



highlights

Freed up 1,000+ hours of organization time

Drove \$150K+ in annual margin impact

Established regular finance partnership with operations managers

To learn more about how to impact financial planning at your organization, visit our website at www.stratadecision.com.

impact story

\$150K in Annual Margin Impact Made by Implementing Dynamic Planning

problem

Labor Intensive Planning Cycle & Outdated Budgets

Hospitals and healthcare systems across the U.S. are facing major challenges with the traditional budgeting process. Despite devoting thousands of hours to creating the budget, leaders are left to question its overall value and accuracy once it is complete. Operational leaders and financial planning teams devote up to 30 percent of their overall time throughout the course of their careers to this broken process.

At this small Mid-Atlantic community health system, leaders needed a way to reduce the time and resources devoted to a budgeting process that yielded minimal value. They needed to use freed up time to support a more agile planning process and improve communication, accountability and trust between finance and operational stakeholders.

play

Adopt a Rolling Forecast (SP 105)

This small health system designed and adopted a Dynamic Planning approach to drive alignment between clinical operations and finance. Leveraging both StrataJazz® and a partnership with the Strata Professional Services team, the organization created an enterprise focus on ongoing performance management and forecasting to drive efficiency.

As part of this more agile planning approach, the organization can now generate their annual plan at a higher level that can be revisited on a quarterly or ad hoc basis. With the ability to update the forecast

throughout the year, they can continue to update and monitor targets as they identify gaps to the plan and need to establish initiatives to close those gaps.

Executive sponsorship from the CFO allowed them to drive change across the organization, building trust in the process and data. The team used capabilities within StrataJazz® Management Reporting and Productivity Reporting to keep managers focused on meeting or exceeding prior performance and drive a continuous performance mindset. Managers gained confidence in the reported numbers, as they could now leverage a metric-based scorecard with drill-path into details needed to understand financial activities. Access to this scorecard created engagement and accountability to meet financial targets.

impact

Drove \$150K Margin Impact and Cut 1,000 Hours from Budgeting

With support from their CFO, this community health system has seen significant impact following the implementation of their new approach. By adopting a rolling forecast and holding operational leaders accountable to financial performance, the organization has seen \$150K in annual savings and cut 1,000 hours from their budgeting process.

Managers now focus on month over month performance. As a result, leaders expect to see ongoing improvements as managers grow their financial acumen and leverage financial data to make day-to-day operational decisions that will help them meet or exceed their targets.