



Building a Business Case for Patient Safety

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BUSINESS PLANNING

“Would you tell me please, which way I ought to go from here?”

“That depends a good deal on where you want to get to,” said the Cat.

“I don’t much care where---” said Alice.

“Then it doesn’t much matter which way you go,” said the Cat.

From Alice in Wonderland

WHAT IS A BUSINESS PROFILE?

- **Purpose: Provide Focus**
- **Short “Form”**
- **Consists Of (7) Key Components**
- **Mechanism To “Float” An Idea By Your Leader**
- **Precedes The Formal Business Plan**

BUSINESS PROFILE – 7 COMPONENTS

- **Description Of Service**
- **Market Demand**
- **Revenue Influencers**
- **Competencies**
- **Investment**
- **Net Revenue**
- **Constituent Support**

COMPONENT 1: DESCRIPTION OF SERVICE

- **Brief**
- **Defines The Service**
- **No More Than 1-3 Sentences**

COMPONENT 2: MARKET DEMAND

- **Size Of Potential Market**
- **Optimal Patient Volume For New Service**
- **Does The Market Exist?**

COMPONENT 3: REVENUE INFLUENCERS

- **How Will This Service Be Paid For?**
- **Who Is Making The Decision To Use The Service?**
- **How Much Can Their Choice Be Influenced?**
- **Can We Capture The Lowest Contract Price?**
- **Location**
- **Physician Participation**

COMPONENT 4: COMPETENCIES

- **Which Are Key For Success?**
- **Do We Have Them?**
- **Can We Get Them?**
- **How Difficult Are They To Acquire?**

COMPONENT 5: INVESTMENT

- **What Capital Is Required?**
- **What Is The Timeframe?**
- **Estimates Are Acceptable**

COMPONENT 6: NET REVENUE

What Is The Anticipated Net Revenue?

COMPONENT 7: CONSTITUENT SUPPORT

- **Who Are They?**
- **Do You Have Their Support?**

BUSINESS PLAN

- **YRMC Template**
- **Components**
 - **Executive Summary**
 - **Our Mission**
 - **Market**
 - **Business Model**
 - **Financials**
 - **Team**
 - **Project Planning**
 - **Attachments**

EXECUTIVE SUMMARY

- **Statement Of Purpose**
- **Description Of Service**
- **Relationship To What We Do Best**
- **Why Should We Pursue?**
- **Review Financials**
- **Implications Of Not Pursuing?**

EXECUTIVE SUMMARY

Reminders:

- **Appears First, Written Last**
- **Summary Of Main Points**
- **Persuasive**
- **No More Than One Page**

OUR MISSION

- **What Are We Adding Or Expanding?**
- **How Does It Further Our Mission?**
- **Strategic Fit?**
- **Relationship To What We Do Well**

Reminders:

- **Skip The Jargon & Details**
- **Use A Broad Brush**
- **Paint A Picture**

MARKET

- **Prove There Is A Need**
- **Provide History To Prove Viability**
- **Provide Market Figures & Growth Projections**
- **Swot Analysis**
- **Who Pays?**
- **Marketing Plan & Costs**
- **Competition**

Resources: Director, Community Relations

BUSINESS MODEL

- **Discuss Business Need**
- **How It Is Operated?**
- **Staffing**
- **Establish Baseline Metrics**
- **Expected Hurdles?**
- **What/Who Will Be Affected?**

Resources: Vice President, Strategic Planning & Business Development

Page 17

12/15/2005

FINANCIALS

- **Estimate Charges & Reimbursement**
- **Capital Advisor Analysis (>25k)**
- **Return On Investment (ROI) Generated?**
- **Define Unit Of Service, Measurement & Cost**
- **Estimate Patient Volumes**
- **Payback Timeline**
- **5 Year Forecast**

Reminders:

- **Include Tables & Charts**
- **Include Narrative To Emphasize Key Points**

- **Resources: Director, Managed Care
Controller
Chief Financial Officer**

Page 18

12/15/2005

TEAM

- **Identify Team Members**
- **Highlight Team's Background To Build Credibility**
- **Ensure Representation From Support Areas**
- **Include Physician Collaboration**

Resources: **Vice President, Human Resources**
 Vice President, Medical Affairs

PROJECT PLANNING

- **Use Gantt Chart Or Timeline Tool:**
 - **Address What You Have Completed**
 - **Identify Milestones Ahead**
 - **Identify Critical Meetings**

– **Resources:** **Vice Pres. Information Technology**
 Chief Information Officer

ATTACHMENTS

- **Architectural Diagrams/Cad Drawings**
- **Telecommunications/Information System Schematics**
- **Tables, Graphs, Charts**
- **Supporting Material: Studies, Research**
- **Cost Estimates**
- **Resources: Director, Facilities Management
Director, Technical Solutions**