

Medical Group Advisor

FOR MANAGERS AND PHYSICIAN LEADERS
OF GROUP PRACTICES

ISSUE 18

Route to:

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OUR NEW WEB SITE

Over the past several months we have put into place a web site that is packed with useful tools for medical group managers and group leaders. Our web site is located at:

www.lathamconsulting.com

The site includes a number of very useful features, to include:

- Special reports** on a variety of topics in the areas of mergers, governance, strategic planning, physician compensation and operational improvement.
- A **free on-line job posting service** - if your group or a group you know is looking for a manager, you or they can post the job for free on our web site.
- Free on-line viewing of jobs posted** - you can even sign up to receive automatic notification when a job is posted.
- An **on-line bookstore** where you can order books related to medical groups.
- Information on Latham Consulting Group's **services**.

Please visit our web site and make use of the useful and free tools it offers.



Medical Group Advisor is published semi-annually by Latham Consulting Group, a medical group management consulting firm specializing in merger facilitation, strategy & planning, governance, physician compensation and operational improvement. If you have questions about any of the topics in this issue, or would like to be added to our mailing list, please contact us at 3600 Castellaine Drive, Charlotte, North Carolina 28226, (704) 365-8889 or e-mail us at wlatham@lathamconsulting.com.

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PLAN FOR YOUR SUCCESS

The future is not a result of choices among alternative paths offered by the present, but a place that is created – created first in the mind and will, created next in activity. The future is not some place that we are going to, but one we are creating. The paths are not to be found, but made, and the activity of making them, changes both the maker and the destination.

– John Schaar, Futurist

The world has changed (again) and it's now time to plan for the future you wish to create.

Think back several years - managed care loomed on the horizon...complexity was increasing...capital was needed for growth. So "we" turned to others to "save" us...hospital integration...for-profit practice management companies...even insurance companies.

What has happened since then?

- Hospitals** are losing tens of thousands of dollars per physician. Most have slowed their integration plans dramatically and many have stopped altogether. Some are moving to the "disintegration" phase while others are dramatically re-engineering practice operations, compensation systems and contractual relationships.
- Many **for-profit practice management companies** are on the sidelines right now, waiting for Wall Street to stop punishing them for the actions of a few. Some pundits question the viability of the PPMC concept, while others say they will be re-born under a less integrated relationship model.
- Insurance companies** have figured out they have no concept of how to run a medical group.

But...managed care continues to advance...complexity is increasing...the threats (and opportunities) are still out there.

So...who saves us now?

For many medical groups, the answer is "Us!" These groups are no longer looking for a "white knight" to sweep in and save them. Instead, they have decided to pursue their own path and only involve other entities on an as-needed basis.

But to be successful, the members of a group must think and act like a group. Those that thrive in the coming years will use all of the strength and clout the group can bring to bear. The rest, those who only endure being a part of a group, will be lucky to survive.

The best way to begin tapping into the strength of the group and build group cohesiveness is to conduct a strategic planning retreat. The goal of this effort is to set your vision for the future and make plans to achieve that vision.

Strategic planning is a relatively straightforward process of the group deciding where it wants to go and how it plans to get there. During a planning retreat, the physician and administrative leaders:

- Define in broad terms the **overall purpose** of the group, where it plans to go and what principles and policies will guide the group.
- Scan the environment for **opportunities** for or **threats** against the group. By conducting an Environmental Analysis, the group typically looks at local, regional and national trends and considers possible alternative futures. It also considers the actions of competitors or others who could have a significant impact on the group.

LATHAM CONSULTING GROUP

Latham Consulting Group is one of the nation's leading management consulting firms serving medical groups. Established in 1988, we have worked with medical groups of all sizes and specialties, providing them with a full range of consulting services to include:

MERGER FACILITATION

STRATEGIC PLANNING FACILITATION AND DEVELOPMENT

GOVERNANCE

INCOME DISTRIBUTION

OPERATIONAL IMPROVEMENT

LATHAM CONSULTING GROUP PRESENTATIONS

Is your MGMA state association or section looking for interesting and informative programs for upcoming conferences? If so, you should know that Latham Consulting Group has put together several new programs which your members might find of great interest:

Seizing Control of Your Future: Successful Strategic Planning for Medical Groups

Medical Group Mergers: Managing the Maelstrom

Getting Past Conflict to Resolution

Negotiation Skills for Group Leaders

Over the past several years we have provided services to medical groups in each of these areas. This work gives us both a unique and in-depth knowledge of the topics and the challenges facing medical group managers.

We also have considerable experience in making presentations at state, section and national MGMA meetings.

If we can be of help in the success of your next conference, please do not hesitate to contact us.

Continued from front

- Take a hard look at the group through and Internal Assessment. This assessment considers many aspects of the practice (how well it operates, how well it meets the needs of the physicians in the group, etc.). The purpose of this assessment is to identify the important *strengths* and key *weaknesses* of the group.
- Develop *objectives* and *action plans* for the group by looking for opportunities to pursue, threats to avoid, and/or weaknesses to correct.

Planning retreats are typically held over one to two days at an offsite location. Because the planning effort represents a significant commitment of resources (mostly due to the "cost" of physician and management time), it is essential for the retreat to be extremely well organized. Many groups invest in an experienced and objective facilitator in order to get the most out of the effort.

The time devoted to this process can result in tremendous benefits for the group. Medical groups who have developed a strategic plan for their practice point to:

- A decrease in the frustration of group practice as physician needs are identified and acted upon.
- Improved performance as the staff has an agreed upon set of objectives to pursue.
- Better utilization of resources to meet the expressed needs of the group.

The success of medical groups often hinges on forming a unified view of where the group is heading and mapping an agreed upon course to reach that future. Strategic planning can help your practice reach its intended future.

So, if you've also decided that the answer is "Us!" - invest in the success of your group by starting a strategic planning effort today.

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Latham Consulting Group has assisted many medical groups with development of their strategic plan. If you would like to know more about strategic planning, please use the coupon below to order *Setting the Stage for Success with Strategic Planning*. This paper was written for physicians and outlines the reasons for, process of and benefits from a strategic planning effort. You may also visit our web site (www.lathamconsulting.com) for additional information on strategic planning, or contact us to discuss your situation and needs.

Latham Consulting Group

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18

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- Merger Facilitation
- Strategic Planning Facilitation
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- Please send me a free copy of *Setting the Stage for Success with Strategic Planning*

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