

## Syllabus

### Course Overview

Advanced Finance and Operations Management is a course that exposes you each week to a variety of economic and financial concepts in health care. Nurses in leadership roles are affected daily by health care economics and financial issues. They must be knowledgeable and skilled in fundamental health care economic principles, including budgeting and financial management. Specifically, nurse leaders are constantly called upon to obtain, justify, and manage human and financial resources to meet organizational goals at the micro-, macro-, and mesosystem levels. Nurse leaders must be prepared and qualified with educational and experiential economic skills and competencies to know how to develop, review, manage, and control capital and operating budgets in health care. Each unit in this course focuses on concepts related to developing these skills and competencies.

### APA Style Resources

Capella uses the most current edition of the *Publication Manual of the American Psychological Association* (commonly referred to as the APA Manual) as its style guide for scholarly writing. Using a single publication manual ensures a consistent style across degrees, programs, and schools, and APA style is well respected and widely used in scholarly works and academic publications.

For your program, Capella provides a selection of online resources designed to help you understand APA style and use it effectively. Please visit Capella's [APA Module](#) for more information.

### MSN Program Journey

Click **MSN Program Journey** to view a useful map that will guide you as you continue your program. This map gives you an overview of all the steps required to prepare for your practicum and to complete your degree. It also outlines the support that will be available to you along the way.

### Course Competencies

(Read Only)

To successfully complete this course, you will be expected to:

- 1 Design an operating budget that incorporates variances or discretionary spending.
- 2 Develop a plan for management of the labor force within the parameters of the budget and productivity.
- 3 Develop a capital budget.
- 4 Determine the equipment and services needed to maintain seamless patient or client care.
- 5 Apply financial principles to a strategic plan for achieving organizational goals and fiscal success.
- 6 Communicate effectively with diverse audiences, in an appropriate form and style, consistent with applicable organizational, professional, and scholarly standards.

### Course Prerequisites

*There are no prerequisites for this course.*

## Syllabus >> Course Materials

### Required

The materials listed below are required to complete the learning activities in this course.

### Library

The following required readings are provided in the Capella University Library or linked directly in this course. To find specific readings by journal or book title, use [Journal and Book Locator](#). Refer to the [Journal and Book Locator library guide](#) to learn how to use this tool.

- Allen, B. (2013). [Internal audits can safeguard hospital revenue](#). *Healthcare Financial Management*, 67(9), 106–8, 110, 112.
- Bae, S. (2016). [The Centers for Medicare & Medicaid Services reimbursement policy and nursing-sensitive adverse patient outcomes](#). *Nursing Economics*, 34(4), 161–171, 181.
- Burtson, L., & Vento, L. (2015). [Sitter reduction through mobile video monitoring: A nurse-driven sitter protocol and administrative oversight](#). *The Journal of Nursing Administration*, 45(7/8), 363–369.
- Carpenter, J. E., Short, N., Williams, T. E., Yandell, B., & Bowers, M. (2015). [Improving congestive heart failure care with a clinical decision unit](#). *Nursing Economics*, 33(5), 255–262.
- Duffield, C. M., Roche, M. A., Homer, C., Buchan, J., & Dimitrelis, S. (2014). [A comparative review of nurse turnover rates and costs across countries](#). *Journal of Advanced Nursing*, 70(12), 2703–2712.
- Gage, H., Ting, S., Williams, P., Drennan, V., Goodman, C., Iiffe, S., . . . Masey, H. (2013). [Nurse-led case management for community dwelling older people: An explorative study of models and costs](#). *Journal of Nursing Management*, 21(1), 191–201.
- Goel, S. (2015). *Capital budgeting*. New York, NY: Business Expert Press.
- Hill, K. S., Higdon, K., Porter, B. W., Rutland, M. D., & Vela, D. K. (2015). [Preserving staffing resources as a system: Nurses leading operations and efficiency initiatives](#). *Nursing Economics*, 33(1), 26–35.
- Jasuta, L. (2016). [Rolling capital managing investments in a value-based care world](#). *Healthcare Financial Management*, 70(6), 82–89.
- Kelly, M., & Hagerman, L. (2013). [Growing tomorrow's leaders](#). *Canadian Nurse*, 109(5), 26–29.
- Kirby, K. K. (2015). [Hours per patient day: Not the problem, nor the solution](#). *Nursing Economics*, 33(1), 64–66.
- Lee, M., Moorhead, S., & Clancy, T. (2014). [Determining the cost-effectiveness of hospital nursing interventions for patients undergoing a total hip replacement](#). *Journal of Nursing Management*, 22(7), 825–836.
- Maxwell, J., Cho, T., Rudkin, S., Wong, A., Almassi, N., & Barton, E. (2016). [Mobile COWs \(computer on wheels\): Hamburger or VEAL? Western Journal of Emergency Medicine](#), 17(5), 527–530.
- Meek, J. A. (2015). [Overcoming "financial phobia"](#). *Clinical Nurse Specialist*, 29(4), 207–209.
- Minogue, V., & Wells, B. (2016). [Managing resources and reducing waste in healthcare settings](#). *Nursing Standard*, 30(38), 52–57.
- Mitton, C., Dionne, F., & Donaldson, C. (2014). [Managing healthcare budgets in times of austerity: The role of program budgeting and marginal analysis](#). *Applied Health Economics and Health Policy*, 12(2), 95–102.
- Mukherjee, T., Al Rahaleh, N., Lane, W., & Dunn, J. (2016). [The capital budgeting process of healthcare organizations: A review of surveys](#). *Journal of Healthcare Management*, 61(1), 58–77.

- Nickitas, D. M. (2014). Mentorship in nursing: An interview with Connie Vance. *Nursing Economics*, 32(2), 65–69.
- O'Hara, C. (2014, July 21). The right way to present your business case. *Harvard Business Review Digital Articles*, 2–5.
- Parsons, L., Howell, T., & James, T. F. (2012). Building new programs in women's health: A fiscal perspective. *International Journal of Childbirth Education*, 27(1), 64–69.
- Rundio, A. (2012). The nurse manager's guide to budgeting and finance. Indianapolis, IN: Sigma Theta Tau International.
- Rundio, A. (2016). Budget development for nurse managers. *Reflections on Nursing Leadership*, 42(3), 1–8.
- Russell, J. (2014). When in doubt, don't! *Nursing Management*, 45(5), 22–25.
- Severson, C. (2015). Education: Fostering mentorship through professional development. *Canadian Oncology Nursing Journal = Revue Canadienne de Nursing Oncologique*, 25(2), 220–221.
- Sharma, M. (2016). Budgetary bandage. *Quality Progress*, 49(4), 38–44.
- Southworth, P. (2012). Cash in on money talk. *Occupational Health*, 64(10), 27–29.
- Stroudt, R. L. (2013). 12 strategies for managing capital projects. *Healthcare Financial Management*, 67(5), 68–71.
- Talley, L. B., Thorgrimson, D. H. & Robinson, N. C. (2013). Financial literacy as an essential element in nursing management practice. *Nursing Economics*, 31(2), 77–82.
- Thompson, P. A. (2014). Remember: Finance and nursing are on the same team. *Healthcare Financial Management*, 68(5), 136.
- Tucker, S. (2014). Determining the return on investment for evidence-based practice: An essential skill for all clinicians. *Worldviews on Evidence-Based Nursing*, 11(5), 271–273.
- Turner, A., & Hughes-Cromwick, P. (2013). Connecting U.S. health expenditures with the health sector workforce. *Business Economics*, 48(1), 42–57.
- Vockley, M. (2016). Choosing wisely: Trends and strategies for capital planning and procurement. *Biomedical Instrumentation & Technology*, 50(4), 230–241.
- Wahlster, P., Goetghebeur, M., Kriza, C., Niederlander, C., & Kolominsky-Rabas, P. (2015). Balancing costs and benefits at different stages of medical innovation: A systematic review of multi-criteria decision analysis (MCDA). *BMC Health Services Research*, 15, 1–12.
- Welton, J. M., & Harper, E. M. (2015). Nursing care value-based financial models. *Nursing Economics*, 33(1), 14–19, 25.
- Welton, J. M., & Harper, E. M. (2016). Measuring nursing care value. *Nursing Economics*, 34(1), 7–15.
- Zimmerman, D. M., & House, P. (2016). Medication safety: Simulation education for new RNs promises an excellent return on investment. *Nursing Economics*, 34(1), 49–51.

#### External Resource

Please note that URLs change frequently. While the URLs were current when this course was designed, some may no longer be valid. If you cannot access a specific link, contact your instructor for an alternative URL. Permissions for the following links have been either granted or deemed appropriate for educational use at the time of course publication.

- Centers for Medicare & Medicaid Services. (2016). Regulations & guidance. Retrieved from <https://www.cms.gov/Regulations-and-Guidance/Regulations-and-Guidance.html>
- Danna, D. (2017). Learning and mastering the operational budget. Retrieved from [http://www.strategiesfornursemanagers.com/ce\\_detail/213520.cfm#](http://www.strategiesfornursemanagers.com/ce_detail/213520.cfm#)
- Free Management Library. (n.d.). All about strategic planning. Retrieved from <http://managementhelp.org/strategicplanning/>
- Rundio, A. (2017). An overview of The nurse manager's guide to budgeting and finance 2nd edition. Retrieved from <http://cahcnews.com/articles/04-2016/ca-arundio-0416.php>
- Webster, M. (2016). How to write a business case — 4 steps to a perfect business case template [Blog post]. Retrieved from <https://resources.workfront.com/project-management-blog/how-to-write-a-business-case-4-steps-to-a-perfect-business-case-template>

#### Suggested

The following materials are recommended to provide you with a better understanding of the topics in this course. These materials are not required to complete the course, but they are aligned to course activities and assessments and are highly recommended for your use.

#### Optional

The following optional materials are offered to provide you with a better understanding of the topics in this course. These materials are not required to complete the course.

#### Library

The following optional readings may be available in the Capella University Library. To find specific readings by journal or book title, use Journal and Book Locator. Refer to the Journal and Book Locator library guide to learn how to use this tool. If the full text is not available, you may be able to request a copy through the Interlibrary Loan service.

- Tsaloglidou, A. (2009). Does audit improve the quality of care? *International Journal of Caring Sciences*, 2(2), 65–72.

### External Resource

Please note that URLs change frequently. While the URLs were current when this course was designed, some may no longer be valid. If you cannot access a specific link, contact your instructor for an alternative URL. Permissions for the following links have been either granted or deemed appropriate for educational use at the time of course publication.

- U.S. Department of Education. (n.d.). [Family Educational Rights and Privacy Act \(FERPA\)](https://www.ed.gov/policy/gen/guid/fpco/ferpa/index.html) https://www.ed.gov/policy/gen/guid/fpco/ferpa/index.html
- U.S. Department of Health & Human Services. (n.d.). [Summary of the HIPAA privacy rule](https://www.hhs.gov/hipaa/for-professionals/privacy/laws-regulations/index.html) https://www.hhs.gov/hipaa/for-professionals/privacy/laws-regulations/index.html

## Unit 1 >> Health Care Economics and Financial Management

### Introduction

Nurse leaders must be well versed in the fundamentals of health care economics. A firm understanding of these concepts is essential in order to examine national trends and diverse health care organizations. At the organizational level, health care economics operate in a manner very similar to other competitive industries and businesses.

In Unit 1, you will examine health care markets and consider health care expenditures in the U.S. as a portion of the gross domestic product.

## MSN Program Journey

Click **MSN Program Journey** for an overview of your degree program and the support that will be available to you along the way.

Course Resources

---

MSN Program Journey

### Learning Activities

#### u01s1 - Studies

## Readings

Read the following articles from the Capella library regarding the importance of a sound budget, how to take control of a budget, and other aspects of financial management and budgeting. These resources will help you with the discussions in this unit.

- Carpenter, J. E., Short, N., Williams, T. E., Yandell, B., & Bowers, M. (2015). [Improving congestive heart failure care with a clinical decision unit](#). *Nursing Economics*, 33(5), 255–262.
  - This article examines the impact a clinical decision unit can have on the reduction of congestive heart failure readmission rates.
- Gage, H., Ting, S., Williams, P., Drennan, V., Goodman, C., Iliffe, S., . . . Massey, H. (2013). [Nurse-led case management for community dwelling older people: An explorative study of models and costs](#). *Journal of Nursing Management*, 21(1), 191–201.
  - This article examines the cost-effectiveness of case management models.
- Talley, L. B., Thorgrimson, D. H. & Robinson, N. C. (2013). [Financial literacy as an essential element in nursing management practice](#). *Nursing Economics*, 31(2), 77–82.
  - This article describes how Children’s National Medical Center built a strong nursing workforce by developing the business management skills of its nurses.
- Turner, A., & Hughes-Cromwick, P. (2013). [Connecting U.S. health expenditures with the health sector workforce](#). *Business Economics*, 48(1), 42–57.
  - This article examines health care expenditures in our nation’s health care system, the potential for reducing spending, and the implications for health care workers.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 1 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

Unit 1 Vocabulary: Drag and Drop

u01s1 - Learning Components

- Define and describe financial goals.
- Identify effective budget management techniques.
- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Determine the proper application of the rules of grammar and mechanics.
- Assess the relevance and credibility of information sources.
- Determine the impact of budget management on financial planning.
- Identify the basic principles of effective budget management.

**u01s2 - Your Online ePortfolio**

Online ePortfolios serve two key purposes: 1) to support learning and reflection, and 2) to be used as a showcase tool. Your learning journey can be documented, and ePortfolios contribute to lifelong learning and growth through reflection and sharing. Online ePortfolios can also be shared with employers and peers to present artifacts that demonstrate your accomplishments at Capella.

## Using ePortfolio to Prepare for Your Capstone

Your program may culminate in a capstone course. At that time you may be required to show evidence of your learning throughout the program by referring to multiple assessments that you have created. You will be telling a story about your learning throughout the program using artifacts you have collected during many of these courses.

## Using ePortfolio to Build Your Career

As you are preparing to tell your story in the professional world, leverage your ePortfolio artifacts to demonstrate the knowledge and competencies you have gained through your program in professional conversations, performance reviews, and interviews.

To do that, reflect on the knowledge and skills you have gained from your courses and the elements you have put in your portfolio, along with how you have already applied these things to your professional life or how you might apply them in the future.

Next, create your story or talking points to tell your professional story.

## Saving Your Documents to ePortfolio

You will need a place to store your documents in an organized fashion so that you can access them at a later date. Do not rely on the courseroom for storage, as you will lose access to the courseroom after you have completed the course. Capella uses a cloud-based portfolio platform to facilitate your organization of the artifacts you create throughout your program.

To make an online portfolio useful, it is essential that it is organized clearly and that important files of any format are accessible. Read the [Online ePortfolio Guidelines \[PDF\]](#) to ensure you set up your online portfolio correctly. For more information on ePortfolio visit the Campus [ePortfolio](#) page.

## Privacy Statement

Capella complies with privacy laws designed to protect the privacy of personal information. While you may voluntarily share your own information publicly, you are obligated to protect the personal information of others that may be associated with your academic or professional development. Before sharing information and material in any ePortfolio that is set up to be shared externally to your program at Capella, please consider privacy obligations in

relation to protected populations who may be included or referenced in your academic or clinical work. Refer to the [Family Educational Rights and Privacy Act \(FERPA\)](#) and/or the [Health Insurance Portability and Accountability Act \(HIPAA\)](#) if you have specific questions or concerns about your choices.

### **u01d1 - Allocation of Resources**

Discuss the concept of market in facilitating efficient allocation of health care resources. Provide one specific example of how you, as a nurse leader, will apply this concept to the financial management and operation of a health care facility or unit.

- How does market relate to demand?
- What demand shifters are factors in your facility or unit?
- Are these factors that nurse leaders can influence?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## **Response Guidelines**

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- In what respects are the demand shifters that affect your facility similar to or different from those your colleague identified?
- How does your view align with that of your colleague regarding the nurse leader's influence over factors affecting resource allocation?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[APA Module](#)

u01d1 - Learning Components

- Apply the principles of effective composition.
- Identify the factors that determine effective allocation of resources.
- Proofread and edit written communications.
- Identify required resources for labor, equipment, and services.

### **u01d2 - GDP and Health Care**

Discuss the portion of the U.S. gross domestic product (GDP) comprising U.S. health care expenditures.

- What must change in the U.S. health care delivery system with regard to patient care and the costs of that care?
- How can the reality of utility complicate or reinforce these changes?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- Do you agree with your colleague's assessment of needed changes in U.S. health care?
  - Why or why not?
  - Do they have credible evidence for their claims?
  - What counterarguments might you present?
- What additional thoughts can you offer about the prospects for change?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[APA Module](#)

u01d2 - Learning Components

- Apply the principles of effective composition.
- Define and describe financial goals.
- Proofread and edit written communications.
- Identify factors affecting the budget.
- Identify the major factors affecting staffing and productivity.

## Unit 2 >> Health Care Finance and Budgets

### Introduction

Health insurance has a major impact on health care economics and major interests in health care. Through examination and understanding of the concepts of health insurance and payer mix, the nurse leader is able to predict and manage budgets to meet operational goals in a predictable and stable manner.

In Unit 2, you will examine the principles of managed care and how they were developed to address and correct issues and challenges created by previous payer strategies. In addition, you will consider the need for mentorship regarding nursing leadership roles in development of operations and capital budgets.

### Learning Activities

u02s1 - Studies

## Readings

Read the following articles from the Capella library on finance, budgeting, and the importance of mentoring. These resources will help you with the discussions in this unit and in Unit 3.

- Goel, S. (2015). *Capital budgeting*. New York, NY: Business Expert Press. ISBN: 9781606499870.
  - Read Chapter 2, which provides an introduction to capital budgeting.
- Kelly, M., & Hagerman, L. (2013). *Growing tomorrow's leaders*. *Canadian Nurse*, 109(5), 26–29.
  - This article describes a leadership development program in which emerging nurse leaders were paired with experienced nurse leaders.
- Minogue, V., & Wells, B. (2106). *Managing resources and reducing waste in healthcare settings*. *Nursing Standard*, 30(38), 52–57.

- This article discusses the nurse's role in waste reduction and how reducing waste can help to ensure the provision of safe, high-quality care and positive outcomes.
- Nickitas, D. M. (2014). Mentorship in nursing: An interview with Connie Vance. *Nursing Economics*, 32(2), 65–69.
  - This is a transcript of the author's interview with Dr. Connie Vance on the topic of mentorship in nursing, including best practices.
- Rundio, A. (2012). The nurse manager's guide to budgeting and finance. Indianapolis, IN: Sigma Theta Tau International. ISBN: 9781935476672.
  - Read Chapter 6, "Understanding Capital Budgets," pages 72–81, which explains the key components of capital budgets.
- Severson, C. (2015). Education: Fostering mentorship through professional development. *Canadian Oncology Nursing Journal = Revue Canadienne de Nursing Oncologique*, 25(2), 220–221.
  - This article discusses the role of professional development in strengthening a nurse leader's mentoring skills.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 2 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

### Unit 2 Vocabulary: Drag and Drop

#### u02s1 - Learning Components

- Define and describe financial goals.
- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Determine the proper application of the rules of grammar and mechanics.
- Assess the relevance and credibility of information sources.
- Determine the impact of budget management on financial planning.

#### u02s2 - Assignment Preparation

In the next unit, you will interview a nurse leader of your choosing who has experience with preparing and managing operating budgets. To prepare for your assignment, in this unit you are encouraged to identify the person you would like to interview and arrange a meeting. Begin thinking about what you would like to learn from the interview, and be sure to read the articles in this unit on nurse mentorship and its importance to developing strong nursing professionals. In addition, you may wish to:

- Review the Mentor Interview assignment and scoring guide to ensure that you understand the work you will be asked to complete.
- Review the [Guiding Questions: Mentor Interview \[DOCX\]](#) document, which includes questions to consider and additional guidance on how to successfully complete the assignment.
- Reflect on the studies and discussions you have completed so far, and consider how the content of these activities might inform your approach to this assignment.
- Ask your instructor any questions you have at this time about the assignment.

#### u02s2 - Learning Components

- Reflect on approaches and challenges to budget management.
- Determine the benefits of nurse mentorship in the areas of budgeting and finance.

#### u02d1 - MCOs and PPOs

Compare and contrast managed care organizations (MCOs) and preferred provider organizations (PPOs).

- How do these models of care affect your role as a nurse leader in managing health care delivery?
- What cost-saving strategies are utilized in the two models?
- How do these strategies function to control health insurance costs?

Provide a concrete example of how capitation can control health care costs.

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- Do these models of care affect how you manage the delivery of care differently from that of your colleague?
  - If so, in what ways, and why?
- What cost-saving strategies has your colleague overlooked, if any?
- Can you elaborate on your colleague's capitation example, or offer different examples?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[APA Module](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

u02d1 - Learning Components

- Apply the principles of effective composition.
- Identify effective budget management techniques.
- Proofread and edit written communications.
- Identify the sources of budgetary data and information.
- Identify the basic principles of effective budget management.

### u02d2 - Importance of Nurse Mentors in Professional Development

Describe two or three areas where you feel a mentor could help you grow as a professional and assist you in becoming a better financial manager.

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- What has been your experience as either a nurse mentor or mentee?
  - To what extent did these experiences involve financial management?

- Were these experiences generally positive or negative? Why?
- What do you consider to be the most valuable aspect of nurse mentorship with regard to financial management?

Course Resources

---

Graduate Discussion Participation Scoring Guide

---

[APA Module](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[Introduction to the Writing Center](#)

u02d2 - Learning Components

- Apply the principles of effective composition.
- Identify effective budget management techniques.
- Proofread and edit written communications.
- Determine the impact of budget management on financial planning.

### Unit 3 >> Budgets Types and Uses

#### Introduction

In any organization, regardless of size, nurse leaders must understand the purpose and complexity of building a solid budget. Nurse leaders must be able to recognize the organizational or unit goals and then be adept and competent in the planning, designing, and defense of a budget to meet those needs. In Unit 3, you will review basic types of budgets used in health care settings, focusing on budgeting concepts from the perspective of choices and possibilities.

In addition, you will interview a nurse leader regarding his or her nursing leadership role in developing capital and operating budgets. You will discuss the techniques the leader uses to assess and plan for a budget as well as the application and management of the budget once it is in place.

#### Learning Activities

u03s1 - Studies

## Readings

Read the following articles from the Capella library on budgeting. These resources will help you with the assignment and discussion in this unit.

- Parsons, L., Howell, T., & James, T. F. (2012). [Building new programs in women's health: A fiscal perspective](#). *International Journal of Childbirth Education*, 27(1), 64–69.
  - This article provides basic information about budgeting in the context of educational programs.
- Rundio, A. (2012). *The nurse manager's guide to budgeting and finance*. Indianapolis, IN: Sigma Theta Tau International. ISBN: 9781935476672.
  - Read Chapter 3, "Varieties of Budgets," pages 33–40, which explains the various types of budgets.
- Sharma, M. (2016). [Budgetary bandage](#). *Quality Progress*, 49(4), 38–44.
  - This article describes how process improvement approaches were used to lower wound care costs.
- Southworth, P. (2012). [Cash in on money talk](#). *Occupational Health*, 64(10), 27–29.
  - This provides tips on budget preparation.
- Vockley, M. (2016). [Choosing wisely: Trends and strategies for capital planning and procurement](#). *Biomedical Instrumentation & Technology*, 50(4), 230–241.
  - This article discusses trends and strategies for making better purchasing decisions.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 3 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

Unit 3 Vocabulary: Drag and Drop

u03s1 - Learning Components

- Identify effective budget management techniques.
- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Distinguish between an operations budget and a capital budget.
- Determine the proper application of the rules of grammar and mechanics.
- Assess the relevance and credibility of information sources.
- Identify the basic principles of effective budget management.
- Identify budget parameters.

**u03s2 - MSN Practicum**

Once you complete all specialization courses in your MSN program, you will be eligible to enroll in MSN6030 – MSN Practicum. In preparation for MSN6030, you will want to review the [MSN Practicum](#) page and begin the application process. Your site and preceptor should be approved well before you start your practicum course (at least 1–2 months).

The review process may take up to two weeks, so please ensure your program progression is not delayed by submitting all requirements as soon as possible for review and approval.

During your MSN Practicum, you will be required to submit multiple artifacts and documents for successful course completion. This may include items such as time logs, site evaluations, preceptor evaluations, and other projects unique to this course.

Capella has partnered with CORE Higher Education Group to provide a cloud-based experiential learning management system (ELMS) to support learners during practicum or internship. CORE ELMS, hereafter referred to as CORE, provides a safe and secure repository to house forms and other course work that requires visibility and input from third parties (such as preceptors).

While you will still be submitting assignments to your instructor via the MSN courseroom, you will be instructed specifically where and when content should be submitted to CORE. Read your assignments carefully for directions and contact your instructor with any questions.

**u03a1 - Mentor Interview**

## Professional Context

Business acumen, including financial management skills, is a key competency for nurse leaders, and a primary responsibility for many is the development and management of operating and capital budgets.

The assignment in this unit involves you speaking with a leader who has experience with creating and managing budgets. You will learn about that person's approach to budget management and consider techniques or strategies you may emulate when you are creating and managing budgets.

## Scenario

You are the nurse manager of a new urgent care clinic, and one of your first tasks is to prepare next year's operating budget. Like many nurses, you have had little or no direct experience with the budgeting process, and you realize that financial management is not one of your strengths as a leader. Consequently, you have decided to reach out for help from someone in the facility with budgeting experience and financial management expertise who can offer you help and insight.

## Instructions

### Interview

Conduct an interview with your site supervisor or another nurse leader whom you consider to be a mentor in the area of health care finance. Discuss their experience with operations and capital budgets in their current role or a previous role. Explore the following topics in your interview:

- Their experience managing an operating budget.
- Their approach to managing productivity within the parameters of the budget.
- Their approach to oversight of the appropriate use and availability of equipment and supplies.
- Their experience managing a capital budget.
- How managing a capital budget differs from managing an operating budget.
- Their application of finance principles to fulfill the organization's mission and goals.

### Analysis

**Note:** The requirements outlined below correspond to the grading criteria in the Mentor Interview Scoring Guide, so be sure to address each point. You may also want to review the performance level descriptions for each criterion to see how your work will be assessed. Additionally, the Guiding Questions: Mentor Interview document, linked in the Resources, provides additional considerations that may be helpful in completing your assignment.

Prepare a written analysis of your findings from the interview, supplemented by your own research and evaluation of budget management techniques.

- Compare the process of managing an operating budget to that of managing a capital budget.
- Describe the process of allocating resources for labor, equipment, and services.
- Describe an effective approach that contributes to planning for profitability and fiscal success.
- Evaluate the nurse leader's approach to budget management.
- Write clearly and concisely, using correct grammar and mechanics.
- Integrate relevant and credible sources of evidence to support your assertions, correctly formatting citations and references using APA style.

**Note:** Remember that you can submit all, or a portion, of your draft analysis to Smarthinking for feedback, before you submit the final version for this assignment. However, be mindful of the turnaround time of 24–48 hours for receiving feedback if you plan on using this free service.

## Submission Requirements

Format your paper using APA style.

- Use the APA Style Paper Template linked in the Resources. An APA Style Paper Tutorial is also provided to help you in writing and formatting your analysis. Be sure to include:
  - A title page and reference page. An abstract is not required.
  - A running head on all pages.
  - Appropriate section headings.
  - A minimum of five properly-formatted citations and references.
- Your executive summary should be 3–5 pages in length, **not including** the title page and reference page.

**Portfolio Prompt:** You may choose to save this learning activity to your ePortfolio.

Course Resources

---

[Guiding Questions: Mentor Interview \[DOCX\]](#)

---

[APA Module](#)

---

[ePortfolio](#)

---

[Smarthinking Tutoring](#)

---

[APA Style Paper Tutorial \[DOCX\]](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[Introduction to the Writing Center](#)

---

[APA Style Paper Template \[DOCX\]](#)

### **u03d1 - Capital and Operational Budgets**

Capital and operational budgets each play a major role in the financial expenditures of nursing units. For this discussion:

- Explain the purpose and use of each type of budget.
- Describe your experience with either type of budget.
  - Have you prepared or contributed to the development of one of these budgets?
  - How have one or the other of these two budgets affected the provision of care in your organization or unit?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

### **Response Guidelines**

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider:

- How might you elaborate on your colleague's explanation?
- How does your experience with these budgets compare to that of your colleague?
- How are these budgets related to an organization's strategic goals?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[APA Module](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

### **u03d1 - Learning Components**

- Apply the principles of effective composition.
- Identify alignment between the budget and the organization's mission.
- Distinguish between an operations budget and a capital budget.
- Proofread and edit written communications.
- Identify assumptions underlying a budget.

## **Unit 4 >> Nursing Leadership Roles in Financial Analysis and Monitoring**

### **Introduction**

Numbers on a budget sheet or report are only numbers. Nurse leaders are major decision makers who must be informed and able to make data-driven decisions, often in a very limited amount of time. Financial analysis consists of the organization and presentation of data in a meaningful and relevant format that enables analysis, comparison, and synthesis.

Benchmarking, for example, gives nurse leaders an opportunity to compare financial data with other organizations of similar size and service lines.

In Unit 4, you will further your understanding of key terms and concepts related to financial analysis and explore the relevance of financial information to informed executive decision making, particularly as it relates to policy and strategic planning.

## Learning Activities

### u04s1 - Studies

## Readings

Read the following articles on leadership roles in health care finance. These articles will help you with the discussions in this unit.

From the Capella library:

- Mitton, C., Dionne, F., & Donaldson, C. (2014). Managing healthcare budgets in times of austerity: the role of program budgeting and marginal analysis. *Applied Health Economics and Health Policy*, 12(2), 95–102.
  - This provides general information to help understand health care finances and budgets.
- Russell, J. (2014). When in doubt, don't! *Nursing management*, 45(5), 22–25.
  - This examines value analysis as a way to reduce costs in health care.

From the Internet:

- Danna, D. (2017). Learning and mastering the operational budget. Retrieved from [http://www.strategiesfornursemanagers.com/ce\\_detail/213520.cfm#](http://www.strategiesfornursemanagers.com/ce_detail/213520.cfm#)
  - This article provides information and general terminology useful when considering an operating budget.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 4 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

Unit 4 Vocabulary: Drag and Drop

### u04s1 - Learning Components

- Identify alignment between the budget and the organization's mission.
- Determine the budgetary timeframe.
- Determine primary sources of budget information.
- Identify the major sections of an operations budget.
- Determine the proper application of APA formatting requirements.
- Assess the relevance and credibility of information sources.
- Determine the proper application of the rules of grammar and mechanics.

### u04s2 - Assignment Preparation

In the next unit, you will be preparing an operating budget for a hospital unit. To prepare for your assignment, you are encouraged to begin work on your budget and to reflect on the hospital unit's mission and goals. Examine the many items that must be addressed in the budget, and begin formulating your approach to budget management. In addition, you may wish to:

- Review the Preparing and Managing an Operating Budget assignment and scoring guide to ensure that you understand the work you will be asked to complete.
- Review the [Guiding Questions: Preparing and Managing an Operating Budget \[DOCX\]](#) document, which includes questions to consider and additional guidance on how to successfully complete the assignment.
- Reflect on the studies and discussions you have completed so far, and consider how the content of these activities might inform your approach to this assignment.
- Ask your instructor any questions you have at this time about the assignment.

#### u04s2 - Learning Components

- Identify alignment between the budget and the organization's mission.
- Identify factors affecting the budget.
- Identify assumptions underlying a budget.
- Determine primary sources of budget information.
- Identify the major sections of an operations budget.

#### u04d1 - Budget Preparation

For this discussion, imagine you have taken a new position as a nurse leader for a long-term care facility and it is your first week on the job. Your manager has asked you to develop the budget worksheet for next week's budget meeting with the board of directors. You have never prepared a budget and are feeling anxious regarding this process.

Describe your strategy for dealing with this request?

- What resources will you leverage?
- How will health care informatics and technology assist in the creation of a budget?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- How does your experience with developing the budget worksheet compare with that of your colleague?
- What suggestions or recommendations can you offer to help your colleague strengthen their budgeting skills?
- What resources have you found to be useful in preparing a budget worksheet that you would recommend?

#### Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[APA Module](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

#### u04d1 - Learning Components

- Apply the principles of effective composition.
- Determine resource needs.
- Identify factors affecting the budget.
- Identify assumptions underlying a budget.
- Proofread and edit budget data and information.
- Determine primary sources of budget information.

#### u04d2 - Inadequate Budgets

You are the nurse leader on a busy medical-surgical unit and have been experiencing a vacancy rate of 20 percent for RNs on the unit. The patient satisfaction feedback and evaluation scores are quite low, and you believe this is related to having an inadequate budget to meet the unit goals.

Describe your strategy, as the nurse leader, for applying finance principles to achieve organizational goals and fiscal success for your unit.

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

### Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- How does your experience with developing strategies to achieve organizational goals and fiscal success compare with that of your colleague?
- What suggestions or recommendations can you offer to help your colleague strengthen their strategies for improving fiscal success?
- What resources have you found to be useful in developing your strategies that you would recommend?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[APA Module](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

#### u04d2 - Learning Components

- Identify the mission and goals of an organization.
- Apply the principles of effective composition.
- Determine resource needs.
- Identify factors affecting the budget.
- Identify strategic objectives.
- Determine how a department, unit, or project aligns with the mission and goals of an organization.
- Proofread and edit budget data and information.
- Determine budget allowances.
- Identify available resources.
- Identify productivity goals.
- Recognize budgetary limits.

### Unit 5 >> Basic Financial Analysis

#### Introduction

One of the major challenges facing nurse leaders with regard to financial analysis is determining how many and what types of health care goods and services to deliver. Leaders must also consider how much to charge for goods and services and how to break even or generate profits.

In Unit 5, you will examine the process of developing and managing an operating budget and consider key factors affecting costs and their impact on operating budgets and profitability. In addition, you will have the opportunity to prepare an operating budget.

## Learning Activities

### u05s1 - Studies

## Readings

Read the following articles from the Capella library on ways to reduce or manage operating costs. These resources will help you with the assignment and discussion in this unit.

- Burtson, L., & Vento, L. (2015). Sitter reduction through mobile video monitoring: A nurse-driven sitter protocol and administrative oversight. *The Journal of Nursing Administration, 45*(7/8), 363–369.
  - This article examines the high cost of sitters and ways to reduce those expenses.
- Duffield, C. M., Roche, M. A., Homer, C., Buchan, J., & Dimitrelis, S. (2014). A comparative review of nurse turnover rates and costs across countries. *Journal of Advanced Nursing, 70*(12), 2703–2712.
  - This is helpful for understanding how to calculate the cost of nursing turnover and its impact on the operating budget
- Hill, K. S., Higdon, K., Porter, B. W., Rutland, M. D., & Vela, D. K. (2015). Preserving staffing resources as a system: Nurses leading operations and efficiency initiatives. *Nursing Economics, 33*(1), 26–35.
  - This article discusses the use of effective staffing, which represents the biggest drain on the operating budget.
- Kirby, K. K. (2015). Hours per patient day: Not the problem, nor the solution. *Nursing Economics, 33*(1), 64–66.
  - This provides a method of calculating the costs of staffing.
- Lee, M., Moorhead, S., & Clancy, T. (2014). Determining the cost-effectiveness of hospital nursing interventions for patients undergoing a total hip replacement. *Journal of Nursing Management, 22*(7), 825–836.
  - This article explores ways to reduce operating costs by looking at nursing interventions.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 5 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

Unit 5 Vocabulary: Drag and Drop

### u05s1 - Learning Components

- Determine resource needs.
- Calculate costs.
- Identify strategic objectives.
- Identify fiscal performance goals and metrics.
- Assess the relevance and credibility of information sources.
- Identify revenue and expenses.
- Identify the major factors affecting staffing and productivity.
- Determine the proper application of the rules of grammar and mechanics.

- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Identify available resources.

## u05s2 - Vila Health: Developing an Operating Budget

### Multimedia

The following interactive exercise introduces you to the process of creating an operating budget, which will help you in completing this unit's assignment.

- Click **Vila Health: Developing an Operating Budget** to begin.

Course Resources

---

Vila Health: Developing an Operating Budget

## u05a1 - Preparing and Managing an Operating Budget

### Professional Context

Sound financial management is essential to the fiscal well-being of all health care organizations, and the nurse leader plays an important part. Consequently, the preparation and effective management of operating budgets is a critical skill for nurse leaders. The budget guides leaders in optimizing the use of resources, and because nurses are closest to patients, they understand very well what it takes to operate on a daily basis and provide safe, high-quality care.

This assignment provides an opportunity for you to develop an operating budget for a health care unit. Keep in mind, staff is a large part of this budget and is often hard to control.

### Scenario

You are the nurse manager of a 35-bed hospital unit with 20 full-time equivalent (FTE) staff. You have been given the task of getting the budget under control. Several people have recently left the unit, and you have been working to fill those open positions. Your staff work scheduled overtime and many sign up to work extra shifts. Your unit serves an older population, as well, and has incurred expenses associated with this group of patients.

### Instructions

**Note:** The requirements outlined below correspond to the grading criteria in the Preparing and Managing an Operating Budget Scoring Guide, so be sure to address each point. You may also want to review the performance level descriptions for each criterion to see how your work will be assessed. Additionally, the Guiding Questions: Preparing and Managing an Operating Budget document, linked in the Resources, provides additional considerations that may be helpful in completing your assignment.

Prepare and submit an operating budget for your hospital unit.

- Prepare the operating budget.

**Note:** Assemble your budget figures in a table, using a format of your choice. You may use either Microsoft Word or Excel to create your budget table.

- Explain how the budget was designed and created.
- Develop a strategic plan.
- Develop an approach to ongoing budget management.
- Present budget data and information clearly and accurately.
- Integrate relevant and credible sources of evidence to support your budget data and information, correctly formatting citations and references using APA style.

**Note:** Remember that you can submit all, or a portion of, your draft budget to Smarthinking for feedback, before you submit the final version for this assignment. However, be mindful of the turnaround time of 24–48 hours for receiving feedback if you plan on using this free service.

### Submission Requirements

If you used Microsoft Excel to create your budget table, submit the Excel file along with your budget narrative. You may also add the Excel file to your Word document as an embedded object.

Format your budget using APA style.

- Use the APA Style Paper Template linked in the Resources. An APA Style Paper Tutorial is also provided to help you in writing and formatting your analysis. Be sure to include:
  - An APA-formatted title page and reference page. An abstract is not required.
  - A minimum of five ;properly-formatted citations and references.
- Your budget should be 8–10 pages in length, **not including** the title page and reference page.

**Portfolio Prompt:** You may choose to save this learning activity to your ePortfolio.

Course Resources

---

[APA Module](#)

---

[Smarthinking Tutoring](#)

---

[Introduction to the Writing Center](#)

---

Guiding Questions: Preparing and Managing an Operating Budget [DOCX]

---

[Academic Honesty & APA Style and Formatting](#)

---

[APA Style Paper Template \[DOCX\]](#)

---

[APA Style Paper Tutorial \[DOCX\]](#)

---

[ePortfolio](#)

## u05d1 - Budget Design

In this unit's assignment, you will submit an operating budget. Discuss your experience of designing the budget.

- Describe what parts of the process were areas of strength for you.
  - What factors contribute to those strengths?
- Describe areas of weakness.
  - What resources can you use to improve your skills in those areas?
- How has your concept of budget creation changed over the course of completing this assignment?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- How does your experience with budget design compare with that of your colleague?
- What suggestions or recommendations can you offer to help your colleague strengthen their budgeting skills?
- What resources have you found to be useful in preparing an operating budget that you would recommend?

Course Resources

---

Graduate Discussion Participation Scoring Guide

u05d1 - Learning Components

- Apply the principles of effective composition.
- Proofread and edit budget data and information.

## Unit 6 >> Preparing the Capital Budget

### Introduction

Most nurse leaders work with operating budgets but will also have input into capital budgets. A capital budget is typically developed separately from the operating budget and is usually developed to purchase items that are often referred to as "big-ticket" items that will enhance the capacity or services of an organization. For example, capital budgets may cover land purchase for the future site of a new outpatient surgical center, construction of a new building or "build-out" for renovation of an already existing building, or replacement of old equipment.

In Unit 6, you will be introduced to the process of preparing a capital budget and will explore the skills needed to effectively communicate financial information to administrative leaders.

### Learning Activities

#### u06s1 - Studies

## Readings

Read the following articles from the Capella library on capital budgeting. These resources will help you with the discussions in this unit.

- Jasuta, L. (2016). [Rolling capital managing investments in a value-based care world](#). *Healthcare Financial Management*, 70(6), 82–89.
  - This article discusses the use of a rolling approach to capital budget planning in health care, similar to what is done in other industries.
- Mukherjee, T., Al Rahaleh, N., Lane, W., & Dunn, J. (2016). [The capital budgeting process of healthcare organizations: A review of surveys](#). *Journal of Healthcare Management*, 61(1), 58–77.
  - This review examines different capital budgeting practices.
- Rundio, A. (2016). [Budget development for nurse managers](#). *Reflections on Nursing Leadership*, 42(3), 1–8.
  - This is a step-by-step approach to budget workflow.
- Stroudt, R. L. (2013). [12 strategies for managing capital projects](#). *Healthcare Financial Management*, 67(5), 68–71.
  - This article suggests strategies for most successful program management.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 6 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

## Unit 6 Vocabulary: Drag and Drop

### u06s1 - Learning Components

- Determine how specific equipment and services contribute to organizational goals.
- Assess the relevance and credibility of information sources.
- Identify budget parameters and organizational requirements.
- Assess the relevance and credibility of information sources.
- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Determine the benefits of a capital expenditure.
- Determine the proper application of the rules of grammar and mechanics.
- Plan for contingencies.

### u06s2 - Assignment Preparation

In the next unit, you will be presenting, in an executive summary, a compelling case for why funds should be allocated for the operating budget you prepared in Unit 5. To prepare for your assignment, you are encouraged to consider the approach you will take to justify your budget proposal and begin formulating a strategy. In addition, you may wish to:

- Review the Budget Negotiations and Communication assignment and scoring guide to ensure that you understand the work you will be asked to complete.
- Review the [Guiding Questions: Budget Negotiations and Communication \[DOCX\]](#) document, which includes questions to consider and additional guidance on how to successfully complete the assignment.
- Reflect on the studies and discussions you have completed so far, and consider how the content of these activities might inform your approach to this assignment.
- Ask your instructor any questions you have at this time about the assignment.

### u06s2 - Learning Components

- Identify the mission and goals of an organization.
- Identify strategic objectives.
- Determine how a department, unit, or project aligns with the mission and goals of an organization.

### u06d1 - Approach to Capital Budgets

In the final assignment for this course, you will prepare a capital budget for a proposed renovation project. For this discussion:

- Explain how you will approach the process of designing the budget.
  - What steps will you need to take?
  - What resources will you access?
  - Will you collaborate with other executives or staff?
  - How will you tie the vision for the capital expenditure to the organization's mission and goals?
- Describe the real-world timeline for development of a capital budget, outside the context of this course.

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- How does your approach compare to that of your colleague?
  - What might account for major differences in approach, if any?
- Does your colleague have a strong case for supporting the organization's mission and goals?

- Is your colleague's budget development timeline reasonable?
  - If not, what factors might they have overlooked?

Course Resources

---

Graduate Discussion Participation Scoring Guide

---

[APA Module](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[Introduction to the Writing Center](#)

u06d1 - Learning Components

- Identify the mission and goals of an organization.
- Identify strategic objectives.
- Identify fiscal performance goals and metrics.
- Determine how a department, unit, or project aligns with the mission and goals of an organization.
- Proofread and edit written communications.
- Apply the principles of effective composition.
- Determine the need for particular assets, equipment, services, or goods.
- Identify information sources.

**u06d2 - Financial Communication Skills**

Communicating your vision for a project to administrative leaders is an important skill as a nurse leader. The administration will need to understand the correlation between a proposed project, product, or service, and their overall goals. For this discussion:

- Explain your approach to developing a capital budget and accompanying strategic plan for profitability and fiscal success.
- What issues and challenges do you envision a nurse leader facing during the process?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- What are the strengths and weaknesses of your colleague's approach?
  - What tips or suggestions can you offer?
  - What additional issues or challenges do you foresee?
- What advice or recommendations can you offer regarding effective communications with executive leaders?

Course Resources

---

Graduate Discussion Participation Scoring Guide

---

[APA Module](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[Introduction to the Writing Center](#)

## u06d2 - Learning Components

- Determine how specific equipment and services contribute to organizational goals.
- Identify the mission and goals of an organization.
- Identify strategic objectives.
- Identify fiscal performance goals and metrics.
- Determine how a department, unit, or project aligns with the mission and goals of an organization.
- Proofread and edit written communications.
- Apply the principles of effective composition.

## Unit 7 >> Business Plans and Cost-Benefit

### Introduction

In every health care organization, dollars are scarce and the budget process is carefully scrutinized at every level. Nurse leaders must be business-savvy. They must be able to make a compelling case for why every budget line item and every dollar on a budget supports the mission and goals of the unit and the organization. This means that nurse leaders must be able to think in terms of the *business* of health care and be able to present a business proposal or plan with thorough and thoughtful justification and rationale for expenses. The business plan should present accurate, factual data and costs and should also be concise and clearly organized.

In Unit 7, you will be introduced to business planning concepts and be given an opportunity to present a compelling case for why funds should be allocated for the operating budget you developed in Unit 5.

### Learning Activities

#### u07s1 - Studies

## Readings

Read the following articles on strategic planning, developing a business case, and cost-benefit analysis. These resources will help you with the discussion in this unit.

From the Capella library:

- Wahlster, P., Goetghebeur, M., Kriza, C., Niederlander, C., & Kolominsky-Rabas, P. (2015). [Balancing costs and benefits at different stages of medical innovation: A systematic review of multi-criteria decision analysis \(MCDA\)](#). *BMC Health Services Research*, 15, 1–12.
  - This article reviews applications of MCDA methods in decisions addressing the trade-off between costs and benefits.

The following required reading is available full-text in the Capella library. Search for the article by clicking the linked title and following the instructions in the Library Guide.

- O'Hara, C. (2014, July 21). [The right way to present your business case](#). *Harvard Business Review Digital Articles*, 2–5.
  - The author offers best practice recommendations for effectively communicating a business case to stakeholders.

From the Internet:

- Free Management Library. (n.d.). [All about strategic planning](#). Retrieved from <http://managementhelp.org/strategicplanning/>
  - This article introduces the concept and benefits of strategic planning.
- Webster, M. (2016). [How to write a business case — 4 steps to a perfect business case template](#) [Blog post]. Retrieved from <https://resources.workfront.com/project-management-blog/how-to-write-a-business-case-4-steps-to-a-perfect-business-case-template>
  - The author present recommendations for preparing a business case.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 7 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

Unit 7 Vocabulary: Drag and Drop

u07s1 - Learning Components

- Determine how specific equipment and services contribute to organizational goals.
- Identify the mission and goals of an organization.
- Identify strategic objectives.
- Identify fiscal performance goals and metrics.
- Determine how a department, unit, or project aligns with the mission and goals of an organization.
- Assess the relevance and credibility of information sources.
- Determine the proper application of the rules of grammar and mechanics.
- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Determine responsibilities for executing a strategic plan.

**u07a1 - Budget Negotiations and Communication**

## Professional Context

Negotiating budgets and communicating financial needs to stakeholders are vital skills for nurse leaders. Given today's numerous constraints on funding and highly competitive environments, the ability to win support for your budget proposals hinges on being able to present a compelling argument based on well documented needs, accurate financial information, and a justifiable business case.

This assignment provides an opportunity for you to examine the mission and goals of a health care organization in order to justify a budget proposal. A persuasive argument requires thoughtful justification and rationale for the expenses required to support your proposal. A proposal that supports the organization's mission and goals strengthens your argument and is much more likely to get you what you need.

## Scenario

The financial department has reviewed your unit's operating budget and has asked you to submit an executive summary that provides support for your budget proposal. Your challenge is to position your unit favorably within an environment of competing demands for limited funding.

## Instructions

**Note:** The requirements outlined below correspond to the grading criteria in the Budget Negotiations and Communication Scoring Guide, so be sure to address each point. You may also want to review the performance level descriptions for each criterion to see how your work will be assessed. Additionally, the Guiding Questions: Budget Negotiations and Communication document, linked in the Resources, provides additional considerations that may be helpful in completing your assignment.

Write an executive summary of the operating budget you designed in Unit 5. Make a compelling case for why funds should be allocated for your budget.

- Outline a strategic plan that ensures profitability and fiscal success.
- Present a plan to meet staff productivity goals, while staying within budget parameters.
- Justify equipment and service costs.
- Analyze department, unit, or project alignment with the organization's mission and goals.
- Write clearly and concisely, using correct grammar and mechanics.
- Integrate relevant and credible sources of evidence to support your assertions, correctly formatting citations and references using APA style.

**Note:** Remember, you can submit all, or a portion, of your draft paper to Smarthinking for feedback, before you submit the final version for this assessment. However, be mindful of the turnaround time of 24–48 hours for receiving feedback if you plan on using this free service.

## Submission Requirements

Format your paper using APA style.

- Use the APA Style Paper Template linked in the Resources. An APA Style Paper Tutorial is also provided to help you in writing and formatting your analysis. Be sure to include:

- A title page and reference page. An abstract is not required.
  - A running head on all pages.
  - Appropriate section headings.
  - A minimum of five properly-formatted citations and references.
- Your paper should be 3–5 pages in length, **not including** the title page and reference page.

**Portfolio Prompt:** You may choose to save this learning activity to your ePortfolio.

Course Resources

---

[APA Module](#)

---

Guiding Questions: Budget Negotiations and Communication [DOCX]

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[APA Style Paper Template \[DOCX\]](#)

---

[Smarthinking Tutoring](#)

---

[APA Style Paper Tutorial \[DOCX\]](#)

---

[ePortfolio](#)

### u07d1 - New Product Launch

Discuss the relevance and importance of a business plan for launching a new product or service line.

- Why must nurse leaders be comfortable and competent in creating business plans?
- Describe two benefits of having a business plan prior to the launch.
- Why must nurse leaders assist the organization in making strategic business decisions for new products or service lines?
- Provide an example of a new product or service line that would enhance patient care, and explain how a business plan strengthens the proposal for that acquisition.

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- Do you agree or disagree with your colleague's position on why nurse leaders must be competent in creating business plans? Why or why not?
- What additional benefits of a business plan do you see as important that you could share with your colleague?
- What are the implications for the organization if nurse leaders are not included in strategic decision making about a new product or service line?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[Academic Honesty & APA Style and Formatting](#)

u07d1 - Learning Components

- Determine how specific equipment and services contribute to organizational goals.
- Identify the mission and goals of an organization.
- Identify strategic objectives.
- Identify fiscal performance goals and metrics.
- Determine how a department, unit, or project aligns with the mission and goals of an organization.
- Proofread and edit written communications.
- Apply the principles of effective composition.
- Determine the need for particular assets, equipment, services, or goods.
- Identify productivity goals.

## Unit 8 >> Financial Accounting and Reporting

### Introduction

All health care organizations are affected by every dollar generated and every dollar spent. 21st-century nurse leaders must be prepared to address tough questions regarding break-even analysis on the units for which they are financially responsible. They must also be aware of conditions resulting in profitability. In addition, nurse leaders will be called upon to provide valuable, credible, and accurate data to inform organizational decision making by administrators and key health care executives.

This means that nurse leaders must be competent in the analysis of supply and demand for goods and services, as well as strategic and business planning. They must be able to analyze financial statements, including profit-loss statements, and articulate business models based on solid economic principles. While nurse leaders are not expected to be a chief financial officers, they must be able to make decisions integrating both the clinical and business aspects of health care at every step.

In Unit 8, you will be introduced to key concepts related to health care financial accounting and reporting.

### Learning Activities

#### u08s1 - Studies

## Readings

Read the following articles and fact sheet on auditing and reimbursement. These resources will help you with the discussions in this unit.

From the Capella library:

- Allen, B. (2013). Internal audits can safeguard hospital revenue. *Healthcare Financial Management*, 67(9), 106–8, 110, 112.
  - This article introduces terminology and explores the importance of internal audits to ensure accurate appeals processes and coding.
- Bae, S. (2016). The Centers for Medicare & Medicaid Services reimbursement policy and nursing-sensitive adverse patient outcomes. *Nursing Economics*, 34(4), 161–171, 181.
  - This examines the effects of the Centers for Medicare and Medicaid Services (CMS) disincentive policy on reducing the number of nursing-sensitive, hospital-acquired adverse events.

On the Internet, explore the following Web site, which is an excellent source of detailed information regarding regulations and standards specific to CMS policies for reimbursement. The site includes links to guidance, legislation, regulation, policy, and other information.

- Centers for Medicare & Medicaid Services. (2016). Regulations & guidance. Retrieved from <https://www.cms.gov/Regulations-and-Guidance/Regulations-and-Guidance.html>

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 8 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

Unit 8 Vocabulary: Drag and Drop

u08s1 - Learning Components

- Assess the relevance and credibility of information sources.
- Determine budget parameters.
- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Identify methods of cost control.
- Analyze variances.
- Determine the proper application of the rules of grammar and mechanics.

**u08s2 - Assignment Preparation**

In the next unit, you will be preparing a capital budget for a renovation project. To prepare for your assignment, you are encouraged to review what you have learned so far about capital budgeting and consider your approach to budget management and how the project will affect the financial health of the organization. In addition, you may wish to:

- Review the Preparing and Managing a Capital Budget assignment and scoring guide to ensure that you understand the work you will be asked to complete.
- Review the [Guiding Questions: Preparing and Managing a Capital Budget \[DOCX\]](#) document, which includes questions to consider and additional guidance on how to successfully complete the assignment.
- Reflect on the studies and discussions you have completed so far, and consider how the content of these activities might inform your approach to this assignment.
- Ask your instructor any questions you have at this time about the assignment.

u08s2 - Learning Components

- Identify budget parameters and organizational requirements.
- Determine a return on investment.

**u08d1 - Financial Accounting**

Discuss the role of the nurse leader in financial accounting and reporting processes in the organization.

- How are audits planned and conducted in health care budgeting and finance?
- What challenges do you anticipate in the audit process?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- Do you agree with your colleague's perspective on a nurse leader's role in financial accounting? Why or why not?
- How does your colleague's description of the auditing process compare with your own experience or knowledge of the process?
- Can you offer any suggestions for addressing potential challenges or preparing for an audit?

Course Resources

---

Graduate Discussion Participation Scoring Guide

---

[APA Module](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[Introduction to the Writing Center](#)

u08d1 - Learning Components

- Determine the time period for cost recovery.
- Determine the depreciation value of the capital assets, equipment, services, or goods.
- Apply the principles of effective composition.
- Proofread and edit written communications.

**u08d2 - Reporting and Documentation**

Your facility follows the Centers for Medicare and Medicaid Services (CMS) standards of care and partners with this agency for reimbursement, once its guidelines are documented as having been met. Your unit is within the window for its CMS survey (inspection), and as the nurse leader you are responsible for preparing your staff for the survey.

Consider your priorities. What key issues will you address as you prepare your staff?

- Does your institution partner with CMS in meeting core measures?
- Is the documentation related to meeting standards of care appropriate?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider:

- The influence of core measures in your own practice environment.
- The nurse leader's accountability with regard to the survey process.

Course Resources

---

Graduate Discussion Participation Scoring Guide

---

[Academic Honesty & APA Style and Formatting](#)

---

[APA Module](#)

---

[Introduction to the Writing Center](#)

u08d2 - Learning Components

- Define and describe financial goals.

- Identify the sources of budgetary data and information.
- Apply the principles of effective composition.
- Proofread and edit written communications.

## Unit 9 >> The Capital Budgeting Process

### Introduction

A financially sound capital budgeting process is a collaborative effort characterized by strong leadership and effective communications. The concepts inherent in need assessment, purchasing, and return on investment embrace the needs of patients, the interprofessional team, the institutions where care is provided, the technology and services extended to consumers, and the health care providers who use available resources to extend services in providing quality and safe care.

It is important to remember that health care is also a major business. While for health care providers, patient care and safety is a priority, health care institutions must operate from a business model in order to survive financially. As nurse leaders and executives, we often have a role to play in developing a capital budget to improve care at some level. In addition, a rapidly-changing health care environment requires nurse leaders who have the financial management and budgeting skills needed to ensure that large capital expenditures further the mission and goals of the organization.

In Unit 9, you will explore the capital budget development process and examine the concept of return on investment, as it might affect the approval of a major capital expenditure. In addition, you will have the opportunity to prepare a capital budget.

### Learning Activities

#### u09s1 - Studies

## Readings

Read the following articles from the Capella library on capital budget development. These resources will help you with the assignment and discussion in this unit.

- Maxwell, J. M., Cho, T., Rudkin, S., Wong, A., Almassi, N., & Barton, E. (2016). Mobile COWs (computer on wheels): Hamburger or VEAL? *Western Journal of Emergency Medicine*, 17(5), 527–530.
  - This is a comparison study specific to the purchase and implementation of computers on wheels (COWs) versus very efficient agile laptops (VEALs). The author discusses costs and benefits.
- Rundio, A. (2012). The nurse manager's guide to budgeting and finance. Indianapolis, IN: Sigma Theta Tau International. ISBN: 9781935476672.
  - Review Chapter 6, "Understanding Capital Budgets," pages 72–81, which explains the key components of capital budgets.
- Tucker, S. (2014). Determining the return on investment for evidence-based practice: An essential skill for all clinicians. *Worldviews on Evidence-Based Nursing*, 11(5), 271–273.
  - This is an editorial on the financial implications of evidence-based practice.
- Welton, J. M., & Harper, E. M. (2016). Measuring nursing care value. *Nursing Economics*, 34(1), 7–15.
  - This describes the value of nursing and how to establish the cost of nursing care, which is important as it relates to nurse retention and cost.
- Zimmerman, D. M., & House, P. (2016). Medication safety: Simulation education for new RNs promises an excellent return on investment. *Nursing Economics*, 34(1), 49–51.
  - This is a commentary on simulated instruction as a top priority for nursing administrators.

### Option for Further Exploration

The following resource is offered as an option for further exploration of the perspective of audits in practice to improve the quality of care. This resource might assist you directly in completing your assignment. To find specific readings by journal or book title, use Capella's [Journal and Book Locator](#).

- Tsaloglidou, A. (2009). Does audit improve the quality of care? *International Journal of Caring Sciences*, 2(2), 65–72.

## Multimedia

The following practice exercise provides an opportunity for you to check your knowledge of common finance and operations management terms.

- Click **Unit 9 Vocabulary: Drag and Drop** to begin.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

Course Resources

---

Unit 9 Vocabulary: Drag and Drop

u09s1 - Learning Components

- Assess the relevance and credibility of information sources.
- Identify budget parameters and organizational requirements.
- Determine budget parameters.
- Determine the proper application of APA formatting requirements and scholarly writing standards.
- Identify methods of cost control.
- Determine the benefits of a capital expenditure.
- Analyze variances.
- Determine the proper application of the rules of grammar and mechanics.
- Determine the need for particular assets, equipment, services, or goods.
- Identify applicable cost calculation methods.
- Calculate costs.
- Plan for contingencies.
- Assess the reliability of cost data.
- Distinguish between direct and indirect expenses.
- Identify capital assets, equipment, services, or goods.
- Properly format budget items.

**u09s2 - Vila Health: Developing a Capital Budget**

## Multimedia

The following interactive exercise introduces you to the process of creating a capital budget, which will help you in completing this unit's assignment.

- Click **Vila Health: Developing a Capital Budget** to begin.

Course Resources

---

Vila Health: Developing a Capital Budget

**u09a1 - Preparing and Managing a Capital Budget**

## Professional Context

In today's health care environment, the focus on major purchases as part of the capital budget has emphasized the need for newer and better technology. Although the need to invest in capital equipment and technology has been ongoing, the nursing workforce must also have a safe and pleasant work environment.

This assignment provides an opportunity for you develop a capital budget for a major facility improvement that will benefit patients, nurses, and the organization.

## Scenario

You are the unit manager of a 50-bed, step-down unit, and it is time for you to prepare your annual capital budget. You have seen a significant turnover in your nursing staff in the past three years. A review of exit interviews and patient surveys indicates low nurse satisfaction, poor morale, and complaints of an antiquated and depressing work environment. You have researched the impact of a positive working environment on staff productivity and morale and decided to request a renovation of the nurses' lounge as the main purchase in your capital budget. You will present your request as a quality improvement investment.

## Instructions

**Note:** The requirements outlined below correspond to the grading criteria in the Preparing and Managing a Capital Budget Scoring Guide, so be sure to address each point. You may also want to review the performance level descriptions for each criterion to see how your work will be assessed. Additionally, the Guiding Questions: Preparing and Managing a Capital Budget document, linked in the Resources, provides additional considerations that may be helpful in completing your assignment.

Prepare a capital budget for a facility renovation.

**Note:** You may use the budget in the Vila Health: Developing a Capital Budget multimedia exercise from this unit's studies as an example of how you might format your table. You may also use a budget format used in your organization or a format you find in any of the course resources or on the Internet.

- Describe the capital acquisition.
- Justify the need for the capital acquisition.
- Prepare the capital budget.

**Note:** Assemble your budget figures in a table, using a format of your choice. You may use either Microsoft Word or Excel to create your budget table.

- Describe the process for calculating costs.
- Present a plan for budget management.
- Explain how the renovation will affect the financial health of the organization.
- Present budget data and information clearly and accurately.
- Integrate relevant and credible sources of evidence to support your budget data and information, correctly formatting citations and references using APA style.

**Note:** Remember, you can submit all, or a portion, of your draft budget to Smarthinking for feedback, before you submit the final version for this assignment. However, be mindful of the turnaround time of 24–48 hours for receiving feedback if you plan on using this free service.

## Submission Requirements

If you used Microsoft Excel to create your budget table, submit the Excel file along with your budget narrative. You may also add the Excel file to your Word document as an embedded object.

Format your budget using APA style.

- Use the APA Style Paper Template linked in the Resources. An APA Style Paper Tutorial is also provided to help you in writing and formatting your analysis. Be sure to include:
  - An APA-formatted title page and reference page. An abstract is not required.
  - A minimum of five properly-formatted citations and references.
- Your budget should be 4–5 pages in length, **not including** the title page and reference page.

**Portfolio Prompt:** You may choose to save this learning activity to your ePortfolio.

Course Resources

---

[APA Module](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[Introduction to the Writing Center](#)

---

[APA Style Paper Template \[DOCX\]](#)

---

[APA Style Paper Tutorial \[DOCX\]](#)

---

[ePortfolio](#)

---

[Smarthinking Tutoring](#)

### **u09d1 - Return on Investment**

Return on investment (ROI) is a common measure of the profitability of a capital project. Simply put, it is the ratio of benefits to costs. The benefit realized from the investment is divided by the cost of that investment. In this discussion, you will explore the concept of ROI from a personal perspective to illustrate how financial decision makers consider a major capital expenditure that you might propose.

The nursing profession is often viewed as a discipline that offers opportunities to grow and reap potential benefits or rewards for both the individual and the people to whom services are provided. In this context, the ROI could be viewed as a comparison of the time and expense nurses invest in continuing professional education and the benefits to patients that result from changes in an organizational culture more focused on safety, positive patient outcomes, or several other important aspects of health care.

Consider your role in your current practice setting:

- Identify a major investment that you might make in your professional growth and development, for example, new technology or equipment, or perhaps further education of some type.
- What might you expect as a fair return on your investment, on both a personal and professional level, that would justify the cost?
- What criteria might a particular health care organization or service provider apply to evaluate the return on a capital investment?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## **Response Guidelines**

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- How does your idea of an acceptable return on investment compare to that of your colleague?
- Can you offer any examples of ROI decisions that you have experience with, or knowledge of?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[APA Module](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[Introduction to the Writing Center](#)

---

### **u09d1 - Learning Components**

- Determine the time period for cost recovery.
- Determine a return on investment.
- Determine the depreciation value of the capital assets, equipment, services, or goods.
- Apply the principles of effective composition.
- Determine the benefits of a capital expenditure.
- Proofread and edit written communications.
- Calculate costs.

## Unit 10 >> Budget Review and Self-Reflection

### Introduction

There is a substantive body of nursing research literature, as well as other relevant contemporary literature, that addresses the power and utility of self-reflection and self-evaluation. When nurses take time to self-reflect and review, they gain learning, self-empowerment, and advancement of their own thinking. Even though we have scientific evidence and validation of the importance of self-reflection and evaluation, it is intriguing how little time nurses allocate to this important work.

Unit 10 provides an opportunity for you to self-reflect and examine the extent and degree to which you have met each course competency through learning activities and assignments.

## MSN Program Journey

Click **MSN Program Journey** to review this useful guide.

Course Resources

---

MSN Program Journey

### Learning Activities

#### u10s1 - Studies

## Readings

Read the following articles, which offer some final thoughts on health care finance and the importance of financial management as a key role for nurse leaders.

From the Capella library:

- Meek, J. A. (2015). Overcoming "financial phobia". *Clinical Nurse Specialist*, 29(4), 207–209.
  - The author offers practical advice and resources.
- Thompson, P. A. (2014). Remember: Finance and nursing are on the same team. *Healthcare Financial Management*, 68(5), 136.
  - This is a brief commentary on collaboration between nursing and finance, both of which have the same goals.
- Welton, J. M., & Harper, E. M. (2015). Nursing care value-based financial models. *Nursing Economics*, 33(1), 14–19, 25.
  - This is a discussion of different financial models and how changes in nursing care can impact budgets.

From the Internet:

- Rundio, A. (2017). An overview of *The nurse manager's guide to budgeting and finance* 2nd edition. Retrieved from <http://cahcnews.com/articles/04-2016/ca-arundio-0416.php>
  - This is a good summary of the nurse leader's responsibility to effectively manage the financial aspects of health care and to ensure the fiscal accountability of their unit.

## Suggested Writing Resources

You are encouraged to explore the following writing resources. You can use them to improve your writing skills and as source materials for seeking answers to specific questions.

- [APA Module](#).
- [Academic Honesty & APA Style and Formatting](#).
- [Introduction to the Writing Center](#).

#### u10s1 - Learning Components

- Apply the principles of effective composition.
- Proofread and edit written communications.
- Reflect on lessons learned and their impact on professional practice.

## u10d1 - Capital Budget Review and Feedback

For this discussion, post a copy of your capital budget documents to the discussion board for review and feedback from your colleagues.

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you prepare your comments and feedback on your colleague's capital budget, consider the following questions:

- If you were asked to approved your colleague's budget, do you find the justification convincing?
- Is the budget complete?
  - If not, what line items are missing?
- How would you assess your colleague's plan for managing the budget and addressing budget variances?
- Is this capital expenditure a sound financial investment?
  - Why or why not?
  - Would you approve this budget?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[APA Module](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

u10d1 - Learning Components

- Apply appropriate criteria to budget evaluation.
- Apply the principles of effective composition.
- Proofread and edit written communications.
- Analyze a capital budget.
- Determine the benefits of a capital expenditure.
- Determine the need for particular assets, equipment, services, or goods.

## u10d2 - Self-Reflection

There is power in self-reflection at all levels of nursing. This week provides an opportunity for you to focus on how you have met each of the course competencies. Include examples of how the learning activities and assignments in this course helped you develop those competencies.

In addition, address the following questions:

- What lessons learned from your experience designing an operating budget will you be able to apply in your professional practice?
- What insights have you gained that will help you better manage a nursing staff, given the inevitable budget constraints and demand for increasing productivity?
- What lessons learned from your experience designing a capital budget will you be able to apply in your professional practice?
- How can you apply what you have learned in your professional practice with regard to best practices for determining equipment and services needs?
- What insights into the strategic aspect of financial planning will be of use to you in your professional practice?
- What questions remain unanswered for you about finance and operations management?

Ensure that your discussion post is adequate in length by following the requirements for postings found in the Faculty Expectations Message (FEM). In addition, be sure to cite at least one source from the assigned readings or other professional and scholarly literature, as applicable, to support your position, substantiate a claim, or when referring to the ideas or work of others.

## Response Guidelines

Read as many posts as time allows. Respond to the required number of peers and use the word count stated in the FEM, preferably responding to posts that have had few or no responses. Your responses are expected to be substantive in nature. You are encouraged to ask questions, elaborate on a particular point, offer an alternative viewpoint, or add comments that extend or sustain the dialog. Remember to cite your sources, as applicable.

As you contemplate your response, consider the following questions:

- Were your colleagues' experiences with this course similar to, or different from, yours?
- Have you noticed any general themes or patterns emerge in your colleagues' responses to the discussion questions?
- What suggestions might you offer regarding additional resources or support related to finance and operations management?

Course Resources

---

[Graduate Discussion Participation Scoring Guide](#)

---

[Introduction to the Writing Center](#)

---

[Academic Honesty & APA Style and Formatting](#)

---

[APA Module](#)

u10d2 - Learning Components

- Reflect on lessons learned and their impact on professional practice.
- Apply the principles of effective composition.
- Proofread and edit written communications.