# Ten Mistakes at the Usage of the SWOT-Analysis in the Strategic Marketing Planning in the Healthcare Institutions

#### Chief Assist. Prof. Alexander Valkov, Ph.D.

Department of Public Administration and Regional Development, UNWE Tel.: (+3592) 8195370 E-mail: Alexander\_Valkov@yahoo.com

Summary: The article focuses the attention to the possibilities of improvement of the strategic management in the healthcare institutions in our country. The process of settling the management strategies and the most common mistakes, made by the health managers using the most popular method of strategic management – the SWOT-analysis, are analyzed. The lack of technology of the SWOTanalysis leads to problems which are summarized in two groups. In the first group are mentioned the typical mistakes at the applying of the method in its quality as an analytical instrument (informational and methodological mistakes). In the second group are mentioned mistakes, limiting the usage of the SWOT-analysis as an organizing frame of the process of the strategic management (organizational mistakes). In order the strategic management in healthcare institutions to be improved, an approach is suggested, dealing with the prevention and minimizing of the most common mistakes. For the purpose, a control card for audit of the strategic analysis was created, with which a

general evaluation of the marketing orientation of the healthcare management can be done.

**Key words:** healthcare, health management, health marketing, strategic management, SWOT-analysis.

JEL: I11, L32, M31.

### Introduction

he model of SWOT-analysis is the most popular analytical tool that is used for the needs of the strategic management. It does not depend on the type or character of the organization (private or state), on its aims (commercial or public), on the scale of its activity (it is applied to healthcare institutions with national or regional scope or to their single structural units) and it does not require specially maintained and detailed database. The model is conceptually clear, easy to use, "economical" and understandable, which makes it preferred by the managers. During the last years it was also recognized in the practice of the management and planning in the healthcare institutions in our country. The matrices "strengths - weaknesses" attend as elements in the content of different planning documents – mainly in medium-term development plans and management programs

Ten Mistakes at the Usage of the SWOT-Analysis

of the healthcare institutions (in the public sector they are obligatory elements for the competitions for the award of government).

But namely the advantages that make the model easy to use, diminish the attention of the health managers to that, and that fact also makes it (from universal analytical tool) a successful tool for managing<sup>1</sup>. The most *common mistakes*, limiting the opportunities and the role of the SWOT-analysis, and reducing the efficiency of the process of strategic management, too, can be summarized in two groups. The first group of mistakes is associated with the knowledge, the technology and the necessary information at the stage of using the method. That group of disadvantages in its usage is defined as informational and methodological shortcomings. The second group of mistakes is focused on the disadvantages of the health management and created conditions by it in the healthcare institutions for the usage of the SWOT-analysis.

Identifying and characterization of the most common mistakes at using the SWOT-analysis for the needs of the strategic marketing management is relied on generalization of direct observations and on consulting practice in the field of the management of different healthcare institutions (in the sector of the hospital and specialized ambulatory treatment) during the last years. As the above-mentioned mistakes are widespread and can be categorized as "typical" for SWOTanalysis; in order the mentioned problems to be minimized there has been developed a list of control questions, whose purpose is to be used as a control card for preliminary examination of the regularity of the SWOT-analysis and its effective usage in the process of management of the healthcare institutions.

### 1. Most common mistakes in the strategic analysis

1.1. Methodological mistakes

# **1.1.1.** Subjectivity at the identification and evaluation of the factors.

C tatements like "we know the factors very  $\mathbf{D}$  well" or "only we are able to evaluate the work that we do" are the first and moreover sure symptom for possible problems at the SWOT-analysis and in the systems for strategic marketing management. As the activity of the healthcare institutions is related to submitting of professional service, which requires special qualifications, these statements seem justified and build the self-esteem of the health managers, but at the same time they dull their senses for the danger of allowing of possible fatal for the organization consequences. The main mistake that is allowed is that the assessments of the internal environment and the influence of the key factors of the external environment are not objective. Objectiveness as a characterization of the strategic marketing management, results from the evaluation of the market which means that it has to represent the views of the potential and real patients. The factors of the organizational potential can be defined as strengths and weaknesses, only as far as that fact represents the view of the users. What is defined by the health managers as strength is not obligatory assumed in the same way by the patients. The managers have to range the relative importance of the different factors, defined by them as strengths or weaknesses of the healthcare institution. The feeling that as health managers we know and have the knowledge of the factors, which seems hidden to the customers' insight, and that we include

<sup>&</sup>lt;sup>1</sup> In our previous publication we suggest a technology of the SWOT-analysis, relying on the developed by the author's concept of management of the strategic problems. In there are identified six types of strategic problems: unused (or not completely used) possibilities, unused (or not completely used) capabilities, lack of capabilities, worsening environment, unstable environment and crisis environment [4, 2007, pp. 121-130].

them in the analysis without their summary and objective assessment, makes the strategic analysis rushed and non-objective; and the decisions, depended on personal preferences, personal knowledge and personal experience (as much important it is). The more the clients take part as a side in the process of the health service, the more their role in how they see the healthcare institution have to influence and target the process of the strategic planning. In practice, this means at determining the profile of the strengths and the weaknesses the opinion of the patients has to be taken into account. In the conditions of the competitive market of medical services, the determination and the evaluation of the strategic assets (strengths) and of the strategic liabilities (weaknesses) of the healthcare institutions, happen when the opinions of the three sides – the management, the personnel and the patients – are researched and balanced.

### **1.1.2.** Incomplete list and abnormal consistency of evaluation.

This weakness results from the previous one. As the health managers know the best the status and the activities of the healthcare institution they rule, often their analysis begins and ends with determining of the strengths and the weaknesses. The analysis of the environmental factors is often left ignored as for it are required analytical abilities and special skills (at the usage of the relevant methods of analysis), more time, external evaluation and significant resources. In that way the strategic analysis is interrupted even before it had essentially started. In order the managers to get closely to the strategies, the technologies of the SWOT-analysis requires each possible combination of each single element of its matrix to be analyzed and evaluated. Without making the evaluation of the factors of the environment *first* it is not possible the strengths and the weaknesses to be correctly identified. The sequence of the SWOT-analysis begins with the evaluation of the factors, which can not be controlled by the management of the healthcare institution and whose influence can only be forecasted and only after that the strengths and weaknesses can be determined and it makes this related to these factors. The strong features of the organization are those which can be used only in the context of the favorable environment and in order to limit its negative influence. There are not complete strengths or complete weaknesses. A SWOTanalysis which ends after the strengths and the weaknesses are defined is methodologically incorrect, leads to wrong conclusions, stimulates taking of the wrong decisions, and therefore, is practically useless<sup>2</sup>.

### **1.1.3.** Unilaterism in gathering of the information and evaluation.

The management's preferences, taking part in the process of determination of the factors, and their evaluation, is also a significant factor,

<sup>&</sup>lt;sup>2</sup> This type of mistake can be seen as a negative point of the management itself (in other words to be classified also in other group). And have to mention the fact that the majority of the authors writing about the strategic management do not give a definite technology for conducting of the SWOT-analysis. For example, while dealing in detail with the process of strategic marketing planning in the healthcare system, Eric Berkowitz and Steven Hillestad suggest of the place of the SWOT-analysis a similar instrument of strategic analysis which they call "internal/external evaluation". They deal with that analysis in the context of the marketing (market) researches. Although they give different "forms of evaluation" (forms), the link between the two sides (external and internal factors) is not in the center of the attention. [1, 2004, pp.81-98]. Philip Kotler and Roberta Clarke see the SWOT-analysis to two directions: a) as a means of analysis and formulation of strategies for adoption of the healthcare organizations to the external environment and b) as a part of the marketing plan of the organizations [1, 1987, pp.91-95, 190-197]. But they limit the usage of that instrument only to the making of the lists of strengths and weaknesses. The SWOT-analysis is seen more like "art" than "analytical method", coming by the keeping of certain rules and procedures of evaluation. The lack of "lined" technology of usage reduces its force as a management instrument and the risks of wrong decisions increases.

which can shift the evaluation. The evaluation to some extend depends on the management's experience and on the good knowledge of the single stages of the health institution's activity. When the technology of the strategic analysis is not taken into account in the process of the decision taking, personal preferences to certain (as a rule known and close to the taken position) information are dominant. The capabilities and the weaknesses of the healthcare institution can be found in very different aspects of its activity. This applies even more for the external factors, which have to be taken into account. Therefore the list of the strengths and the weaknesses of the possible danger has to comprise different sides, which influence the capabilities of the healthcare institutions to react to the varied and significant changes in heath policy, demographic and health protection. The SWOT-analysis is the tool that can reach this balance. In order to do that the input has to be varied, up-to-date, to be processed not only by one person. But by specially gathered groups of well-qualified health managers, assisted by units, whose experience in the field of the strategic analysis is being built on permanent basis<sup>3</sup>.

### 1.1.4. Unfocused analysis.

How should be the strengths and weaknesses described? Generally or in detail? Considering

the whole organization or only a single segment of it? Does it matter how long the list has to be? These are part of the practical questions, asked by everyone, who uses this model of strategic analysis. On the wrong answers depend weather the next mistake is going to happen, and that can be described as imbalances between the detailing and summarizing of the factors? The SWOT-analysis has to be focused, with clearly defined field of application and for each concrete market segment. Then it overrides the accusation of being too academic and becomes an instrument of management in the health management's hands. When the analysis is focused in the list can enter many concrete factors, different in their character. The bigger is the expert group which deals with the strategic analysis, the longer will (probably) be the list. First, the evaluation of that variety of factors itself is a difficult task. On the other hand, in order to concentrate the management's actions, the list has to be revised, in the way that only the most important factors, controlled by the management to be left. As it is seen, the strategic analysis process develops consequently in two directions: 1) the focusing of the attention at the only and exact certain segment, allows to be identified and accumulated maximum number of concrete factors for the organization and for its environment; 2) while the discussions are taking place, the list is being reduced to several most

The invention of the technology of the SWOT-analysis improves to great extend the quality of the management and the wrong methodology of the analysis automatically moves on the strategic process in the organization, too [4, 2007, pp. 122-124]. The lack of such of technology of the analysis is one of the main reasons for the mistakes taken into account here. The reason the SWOT-analysis to begin with identification of the possibilities and the dangers is that they summarize the uncontrolled factors. Only on the basis of clear (predictable) external environment the strengths and the weaknesses can be sought (controlled by the health managers factors). It the outlined frame of the external environment, the seeking of the astrengths and the weaknesses is not randomly done any more, and so the number of the factors is considerably smaller and also their conceptual correlation is ensured.

<sup>&</sup>lt;sup>3</sup> What are the most common factors that the management of the healthcare institution has to keep in mind in order the factors of the future development to be identified? Which are the most important spheres that have to be revised in order the list of the strengths and the weaknesses, the possibilities and the dangers to be compiled? The potential groups of factors that frame the fields that have to be regularly "hunted for" possible competitive advantages are: a) uncontrolled factors – health needs and culture, demographic environment, health policy, health technologies, economical environment, competitive structure of the industry; b) organizational factors – staff, medical equipment and infrastructure, financial resources, information and medical technologies, management and market positions. As it is seen these are the informational spheres that, framing the base of the strategic data. The data for the condition of the potential factors have to be gathered permanently and analyzed periodically, in order to be found changes which influence the organization has to have a proper reaction.

important and meaningful factors, dominating the behavior of the organization in the certain sphere. The second process is more difficult – it requires serious analysis and discussion. The other difficulty and danger for the management is one of organizational character – as the process of defining the most substantial factors, influencing the organizations' future, directly impacts the strategic decisions, that affects the conflicting interests of given leaders. The way they take part in the conducting of the SWOT-analysis is a complicated organizational task.

### **1.1.5.** Lack of quantitative and comparative evaluation.

How should be defined weather the environment is favorable or unfavorable one? What is the environment for our competitors? Is the organizational potential that we have positive, in other words are the strengths more significant, than the weaknesses? Does this apply to our competitors, too? Can the general picture be described in order the status of the competitive organizations to be "seen" and the occupied positions to be compared? These and other questions require the application of *quantitative* instruments in the strategic analysis. The majority of the developed methods for comparison of the competitive positions apply for diversified organizations (such known in the literature as matrix techniques of analysis of the product portfolios). Our observations on the health management practice show that the application of these techniques has not reached the popularity, which is given to these methods in the specialized literature. The reasons that limit the application possibilities of the portfolio methods in the management of the healthcare institutions in our country at the present stage of the market development of the health services are:

a) majority of the healthcare institutions are public and their aim deviate from the business criteria, used in them; b) healthcare institutions' activity is highly regulated, but their management is significantly and strictly administrated;

c) although the healthcare institutions deal with many and variable in their character activities, the activity profiles are firmly fixed in the frames of the branch, which reduces the practical application of the portfolio methods;

d) the healthcare services markets are not completely formed and market indicators, used in these models, are distorted and do not freely show formed market relations.

As far the strategic analysis is concerned, whose task is to define the healthcare institution's position in the branch, there are not suggested in the specialized literature applicable and useful for the management quantitative "additions" or advice about it. This reduces its descriptive and predictive power and increases the health manager's mistrust in its capabilities as an instrument of management.

### 1.2. Organizational mistakes

## **1.2.1.** Unwillingness the weaknesses to be sought.

This mistake can be related with two basic reasons. The first one is rather objective - the adopted method of organization of the public health resources supports, the dominating for the public healthcare institutions administrative approach of management. Despite the fact that the healthcare institutions are economically independent entities, the paternalism remains determining attitude. The mechanisms, а stimulating its reproduction in the healthcare institutions are two: the ways of the management procurement in the healthcare institutions and the mechanism that evaluates the management. The observations show that both two instruments for administrative conducting do not stimulate the solving of the key administrative problems. From administrative point of view, the weaknesses are

"minuses in the health manager's dossier" and in contrast to the way the market (customers) evaluate the orientated to enhancing of their competitiveness, healthcare institutions. The other reason is rather an element of the role characteristics of part of the health managers. The administrative approach of management of the public healthcare institutions creates sustainable style of behavior with which seeking of the new, the possibilities and the problems do not rely on the following one - the "mentality" of the managers. The attitude that the weaknesses in the strategic analysis are "something bad which should now be shown" is misunderstanding not only of the nature of the strategic analysis, but also of the management in general. Because what exactly is the management, it does not solve problems? Theodor Levitt says that there is difference between management and administration, "The administrator keeps an eye the work to be well done but the manager – to be completed the work that has to be done.

Both are equally necessary." [3, 1994, p. 56] In the management of the healthcare institutions there have be more health managers, not health administrators.

## **1.2.2.** Senior management performs (completely) the analysis.

The responsibility of the carrying out and the results of the strategic analysis is an obligation of the senior management of the healthcare institution. But it does not mean that the whole work is concentrated on the members of the senior management and the units that help them. In regards to the analysis conduction, the task of the health managers is to do the general management, to ensure the necessary organizational environment, creative atmosphere, external expertise, and to control the deadlines (stages) of it. The analysis have to be open and that means that the managers have to ensure free exchange of information, adequate processing and data movement, in each following stage of the analysis. Most parts of the analytical work have to be done within the frames of expert and workshop groups or within assisting units with analytical functions (assisting making of the decisions). In respect to the results (strategies) the managers have to ensure transparency which has to lead to their motivation, needed the results themselves to be completed. Closing of the process of setting the goals and developing strategies only within the frames of the senior management separates the other structures of management and blocks the process of strategic management.

# **1.2.3. Strategic analysis without (strategic)** data.

Experience. ideas. intuition, knowledge, specific features of personality (for dominating, propensity to risk, etc.), memory capabilities are very important and necessary in the strategic analysis. Listed one after the other they emphasise the human side of the management. Very often exactly these qualities are the reason the strategic analysis, and more broadly, the strategic management to be defined as a *creative* process. Worthwhile to remind that, if the formal organized structures do not allow enough scope of expression of the human nature, the creative impulses in it are gong to fade and the inevitable conflict between the people and the structures will leave no chances of their survival in a longterm plan. This reminding is important because the technology of the SWOT-analysis could be considered as too formal and structured<sup>4</sup>. The

<sup>&</sup>lt;sup>4</sup> The invention of the technology of the SWOT- analysis is aimed at the limitation of its major disadvantage – its great descriptiveness. This fact does not limit the creative possibilities, the use of personal experience and knowledge, the developing of game scenarios, the conflict resolutions, the compilation of estimates and so no, and it does not lead to predetermination of the results, the formalization and the separation of the developing from the implementing of the strategy. The creative thinking is typical both for the external analysis and for the evaluation of the internal environment, aiming a detailed research

strategic analysis is part of the process of the strategic management and because of that it can not be based only on personal experience or on free of responsibility meditations. The drift the SWOT-analysis to become more technical is a way to direct (essentially) the creative process in the responsible management decisions. This means that each weakness and strength, each possibility or danger has to be a subject of precise analysis, supplied with data and each choice has to be proved.

# **1.2.4.** The analysis itself is not part of the organization of the management.

The driving force of the analysis can also be intellectual curiosity. To understand where we are, what is going on around us and what will happen with us, are the natural questions for everyone and if they are asked at the proper moment and in the right way, they form the technology of the strategic analysis. One has to keep in mind that the strategic analysis has a mission which has two sides - besides that it has to satisfy our intellectual curiosity, it has to help the setting of the aims and to formulate the strategies which will predicate the method and the speed of development of the whole organization. The pragmatic side of the mission suggests, on the basis of the analysis, ambitious and realistic strategies to be formulated; and their realization have to move, in appropriate combination and synchrony, the organizational structures and resources. The strategies build bridges which connect the aims (desires) with the resources (the possible). The connecting of these three elements is the activity of the strategic management. The separation of the strategies from the aims, means movement without a direction, and the separation of the strategies from the resources mean movement in the principle "whenever and whatever we can". As each innovation, the integration of the strategic management into the existing system of management needs its own strategy and time. It has to become "apparent" in the organizational structures, written in the management procedures and job duties or in other words, to be put at the beginning of the organized process of decision making.

# **1.2.5.** Lack of synchronization between the analysis and the changes reduces the strategic choice.

The SWOT-analysis has to be a synchronized activity which requires the health managers to check periodically the status of the organization and of the environment of certain, critically important of it areas. As the rhythm of the changes in the internal and the internal environment of the organization are *different*, there has to be found a compromise, giving the opportunity to predict sufficiently precise the impact of these changes. The analysis should be carried out after the changes had happened and when the organization is forced to react with fewer opportunities of strategic choice. Most often, the SWOT-analysis is undertaken when there have to be compiled the relevant planning documents, which involve in themselves, the necessity of strategic analysis. As a rule for each single healthcare organization, this is a period of three years, while for the healthcare institutions, managing the system of the healthcare, this period coincides with the rhythm of the national and budget planning – usually it is five years. This fact confirms the rule, the larger and comprehensive are the systems, which apply strategic planning, the

of the organization. Seeing the organizations in different environmental point of view, is especially difficult as it requires overtaking of built conceptions, certain experience and work habits (leadership). No doubt, the developing of the strategies is to great extend, a process of creation and the creativeness is a leading skill in the abilities and capabilities of the health managers.

more the forecast, and relatively, the planning horizon is larger, and the reported factors are bigger and inert.

### 2. Audit of strategic analysis

mhis question is new and underestimated **L** in the management of the healthcare institutions as the auditing is related as a rule with the results of a particular activity. Here we get the attention to conducting of a *performance audit*, in other words, to the process of the strategic analysis itself, as we believe that the minimizing of the shown mistakes improves the strategic management, and therefore its results. One main duty of the senior management of the healthcare institutions (the members of the board and the executive directors) is not to superimpose their personal ideas, in the process of the strategic analysis, but to ensure its correct conduction. Eliminating and minimizing of the

mistakes at the undertaking of the strategic analysis, is a way the senior management's contribution for the strategic marketing to be evaluated. Guaranteeing methodologically right approach and organization of work is not a single act. In order to facilitate the work, while the strategic analysis is organized in the healthcare institution and in order to reduce the possibility of making mistakes, it is advisable to be used the purposely developed "checklist". It is going to be useful as to the teams, taking part in the strategic analysis, but also to the health managers, leading the process and being responsible of its quality. That allows a control profile of the strategic decisions to be compiled; it has preventive functions, as it helps the mistakes to be limited before the decisions to be taken and implemented by the management of the healthcare institutions. The necessity of an audit of the strategic analysis is obvious - the decisions, based on erroneous and incorrect strategic analysis, can lead to extremely serious consequences. The

The most common mistakes	Control questions to avoid the mistakes
1. Subjectivity at identifying and evaluating the factors	1.1. Do the strengths and the weaknesses reflect in management's point of view for the development of the healthcare institution?
	1.2. Are the strengths and the weaknesses registered in the opinions, general attitudes and personal attitudes of the healthcare institution's staff?
	1.3. Is the patients' opinion taken into account at determining of the strengths and the weaknesses of the offered service?
	1.4. Are the strengths and the weaknesses ranged according to patients' opinion?
2. Incomplete list and distorted sequence of evaluation	2.1. Is a SWOT-analysis developed for each market segment on which the healthcare institution works and to each single main competitor?
	2.2. Are all the strengths and weaknesses revised the compilation of the lists (in other words all fields of the strategic analysis)?
	2.3. Is the technology of the SWOT-analysis followed (the sequence of bringing out the strengths and weaknesses)?
	2.4. Are the alternative scenarios for development of the healthcare institution in the next following years summarized and analyzed?

Table. Control questions at conducting the SWOT-analysis

profile targets to evaluate the risk of improper use of the information and the organizing of the strategic analysis to be based on the future decisions. As it is obvious bellow, the control

list of questions concerns not only improving of a single cycle of strategic analysis, but also it has the aim to improve the conditions, determining its quality.

The most common mistakes	Control questions to avoid the mistakes
3. Unilateralism in the selection of the information and in the evaluation	<ul><li>3.1. Do the single scenarios differentiate in their parameters, concerning health policy, demographic, healthcare and economic environment?</li><li>3.2. Is the information used at the forecast of the environment qualitative?</li><li>3.3. Are any market researches for evaluation of the market and</li></ul>
	competitive environment commissioned and used? 3.4. Does the management have a forecast for the development of the healthcare market services where the healthcare institution works?
4. Unfocused analysis	4.1. Are the identified strengths enough, in order the settled aims to be reached, in general and for each single market segment?
	4.2. Are the advantages on which the healthcare institution relies for each market segment correctly assigned?
	4.3. Are the strengths and the weaknesses explicit (clearly and unambiguously formulated)?
	4.4. Is there such a strength on which the healthcare institution can count at the worst possible scenario of the environment?
	4.5. Does the strategic analysis help for formulating the generally accepted goals (or are the personal interests and conflicts between groups and different structural units in the healthcare institution overridden at defining the goals and the ways of development)?
5. Lack of quantitative evaluation and benchmarking	5.1. Do the health managers have a forecast for what are the results are going to be at the realization of each strategy?
	5.2. Can the managers define how the strategies will emphasize the efficiency criteria?
	5.3. Does the management know what is the market share of the healthcare institution (and that of the all main competitors)?
	5.4. Is an evaluation of strategic problems done (quantitative evaluation of the amount of the strategic gap)?
6. Unwillingness the weaknesses to be sought	6.1. Is the list of the weaknesses discussed in the groups, conducting the strategic analysis?
	6.2. Are the strategic problems the healthcare institution deals with defined?
	6.3. Do any incentives in the healthcare institution exist (material, career development etc.) to motivate the personnel and the management to seek and solve specific problems?
	6.4. Does the system of labor payment in the healthcare institution reflects the contribution of each unit (and that of each single member in them)?

The most common mistakes	Control questions to avoid the mistakes
7. Senior management performs the whole analysis	7.1. Is the work of conducting of the strategic analysis distributed to specially gathered teams of health managers and experts?
	7.2. Do the managers of the basic structural units take part in conducting of the strategic analysis and in formulating of its strategies?
	7.3. Do the managers, from the average level of management, know the goals and the strategies, applied in the healthcare institution?
8. The analysis is not part of the organization of the management	8.1. Does the analysis lead to discovering of new possibilities?
	8.2. Do the single structural units have clearly defined duties (defined functions) at the conducting the strategic analysis?
	8.3. Do the strategies define what the budget of the healthcare institution will be (where the funds are going to be channeled in the financial plan)?
	8.4. Is a plan of investment in new medical equipment, utilization of new technologies of healthcare and health services being developed?
9. Strategic analysis without (strategic) data	9.1. Is the analysis based on a specially organized database or it uses data from the existing information system of the healthcare institution?
	9.2. Are all the factors, used in the strategic analysis proved and is there enough, objective and verifiable information?
10. Lack of synchrony between the analysis and any changes, reduces the strategic choice	10.1. Does the healthcare institution organize (its own and its structural units) activity by compiling long-term, middle-term and one year plans? Does it operate at each single moment, on the basis of a long-term, a middle-term and a year plan for its activity?
	10.2. Are regular collection of information and building of database organized for the needs of the strategic management? Does someone have the duty of submitting information (analyses) for the basic changes of the external environment to the management?

### Conclusion

The pragmatic attitude of the managers is defining what instruments of analysis and management are used in more and more unstable and difficultly forecasted environment. Before they start dealing with planning and organizing of their actions, the health managers have to know what are the positions of their healthcare institution at that certain moment, what are the expected changes and how they are going to influence the institutions. That fact defines weather they will settle successful strategies for the institution's development. Discovering of resolutions of the important for the healthcare institution questions – the defining of the main directions of development, the investment in buildings and equipment, the implementing of

new work technologies and development of new medical services and so on, requires the following questions to be answered: What is going to change in the existing strategy of the healthcare institutions? Do the desired changes coincide with the current competitive position? Which advantage the management will count on and will develop? Are there enough resources, experience and willingness the new decisions to be taken? This can be done via a full of value (simultaneous) usage of the possibilities that the SWOT-analysis gives as an analytical method and organizational frame of the strategic analysis process. In order it to be an effective mean of strategic marketing management, the developed with the help of the SWOT-analysis strategies have to reflect more or less the customers' evaluations of the strengths and the weaknesses. It gets the

health management's attention to development of timely and orientated to the long-term goals organizational reaction, based on clear forecast and quick evaluation of the external environment changes.

### References

1. Berkowitz, E. N., St. G. Hillestad, Health Care Market Strategy. From Planning to Action. Jones and Bartlett Publ., 2004. 2. Kotler, Ph., R. N. Clarke, Marketing of Health Care Organizations. Prentice Hall, Englewood Cliffs, N. J., 1987.

3. Levitt, Theodore, Thinking about management, Sofia, UNWE, 1994.

4. Stavrev, Sv., A. Valkov, Basic Management of Public Sector: Introductions, Diagrams, Questions, Readings. Sofia, "Paradigm", 2007. MA