Interview an Alumnus

Current student, Lewis Goodrum, interviews alumnus Steve Smith ’77 about his career on January 23, 2014 as a health care consultant.

When and how did you decide to pursue a career in consulting? How has your MHA degree from Ohio State led you to your current position?

Right out of school, my first job was with Ernst & Ernst. This was in the very early years of large consulting firms beginning to recruit non-accountants into their consulting practice. Bill Cleverley, who was the finance professor at that time, had some relationships with partners at Ernst & Ernst. He encouraged them to come on campus because he thought that having MHA trained individuals would be a positive addition to their practices.

What do you find most challenging and rewarding about leading a career in healthcare consulting?

First, consulting differs from going into a provider organization because of the wide variety of environments that you experience. Because you’re not working in one single organization, you are exposed to a variety of issues, management teams, boards and political environments. It promotes a learning curve as you are quickly exposed to a many different situations that you learn from.

Second, you are typically involved in special projects. Often you are going into an institution that is having trouble, performance wise. Right out of school you are involved with some organizations that are in distress. The problem solving skills that you learn there are very valuable, whether you stay in consulting or not.

Regarding the most rewarding things about consulting, I believe that being able to go to an organization and complete projects that contribute to the success of the customer is very rewarding. Helping your customers to be successful is the enjoyment one gets out of consulting.

Another rewarding thing, depending where you want to go in your career, is that you come across lots of jobs opportunities. Some people that go into consulting get a career for the rest of their lives, but probably a higher percentage end up leaving and they end up going to one of their clients they ended up serving. There, they already know the management and personnel that they will be working with. It is great networking.

Looking back on your career, what accomplishments stand out to you the most? Why?

Making the level of a partner at a Big Four consulting firm, that was a Big Eight at the time, was an achievement.

Second would be that I was a founder of a start-up company, named Accretive Health, where I was the third employee on board and where I worked for nine years. It is a revenue cycle management business. The company went public and is now a billion dollar company.

Third would be helping many clients be successful. It was what I had the most pleasure in.

Given all the changes in healthcare, how do you predict the healthcare delivery system will look in the next five to ten years? How would you like it to look?
We will see more consolidation than we have seen already, in a horizontal rather than a vertical basis across all providers. Also, I believe population management will become a means whereby successful organizations will thrive in this new health care environment.

I think this is the way it should go. I think industry has been aspiring to go that direction in the last thirty years. The Patient Protection and Affordable Care Act, as well as other changes in the environment happening as a need for cross control, will finally take us to where we operate under population management principles.

Do you have any advice for someone at my stage who is interested in a consulting career? Classes to take or skills to develop?

A good financial underpinning. I would give this advice to anyone considering consulting or not. I would go beyond what the finance classes are in the program and look into more classes at the College of Business. Whatever you do, I believe you can never have too much financial preparation.

People skills are also important to develop. In consulting, you are selling ideas and convincing people to change operations and the way the organization looks. In consulting, none of your clients work for you and thus, you have to lead by persuasion and sell ideas under merit.

Another skill to learn and acquire is change management, because often in practice, people are resistant to change. Especially when you do not have a direct line of authority over them, as in consulting, learning to advise rather than tell people regarding operational change is an important skill.

What advice do you have for students concerned about maintaining a work/life balance in such a demanding field?

Know the culture of the organization with whom you are interviewing. Know what they expect of their employees, and a good way to find that out is to speak with current employees. I traveled for 37 years as a consultant. I would leave Monday morning for the client and then come home Thursday night. Leaving Monday morning is a world of a difference than leaving on Sunday night. It was very manageable for myself. There are many firms that expect you to leave Sunday night for the client and return home Friday at midnight. Some people would chose to do that, and all I would say is know what you are getting yourself into.

Part of work/life management is setting your own personal rules. If you are married or in a relationship, you need to agree on what is acceptable and what is not ahead of time. People working need to learn to leave work for the workplace, and be home when you’re at home.

At the Management Institute, we learned that the Cleverley Scholarship met its $1M goal. As the chair of this campaign, what do you think led to this success?

There are a lot of great alumni who had a real warm heart for the program, and chose to give back to it. The alumni program has done a lot for me and my career. This program continues to be esteemed because where you chose to go to school affects your whole career, and we want the program to be successful and highly regarded.