

Mission-Driven

An Interview with Michael J. Alkire, President and CEO, Premier Inc.

EDITORS' NOTE *Michael Alkire, who joined Premier in 2003, is a seasoned healthcare executive with nearly 30 years of operational, technology and business development leadership experience. He was named the company's Chief Operating Officer in 2013, its President in 2019, and its CEO in 2021. Prior to serving as President and CEO, Alkire was president of Premier Purchasing Partners, which offers group purchasing, supply chain and*



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and resource utilization services to hospitals and health systems. Alkire is a past board member of GHX and the Healthcare Supply Chain Association. He recently was named one of the Top 25 COOs in Healthcare for 2018 by Modern Healthcare. In 2015, Alkire won the Gold Stevie Award for Executive of the Year and in 2014 he was recognized as a Gold Award Winner for COO of the Year by the Golden Bridge Awards. He has more than 20 years of experience in running business operations and business development organizations at Deloitte & Touche and Cap Gemini Ernst & Young. Before joining Premier, he served in a number of leadership roles at Cap Gemini, including North American responsibilities for supply chain and high-tech manufacturing. Alkire graduated magna cum laude with a BS degree from Indiana State University and an MBA from Indiana University.

COMPANY BRIEF *Premier Inc. (premierinc.com) is a leading healthcare improvement company, uniting an alliance of more than 4,100 U.S. hospitals and health systems, and approximately 200,000 other providers and organizations, to transform healthcare. With integrated data and analytics, collaboratives, supply chain solutions, and consulting and other services, Premier enables better care outcomes at a lower cost. Premier plays a critical role in the rapidly evolving healthcare industry, collaborating with members to co-develop long-term innovations that reinvent and improve the way care is delivered to patients nationwide. Headquartered in Charlotte, Premier is passionate about transforming American healthcare.*

How do you define what makes Premier different?

At Premier, we are guided by a singular vision: To use the collaborative power of our alliance to lead the transformation to high-quality, cost-effective healthcare. It's a simple rallying cry behind which everyone can unite and under which all of our activity falls.

During the COVID-19 pandemic, our mission of improving the health of communities took on an even more significant meaning as we lived our

four core values each day:

- Integrity
- Passion for performance
- Innovation
- Focus on people

It seems so basic, but codifying our values in the simplest of ways is how we maintain such an intense concentration on our mission.

Over the years, my colleagues at Premier have continued to impress and astound me with their intellect, skill and drive. It's not simply about delivering what is outlined in a contract. It's figuring out a way to get food to a nursing home on the top of a hill during an ice storm, or how to get masks on the faces of doctors and nurses treating COVID-19 patients. We are also driven by our membership base. Since we work with more than 4,100 hospitals and health systems and roughly 200,000 providers (including nursing homes), it is incumbent upon us to "show up." Their success doesn't just mean success for our business, but it also means success for our communities – our friends, families and loved ones who rely on them.

Will you discuss Premier's long and deep commitment to diversity and inclusion?

We've always been keenly aware that diversity is critical to our business. It's critical

to ensuring a healthy and resilient supply chain, and it's critical to making sure we offer the best possible solutions to challenges our members might face at any given point in time.

We encourage our members to commit to certain agreements around supplier diversity to ensure that we foster equity in the marketplace by supporting minority-, women- and veteran-owned and small businesses. Furthermore, as a company, we get involved in organizations pursuing health equity in the communities we serve.

The fact of the matter is that we are predisposed to seek out alternative viewpoints – it is part of our DNA. Therefore, fostering a culture that empowers people of all different backgrounds to make themselves seen and heard and understood is a natural extension of the work we do externally.

Our commitment also manifests in the work we do. The U.S. Department of Health and Human Services (HHS) Office on Women's Health has contracted with us to analyze maternal and infant health data and create a network of at least 200 hospitals to deploy proven, evidence-based best practices. Our data captures 1.2 million annual births in the U.S., and we are proud to use it to enable hospitals to erase health inequities. This includes racial and ethnic disparities which are so important to address as we take on the work to make America the safest place to have a baby. It is our mission to ensure that women and infants across the country have the same access to high-quality care regardless of race, geography or socioeconomic status.

While diversity and inclusion is the right thing to do, you have also stated that it is critical for driving better business results. Will you elaborate on how diversity and inclusion impacts business performance?

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Supplier diversity is an essential component of our members’ success. The diversity of suppliers helps our member hospitals create jobs and improve life in the communities they serve. From there, it’s a virtuous cycle – as I’ve said many times before, our members’ success is our success. In fact, those of us at Premier would argue that diversity was a key part of the success of our pandemic response – 20 percent of our contracts are to diverse organizations. An example of the impact this has on business performance is our Sourcing Education and Enrichment for Diverse and Small Suppliers (SEEDS) program, aimed at increasing the number of small, diverse and regional enterprises doing business with members of the Premier healthcare alliance. The SEEDS program lends support to diverse and small business enterprises, enabling them to grow at a pace that is commensurate with their existing business infrastructure. Through the program, contracted suppliers are provided with resources and educational tools meant to help them gain contract sales with our members while building long-term relationships across the Premier healthcare alliance. SEEDS, in turn, fosters healthy markets by bringing more suppliers to the table and creating more competition and choice for our members.

The evidence is clear – diverse companies are more profitable. Those organizations with diversity perform better than their competition when it comes to innovation and financial performance. At Premier, we firmly believe that valuing and representing the dimensions of diversity isn’t just the right thing to do, it’s imperative to ensure our continued success in the marketplace.

What are the keys to being effective in attracting and retaining diverse talent?

As a mission-driven organization, we seek to attract people who want to affect positive change through their work. When we speak with computer scientists and engineers, something always clicks when they realize that a job with Premier is unlike anything they will find in the big tech space. Our artificial intelligence and machine learning technology, for example, is not designed to influence a consumer’s decision on what pair of sneakers to buy next. Instead, it is designed to change how patients receive care – for the better. Our mission is one that unifies and appeals to people of all backgrounds.

The pandemic has taught us so many important lessons. We always knew that people could be successful in their jobs from anywhere in the country. I like to joke that before COVID-19, I spent more nights sleeping outside of the state I live in each week. But I think people are far more comfortable now with the idea of working for a company that might not be headquartered where they live. This has made it exponentially easier for us to attract and retain talent.

Part of becoming more intentional about our diversity, equity, inclusion and belonging efforts is ensuring that we are creating a work environment – albeit virtual at the moment – that makes everyone feel welcome, valued and included.

How important are metrics to measure and track the impact of Premier’s diversity efforts?

I think it was Peter Drucker who said, “if you can’t measure it, you can’t improve it.” We spend our days working in the nitty gritty of data and analytics. There is no doubt that the numbers on the page matter. We want to see the data confirm that our efforts to ensure diversity are working. We also want to see the data from our employee surveys to make sure that everyone feels seen and heard and that they are treated equitably, regardless of race, gender, religion, sexual orientation or any other mode they use to define themselves.

While we definitely subscribe to Drucker’s concept, we recognize that there are things you can’t measure – things that are much easier to comprehend in action in real time. For example, how someone answers a survey question might not always align with how they feel and behave in a real-world situation. We need to see that our colleagues are respectful and open-minded. We need to see that our colleagues are able to express themselves freely. Those actions tell us far more than anything we can get from the data in a spreadsheet.

Premier serves a diverse client base. How critical is it for Premier’s workforce to mirror the diversity of its clients?

On one end of the spectrum, Premier’s membership is comprised of the largest hospitals in the biggest urban environments delivering high-quality care to the well-to-do and the impoverished alike. On the other side, we have members who are small-skilled nursing facilities in the most remote parts of the country you’ve never heard of. And then there is

everyone in between. As I’ve said, we live in the communities of the members we serve, so we have a vested interest in ensuring that they have everything they need to be successful. I would argue that compassion, empathy and emotional intelligence are what sets us apart to our members. So, while we may “look” like those we serve, we understand what they are going through, can relate to them and empathize with their experiences – which is often shared – that is how we make ourselves sticky.

How is Premier making sure that its diverse talent has opportunities to grow and lead within the company in order to retain this talent?

Our employee-based Council on Diversity, Equity, Inclusion and Belonging acts as our governing committee to define, drive and support our strategic objectives. In addition, our ten and growing Employee Resource Groups (ERGs) and other company programs provide opportunities for our colleagues to listen, learn, mentor and grow. Creating an atmosphere of trust and openness supports the engagement, development and retention of everyone who calls Premier home. As part of this work, we have created a pledge to serve as our guide:

- Demonstrate commitment and accountability for modeling behavior that drives diversity, inclusion and belonging.
- Cultivate and support a values-driven culture that promotes inclusiveness, innovation, openness, listening, learning and compassion.
- Build and maintain a diverse workforce at all levels of our organization. Identify, attract and retain a pipeline of diverse and qualified candidates through targeted outreach, recruitment, employee development and selection.
- Create a work environment that ensures equal access to opportunities for professional growth and advancement.

What do you tell young, diverse talent about the career opportunities that exist in the industry?

I tell all young people starting out in their careers to say “yes” to as much as you can. Try new things, explore areas that you might not be familiar with. Meet as many people as possible. Take chances. Do everything within reason to expand your horizons as much as possible. Regardless of how your diversity manifests, having a wealth of experience and perspective to draw from when you approach any situation will only serve as an advantage. ●