

THE JAMES A. HAMILTON CHAIR  
IN HEALTH SERVICES MANAGEMENT

A TRIBUTE TO THE PAST  
A DEDICATION TO THE FUTURE

Program in Hospital and Health Care Administration  
School of Public Health

UNIVERSITY OF MINNESOTA

## MISSION STATEMENT

*The Program's mission is to be a nationally recognized center of excellence in health services administration education and research. Our principal market will continue to be the health industry with increased emphasis on larger scale organizations that are horizontally and vertically linked to include a wide range of health care programs and financing mechanisms. Our graduates are to be broad-based generalists with some specialization who aspire to become CEO's in these large scale organizations as well as provide leadership to the health industry.*

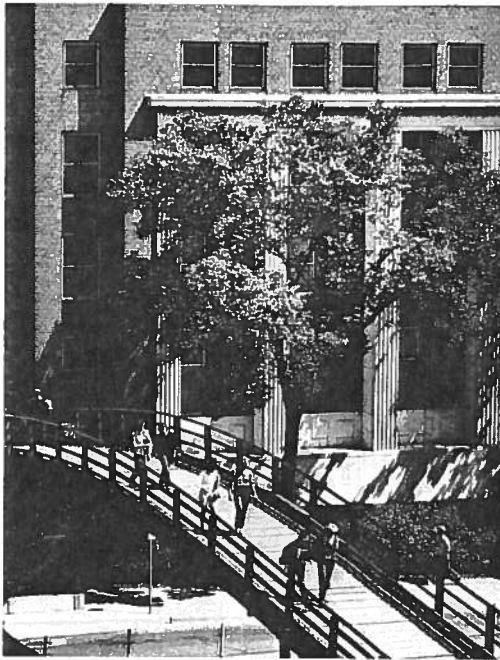
## A TRIBUTE TO THE PAST, A DEDICATION TO THE FUTURE

The Minnesota Program ranks among the premier university programs in health care administration. Its 1200 graduates work in every major city, every state, and 24 foreign countries. Whether in hospitals or government, consulting or long-term care, universities or accounting firms, always they rise to the top. Nearly 38% of the alumni are in the highest level positions in their organizations — CEO, COO, President, Chairman, Executive Vice-President. The Program educates leaders.

The Minnesota Program was the creation of James A. Hamilton. A pioneer in the application of business principles to health care, Hamilton was the first non-physician to be the administrator of a major hospital in this country. At the request of the University of Minnesota and the Kellogg Foundation, he undertook in 1946 to establish a graduate course in hospital administration. He developed the curriculum and attracted the faculty. Under his unique leadership, the Minnesota Program emphasized management principles from the very beginning. He is rightly known as the father of hospital administration as a profession.

The Program today continues to develop at the forefront of health care administration, as Hamilton would have demanded. Profound changes in the field have required expansion of the curriculum to two years and an increased emphasis on business and finance courses. As the Program has grown, so has its need for superior, dedicated faculty. In 1982 the Alumni Association made a commitment to the Program and to Hamilton himself to endow an academic chair in his name. The chair would enrich the faculty talent base and honor the contributions of the Program's founder. The Hamilton Chair is a tribute to the past, a dedication to the future.

The James A. Hamilton Chair is important to the future excellence of the Minnesota Program. It will provide a source of management expertise at a time when the Program is upgrading and increasing the management component of the curriculum. It will advance management, the skill that Hamilton himself brought to the health industry.



**W**ork hard. Learn the principles. Try new ideas. Be a leader.

These are the precepts by which James A. Hamilton lived and worked. In an era when all hospitals were run by physicians, he was the first person in the United States without a medical degree to run a major hospital. He was one of the early hospital consultants in the nation and established one of the first consulting firms, James A. Hamilton Associates. A leader, with new ideas, he worked incessantly for the benefit of health care administration in this country and around the world.

The crown jewel of Hamilton's achievements is the Program in Health Care Administration at the University of Minnesota, one of the first, and still the best, university programs in the field. In 1946 the University, with the support of the Kellogg Foundation, wanted to establish a graduate course in hospital administration. Their



James Alexander Hamilton  
July 14, 1899 - Sept. 8, 1985  
Founder  
Program in Hospital Administration  
University of Minnesota

search for an able, innovative person to be the founding father led directly to James A. Hamilton. He developed the curriculum, attracted knowledgeable faculty and bright students, and propelled the Minnesota Program and the field through their formative years. He became teacher, advisor, friend, and role model for many of our nation's health care leaders.

Author of the standard text, *Decision-Making in Hospital Administration and Medical Care*, Hamilton emphasized problem-solving in the classroom. He believed in the Socratic dialogue, encouraging students to probe into ideas rather than simply take notes. Although the process was often arduous, behind his confrontational method lay his deep commitment to each student's outcome in the field. He paired students with clinical preceptors during the clerkship and residency to give them the opportunity to work with senior practitioners.

Knowing that an administrator's family was an important force in his career, Hamilton proposed the "Course for Wives" to familiarize the student's wives with the world of hospitals and doctors. Under the direction of his wife Sally, it provided a support system that began during the academic year and carried forward into the professional years. He encouraged the development of an Alumni Association to provide a network of collegial support and ongoing mentorship between students and practitioners.

His involvement did not end at graduation. He felt it his responsibility to find jobs for the students. "I knew where all the jobs were," he said. In his very active retirement years he continued to teach and advise students and alumni. A visit to Duxbury was often an important step before a major career decision.

James A. Hamilton has been called the father of hospital administration as a profession. His spirit lives in the Minnesota Program. In his memory and as a source of his inspiration to future generations of students, faculty, and alumni, the James A. Hamilton chair will recognize and continue his tradition of excellence at the University of Minnesota.

## BIOGRAPHY

### HOSPITAL ADMINISTRATION EXPERIENCE

Director, New Haven Hospital, New Haven, Connecticut, 1938-1946. (Hospital affiliated with Yale University Medical School; general teaching hospital with contagious, tuberculosis, and psychiatric units; 725 beds.)

Superintendent, City Hospital, Cleveland, Ohio, 1936-1938. (Municipally owned general hospital affiliated with Western Reserve University Medical School; with contagious, tuberculosis, and psychiatric units; 1,650 beds.)

Superintendent, Mary Hitchcock Memorial Hospital, Hanover, New Hampshire, 1926-1936. (Small community hospital with affiliated medical group clinic; 70 beds developed to 200 beds.)

### TEACHING EXPERIENCE

Professor and Director of Program in Hospital Administration, University of Minnesota School of Public Health, Minneapolis, Minnesota, 1946-1966.

Associate Professor and Professor in Hospital Administration, Yale University, 1938-1946.

Lecturer in Hospital Administration, several Universities, Federal Interagency, Veterans Administration Institutes and Director of Institutes sponsored by the American College of Hospital Administrators and American Hospital Association, as well as numerous institutes in foreign lands.

Associate Professor in Business Administration, Western Reserve University, 1936-1938.

Instructor and Assistant Professor of Industrial Management, Amos Tuck Graduate School of Business Administration, Dartmouth College, 1923-1936.

Assistant Graduate Manager of Athletics, Dartmouth College, 1923-1936.

### CONSULTING EXPERIENCE

Hospital Consultant since 1936, Head of James A. Hamilton Associates, 1946-1966.

Consultant in the establishment and development of graduate programs in Hospital Administration in the United States and several foreign countries.

Civilian consultant in Hospital Administration to U.S. Army, 1957-1966.

Consultant on Medical affairs, United States Department of State, 1960-1963.

Consultant on Education, World Health Organization, since 1958.

Consultant U.S. Budget Bureau, Executive Office of the President, 1942-1958.

Consultant, U.S. War Production Board, 1943.

Industrial Engineering Consultant, 1923-1936.

### EDUCATION

Lawrence (Mass.) High School, 1916  
Tilton School, New Hampshire, 1918  
Dartmouth College, B.S., 1922  
Tuck School of Business Administration,  
Dartmouth College, M.C.S., 1923  
Yale University, honorary M.A., 1940

### OTHER ACTIVITIES AND MEMBERSHIPS

Life Member, American Hospital Association (President 1942); recipient, 1948 "Award of Merit."

Fellow, American College of Hospital Administrators (President 1939).

Member, Minnesota Hospital Association, Upper Midwest Hospital Association; New England Hospital Association (President 1930).

Member, Association of University Programs in Hospital Administration.

Member, American Management Association, American Public Health Association, American Public Welfare Association.

Member, American Association of Hospital Consultants.

Member, Research Committees of ACHA, AHA, AUPHA, and National League of Nursing Education.

Member, International Hospital Federation, since 1962.

Member, International Commission on Community Health Services, 1962-1966.

Chairman, Advisory Board on Hospital Superintendent Registration Law, State of Minnesota, 1947-1966.

Trustee, National Health and Welfare Retirement Association, 1945-1965.

Trustee and Vice President, Inter-American Hospital Association, 1943-1956.

Chairman, Commission on University Education in Hospital Administration, 1952-1954.

Trustee of Tilton School, Tilton, New Hampshire, since 1949.

Member, Advisory Committee to the Federal Hospital Council of the U.S.P.H.S. (for administration of the Hospital Survey and Construction Act), 1946-1965.

Member, Advisory Hospital Committee, Kellogg Foundation, 1944-1954.

Member, Advisory Committee to the Division of Nursing, U.S.P.H.S. (Cadet Corps), 1943-1948.

Member, Secretary of War's Commission to study Army Medical Service, 1942-1944.

Trustee, Fenn College, Cleveland, Ohio, 1937-1941.

Service in the U.S. Army, World War I, 1918.

Author: *Decision Making in Hospital Administration and Medical Care*. 1960.

Author: *Patterns of Hospital Ownership and Control*. 1961

Notable contributor to numerous hospital and science journals.

Listed in "Who's Who in America," "Who's Who in Industry and Commerce," "Who's Who in the World."

THE COMMITMENT TO THE  
JAMES A. HAMILTON CHAIR

The Hamilton Chair is not a new idea. During the years of Mr. Hamilton's retirement, sentiment grew for a permanent tribute to him from the alumni, whose lives and careers he had enriched, either personally or through his dynamic effect on the entire profession. Through the 1982 Alumni Association fund drive and the establishment of the James A. Hamilton Society, \$1,000,000 was raised, of which \$350,000 was allocated to creating the James A. Hamilton Chair.

Two million dollars endows a chair in perpetuity. Because of a unique opportunity at this time, the University of Minnesota will match every dollar raised one for one. The amount

needed to complete the funding of the Hamilton Chair is \$700,000. The commitment was made five years ago. Now is the time to bring it to closure.

As founder of the program and director for 20 years, James A. Hamilton championed excellence and progress. Under his leadership the Program advanced with the growth of the profession. The initial reliance on adjunct clinical faculty evolved into a larger base of academic professors. The doctoral program was begun to prepare senior researchers and teachers in the field. Today the Program is again responding to the needs of the health care system with an expanded curriculum. The need for additional faculty is great.

1982 FUND DRIVE SUMMARY

|   |             |
|---|-------------|
| Alumni Gifts for the<br>James A. Hamilton Chair | \$350,000   |
| Corporate & Foundation Gifts                    | 657,000     |
| Booz, Allen & Hamilton                          |             |
| Douglass Associates                             |             |
| Ellerbe, Inc.                                   |             |
| Ernst & Whinney                                 |             |
| Hamilton Associates                             |             |
| Sabra M. Hamilton Foundation                    |             |
| Henningson, Durham & Richardson                 |             |
| Hill Rom  |             |
| Northwest Area Foundation                       |             |
| TOTAL   | \$1,007,000 |

THE PURPOSE OF  
AN ENDOWED CHAIR

An endowed chair is the single most beneficial way to enrich an academic unit. It accomplishes several important objectives for a university department, adding permanence, prestige, attractiveness, and productivity.

**PERMANENCE.** Once endowed, a chair is funded by the income from the endowment. The principal remains intact. The income must be adequate to pay the salary and benefits of the holder, as well as secretarial and other support services. A percentage of the income is reinvested to augment the principal so that future income keeps pace with the costs. Thus a chaired professorship and the department in which it is located are protected from the vagaries of funding that occur in any large institution, especially a major state-financed university.



FUNDING AN ENDOWED ACADEMIC CHAIR

| CATEGORIES OF EXPENDITURE | EXPENDITURES     | ENDOWMENT*<br>REQUIRED |
|---------------------------|------------------|------------------------|
| Salary                    | \$ 76,000        | \$1.26 million         |
| Half-time Secretary       | 10,000           | .17 million            |
| Research Assistant        | 10,000           | .17 million            |
| Research Support          | 5,000            | .08 million            |
| Fringe Benefits           | 19,000           | .32 million            |
|                           | <u>\$120,000</u> | <u>\$2.00 million</u>  |

\* Assumes endowment invested at 6% return.

**PRESTIGE.** A named, endowed professorship brings honor to everyone. The person who occupies the chair is honored to be named and returns honor through his scholarly work. The department is acknowledged for its academic excellence when an endowed chair is placed there. Graduates of the department share that recognition. Similar programs at other universities know an endowed chair to be a symbol of excellence. Finally, the person for whom the chair is named, in this case James A. Hamilton, is honored for all time for his life's work and accomplishment.

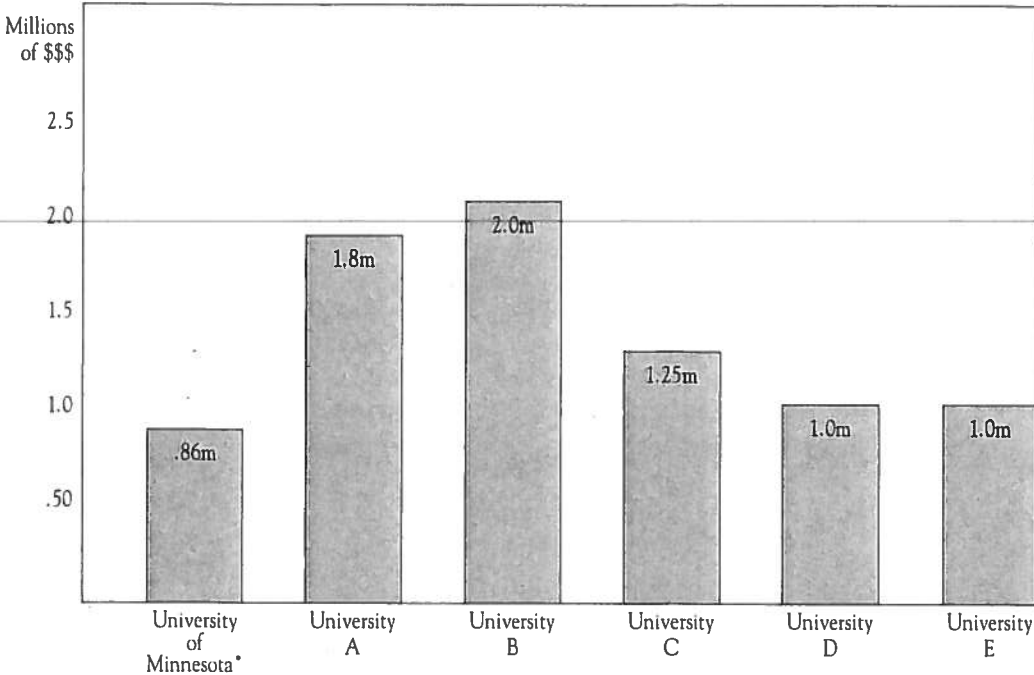
**ATTRACTIVENESS.** For the honor it conveys and the security it implies, an endowed chair attracts the finest teacher/scholar in its field. The market is competitive for academic talent. Nothing less

than the best can satisfy the Minnesota Program. A chair also attracts the best students in the program. Competition is intense for the brightest students, those who will make the superior contributions to the field for which the Minnesota Program is known.

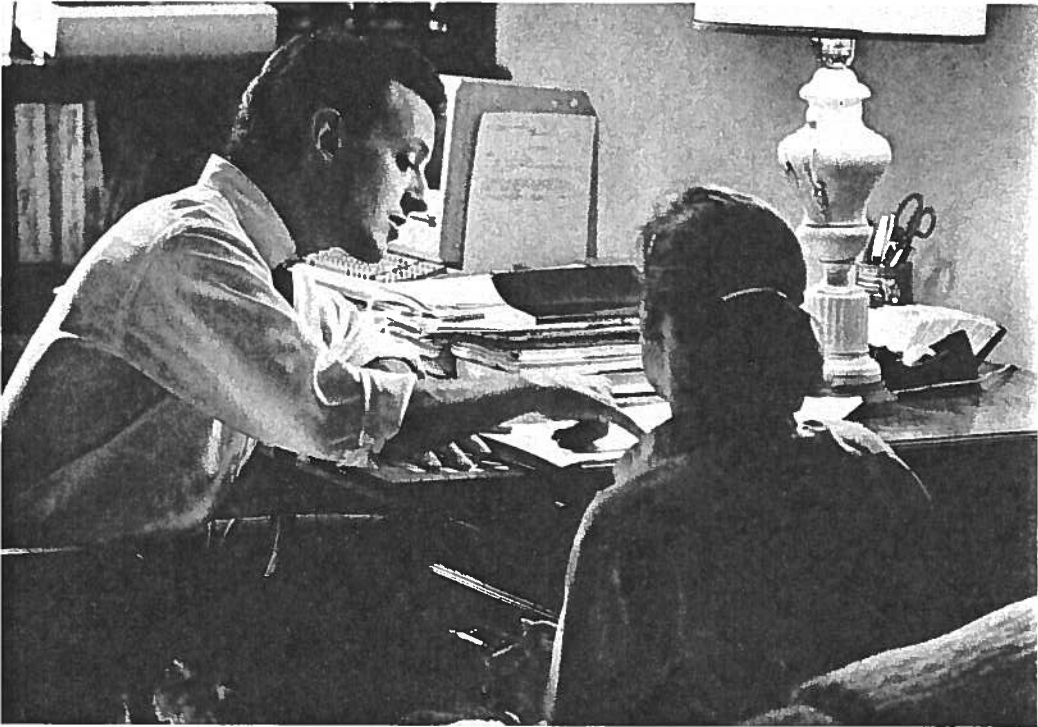
**PRODUCTIVITY.** A chaired professor comes to the department with proven abilities to think creatively, to teach imaginatively, and to inspire faculty and students. His/her addition to the critical mass of the Program invigorates teaching, advising, and original research, including the attraction of new research funds to the Program.

An endowed chair is a point of growth and distinguishes the *very best* departments from the good.

COMPARISON OF MINNESOTA MHA PROGRAM FUNDING WITH FIVE PEER MHA PROGRAMS



*\*With the Howard Johnson Endowment, the Minnesota Program becomes one of the top six funded MHA Programs. However, even with the endowment, three programs have substantially more resources.*





PROGRAM RESOURCES –  
PAST AND FUTURE.

Many alumni feel that the Howard Johnson bequest gives the Program financial security forever, and that they need never be asked for another cent. Like any major beneficence, it is both a gift and a challenge.

The Johnson bequest has given the Minnesota Program a level of financial stability it has never before enjoyed in its history. The state legislature, through the University, has never funded the Program completely. In the early days of the '40's and '50's, massive federal grants were available to the School of Public Health within which the Program resides. Much of the teaching was done by practitioners in the field for nominal fees. As hospital administration education began to grow from experiential training to the specialized academic discipline it is today, the Program added academic faculty, often on "soft" money from private foundations.

In the 1970's the federal government was no longer making large grants. The University, which never had to pay the full price of the Program, could not make up the difference to sustain it at the level of excellence at which it had always operated. The discipline was expanding, and the academic needs were great. The Alumni Association established its Foundation to assist the Program in restructuring its financial base. The first drive in 1977 produced \$250,000. The 1982 fund drive yielded \$1,000,000, including the initial commitment of \$350,000 to the Hamilton Chair. As a result of the Program's appeal to alumni in 1982, Howard Johnson, '54, restructured his will to benefit the Program, and a new era was born.

The Howard Johnson gift, the principal of which will eventually total \$13 million, has moved the program to a more secure funding level. The bequest, to be received gradually over the next several years, augments the basic state funding of space and staff so that faculty lines are assured along with the support services they require. Next, the bequest provides for highly attractive student scholarships and fellowships,

purchase of courses from the School of Management, additional faculty support, and an endowed chair in Howard Johnson's name.

"The most exciting development from Howard's gift," says Program Director George Johnson, "is that we are now secure enough to make the big jump to the next level of excellence. Minnesota has always stood in the top-ranks among its peer programs. Our graduates lead the field in every area. With our stable funding base, we can now forge well ahead in educational innovation and performance. The Program is secure, but must not become complacent. We must lead health care administration into the twenty-first century."

The James A. Hamilton Chair is begun. Now is the time to complete it.

MINNESOTA MHA PROGRAM  
1987-88 OPERATING BUDGET

REVENUE

|                           |                |
|---------------------------|----------------|
| State of Minnesota        | \$445,253      |
| Howard Johnson Endowment  | <u>417,000</u> |
| Total MHA Program Revenue | \$862,253      |

EXPENSES

|                              |               |
|------------------------------|---------------|
| Faculty Salaries             | \$415,072     |
| Howard Johnson Chair         | 143,000       |
| Staff Salaries               | 89,119        |
| Howard Johnson Scholarships  | 60,000        |
| School of Management Courses | 50,000        |
| Supplies and Telephone       | 40,000        |
| Travel Funds                 | 15,062        |
| Alumni Relations             | <u>50,000</u> |
| Total MHA Program Expenses   | \$862,253     |

# NATIONAL HONOR ROLL

## AMERICAN HOSPITAL ASSOCIATION

### CHAIR

1943 James Hamilton, Hon.  
1959 Ray Amberg, Hon.  
1975 Wade Mountz, '61  
1978 Sam Tibbits, Hon.  
1982 Stanley Nelson, '50  
1983 "Gil" Gilbertson, '57  
1985 Scott Parker, '62  
1986 Donald Wegmiller, '62  
1988 Ed Connors, '55 Chair Elect

### JUSTIN FORD KIMBALL AWARD

1967 Walter McNerney, '50  
1972 John R. Mannix, Hon.

### TRUSTEES AWARD

1964 John R. Mannix, Hon.  
1972 Andrew Pattullo, Hon.  
1980 Samuel Tibbits, Hon.  
1984 James R. Neeley, '51

### AWARD OF HONOR

1982 Walter McNerney, '50

## AMERICAN ASSOCIATION OF HEALTHCARE CONSULTANTS

### CHAIR

1968-70 James W. Stephan, Hon.  
1976-76 Jerome T. Bieter, '59  
1982-83 John Sweetland, '61  
1983-84 Jeffery J. Frommelt, '65  
1986-87 Charles A. Heinemann, '66

## AMERICAN COLLEGE OF HEALTH CARE EXECUTIVES (ACHE)

### CHAIR

1940 James Hamilton, Hon.  
1972 William Wallace, '52  
1975 James Harvey, '50  
1978 Ray Woodham, '50  
1983 Earl Dresser, '49  
1985 William Johnson, '58

### YOUNG ADMINISTRATOR OF THE YEAR

1969 Donald Wegmiller, '62  
1985 David Fine, '74

### GOLD MEDAL AWARD

1972 James Harvey, '52  
1979 William Wallace, '53  
1982 Ray Woodham, '50  
1983 Stanley Nelson, '50  
1985 Wade Mountz, '51

### SILVER MEDAL AWARD

1978 Walter McNerney, '50

**JAMES A. HAMILTON CHAIR  
CAMPAIGN STEERING COMMITTEE**

**Gordon Sprenger '61**  
Chairperson  
President  
Lifespan  
Abbott Northwestern Hospital  
Minneapolis, MN

**Jeptha Dalston '69, PhD**  
Chief Executive Officer  
Hermann Hospital and Trust  
Houston, TX

**William E. Johnson, Jr. '58**  
President  
Meriter Health Services, Inc.  
Madison, WI

**John G. King '63**  
President, Chief Executive Officer  
Evangelical Health Systems  
Oakbrook, IL

**William Kreykes '66**  
Executive Vice President,  
Acute Care Division  
HealthOne Corporation  
Minneapolis, MN

**Eugene Loubier '72**  
President  
Winchester Hospital  
Winchester, MA

**Walter J. McNerney '50**  
Professor  
Graduate School of Management  
Northwestern University  
Evanston, IL

**Stanley R. Nelson '50**  
President  
Henry Ford Health Care Corp.  
Detroit, MI

**Robert K. Spinner '69**  
Executive Vice President  
Abbott Northwestern Hospital  
Minneapolis, MN

**Richard A. Norling '75**  
Executive Vice President,  
Chief Operating Officer  
LHS Corporation  
Los Angeles, CA

**Scott S. Parker '62**  
President  
Intermountain Health Care Corp.  
Salt Lake City, UT

**George H. Schmitt '67**  
Chairman  
Forbes Healthmark Corporation  
Pittsburgh, PA

**Pamela L. Tibbetts '77**  
Interim Administrator  
Riverside Medical Center  
Minneapolis, MN

**George O. Johnson '63, PhD '74**  
Head  
Health Services Administration Division  
School of Public Health  
University of Minnesota  
Minneapolis, MN

*For additional information, contact the  
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