



StrataJazz Strategic Planning

Inform decisions and improve long-term performance with robust forecasting and risk assessment tools



Modeling financial plans based on an uncertain future has become a competitive advantage for healthcare organizations. Robust and dynamic models allow organizations to prepare for potential changes and respond more nimbly when changes do occur. Consequently, more demands are being placed on finance professionals to perform dynamic “what if” modeling and show alternative views of the future, such as launching new service lines or expanding facilities.

StrataJazz® Strategic Planning guides healthcare leaders in planning for the future by modeling initiatives and potential scenarios to help better understand long-term financial impacts.

Strategic Planning uses best-practice financial management principles to help hospitals, health systems, physician practices, and other healthcare organizations develop multi-year financial plans. Users can assess the viability of proposed initiatives and pinpoint the incremental volume, revenue, cost, debt, and capital structure implications of these initiatives. Rating agency medians are embedded in the financial statements, so it's easy to assess the impact of modeled projections on credit ratings.

Integration with the budgeting process

Based on 30 years of healthcare expertise, Strategic Planning is designed to support a planning process that is independent from, yet aligned to, the annual budget process. Strategic Planning establishes the budget performance targets by helping finance teams:

- Link strategic mission and vision to measurable financial objectives

- Evaluate multi-year financial projections for sustainability and risk
- Model the impacts of alternative financing approaches by integrating scenarios for debt, fundraising, investments, and capital projects
- Communicate how financial plan projections influence capital generation and strategic priorities

Long-term financial planning

Leveraging proven financial management principles, Strategic Planning helps finance leaders proactively quantify and mitigate future financial risk. Historical and proposed budgets and forecasts automatically integrate, so it's faster to create and update long-range financial plans.

Initiatives planning and scenario modeling

Initiative planning and scenario modeling help decision-makers understand the specific impacts of key variables across a range of business scenarios. Many performance management vendors claim to support scenario planning, but Strategic Planning is designed to support both driver- and scenario-based planning with menus, processes, and model attributes to rapidly create scenarios.

Our approach to scenario modeling incorporates the following components:

- 1. Driver assumptions:** Identify the key drivers to the business with independent or causal variables stored independently of the business logic, so they can be viewed and easily modified. Model multiple assumptions with side-by-side comparisons of the projected impacts

of different market and internal drivers on operating performance and the balance sheet.

2. Business logic layer: Transparent algorithms emulate your organization's dynamics so planners can easily tune their models. By using pre-established metrics from the financial plan, you can define and manage an optimal strategic portfolio.

3. Collaboration, inputs, and overrides: Your subject matter experts can review and make judgments regarding expected results with embedded workflow logic.

4. Scenario storage: Efficiently store scenarios in the model repository with straightforward naming, storing, and retrieving.

5. Scenario presentation: Powerful, high-level sensitivity analysis provides a quick view of the impact of specific inputs to your model. Reports and dashboards display side-by-side comparisons, including key drivers and financial data so reviewers can see the detail and business logic that drives results.

Visit our [website](#) to learn more about [Strategic Planning](#) or request a [demo](#).

Key software capabilities

- Analyze scenarios and quantify the financial impacts of utilization or operational changes
- Conduct sensitivity analysis and assess risk to determine the best course of action
- Project the impacts of various strategic initiatives using robust decision support data
- Model balance sheet and cash flow, including investment, project, and debt planning
- Use debt and capital capacity planning tools to understand leverage and capital constraints
- Compare forecasts to credit rating agency medians across various ratios and indicators

