

## P<sup>5</sup> – the compound interest formula for the pharmacy profession

Stephen F. Eckel, PharmD, MHA, BCPS

I recognize that this title might either puzzle or bore you, but my hope is to interest you in a very important concept. I am attempting to bring challenges to all levels of attendees: from student and resident to preceptors; to clinicians and administrators. Many of these ideas received their conception while I was a resident at Duke from 1997-1998.

Some of the areas in which I teach to the UNC Eshelman School of Pharmacy PharmD students is around business management, innovation, and problem-solving. Doesn't seem too close to my clinical residency and original passion to be a patient care provider. As we all know, none of our careers are linear.

I frame many of my lectures around the future, because if we can envision it – then we can be ready to thrive when it comes. I will ask these questions to the graduating residents today:

- What will the practice of pharmacy look like in 2052?
- What will you be planning to do in 2052? What type of employment position will you have?
- Have you thought about what you will be doing in your 4<sup>th</sup> or 5<sup>th</sup> job?

While the resident's might not appreciate it, but based upon societal averages, you will retire in 2052. In addition, most people will have about 8 different jobs / sets of responsibilities before they retire. Some of these will be operating within the practice of pharmacy in 2052. How many of us, including the graduating residents, are only focused on their next step in their career journey, as opposed to looking further out and preparing yourself now for that? My experience is that few of us are thinking about that as the question everyone asks is what is your next step in employment? We think linearly and not further out. Because of that, we are not ready for the changes in the profession when they hit us and thus, we move into a reactionary mode.

During this discussion with students, I am also cognizant to the fact that the average student and resident graduates with significant financial debt. It is ~\$150,000 per person on average. This can place a stranglehold on people, specifically because they are tied to a job with a good salary and not able to pursue their passions and take employment risks. They do not have the freedom and flexibility to plan and prepare for the future. One with significant debt is also limited in building wealth and even thinking about retirement. How do you approach people who has this level of debt and what do you teach them? If you do not have a financial advisor, you need one and it is never too late. There are some general principles that you need to be aware:

- A dollar today is worth more than a dollar tomorrow
- If you are not accustomed to spending a dollar, you never know it is missing
- Investing now, and doing a little bit each month, can lead to significant wealth in the future

Why is that last one true? It is because of the magic of compound interest. This is defined as earning interest on interest. Based upon this rule, *when you start saving outweighs how much you save. Also, an investment left untouched for a while can become large, even if you do not add to it again. It can be even*

*greater if you start early and be consistent.* These are principles that you need to use immediately, paying off your debt as fast as you can and building wealth for retirement.

If these principles are true for generating wealth, has one ever thought about applying the same logic and rules to your career? Are you investing early and often into your professional development? Are you preparing now for the 4<sup>th</sup> or 5<sup>th</sup> job you might have? Have you thought about what the profession of pharmacy might look like in 20-30 years, and begin preparing yourself for it? Have you ever thought about managing your career like you do your finances and taking advantage of compound interest?

Let me propose the following compound interest formula for your professional career: **P<sup>5</sup>**. This stands for patients, perseverance, precepting, participation, and pursuit of excellence. Realizing that starting now with each one will lead to both career satisfaction, but also preparing oneself for all professional opportunities that are out there. Here is what is meant by each one:

1. **Patients** – everything we do begins and ends with the patient. No matter our responsibilities within this organization, whether a resident, clinician, technician, or administrator, all of our decisions impact a patient. While we all know that in concept, how much do we operate like that? When we make that IV, we make a decision about a non-formulary medication, or decide whether to use a medication off-label, each of these interactions can impact a singular patient. Taking shortcuts or placing policies in front of the tough decision impacts someone. Making the correct decision, will give you courage to repeat that again in the future. No matter where your professional career takes you over those 8 positions, all of these responsibilities will have a patient at the end of it. If you act like you did when you were at the bedside or advising your own family member, then your decisions will usually be right and for the benefit of those we serve. This is just like what they recommend in investing: it is important to invest into companies that you use their product or know much about them, as you can have a thought about their future.
2. **Perseverance** – no one's career is linear. There are periods of time when it seems like nothing can go wrong, and there are other times when nothing can go right. How do we handle it when there is a management decision that we do not agree with or a supervisor that we cannot get along with? What do we do? Unfortunately, many people update their CV and begin to look for another position. They would rather leave and avoid the situation as opposed to persevering through it and seeing what might result. However, I believe impact can be greatest when one stays a significant amount of time in an organization. This requires perseverance. One develops institutional knowledge, long-standing relationships, and respect from all. This is not based upon a position but because of their length of employment. This drives impact more than title. When I look around our profession, I am amazed and surprised to see how fast people want to obtain the title and not looking at impact. They go to the next job as quick as they can, hopping across the country. It is hard for me to believe that I have been at UNC for 20 years this summer. It wasn't even my desired employment when finishing up my residency and for sure it has not been all roses. I had planned to accept a position with Pharmacy Systems Incorporated (PSI) in Columbus, OH. I was to be their clinician consultant that would work with their contract hospitals to ensure they had excellent services. However, between the original offer and calling to accept it, they changed my responsibilities instead to provide oversight to a 60-bed long-term care facility. Because I wasn't interested in that or appreciated the bait and switch, I turned them down in June of my year. This led me to end up at UNC to help out their new director, Jim McAllister, as I didn't have another option. I thought I would do it for about 6 months. Those 6 months have turned into 20 years. There

are similar parallels to investing. Keeping the stock of a company for many years can provide much greater returns than those who go in and out of the market. This has been true for Warren Buffet.

3. **Precepting** – I believe that we have a responsibility to invest in the next generation. Not only will this provide one with great professional satisfaction, it will ensure that the transition from school to practice is straightforward. It will also help to assist with the student being ‘practice-ready’. Depending on what your role is in the organization, precepting opportunities might be difficult. That does not mean you should not intentionally seek these out. Even if it is not set up for rotations, there are many other ways to invest in learners. I can tell you that I receive the most professional satisfaction from engaging in students and residents. While it is easier to find involvement when one has 39 residents or >400 student months in your organization, you should still find ways to engage, whether being a mentor, involved in their research project, or assist them on their staffing weekend. They will teach you more than you know, even if they are just asking questions. They have new viewpoints and force me to understand why I do things, just by spending time and sharing with them different concepts. For the investing similarity, we need to think about our kid’s education. Just like investing into a 529 plan, we each need to invest in the next generation.
4. **Participation** – unfortunately, fewer pharmacists are getting involved in professional associations. Whether at the local, state, or national level, membership in these organizations should be the baseline for professional obligation. State organizations are slowly dying, because of a lack of members. Besides the busyness of our lives and having tight budgets so they think they cannot afford it, most people look to their employer for their professional advancement. Whether large health systems or corporate chain stores, these employers will ensure employment more than a professional association. This leads to lack of involvement and the demise of the organization. Whether any involvement at the state or national level, whether ASHP, ACCP, or APhA, these organizations need your membership and your involvement. It is also a great place to meet people like me and to develop lifelong colleagues. I can say that my activities has made me a better pharmacist and worked to improve our practice at UNC. Just like investing in your 401K or Roth IRA, you need to join professional organizations. You build for the future, and if you have never spent these dollars, you will not know they are missing.
5. **Pursuit of excellence** – we need to ensure that everything we do has excellence in mind. Excellence does not come easy. It requires hard work, consistency, and a desire for perfection. It is also not a static item. The marker keeps getting moved, and we need to push ourselves and our organization to attain it. It is easy for us to practice ‘pseudopharmacy’, which is talking about doing something, which is different from doing it all of the time. We need to pursue excellence and ensure that we continue to strive for quality always. The same is true in investing. We need to invest in a company that has a strong record of growth and good returns. They have an obligation to keep growing, just like we need to ensure we are providing the same type of returns on our excellent services.

No matter where you are in your career, it is never too late to invest in your future. Whether investing money for generating wealth or investing into the pharmacy profession and our future, we need to start now and to do a little each month. I believe if we all focused on these 5 P’s, our profession would be able to achieve the ideals we desire.

I cannot pass up this opportunity to take a trip down memory lane. My residency at Duke was extremely formative and I will always have a fondness for this place. I had 3 excellent individuals that I shared the

year: Beatriz Luna, Jeff Washam, and Steven Terra. I always felt the least knowledgeable and accomplished of them.

I also recognize the greatness of the man who this award was named after. I had the opportunity to get to know Milton and Rheta Skolaut. I remember talking to them about their RV caravans. They drove all through Canada, the US, and Mexico. Milt also was an excellent gardener, and Rheta loved to collect cookbooks.

Here are a few of my favorite memories from the residency:

- Having appetizers at Tijuana Fats on the first day of the residency with Jim McAllister. He looked us all in the eye and told us if we did not work more than 4,000 hours, it was a waste of a year. That got my attention.
- The water main over North Central broke and flooded the pharmacy. I remember seeing Jim with his pant legs rolled up, wading in the water, with medications floating all around.
- Taking Bo's MICU rotation and Chris Rudd's PICU rotation. I realized I had a lot to learn.
- Spending time with Gary Dunham. He talked often about TDMTS (does anyone know what that is) and 'a level is the amount of water in the bucket but concentration is the amount of drug in the body'.
- Visiting Jim McAllister in his office in South Building (this is when he was in hospital administration). He would have me climb over his couches, through the open window, and stand on the ledge while he smoked.
- Having Roy Pleasant's office next to the resident's office in South and wondering how many half-eaten sandwiches were on his desk and under his pile of papers.
- Having a strict dress code on the wards at all time. No scrubs between 7 am to 7 pm, and most medical and surgical residents wore those white pants. I refer to this as why I am always dressed up and enforcing a strict dress code at UNC.
- Having Byron May, our RPD, telling me that he should never see a resident carrying a coffee cup while on rounds. Never.

While I could go on, these are a few of my favorite moments. So much of my career has been built off of my experiences at Duke, including the structure of the residency at UNC. I would like to thank you for this tremendous professional opportunity as it is very humbling to be recognized by your place of training.