

## **Strategic Planning for Health Service Sector in Iran (Case Study: A General and Governmental Subspecialty Hospital)**

**Alireza Hadadian<sup>1\*</sup>, Amirhossein Bagherieh Mashhadi<sup>2</sup>, Maysam Hosseini<sup>3</sup>**

**1- Assistant professor, Ferdowsi University of Mashhad, Iran, a.hadadian@yahoo.com**

**2- Young researchers and Elite Club, Mashhad Branch, Islamic Azad University, Mashhad, Iran**

**3- B.A in English Translation, Ministry of Education of Iran**

### **Abstract**

Strategic planning is a vital importance in success of every organization to obtain the goals and mission. Hence, in this paper is an attempt to identify appropriate strategies for a general and governmental subspecialty hospital in northeast of Iran using comprehensive strategy formulation framework. The statistical population includes hospital staff and because of using Delphi method from an early stage to prioritize strategies, the sample consists of organizational elites including managers and supervisors of medical and administrative departments. In this research, data collected by questionnaire and interview. Accordingly, in the input stage, EFE and IFE matrixes are given and then in the matching stage, IE matrix and SWOT matrix are formed. Finally in the decision stage, the best strategies are identified by using QSPM. Results show this hospital has scored 1/92 for internal factors and 2/16 for external factors and thus encounters with minor threat and weakness that reflects defensive position. Thus, after deriving five defensive strategies from SWOT matrix, they are prioritized and appropriate solutions are presented.

**Keywords: Strategic Planning, PEST Analysis, SWOT Matrix, IE matrix, QSPM.**

## **1. INTRODUCTION**

Planning is the most fundamental basis in the management tasks. It identifies the desired position which the organization is required to achieve in the future, then considers a set of effective actions to achieve this position. In recent years, a number of reasons have caused insightful managers to find out traditional planning is not able to solve their problems. Thus, benefiting from the strategic planning has been suggested as a necessity for governments, organizations and communities [1]. In essence, strategic planning suggests that organizations should formulate effective strategies with respect to the internal environment in order to be adapted to the changing external environment. This has been so far focused by researchers in various fields in Iran, such as Madhushi and Tari [2] for development of non- petroleum export, Amini and Khabaz Babil [3] in the automobile industry, Hasangholipur and Aghazadeh [4] in small and medium companies, Sanati and Nuraei [5] in biology technology, Behzadfar and Zamanian [6] in tourism development, Sehat and Parizadi [7] in the insurance industry, and Shojaei and Pashaei Surkali [8] in IT. In Iran, strategic planning in the health sector is very important because of its critical role and requirements such as increasing efficiency, improving the level of quality and quantity of service, economizing methods and processes, development of strategic thinking, and finally the administration of hospitals and health departments based on new and effective management techniques. Thus, this study focuses on a state hospital in the northeast of Iran for strategic planning. The aim of this study is to identify strengths and weaknesses as internal factors and opportunities and threats as external factors, determine SWOT matrix and strategy formulation, determine strategic positioning, and finally prioritize strategies and provide optimized solutions all adopted from the method of comprehensive framework for strategy formulation.

## **2. CONCEPTUAL FRAMEWORK**

Strategic management with a prospective view finds out effective formulation of the strategy important and considers it as the navigator of purposes and activities of the organization [9]. Not only is the necessity of strategy formulation as an undeniable fact for organizations, but also there is much evidence showing that the reluctance of existing managers to the strategic planning leads to make immediate decisions which are wrong and sometimes cause destruction of their industry [10]. Thus, before there would be economic problems which lead to unpredictable issues around the world, organizations should formulate strategic planning for

their future in order not to have an immediate reaction. In fact, strategic planning is a set of theories and frameworks, complementary tools and techniques to help managers to think, plan and act strategically [11]. In other words, strategic planning provides organizations with tools in order to be able to develop and implement strategies on various aspects and manage their own strategic performance [12]. In this study, after evaluating literature, PEST analysis, Internal Factor Evaluation (IFE) Matrix, External Factor Evaluation (EFE) Matrix, Internal-External (IE) Matrix, SWOT Matrix and Quantitative Strategic Planning Matrix (QSPM) are used to evaluate and analyze the optimal strategies.

## 2-1. PEST ANALYSIS

A fundamental principle in strategic planning is that organizations should seek to formulate strategies to take advantage of external opportunities and avoid or reduce the effects of external threats [13]. Hence, strategic planning helps organizations to predict environmental changes and respond them effectively [14]. The purpose of investigating external the factors is to prepare a final list of exploitable opportunities and avoidable threats [13]. In this regard, PEST analysis is a simple and yet so important because of its extensive usability which helps understand the environment in which we act. PEST is an acronym for Political, Economic, Social, and Technical factors. PEST analysis is used by managers of organizations around the world to formulate their insights in the future [15].

## 2-2. IFE AND EFE MATRIX:

Having prepared the list of external factors, it is turn to identify internal factors which should involve strengths and weaknesses. In fact, strategists should identify and assess the strengths and weaknesses of internal factors to formulate strategies effectively and choose the most appropriate one among the various options. The analysis of strengths, weaknesses, opportunities and threats identify factors which may affect future consequences of the organization. Thus, the pattern of strengths, weaknesses, opportunities and threats are the key factors of the success of the organization for distinguish unique competences. The aim of analyzing these factors is to provide guidelines to ensure the balance between the external environment and the internal state [16]. In the method of comprehensive framework for strategy formulation, the internal and external factors are scored after being identified. To do this, EFE and IFE matrixes are used. External Factor Evaluation matrix allows strategists to assess environmental, economic, social, political, cultural, legal, technological factors, market conditions and competition at the desired time and is applicable to state, private and public organizations [17]. The following steps must be performed in order to achieve the External Factor Evaluation (EFE) matrix: In the first step, having investigated the external factors, 15 to 20 cases which encompass the important factors are listed. In the second step, weight or coefficients representing the relative importance of one factor is given to these factors. These weights are from 0 (not importance) to 1 (very important). In the third step, assign a rating between 1 and 4 to each key external factor to indicate how effectively the firm's current strategies respond to the factor, where 4 = the response is superior, 3 = the response is above average, 2 = the response is average and 1 = the response is poor. Ratings are based on effectiveness of the firm's strategies. Ratings are thus company-based, whereas the weights in Step 2 are industry-based. It is important to note that both threats and opportunities can receive a 1, 2, 3, or 4. In the fourth step, the weight of each factor is multiplied by the score to get the final score. Finally, in the fifth step, we get the total score for each factor in order to determine the total scores of the organization for external factors. In summary, the external factor evaluation matrix is illustrated below:

**Table 1- External Factor Evaluation (EFE) Matrix**

	Key External Factors	Weight	Rating	Weighted Score
$O_1$	Opportunities	$x_i$	$y_i$	$y_i \times x_i$
...	...	...	.	.
$T_1$	Threats	...	.	.
...	...	$x_n$	$y_n$	$y_n \times x_n$
Total	-	$\sum x_i = 1$	$1 < y_i < 4$	$1 < \sum x_i y_i < 4$

Calculation of the IFE matrix is similar to the steps of the EFE matrix. But in the rating of the internal factors, major strength, minor strength, minor weakness and major weakness score 4, 3, 2 and 1, respectively [13].

### 2-3. INTERNAL-EXTERNAL (IE) MATRIX:

After calculating the final score of the internal and external factors, four-cell IE matrix in accordance with table 3 is prepared and position of the organization based on obtained coordinates is determined. In forming the matrix, the scores of the external and internal factor evaluation matrix should be placed on horizontal and vertical dimensions of the matrix [18]. If the total final score of the EFE is 1 to 2/5, it represents a threat and if it is 2/5 to 4, it represents an opportunities. Also, if the total score of the IFE is 1 to 2/5, it represents an internal weakness and if it is 2/5 to 4, it represents strength [19].

		The IFE Total Weighted Scores		
		1	2/5	4
	2 Conservative			The EFE Total Weighted Scores 2/5 1
	1 Aggressive			
	4 Defensive			
	3 Competitive			

**Figure 1. Four-cell Internal-External (IE) Matrix**

According to Fig.1 the best position for the organization is the cell Aggressive because it is faced both with the opportunities and strengths. The cell conservative means that the organization is faced with several environmental opportunities and yet suffers from weaknesses inside the organization. Strategists with a comparative analysis of the existing opportunities and weaknesses can create new opportunities and choose other directions to continue the existing strategy. Thus, the company's senior management uses the strategy of changing directions. When the position of the organization is competitive, the organization has strengths and is faced with the undesirable environment. Consequently, strategists use existing strengths to create long-term opportunities in markets or products and benefit from diversification strategy. In the cell 4, the organization is faced with the environmental threats and the weaknesses of the organization are also other major obstacles facing the organization. In this case, strategists should use the defensive strategy for survival [20].

### 2-4. SWOT MATRIX:

One of the most common techniques and tools for strategy formulation is SWOT matrix. This matrix was introduced in 1960s and is one of the main tools in the comprehensive framework for strategy formulation [18]. In case of effective and appropriate use, it gives to the organization base and good criterion for strategy formulation [21]. The main purpose of this model is to create a fit between the organization and the environment [22]. SWOT matrix is used in many developed and developing countries in various fields. For example, it is used to grow business in China and the UK and to analyze the behavior of small business in Scotland and Bahrain [23]. SWOT stands for Strengths, Weaknesses (Internal factors), Opportunities and Threats (External factors). In fact, this matrix is one of the important tools by which managers can compare information and present four strategies. Comparing internal and external factors is the most important part of the matrix and requires careful judgments [19]. SWOT matrix consists of a two-dimensional coordinate table and each of its four areas represents a strategy group. These strategies are illustrated in Table 2.

**Table 2- Strengths-Weaknesses-Opportunities-Threats (SWOT) Matrix**

	Strengths	Weaknesses
Opportunities	<b>SO Strategies</b>	<b>WO Strategies</b>
Threats	<b>ST Strategies</b>	<b>WT Strategies</b>

SO strategies: strategies overusing environmental opportunities by strengths of the organization. WO strategies: strategies of using potential advantages lying in the environmental opportunities to compensate for the weaknesses the organization. ST strategies: strategies of using the strengths of the organization to prevent threats. WT strategies: Strategies to minimize losses due to threats and weaknesses [24].

## **2-5. QUANTITATIVE STRATEGIC PLANNING MATRIX:**

After determining the SWOT matrix and selection of optimal strategies by using IE matrix, these strategies are scored by using quantitative strategic planning matrix (QSPM) to determine the relative attractiveness of each one [13]. This matrix determines which of the strategies selected is more appropriate and this matrix prioritizes the strategies [25, 26]. In other words, quantitative strategic planning matrix is an analytical framework which is used for institutionalization of the SWOT matrix strategies [2].

## **3. CONCEPTUAL MODEL**

In order to formulate strategies of the desired department, a model called comprehensive framework for strategy formulation is used in this study. This model provides tools and approaches which are appropriate for a variety of organizations in various sizes and help strategists to identification, evaluation and selection of strategies [3]. This framework consists of three stages, which are [13]:

- Input stage: At this stage, the main requirements of data about inside and outside the organization are determined to formulate strategy. In this paper, stage 1 involves the IFE and EFE matrices.
- Matching stage: At this stage, the internal main factors (strengths and weaknesses) and external main factors (opportunities and threats) are matched by using tools such as SWOT matrix and the Internal-External (IE) matrix to identify strategies in keeping with organization's mission and internal and external factors.
- Decision stage: At this stage, different options identified at the matching stage are evaluated and judged by using quantitative strategic planning matrix (QSPM) and their relative attractiveness is determined.

## **4. MATERIALS AND METHODS**

This research is application and descriptive – analytical. In this study, statistical population includes the hospital staff. According to the Delphi method requiring the use of organizational specialists and experts and the size of Delphi group which is 5 to 20 people [27] or 10 to 20 people [28], the sample consists of elites means the team of hospital strategy including managers and supervisors of medical and administrative departments (15 people). In other words, the validity of the Delphi method depends not only on the number of participants in the research, but also the scientific validity of the experts participating in the study. In this study, required data are collected through questionnaires, individual interviews and group meetings. The weight of the importance of internal and external factors are determined by using analytic hierarchy process (AHP) and SPSS software is used for other stages.

## 5. FINDINGS

The findings of input stage show that the hospital is affected by 21 external factors including 8 opportunities and 13 threats as well as 24 internal factors including 14 strengths and 10 weaknesses. In the external factor evaluation matrix, the final score 1 to 2/5 represents a threat and 2/5 to 4 represents an opportunities. In accordance with table 3, this value is less than 2/5 which represents the minor threat. The total final score 1/5 to 2 represents an internal weakness and 2/5 to 4 represents strength. Thus, the value of 1/92 in the table 4 represents the minor weakness inside environment of the hospital.

**Table 3- External factors Evaluation (EFE) Matrix**

Key External Factors	Weight	Rating	Weighted Score
<b>Opportunities</b>			
1. Regional Hospital	0.073	1	0.07
2. Ability to communicate effectively with City Hall, the City Council and the Parliament	0.050	2	0.10
3. Family Physician	0.009	1	0.01
4. The appropriate geographical conditions for patients	0.061	1	0.06
5. Leaving some areas of care and service to the private sector	0.050	2	0.10
6. enough space for the development of hospital	0.078	3	0.23
7. Donors	0.027	2	0.05
8. One of three state hospitals for the Cardiac Surgery	0.152	3	0.46
<b>Threats</b>			
1. Lack of transparency of state payments to the hospital	0.101	1	0.10
2. Away from the hospital for the presence of specialists	0.011	2	0.02
3. Existence of professional competitors	0.063	3	0.19
4. Low reputation of the Hospital in state	0.038	3	0.11
5. Low budget	0.046	1	0.05
6. Some problems due to low awareness of patients	0.012	2	0.02
7. Away from downtown	0.009	2	0.02
8. Away from the main road	0.013	2	0.03
9. Low reputation of hospital in the community	0.038	2	0.08
10. Late payments by the insurance companies	0.137	3	0.41
11. Lack of urban transportation system	0.011	2	0.02
12. Anonymity of the geographical location of the hospital	0.011	1	0.01
13. Inappropriate geographical location for a stay of patients referring from outlying areas	0.011	1	0.01
<b>TOTAL</b>	<b>1</b>		<b>2.16</b>

**Table 4- Internal factors Evaluation (EFE) Matrix**

Key Internal Factors	Weight	Rating	Weighted Score
<b>Strengths</b>			
1. Income-par performance of the newly established departments of other hospitals	0.083	4	0.33
2. The appropriate treatment of personnel towards Patients	0.046	4	0.18
3. Existence of training courses for staff and new entrants forces	0.013	3	0.04
4. Existence of young forces	0.012	3	0.04
5. Professional, qualified, competent and committed human resources	0.097	4	0.39
6. General hospital	0.021	4	0.08
7. Updated equipment of the newly sectors, and having appropriate facilities and equipment	0.030	3	0.09
8. Existence of health information system	0.028	3	0.09
9. Moral health of personnel	0.059	3	0.18
10. Development of the hospital	0.045	4	0.18
11. Learning to Patient in the various sectors	0.017	3	0.05
12. Validity of cardiac physicians and specialists of the hospital	0.039	4	0.16
13. Existence of planning committees	0.004	3	0.01
14. Availability and appropriate treatment of hospital president and vice president	0.004	3	0.01
<b>Weaknesses</b>			

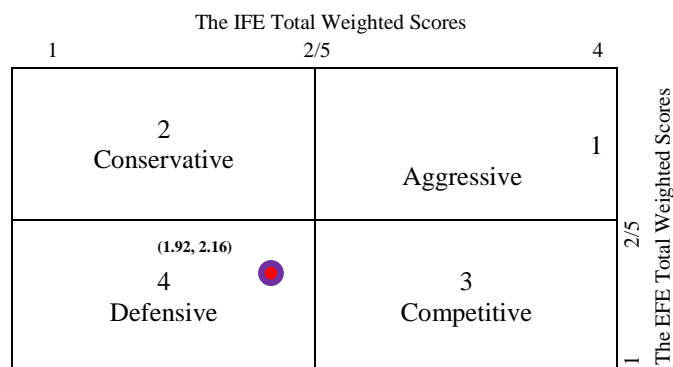
1. Non-effective career planning and human resources	0.099	1	0.10
2. Poor working relationships	0.012	2	0.02
3. Non-effective services reimbursement of staff	0.067	1	0.07
4. Inappropriate human resources development	0.023	1	0.02
5. Building problems	0.030	1	0.03
6. Low-income of the hospital	0.151	1	0.15
7. Inappropriate planning of equipment and supplies needed	0.031	2	0.06
8. Poor performance of some sectors	0.052	2	0.10
9. Existence of some shortcomings in health	0.026	1	0.03
10. Existence of some shortcomings to cherish patients	0.008	2	0.02
<b>TOTAL</b>	<u>1</u>		<u>1.92</u>

Considering final score of the internal and external factors is 2/5, the strategic position of the hospital is in the cell defensive (see figure 2). Thus, defensive strategies are selected as optimized strategies for the hospital among the strategies formulated in the SWOT matrix (see table 5).

**Table 5- Strategies from SWOT Matrix**

<b>SO Strategies</b>
Infrastructure for the development of quantitative and qualitative diagnostic and therapeutic and providing educational services
Creating mechanisms to attract and increase funding
Promotion and organization of physical space
Trying to overcome career barriers and develop the welfare of personnel
<b>WO Strategies</b>
Attempt to increase the number of beds approved according to BOR
Improvement and development of specialized and ultra-specialized sectors benefiting from the private sector and donors
Organization of human resource management system
<b>ST Strategies</b>
Strengthen customer-oriented system
Launch of new sectors in order of preference
Infrastructure to provide educational services
Providing required resources and enhancing equipment of sectors
<b>WT Strategies</b>
Reducing debt and increasing financial resources
Establishment of a full system of clinical governance and required standards for patient safety
Establishment of scientific management of in administration for human and non-human resources
Attracting active participation of the private sector in transferable sectors
Upgrading hospital processes

The optimal strategies include: reducing debt and increasing financial resources, establishment of a full system of clinical governance and required standards for patient safety, establishment of scientific management for human and nonhuman resources, attraction of active participation of the private sector in transferable sectors and upgrading hospitals processes.



**Figure 2. Four-cell Internal-External (IE) Matrix**

After selecting optimized strategies, they are scored by using Quantitative Strategic Planning Matrix (QSPM). This matrix determines which of strategic options chosen is more appropriate and prioritizes these strategies

**Table 6- Quantitative Strategic Planning Matrix (QSPM)**

			<i>1<sup>th</sup> Strategy</i>		<i>2<sup>th</sup> Strategy</i>		<i>3<sup>th</sup> Strategy</i>		<i>4<sup>th</sup> Strategy</i>		<i>5<sup>th</sup> Strategy</i>	
		<i>Weight</i>	AS	TAS	AS	TAS	AS	TAS	AS	TAS	AS	TAS
<i>Opportunities</i>	O <sub>1</sub>	0.073	3	0.219	1	0.073	1	0.073	3	0.219	4	0.292
	O <sub>2</sub>	0.05	3	0.15	2	0.1	1	0.05	4	0.2	4	0.2
	O <sub>3</sub>	0.009	3	0.027	2	0.018	2	0.018	2	0.018	2	0.018
	O <sub>4</sub>	0.061	2	0.122	1	0.061	1	0.061	4	0.244	4	0.244
	O <sub>5</sub>	0.05	3	0.15	2	0.1	2	0.1	4	0.2	3	0.15
	O <sub>6</sub>	0.078	1	0.078	1	0.078	1	0.078	3	0.234	2	0.156
	O <sub>7</sub>	0.027	2	0.054	1	0.027	1	0.027	2	0.054	2	0.054
	O <sub>8</sub>	0.152	3	0.456	1	0.152	1	0.152	2	0.304	3	0.456
<i>Threats</i>	T <sub>1</sub>	0.101	4	0.404	1	0.101	1	0.101	1	0.101	1	0.101
	T <sub>2</sub>	0.011	4	0.044	1	0.011	1	0.011	3	0.033	2	0.022
	T <sub>3</sub>	0.063	2	0.126	1	0.063	1	0.063	2	0.126	1	0.063
	T <sub>4</sub>	0.038	4	0.152	4	0.152	4	0.152	3	0.114	3	0.114
	T <sub>5</sub>	0.046	4	0.184	4	0.184	4	0.184	3	0.138	3	0.138
	T <sub>6</sub>	0.012	1	0.012	1	0.012	1	0.012	1	0.012	1	0.012
	T <sub>7</sub>	0.009	4	0.036	1	0.009	1	0.009	3	0.027	2	0.018
	T <sub>8</sub>	0.013	4	0.052	1	0.013	1	0.013	3	0.039	2	0.026
	T <sub>9</sub>	0.038	4	0.152	1	0.038	1	0.038	3	0.114	3	0.114
	T <sub>10</sub>	0.137	4	0.548	1	0.137	1	0.137	1	0.137	1	0.137
	T <sub>11</sub>	0.011	4	0.044	1	0.011	1	0.011	2	0.022	2	0.022
	T <sub>12</sub>	0.011	2	0.022	1	0.011	1	0.011	2	0.022	2	0.022
	T <sub>13</sub>	0.011	2	0.022	1	0.011	1	0.011	2	0.022	2	0.022
<i>Strengths</i>	S <sub>1</sub>	0.083	4	0.332	2	0.166	2	0.166	4	0.332	4	0.332
	S <sub>2</sub>	0.046	2	0.092	1	0.046	3	0.138	3	0.138	2	0.092
	S <sub>3</sub>	0.013	2	0.026	4	0.052	4	0.052	1	0.013	1	0.013
	S <sub>4</sub>	0.012	2	0.024	4	0.048	4	0.048	1	0.012	1	0.012
	S <sub>5</sub>	0.097	3	0.291	4	0.388	4	0.388	1	0.097	1	0.097
	S <sub>6</sub>	0.021	2	0.042	2	0.042	2	0.042	3	0.063	3	0.063
	S <sub>7</sub>	0.03	2	0.06	1	0.03	1	0.03	3	0.09	3	0.09
	S <sub>8</sub>	0.028	4	0.112	4	0.112	4	0.112	1	0.028	1	0.028
	S <sub>9</sub>	0.059	1	0.059	4	0.236	4	0.236	1	0.059	1	0.059
	S <sub>10</sub>	0.045	4	0.18	4	0.18	4	0.18	4	0.18	4	0.18
	S <sub>11</sub>	0.017	2	0.034	4	0.068	4	0.068	1	0.017	1	0.017
	S <sub>12</sub>	0.039	4	0.156	2	0.078	4	0.156	2	0.078	2	0.078
	S <sub>13</sub>	0.004	4	0.016	4	0.016	4	0.016	4	0.016	4	0.016
	S <sub>14</sub>	0.004	2	0.008	4	0.016	4	0.016	4	0.016	4	0.016
<i>Weaknesses</i>	W <sub>1</sub>	0.099	3	0.297	1	0.099	4	0.396	2	0.198	2	0.198
	W <sub>2</sub>	0.012	3	0.036	1	0.012	4	0.048	2	0.024	2	0.024
	W <sub>3</sub>	0.067	3	0.201	1	0.067	4	0.268	2	0.134	2	0.134
	W <sub>4</sub>	0.023	3	0.069	3	0.069	4	0.092	2	0.046	2	0.046
	W <sub>5</sub>	0.03	2	0.06	1	0.03	3	0.09	3	0.09	2	0.06
	W <sub>6</sub>	0.151	4	0.604	3	0.453	3	0.453	3	0.453	2	0.302
	W <sub>7</sub>	0.031	4	0.124	4	0.124	3	0.093	2	0.062	2	0.062
	W <sub>8</sub>	0.052	4	0.208	4	0.208	3	0.156	2	0.104	2	0.104
	W <sub>9</sub>	0.026	4	0.104	2	0.052	3	0.078	2	0.052	2	0.052
	W <sub>10</sub>	0.008	3	0.024	4	0.032	3	0.024	4	0.032	4	0.032
<b>TOTAL</b>			<b>6.213</b>		<b>3.986</b>		<b>4.658</b>		<b>4.714</b>		<b>4.488</b>	

The table shows that strategy of reducing debt and increasing financial resources gets the score of attraction 3/159 for internal factors and 3/054 for external factors. Consequently, it gets the first priority by the score 6/213. The strategy of establishment of a full system of clinical governance and required standards for patient safety gets the score of attraction 2/624 and 1/362 for the internal and external factors respectively and gets the fifth priority by the final score 3/986. The strategy of establishment of scientific management for human and nonhuman resources gets the score 3/346, 1/312 and 4/658 for internal and external factors and the final score, respectively. Accordingly, it is the third strategic priority of the hospital. The strategy of attraction of active participation of the private sector in transferable sectors gets the score 2/334 for internal

factors, 2/38 for external factors and finally 4/714 for the final score which is allocated the second optimized strategy of the hospital. Finally, the strategy of upgrading hospitals processes gets the fourth priority among the strategies of the hospital by the scores 2/107, 2/381 and 4/488 for internal and external factors and the final score, respectively.

## 6. CONCLUSIONS AND RECOMMENDATIONS

Today, the main concern of most organizations is formulating and implementing strategies which ensure their success and survival in complex and changing environmental conditions. In this regard, strategic planning is a tool for organizations to formulate and implement strategies on various aspects of the organization and manage their strategic performance [12]. In other words, in today's complex and changing world, organizations, institutions, regions and countries which are not thinking about their abilities, capacities, strengths, weaknesses and the environment will undoubtedly be faced with many problems. Therefore, the strategy formulation in organizations and different sectors of society is a response to changes occurring in various areas in order to facilitate the achievement of organizational goals [8]. Thus, in this study is an attempt to consider a state general hospital in the North East and provide optimized strategies of this department. Accordingly, after preparing the list of internal and external factors with forming EFE and IFE matrixes, SWOT matrix is formulated. Then the strategic position of the hospital is determined by IE matrix and five defensive strategies are prioritized in QSMP.

According to the results, first, the hospital should put on the agenda the strategy of reducing debt and increasing financial resources. This strategy leads to reducing the severity of threats caused by late payments, the lack of transparency and insufficient funding to hospitals. In addition to recruiting physicians effectively and competing more extensively with professional competitors, this strategy leads to improving services reimbursement of employees, organizing physical environment and buildings, and meeting equipment and medical needs. Therefore, it is suggested that the hospital plans to reduce sending patients to other hospitals, attracting popular participations and appropriate interaction with donors, optimized management of financial resources and matching costs with hospital revenues, systematic planning for optimized use of resources, and introducing activities and services of the hospital to the community and university of medical sciences.

As it was mentioned, attracting active participation of the private sector in the transferable sectors is the second priority of the strategy of the hospital. With regard to the impact and influence of financial resources and health care as the first and second strategic sectors of the hospital and also due to lack of financial resources and existence professional competitors, this leads to the focus of the hospital on specialized sectors and the hospital can provide all the services required in the community. Thus, it is appropriate that the hospital provides the management of the necessary partnerships, privatization, sets up meetings to introduce the activities and services of the hospital to the private sector, and evaluates the assignment of sectors economically.

The third strategic priority of the hospital is establishment of scientific management for human and nonhuman resources with the aim of covering weaknesses in areas of human resources such as career planning, work relationships, services reimbursement and development of human resources. This strategy also leads to considering financial and physical resources for priorities and hospital development in a more appropriate manner. Therefore, it is suggested that mechanisms are used for appropriate management of human resources, trying to increase physicians and staff satisfaction, placing on the agenda improvement of efficiency in various areas, and proceeding to develop resource management, organize management system and finally reform the decision-making system in the hospital.

Finally, upgrading hospitals processes and establishment clinical governance and required standards for patient safety have been characterized as the fourth and fifth strategic priorities of the hospital. These strategies impact on strategic issues of the hospital such as financial resources, health care, and management of human resources and the physical space. Thus, it is suggested to develop and implement clinical guidelines and standards appropriate management of processes in different sectors of the hospital. Also IT should be used to remove the traditional methods, the quality of all processes in the hospital should be considered, necessary activities should be taken to organize workgroups of reforming processes.

Like other studies, this study is affected by some limitations. This means that the results are related to the desired department. Another limitation of the study is lack of anonymity of people because all members of the strategy team are aware of the combination of the members. On the other hand, the lack of anonymity of the members and using interview and questionnaire leads to removing lack of requirement in response to questions appropriately and hastily. Moreover, because of specifying the identity of the members of the study



group, efforts are made to examine more efficient and sufficient knowledge of the issues by using financial and moral incentives.

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