

Strategic Business Proposal Template

General Information

Name of Entity:

Proposal Name:

Proposal Owner:

Department:

Cost of Proposal:

Summary of Financial Impact:

Executive Summary

This section summarizes the overall business proposal with specific emphasis on the most relevant aspects of the proposal. This section should clearly state how this proposal supports the organization's mission, vision, and values and how it achieves the organization's strategic initiatives. In general, each major section of the business plan is reflected in the summary. Most importantly, this section should end with a description of what, specifically, is being requested (e.g., proposal funding, proposed cost, timeline).

- Briefly describe the proposal
- What is the opportunity or problem being addressed?
- What is the impact to the organization, either clinical or operational?
- What are the overall benefits?
- What is the financial impact?

Background

Discuss the background or rationale that may be relevant to establish context.

Driving Forces

Describe any driving forces (global or local trends) that build a compelling argument for the proposal. This might include competitive market factors, new technology, growth in services or procedures, process improvement, employee and patient satisfaction, consumer preference, physician relations, code and regulatory compliance, safety issues. Are there industry forces mandating or encouraging this change?



Key Assumptions

What critical assumptions are being made that support this effort? This might include assumptions related to staffing, financial, other resources, timing, recruitment, market.

Strategic Alignment

Describe how this proposal aligns with the organization's mission, vision, values, and strategic objectives.

Goals

List and describe the goals and objectives of this proposal. Each goal should be quantifiable and measurable when compared to baseline measures (list baseline measures). Examples include: new business generation, growth in markets served, improvements in patient care/outcome, improved productivity, improved financials. In general, each significant driving force should be addressed with a corresponding goal.

Include measurement against the goals: How will we know we have been successful?

Proposal Description

Describe exactly what this proposal is proposing. Relate the current issues that this proposal will resolve.

Option 1

Describe the major benefits that will be achieved by execution of this proposal, e.g., "patient safety will increase" or "throughput will be improved." Also describe how these benefits will be accomplished.

What are the clinical or operational benefits?

What opportunities or problems are being addressed?

Option 2—This is a more detailed description of the proposal and may include several sections depending upon the scope of the proposal. Include the following:

Current issues: If this proposal corrects a current issue, then provide applicable data and support to validate the issue and how the proposal will solve it (e.g., historical and current volumes, productivity, operational efficiency, market forces, employee and/or patient experience scores).

Scope: What is in scope for the project and out of scope? What does this proposal encompass?

Future growth: If future growth is also a justification for this proposal, then include a five-year growth forecast with a definition of the service area used in your projections. Also explain how this



growth will be achieved (e.g., new service, new procedure, improved throughput, population growth).

Technological impact: If this proposal recommends equipment replacement or purchase of new technology, describe and quantify the impact of this purchase on quality of patient care, throughput and operational efficiency.

Considered alternatives: Describe any alternatives to the proposal that were considered. Also, explain the advantages and disadvantages of each alternative considered. Explain why these alternatives were, ultimately, not chosen.

Dependencies: What are the critical dependencies for the project to be successful?

Projected benefits: List and describe in detail all the benefits that will be achieved by this proposal. In addition to stating that “patient safety will increase” or “throughput will be improved,” also describe **how** it will be accomplished. If any of the listed benefits have financial impacts, then detail how they have been factored into the proforma.

Approach: What is the recommended approach for implementation? How will this occur?

Roles and accountabilities: What parties will be involved and what role will they play? Be specific. Who else is or needs to be involved?

Timing: What is the timing of the efforts and each project step. Consider including a project plan for implementation.

Costs: What costs are involved in successful implementation?

Deliverables: Outline any specific deliverables that will be required, e.g., drawings, equipment installation, training materials, communication plans, organizational structure.

Change management and communication: What is required from a change management or communication planning perspective?

Market Analysis

This section includes a detailed description of any market characteristics that impact the proposal. This is particularly appropriate for new services, expanded services, or changes in service delivery. It should include, but not be limited to, the following:

Market assessment: Define and describe the market to be served. This will include service areas, demographic characteristics, referral patterns, and access to the services.

Service characteristics: Describe service characteristics required by the target market such as access, hours of operation, and patient expectations.

Competitor analysis: Provide an evaluation of competitor(s) activity, including the degree to the proposal would differentiate the organization from the competitor.



Market trends: Describe any expectations of market changes, such as reimbursement, new technology, regulations, or consumer movement.

Barriers to entry: Discuss any barriers to entry, e.g., lack of operational knowledge or staff competency, competitive environment, cost of entry and impact on organizational culture.

Demand analysis: Quantify market demand and potential for additional growth, incorporating the market assumptions described above.

Physician Engagement

Describe how this proposal impacts physician practice and relations. Address the following elements:

- Operational efficiency
- Revenue
- Referral pathways
- Protocols and standardizations
- Partnership opportunities
- Leadership requirements
- Recruitment

Describe how this proposal improves the general satisfaction of patients, physicians, employees, and other stakeholders.

Clinical and Operational Impact

Describe how this proposal improves clinical experience and/or operational efficiencies in terms of outcomes, patient safety, waiting times, throughput times, productivity, staffing, billing, or other operational areas.

Management, Organization, and Staffing

Describe the organizational structure required to support this proposal and its relationship to other organizational programs and entities.

Managerial expertise: Do we have the expertise internally? If not, then how will we obtain it (e.g., through training, recruitment, or contract)?

Physician expertise: Do we have the expertise within our medical staff(s)? If not, then how will we obtain it (e.g., through training, recruitment, or contract)? What credentialing issues need to be addressed?



Staffing and operations: What is the impact to overall staffing and operations? Do we have the right staff and expertise in place? What is required to obtain it?

Facilities, Equipment, and Licenses

If this Business Proposal requires any construction, renovation or remodeling, then relate the anticipated scope of work.

If this Business Proposal requires any equipment purchases, then describe the list of desired equipment.

If this proposal requires any construction, remodeling or equipment, then address the following:

Facility design and space requirements: Describe the scope of the proposal. Describe how this proposal fits within the facility master site plan. Describe the critical design elements (i.e., square footage, adjacencies, infrastructure requirements, etc.). Attach visuals/drawings if available.

Facility infrastructure: Confirm that there is adequate infrastructure to support the proposal. (Facility infrastructure includes central plant, site utilities, etc.) Include any incremental plant infrastructure upgrades in the equipment list.

Equipment: Include a detailed list of equipment to be acquired including costs.

Regulations and code: Describe the impact of current code, licensure, and regulatory requirements on the proposal.

Operational Plans with Timeline

Provide an estimate of how long it will take to implement this Business Proposal upon approval.

Provide a projected timeline for implementation of the proposal that includes an anticipated schedule for the following elements: staffing, design, construction, equipment purchase/installation, staff/physician recruitment, marketing, etc.

Include any critical deadlines that must be met in order for this proposal to succeed.

Impact on Other Services

Briefly relate which services and/or departments will be highly impacted by this proposal and how will these impacts be addressed.

What other clinical services (e.g., pharmacy, lab, ED, PACU, telemetry) will be impacted by this proposal and how will these impacts be addressed?

Which ancillary and support services will be impacted by this proposal (e.g., food service, materials management, environmental services)? How will these impacts be addressed?



Financial Analysis

Include a five-year proforma for the proposal accompanied by a clear explanation of assumptions using full cost. Include the following:

- Projected volume
- Gross revenue and deductions from revenue
- Salary and benefit expense
- Non-salary expenses (e.g., medical fees, supplies, purchased services, rents and leases, depreciation, interest, insurance)
- Equipment expense
- Construction/renovation expense (attach estimates for construction/renovation)
- Inflation factors
- Net Present Value
- Return on Investment

Create and/or update project proforma financial statements as assumptions change.

Risks and Challenges

Describe the risks and challenges associated with this proposal and explain how they will be addressed.

Describe the risks and challenges of **not** proceeding with this proposal.

If funding is not possible, what will be your next course of action?

Measures of Success

What measures will be monitored to determine the success of this proposal? Some possible measures include, but are not limited to, the following:

- **Financial indicators:** Net income, revenue, expenses
- **Quality indicators:** Patient and employee satisfaction scores, measurable clinical process or outcome improvements
- **Operational indicators:** Throughput, number of cases/procedures, FTE reductions

Statistics should show how the service is performing currently and what benchmarks will be achieved through this proposal.

Exit Strategy

Should this proposal fail upon implementation, describe any exit strategies that could be undertaken to minimize losses.

