Introducing the Medical Industry Leadership Institute (MILI)

Steve Parente, Ph.D.
Director, Medical Industry Leadership Institute
Associate Professor, Department of Finance

October, 2007
The Medical Industry Marketplace/“Village”

- <90% Income
- Federal Government
- Congress
- Main Street
- Medical technology
- Big Business
- Courts
- Insurers
- Physicians
- 99% Income
- Hospitals
- 91-99% Income
Definition of Medical Industry

- Global, growing and stable industry sector; Linking the development & delivery of care.
Medical Industry Leadership Institute: Building on, Complementing and Leveraging ….

The Institute (MILI)

- Leadership position in the medical device industry
- Concentration of firms spanning the entire medical industry
- 50+ years of partnership with the industry
- Scientific, technical, policy, legal & ethics expertise
- Significant faculty expertise on relevant management topics
- Experiential learning infrastructure
- A track record of industry placements

- 50+ years of partnership with the industry
- Scientific, technical, policy, legal & ethics expertise
MILI 2005 – 2007 Activities

> Over 150 meetings with industry leaders to serve as sounding board for MILI concept.
> Development of starting MBA logistics and curriculum for MILI.
> Market research of other healthcare MBA programs.
> On-site exploration of international executive education opportunities.
> Launch of MILI Research Seminar Series with collaboration of Industrial Relations, Marketing and Finance CSOM departments.
> Support of Minnesota HIMSS Health Information Technology Institute with national corporate sponsorship.
> Development and acceptance of MILI financial model
> Launch of MILI Web Site: http://www.csom.umn.edu/MILI
Current Carlson Faculty Medical Industry Research

- Mark Bergen, **Marketing**, Pharmaceutical pricing
- Rajesh Chandy, **Marketing**, Impact of Acquisitions on Medical Innovations
- Shawn Curley, **IDSC**, Medical decision making
- John Dickhaut, **Accounting**, Neuroeconomics
- Art Hill, **Operations**, Production Planning for Medical Devices
- Paul Johnson, **IDSC**, Physician decision making
- Fred Riggins, **IDSC**, RFID application technology in hospitals
- Brian McCall, **HRIR**, Workmen’s compensation health benefits
- Susan Meyer, **Operations**, Lean Manufacturing in Hospitals
- Prokriti Mukherji, **Marketing**, Pharmaceutical marketing
- Steve Parente, **Finance**, Health/wealth joint decisions
- KK Sinha, **Operations**, Medical innovation in developing countries
- Andy Van de Venn, **Strategy**, Integration in large healthcare systems
- Kathleen Vohs, **Marketing**, Joint patient & physician decision making
Medical Industry Leadership Institute
Education: Supporting Leadership Pathways

CSOM-MBA Courses Currently Offered

MBA Core Courses
- Finance
- Marketing
- Operations Management
- Accounting: Financial & Managerial
- Information Systems
- Statistics

Medical Industry Related Electives
- The Healthcare Marketplace
- Medical Devices Industry
- Pharmaceutical Industry
- Medical Technology Evaluation
- Information Technology in Healthcare

MBA Electives
- Quality and Six Sigma
- Managing Supply Chain Operations
- Managing Technologies in the Supply Chain
- Project Management
- Technology Marketing
- Market Research: Pricing, Brand Management
- Managing Innovation
- New Business Ventures
- Corporate Finance
- International Management
- Ethics
Carlson’s Medical Industry Part-time MBA Student Census

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Medical Industry</th>
<th>Total</th>
<th>% Share of Total Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-2004</td>
<td>65</td>
<td>412</td>
<td>16%</td>
</tr>
<tr>
<td>2004-2005</td>
<td>85</td>
<td>499</td>
<td>17%</td>
</tr>
<tr>
<td>2005-2006</td>
<td>80</td>
<td>416</td>
<td>19%</td>
</tr>
</tbody>
</table>
In Closing

> The Carlson School currently graduates 100+ MBAs annually (full and part time) who work in the medical industry, broadly defined.

> MILI also seeks to break down silos that inhibit sharing of new innovation for the benefits of patients. Ideally, it can function as the demilitarized zone between providers, insurers and technology firms to identify points of economic and political consensus for financially sustainable advancement.

> Collaboration with industry through new product development, experiential learning, scholarly research and teaching degree and non-degree programs are the common goals of the faculty of the Carlson school.

> MILI extends and deepens the application of goals with an industry orientation in order to achieve advances for society and business.
Thank You