

## Ep71: Leadership through COVID Crisis with Chester County Penn Medicine Hospital CEO, Michael Duncan

May 20, 2021

**PATTI BRENNAN:** Hi, everybody. Welcome to the “Patti Brennan Show.” Whether you have \$20 or \$20 million, this show is for those of you who want to protect, grow, and use your assets to live your very best lives.

Today, we’re going to bring Michael Duncan, president and CEO of Chester County Hospital back with us by popular demand. Michael is an amazing speaker. He’s so interesting. He’s so insightful and wise. Today, we’re going to be talking about crisis management. How in the world does the CEO of a hospital navigate something like a pandemic? Michael, welcome to the show.

**MICHAEL DUNCAN:** Thanks, Patti. Happy to be here.

**PATTI:** Before we go into this bad stuff, the crisis, etc., why don’t you share with us, tell me a little bit about what brought you to Chester County? Tell me about you. Tell me about Carol, kids, etc.

**MICHAEL:** I’m from Fort Worth, Texas. I grew up in a tough neighborhood. Every third or fourth house was abandoned. My folks were poor. In eighth grade, they sat me down, wanting to make sure I knew they were poor and told me, “The day you graduate from high school, you’re on your own, and so you need to study hard.”

The great advice I gave is, you might want to see if you can get in the Naval Academy. They thought they’d probably pay my bills, or I’d have a job, or something. I applied to one school, the Naval Academy. I wouldn’t recommend that. I got in and pursued a degree in engineering physics.

In my second year there, I had a much more social buddy who said, “I got an idea. Let’s put a blind date together for the Army-Navy Game.” I went reluctantly. He arranged to have three girls from a place I’d never heard of, Westchester, Pennsylvania, meet us in the End Zone of the old JFK Stadium. We watched the game.



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Afterwards, we went to dinner in South Philly somewhere. My date was on my right. My future wife was on my left.

PATTI: Oh, my goodness.

MICHAEL: Fortunately for me, my wife's date...That's a funny statement isn't it? My wife's date. Her date was a plebe, a first-year guy. I was a second-year guy, so rank has its privileges. During a break and dinner, I pulled him aside and told him that he'd need to get on the bus and go back to Annapolis that I was going to take care of his date.

I'm sure I did something gentlemanly with my actual date. I just don't remember what it was right. Carol and I, it was love at first sight. Since then, we've been in 10 states, 17 homes, and a lot of that in the military, a lot of it in my business career. When we had the opportunity to come back to Westchester, Pennsylvania, in Carol's hometown, I couldn't pass that up.

PATTI: Wow, what a story. What a wonderful story. I just have to ask, how did you go from aeronautic physics to running a hospital? How did that happen?

MICHAEL: The book I recommend to everybody who's working on their career is "What Color Is Your Parachute?" I went through the exercises when I was getting out of the Navy. The exercises told me the five most important things to me.

I want to motivate, influence, and persuade people. I want to solve complex problems, and I want to do something important for my community. I knew that that wasn't nuclear engineering.

PATTI: Really?

MICHAEL: I ended up through a relationship at church getting a chance to be a salesman for a new thing called HMOs. The sales guys needed math skills because you did the actuarial work to create what kind of premium do you need. You're talking to CEOs and CFOs and trying to get them to move from traditional insurance to this new thing called managed care.

I did that for several HMOs. A university hired me to start a Medicaid HMO from scratch and as a side job be the CEO of their 400 physicians. I fell in love with working with docs, running their practices, and understanding how medicine really works. At the time that they were in a bad way financially, I helped get them turned around. I got a reputation for a turnaround guy.

I went from there, to Temple, help the physician group there, get turned around, always going to be tough to make financially successful organization on North Broad Street but wonderful people. Then I went to Columbia University, who were having financial troubles



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with their 1,500 physician group and just use the same tools I'd used before and then had the opportunity to come here.

The thing about engineering that fits running a hospital is there's a business writer in the '90s who was asked, "What's the most complex business in America?" He said instantly, "Running a hospital." It is so complex, the clinical stuff, the business stuff, the culture stuff. That's what I love. I love the complexity of it.

What am I doing today? Motivating, influencing, and persuading people, solving complex problems, and doing something important for my community.

**PATTI:** Wow, wow, wow. You know Mike, I've known you for 10-plus years. I never heard that full story. That's really amazing. It says a lot about...Now I understand. Let me just put it that way. Now I get it. I really get it. Seeing the outcome of your actions in terms of even a day-to-day basis, I am well aware that you walk the halls every single morning.

You know all of the employees by their first names. You go in, see patients, and check in to make sure they're doing OK. You're doing all of those things, plus some. How do you navigate this? Now, let's go back to the last year.

The last year, we've experienced profound issues, crises, from a healthcare perspective, a social perspective, even with Chester County Hospital's expansion. Let's talk in hindsight. I can't imagine what you must have been thinking while you weren't going to throw it. How did you do it? How would you manage it all?

**MICHAEL:** It would have been more straightforward if COVID hadn't come along.

**PATTI:** That's true.

**MICHAEL:** We were faced with moving into 50 percent expansion in our space, moving all of our operating rooms and procedure rooms, all that's complicated enough, starting new services. We have a hybrid room. Now we're doing structural heart disease where we replace valves without even opening the chest. It's just amazing stuff that's going on.

That's largely was a logistics and even clinical logistics exercise. We had that well in hand. Shortly after we had our opening party, COVID hit. We couldn't move into the new facility because the state stops sending inspectors out. We were given emergency permission to use it, if we had a COVID reason to use it. Like everybody else, we were figuring out COVID as we went along.

One of the great things about being part of Penn medicine is it's a learning organization. We would be on the phone every evening at five o'clock. What are you learning? What's the best guidelines? We had direct connections with the CDC? What's CDC finding out



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about this? Whatever their guidance was, we were executing on their guidance.

One of the major focuses for us was, how do we keep our employees safe? What we learned early in a pandemic is, if COVID spread among our employees, we can't take care of the community. The number one priority became keep our employees' safe, and then we know they'll take great care of the patients. That, again, was mostly logistics, clinical early.

Once you knew what you needed to do clinically, it was how do you get a mask, goggles, and whatever on every patient. We actually would have been in big trouble if the community hadn't stepped in. We had over 200,000 pieces of PPE given to us, which we used every day until the logistics and the supply chain caught up. It was a real community effort.

**PATTI:** That's just so amazing. It doesn't surprise me at all in a way. When you think about it, you and I both know that the Chester County's experience with COVID and the outcomes have been much better than many other hospitals. How much do you think the community had to do with that?

It sounds like everybody's stepping up as much as they can, dropping things off at the hospital which, by the way, probably was another logistical nightmare. How do you do that and keep those wonderful people who are dropping this stuff off? How do you keep them safe? I can't help but wonder how much of an influence that has had on the outcome and the success that we experienced here in Chester County.

**MICHAEL:** It was really wonderful. We had everybody from dentist's office who were closed. They brought their PPE over to auto body places but PPE over. I wouldn't have thought of that, but they're using the same thing to protect themselves.

We had hundreds of mostly women and some guys who sewed masks because there was a supply chain issue on masks. It was a logistics exercise on the receiving end how do you get all this stuff. We needed all our employees taking care of patients.

Our foundation staff who routinely spend their time raising money and connecting with donors, they manned the sites where the PPE came in and fed a lot of people step into roles that aren't their job, but we need it. There's a willingness among our team to do whatever it takes.

**PATTI:** Wow. That is so interesting. It's just, "OK, you got to pivot. Everybody, just step up, help wherever you can, and we're going to get out of this thing." Like in terms of the staffing levels, etc., did you ever find yourself having to go outside to bring in people from other states, nurses, caregivers, things of that nature? Did it get to that point at any time?

**MICHAEL:** We tried to do that, but pretty quickly, the supply dried up. The market rate became



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\$170 an hour. Even if you were willing to pay that, you couldn't get anybody. The most important thing, again, was keep our team safe. They're not out on quarantine. The first two and a half months, I was in the hospital seven days a week.

All I did was go unit to unit, and I ask them, "Do you have what you need to keep you safe?" Sometimes, we had logistics issues within the hospital. They would tell me, "We don't have this. We don't have that." I'd connect with the guys in the warehouse, get some boxes of this up here, and I did that for two reasons.

One was keep people safe, and the other was, people were scared. They didn't know what this thing was. They were more scared for their family than they were for themselves. I routinely found nurses and docs in tears. I just wanted to give him the emotional support that, "Look, you're not in this thing alone. We're going to do anything you can think of to keep you safe."

**PATTI:** What a message too, boy. I would imagine that on the other side of this, you're going to have a staff that is so intensely loyal because you care about them as people. You care about their families. That's so important.

That's who you want to work with. That's who you want to work for. You are much more important to us than the work that you do. That's a powerful message for anyone to hear and to be acknowledged, recognized, and be told, "It's OK to feel like that. It's hard. These are scary times. We'll be with you side by side and give you everything we possibly can to get you through it."

**MICHAEL:** In the last episode I mentioned my management philosophy is love people, expect excellence. We wanted them to be clinically excellent, but we really needed to demonstrate our love for them as an individual and our love for their family. That had to show up in terms of keeping them safe and give them the staffing they needed to do the job.

**PATTI:** Were there any major changes that you had to make? Again, you pivoted. You did things, the changes that you had to make at the time. What do you think is going to be permanent? Is there anything that you think is going to be a positive outcome that, "Gee, we probably wouldn't have done this if we hadn't had to, but now that we did it, it's kind of working out pretty well"?

**MICHAEL:** We had a plan to move into the facility and what we're going to move out of the older part of the hospital into the newer part. We had to change that plan sometimes on a weekly basis, and we haven't fully executed on it because we've had to respond to what are the clinical needs for COVID patients and keeping everybody safe.

One of the things we hate and the community doesn't like either is restrictions on visitor policies. Like everybody else, I have had to do that to make sure COVID isn't brought in by



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a visitor. We tried to meet a need by using...

We stood up basically an army of iPad workers who would go to the bedside and let the patient communicate with their family using that technology. I'm sure that we will keep that for family members who are not local, but we're getting back to the point where visitors are allowed in again.

The other thing that all of us have learned is you don't have to be in the same room to have a meeting with each other. For me, it's been fantastic. I haven't gone into Philadelphia to our corporate offices since February. I don't expect to change that after COVID.

**PATTI:** There you go. What is that added in terms of your time, in terms of productivity, going back and forth and schlepping back?

**MICHAEL:** Getting down there and back is probably a four-hour proposition when you get down to it. I've got 8 to 12 hours a day or a week more. I can use that being where I like to be out on the floors, finding out how we're doing, getting suggestions for improvement. That part's been cool.

**PATTI:** That's terrific. That is wonderful. If you think about the crisis management and think about what we experienced in the last year, we always focus on COVID, but we also had social justice issues. You had the practical issues of how to get this amazing facility up and running.

I don't know if anybody realizes what we now have in this gem of a hospital in terms of access to the latest and greatest technology, cutting-edge tools and techniques. It's one of those things where what I'm learning is that you build it, and they will come. What's exciting is that we're attracting some amazing healthcare providers.

They want to live in Chester County. They want to raise their families in Chester County. Look at this facility. Look at these ORs. We've got this robot. I just learned about not only the valve replacement procedure. There is another procedure for becoming really...We've got this terrific heart care that we're able to provide because we now have all of that.

Let's talk a little bit about what it was like leading through all of that COVID, social justice, the facility, how to start using it. We were in lockdown, so you weren't exactly getting the revenue that you were hoping to get? What was that like?

**MICHAEL:** When you have multiple crises, you have to be intentional about letting your team know, "This is your lane, you stay in your lane." There's another group who will be in this lane. Another group will be in this lane." When in normal times, my way of leading is we're all in the room together talking about everything and informed about everything. We didn't



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have time to do that.

Our CMO/CNO provided the medical leadership. Our chief operating officer and his team provided the logistical support. When it came to racial justice, social justice stuff, I just had to figure that out. It had to come from me. I just didn't believe that you can hire a diversity officer and delegate it to them.

I started meeting with minority employees one at a time. I heard their stories. Their stories were heartbreaking to me, and their stories changed me. I decided we need to find a way for everybody in management. We have about 100 people at supervisor level on up. They needed to hear the stories.

We had a brave volunteer. One of our director-level folks who's an African American woman told her story. In every one of those, we had White managers leave in tears. They just didn't know this person who they've been a teammate with for so long had this experience. That's gotten us excited.

One of the challenges for me as a leader, showing up every day on the floor seven days a week to make sure people have their PPE and know I'm with them and then listening to all these troubling stories about minorities' experience life was really heavy emotionally.

I went back to my roots. I called my best friend from the Naval Academy, marine colonel who's taught leadership all his life and I said, "O, there's got to be a general who fought a war and was good at connecting with frontline troops but knew how to step back and take care of himself."

He hooked me up with General William Slim, a British general in the Burma War, which was nasty and not well heralded. He's considered the best general in British history by the British.

The troops called him Uncle Bill, because he would show up in his Jeep with one guy, not an entourage. He got up on the Jeep, and he would just talk to folks get their input, tell him what's going on, cheer him on, and go into danger with them, not worried about his personal safety.

Every day at three o'clock, he returned to his tent, and he read a book because he just needed to pull out of it and have some time to recenter himself. I started doing that. I read it a different time of day, but I spent all my time reading about General Slim. I'd learned practical lessons for how to be...You talk about crisis management. He had a crisis.

PATTI:

That is so interesting. In nursing and certainly in what I do now, when crises hit, markets plummet. People are worried about their financial security, etc. You can get to the point of compassion fatigue, where like you, it's 24/7. This is why we're here. It's to be here when



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it really matters.

You're right. You have to have the presence of mind to step back and say, "If I can't be there 100 percent, if the light in me is getting dimmer and dimmer, something's got to change." To be able to take that time and refresh, I think, is really critical.

**MICHAEL:** That's why when you get on an airplane, part of that script at the beginning that nobody listens to is, if you have a minor with you and the oxygen deploys, put your oxygen on first and then help your child because if you can't breathe, you can't help anybody else. As leaders, we need to...

There are a lot of workaholics among us. I'm one of them. We think, "I'll just keep working harder." Sometimes that's a bad answer.

**PATTI:** Very interesting. Mike, I have learned again so much from you today. I'm so grateful for your time and your wisdom and giving it to us real. This is hard stuff and to recognize that we are human beings also. It's OK to be human because that's what makes you great. It makes you so approachable.

I think that's why everyone loves you so much because you're not this guy high up on a hill. You're walking the halls asking people, "How can I help you? What can I do to make your day better? How can I help you feel safer?" My goodness, who wouldn't want to go out of their way to deliver excellence for somebody like that?

Thank you so much, Mike. I am so grateful for you coming today for your friendship and for leading our hospital for our community and making it one of the most incredible hospitals. Again, we said it before. It was just ranked number one by "Newsweek" the number one community hospital in Pennsylvania. That's a big deal. It doesn't happen by accident. It happened because you were our leader.

**MICHAEL:** You're very kind, Patty. Thank you. It's been fun.

**PATTI:** Thank you so much. Thanks to all of you for joining us today. If you have any questions, please feel free to go to our website, [keyfinancialinc.com](http://keyfinancialinc.com). We'd love to hear from you. Let us know what you'd like to hear about learn about.

I'm just so grateful for all of you. We've been getting emails and phone calls, how much you've appreciated these podcasts. Feel free to let us know what you want to hear about next.

In the meantime, I'm Patti Brennan. I hope you all have a terrific day. Take care now.



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