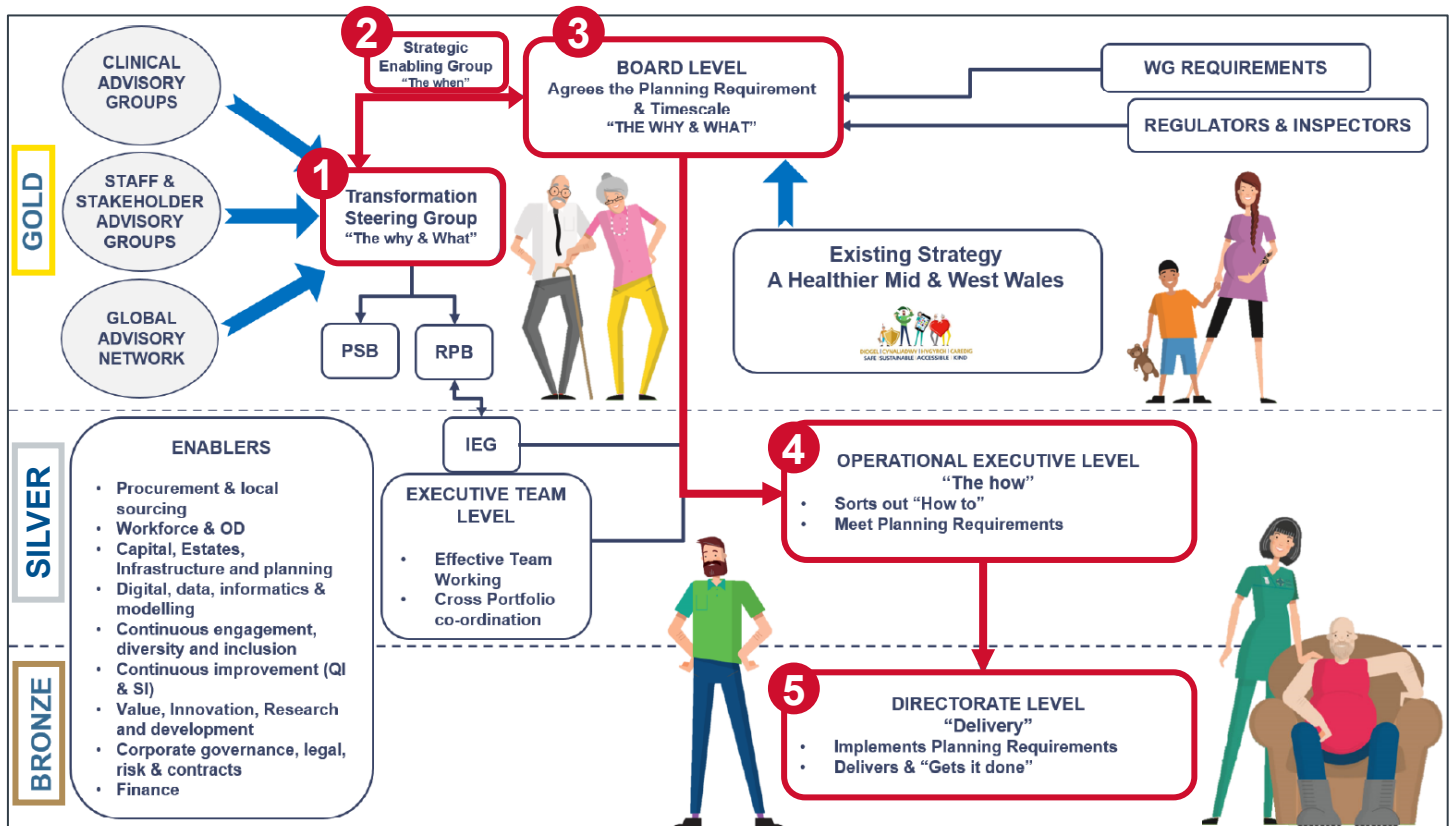
Hywel Dda audited and restructured their strategic plan in the middle of a pandemic. The realities of the crisis laid bare the need for change, and the executive team responded promptly. While it's only been a few months, they have already seen positive, qualitative results. After presenting the new strategic framework to the board, the chief executive said, "There was universal recognition that it was right, it had resonance, people knew and understood the strategic objectives. They could easily grasp these goals." Because the planning objectives can constantly be re-evaluated and modified by the TSG and SEG, this model enables greater latitude to respond to situational changes. The model gave the board a clear view of the organization's operating environment, thus making their work in responding to change easier.

The Welsh NHS Confederation requested that each of the seven health boards in Wales capture what they learned in the Covid-19 pandemic. Hywel Dda engaged more than 100 senior leaders through virtual interviews and questionnaires. Feedback on the changes in governance structure included comments like: "*There have been reductions in levels of bureaucracy with most comments of this nature praising the increase in pace,*" and "[Staff felt] *greater empowerment with less [need for] support from management/senior leaders.*" Many leaders shared that this structure has shifted the organization's ethos from corporate accountability (the organization and its executives are "on the hook" for everyone meeting expectations) to personal accountability (each individual has agency to make decisions that will help them meet expectations). This made leaders more accountable to complete their individual action items and showed that they had a clear mandate to do so. 

Source: "Strategic Discover Report," Hywel Dda University Health Board, July 2020; "Public Board: Maintaining Good Governance COVID-19," Hywel Dda Board Meeting documents, 30 July 2020; "Developing the 3 Year Plan for the Period 2021/22 - 2023/24," Hywel Dda Board Meeting documents, 24 September 2020; Hywel Dda University Health Board, Wales, UK; Advisory Board interviews and analysis.

Supporting artifact

Hywel Dda's governance structure and its newly adopted elements:



- 1. TSG**, in response to new mandates or pressures, begins a proposal for a new planning objective by crafting the "why" and the "what." The proposal then goes to the SEG.
- 2. SEG** establishes a timeline to achieve the planning objective and discusses it with the TSG. If the timeline and resources necessary are viable, the proposal is sent to the gold group.
- The board, which serves as the **gold group**, votes on whether to incorporate the planning objective into/add it to the current set of 65 planning objectives.
- If the objective is incorporated, one executive director in the **silver group** takes ownership of creating a tactical plan to achieve the objective. Together with the gold group, they agree on metrics to measure its success.
- Directors in the **bronze group**, who report to the executive director that owns the new objective, implement the tactical plan set out by the silver group.

Source: "Strategic Discover Report," Hywel Dda University Health Board, July 2020; Hywel Dda University Health Board, Wales, UK.

Related content

 RESEARCH

Covid-19 strategic planning survey

[Read now](#)

 OUR TAKE

How Covid-19 will impact population health management

[Read now](#)

 CASE STUDY

4 ways patient avatars can help you redesign your health system

[Read now](#)

 DIAGNOSTIC/AUDIT

Locking in crisis-driven innovation

[Read now](#)

 BLOG POST

8 ways the ‘new normal’ will shift strategic planning post-Covid-19

[Read now](#)

 PODCAST

How Covid-19 should—and shouldn’t—change your 2021 strategic plan

[Listen now](#)

Project director

Paul Trigonoplos

trigonop@advisory.com

+1 202-568-7696

Research team

Isis Monteiro

Miles Cottier

Rebecca Soistmann

Program leadership

Vidal Seegobin

Contributor to our work

Steve Moore

Chief Executive

Hywel Dda University

Health Board

LEGAL CAVEAT

Advisory Board has made efforts to verify the accuracy of the information it provides to members. This report relies on data obtained from many sources, however, and Advisory Board cannot guarantee the accuracy of the information provided or any analysis based thereon. In addition, Advisory Board is not in the business of giving legal, medical, accounting, or other professional advice, and its reports should not be construed as professional advice. In particular, members should not rely on any legal commentary in this report as a basis for action, or assume that any tactics described herein would be permitted by applicable law or appropriate for a given member's situation. Members are advised to consult with appropriate professionals concerning legal, medical, tax, or accounting issues, before implementing any of these tactics. Neither Advisory Board nor its officers, directors, trustees, employees, and agents shall be liable for any claims, liabilities, or expenses relating to (a) any errors or omissions in this report, whether caused by Advisory Board or any of its employees or agents, or sources or other third parties, (b) any recommendation or graded ranking by Advisory Board, or (c) failure of member and its employees and agents to abide by the terms set forth herein.

Advisory Board and the "A" logo are registered trademarks of The Advisory Board Company in the United States and other countries. Members are not permitted to use these trademarks, or any other trademark, product name, service name, trade name, and logo of Advisory Board without prior written consent of Advisory Board. All other trademarks, product names, service names, trade names, and logos used within these pages are the property of their respective holders. Use of other company trademarks, product names, service names, trade names, and logos or images of the same does not necessarily constitute (a) an endorsement by such company of Advisory Board and its products and services, or (b) an endorsement of the company or its products or services by Advisory Board. Advisory Board is not affiliated with any such company.

IMPORTANT: Please read the following.

Advisory Board has prepared this report for the exclusive use of its members. Each member acknowledges and agrees that this report and the information contained herein (collectively, the "Report") are confidential and proprietary to Advisory Board. By accepting delivery of this Report, each member agrees to abide by the terms as stated herein, including the following:

1. Advisory Board owns all right, title, and interest in and to this Report. Except as stated herein, no right, license, permission, or interest of any kind in this Report is intended to be given, transferred to, or acquired by a member. Each member is authorized to use this Report only to the extent expressly authorized herein.
2. Each member shall not sell, license, republish, or post online or otherwise this Report, in part or in whole. Each member shall not disseminate or permit the use of, and shall take reasonable precautions to prevent such dissemination or use of, this Report by (a) any of its employees and agents (except as stated below), or (b) any third party.
3. Each member may make this Report available solely to those of its employees and agents who (a) are registered for the workshop or membership program of which this Report is a part, (b) require access to this Report in order to learn from the information described herein, and (c) agree not to disclose this Report to other employees or agents or any third party. Each member shall use, and shall ensure that its employees and agents use, this Report for its internal use only. Each member may make a limited number of copies, solely as adequate for use by its employees and agents in accordance with the terms herein.
4. Each member shall not remove from this Report any confidential markings, copyright notices, and/or other similar indicia herein.
5. Each member is responsible for any breach of its obligations as stated herein by any of its employees or agents.
6. If a member is unwilling to abide by any of the foregoing obligations, then such member shall promptly return this Report and all copies thereof to Advisory Board.



655 New York Avenue NW, Washington DC 20001
202-266-5600 | [advisory.com](https://www.advisory.com)