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Vanderbilt University, Owen Graduate School of Management

Congratulations to the graduates, families, to the faculty. It is an incredible honor for me to be here speaking to an audience like you at an occasion like this.

Sustainably healthy societies have rituals and traditions for a reason. And graduation ceremonies are a part of that communal quilt for our society. Just as is the case with other rituals, their significance is pretty much what people choose to make it. You can choose to make Thanksgiving a time of true thanksgiving, where you go around the dinner table and have each person, people of all ages, talk about the moment they're most thankful for. Or not. You can choose to honor your country on July 4th by attending a parade or planting a flag. Or not. Socrates opined that the unexamined life is not worth living. Rituals and traditions are society's way of encouraging members to step back from day-to-day life and reflect on the important stuff—faith, family, values, citizenship, purpose, whatever. So I encourage you each to make a conscious decision about how you treat today.

It was 28 years ago, in 1983, when I was sitting in one of those chairs, and my parents were sitting in one of those *other* chairs. Back then a part of my dream was that maybe one day some organization would be foolish enough to ask me to speak at Commencement. So when I got this call, I was first thrilled, and then horrified as I thought about what the heck I could say that would be of value on this special day with this special audience. It was not helpful when one of my friends sent me a note from Gary Trudeau of *Doonesbury* fame saying, "Commencement speeches reflect the point of view that no set of graduating students should be sent out into the world without being properly sedated."

So, consistent with one of my themes today it is important for me to make my intentions clear: I hope to provoke a lasting thought or two about how to lead a distinctively robust and purposeful life while working in a for-profit setting. I will use some examples from DaVita, the company I work for, not because it's a paragon of anything in terms of results. Rather, because it is noteworthy in terms of its sustained effort to live community values in a for-profit workplace.

It is my impression that many commencement speeches focus on the "what," which is to say the importance of maintaining your belief that you can make a difference. That's great. I will instead try to provoke thought on the "how." How does one do this in the real world of tough budgets, two-career couples, mediocre bosses, companies under pressure, and the other vicissitudes of life?

But now back to the subject of reflection. Beyond reflecting on today's event, I encourage you to get into a habit of reflection, to in fact create a discipline of reflection. Because as you enter what looks like the vast ocean of the rest of your life, you will find the pressures of business, marriage, aging parents, raising kids,

making time for exercise, etc., create tremendous risk of squeezing out reflection from your life.

When I ask graduate students or older business associates about their life priorities, the answers are quite predictable: family first, maintain a solid career, primarily to take care of my family, and have a proper retirement. Faith is often cited; being a responsible citizen as well. Increasingly in the last years, many will add, invest in my health. Then I ask the younger ones about their industry and company selection, and the criteria they used. And I ask the older ones about how they allocate their time, their checkbook, and their positive energy.

The fact is that many folks get swept up onto the treadmill of the advancement aspects of their career and compensation, and/or have given up on the notion of finding fun or fulfillment in their jobs. I can relate to some of these tendencies because I shared the genetic predisposition. For me it took until the age of 43 in 1999 to experience the pivotal epiphany for me.

Up until that time, as a partner at Bain and the COO of a public company, I was regarded as a success and a distinctively good team builder. There was nothing inauthentic about the team building, and it was infused with much positive energy. But very clearly, the team building was a means, and better business performance and career advancement was the end.

In 1999, I was in the midst of wrapping up a failing endeavor, however. Three of the most prominent private equity firms in the nation and I had purchased a company that was going to transform American health care and make some serious money. Given the state of today's health care system, you know how well we did on the transformation front. And we also failed miserably on the serious money front. In fact, losing 50 percent of our investment, most of that loss came directly from errors in my judgment. But I learned more about business, people, and myself in those two years of failure than I did in my many years of success.

Well, anyway, we worked hard to liquidate the enterprise and I announced my resignation. And the fact that I'd be taking six months off to spend time with my family, hopefully lose a few pounds, and then probably work in the non-profit realm. I received a steady stream of headhunter calls to interview for other CEO jobs—because of my prior track record and (no doubt) my abysmal failure that I'd just run into the ground. In all instances, I said 'no thanks.'

Then one day I got a call about interviewing to become the CEO of a broken dialysis company in another state. I'd run a dialysis company once before in my career, and it had been the most professionally fulfilling time of my career. This led to an incredibly intense—*intense*—set of discussions with my wife and friends. Why did I want to go straight from one intense experience to another? Why would I have considered passing on the opportunity to spend six months with family and free

time when we could afford it? Why did I want to accept a turnaround challenge in another city that she and the kids could not move to? Serious stuff.

So I had to think a lot about the *why* question. How much was pure ego? Because I already tried to prove I could turn around a billion-dollar company that was virtually bankrupt. And how much was virtuous? I felt like life was giving me the exact pitch that the prior 20 years had trained me to hit.

The opportunity to take (Davita) a company with 10,000 employees (as they were called then), over 90 percent of them wage-earners, and attempt to create a special place for them to work, to grow, to serve. The only problem was the team was bankrupt, under investigation, being sued, and it was an 'away game.' What seemed like a decision-making burden at the time turned out to be a great gift because for the first time in my professional life I really had to figure out what my purpose was since the tradeoffs were so extreme. The result was that I took a job with a stronger sense of purpose than any job that I'd ever taken before.

For the first time the *means* and the *end* would be reversed. Instead of team-building and culture-building being the *means*, and healthy profits the *end*, the reverse would be true, meaning healthy profits, still necessary, would be the *means*, and a better working environment would be the *end*.

From this foundation emerged the concept of creating a sustainably healthy community at work; a community first, and a company second. A community that just happens to be part of a place in the form of a company. A healthy community just like many others people experience with their church, their military unit, their sports team, or their neighborhood. We came to call it the DaVita Village, and my title is Mayor. We actually make decisions based on the village metaphor and according to the mission and core values of the village. Highly imperfectly, of course, but highly human, as well.

When I first went to the Board of Directors and announced that we should call ourselves the village, you can imagine that it was not a very good meeting. Once they recovered from their initial shock, the comments went along the lines of "the mission and values stuff we can deal with, but now you've really lost it." They were worried that the community metaphor would lead to our then 11,000 or so teammates—now 35,000—to have unrealistic expectations about compensation and benefits, to pay inadequate attention to performance and results. And they also wondered if I had personally lost a sense of my fiduciary responsibility to shareholders. Our experience has proved the opposite because people understand that companies need to have profits, just like they understand that a community needs to have jobs. And just as they are willing to pay taxes to their community, they are willing to pay the tax of profit to shareholders, *if* there is a fair deal, *if* there is mutual caring, *if* there is transparency, and *if* there is a sense of mutual loyalty and community responsibility.

Now back to the *means* and the *end*.

If you actually looked at the sort of stuff I did then, team-building was the *means* and healthy profits were the *end*. Compared to the stuff we do now, the profit is the *means* and a healthy team is the *end*.

There's a lot of overlap in the activities. A lot. But there's an incredible difference in the texture of those activities, an almost palpable difference in intentionality, philosophy, and spirituality.

So what I submit for your consideration is to force yourself to be very clear on your *ends* and *means*, and be very honest in what your life says your priorities are, as opposed to what your mouth says. But to be clear on your *means* and *ends* is one thing. To figure out how to pull off an idealistic notion in a relentlessly real world is quite another.

r, we resolve to declare our intention and just start doing stuff to stumble in the direction of creating a community. I still remember that in the difficult days of those early years when I'd stand before a group of managers around the country and talk about the dream of building a special place to work, a community, in fact; and how I would build the greatest dialysis company the world had ever seen. I could tell that about two-thirds of the people in the room thought it was superficial blather at best and a naïve, manipulative attempt at the worst.

There were nights I would go up to my hotel room after a group event and just cry for feeling embarrassed at how poorly the message was received by so many. If I had not had to be so explicit in taking the job—with my wife, my friends, and myself—I'm sure I would have given up.

As the first couple of years went on, however, I became increasingly struck by how people at all income levels, and all education levels, of all ethnicities and personalities, want to be a part of a real team, a citizen of a real community. Not a team focused only on taking a corporate hill, but a team that wanted to help each live better lives, *while* taking the corporate hill, and to grow personally and professionally along the way.

The incredible allegiance to core values that most people were willing to live up to, of the mission was sincerely and competently respected. But unless the leadership sincerely followed through and tried to make a broader life agenda central to work it would not happen.

So we started incorporating the mission and values in every job interview across our then 450 locations, now 2,000. We included a mission values section in every annual executive performance review. We started doing more profit sharing with front-line teammates than any other health care service company we know. We established scholarships for the kids of our citizen-teammates. We established a

village service facility for teams doing good works in their community. We established Voice of the Village calls wherein about 2,500 different teammates every eight weeks would get on one phone call and get to ask questions of senior executives and see how they answer. And at our most sacred events and rituals each year, as the Dean indicated, we honor those individuals who are role models for our mission and values, not those who make the most money. Some stuff worked, some stuff failed. But what every effort demonstrated was our intention.

I ask you to consider the notion of using your business, your company, your job, as a vehicle for your values, to bring that notion into the forefront of your thinking, whatever form that might take.

The DaVita examples are just one way. But if at work you have this amazing concentration of talent, administrative infrastructure, intensity, relationships, life events, continuity, and thousands of hours of time, it is more fun to contemplate all that potential for good laying dormant, and focused on only the narrowest sense of a job and a company trying to make a profit, especially when doing good and being good is positive-sum, not zero-sum.

So I ask you to consider the notion of not just trying to be a business leader, adept at leading people to notable capitalistic victories, but rather a *life leader*, meaning someone who does well according to the conventional capitalistic scoreboard, but goes beyond this to create places to work where people get fulfillment and growth, and not just a paycheck—a workplace that adds social value to the community, not just taxable value into the tax base.

What advice might I give to someone who is considering the quest of being a life leader?

First, I offer that advice, not as someone who claims to be a strong practitioner, but rather one who claims to be a strong and serious student of long standing on this issue.

Second, I would assert that this is not a skill to be developed, not a set of techniques to be adopted. While growing your management skill as a business student, you set out to learn more about *business*. To grow yourself as a leader is a human thing. And for that, you must set out to learn more about humans, and yourself.

So here are six thoughts about becoming a life leader:

Number one, do it at work. This does not have to be about mobilizing charitable works outside the office. It could be focused entirely on creating a value-based community spirit within the organization. You can create a place where each individual learns more about their behavioral strengths and weaknesses, making the better spouses and parents at the same time.

Number two, speak your dreams. If you do not, there is no chance that you will hold yourself to them with the same rigor. And there is no chance that others will be inspired by your taking the risk and them doing the same. No one climbs a mountain accidentally. You simply must begin with the end in mind.

Number three, just as beauty is in the eye of the beholder, leadership is in the eye of the led. It does not matter one bit what you think of yourself as a leader. You are the leader other people experience you to be. And unless you can give voice to your weaknesses, out loud and in front of others, using exactly the same language that others are using at the water cooler when they're there without you, then you are not fully ready.

I asked our Board of Directors to commission an annual 360° review of me where an outside consultant interviews all the people I work with and my weaknesses are written up and shared publicly. I've stood on a stage in front of 2,500 DaVita teammates going over some embarrassing weaknesses. Because, how can you possibly expect the people who work for you to grow unless you demonstrate your striving to do the same thing? Both the company and me get scored each year on how well we are living the core values.

Number four, intentionality rules. People can smell your intentions and whether or not you are espousing corporate values or team pitter-patter, primarily as a mechanism for persuading them to pursue a business objective or whether it reflects me caring about them.

Number five, don't wait. It is easy to fall into the pattern of saying, "I will wait until I'm vice president before I will try to change this." I am not suggesting that anyone try to commit career suicide. I am asserting that leadership is not a function of position; it is a function of behavior. At times, I like to remind folks that the one thing you expect from a leader is that they *lead*. They don't wait for it to be convened. When you postpone living your values, they are *not* your values; they are your preferences.

Finally, number six, one cannot pour from an empty cup. One cannot give what one does not have. You must keep yourself physically and spiritually fresh enough to give your team and community the kind of leadership that is required in the marathon of collective endeavor. And you must do the same for others. This does not mean folks cannot work very, very hard. But it does mean that much work must be energy producing and not energy depleting, spiritually reinforcing, not spiritually dilutive.

One thing we did was establish the day of reflection with a trained facilitator where a team gets to take a full day off, go someplace very quiet, with a set of questions co-designed by them with their facilitator to help them reflect on their life. In addition, we have tied bonuses to reducing travel for people who were doing too much. We tied bonuses for people to increase their vacation days and the number of those

days that had zero digital pollution. Underpinning all those thoughts is the basic notion that you should never concede the 50 or 60 hours you work each week to be less spiritually fulfilling, to be less marked by positive spiritual energy, than the 50 to 60 non-sleeping-and-eating hours you have off the job. Work is such a huge percentage of life for most of us, and those who will work for us, that is a grotesque concession to make.

To proceed down the path of *life leadership*, you must bring the same rigor to developing your life plan—your life purpose—as you do to a business plan. And equally essential, you must develop ways to honestly monitor your human progress. One idea is personal journaling. I started about 15 years ago a weekly exercise of writing down my thoughts on my life performance across six categories: right-body, right-thought, right-family, right-friends, right-work, and right-plan. I found I needed that structure to avoid getting into bad behavioral ruts. I find it much harder to delude myself when I am staring at the written word than when I'm just talking to myself.

A second idea is a *life board of directors* with both my siblings and a couple of close friends. We invest in regular and intense reviews of all aspects of our lives. There's no better environment, because there is on the one hand unconditional love and support, and on the other, brutal familiarity and honesty.

The third idea is regular quiet time, whether that is backpacking in the wild, daily meditation, or a weekly walk, you need time to be with yourself.

Now, some of you may be wondering what a commencement speaker is doing sharing some of this detailed stuff, the equivalent of operating ideas in what is supposed to be a strategic discussion. My experience is that while it's one thing to generate moments of exceptional clarity and exhilarating goals and resolutions, it's quite another to make them come true.

Day by day, we create our own destiny. Goals and dreams deserve a level of planning and execution proportional to their importance and difficulty. The powerful idea is to literally force yourself to figure out ways to act on your stated intention. Some of the steps may seem way too pedestrian. But let's remember that the most beautiful cathedral started with someone digging a hole and someone laying a few bricks. What a *life leader* does is make sure that everyone knows they are not just digging a hole. That instead, they are building a beautiful and lasting cathedral where good things will happen. The activity is exactly the same. The intentionality that it's wrapped in is radically different.

One of the most specific ideas that may have broad application for many of you over the next 20 years is simply making sure your workplace is providing a systematic safety net for lower-paid teammates who experience a tragedy with financial implications. One of our first village programs was the DaVita Village Network. For many of our teammates, there is no safety net when disaster strikes in the form of

an illness, a fire, a death, an accident, and the local teams are too small to fill the gap. Up steps the Village Network whereby we use the infrastructure of business to weave our 2,200 locations into a nationwide safety net, where, when a teammate takes after-tax dollar out of their pocket to help another teammate, we take an after-tax dollar out of the company profits to match it.

I'll provide you with just one example. We had a teammate, a lower-paid teammate whose four-year-old daughter suffered a grand-mal seizure. She was a single mother, who had no additional income. Her life was in a terrible spot. The DaVita Village Network came to the rescue and she sent the following note to the rest of the village:

"I came to work with a lingering worry in my heart. Ever since my daughter Emma has been in hospital, I have been afraid. Afraid that it would happen again to her. There's a 50 percent chance of her having more seizures. Afraid of how I will provide for her financially, from the hospital bills calling my name from that devastating night. Afraid if I will make it. I've really tried to stay positive throughout all of this, but it is hard. Then during our weekly home-room, my manager presented me with a Village Network grant and letter. I cannot even begin to tell you how this has affected me today. Not only did I feel a huge relief from the recent pressures, but I have a feeling of family and love. A feeling of a village that will stop at nothing to help another person in their time of need. Never in my life have I experienced anything to make me feel this special. So from here on out, my day has a different outlook. My heart feels calmness. I feel calm simply because it has been proven to me this morning that the human soul is one of the most powerful forces in making good things happen. Thank you, DaVita, for showing me the true meaning of team. One for all, and all for one."

That was clearly a good thing, but that is not the point. My point is that if every company each of you work for over the next 30 years did this sort of thing systematically, methodically, thoroughly, instead of an ad hoc reliance on someone local getting excited, then the world would be a better place, and all teammates would feel better about their role in the community and in your company.

So as you move in to an incredibly busy, exciting phase of your life—new jobs, marriages, having kids, making major decisions between different paths—you will have a marriage or partnership, you will feel career stress, you'll want to establish yourself in your career, you might gain some weight, you might have high cholesterol for the first time, there will be many pressures. The play of your life moves along at such a fast pace. I'm still in partial denial that I am 55 years old with absolutely no vertical jump remaining. And you will never know when the good things you do are going to be like water in the sand, or whether it will be the domino that falls and sets an amazing number of good things in motion.

I am nearing the end of honor of addressing you. My training demands a quick summary: First, *clarify* and *speak* your intention; second, *be* your intention; third,

reflect openly on how you are doing in *living* your intention; and fourth, welcome others into the adventures of intentional leadership and leading a purposeful life.

There is an old Indian saying, “Most people go to their graves with their music still inside.” I urge you to take a job where you can let your music out or strive to change your chosen work environment to one where this is encouraged.

I urge you to provoke real conversations about intentionality and values in the workplace, to promote the notion of profit with a purpose, of profit as a means and not as an end. I urge you to be prudent. The objective is to make a difference, not to make a scene. To recognize that creating special places takes time. You are not trying to win an argument. You are trying to win over hearts and souls that conventional business has cumulatively deadened.

I promise you that if you make your intentions public, and are willing to listen to other people discuss how your behaviors match your stated intentions, then you will live not only the length of your life, but the breadth and depth as well.

I wish for you the realization that many of the most dramatic victories in life are those that take place within your own brain, heart, and soul. As you seek to make your life purpose manifest in how you behave each and every day with each person. For those of you who aspire to achieve positions where you have a major impact on many others who work for you, I wish for you the dream of creating a workplace community where fun, fulfillment, trust and teams speak as strongly as profit, and where people realize that those are not two different songs, but instead one glorious harmony.

I close with the words from the Buddhist monk Thich Nhat Hanh, who counseled, “Speak with your life, not just your words.” With that definition of speaking in mind, as I look out at the group of you incredibly talented and trained young leaders who could send amazing ripples of citizen-leadership throughout your communities just by leading a life of intentional leadership each and every day. In that definition of speaking, I urge you to speak up, speak out, and speak on.

Thank you.