U. STRATEGIC PLANNING

To achieve success, all organizations must plan to the future. JPAs, so that they provide a valuable service to their members, must periodically review their operational and organizational goals and objectives. Below is a brief outline of the strategic planning process.

I. WHAT LONG-RANGE (STRATEGIC) PLANNING IS

• The process by which the organization envisions its future and develops the necessary procedures and operations to achieve that future.

• The process to identify current decisions about courses of action open in the future.

• The design of a desired future and of effective ways of bringing it about.

II. WHY PLANNING PAYS OFF

• It simulates the future.

• It encourages a systematic approach to identifying and meeting future needs.

• It forces the setting of objectives.

• It constructs a framework for decision making.

• It is a basic for management functions.

• It creates performance measurements.

• It brings key issues to the top.

III. PLANNING STEPS FREQUENTLY USED BY POOLS

• Develop an understanding of planning.

• Identify strengths, weakness, opportunities and threats (SWOT).

• Identify, evaluate and select strategies to exploit opportunities and avoid threats.
• Formulate major aims:
  ✓ Vision and Values
  ✓ Mission
  ✓ Goals and objectives.

• Prepare operating plans.
• Monitor performance.
• Repeat the process periodically.

IV. WHERE ARE WE?

• Original mission, philosophy, purpose
• Financial situation
• Competitive situation
• Service reliability, acceptability, etc.
• Markets served
• Why members join, stay or withdraw
• What are our strengths?
• What are our weakness?

VI. WHAT’S GOING ON AROUND US?

• Competitors
  ✓ Commercial insurers
  ✓ Other JPAs

• Legislation
  ✓ Federal
  ✓ State
Trends affecting members

- Reduced financial resources
- Increasing cost of benefits and liabilities

VI. WHAT DO WE WANT TO BE?

- What do our members need?
- Types of members
- Percentages of potential market served
- Services/programs used
- Who else could use our services?

- What other services could our members use?