

# Strengthening Financial Health Through Professional Development

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Governmental public health agency executives are accountable for their organizations' success, including their financial health. Public health agencies have designated grants management, budgeting, procurement, and contracting staff, but often the program staff—those who are writing the grants, developing the scopes of work for contracts, and running the request for proposal processes—lack some of the basic skills to support long-term financial stability.

Public health agencies historically have separated their programmatic and financial functions. Employees working in traditional public health practice roles understandably prioritize community needs assessment, as well as program development and delivery. They operate programs that deliver value to their communities, improve health, and prevent disease. However, are they doing this as effectively as possible? Generally, public health agencies receive funds annually from grants or through state or local appropriations. Their job is to then spend those dollars. What is often missing is a conversation about whether the funds have been administered efficiently and whether the impact of the funds has been maximized. To answer these questions, program staff need to strengthen their financial management, budgeting, and management skills.

Data from the Public Health Workforce Interests and Needs Survey (PH WINS) indicate that public health workers want to boost their proficiency in financial health subjects. In the 2017 survey, 55% of respondents in state and local health departments identified budgeting and financial management as a top training need.

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The de Beaumont Foundation created the Building Expertise in Administration and Management (BEAM) certificate program in partnership with the University of Miami.

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While financial management is taught in some public health education programs, students may lack the necessary experiential context necessary to transfer the learning to the professional work setting. Graduates often enter the workforce without the expertise to support the financial health of the programs they work on, which may have an impact on the financial health of their agencies. In addition, few formal opportunities are available for employees at public health agencies to gain financial management skills on the job. Unless they have good mentoring, they may struggle to grasp the financial and administrative concepts that are relevant to their work, which can lead to inefficiencies, administrative waste, and financial risk for agencies.

The need for financial management skills among governmental public health agency workers has become more pressing, as agencies nationwide contend with dwindling resources. By ensuring employees have a baseline knowledge of skills that bolster financial health, agencies are better positioned to use limited funds wisely and take a more strategic approach to leveraging resources and managing programs. Providing education and training in financial management skills promotes good stewardship of public funds, greater accountability, and improved financial health—all of which public health executives aim to instill within their agencies.

Among the most important financial management skills for public health agency employees at all levels are:

- *Strategic problem-solving.* Establishing agency-wide financial health begins with strategic problem-solving. This involves understanding community needs from diverse stakeholder perspectives to identify key focus areas. When a problem arises in a specific program, strategic problem-solving is also necessary. Taking the time to understand the nature of a problem from diverse stakeholder perspectives helps ensure that the best solution is identified. Each solution will have different financial implications that must be considered to ensure the financial

viability of the program and the financial health of the organization.

- **Budgeting.** Developing effective budgets is a bedrock of good financial health. All staff should understand how to develop a program budget so that they can set clear goals for allocating program funds. Staff should also know how to create a detailed budget narrative that provides an explanation for each line item, putting the budget in context. In addition to managing their own individual budgets, everyone needs a basic understanding of how their budget contributes to the agency's overall financial health.
- **Procurement.** Public health agency workers regularly procure goods and services from external organizations. Public health agency workers need to be aware of the many rules surrounding procurement and be comfortable navigating the process. Staff should understand the various methods of procurement, particularly the request for proposal (RFP) process to solicit bids from contractors. Staff must be able to develop comprehensive RFPs that yield the most qualified contractors to support the implementation of programs. Staff also need to know how to evaluate proposals to ensure due diligence and avoid conflicts of interest.
- **Contracting.** While program staff may not be required to write the contracts for their programs, they should understand the elements of these binding legal documents. This knowledge will help them ensure the work is being completed as contracted. Staff who use outcomes-based contracting need to know which measures will be used to assess the performance of contractors and ensure that progress is being made toward a desired result. In addition, it is critical that staff understand the legal provisions of contracts.
- **Benchmarking.** Benchmarking is an important component of financial assessment, pinpointing

opportunities for improvement in public health agencies. This process helps an agency compare the financial and operational practices of their agency against those of other agencies, providing clues for how one might improve performance. This process helps managers and staff determine the high-performing programs that are worth continued investment and which are a drain on resources.

Education and training in financial management can be employed across all levels of an agency, and with little effort or cost. As a first step, managers can invite staff to engage in meetings around issues such as budgeting, procurement, and contracting, so they can become familiar with financial health topics and conversations surrounding them.

Formal training in financial health may also be useful to staff. One such option is the Building Expertise in Administration and Management (BEAM) certificate program, created by the University of Miami and the de Beaumont Foundation. This self-paced, online course is the first business course developed by public health professionals for public health professionals. It uses real-life examples of public health challenges and solutions to give professionals a basic foundation in financial and managerial concepts, including the aforementioned skills.

The financial health of a public health agency begins with its employees and is not relegated to one division. Public health executives have an opportunity to lead with the mindset that all staff have a stake in their organization's sustained financial well-being and provide employees the skill-building opportunities to support financial health.

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