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- Thank you for that kind introduction.
- Being from the health care sector, you would expect a medical story, and I don't want to disappoint.
- Here it goes:
 - A person runs into a doctor's office and says, "Doctor, you have to help me – I'm shrinking."
 - The doctor says, "Take it easy. you'll just have to be a little patient."
- The lesson is that to achieve anything in life, you need to be a little patient – not too much, not too little.
- Tonight, if you are a little patient, I would like to share four topics which I hope will be helpful as you shepherd your own organizations to ever greater success:
 - The need for reinvention to remain relevant
 - Essential elements of Henry Schein's success
 - Traits of a successful leader
 - Lessons learned from colleagues
- Henry Schein's history is of one of ongoing reinvention to remain relevant to our customers.
- Innovation is not about technology, but technology is often a key ingredient in successful innovation.
- Henry Schein has been adapting to change and reinventing itself since our founding as a storefront pharmacy in Queens in 1932 in the midst of the Great Depression.
- In 1962, Henry Schein began our transition from a drug store with med-surge to the dental mail-order business with best-in-class service by creating a dental catalog that went on to become the gold standard for the industry.

- In the 1980s, we became a leader in the distribution of generic drugs in the United States and in infection control products during the AIDS epidemic.
- In 1989, we transformed Henry Schein from a U.S. mail-order dental company to a global provider of health care products and services.
- Today Henry Schein is the world's largest provider of dental, animal health and medical products and services to office-based health care practitioners.
 - In 2014, our sales reached \$10.4 billion.
 - We have over 18,000 Team Schein Members, operations on the ground in 33 countries and serve more than one million customers.
 - Henry Schein is #287 on the Fortune 500 list.
- We are now transforming our company into the trusted advisor for health care providers to turn to for greater business success so practitioners can focus on providing high quality patient care.
- What has enabled us to reinvent ourselves over and over again and succeed in the marketplace are five essential elements that I want to talk about tonight:
 1. Trust, which is built up among all constituents
 2. Culture, where the "Team Comes First"
 3. An "intrapreneurial" spirit
 4. Diversity to access the fullest range of skills and thinking
 5. Strong leadership, which recognizes the importance of and supports all of the above elements.
- Success requires building trust with all constituencies.
- At Henry Schein, we have five constituencies that make up the Henry Schein Mosaic of Success:
 - Our Team Schein Members, who are our main source of competitive advantage;
 - Our supplier partners, whose products we represent in the marketplace;
 - Our customers, who rely on Henry Schein to help improve practice efficiency and success so they can focus on what they do best, which is deliver quality care to their patients;

- Our investors, who provide us necessary capital and who expect a good return on their investment;
- And society, our fifth constituency, our commitment to which is our “secret sauce,” fuels our striving for excellence, and makes our people proud.
 - Successful organizations need purpose.
- In our company, it is important to build trust with all five constituencies.
- One way that we do this is through our corporate social responsibility program, which serves society as well as our bottom line.
- In our view, “doing well by doing good” is not just the right thing to do, it is also good for business.
 - This gives business a purpose.
- Through Henry Schein Cares, we leverage our core competencies and engage in public-private partnerships to expand access to care for underserved populations.
- Trust among all our constituencies leads to better performance, improved retention rates, higher employee engagement and the ability to led change among the constituencies.
- We are not alone. Studies by Harvard Business School and Babson College have found that firms with a sense of purpose and long-term focus significantly outperform their counterparts.
- Success requires the recognition that it is all about people. Our success is based not only on trust (a necessary) but also on engaging everyone.
- Jay Schein, the son of our founders, Henry and Esther, and one of my mentors, once said, “This is what we are all about – a concern for people and a concern for results.”
- At Henry Schein, we believe the success of our business is the result of a values-based culture where the “team comes first.”
 - You need accountability to the team and transparency.
 - At the same time, our promise is to create an environment in which all team members can realize their fullest potential.

- Success also requires fostering a spirit of “intrapreneurship”
- One of the key mentors to Henry Schein was Dr. Edward B. Shils, who was a pioneer in entrepreneurial studies at the University of Pennsylvania, and who led the Dental Manufacturers of America for many decades.
- Ed impressed upon us the importance of building a culture of “intrapreneurship,” which is entrepreneurship inside an existing organization. A climate in which engagement is encouraged at all levels and one in which everyone has the potential to create. by doing this, innovation naturally follows.
- Intrapreneurship is largely “the art of management through ambiguity” – and it is critical especially in a climate of rapid change.
- Henry Schein’s history is filled with great examples of creative Team Schein Members who have seen opportunities to expand our business and found ways to make it happen.
- Success requires embracing diversity.
- By the year 2043, there will be no single majority group in the country. The United States will be a “plurality nation.”
- The developing world is taking on increasing importance each year. By 2030, Asia will have 3 billion middle class people, 10 times more than North America and five times more than Europe. And by 2050, China, India and Brazil will account for nearly half of the world output.
- Successful organizations embrace diversity. Diversity provides an organization with a rich tapestry of perspectives and experience. For Henry Schein, this means an active support for diversity within the professions that we serve and within our own team.
- Lastly, success requires leadership able to elicit the best from people at all levels of the organization.
- According to Professor Klaus Schwab of the World Economic Forum, “Leaders must ignite passion. They must have soul, heart, brain and nerves to advance their values-based vision.”
- So what are the qualities of such leaders? Here are my five traits of a successful leader:
- Good leaders know the importance of building trust by balancing their constituencies.

- As a leader, it is my role to do a radar scan every day across the five constituencies that make up the Henry Schein mosaic of success – Team Schein Members, supplier partners, customers, investors and society – to see which needs attention.
- Keeping the constituencies that make up the success of the business in alignment and in balance is what leadership is all about.
- I run for office among Henry Schein’s five constituencies daily.
- Good leaders are like good summer camp counselors. They know how to get everyone engaged in pursuing a common purpose.
- You have to have engagement, inclusiveness and consensus so everyone can work together and get things done.
- The best leaders are those who can quickly gain consensus.
- At Henry Schein, some of our best leaders are not experts in any field in the company but are just good at bringing people together on one team, working toward one common goal.
- We have people in our company who don’t even have a university education, but are holding senior positions in the company today. They’re great leaders. They know how to take a group of people and get everyone to “play” together. If a person can convince everybody to work together, that’s a leader.
- Good leaders are coaches, facilitators and mentors.
- Organizations do not need bosses – they need leaders who will help build new businesses by backing people and ideas.
- In an environment of change, being a successful leader is not about being the big boss, knowing everything, and doing things the way they’ve always been done. Instead a successful leader supports the whole team in finding new and creative solutions and opportunities.
- Leadership is a behavior, not a position or title, so everyone can challenge (so long as the challenge is not political).
- Good leaders are flexible.
- For individual leaders, this means being willing to wear many different hats over the course of their careers.

- For example, many talented Team Schein leaders are now filling a role that is very different from the one they held when they joined the company. We give people the opportunity to grow, which not only strengthens our team and meets important needs within Henry Schein, but also builds tremendous engagement.
- Good leaders are transformational.
- Transformational leaders envision things as they could be and find a way to make it happen. They embrace change and are willing to risk abandoning the status quo to pursue a vision of something better. In the words of hockey legend Wayne Gretzky, they “go to where the puck is going.”
- They continually ask the question, “why not?” Transformational leaders understand what Robert Kennedy meant when he said, “Some men see things as they are and say ‘why?’ I dream things that never were and say, ‘why not?’”
- Transformational leaders are inspired by what the poet Robert Frost wrote: “Two roads diverged in a wood, and I took the one less traveled by. And that has made all the difference.”
- The biggest challenge is change in a business that is running well. It is hard when “things” are going well.
- I also have learned valuable leadership lessons from my colleagues.
- Jim Breslawski: “We Can Do Anything, But Not Everything.”
- Steven Paladino and Mark Mlotek: balance between two visions – dreaming and optimism and reality and concern.
- Gerry Benjamin; “The most successful people are those who are good at plan B.” “Pay attention to details and always scratch below the surface.” “Anything that gets measured and watched gets better.”
- While giving attention to all of the elements I talked about tonight – building trust inside and outside the organization; creating a culture that recognizes the importance of people; fostering an intrapreneurial spirit; embracing diversity; and strengthening leadership – may sound like a tall order, I want to leave you with tonight with one last lesson from President Mandela: “It always seems impossible until it’s done.”
- Whatever your goals are for your business or for your own careers and lives, remember that many of the things that are today were considered impossible yesterday. Thank you for inviting me to share these thoughts with you tonight.