



Season 4, Episode 1, “Time to Dream Bigger,” August 8, 2023

Lisa Baron: Working with this team who had been awarded a license to build a state-of-the-art Alzheimer’s facility really helped me understand the importance of the environment, structure [and] interior, and beyond that, our family was dealing with Betty, and we basically did not know what we were doing. We really recognized that we were clueless. We had no idea how to help her or what questions to ask, even, or what are the resources that were available.

Kurt Greenbaum: From Olin Business School at Washington University in St. Louis, I’m Kurt Greenbaum, and this is On Principle. Welcome to the first episode of season four. Our story today starts with a heartbreaking diagnosis that led to a family resolution, which further led to the creation of a nonprofit organization. Over the past 21 years, that organization has touched more than 210,000 individuals, thanks largely to a web of funding sources cobbled together from government agencies, private donations and grants. At the heart of today’s episode is an organization focused on solving a problem right before its eyes, unaware that its opportunity could be much, much bigger. And at the heart of that organization is a woman who started it all just by being a devoted daughter-in-law.

Lisa Baron: My name is Lisa Baron, and I am the founder and executive director of Memory Care Home Solutions. Memory Care Home Solutions, it’s a not-for-profit organization that I founded 20 years ago as a result of being involved in the Alzheimer’s world, both personally and professionally. And the purpose of Memory Care Home Solutions is to help families who are caring for someone with Alzheimer’s, dementia or any form of cognitive impairment at home. And specifically, we focus on the underserved or uninsured.

Kurt Greenbaum: And you just mentioned that this was partially inspired by your own experience. Can you talk a little bit about that?

Lisa Baron: Sure. My mother-in-law had Alzheimer’s. So that was our direct insight. But it was an interesting story, because I came to law school here, met my husband, you know, had no idea that I was going to be here 30, 40 years later. And the first 15 years of our marriage, we really did not see my in-laws much. They had a very thriving social life, and we didn’t see them until really my mother-in-law developed Alzheimer’s. And then our home became a place where Charles, who was her husband, my father-in-law, felt comfortable. So my mother-in-law and father-in-law would come in. And if she swore out loud or heard a phone ring and put her glasses on and said hello, whatever it was, he didn’t have to feel embarrassed.

And for my mother-in-law, it worked out really well because she was not overwhelmed by hearing other conversations going on, like she might be in a restaurant. But I think the most poignant thing that happened that really made me want to get involved was my mother-in-law was 5 feet [tall]. And I have four daughters. And at the time, my two oldest daughters were 8 and 10, and they were also about 5 feet. And Betty, my mother-in-law, would walk into our home in U City. She'd come into the foyer and then just keep rounding around and go walk back out to the street. And I would ask my two daughters to actually guide her back into our home. It was really poignant, and it really made me initially want to get involved with intergenerational programing. This was born out of a need that our family really saw.

Kurt Greenbaum: It is a large leap from dealing with this in a family ... it seems to me a fairly long, large leap to go from there to working on it in a professional capacity. What triggered that for you?

Lisa Baron: We basically did not know what we were doing. We really recognized that we were clueless. We had no idea how to help her or what questions to ask, even, or what are the resources that were available. And we had a little kind of powwow retreat at a hotel. We had a geriatric care manager who we paid to come in with her flip chart and easels and books and really answer our questions and create a care plan of sorts so we would know how to go forward with Betty's care. And the more we thought about it, how valuable that resource was, having somebody who knows you, knows the person with Alzheimer's, can answer questions and provide resources, we thought, "There probably is a need for this for other families besides ours." And fortunately, we knew some wonderful people at WashU School of Medicine, and we went and asked them—some of whom were really the who's who of dementia care in the nation. And they said, "There absolutely is a need for this." There [was] no family training or education going on the way that we were talking about, and that was enough for me.

Kurt Greenbaum: And so you're saying you're ... you're coming to the realization that, "OK, we have means. We can do this. Is there a way we can sort of operationalize this or democratize this?" Is that the fair way of putting it?

Lisa Baron: Perfect way to say it. And by partnering with WashU from the very beginning, they pointed our efforts to the research that was being done. And all of the initial research was coming out of NYU Langone Institute, their School of Medicine, and a doctor named Mary Mittelman. And Mary had been able to show that with family training—it was different than ours, because it was where people come to a facility and receive training—but that through tracking the data and outcomes, she was able to show that with this training, people delay placing their loved one in a facility or community, as they're called by at least a year. And so we really used that structure to create our first IRB, or Institutional Review Board, project, research project, which just means that it involved human subjects.

And the things that we tracked, at that time, there were two big indices. One was how does this training affect caregiver quality of life, and how does it affect healthcare costs? And within those two big groups, we had certain criteria that we were checking. So we were able to show through gold standard assessment tools that are accepted everywhere, that in the case of caregiver quality of life, with our program, caregivers felt more confident and more empowered. And very importantly, they took better care of themselves. And in the case of researching reduction of healthcare costs, we looked at, we got initial baseline data, and then we found out how often they had used the emergency room, made a 911 call, been admitted to a hospital, falls, etc. And then after our program, we had touch points where we collected the same data, and we were able to show dramatic reductions in healthcare costs because the families know how to address dehydration, for example, something that really activates dementia.

Kurt Greenbaum: So at this point, it's probably obvious that over the course of its two decades, Lisa and Memory Care Home Solutions have applied a thoroughly data-driven approach to helping families care for loved ones—loved ones coping with dementia—in their homes. Lisa told me that they typically deal directly with about 500 clients a year, and through their website, touch thousands more with strategies and mechanisms to support this home care. Yet the data and their success with clients never translated into a restful sense of sustainability for the organization. And what do I mean by that? Well, for starters, Lisa was reluctant to call what Memory Care Home Solutions has a business model. The organization was initially launched with a \$650,000 grant that long ago expired. After that, it survived on a 50/50 split between private donations and other grants. About four years ago, the organization began seeking reimbursement from Medicare and private insurers for the face-to-face time their team spends working with clients in their homes. But even now, that accounts for only 10% of its revenue. That's what I mean. And this isn't cheap work. How ... how would I, if I found myself in the position of caring for an Alzheimer's patient, how would I then engage with you? And what are the sort of ... what is the life cycle of me as a client?

Lisa Baron: What you would do is call and speak to somebody who would ask you a lot of questions about what's your situation right now. And once that intake is over, they would then schedule you for an appointment ... with a social worker. And that initial visit with the social worker is usually about an hour and a half to two hours. It's long. And it gives the social worker an opportunity to really get to know every member of the family, to see and evaluate the person with Alzheimer's, and to also do an actual safety visit of their home, which works out really well. And after that point, we put together, we really find out from the family, what are your biggest issues? What are the things that you are dealing with? What are the three biggest things? Some will say driving retirement, which of course means having their loved one stop driving. Some, a lot, will say toileting, you know, and urination. That that in and of itself is a huge reason why people place their loved one in a facility prematurely. And if they can find out how to handle that at home, then their loved one could be at home longer, which is therapeutically the best thing for people with

Alzheimer's. So we find out what is the biggest issue with which the family is dealing, and we put together a care plan.

Kurt Greenbaum: Let me give you a tiny peek into what a care plan might include. Before Memory Care Home Solutions was a gleam in Lisa's eye, she was the lawyer for a group of developers building a residential Alzheimer's facility. As they toured other facilities, Lisa was fascinated by the way the environment affects people with impaired cognitive function. For example, in one facility, the dining room carpeting included an 18-inch perimeter of black. And as it turns out, that was a barrier. Residents perceived that black perimeter as a hole or a void they couldn't cross. Years later, incorporating a piece of black carpeting into a family's care plan became a strategy to prevent loved ones from wandering off. So all of the cost of the assessment that ... the intake assessment that you've done with me, the safety assessment in my home, the care plan that you've developed for me and my family, the training to know how to transfer, to know how to, you know, deal with whatever comes up—all of that is covered by those grants and by the philanthropic contributions that you've gotten.

Lisa Baron: That's correct. There's a huge population out there who ... they don't have the money to go into assisted living facility or a dementia care facility. Nor, though, do they have so little money that they qualify for a Medicaid bed or Medicaid facility. That's an enormous group of people, and we want to keep serving them.

Kurt Greenbaum: And how big is the problem? What's the size of the market an organization like MCHS could serve? Well, Lisa told me that right now, today, 5.5 million Americans have some form of Alzheimer's. And that number is expected to triple by 2050, 27 years from now. Oh, and by the way, the biggest risk factor for Alzheimer's? It's aging. And every day, 10,000 Americans turn 65. Every day. That's the market. And on one side of the business, MCHS was creating innovative, data-driven solutions to help families care for their loved ones at home. Yet over the course of 21 years and four different rounds of strategic planning, Lisa had not cracked the code for putting her organization on solid financial footing for the long term. So in September of 2022, when she convened her board of directors for a fifth strategic planning session, she was pretty sure about where they had to focus their time.

Lisa Baron: So it's all about sustainability. And we had tried many different things and really wanted to come to a consensus. How were we going to move forward as an organization? And that was what I thought the strategic plan was going to be all about. We had a professional facilitating our strategic planning process, and it was divided into two sections. And the first one was we talked about all of the different ways that we had try to generate revenue, all of us agreeing that grants alone or private donors ... together are not enough. And we went through that and kind of came to a consensus about how we wanted to go forward. And then we broke and came back for the second half. The facilitator said to us, "Well, based on what you've described in the first part, you could incrementally grow using the strategies

you're suggesting, and you could go from 500 to 1,000 annually to 2,000 annually and beyond. Or another option is you could actually change the world."

Kurt Greenbaum: And what was the reaction? Could you characterize what was happening in the room at the time?

Lisa Baron: Yeah, it was a little shocking, because no one expected that at all. This is totally taking us off course. And on the other hand, everyone thought, "Well, of course," you know, so in some ways it was, "Wow, we've never thought of that. But now that we are, that sounds great. Let's do that." And needless to say, everyone who [was] at the retreat said, "Oh, we want to change the world." And what are we talking about now? It kind of liberated us to think beyond just sustainability of this not-for-profit in St. Louis, Missouri, and think about the greater population and how can we get this to everyone in a way that is sustainable. So it started to involve many more partners, and it just opened up our eyes to lots of different strategies.

Kurt Greenbaum: Talk about what it was that changed you. This is, again, your fifth strategic planning process. What do you suppose triggered that when it wasn't triggered the first four times you went through this?

Lisa Baron: I think it really was a ... this expansive way of thinking about the issue. Some of the facilitators compared it to other organizations or services that initially weren't accepted and are now accepted as the standard of care in healthcare; for example, hospice in the '80s was not accepted. It wasn't the accepted standard of care. They had opposition, so they heard from home healthcare companies, "Hey, we're already doing that. You know, you don't need to help bring dignity to death. We know how to do that ourselves." Or they heard, "Your data doesn't necessarily show clear savings." The way that hospice actually became a standard of care, which is covered entirely by Medicare and other health insurance companies, is they had passionate people behind it as clinicians, and they ultimately formed a broadband coalition of people, and they very smartly hired lobbyists. And ultimately it was a pilot project that came under Reagan. And then it was so successful that it became the standard of care, not just through their primary physician who knows about us or [by] word of mouth, but through their discharge planner when they leave a hospital, when they leave assisted living facility. This should be what people are offered. It really has to do with a new service that everyone should receive who could benefit from [it].

Nick Argyres: As leaders and as employees, we're just so consumed with the everyday operational trying to keep our heads above water. It's totally understandable. You're bombarded with requests or bombarded with responsibilities to operate your business on a day-to-day basis. And it's just very difficult to step back and ask the bigger questions, like, what are we doing? What problem is it that we're solving? Is there another problem that we could tackle better? And yet I think it's very important for organizations to do that every once in a while to avoid just running down a rabbit hole.

Kurt Greenbaum: That's my colleague from Olin Business School, Nick Argyres. He's the Vernon W. And Marion K. Piper Professor of Strategy. And as he'll tell us, his research focuses on strategy and structure within organizations and industry evolution. According to Google Scholar, his work has been cited thousands of times, and as you'll hear, much of our conversation converged on one specific piece of work with a very compelling title.

Nick Argyres: I focus on how companies make decisions really about things like whether they want to make something or buy it, whether they want to integrate an activity or just outsource it to someone else, or decisions like whether they want to have a ... centralize an activity in their organization or decentralize it, or a decision like where they want to position themselves in the market against competitors. I was interested in both economics and institutions, so I began to study the economics of institutions as opposed to the economics of markets. And institutions can be things like firms or government agencies or rules, laws. And that's what led me into strategy.

Kurt Greenbaum: Before we sat down for this conversation, you and I, you referred me to a paper you did, I think it was published in 2018, with our colleague Jackson Nickerson in *Strategy Science*. And the title of the paper, to my mind, was intriguing by itself: "Strategizing before Strategic Decision Making." What did you mean? Can you tell us a little bit more about that?

Nick Argyres: What Jackson and I were trying to make the point [about] in that paper is that much of the literature about strategy, both people writing for practitioners and people writing for academics, focuses a lot on strategic decisions, how to make a good strategic decision about a particular problem or challenge. And we point out that rarely is there discussion of, how do you identify what the challenges [are] in the first place? It's often taken as [a] given with the challenges. And then how do you make the right strategic decision? Should I make or buy a certain activity in my company? Should I centralize or decentralize? Those kind of ways of setting things up assume a problem is presented. Maybe in a particular circumstance, the make-or-buy decision is irrelevant, that there's some other larger issue that makes that make-or-buy decision of a secondary importance, or the centralization-decentralization. So strategizing is defining a problem. Strategic decision making is deciding what to do about the problem. And we think there's been much more attention on the second one, much less attention on the first.

Kurt Greenbaum: Can you think of an example that illustrates what you're talking about?

Nick Argyres: Well, it's about a winery where the leader poses the problem: Should I harvest all my grapes now, all my Riesling grapes now, or should I wait a few weeks for a possible storm to come so that the grapes will become sweeter and I'll be able to make a more expensive wine? So there's a risk involved. Maybe the

storm doesn't come, and then I would have wasted time. So it's presented as a problem of harvest or don't harvest. And it turns out, as we read more in the case, there's a larger issue, which is that the way this gentleman has set up his vines, he's put the Riesling grapes in a location where storms only come occasionally. Maybe there's a bigger problem. Where do you locate the vines in the first place? Could he have located them at a place where the storms came much more frequently? Then you wouldn't even have this question of harvest or not harvest. Sometimes we push off or we don't talk about [things like that]. We don't have time, and as a result, we end up obsessing over small problems when they might not even be really that relevant to the long-term performance of a company.

Kurt Greenbaum: Are there strategies that business leaders should be thinking about in order to take that moment to pause and step back? Or is it just simply as a matter of shaking yourself by the collar and ... and doing it?

Nick Argyres: There are a number of techniques. One is the idea that every once in a while, maybe every year or maybe every six months at a retreat, rather than having a retreat about what we're going to do next year, you open it up a little bit more broadly and ask, is there a different way that we could be doing business? Is there a completely different way? Encourage people to write those things down privately, because they might be unwilling to share them at the beginning, and then ask people to go one by one to talk about their ideas before the leader speaks. Often what happens in meetings is the leader speaks first and gives his or her view of things, and then the subordinates, they feel they have to fall in line. They can't feel that ... they [can] say, "Oh no, I think you're way off," or "I think that's the wrong problem." It's just too hard to say. So decision-making processes that start with empowering the subordinate by letting them first think about their ideas and express them first without having the shadow of the leader over them [are important]. Another one is to have devil's advocacy. Define a problem the organization is facing, and then assign a person to present the alternative point of view and have a debate.

Kurt Greenbaum: Your paper points out that scholars have been studying the question of solving the wrong problem for the last 50 years. Why do you suppose it continues to remain present in business decision making?

Nick Argyres: There hasn't been enough discussion of practical solutions to avoid it. And then second, I think that, you know, there is a gap between what people study and the actual practice. A lot of people in business, they didn't necessarily study decision making or organizational behavior. They were engineers, or they were came from different backgrounds, weren't necessarily exposed to these kind of issues and are then subject to the biases.

Kurt Greenbaum: So you brought up that eureka moment that Lisa had with the facilitator in her story. And I just wondered what you made of that moment in her story.

Nick Argyres: Well, the fact that she grabbed onto it so quickly told me that subconsciously, she knew something was wrong, and she just needed someone to poke it. But it also occurred to me that, you know, it shouldn't just be up to the leader, like subordinates are often ones that come up with great ideas. A famous example is the company Intel. You've heard of Intel, which, of course built its business around microprocessors that were used in PCs. But in the '60s, until the '70s, they were mostly making memory chips, which were cheap. And increasingly, they faced Japanese competition. [The] Japanese had much lower costs. Apparently it was, according to Andrew Grove, who was the CEO at the time, it was a group of middle managers who came up with the idea that Intel should really push the microprocessor. And he himself was reluctant at first. He admits, "I was kind of slow, but they presented enough data over time." They did a little ... some experiments, and they eventually convinced them. So I do think that we need to find ways to tap into the knowledge and the intelligence of our employees, and we shouldn't, you know, wait for the leader to have inspiration. If the subordinate get some inspiration, they ought to find, you know, there ought to be a culture where they can ... they can express it.

Kurt Greenbaum: Let's suppose Lisa let you use her story in your teaching. What are the points that you would really illustrate?

Nick Argyres: We'd talk a lot about, you know, what her strategies were for growing this nonprofit. We'd talk about, you know, her efforts, particularly on reimbursement and maybe why they weren't getting quite the response that she was hoping. We'd talk about what limited the growth of her business. And then we'd talk about this this issue of problem definition and what should strategic planning do?

Lisa Baron: What we realized is that the ... the foundation of our plan is going to be delivering service, that everything comes from that. That ... that's the big push, is that it be delivered to as many people as possible. And how we're going to get there is through innovation. So as you were saying before, through the different grants that we've received, we're constantly refining what we're doing, and we always want to do that. We always want to be upstanding, upholding the best practices of dementia care. And then the third piece is advocacy, and that we've talked about a number of times, where we would build a coalition that would all advocate from different perspectives. Hopefully, yeah, we would. We would be stronger as one voice and hopefully have more money through larger national partners to advocate for this to be the standard of care and fully reimbursable.

Kurt Greenbaum: What are your takeaways from this process? What did you learn from it?

Lisa Baron: One of the big things that I learned from it was to ... that how you can get so buried in the day to day that you don't pick your head up and look at the bigger, broader world. And sometimes it takes people from the outside, whether it's your board or as facilitators or people who've done this in the past, to come in and

change your perspective. It's almost like a kaleidoscope. And you've been looking through it one way and somebody shifts it a little bit and you can see a lot more options and opportunities. It's more an alignment of a lot of different parts of our society right now that are coming together, that are allowing this to happen. I think only good things are ahead.

Kurt Greenbaum: Thank you for joining [us] for the kickoff episode of season four of On Principle. Many thanks to Nick Argyres and Lisa Baron for sharing their insights on this episode. I should let you know that the day after our interview, Lisa was meeting with her board to approve the three-pronged plan for moving ahead toward changing the world. And after guiding the organization to this point, she retired from Memory Care Home Solutions. And as she put it, she's thrilled that "we have this clarity around our strategic plan." If you're interested in learning more, we'll link to the Memory Care Home Solutions website from ours. There, you'll also find more information about Lisa and Nick, along with all the past episodes of this podcast. That's available at onprinciplepodcast.com. And as always, I encourage you to subscribe to On Principle in your favorite podcasting app, so you'll automatically get new episodes. Do you have episode ideas or feedback about this podcast? We welcome your comments by email to Olin podcast at W-U-S-T-L dot E-D-U. That's olinpodcast@wustl.edu.

On Principle is a production of Olin Business School at Washington University in St. Louis and comes to you with creative assistance by Katie Wools, Cathy Myrick, Judy Milanovits and Lesley Liesman. Special thanks to Ray Irving and his team at Olin's Center for Digital Education, including our audio engineer, Austin Alred. Jill Young Miller is our fact checker. Sophia Passantino manages our social media. Mike Martin Media edits our episodes, with original music and sound design by Hayden Molinarolo. We have website support from Lexie O'Brien and Erik Buschardt. On Principle is the brainchild of Paula Crews, senior associate dean of strategy and marketing for the school. Once again, I'm Kurt Greenbaum, your host for On Principle. Thanks for listening.