



AKADIMI
FOUNDATION

Advancing Health Sector Governance

Set Direction

Goverance
GUIDE 3

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Introduction

Thank you for all that you do to improve the performance of your nonprofit. Good governing practices not only enable you to achieve more significant results in your work but also more sustainable results. Governance in the context of health and social welfare has come into sharper focus over the past decade. It is one of the essential factors in the pursuit of stronger nonprofits and greater beneficiary impact. There is an emerging body of evidence that shows effective governance improves organizational outcomes. Conversely, poor governance overall, and especially in the health sector, contributes to poor outcomes. It undermines the vitality of a nonprofit, making it less effective, less efficient, less equitable, and less responsive to the people it is intended to serve.

Governance is a collective process of making decisions to ensure continuous vitality and performance of organizations or health systems. Governance is (1) setting strategic direction and objectives; (2) making policies, laws, rules, regulations, or decisions, and raising and deploying resources to accomplish the strategic goals and objectives; and (3) overseeing and ensuring that the strategic goals and objectives are accomplished. Governance for health is governance done with the objective of protecting and promoting the health of the people served by a public or private organization.

(Source: Management Sciences for Health, "How to Govern the Health Sector and Its Institutions Effectively." The eManager, No. 1, 2013)

Studies, roundtable discussions, and fieldwork by the Leadership, Management, and Governance (LMG) Project¹ funded by the US Agency for International Development (USAID) defined five governing practices as essential to the effective functioning of governing bodies:

- Cultivating accountability
- Engaging stakeholders
- Setting a shared strategic direction
- Stewarding resources
- Assessing and enhancing governance

This series of guides help you operationalize each of the five governing practices in your organization. You will have the opportunity to use the guides that explain each of the five practices; and a series of reading materials, case studies, tools, and resources.

¹The LMG Project is implemented by a consortium of six partner organizations: Management Sciences for Health, African Medical and Research Foundation, Medic Mobile, International Planned Parenthood Federation, Johns Hopkins University Bloomberg School of Public Health, and Yale University Global Health Leadership Institute. You may visit us at www.lmgforhealth.org.

We have also developed a separate training facilitator's handbook to help the facilitators deliver the governance enhancement training in a structured way and with maximum effectiveness.

Purpose and Audience for the Guides

THE SERIES CONSISTS OF FIVE GUIDES ON EFFECTIVE GOVERNANCE.

The primary users of these guides are community and business leaders who serve on a variety of governing bodies throughout North America. The guides are designed to help you implement the five essential governing practices in your organization. The contents of these guides are applicable to the public sector or government organizations and to not-for-profit or nongovernmental organizations (NGO) or civil society organizations. The Director or Head of a provincial health department or a district health office or a hospital or a health center and her/his colleagues in the governing body will likewise benefit.

Using these materials, members of governing bodies that direct nonprofits, social services and health sector enterprises will be able to adapt effective governing practices to their own settings, apply them, improve their governance and, in turn, the performance of their organizations.

The guides can be used as a self-study resource by the governance leaders or governing bodies to learn and apply the five governing practices.

You may start with taking some of the governance self-assessments that you will find in the appendices in the Guide for Continuous Governance Enhancement. This will help you assess your governing practices. You may then use the guide for the governing practice you identified most in need of enhancement. Alternatively, you may start with the guide on cultivating accountability, and then move on to the guides on engaging stakeholders, setting shared strategic direction, stewarding resources, and continuous governance enhancement, in that order. The practices are inter-related and build on each other. This sequence will allow you to benefit from the attributes of each practice. Learning and its application will be more effective if a structured training is organized.

Questions may be directed to info@govern.akadimi.org.

Governance enhancement planning involves periodically assessing governing practices and continuously trying to improve these practices through regular governance assessments, governance orientation and education, building diversity in the governing body, cultivating essential governance competencies, conducting productive meetings, establishing governance policies, and using governance technologies like dashboard.

The primary purpose of enhancing governance is to improve the organizational performance. For this reason, the governance leaders working with the senior management and key stakeholders develop an action plan to improve two to three strategic measures of the organization's performance.

When the governance leaders see their governance decisions translating into higher organizational performance, they are included to consistently apply the effective governing practices. A virtuous cycle is set into motion, improved governance leading to better organizational performance, which in turn motivates the governance leaders to continuously enhance their governance.

Guide 3: Governing Practice— Setting a Shared Strategic Direction

The Governing Body determines the organization's strategic direction and policies. It sets out the organization's strategic direction to accomplish its mission, goals and objectives. With the Chief Executive, it makes certain that the organization's programs, activities and services reflect its strategic priorities. It concentrates on strategic thinking and does not involve itself with day-to-day operational and management matters. It creates policies and monitors the organization's activities in all areas.

International Planned Parenthood Federation

Shared direction comes from agreeing on which “ideal state” everyone is trying to get to. If there is no agreement on what or where you are moving to, agreeing on approaches for how to get there will be that much more difficult. If you know that you are all moving in the same direction, you will find it easier to gather support for the planning process, and define strategy to achieve this vision. You can then design a shared action plan with measurable goals for reaching it and set up accountabilities to accomplish the plan. If the stakeholders share and own the strategic direction, it is more likely that your organization will realize and achieve it.

Effective governance in nonprofit or public sector organizations should lead to improved client experiences and outcomes, as well as more innovation. Those who govern are responsible for setting a shared strategic direction – creating a collective vision, articulating this vision, and inspiring everyone in the system to achieve it. They oversee the process of planning, strategizing, and monitoring progress toward the vision, all the while advocating for the needs of those affected by governance activities.

Leadership is essential to setting and achieving the strategic direction. Effective leadership is a prerequisite for effective governance and effective management. Leaders are critical to the governing and management processes. The full potential of governance and management cannot be realized without strong and effective leadership. A strong partnership between the CEO and Board Chair is a powerful accelerator and lever for effective strategic planning and enhanced performance.

Community service leaders who govern define the organization's vision as well as the strategy to achieve this vision; exert influence across all sectors for better services and advocacy;

govern the service system in ethical ways; ensure that the system design is aligned with system goals; and make policies that enhance sustainable service outcomes for the populations they serve. They raise and allocate the resources for the organization to meet its vision and mission. Effective leaders engage with stakeholders and foster inclusion and participation, as discussed in the Guide on Engaging Stakeholders. They are responsible stewards of the system they serve in their governing capacity.

To explore the good governing practice of setting a shared strategic direction, you will want to consider the principles and actions presented below.

Set Shared Direction: Develop a collective vision of the “ideal state” and an action plan, with measurable goals for reaching it.

Principles underlying the practice	Governing actions you can take:
Stakeholder alignment Leadership Management Advocacy	<ul style="list-style-type: none">Oversee the process for developing and implementing a shared action plan to achieve the mission and vision of the organization or health system. Engage citizens and other stakeholders.Ensure that the stakeholders' needs and concerns are considered in setting the shared strategic direction and shared action plan.Document and disseminate the shared vision of the ideal state.Oversee the process of setting goals for reaching the ideal state.Make sound policies, laws, regulations, rules of procedure, plans and programs, and protocols to achieve the ideal state.Establish accountability mechanisms for achieving goals that have been set, using defined indicators to gauge progress toward achieving the goals.Advocate for the ideal state at higher levels of governance, other sectors outside of health, and other convening venues.Oversee the process of realization of the shared goals and the desired outcomes.

SETTING STRATEGIC DIRECTION

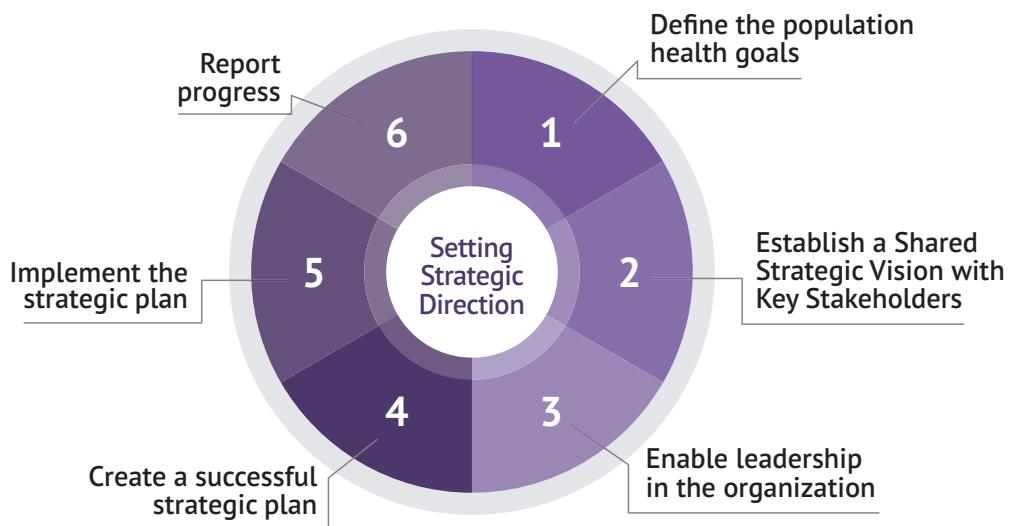
One of the most important practices to protect and enhance the vitality of a service organization or agency is to establish a “strategic road map” to guide the enterprise forward. Often this strategic roadmap or plan charts a path into a future or landscape that is uncertain, with rapidly growing demands for services from communities, beneficiaries, and citizens in vulnerable and marginalized populations, and a shortage of resources (human, financial and

technological). The decision-making process of designing and implementing this roadmap is referred to here as “Setting Strategic Direction.” The governing body sets the strategic direction in collaboration with organizational leadership and key stakeholders, and once the direction is set, it is primarily the responsibility of the management to realize it.

To improve your potential to accomplish the governing practice of setting strategic direction, six tasks are considered essential for your success:

1. Define the population health goals
2. Establish a shared vision among key stakeholders
3. Enable leadership in the organization
4. Create a successful strategic plan
5. Implement the strategic plan
6. Report progress

Several tools and resources to support your implementation of these tasks are provided in the Appendix of this guide. In the following sections of the guide, “you” should be interpreted as you – working with your governing body and the senior management team.



I. DEFINE THE POPULATION HEALTH GOALS

Good governance in community service or in health sector organizations strives to understand and enhance the wellbeing of the people served by the system/organization. A foundational task for those who govern is to know: the existing scope and nature of the service needs of the populations they serve; trends in economic development; and patterns of utilization of

available services. Effective governing bodies and their senior staff clearly define measurable status improvement indicators and how these goals are:

- To be achieved with evidence-based service interventions that protect, promote, and restore people to their optimal levels of health and well-being.
- To be measured in the most cost effective way.
- To be monitored to determine progress and how progress is reported in an understandable manner to diverse stakeholders.

II. ESTABLISH A SHARED STRATEGIC VISION WITH KEY STAKEHOLDERS

Service providers and communities want to know where their service organization is going, to understand a vision of how the service or organization will look and behave in the future. Stated in a few uplifting words, the vision statement is motivational and inspirational, and sufficiently realistic to be possible, to be credible.

Leaders who govern or the governing bodies find that when they engage stakeholders to define and discuss the meaning of the vision, the vision is more likely understood and owned by the stakeholders. This sense of ownership is essential to optimize stakeholder willingness to help work together to implement and then continually improve the strategic roadmap.

There are several activities to consider when preparing a shared strategic vision with key stakeholders.

Which of the following are the two or three most important activities in your situation?

1. Develop a collective vision of the “ideal state” working with your colleagues, health workers, community members, and many other diverse stakeholders, articulate this vision, and inspire everyone in the system to achieve it.
2. Document and disseminate the shared vision of the ideal state.
3. Oversee the process of setting goals to reach the ideal state, and planning, strategizing, and monitoring progress toward that vision.
4. Oversee the process for developing and implementing a shared action plan to achieve the mission and vision of the organization. Engage citizens and other stakeholders in this process.
5. Advocate for this vision at different levels of governance, in sectors outside of health, and in other venues.
6. Exert influence across all sectors to achieve this vision.

7. Ensure that your health system design is aligned with this collective vision.
8. Make policies to achieve the collective vision.
9. Raise and allocate resources to achieve this vision.

If your organization already has a strategic plan in existence, you can use the principles described above to update and implement the plan you already have.

- 1. What are the obstacles leaders who govern are likely to experience in this practice or activity?**
 - 2. How might those obstacles best be removed or reduced by the governing body?**
 - 3. What are two or three practical ways to help ensure the successful accomplishment of this activity?**
-

III. ENABLE LEADERSHIP IN THE ORGANIZATION

Leadership, management, and governance are interdependent, overlapping, and mutually reinforcing constructs. All three are needed to achieve a desired result. Effective leadership is a prerequisite for good governance as well as for sound management i.e. those who govern and those who manage should be good leaders in the first place in order to secure results. Effective management is a critical support for good governance. Good governance in turn provides purpose, resources, and accountability in support of management.

Those who govern need a strong partnership with those who manage. Managers must be encouraged and supported to perform their key leading (scanning, focusing, aligning and mobilizing, and inspiring) and managing (planning, organizing, implementing, monitoring, and evaluation) practices wisely and well. It is through the work of managers that good governance can flourish. Good governance requires decision making by senior management leaders that is effective, efficient, and ethical. To support the senior management decision making, governing bodies invest in continuing education for the management leadership team of their organization through:

- Participation in formal leadership development programs
- Mentoring from selected governing body members

- Executive exchange programs with similar organizations in other sectors or communities
- Access to best practices by reading, study tours, and interactions with other diverse executives

Both governance leaders and management leaders should practice the following leadership behaviors. These will be immensely helpful in setting and realizing the organization's strategic direction. These are behaviors that enable leaders to successfully set and realize the strategic direction. For each of the practices and behaviors presented below, identify how the governing body member's role might vary from the work of the manager.

1. Scan challenges and opportunities in the internal and external environment. Consider how a doctor reviews a patient's vital signs to get a basic picture of his or her health at the moment. Leaders recognize opportunities, challenges, and trends to gain a picture of the whole situation. They talk to as many stakeholders as possible, establish formal and informal networks, take advantage of lessons learned from past experiences, and review the current literature.
 - a. Identify client and stakeholder needs and priorities.
 - b. Recognize trends, opportunities, and risks that affect the organization.
 - c. Look for best practices.
 - d. Identify staff capacities and constraints.
 - e. Know oneself, the staff, and the organization—its values, strengths, and weaknesses.
2. Leaders focus attention on critical challenges. They communicate these challenges to colleagues and work through them with participatory processes that encourage group members to think as individuals, act according to their beliefs, and take responsibility.
 - a. Articulate the organization's mission and strategy.
 - b. Identify critical challenges.
 - c. Link goals with the overall organizational strategy.
 - d. Determine key priorities for action.
3. Align and mobilize the group to advance in the right direction. Leaders motivate their colleagues to address the challenges and find adequate resources to do so. By enabling others to contribute to overcoming the challenges, they often allow other leaders to emerge.
 - a. Ensure congruence of values, mission, strategy, structure, systems, and daily actions.
 - b. Facilitate teamwork.
 - c. Unite key stakeholders around an inspiring vision.
 - d. Link goals with rewards and recognition.
 - e. Enlist stakeholders to commit resources.

4. Leaders inspire the people around them to learn, act, commit, and create effective solutions by serving as a role model. They set an example through their own attitudes, actions, commitment, and behavior.
 - a. Match deeds to words.
 - b. Demonstrate honesty in interactions.
 - c. Show trust and confidence in staff; acknowledge the contributions of others.
 - d. Provide staff with challenges, feedback, and support.
 - e. Be a model of creativity, innovation, and learning.

(Source: MSH. 2010. *Health Systems in Action: An eHandbook for Leaders and Managers*. Cambridge, MA.)

1. What are the obstacles leaders who govern are likely to experience in practicing or enabling leadership?
2. How might those obstacles best be removed or reduced by the governing body?
3. What are two or three practical ways to help ensure the successful accomplishment of this activity?

Attributes Useful in Establishing a Shared Strategic Direction

These are several leadership competencies that enhance the effectiveness of your leadership in the governing body of your organization. Which two or three are the most important in your situation?

1. Make these leadership shifts:
 - a. Move from individual heroics to collaborative actions.
 - b. Move from despair and cynicism to hope and possibility.
 - c. Move from blaming others for problems to taking responsibility for challenges.
 - d. Move from scattered, disconnected activities to purposeful, interconnected actions.
 - e. Move from self-absorption to generosity and concern for the common good.
2. Master yourself: Reflect on yourself and be aware of your influence on your colleagues, managers, service providers, and community members. Manage your emotions. Use your strengths, and work on your weaknesses.
3. See the big picture: Look beyond a narrow focus to take into account conditions outside your own community and see the complete picture.

4. Create a shared vision: Work with your colleagues, managers, health providers, and community members to envision a vibrant community. Use this vision to focus all your efforts.
5. Clarify purpose and priorities: Know your own values and what service goal is most important to accomplish.
6. Communicate effectively: Hold conversations focused on results. Advocate and enquire.
7. Motivate manager and service provider teams: Clarify the purpose, and establish trust.
8. Resolve conflict: Reach agreements from which both community and service workers can benefit.
9. Lead change in the face of uncertainty: Enable your colleagues, managers, providers, and community members to meet challenges in the face of uncertain and adverse conditions.

(Source: MSH. 2005. *Managers Who Lead: A Handbook for Improving Health Services*. Cambridge, MA.)

1. What are the obstacles governing body members are likely to experience in developing the competencies described above?

2. How might those obstacles best be removed or reduced by the governing body?

3. What are two or three practical ways to help ensure you can enhance these attributes of effective members of your governing body?

IV. CREATE A SUCCESSFUL STRATEGIC PLAN

How should the governing body, working with senior management, best accomplish each of the important tasks presented below?

1. Gather support for the planning process.
2. Formally commit to the planning process.
3. Create a planning team.

4. Conduct an organizational assessment (environment scan, situation assessment).
5. Review or create, discuss, and state the organizational mission and vision, and ensure that everyone is comfortable with them.
6. Develop goals, strategies, and objectives.
7. Draft and approve an action plan.
8. Implement the strategic plan.
9. Monitor implementation.
10. Conduct regular reviews.

Process of Creating a Successful Strategic Plan

Ask	Analyze
Where are we now?	<ul style="list-style-type: none"> • Internal and external assessment
Where do we want to be?	<ul style="list-style-type: none"> • Vision • Mission and Principles • Goals and Objectives
How will we get there?	<ul style="list-style-type: none"> • Strategy • Action Plan • Budget
How can we measure our progress?	<ul style="list-style-type: none"> • Performance • Measures Monitoring and Tracking • Evaluation

If your organization already has a strategic plan in existence, you can use the processes described above to update and implement the plan you already have.

V. IMPLEMENT THE STRATEGIC PLAN

Statements and plans that set strategic direction are only words unless they are implemented. The strategic direction needs to be operationalized and acted on by senior and middle managers. Governing bodies and their members need to make policies and exemplify behaviors that create working conditions in which managers are more likely to want to and be able to implement plans that drive the organization toward the achievement of its mission and vision.

Effective governance supports management to adopt the following four managing practices:

1. Plan
 - a. Set long-term and short-term goals and objectives
 - b. Develop long-term and annual plans.

- c. Allocate and assign adequate resources.
 - d. Anticipate and reduce risks.
- 2. Organize to implement the plan:
 - a. Establish accountability and authority for implementation.
 - b. Strengthen processes to implement the plan.
 - c. Align the health workforce with planned activities.
- 3. Implement activities efficiently, effectively, and responsively:
 - a. Coordinate with health workers and the community.
 - b. Balance competing demands.
 - c. Use information and evidence.
 - d. Adjust plans and resources as circumstances change.
- 4. Monitor and evaluate
 - a. Monitor and reflect on progress against the plan.
 - b. Observe, check, and keep a continuous record of what is going on.
 - c. Provide feedback to health providers and the community members.
 - d. Assess the results—what worked and what went wrong?
 - e. Identify changes needed to improve work processes.

Board Questions:

1. What are the obstacles the management is likely to experience in implementing the strategic plan?
 2. How might those obstacles best be removed or reduced by the governing body?
 3. What are two or three practical ways to help ensure the successful accomplishment of this activity?
-

VI. REPORT PROGRESS

An organization’s “progress to plan” should be measured, monitored, and reported to all key stakeholders. Setting strategic direction is a hollow promise unless the means of monitoring and reporting results are embedded in the strategic plan. Leaders who govern must report

objectively and transparently progress of the organization to its citizens, patients, media, and policy makers.

The governing body has an oversight role i.e. oversee whether the organization is making progress towards the strategic direction that has been set by the body working with internal and external stakeholders. It has a responsibility to report this progress to the key stakeholders of the organization.

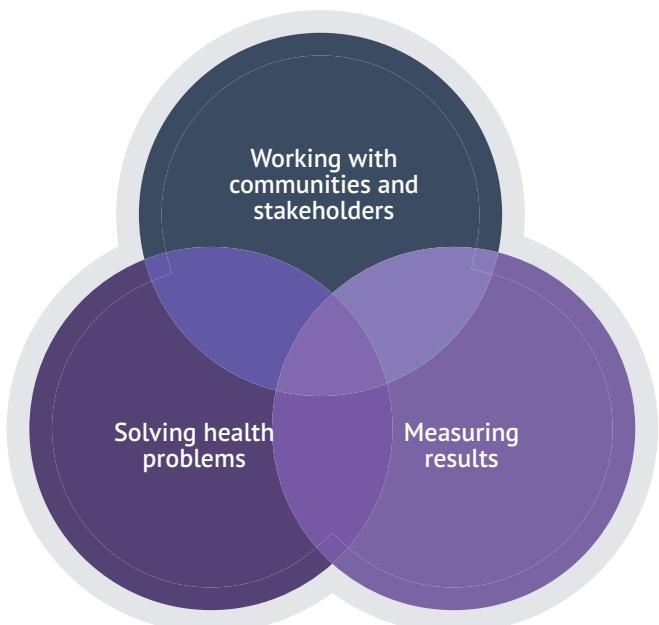
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- 1. What are the obstacles leaders who govern are likely to experience in this practice or activity?**
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Appendix: Tools for Setting a Shared Strategic Direction

CORE DIMENSIONS OF SETTING A SHARED STRATEGIC DIRECTION

There are three core dimensions of setting a strategic direction of a health system:

1. Working with communities and stakeholders (it makes the strategic direction a shared destination, and the journey toward realizing it a shared journey);
2. Solving health problems of the communities served by the health system (after all, it is the fundamental purpose of a health system); and;
3. Measuring results (because it is the key to achieving results and hence the strategic direction).



HOW TO CREATE A SHARED VISION

A respected MSH Publication *Managers Who Lead* describes a tool that can be used by a facilitator to help development of a shared vision. The tool has proved to be very effective:

Step 1. Imagine the future

- Ask the participants to think about a time in the future.
- Say “Imagine it is two years from now and we are looking back. We have accomplished all that is important to us. What picture do you see in your mind that represents that accomplishment?”
- Ask each participant to write a newspaper headline reporting on your accomplishments in the year 20__ (two or more years from now). Each individual writes a few words to describe what has been accomplished.

Step 2. Integrate your vision with another one

- Have the participants divide into pairs and ask them to share their visions with each other.
- Ask each pair of participants to create one shared vision combining the best aspects of both visions.
- In groups of four (composed of two pairs), discuss the combined visions, and further consolidate these visions to arrive at one shared vision for each group of four people.

Step 3. Record the key elements of all the vision statements

- In plenary, ask each group of four to present its combined vision.
- Record the key elements or phrases of each vision statement on a flipchart.
- Review the elements and consolidate them to eliminate overlaps.

Step 4. Prioritize the elements

- If the list is long, ask each participant to choose the three elements that are most critical. Record them on a flipchart.
- For each element, ask how many others listed it as one of their top three elements.
- Choose the three elements of the vision that were listed most often.
- Check with their entire group to see if these three elements or phrases correspond to their vision.

Step 5. Present the shared vision statement

- Combine the elements and phrases into one vision statement and write it on a clean flipchart. Put it in front of the room to guide further discussions.

(Source: MSH. 2005. *Managers Who Lead: A Handbook for Improving Health Services*. Cambridge, MA.)

HOW TO CREATE A SHARED VISION USING PICTURES

Managers Who Lead describes another tool that can be used by a facilitator to facilitate development of a shared vision, this time using pictures. This exercise guides a group through the process of creating a shared vision using images and pictures rather than words. Use it as a precursor to using the Challenge Model, described in the next section. The drawing keeps people from writing down clichés or abstractions that have little personal meaning or fail to inspire them. Have handy blank flipchart paper for each table and a set of markers and pencils or crayons.

Step 1. Create a picture of a desired future state

- Divide the participants into small groups of four to six people.
- Ask everyone to dream about the future of their group or organization.
- Have each participant make a quick sketch of an image that comes to mind.

Step 2. Share drawings with other group members

- Ask the participants to show and explain their images to the others in their group.

Step 3. Prepare one drawing per group

- Ask each group to prepare one large drawing (flipchart size) that captures the collective dream of the members in their group. (This process encourages the participants to defend elements that are important to them and omit elements they do not care strongly about.)

Step 4. Present small-group drawings

- Ask each group to present its large drawing to the plenary group. (If necessary, have the group clarify parts of the drawing that are not clear. If other participants criticize what a group has drawn, the group should defend the dream in such a compelling way that the rest of the groups accept it.) the drawings can be altered at any time.
- While the small groups present their drawings, summarize the elements and concepts that the drawings portray on a separate board or wall chart.

Step 5. Review the elements and concepts represented in the drawings

- When all the groups have completed their presentations, review (in plenary) the elements and concepts that you recorded.

Wrap up and plan next steps

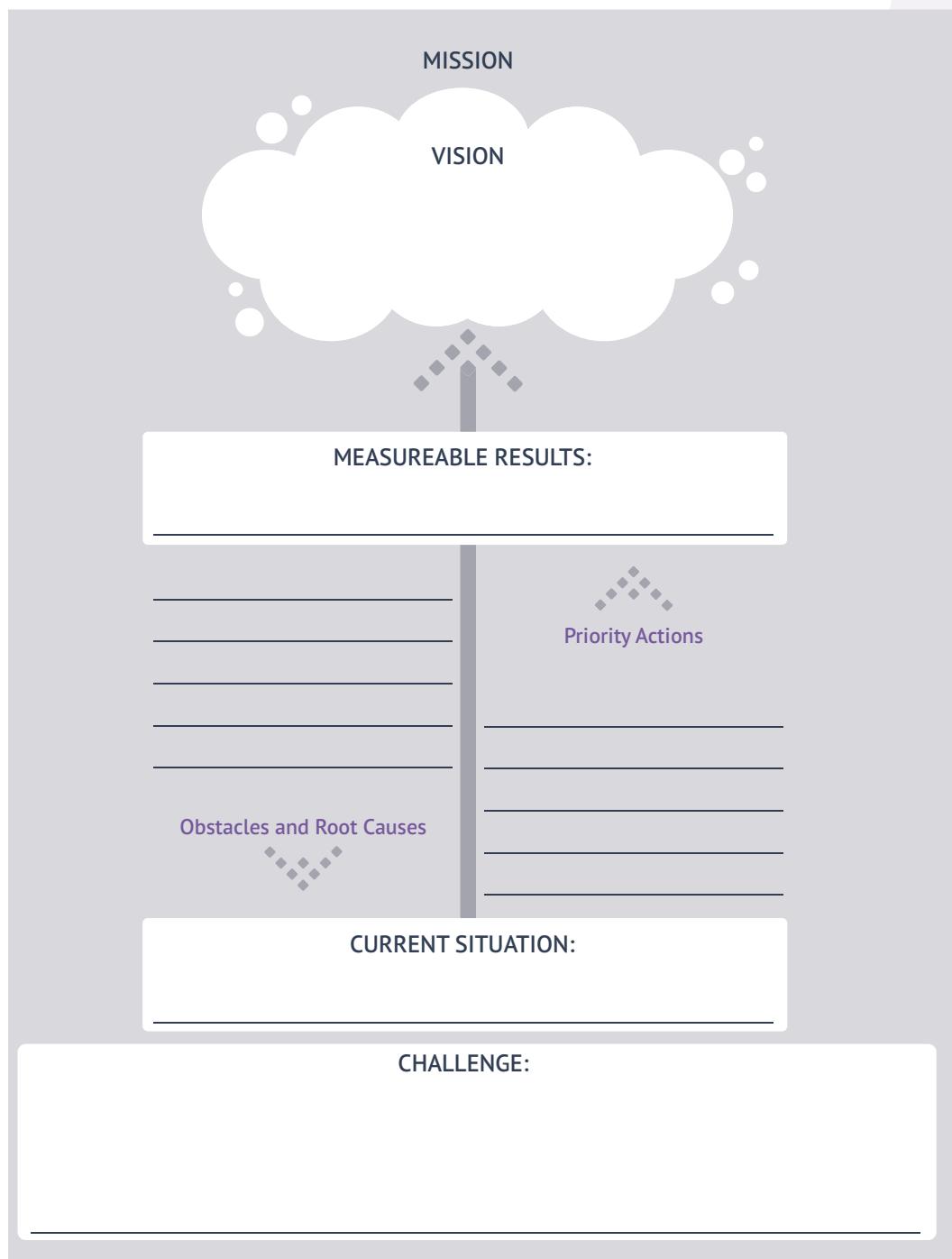
- Invite a small group of people who write well to transform the elements of the vision into an inspiring piece of prose. Some groups have found it inspiring to hold on to the picture.
- You might also ask a local artist to take the sketches and do an artistic rendering of the result of the exercise.
- Explore in a closing reflection with the group how this image of their shared vision might change as they work together.

(Source: MSH. 2005. *Managers Who Lead: A Handbook for Improving Health Services*. Cambridge, MA.)

HOW TO TRANSLATE VISION INTO MEASURABLE RESULTS

Once the shared vision is created, it should be translated into measurable results. *Managers Who Lead* describes the tool – *Challenge Model* that has proven to be very effective for this purpose.

Challenge Model



(Source: MSH. 2005. *Managers Who Lead: A Handbook for Improving Health Services*. Cambridge, MA.)

The Challenge Model tool consists of eight steps.

Step 1. Review your organizational mission and strategic priorities

With your team, form a common understanding of your organization's mission and strategic priorities. This understanding will help you shape your vision and make sure that it contributes to the larger organizational priorities.

Step 2. Create a shared vision

Work with your team to create a shared vision of the future you want and that contributes to accomplishing the organization's mission and priorities. This shared vision serves to inspire the team to face each new challenge.

Step 3. Agree on one measurable result

Pick an aspect of your shared vision and create one measurable result that you all want to achieve. This measurable result is what will drive your work. Because it is measurable, it allows you to monitor and evaluate your progress toward achieving it. Note that finalizing the result is an iterative process. As you learn more about the current situation and obstacles you need to overcome, you may need to adjust your stated result so that it is appropriate and realistic.

Step 4. Assess the current situation

Scan your internal and external environments to form an accurate baseline of the realities or conditions that describe the current situation in relation to your stated result.

Step 5. Identify the obstacles and their root causes

Make a list of obstacles that you and your team will have to overcome to reach your stated result. Use root cause analysis tools to analyze the underlying causes of these obstacles to make sure you are addressing the causes and not just the symptoms.

Step 6. Define your key challenge and select priority actions

State what you plan to achieve in light of the root causes of the obstacles you have identified. (it helps to begin your challenge statement with "How will we...?") Then select priority actions that you will implement to address the root causes of the obstacles.

Step 7. Develop an action plan

Develop an action plan that estimates the human, material, and financial resources needed and the timeline for implementing your actions.

Step 8. Develop an action plan

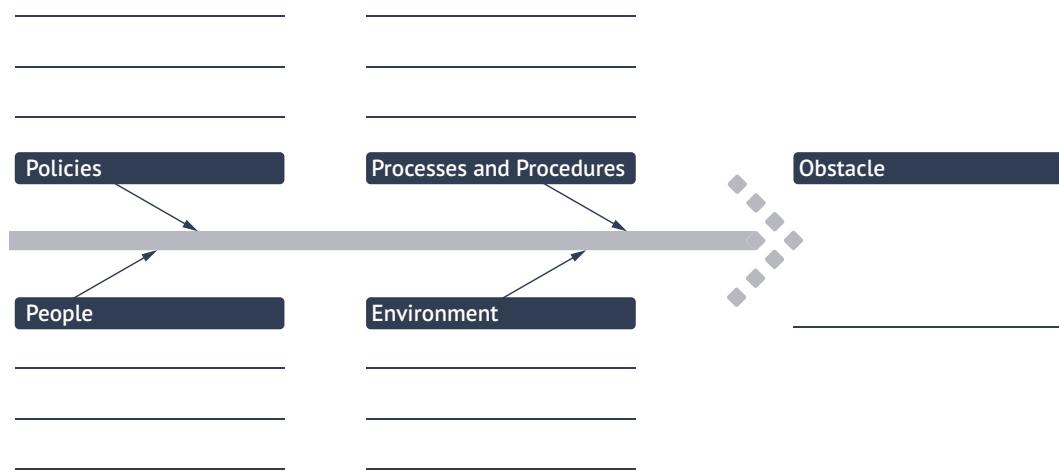
Provide support to your team in implementing the plan, and monitor and evaluate your progress toward achieving your result.

(Source: MSH. 2005. *Managers Who Lead: A Handbook for Improving Health Services*. Cambridge, MA).

HOW TO DIAGNOSE ROOT CAUSES

After using the Challenge Model to uncover obstacles that keep you from achieving your intended result, use of the Fishbone Diagram or the Five Whys Technique will help you identify the root causes of those obstacles.

Fishbone Diagram



Continue working with your team so you can draw on the knowledge and perspectives of many people, which will improve the quality of your analysis. If possible, draw the Fishbone Diagram shown above on a flip chart or chalkboard so everyone can look at it and discuss it together.

Step 1: Write one obstacle you have defined in your Challenge Model in the box on the far right of the Fishbone Diagram.

Step 2: Brainstorm possible reasons why this obstacle is creating a gap between the current situation and your intended result. Discuss each of the main factors—people, policies, processes and procedures, and environment—and how it might contribute to the obstacle.

- People: knowledge, skills, motivation, support
- Policies: rules and regulations that you have the ability to affect
- Processes and procedures: standards, equipment
- Environment: Ministry of Health, community, other stakeholders

Using these four categories will help you organize your ideas. As a group, look for the possible causes of the performance gap and classify them by category. You can select other categories if these four don't apply to your situation.

Step 3: Write the possible reasons on the diagram, grouping them by category. The categories are connected to the central spine of the diagram.

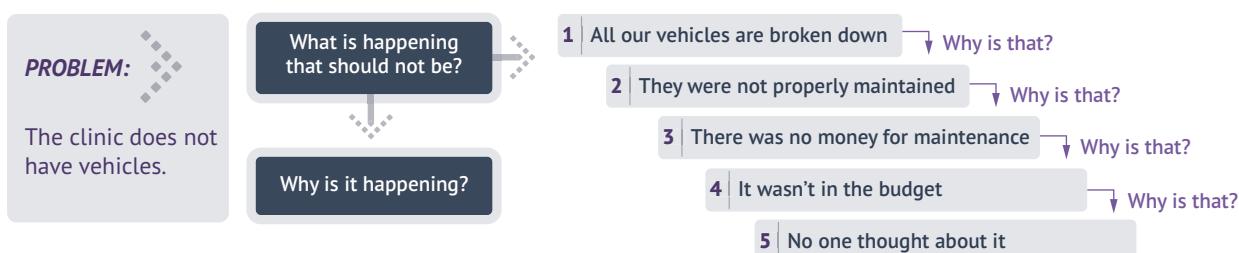
Step 4: Identify the causes that are most responsible for the problem. Do this by probing deeper to understand the factors that sustain the current situation and keep you from moving to your desired result. Use the Five Whys technique (see below) to help you probe. Discuss and select those causes that, if successfully addressed, will allow you to make the most progress toward the desired result. Circle the causes.

Five Whys Technique

The Five Whys exercise is a questioning technique developed by Imai Masaaki and made popular as part of the Toyota Production System in the 1970s. It will help your team get beyond obvious symptoms and identify the primary or root causes of a problem. Asking “why” five times prevents mistaking symptoms for causes and gives a more complete picture of how the problem came into being.

When you are working with a cause-and-effect diagram and have identified probably cause, ask, “Why is that true?” or “Why is that happening?” To each answer ask “why” again. Continue asking “why” at least five times, until the answer is “That is just the way it is, or that is just what happened.” Then you can work on addressing the underlying factors that are truly causing the problem.

An example of the Five Whys Technique



(Source: MSH. 2005. *Managers Who Lead: A Handbook for Improving Health Services*. Cambridge, MA.)

Checklist for Successful Change Initiatives

Strategic direction set by the governing body and key stakeholders may be a new direction for the organization and in that case, its realization will involve a change in organizational processes and structure. Change creates opportunities as well as challenges. To succeed in the change process, the governing body may use this checklist.

	Questions	Comments
1.	Have we communicated the urgency of the change effort by framing the challenge clearly?	
2.	Have we built a strong core team?	
3.	Do we have a shared vision of the end result of the change initiative?	
4.	Are we including key stakeholders in planning and implementation activities?	
5.	Do we have examples of obstacles that we have overcome together as a result of the change initiative?	
6.	Are we sufficiently focused on results?	
7.	Do we have periodic celebrations of short-term wins?	
8.	Do we have continued senior leadership support for facing ongoing challenges?	
9.	Are new behaviors and values becoming increasingly visible at work?	
10.	Are changes incorporated in routine organizational processes and systems?	

(Source: MSH. 2005. *Managers Who Lead: A Handbook for Improving Health Services*. Cambridge, MA.)

References and Resources

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