

INTEGRATED MANAGEMENT SOLUTIONS

# Critical Variables

| VARIABLE                 | BASE CASE | NEW CASE | % CH |
|--------------------------|-----------|----------|------|
| URGENT CARE              | 12        | 12       |      |
| Population Density       | 220       | 250      |      |
| Urgent Care Market Share | 18%       | 20.00%   |      |
| Alt Value Total Visits   | 19,562    | 22,000   |      |
| Ave Charges/Visit        | \$46.01   | \$50.00  |      |
| LABORATORY               | 8,547     | 10,000   |      |
| Alt Value Total Procd    | \$29.25   | \$30.00  |      |
| Ave Charges/Procd        |           |          |      |
| X-RAY                    |           | 10,000   |      |
| Alt Value                |           | \$80.00  |      |
| Ave C                    |           |          |      |
| OPER                     |           | 650      |      |
| A                        |           | \$00.00  |      |
| Av                       |           |          |      |



# Measures of Performance

| MEASURE                 | BASE CASE   | NEW CASE    | % CHANGE |
|-------------------------|-------------|-------------|----------|
| HOSPITAL                |             |             |          |
| Total Area Doctors      | 31.6        | 40.6        | 28.48%   |
| Doctors That Use Hosp   | 18.3        | 24.8        | 35.52%   |
| % Doctors That Use Hosp | 58%         | 61%         | 5.48%    |
| Revenue                 | \$2,053,155 | \$2,433,600 | 18.53%   |
| Profit                  | (\$174,585) | \$83,097    |          |
| Return On Sales         | -9%         |             |          |
| CARE                    |             |             |          |





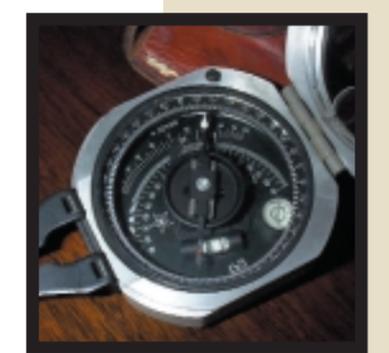
# Critical Variables

| VARIABLE                 | BASE CASE | NEW CASE   |        |
|--------------------------|-----------|------------|--------|
| <b>URGENT CARE</b>       |           |            |        |
| Area                     | 12        | 12         |        |
| Population Density       | 220       | 250        |        |
| Urgent Care Market Share | 18%       | 20.00%     |        |
| Alt Value Total Visits   | 19,562    | 22,000     |        |
| Ave Charges/Visit        | \$46.01   | \$50.00    |        |
| <b>LABORATORY</b>        |           |            |        |
| Alt Value Total Procd    | 8,547     | 10,000     | 17.0%  |
| Ave Charges/Procd        | \$29.25   | \$30.00    | 2.5%   |
| <b>X-RAY</b>             |           |            |        |
| Alt Value Total Procd    | 8,197     | 10,000     | 22.00% |
| Ave Charges/X-Ray        | \$79.30   | \$80.00    | 0.89%  |
| <b>OPERATING ROOM</b>    |           |            |        |
| Alt Value Total Procd    | 591       | 650        | 9.98%  |
| Ave Charges/Procd        | \$846.02  | \$1,000.00 | 18.20% |

**THE MODEL IS A PROCESS;  
IT IS NOT A THING.**

## BACKGROUND

SINCE 1987, **IMS QUANTUM (IQ)** HAS PROVIDED COMPANIES AND ORGANIZATIONS with decision-making, planning, and management systems support. **IQ** has developed concrete solutions for organizations from such diverse sectors as manufacturing, retail, energy, health care, banking, natural resources, transportation and government. Though each of these areas has unique operational characteristics, they experience similar financial and management challenges. Our unique analysis and problem-solving methods in areas such as budgeting, economic analysis, market analysis, financial analysis, operations optimization and policy analysis allow us to produce working models tailor-made to point organizations in a direction that will maximize long-term success.



**AS A GEOLOGIST USES  
A POCKET TRANSIT TO  
ESTABLISH DIRECTION,  
IQ USES QUANTITATIVE  
MODELS TO ESTABLISH  
STRATEGIC GOALS.**

**IMS QUANTUM** operates on the premise that the knowledge contained in an organization often goes unused. Corporate knowledge can be captured in explicit mathematical



**LIKE THE PLUMB LINE, MODELS  
ACT AS A REFERENCE POINT  
FOR CORPORATE ACTIVITIES.**

expressions defining your company, how it arrived at its present situation, and what attributes it must develop to meet future demands. **IQ** believes operational activities can be correlated to broad managerial and financial goals using formal **INTEGRATED MODELS**. Like a plumb line, an **INTEGRATED MODEL** is a reference point for corporate activities; it establishes what the firm believes to be true about itself. Each firm must answer some basic questions:

What is true about the firm and the markets where it competes? What directions are available to the firm? Which directions should be pursued, given the firm's limited resources? As a geologist uses a pocket transit to establish

direction, **IQ** uses quantified models to define strategic goals. **INTEGRATED MODELS** clarify your horizons and goals in the midst of complex sets of possibilities.

This brochure describes the **IMS QUANTUM** approach to enhancing the interaction of management and information. We will demonstrate how models can help make decisions, develop plans and budgets and create fail-safe management systems. We will relate the special characteristics of **INTEGRATED MODELS** to management information systems and global communications. Finally, we will show how these models can be used to develop organizational and personal integrity, competitive advantage and corporate intelligence (IQ).

# Measures of Performance

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| % Doctors That Use Hosp | 58%         | 61%         | 5.48%    |
| Revenue                 | \$2,053,183 | \$2,433,600 | 18.53%   |
| Profit                  | (\$174,583) | \$83,097    | NA       |
| Return On Sales         | -9%         | 3%          | NA       |
| <b>URGENT CARE</b>      |             |             |          |
| Population              | 99,526      | 113,097     | 13.64%   |
| /Year (Self Ref)        | 19,159      | 24,881      | 29.87%   |
| /Year (Occup Hlth)      | 489         | 593         | 21.27%   |
| /Year                   | 19,562      | 22,000      | 12.46%   |
| Revenue                 | \$900,000   | \$1,100,000 | 22.22%   |
| Profit                  | \$351,970   | \$523,013   |          |

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**ONE**



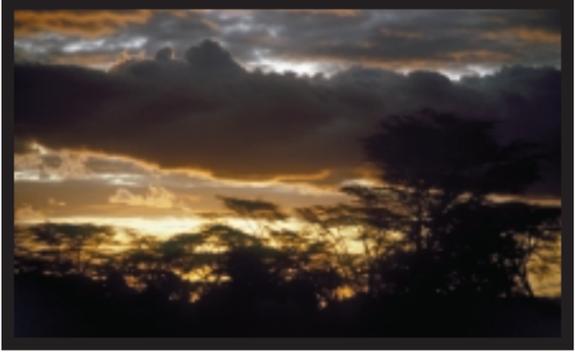
# MAKING SENSE OUT OF COMPLEXITY

# MAKING DECISIONS



If horizons were inherently clear, a firm's goals could be easily defined: "Ford this river;" "Scale this mountain." But corporate skies boil with possibilities both light and dark. A firm's horizon is filled with opportunities and threats. Because modern businesses are faced with a complex set of possibilities, sophisticated tools are needed to guide managers toward successful strategies. INTEGRATED MODELS can be powerful instruments to help upper-level management find clear, rational objectives in the face of turbulent environments.

Models are arithmetic representations of the state of an organization, its environment or any interaction between the two. We call them *integrated* because they tie together every important factor that relates an organization's present state to corporate management's high-level goals. This integration links the various segments of the organization and links the boundary of the firm with its environment, through time.



SKIES CAN BOIL WITH POSSIBILITIES, BOTH LIGHT AND DARK.

The models' integrated character makes them highly useful in identifying corporate opportunities and vulnerabilities often hidden in the chaotic business environment.

The ultimate objective of INTEGRATED MODELS is to make sense of complexity. While markets and operations will always be complex, order can be made of apparent chaos using the appropriate thinking tools. IQ can provide these tools to your company.

THERE ARE THREE LEVELS AT WHICH INTEGRATED MODELS CAN BE USED:  
(1) AS A DECISION-MAKING TOOL,  
(2) AS A CORPORATE BUDGETING AND PLANNING TOOL, AND  
(3) AS THE BASIS FOR A FULLY INTEGRATED MANAGEMENT SYSTEM.



IQ PROVIDES TOOLS TO HELP TOP AND MIDDLE MANAGEMENT SEE ORDER WHERE OTHERS SEE CHAOS.

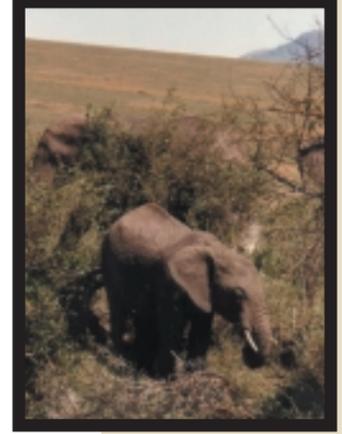
INTEGRATED DECISION MODELS ARE CONSTRUCTED TO ANSWER specific questions concerning the strategic allocation of resources, capital budgeting, optimal modes of operation or *ad hoc* financial issues. INTEGRATED DECISION MODELS hunt for new possibilities and explore the horizon for new products and markets. This hunt always requires a clear definition of its quarry. While the ordinary hunter may choose any size game, the corporate executive is usually obliged by stockholders to hunt "elephants," those projects that will reap the greatest rewards. INTEGRATED DECISION MODELS allow firms to describe internal and external conditions in a way that reveals where those elephants are hiding.

Building an INTEGRATED DECISION MODEL is an exploratory exercise that gives structure to the search for new opportunities. Just as an explorationist must develop a specific strategy based on what he knows to be true, a firm must develop models clarifying its assumptions about itself before it can set a clear course. The

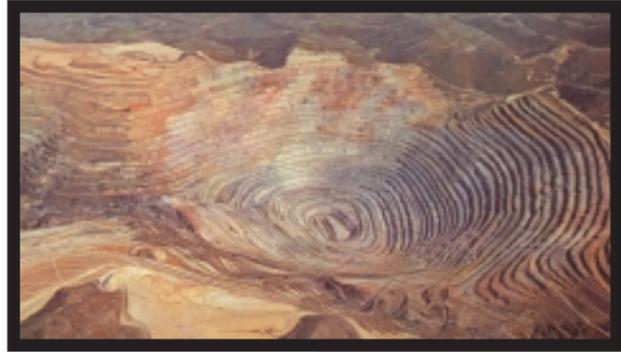


creative aspects associated with such an effort are similar to drilling exploratory holes to gather information and test a theory. As more and more holes are drilled, the concept evolves from a "blue sky" exploration effort, in which the probability of finding the desired target may be low, to a mining project in which a high level of certainty exists about the outcome.

IQ brings to the process a unique blend of experience in a wide range of technical areas, allowing the development of effective decision-support tools. These decision models are different from those built by scientists and engineers only in the perspective we bring to the problem: the CEO's. Every decision, whether it concerns capital expenditures, equipment maintenance, operational optimization or advertising effectiveness, can be explicitly reflected in an INTEGRATED DECISION MODEL defining relevant issues from a high-level management perspective.



THE HUNT ALWAYS REQUIRES A CLEAR DEFINITION OF THE QUARRY.



AS MORE HOLES ARE DRILLED, THE CONCEPT EVOLVES FROM A "BLUE SKY" EXPLORATION EFFORT, IN WHICH THE PROBABILITY OF FINDING THE DESIRED TARGET IS VERY LOW, TO A MINING PROJECT IN WHICH A HIGH LEVEL OF CERTAINTY EXISTS ABOUT THE OUTCOME.



# BUDGETS AND PLANS

IQ'S MAJOR INNOVATION IS THE DEVELOPMENT AND IMPLEMENTATION OF THE INTEGRATED PLANNING MODEL. The IPM is based on tight logic concerning the elements, relationships and attributes that make up a firm. This model takes into consideration all aspects of the firm that management considers important to its success. The INTEGRATED PLANNING MODEL, thereby, becomes a repository of all important knowledge in the firm. It capitalizes knowledge as a corporate asset. As an easily accessible source of critical information, this tool acts as a navigational chart allowing management to easily view where it has been and where it is going. Like any map, under the right conditions it can quickly show the best way to reach your destination.



AS AN EASILY ACCESSIBLE SOURCE OF CRITICAL INFORMATION, THE IPM ACTS AS A NAVIGATIONAL CHART ALLOWING MANAGEMENT TO EASILY VIEW WHERE IT HAS BEEN AND WHERE IT IS GOING.

Although a navigational chart is sufficient when weather is reasonably clear, much more is needed when the weather gets nasty. Navigational instruments are necessary to fly in situations where visibility is hindered. Corporate management needs similar instrumentation to chart its course. The INTEGRATED PLANNING MODEL gives management the proper instrumentation to navigate volatile storm fronts caused by changes in the marketplace, new technologies, business cycles and increased competition. The IPM places a vast amount of data into a context that gives it meaning for management. This *management instrumentation* allows the assimilation and comprehension of much more information than with traditional reporting methods.



The INTEGRATED PLANNING MODEL takes management beyond management information systems by determining the kinds of information needed to exploit opportunities within and outside the organization. The IPM also transcends global communications systems by determining the nature and content of corporate communications requirements. IQ thus provides corporate management with the most sophisticated, practical tools available to direct a firm's strategic and tactical decisions in the context of major advances in information technology.

As a budgeting tool the INTEGRATED PLANNING MODEL can be the basis of an INTEGRATED PLANNING SYSTEM. This system uses a series of information flows and employee interactions to implement an organization's plans and budgets. The corporate budget is not, therefore, something done once a year as an interruption of "productive work." It is an ongoing process allowing corporate management to base each activity on an expectation of specific results and an understanding of how those results help meet the organization's overall objectives.

# MANAGEMENT SYSTEMS

THE INTEGRATED MANAGEMENT SYSTEM is an interrelated web of planning, leadership, organizational design and operational control, with the INTEGRATED PLANNING SYSTEM at its center. It is designed to use the results of the PLANNING SYSTEM to their fullest potential. The deployment of a sophisticated weapons platform such as the F-18 fighter is an example of complex mechanical and logistical systems operating at the highest level of integration and efficiency. The objective of any firm is to develop similar fail-safe management systems to assure the highest probability of success in every mission.



THE DEPLOYMENT OF A SOPHISTICATED WEAPONS PLATFORM SUCH AS THE F-18 FIGHTER IS AN EXAMPLE OF COMPLEX MECHANICAL AND LOGISTICAL SYSTEMS OPERATING AT THE HIGHEST LEVEL OF INTEGRATION AND EFFICIENCY.

## PLANNING

IQ begins by assuring that computer-based management information systems yield data that is useful in running the organization. Using available knowledge and information, an INTEGRATED PLANNING MODEL is developed to demonstrate the relative importance of both existing and missing information in projecting organizational success. The model allows management to develop a number of challenging but realistic scenarios from which the organizational goal can be chosen. This goal is a detailed description of how management wants the organization to look at the end of the planning period.



**LEADERSHIP**

With wide participation among employees, action objectives are developed to lead individuals to achieve the organizational goals reflected in the model. This shared knowledge facilitates focused dialogue and creative thinking, enabling the INTEGRATED PLANNING MODEL to become a strong leadership tool.

**ORGANIZATIONAL DESIGN**

Often an organizational “map” shows where opportunities exist to support goals and improve synergy between operating units by redesigning organizational structures. The INTEGRATED PLANNING MODEL can be the basis for developing operational and administrative structures and systems that enhance efficiency and effectiveness.

**OPERATIONAL CONTROL**

Appropriate measures of performance are developed from the INTEGRATED PLANNING MODEL. Results are compared to measures during the planning period, variances are noted and corrective actions are taken to keep the organization on track. Because the planning system integrates internal and external relationships, it increases the likelihood that the maximization of individual performance measures supports the organization’s overall objectives.

In short, the management system is linked into the planning system through the use of the INTEGRATED PLANNING MODEL, yielding an INTEGRATED MANAGEMENT SYSTEM. While such a system cannot guarantee success, it certainly optimizes an organization’s chances to achieve its goals. Nothing “falls through the cracks” because there are no cracks.

**BENEFITS OF AN INTEGRATED MANAGEMENT SYSTEM**

- Everything that is important to manage and plan is reflected quantitatively in the INTEGRATED PLANNING MODEL.
- Planning and budgeting becomes an ongoing process.
- Zero-based planning and budgeting is rational and justifiable.
- Complex conditions are explicitly reflected.
- Transparent models are easily understood by management.
- Shared understanding results in focused dialogue.
- Collective knowledge becomes an asset of the firm.
- Management information systems have a meaningful basis.
- Corporate communication has a meaningful basis.
- Measures of performance are based only on what people can influence.
- Measures of performance are based on an integrated understanding of the firm and its objectives.
- Clear, achievable measures result in employee achievement.
- Employee achievement results in organizational achievement.

**DEEPER AND BROADER**

MODELS COME IN AN INFINITE VARIETY OF SHAPES AND SIZES. Methodologies such as Monte Carlo simulation, geographic information systems, linear programming, econometrics and dynamic simulation are all useful in solving a host of specific problems in decision analysis and process optimization. The problems that confront upper-level management, however, involve the need for a broader perspective than any of these techniques readily allow. A methodology is needed that is general enough to express the breadth of external factors and depth of internal factors influencing the ultimate



**PLUMB THE DEPTHS.**

success of the enterprise. IQ uses a simple, free-form calculation tool that is easily manipulated and interpreted. Commonly known as an “electronic spreadsheet,” it allows managers to view a model that captures the true scope of a firm’s situation.

Every organization has some sort of model, even if it’s only a simplified understanding of how it succeeds. The model may be in the CEO’s head, it may be a consensus among top management, it may be reflected in a number of informational and operational systems, or it may be more formalized as quantitative financial/operational models. These models are the driving forces behind management’s decisions and strategies. Because the markets where firms function are constantly changing, there is no “canned” model that will adequately reflect what is going on. THE MODEL is a process; it is not a thing.

IQ’S INTEGRATED PLANNING MODELS are designed to meet the needs of a firm’s specific situation. Startup firms need cost and potential market information. Growth firms require specific details concerning the allocation of resources during periods of increased complexity and growing financial requirements. Mature firms must learn how to redeploy resources into more productive areas. In each of these cases the models must be deep enough to *plumb* the depths and broad enough to *encompass* the limits of the set of possibilities, uncovering creative strategies. IQ specializes in deeper, broader models designed specifically for the needs of top management seeking effective strategies and tactics for success.



**ENCOMPASS THE LIMITS.**

THE MODEL IS A PROCESS; IT IS NOT A THING.



# BEYOND MANAGEMENT INFORMATION SYSTEMS



THE MODEL MAY BE VISUALIZED AS THE FITTING TOGETHER OF A LARGE JIGSAW PUZZLE OF INFORMATION. INVARIABLY THE MODEL IMPLIES THAT CERTAIN PIECES ARE MISSING.

THE STRUCTURE OF DATA ENTRY, STORAGE AND RETRIEVAL SYSTEMS must be developed with some understanding of what management needs to know to understand the business. Strategies based on one's appreciation of the opportunities and vulnerabilities present at a given time depend on access to and interpretation of information.

In modern corporate settings, billing and tax accounting requirements often determine the data that is captured. Some mechanism is necessary to define the information that management needs to establish plans and budgets consistent with tactical and strategic objectives. Due to its tight logic concerning the way the business functions, the INTEGRATED PLANNING MODEL requires a set of related informational inputs. These inputs almost always differ from the data currently available in the management information system. The model linkages show how activities in one part of the organization influence activities in another. The model may be visualized as the fitting together of a large jigsaw puzzle of information. Invariably the model implies that certain pieces are missing.



THE INTEGRATED PLANNING MODEL TELLS MANAGEMENT WHAT INFORMATION TO MINE AND WHERE TO MINE IT.

Although modern enterprise information systems allow more and more sophisticated capabilities for "mining" databases for critical information, management is still left with the dilemma of determining what data is critical. The INTEGRATED PLANNING MODEL tells management what information to mine and where to mine it.

Because of its logical flow, the INTEGRATED PLANNING MODEL also demonstrates the clearest way to present information to top management. This flow, from some basic starting point of organizational activity (e.g. purchasing raw materials) through to the completion of its ultimate financial objectives (e.g. the creation of profit), is a powerful context for creating understanding from raw data.

Therefore, the INTEGRATED PLANNING MODEL becomes the rationale for collecting, searching for and reporting all information that management uses to understand current conditions and to plan future strategies.

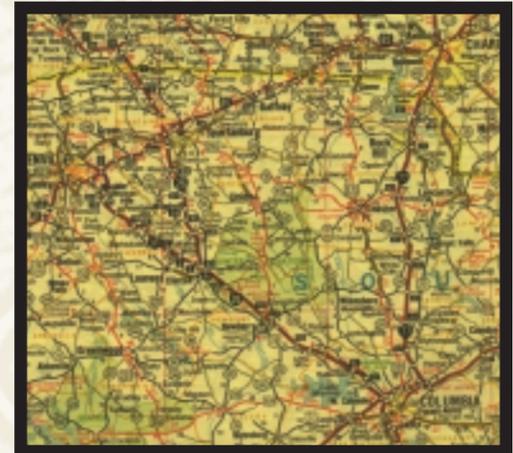
# BEYOND GLOBAL COMMUNICATION SYSTEMS

THE INTERNET AND OTHER COMMUNICATION TECHNOLOGIES HAVE REVOLUTIONIZED THE WAY CORPORATIONS COMMUNICATE, BOTH INTERNALLY AND EXTERNALLY. As global communications systems are accessed by more and more competitors in the marketplace, and as companies become increasingly sophisticated in the mechanisms of communication, a coherent communications strategy becomes more important.

The INTEGRATED PLANNING MODEL is the rich context in which numbers take on greater meaning concerning the current state of the firm. This context not only creates a map of the critical information the firm must capture for management to direct its operations, it also gives clear direction for corporate communications.



Negotiation, market analysis, inventory control, production planning and order processing are a few of the areas in which communication can influence a firm's response to market opportunities. INTEGRATED DECISION MODELS and INTEGRATED PLANNING MODELS reflect complex interactions determining specific actions to pursue and the information that must be communicated for success to be assured.



INTEGRATED MODELS are, therefore, powerful tools for communicating and decoding information when there is much at stake for the organization.

THE INTEGRATED PLANNING MODEL NOT ONLY GIVES A ROAD MAP AS TO THE CRITICAL INFORMATION THAT MUST BE CAPTURED BY THE FIRM, IT ALSO GIVES A CLEAR PICTURE OF WHAT INFORMATION NEEDS TO BE COMMUNICATED WHEN, HOW, AND WHY.



# INTEGRATION AND INTEGRITY

INTEGRATION IS THE PROCESS BY WHICH VARIOUS PARTS OF AN ORGANIZATION ARE TIED TOGETHER. Linkages exist between problems, solutions, goals, objectives, information systems, communication systems, budgets, measures of performance, long-range plans, appraisals and whatever else is important for success. Clients, customers, products, services and markets interact in complex ways, yielding both opportunities and threats to the firm, and an integrated understanding is essential to expose each of these. Explicitly revealing these relationships can be critical to the development of successful tactics and strategies. INTEGRATED PLANNING MODELS are powerful tools to accomplish this task. The INTEGRATED PLANNING MODEL reflects integration along the three major axes: (1) within the organization, (2) between the organization and its environment, and (3) through time. This integration yields *organizational integrity*.

THE INTEGRATED PLANNING MODEL CAN REFLECT INTEGRATION ALONG THE THREE MAJOR AXES: (1) WITHIN THE ORGANIZATION, (2) BETWEEN THE ORGANIZATION AND THE ENVIRONMENT, AND (3) THROUGH TIME.

PERSONAL INTEGRITY REQUIRES OPENNESS, HONESTY AND THE COURAGE TO PAY THE PRICE FOR SOME GREATER GOOD.



There is, however, another type of integrity that is more difficult to address, but may be more important to the ultimate success of the organization. *Personal integrity* may be defined as the state in which all parts are operating in accord with what is true, while moving toward a common purpose. It requires openness, honesty and the courage to pay the price for some greater good.

Within the firm, *personal integrity* requires one to operate in agreement with what is true about himself, the firm, the environment and the organiza-

tion's ultimate objectives. The process of using an INTEGRATED PLANNING MODEL requires a high level of personal integrity among its participants. When an organization adopts an INTEGRATED MANAGEMENT SYSTEM, all participants must be willing to test their own understanding against that reflected in the model. They must be willing to submit their understanding to the scrutiny of others and be open to correction. It is precisely this quality of the INTEGRATED PLANNING MODEL that allows an organization to focus dialogue, expose faulty reasoning and develop rational, creative plans.

ROBERT S. FLETCHER  
0583206 T43 - 44A  
U.S. ARMY AIR CORPS  
1942-1945

Under the right leadership, personnel learn that *truth* is always more interesting than their own *misconceptions*. The organization learns that the perception of truth is imperfect, and the movement toward truth takes place on the back of tested and refined misconceptions. INTEGRATED MODELS become a vehicle for organizations to test their misconceptions and find their truth.

# COMPETITION

THE WAY A CORPORATION CAPTURES, DISSEMINATES AND USES INFORMATION determines its competitive advantage in the marketplace. Just as an America's Cup yacht must be tuned to the specific requirements of the competition and the competitive environment, the corporation must tune itself for effective competition. INTEGRATED PLANNING MODELS can provide sufficient understanding of internal and external factors to help management fine-tune its strategy and compete more effectively.

As with any other competitive endeavor, the organization must function as a team. But there are many kinds of teams. A golf team is much more dependent on individual expertise than is a rowing crew. In a crew, all members must subordinate their strength and speed to the needs of the entire boat. The requirement for precise coordination is absolutely essential. Management tools that allow a similar expenditure of coordinated effort lead to higher levels of organizational achievement. INTEGRATED PLANNING MODELS offer that potential.

Just as a lioness is constantly aware of threats and opportunities, the organization with powerful thinking tools is prepared to

deal with inevitable changes in the marketplace, and to take advantage of opportunities as they arise. Survival of the fittest is at work as much in the marketplace as it is on the African plains. INTEGRATED PLANNING MODELS refine the senses of the organization concerning the need to act, honing its instincts for the correct action to take.



JUST AS AN AMERICA'S CUP YACHT MUST BE TUNED TO THE SPECIFIC REQUIREMENTS OF THE COMPETITION AND THE COMPETITIVE ENVIRONMENT, THE CORPORATION MUST TUNE ITSELF FOR EFFECTIVE COMPETITION.



THE ORGANIZATION MUST FUNCTION AS A TEAM. PRECISE COORDINATION IS ABSOLUTELY ESSENTIAL.



# CORPORATE IQ

IMS QUANTUM DEFINES CORPORATE IQ AS THE ABILITY OF THE MANAGEMENT TEAM to make connections between what it knows and what it needs to know, between what it has done and what it needs to do. CORPORATE IQ is also related to how fast management can make these connections and act accordingly. Consider an IQ test: The student does not have unlimited time. He or she is given an array of situations in which logical solutions must be found within a given time frame. Management faces the same dilemmas in a much more complex setting under dynamic conditions. On a test page, a fish and its logical connection to the fishhook are static pictures, but to management the fish is evolving into a charging elephant and the fish hook is changing into a .600 Nitro Express rifle round. The firm needs tools to make the connections required to choose optimal strategies in a rapidly changing environment.

“CORPORATE IQ” IS THE ABILITY OF THE MANAGEMENT TEAM TO MAKE CONNECTIONS BETWEEN WHAT IT KNOWS AND WHAT IT NEEDS TO KNOW, BETWEEN WHAT IT HAS DONE AND WHAT IT NEEDS TO DO.

CORPORATE IQ refers to the repository of corporate knowledge and its ability to address a wide range of questions and problems. It is not about databases, or even *mining* databases. It is about capturing understanding, insight and relationships in a rich context that reflects corporate knowledge about itself and its environment. It is not about accessing information, but about knowing what information to access. It is not about communicating information, but about knowing what information to communicate. It is about establishing a new threshold for *corporate intelligence*.



A host of bright people does not necessarily yield this corporate understanding. Ways of capturing what people know must be implemented to focus thinking and consequent actions. INTEGRATED PLANNING MODELS turn each individual’s knowledge into corporate understanding. That understanding becomes a corporate asset.

IMS QUANTUM is committed to the idea that employees know much more about what makes the business work than is ever put to use. Because it is so difficult to capture and use that intelligence to solve problems and improve competitive advantage, there is significant “intelligence leakage” in most organizations. Just as a magnifying glass focuses sunlight to start a fire, the INTEGRATED PLANNING MODEL focuses intellectual energy to fire the search for improvement and winning strategies.

JUST AS A MAGNIFYING GLASS FOCUSES SUNLIGHT TO START A FIRE, THE INTEGRATED PLANNING MODEL FOCUSES INTELLECTUAL ENERGY TO FIRE THE SEARCH FOR IMPROVEMENT AND WINNING STRATEGIES.

## Critical Variables

| VARIABLE                 | BASE CASE | NEW CASE   |
|--------------------------|-----------|------------|
| <b>URGENT CARE</b>       |           |            |
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| Population Density       | 220       | 250        |
| Urgent Care Market Share | 18%       | 20.00%     |
| Alt Value Total Visits   | 19,562    | 22,000     |
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| <b>OPERATING ROOM</b>    |           |            |
| Alt Value Total Procd    | 591       | 650        |
| Ave Charges/Proced       | \$846.02  | \$1,000.00 |

## Measures of Performance

| MEASURE                 | BASE CASE   | NEW CASE    | % CHANGE |
|-------------------------|-------------|-------------|----------|
| <b>HOSPITAL</b>         |             |             |          |
| Total Area Doctors      | 31.6        | 40.6        | 28.48%   |
| Doctors That Use Hosp   | 18.3        | 24.8        | 35.52%   |
| % Doctors That Use Hosp | 58%         | 61%         | 5.48%    |
| Revenue                 | \$2,053,183 | \$2,433,600 | 18.53%   |
| Profit                  | (\$174,583) | \$83,097    | NA       |
| Return On Sales         | -9%         | 3%          | NA       |
| <b>URGENT CARE</b>      |             |             |          |
| Population              | 99,526      | 113,097     | 13.64%   |
| /Year (Self Ref)        | 19,159      | 24,881      | 29.87%   |
| /Year (Occup Hlth)      | 489         | 593         | 21.27%   |
| /Year                   | 19,562      | 22,000      | 12.46%   |
| Revenue                 | \$900,000   | \$1,100,000 | 22.22%   |
| Return On Sales         | \$351,970   | \$523,013   | 48.33%   |

*Q*