

Message from the Director, April 2011

Living the Ann Preston School of Medicine (APSOM) Simulation—Strategic Finance in Our Daily Lives

It is April 2011 and our federal government has yet to approve a budget for the fiscal year 2012. Our own budgets are being reviewed by institutional finance committees – and then re-reviewed as state governments cut deeply into their education and health budgets. It's not the first time, either. This annual “do more with less” budget process has become routine for many of our institutions. Does it feel like your ELAM –APSOM exercise all over again?

The Case Study of the Ann Preston School of Medicine (APSOM) was derived from a strategic finance lesson in the [American Council on Education \(ACE\) Fellowship](#) (and named after Ann Preston, the first woman dean of the first medical school for women). Some of you will recall that Page Morahan, ELAM Founding Director, had just graduated from the ACE Fellowship when she was asked to design a national leadership program we all know as ELAM. The case was adapted to address the specific concerns of the complexity of a medical center. Over the years, faculty and ELAM alumnae have updated the case so that it now includes challenges and characteristics of several of our institutions that have had the “opportunity” to experience an APSOM-like episode. The case simulation links lessons on finance and group dynamics with deliberate attention to team communication and awareness of diversity. The process of analysis, presentation to the APSOM executive committee and debriefing continue with a few twists to better manage energy and group dynamics. Fellows receive the initial case text with study questions as a summer ELAM assignment, faculty are available on-site to answer questions during the afternoon of APSOM team deliberations, and slides for the morning presentation are due before 10 PM.

(Shh... don't tell the Fellows you stayed up until 3 AM working on those darn spreadsheets!)

Fellows thus have opportunity for strategic reflection, team preparation, and a reasonably good night's sleep prior to meeting the APSOM panel of Philadelphia area health science executives.



The APSOM panel of Philadelphia area health science executives debriefs the Fellows following their presentations.

Two years ago, we created a follow up to the lessons learned from lectures and the APSOM case. It extends the fall session's case study to the winter with leadership interviews focused on finance and continues with a second case simulation in the spring session. The first two interviews, with the institutional CFO and with one leader of either the clinical, educational, or research mission, are assigned for completion by the opening of the winter session, which makes for a quick application of finance information. Each learning community (LC) is assigned to an academic institutional mission, so that each member of the LC interviews someone with a comparable mission and can compare similarities and differences in approaches to financing that mission across the schools represented in the LC and between the two leaders. In the spring we return to the case of the Ann Preston School of Medicine. Thanks to some brilliant work by the team of [Mary Anne Delaney](#), Drexel University College of Medicine (DUCOM) and an ELUM from 2008 class, [Lilly Marks](#) from the University of Colorado, and DUCOM's President and Annenberg Dean [Rick Homan](#), Fellows have the opportunity to examine a two-year follow up of some of the initiatives they propose at the Fall presentations.

In a mock press conference with the Dean, smartly played by Dr. Homan with his sharp APSOM CFO, Lilly Marks, by his side, Fellows become journalists who are eager to hear about progress and rationale for changes in the APSOM operations. The lesson shines a light on the importance of matching quality and financial indicators with external trends and organizational values. It also brings forth the challenges and importance of presenting organizational financial information to stakeholders, maintaining trust with the Board and appropriate transparency with the public.

Does this feel very familiar to you? If so, it is because this is the work of our daily leadership. The formal programming lays a foundation for continued learning through institutional practice - learning that extends long after graduation from the ELAM Fellowship. Need a refresher? Lilly has given us permission to publish her leadership tips, and we have listed the most current ELAM Finance references below.

How have you honed these skills? Whether you have obtained an MBA, taken on a significant role in finance committees, or pursued other learning, it would be useful for ELAM staff and for ELUMS to know what paths for further skill development are open to them. We have set up a question on the ELAM LinkedIn site to collect your experiences and ideas. Your contributions will help update the "After ELAM" information we provide to Fellows in the spring as well as to share opportunities with alumnae.

It was a wise decision when ELAM was designed 16 years ago to focus a central leadership development theme on Strategic Finance. The theme focuses on team work, mission focus, balanced budgets and

strategic investments. The lessons are a constellation of building towers and building teams, distilling complex budgets to simple principles to sustain a flailing health care organization, and presenting them to a “tough love” board of constituents - and constitutes one of the most memorable experiences of the ELAM Fellowship. It is also one that proves itself valuable over and over. Recognizing the value of the case, the faculty opted to extend it to the spring session in a progress report from the school. This Director’s Column extends it outward to our alumnae and friends.



Class of 2010-2011 Fellow Geri Donenberg presents her APSOM team tower.

Tactical Management and Leadership Tips from Lilly Marks

1. **Find the right mentors** (including leadership and financial mentors).
2. **Develop your negotiation skills.** Read. Practice. Practice some more.
3. **Be a model for reality based thinking and a voice for fact based decision making.** Bring the same intellectual rigor to your management and financial decisions as to your academic pursuits. Do your homework. Reference key documents and policies of your institution. Consider the relevant metrics and long term strategic, political, and cultural implications of resource allocation decisions.
4. **Build relationships and understand how decisions are made** in your institution and department. Systems often don't work. Recognize that your relationships are often what stand between success and failure.
5. **Be an institutional citizen** not just a departmental soldier.
6. **Write the first draft.** This puts you in the position of being the most knowledgeable and a leader in the organization of institutional thinking.
7. **Lead by example.** Responsibility and accountability are handmaidens to authority.
8. Know the difference between doing things right and doing the right thing. And then **do the right thing.**

References from the APSOM Case Study Assignment

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- AAMC. *The Functions of Centers and Institutes in Academic Biomedical Research*. Analysis in Brief, June 2005. [[Link](#)]
- For research administrators: the organizations below have publications associated with their site. One good resource is *A Guide to Managing Federal Grants for Colleges and Universities*.
 - National Council of Universities Research Administrators (NCURA): <http://www.ncura.edu/>
 - National Association of College & University Business Officers (NACUBO): <http://www.nacubo.org/>
 - Society of Research Administrators: <http://www.srainternational.org/>