

# CONNECTIONS

JULY/AUGUST 2008

## ◆ THE FIRST WORD

### Strengthening Members Through *Board Works*

Early in 2007, we introduced a new publication, *Board Works*, which provides practical information for board members. So far we have covered these topics: Sarbanes-Oxley, Church-Related or Faith-Based?, Cultivating a Sense of God's Presence, Fiduciary Responsibilities of the Board, Succession Planning, and CEO Appraisal.

We trust you have found these topics pertinent to the challenges you face in your particular settings. Even more importantly, we hope we have been helpful in providing an Anabaptist Christian perspective on the complex issues that confront all health and human services organizations.

We send *Board Works* by e-mail to member executives and encourage them to include it in board packets. Each issue includes discussion questions that can guide a mini-education session. After we publish each issue, we hear from members, often asking for more information or tools we have mentioned.

We'd like to hear from you. What topics would you like to see us cover? Is there an issue you'd like us to address in a different way? Call me at 574-534-9689.



Mim Shirk  
Vice President

## ◆ MHS ALLIANCE CONSULTANTS HELP HOPE VILLAGE FULFILL ITS MISSION

BY JERRY W. BARKMAN, EXECUTIVE DIRECTOR OF HOPE VILLAGE

The founders of Hope Village in Canby, Ore., envisioned developing a continuous care retirement community and started its campus in 1996 with one major component – independent cottages. Now, 12 years later, we are actively working with MHS Alliance consultants to strengthen our managerial oversight and long-term financial health. The board is preparing to fulfill its original vision.

Originally, we chose to lease land to a private company which then built the nursing and assisted-care facilities, which they have now operated for 10 years. Our plan for the next three years is to assume ownership of these facilities.

Purchasing facilities represents a big-ticket item for Hope Village. We realized that we needed significant outside expertise to help us evaluate the financial implications and to outline an acquisition procedure. We turned to MHS Alliance for that assistance.

In early 2006, MHS Alliance Vice President Keith Stuckey put together an evaluation team, with two of the three members being from Oregon. They produced a report and a number of recommendations which our board accepted.

The recommendations were:

- ◆ Defer the purchase of facilities until 2011.
- ◆ Increase board capacity to deal with the new directions and skills needed to assume management of a health facility.
- ◆ Increase staff capacity by recruitment of senior members.
- ◆ Increase cash balances to fund bond reserves, working capital, and the development of new office space.

The major work of the board of directors the past three years has been centered on these recommendations. MHS Alliance and MHS Alliance Consultant Lee Schmucker have played important roles in this work.

During the past 20 years, I have become familiar with both Lee Schmucker and MHS Alliance

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Jerry Barkman



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President Rick Stiffney while attending Mennonite Health Assembly meetings. They have been presenters in various settings, so when Hope Village needed to engage someone who could assist us in board development, staff recruitment and other services, MHS Alliance and Lee Schmucker seemed to be natural fits for us.

For the past three years, Lee Schmucker has led our group in an annual strategy session. The major emphasis during the past year has been board development and the creation of a time line for fund raising, executive recruitment and the acquisition of the facility. Because of Lee's extensive work in consulting and as a board member of various institutions, she has brought a wealth of practical experience to our board development.

Some advisers had suggested that we contract with an outside firm to address acquisition issues. However, by asking MHS Alliance to provide these services, we have gained a group of consultants who come out of the same faith-based tradition that motivated the founders of Hope Village, Inc. Such a connection is extremely important when we discuss mission statement and corporate values.

In seeking consultants, we have found that the most important task is to define clearly what the organization is trying to accomplish. That task is not so easy as it sounds, but going through the process is well worth the effort. As we approached the acquisition issues, we realized we had questions that required expertise beyond our own board and staff. Through MHS Alliance, we were able to tap resources within the wider Mennonite community in Oregon and across the USA.

We are grateful that MHS Alliance is a national organization that can provide ongoing consulting services for us. The relationships developed over the years are important when we seek advice because we know that we can trust individuals associated with MHS Alliance.



Lee Schmucker

## HOPE VILLAGE BOARD MEMBERS EMBRACE ORGANIZATION'S MISSION

BY LEE SCHMUCKER, MHS ALLIANCE CONSULTANT

The Hope Village Board members express their investment in the organization and its consultants via the behaviors outlined below. They:

- ◆ Are passionate about the Hope Village mission. They keep the mission alive by sharing stories about God's presence since the organization's beginning. They believe in Hope Village's mission and are generous with their time, talent, and financial support.
- ◆ Take their governance role seriously. They show up for strategic planning and board development meetings. They are committed to making a difference and doing their best.
- ◆ Recognize when they need outside guidance. When they move into new territory, they seek outside expertise and take it seriously.
- ◆ Are eager to learn. When they accepted the recommendations from the MHS Alliance study team in 2006, they developed a plan to implement the recommendations. And they remain on track, making steady progress toward their goals.

“It has been a joy walking  
along side Hope Village  
during this journey.”

— Lee Schmucker, MHS Alliance Consultant

## PROPERTY, AUTOMOTIVE PROGRAMS OFFERED TO MHS ALLIANCE MEMBERS

**AARM, which provides** insurance services for peace church organizations, has broadened its coverages in 2008 to include property and vehicles. Members of MHS Alliance are eligible to explore ways AARM programs can benefit them.

Phil Leaman, President and CEO of AARM, said the goal of the new property program is “to create an alternative way to finance property risk as a group, thus providing equal or greater coverage at an equal or lesser price. When the property program is large enough, a loss fund will be implemented, which will allow for potential credits for good loss experience.”

The automobile program has a similar focus. Leaman said, “The automobile program will group numbers of vehicles together to create strength in negotiating price.” When an organization applies for coverage, he said AARM will look at each prospective member’s property and auto underwriting data and will ask for five years of currently valued loss runs.

In general, Leaman said, AARM programs provide a number of benefits as AARM strives to reach its primary goals. These include greater focus on risk management; sharing in underwriting profits and investment



income by the members; increased limits and broader coverage; and group-negotiated premiums and a stronger shield vis-à-vis market volatility. He explained that “this approach gives members increased control and influence over their financial risk and total insurance program costs.”

MHS Alliance members interested in AARM’s services are encouraged to call Charlotte H. Hess, Vice President of Client Services, at 717-293-7840 or email her ([charlotte@aarm.net](mailto:charlotte@aarm.net)) or Phil Leaman, President and CEO ([Phil@aarm.net](mailto:Phil@aarm.net)).

## THE LATEST TRENDS

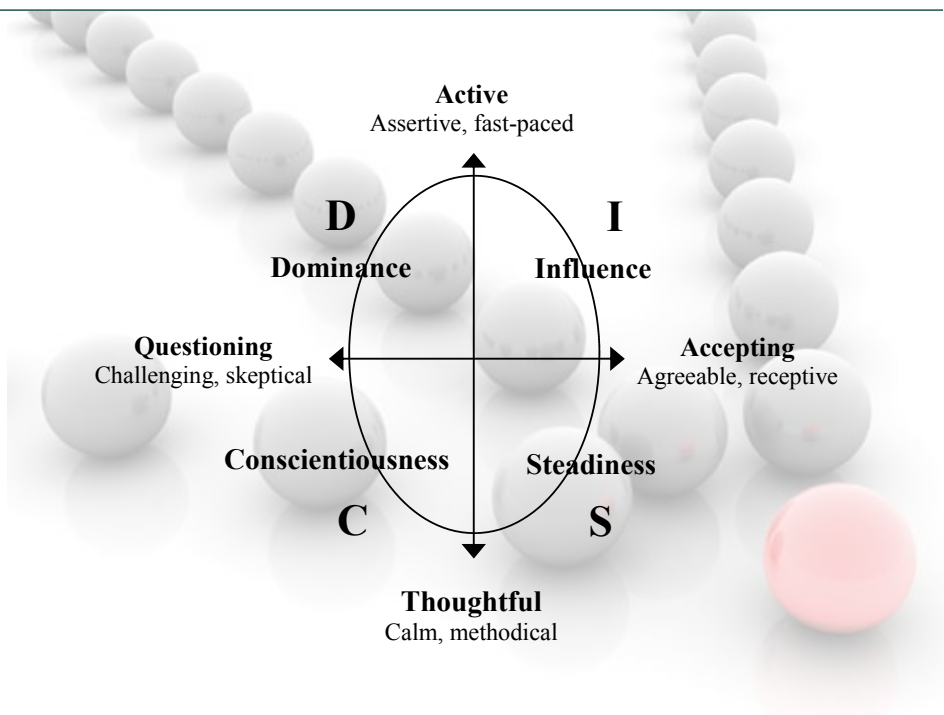
### Leadership Styles Explored in Values-Based Program

What’s your leadership style? MHS Alliance members who participate in the Values-Based Leadership Program at Laurelville Mennonite Church Center, Mt. Pleasant, Pa., will discover some new answers to this question during sessions Sept. 23-25 and Feb. 24-26, 2009.

Participants in the program will learn about their own profile and how to work with others who have a different profile. One of the tools used in the presentations is the DISC model shown here.

Larry Zook, President of Landis Homes, Lititz, Pa., commented, “The Values-Based Leadership Program provides Landis Homes an excellent opportunity for those in leadership to participate in a program which makes a lasting difference in how leaders serve others. When a number of persons over the years participate, this shared learning experience has an even greater impact.”

The registration deadline is Aug. 8. More information is available at this web site: [www.laurelville.org/vblp](http://www.laurelville.org/vblp).



## MEMBER NEWS

With appreciation, we say farewell to the following executives of MHS Alliance member organizations. We also welcome new leaders.

**Central California Mennonite Residential Services.** Elaine Clymer has resigned.

**Community Caring.** Chris Mulrooney has resigned.

**Fairmount Homes:** Jim Oswald has retired. The new executive is Jerry Lyle.

**Philhaven.** LaVern Yutzky has resigned. The interim executive is Phil Hess.

**Souderton Mennonite Homes:** Margaret Zook has retired. The interim executive is Orv Yoder.

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**Dock Woods, Lansdale, Pa., and Souderton (Pa.) Mennonite Homes** have entered into an affiliation agreement.

**Community Caring,** Fairview, Mich., has changed sponsorship from MHS Alliance to Lutheran Homes of Michigan.

**MHS Alliance** has gained two new board members: Larry Zook, President and CEO of Landis Homes, Lititz, Pa., and John Goshow, President and CEO of Penn Foundation, Sellersville, Pa.

## COMING ATTRACTIONS

**Aging Services Marketing Network**  
July 31 by Teleconference

**Midwest HR Network**  
Aug. 5, Maumee, Ohio

**East Coast Chaplains, Development, HR**  
Aug. 13, Hagerstown, Md.

**Safety Officers Network**  
Sept. 11 by Teleconference

**Midwest Chaplains Network**  
Sept. 17, Goshen, Ind.

**Values-Based Leadership Program**  
Sept. 23-25, 2008, and Feb. 24-26, 2009  
Laurelville, Pa.

**MHS Alliance Board Meeting**  
Nov. 13-15, Middlebury, Ind.

**Developmental Disabilities CEOs**  
Nov. 13, Goshen, Ind.

**Mennonite Health Assembly**  
March 19-22, 2009, Cleveland, Ohio



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## THE LAST WORD

The August-September 2008 issue of *Health Progress* is packed with stimulating articles. I was particularly drawn to the words “touch” and “compassion” that appeared on the cover. Add the word “community,” and you have the makings of life-enhancing and healing environments.

The field of health and human services percolates with new trends in the direction of innovative, community-based in-home services; breakthrough pharmacological therapies; and whiz-bang technologies for self-care and monitoring. While these may all be good, they also have a shadow side. The shadow is isolation and a loss of touch and compassion in community. Studies show that the best environments are those that reflect genuine compassion, real human touch, and ongoing human interaction or community.

I don't think that Catholic healthcare has a corner on excellent care. This blend of compassion, human touch, and community is also central to our Mennonite/Anabaptist services. The illustrations abound – group homes with our disability ministries, wrap-around programs for troubled kids operated by our community mental health providers, and dementia services for retirement communities.

It seems to me that as Mennonite/Anabaptist ministries, we have found a real “sweet spot” with our genuine compassion and human touch in community!

Your subscription to *Health Progress* is included with MHS Alliance membership.



Rick Stiffney President/CEO