Healthcare

[Authors Name]

**Healthcare**

Mayo Clinic is one of the largest non-profit health care organizations that was initially run as the temporary hospital by Dr. William and his sons. However, today this clinic has thrived into large organizations with four hospitals and three clinics in three different states. More than 40,000 scientists, physicians, allied health workers, and nurses are employed in this organization. Also, this clinic operates and owns the Mayo Clinic health system that comprises more than 70 clinics and hospitals across Wisconsin, Lowa, Minnesota. Mayo Clinic also runs different colleges of medicines including Mayo medical school, Mayo school of health science and Mayo school of the graduate medical association. More than 1 million people receive treatment from all 50 states and around 150 countries. Through change and growth, Mayo Clinic is committed to its guiding principles that are in the best interest of the patients. The total revenue for the Mayo clinic is $ 8,476 million which reflects the great success of business even at the time of downfall. The clinic runs on a mission to inspire hope and contributes to the wellbeing and health of individuals by providing the best patient care through integrated research, education and clinical practice. Mayo Clinic is a patient-focused organization. The external factors are categorized into three different types.

**Remote environment**

A remote environment also known as the macro environment comprises of conditions that affect the environment of business and impacts the market and industry in which all other companies exist. Environment change affects all industries and not one particular industry.

**Industry Environment**

This is known as the microenvironment. It is usually a competitive environment and comprises of the industries and markets in which the company exists.

**Operating Environment**

This is known as a task and competitive environment and basically, consists of different aspects which help the firm to compete successfully. In addition to this, it also can retain the resources of the firm which are required for the company to provide services and goods at a profit. The main type of environmental factors that affect Mayo Clinic includes technological and political factors.

**Environmental Assessment**

In America, the Mayo clinic is considered as one of the top national brands of health care. Since its establishment, the main focus of the clinic is in providing the highest quality of care to its patients. The organization's full focus is on group-oriented approach and teamwork, this is the reason due to which its strength has been built by word of mouth instead of the marketing strategy. Mayo Clinic has received national recognition for its sustainability efforts through green health practice. This clinic has implemented several programs and policies to improve environmental sustainability. Other than this Mayo clinic is continuously working toward achieving higher sustainability goals. In 2017, several sustainability efforts were made by the Mayo Clinic. The achievement includes the expansion of recycling programs in the patient area, reducing energy by 20%, finalizing the energy policy to conserve the energy and inviting staff to engage more in the sustainability efforts both at home and at work.

**Organizational Assessment**

The Mayo clinic values work ethics due to which employees show more commitment and dedication towards their organizations. A scholarly environment for research and education is provided that acts as an edge for the Mayo clinic. This clinic tends to provide decorum, exceptional facilities and professionalism in their services and structure. The Mayo Clinic has provided an opportunity for its employees and patients to share their great experiences at the clinic (Swensen, Dilling, Harper Jr, & Noseworthy, 2012)

**Human Resource Assessment**

Mayo Clinic follows the philosophy of the founders of clinics which states that medical knowledge is vast and one man can't excel in it. People from all specialties such as clinicians, laboratory workers, and the specialist must work together to provide a high level of patient care. Mayo Clinic has provided many different facilities such as online patient clinical records for the peer review and salary compensation to its employees. In this clinic, employees are free to practice multidiscipline and to increase their knowledge and skills in the research centers.

**Political Assessment**

Many different acts were enacted at the time of President Obama such as the Affordable Protection and the Patient Protection Act. According to this plan insurance companies were restricted to drop people when they get sick and young adults were allowed to remain on the parent's health plan till 26 years of age. These acts were passed to facilitate the public on their health care. These types of policies directly affect non-profit organizations as they get funding and grants from the government.

A strategic plan is defined as a tool that delivers proper guidance in achieving a goal and mission with maximum control and proficiency for an organization. Strategic planning is used to revitalize and transform the organization (Curtright, Stolp-Smith, & Edell, 2000). A strategic plan helps to provide a detailed understanding of challenges and opportunities both externally and internally for an organization. This pan delivers an assessment of the limitation and strengths that are realistic within an organization. A well-developed plan offers empowerment and a comprehensive approach for all the stakeholders that are involved. Strategic thinking is a skill that is important to pursue logical information. A strategic plan is important to improve and increase the business and to live with primary values that are the patient's needs. The top stakeholders that are involved in the strategic planning of the Mayo clinic are patients, local and the general public surrounding the clinic (Varkey & Bennet, 2010). Today most of the organizations are engaged in strategic planning. It helps organizations and companies to become more productive. Strategic planning is a continuous process of evaluating and implementing decisions that help an organization to achieve its objectives. By conducting an external and internal analysis an organization identifies critical opportunities and threat an organization is facing. It also helps an organization to determine which of its capabilities and resources are more likely to be a source of competitive advantage.

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**SWOT Analysis (Bull et al., 2016)**

SWOT analysis is a tool which is recognized internationally and is used in an organization to measure the organization current situation and to predict future life. SWOT analysis is a powerful tool for sizing up deficiencies', capabilities and resources of an organization. It stands for strengths, weaknesses, opportunities, and threats. External factor includes threats and opportunities whereas internal factor comprises of strength and weakness. It is an important tool that is used to monitor the organization current situation and to develop and implement strategies that are required to encounter competitions. It also helps organizations to develop specific and critical decision plans to achieve the strategic objectives of organizations. The organization which I have chosen for the SWOT analysis is Mayo Clinic. SWOT analysis is an interactive process that requires coordination among different departments such as finance, management and operation. Opportunities and threats help to achieve the objectives of an organization whereas threats and weaknesses are harmful in achieving objectives of an organization.

**Strengths**

Strengths are the resources and capabilities of the Mayo clinic that are used to build a sustainable competitive position in a market place. Strengths usually come from positive aspects of 5 capabilities and resources: past successes and experiences, physical resources such as processes and activities, building and land, human resources and financial resources.

### Research and Innovation

Mayo Clinic tends to provide great attention to the education and research activities. The Mayo Clinic team is basically involved in multidisciplinary research that helps fast discoveries of new prevention and treatment techniques.

**Focus on Quality**

Quality at Mayo clinic is the in-depth outlook on the patient experience, it tends to focus on excellence in the expertise and knowledge, compassionate staff, care, and technology. Quality measures are surgical infections, mortality rates, and several patients who have diagnosed successfully along with the medical record confidentiality. This clinic also measures quality by ensuring that patients do not have to wait several hours to get the desired treatment. This clinic aims to increase patient satisfaction levels by providing treatment on time along with the doctor's availability.

**Team Work and Medical Record System Integration**

Mayo Clinic has implemented a patient scheduling system that allows assigning patients to physicians and also organizes patient time. This system usually records details that are important such as patient availability, laboratory tests, doctor's comment and another diagnosis that is being given.

**Strong financial Statement**

Mayo clinic's strong financial statement and balance sheet help it to invest in diverse and new projects that further diversify the revenue stream and also increases its metrics and return on sales.

**High Margins**

Mayo clinic charges a premium that is compared to its competitors. According to Robert S. Huckman, E. Herzlinger and Jenny Lesser Mayo clinic have a sufficient amount of resources to not only combat competitive pressure but also to invest in development and research.

**Diverse Product Portfolio of Mayo Clinic**

The brand and product portfolio of the Mayo clinic enables it to target different segments in the domestic market. This helps the clinic to build profit mix and diverse revenue sources.

**First Mover Advantage**

Mayo Clinic has a first-mover advantage in a different number of segments. The leadership and managing people strategies and solutions help the Mayo clinic to come up with a position to tap uncovered markets.

**Strong Brand Equity and Brand Awareness**

Mayo Clinic has several most recognized brands in the domestic market in which it operates. According to different studies recognition of brands plays a very important role in attracting new customers and also look for different solutions in adjacent industries.

**Weaknesses**

Weakness refers to not having competency and form necessary for something. It is a characteristic that is unfavorable and negative. At organizational level weakness refers to a situation in which the current ability of an organization is weaker as compared to other competitor organizations. Weaknesses limit the firm ability to build a competitive and sustainable environment. Weaknesses usually come from an absence and lack of different resources and capabilities. Although Mayo Clinic has the patient-focused multidisciplinary force and high-quality patient care yet there is room for improvement such as according to the Affiliated Regional Medical Group. Mayo clinic ambulatory care ranked below the average of 12 as compared to 2008. Secondly, the variations are present in the intensity of care provided at the Mayo clinic. It is required that consistency across the hospital should be present. Another weakness is that in Mayo Clinic people from diverse cultures are working together and if diversity synergy is not formed then the conflict can arise inside the clinic.

**Lack of critical talent**

According to a few researchers, the Mayo clinic is suffering from a shortage of talent especially in the field of digital transformation. The clinic is struggling to restructure processes in the field of machine learning and artificial intelligence.

**Inventory Management**

According to the details that are provided by the Mayo Clinic it can be concluded that this clinic is not managing the cash cycle and inventory efficiently. According to the different scholars, there is a great need for improvement in the management of inventory.

**Customer Dissatisfaction**

Another weakness of the Mayo Clinic is the increasing dissatisfaction among its customers that is predicted from the different reviews present online. Mayo clinic should focus on areas in which customer experience of purchase and post-purchase can be improved.

**Low Return on Investment**

Although the clinic is having a stable sheet. There is one metric on which improvement is needed that is “Return on Invested Capital”. According to the different analysts, this clinic operates in reliable measures of profitability in invested and return capital such as return on equity and asset. Another weakness of the Mayo clinic is that the clinic business model can be replicated easily even with the number of copyrights and patents which this company possesses. The intellectual copyrights are not easy to implement in the industry where the clinic operates.

**Opportunities**

Opportunities are defined as factors that the clinic can utilize either to consolidate the existing position of the market or to use them for any further expansion. Opportunities can emerge from different factors such as economic growth, consumer preferences, policy change, political development, and an increase in disposable income of consumers and innovation in technology. Mayo Clinic can utilize the increasing disposable income to create a new business model in which customers start paying for the utilization of different services. One of the biggest opportunities for Mayo Clinic is its ability to translate the research into practice. Their research centers have provided an innovative systematic approach to disseminate research discoveries in daily medical practice. In 2011 the Mayo Clinic care network was incorporated that helps it to affiliate with other hospitals and to broaden its scope.

**Threats**

The biggest threat to Mayo Clinic is the lack of highly trained and qualified medical practitioners in the United States. Secondly, an increase in several physicians is more likely to demand reimbursement for the call, input and other activities in the future. The third biggest threat to the Mayo Clinic is the salary based compensation system. A salary-based compensation system may increase the fixed cost of the hospital. Other threats include criticism of innovation and researches by authority officials and competitors. Mayo Clinic has a long history of coordinated and smooth leadership transitions. In future Mayo clinic serves to provide consistent stability and strong direction for succession planning. In the future, there is more room for advancement in education and research in the field of clinical practice. The advancement in clinical medicine will be promoted from the progress in research, medical practice and education (Swensen et al., 2009). In the future, Mayo Clinic will extend its knowledge in multiple ways and will tend to serve more than 12.5 million people. Mayo Clinic's culture of teamwork and collaboration and its extensive resources and facilities makes it possible for specialists and researchers to solve complex research problems. This will make it possible to bring newly discovered therapeutics and diagnostics to the patients. The strategic investments in the different projects will provide the state of the art technology, equipment, and facilities. It also ensures that Mayo Clinic meets the demand and needs of the patients. In the future, Mayo Clinic is dedicated to supporting the needs of the patients and communities through community-based research, public health education, local development efforts, health improvement programs of community and charitable donations.

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