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LEADERSHIP & BUSINESS PODCAST

EPISODE 37: ALAN MILLER – LESSONS FROM A LEADER

Ken White

From the College of William & Mary in Williamsburg, Virginia. This is Leadership & Business. The weekly podcast brings you the latest and best thinking from today's business leaders from across the world. We share the strategies, tactics, and information that can make you a more effective leader, communicator, and professional. I'm your host Ken White. Thanks for listening. He's one of the most successful CEOs and leaders in all of business. In 1978 Alan B. Miller founded Universal Health Services UHS. Since then, UHS has become one of the largest hospital management companies in the nation. Owning and operating facilities in 37 states with annual net revenues in excess of 8 billion dollars. Throughout his career, Miller has often been called upon by the business media to share his thoughts on healthcare and business. Miller learned about leadership on the high school and college basketball courts then in the U.S. Army before embarking on a successful career in business. He joins us on the podcast today to discuss leadership, what it takes to lead successfully, and why his passion is in the healthcare arena. Here's our conversation with the founder and CEO of Universal Health Services, Alan B. Miller.

Ken White

Well, Alan, thank you for being here. We appreciate your time. We want to talk with you about leadership. I mean, you certainly lead a large organization, a successful organization, you're considered a successful leader. When you were a young guy coming out of college, did you think you would be a leader someday?

Alan B. Miller

Well, I actually leadership there is, to a large part, innate because you have run into people in junior high school or high school, and there's something about them, even if you have a little group they seem to have they're the leaders they tell you where to go Saturday night. They tell you what you're going to do on vacation, and then for some reason or other, you tend to follow them. So who knows why, but there is an innate leadership where people are willing to they do have ideas and willing to put them forth. On the other hand, the military academies will tell you that they can make leaders so, but they also, I think, may leave out the part that when they recruit, they are recruiting for people who have been athletes, people who have been captains of their teams, people

who have done outstanding things in high school. And so there is a leadership quality already baked into the people that they are now going to make into leaders. So I think there is a lot of natural leadership, and then it should be worked on.

Ken White

When you first got out of college, military? Did you go in?

Alan B. Miller

Yes.

Ken White

And what did you? Did you start to learn about leadership?

Alan B. Miller

Yes.

Ken White

What were some of the lessons from the military standpoint?

Alan B. Miller

Well, I think that the big lesson is to be reliable. I mean, I inculcate this in my company to be trustworthy. You know officers don't lie, cheat, steal, and nor do they accept or tolerate people that do.

Ken White

Right.

Alan B. Miller

And I think that's leadership that's also good grounding for a company. But I think people have to trust you. That, to me, that's the biggest attribute or quality. If people trust you, then they will follow you. If they don't trust you and Mrs. Clinton will find out, they may not be willing to follow you because they don't know where it's going to lead. So it's integrity, and it's trust. Building integrity and trust. Well, the question then becomes how do you build integrity and trust. Over a period of time and keep your word. I always say I'm slow to agree, but once I agree, it's written in stone. If I give you my word, you can count on it. Absolutely count on it. And if people are now going to follow you, talk about the military, some people risking their lives following somebody it's not a serious in business, but they're risking their careers, they're risking their family's well-being by following you or being in a company that you lead. So there are serious consequences. And you should be trustworthy. Lou Holtz, to quote a leader, actually was a William & Mary coach.

Ken White

Yes, true.

Alan B. Miller

One saying I remember from him was people want to know before they know. They want to know how much you know. They want to know how much you care. And I think that that's very important to keep that in mind. And I always tell people if you don't care about people, if you're not a people person, then go into, you know, some sort of a job where you don't have to interact, and you know, because it's something you don't like or care about. But if you're going to lead an organization if you're going to lead people you should, you should care about them because they will know whether you care or not. And certainly, for military leaders, you're asking people in the most extreme to risk their lives. What else do they have? And you have to care about them even though you are willing to put them in harm's way. I'll quote Robert E. Lee. Robert E. Lee said that the most difficult thing is killing something you love. And he was talking about officers who love the army, and they love their people, and they've been with them for long periods of time. Very intimately. And then they have to sacrifice a certain number of these people. And he's saying not many people can do that. And that's the most difficult thing for an officer. A leader is to sacrifice what you love. Comes to mind. You know, people say pull the trigger. A lot of leaders can't pull the trigger when it comes down to it because they love or they don't want to harm or put in jeopardy things they love. It's tough.

Ken White

It's certainly not easy. I don't think if someone's in a non-leadership position, they may not appreciate how difficult leadership can be in making those tough calls. How do you learn to make those tough calls and be able to feel okay about it?

Alan B. Miller

Well, let's work back. I have never been in a position where I put people's lives on the line.

Ken White

Sure.

Alan B. Miller

So I shouldn't. I can't talk with authority. I don't know if I would, in fact, be that ultimate leader where you are committing your company or your battalion to 30 percent casualties at the outset. But for the business standpoint, I don't have a problem with the fact that we employ a very large number of people. I multiply that by three, two, or three. So I have their family and their children, and I think about that all the time, and they are relying on the company that I lead to be successful to provide them a living, to provide them a

future, to provide them a safe working environment. I think about that all the time, so I don't have a problem in telling the people that work with me. Who have responsible positions that if somebody can't contribute to the company or in some way is harming the company, then we have to part company with them? Look, anybody enjoys firing anybody. They're not the kind of people I want to know. Sure, but at some point. Just like the military officer, you have to do what is best for the organization.

Ken White

We'll continue our discussion with Alan Miller in just a minute. Leadership & Business is brought to you by the Center for Corporate Education at the College of William & Mary's Raymond A. Mason School of Business. The Center for Corporate Education can help you and your organization by designing and delivering a customized leadership development program that specifically fits your needs. If you're interested in learning more about the opportunities at the Center for Corporate Education, check out our website at wmleadership.com. That's wmleadership.com. Now back to our conversation with the founder and CEO of Universal Health Services, Alan Miller.

Ken White

What do you like about leading your organization? What gets you fired up?

Alan B. Miller

I it's not thinking about the leadership part about it; I enjoy accomplishing, and I work hard. I enjoy accomplishing. I enjoy having a reputation for excellence and in my business in the hospital business. We build hospitals. We are the best people we can possibly find. We keep give them the best equipment because, ultimately, our goal is to make everybody who comes to us. Much better off than when they came to us and to provide an excellent care for these people. And when we do that in different communities, and we are in a lot of communities now, I get a big kick out of that. I mean, that's my satisfaction. Let me tell you a story, a quick story.

Ken White

Please.

Alan B. Miller

That I have talked to the company about, and I found out about a couple who lived in Arizona, and the woman had difficulty carrying a baby to term, but she had a few miscarriages. She had a baby, and she was going to deliver a very small baby prematurely. And the people in Arizona specialist told her that chances of the baby surviving were very, very slim, if nonexistent. She got in a car with her husband. She came to our hospital in Summerland, Nevada and which is part of near Las Vegas in Las Vegas. And the baby was

delivered at one pound. Now I can't imagine how you could have all the organs and everything else compressed in one pound, but the baby was delivered. The baby was in the hospital for five months had incredible care from our people and a couple of physicians that I am now familiar with. And the baby left the hospital at nine and a half pounds. All of the tests proved that all of the organs were functioning. They said the way the baby reacts and all they think this is a very smart and it's going to be a very healthy. It is a healthy baby, and I have been following this baby now. He's in our annual report. Alexander. And for some reason, I'm just tickled with this because, you know, people talk about massacres, and they talk about even the Holocaust. You can't relate to six million people or to a flood would 450 people. But if you have one example, you can relate to that. And this one pound of protoplasm that's now a person, I feel like we are the parents of this child. And I didn't build a hospital. We didn't staff it if we didn't have the equipment. It has tickled me, and so he's in our annual report.

Ken White

That's great.

Alan B. Miller

And we're going to follow him. Yeah. I feel like I'm related to him.

Ken White

Absolutely. How important is the field? Hospital and health care, how important is that to you in terms of your passion? Could you be as passionate in retail, for example?

Alan B. Miller

No, our business is the field. I mean, we have a corporate office, and I had a meeting just the other day. Every quarter we meet with the corporate staff. We have about 700 people in a corporate office. But I tell them there are no patients here. And our job is to support everybody in the field because that's where we deliver the care. That's the company's mission is taking care of patients. So we're very passionate about it. And I like to think everybody in our office realizes if they buy a piece of equipment or if they collect an outstanding debt or no matter what they're doing, they are supporting what we do in the field. So I showed a tape of Alexander, and half the people were crying, and I said, well, wait a minute, we made that happen all of us have a little piece of that nine-and-a-half-pound fellow that's now cute as can be.

Ken White

Yeah.

Alan B. Miller

Cute as can be. So yeah.

Ken White

It means a lot.

Alan B. Miller

Means everything.

Ken White

Health care and, in general, as you're moving forward, what are some of the hurdles, challenges, and opportunities on the landscape?

Alan B. Miller

Well, I mean, the basic thing is that this is an essential business essential area demographic people are getting older. The country is up over 320 million people and aging. As you know, the population, because of increases in technology health care people are getting older living older and older, but they need more and more care. And so my business will not be obsolete. Methods of treatment will change. There's new technology, there's new pharma, there's new ways of doing everything, and that continually changes, and we change with it every day in every of our units. We have about 240 hospitals total. Behavioral health and acute. And every one of them has a big capital budget. We buy equipment. We put away all the equipment that can function, as well as new equipment. So it's always changing, but the basics of it, the demographics taking care of people and people that get sick and injured or have mental problems, that's hardly ever going to go away.

Ken White

When you visit your hospitals and you see patients, you meet people like Alexander. What are some of the major changes you've seen today, the way it looks in your business, say maybe 25 years ago?

Alan B. Miller

I'm not a clinician. The only way I could answer this is equipment and training. Our people the equipment we have is unbelievable. But that's technology changes all the time. It gets better and better. And the training of the people gets better and better because we know more, and the analytics are a big part of our business now. So there's a lot of changes. Continually. Continually.

Ken White

And you've got to embrace that, right?

Alan B. Miller

Well, without question.

Ken White

Yeah.

Alan B. Miller

But Alexander, I mean, chances of him being where he is today, you know, ten years ago is zero. I don't really I don't know what happened in the intensive care unit. You know, the neonatal intensive care, the equipment that's in there, the training the people have, what they had to do to keep him alive. I mean, it's monumental. The difference is ten years ago. He's gone. He's not even a thought.

Ken White

Right.

Alan B. Miller

It couldn't happen.

Ken White

Right. So back to leadership. You know we've got some of our listeners are emerging leaders early on in their careers, and hopefully, for them, they'll find a field in which they're passionate like you. Any other advice for them? I'd say 20-something coming up through the ranks. They think they may want to lead one day. You mentioned integrity any other last words for those folks to stay on the right track?

Alan B. Miller

Well, I think that leaders are being looked at, and you lead by example. Absolutely but that's basic tenant lead by example. So if you're going to say one thing and do something else, it undermines credibility and undermines trust. I don't think an effective leader can be that. You have to believe what you say, live what you say, lead by example. And when I say people are looking, I don't mean that you should do the right thing because you're afraid somebody is looking. You should do the right thing all the time. But people are looking, and if you do the right thing all the time and you do have your integrity, you do have character. Character being defined as what you do when nobody is looking. Then people will trust you, and they'll follow you. And if you have half a brain and some kind of intellect and a little good luck, you'll all be successful.

Ken White

That's our conversation with the CEO of Universal Health Services, Alan Miller, and that's our podcast for this week. Leadership & Business is brought to you by the Center for Corporate Education at the College of William & Mary's Raymond A. Mason School of Business. The Center for Corporate Education can help you, and your organization get to the next level with business and leadership development programs that specifically fit your needs. If you are interested in learning more about the opportunities at the Center for Corporate Education for you or your organization, check out our website at wmleadership.com. That's wmleadership.com. Thanks to our guest this week Alan Miller and thanks to you for joining us. I'm Ken White. Until next time have a safe, happy, and productive week.