Boone Powell, Jr., MPH, FACHE: a conversation with the editor

Figure 1. Boone Powell, Jr.

Boone Powell, Jr., was born on February 9, 1937, in Knoxville, Tennessee (Figure 1). His family moved to Fort Worth when he was 5 years old and to Dallas when he was 8 years old. He graduated from public high school in Dallas in 1955 and from Baylor University in Waco, Texas, earning a bachelor of business administration degree, in 1959. He received a master of public health degree from the University of California at Berkeley in 1960. After completing a year of residency in

hospital administration in Memphis, Tennessee, he went to Hendrick Medical Center in Abilene, Texas, rising at age 33 to president and chief executive officer (CEO) of that medical center. In 1980, at age 43, he became president and CEO of the Baylor Health Care System, which he created and where he served until April 2000, when he became chairman.

Mr. Powell has received a number of honors for his work. He was recognized by *Business Week* in 1990 as one of the 5 best health care executives in the USA. He holds honorary doctorate degrees from Abilene Christian University, Dallas Baptist University, Hardin-Simmons University, and the University of Manila and an honorary doctor of law degree from Baylor University. He was a recipient of Baylor University's Distinguished Alumni Award in 1991. He is past chairman of the board of trustees of the national Young Life organization, a fellow of the American College of Healthcare Executives, a member of the board of directors of Abbott Laboratories, and past chairman of the Healthcare Leadership Council. In 1999, Mr. Powell was appointed by Governor George Bush to the Blue Ribbon Task Force on the uninsured. He was named chairman of the Health Industry Council, Dallas/Fort Worth region, in February 2000. He is married to the former Peggy Hogan. They have 3 children and 6 grandchildren.

William Clifford Roberts, MD (hereafter, WCR): *I am speaking with Mr. Boone Powell, Jr., in my home on August 18, 2000. Boone, I appreciate your willingness to speak to me and therefore to the readers of Baylor University Medical Center Proceedings. Could we start by discussing your upbringing, your mother and father, and your siblings?*

Boone Powell, Jr. (hereafter, BP): My family arrived in Fort Worth, Texas, when I was 5 years old, and 3 years later we moved to Dallas when Dad went to work at Baylor. He had been a pre-med student at the University of Tennessee during the depression and had wanted to be a doctor, but he could not find a way financially to go to medical school and his family could not help. He was with the Federal Housing Administration, initially in Washington, DC, and then in Fort Worth, when he heard about an opening at Baylor in the business office. The CEO of Harris in Fort Worth encouraged him to apply for the position. He was quickly promoted to assistant administrator at Baylor. Shortly thereafter the administrator resigned and Dad, after 3 years at Baylor, became the CEO (Figure 2). There were no programs or formal ways of being prepared to be a hospital executive during those days. Dad learned on the job and loved it.

In 1942, when the medical school relocated from Dallas to Houston, Baylor was not in very good shape. The facilities weren't good. Dallas was growing, and new facilities were needed. The Truett Hospital opened in 1950 or 1951. It was very advanced for that era. (That hospital has since been updated several times, and it's still very much in use today.) In addition, a number of Baylor's outstanding physicians had moved to Houston with the medical school. The physicians wanted to recruit only the very best physicians. They figured that a way to accomplish that goal was to reinstitute a strong teaching program. The first major step was getting Dr. Ralph Tompsett to come to Baylor. He was a distinguished internist who served as chief of medicine at Baylor for a long time. He was followed by Dr. John Fordtran in 1979. They and other leaders put much work into this rebuilding effort. Among others, Dr. Mike Reese was enthusiastic about this challenge. Dr. Reese subsequently built the largest medical oncology group in the USA. He spent considerable time recruiting medical residents and medical students to Baylor. He was able and convincing. Recruitment is easy when things are pretty strong, but it was not always that way. The folks who come later into an organization's life don't always realize what it took to get it that way.

What impressed me, Bill, was that the parties who are very important in running a successful medical center—the physi-

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Figure 2. Boone Powell, Sr., CEO of Baylor from 1948 to 1972 (photo taken in 1988).

cians, trustees, and management—came together to rebuild it and in doing so set some very high standards. Several things happened as a result. They put into place something that has been carried forward to this day: development of very strong medical staff leadership. The way that our medical staff physicians are selected for leadership posts is more comprehensive than what I have seen outside the hospital. That process has served the institution very well. I have a lot of admiration for the vision of the physicians, trustees, and management group—the way they set standards and then worked toward fulfilling them. It was clear to me when I came in 1980 that Baylor had a commitment both to superb clinical care and to clinical training. Both are part of our culture. With all these changes in health care, we try to find ways to continue to support our educational mission. That started in 1948. Dad came in 1946.

In the meantime, I was growing up. We came to Dallas when I started the third grade. I graduated from Woodrow Wilson High School. When I left for college, I was pretty determined not to be a hospital executive; I was going to go into banking or law. It was no disrespect for Dad. I just wanted to do something different. About halfway through Baylor University, however, I decided on health care. Neither my brother, 10 years younger than I am, nor my sister, 5 years younger, had any interest in health care. I was the oldest of the 3 children, and I was surprised that I ended up in health care.

WCR: What year was your father born?

BP: I think he was born in 1911. He was 84 when he died in 1996.

WCR: What year was your mother born?

BP: She was 2 years older than Dad was, so she was born in 1909.

WCR: When were you born?

BP: February 9, 1937.

WCR: What was your father's background? Where did he grow up?

BP: He grew up in Etowah, Tennessee, a small town east of Knoxville. My mother grew up in Lake City, Tennessee, a bit west of Knoxville. There were 9 children in Dad's family and 4 in my mother's family. Both granddads were in the mercantile business (stores). Neither was a person of financial substance.

WCR: Where was your father in that hierarchy of 9?

BP: He was in the middle.

WCR: And your mother?

BP: She was second of 4.

WCR: You were actually born in Knoxville, Tennessee. What was your father doing at that point?

BP: That is correct. He met Mom when he was going to the University of Tennessee while working part-time at the Catholic hospital, St. Mary's, where she was in the school of nursing. When they got married, Mom and Dad were living at Norris Lake just outside of Knoxville. He was the first superintendent of that park at Norris Lake, which was part of Tennessee Valley Authority. When I was a very small child, I can remember being in the motor boat as he went around to check on things. After that he went with the Federal Housing Authority, and we moved to Washington, DC, and were there for a while. He was then transferred to Fort Worth to build elementary schools. The school I went to in the first grade was one of the projects he had worked on.

WCR: While you were growing up, you worked periodically at Baylor University Medical Center (BUMC) yourself. What did you do?

BP: My first job was on Saturdays in the pharmacy department. I helped with this newfangled pneumatic system. It saved a lot of time. Employees previously had to walk down to the pharmacy department to get prescriptions. My job was to take the prescriptions that were filled, pack them well with newspaper, put them in the tubes, dial the nursing station number, and send them up. I'd work about 10 or 12 hours on Saturdays. As I got older, I worked in the summers in the dietary storeroom, putting up boxes and bringing big boxes of staples from the storeroom to the kitchen.

WCR: So you were getting a pretty good "smell" of the hospital environs?

BP: Yes, I was down in the bowels of it. It was interesting. The people were wonderful. I talked to the chefs in the kitchen. I worked hard. I almost bent over backward not to be perceived as trying to do anything special because of being the CEO's son.

WCR: Where did you live growing up?

BP: We lived in Lakewood.

WCR: What was home life like as you were growing up?

BP: Dad was always busy. Mom was a stay-at-home mom. My life revolved around sports. I was very active in the youth group at the First Baptist Church. I had a lot of friends there. That was very important to me. As a teenager, I got involved in an organization called Young Life. We had a large group at Woodrow Wilson High School. I was always occupied and busy. Dad used

Figure 3. Ruth Powell, mother of Boone Powell, Jr., playing piano at the celebration of Boone Powell, Sr.'s 80th birthday in 1992.

to say that I didn't cause him 1 ounce of concern while growing up. The principal reason was that I was so engaged in things that I enjoyed, I didn't need to detour.

WCR: *What sports did you play?*

BP: I played mostly basketball. I played a little bit of football in junior high but didn't like the coach. The junior high and high schools were right next to each other, and both were big schools. It became clear to me that basketball needed to be year round if I was going to have a chance to make the team. We had spring training in basketball; that was unusual at that time. I also played on church teams.

WCR: *How good were you in basketball?*

BP: I was a pretty good shot. I couldn't jump too high. I could hit the basket. In our home we just opened in Colorado Springs, I built in an inside sports court with a basketball goal for the grandchildren and for me. I still play people in a game of "horse" and do okay.

WCR: *How tall are you?*

BP: About 6'1"

WCR: *Did you play forward?*

BP: Yes. I was a normal-sized forward during that era. We had a 6'5" center. The team that won the state championship was from Dallas, and they had a 6'8" guy. We'd never seen anybody that big.

WCR: *You played all 3 years in high school, and you were active in other activities as well. What was home life like? Was your father usually home at night for dinner?*

BP: It varied. My dad got up very early. That was his internal clock. It allowed him to get a lot of things done and come back early if he didn't have a meeting. Later, I realized that these medical complexes absorb you to a certain extent. You really have to fight to balance life. Dad had plenty of pulls on him. He was active in Dallas, too. He was usually at home for dinner, but he didn't have much time to come to my sporting events, as I would have liked.

WCR: *What kind of person was he at home? Was he a good father?*

BP: Yes, he was. He was conscientious. There wasn't any question that he loved the kids a lot. He was a good, solid character for me to relate to. He fulfilled that role well. The only deficiency that I thought about when I became a dad is that I

hoped that I could get to more events with my children than he was able to do.

WCR: *What about your mother? What kind of impact did she have on you?*

BP: Dad was a "type A" guy. He was the chief. At family reunions of his 8 siblings, we said that there were "9 chiefs." Mom was easygoing. I got a lot of my temperament from her. She was patient. She would chuckle at things. She didn't get stressed very much. Dad was a hard driver. I certainly got some of my philosophy from my dad, but I think I got my mom's patience and temperament. She loved kids, and when the grandkids came she was the most doting gal you ever saw. She was a marvelous pianist too. She trained to be a concert pianist. That is one reason the trustees at Baylor named the dining room on the 17th floor of Roberts Hospital for Mother. She played for 35 to 40 years at all kinds of hospital functions (Figure 3). You could tell her what you wanted to hear, and she could just pull it out of the air without any written music.

WCR: *She played by ear. You always had a piano in your home?*

BP: We did.

WCR: *Did you play a musical instrument?*

BP: A little bit. I played 2 or 3 things, but I didn't stay with them. I took some violin, accordion, and piano lessons. I couldn't squeeze it in because I was dribbling the basketball too much.

WCR: *You have a large extended family with your father's 8 siblings and your mother's 3. Did you have many family reunions as you were growing up?*

BP: Yes, periodically. We drove to Tennessee to see the grandparents every summer. We would go to one house for a while and then over the mountain to the other house. We also had some family reunions in the Smoky Mountains on occasion. They were fun.

WCR: *What do your brother and sister do?*

BP: My brother works for Texas Utilities in East Texas. He lives in Longview. My sister married a professor from the Baylor College of Dentistry, who is now retired. She lives in Dallas.

WCR: *How did you choose Baylor University for college? You were the first one in your family to go to Baylor University.*

BP: Some of my friends in the church's youth group went to Baylor University in Waco, and that had some influence. No one ever asked me to go or tried to recruit me. I started thinking about Baylor University when I was in high school. I never had a second choice. I didn't visit anyplace else. I just knew that was it.

WCR: *The church played a big role in your life from the beginning. Did either your mother or father push that more than the other?*

BP: No. Dad was a deacon at First Baptist. My mother played piano for a Sunday school class. Young Life is a nondenominational group. I joined it when I was 15 years old, and it had a real positive influence on me. It was started by a Dallas seminary student. When I was about 15, a professor at Southern Methodist University invited me to go to a camp in Colorado. He told me, "Check with your parents, and if you can go, I will drive you up in my station wagon and come back and get you. And I will pay half of your camp fee." So many boys took him up on his offer that he had to make 2 trips from Dallas to Colorado. I had such a fabulous experience at the camp in 1952 that I have been back often. It is only for adolescents in high school. The 1-week camping experience was incredible. When I was in college I did vol-

unteer work and actually had a Young Life club in a high school in Waco. I wanted to help change the lives of a lot of kids. I've been on the national board since 1983 and have been chairman of it. I can't think of very many organizations that have impacted kids more positively than Young Life. It's been a key part of my life, and I'm going to stay with it as long as I can.

WCR: *Where is the camp in Colorado?*

BP: Buena Vista. It is 100 miles west of Colorado Springs at the base of the Collegiate Mountains. The camp sits at 8500 feet on the side of Mount Princeton. That began my love affair with Colorado, too. We have just built a home in Colorado Springs. We enjoy Colorado, particularly in the summer.

WCR: *I gather your parents had a major impact on you as you were growing up. Did you have any mentors in school or in church who also had a major influence on you?*

BP: I had some wonderful sponsors of youth-group activities in church. Several of them are still living. One of them, James Cantrell, was on the BUMC board for 17 or 18 years during my time here. He was president of the Baptist foundation later in life. Bill Cox had an influence on me. Later, when I got older I tried finding him, but I never did. I wanted to thank him for introducing me to Young Life. He was my Sunday school teacher at church and a youth sponsor. An insurance executive who is still alive was a sponsor on the basketball team, and he influenced me.

WCR: *You had your church, Young Life, and school with sports that kept you extremely occupied from early on. What time did your father wake up in the morning?*

BP: He woke around 5 AM. It wasn't uncommon for him to be at the office by 6 AM. He would do some work and then he'd have breakfast. We have lots of morning meetings. I have met for years with a group of physicians each Tuesday at 6 AM. I was a night person for a long time, but I've been forced to be more of a morning person. It's been fun.

WCR: *How was Baylor University for you? Did you enjoy it?*

BP: It was right for me. There were probably 5000 students at the time.

WCR: *What year did you go to Baylor?*

BP: In 1955.

WCR: *You graduated in 1959. What did you major in? When you entered Baylor University you had no intention of going into the health care field?*

BP: My interest in Christian service and my interest in business were developing simultaneously in my life. I was trying to figure out how to make those things happen. I received a general business degree.

WCR: *When did you decide that maybe the hospital is not a bad place?*

BP: For me it was a Christian calling. I feel like God has something for each of us to do. The question is how you identify it. I wanted to do business, and I wanted to do service. By the end of my sophomore year I knew that both could be fulfilled in a church-sponsored hospital. I even knew then what kind of sponsorship of the hospital I'd like to work in because it was consistent with how I was developing as a person. During college I worked at the hospital during the summers. I would meet the administrative residents. I'd find out where they went to school, how they liked their residency, etc. I realized that going

to graduate school would be important. I considered 4 graduate programs and chose the University of California at Berkeley. It surprised some that I chose Berkeley.

WCR: *Before we get into that, it seems to me that Baylor University had a major impact on you. You met Peggy there. How did you meet?*

BP: Our fathers met before we did, and we didn't know it at the time. Peggy's dad was a distinguished doctor in West Texas. He was the epitome of a beloved physician. People could not say enough good things about him. He and a friend built the Malone-Hogan Clinic, a multispecialty clinic in Big Spring, Texas. Peggy had a younger sister. Both of them had had "light" cases of polio. Peggy's sister had a more severe case than did Peggy and needed some help. Dr. Hogan brought Peggy's sister to Baylor, and she had to be in a full body cast after surgery for a long time. While he was there, Dr. Hogan went down to meet the hospital administrator, my father, to tell him of their favorable experience at the hospital and to get acquainted. They had several visits professionally when Peggy was 13 or 14 years old. I met Peggy at the end of my freshman year. A friend suggested that she might be somebody I would like to date. It took a while for me to get a date because she was booked up.

WCR: *Had you met her before that first date?*

BP: I actually met her at a church activity and then called her for a date. By the end of the sophomore year we knew that we would marry. We got married at the end of our junior year. That was common during my era.

WCR: *You were 21 years of age?*

BP: Yes. She was 20.

WCR: *Was she 1 year behind you?*

BP: No. We were in the same class. She's 5 months younger than I am. It made it very nice as we got acquainted and got our families acquainted to realize the story that I shared with you. That was a pretty good confirmation. I had 2 good role models: 1) my dad who was on track to build quite a medical complex (I picked up somewhat how he did it and also some of his philosophy) and 2) my father-in-law, who shared his perspectives on things with me.

WCR: *What was your father-in-law's name?*

BP: John Hogan. The clinic there is still called by his last name. In Abilene, we were halfway between the 2 sets of parents. It was useful for me to see the building of the multispecialty clinic and how they recruited doctors. They did quite well for a community of that size. They had some good physicians. Half of their patient base came from Midland and Odessa. They would drive 40 to 60 miles to come to the clinic.

WCR: *How big a town was Big Spring?*

BP: About 30,000.

WCR: *What kind of physician was your father-in-law?*

BP: He was general practice oriented but did some surgery and later on in his life did a lot of female surgery and female counseling. Patients liked to discuss issues in their lives with him. I thought the world of him. When we went to his funeral, both Peggy and I learned something about him that we had not known. He became a trusted advisor to many people. He would take his prescription pad and write—"Go home and read Psalm 37 every day for 2 weeks and come back and we'll talk about it." He incorporated body, mind, and spirit into his therapy.

WCR: *Peggy's family and your family were really on the same parallel regarding religious activities and beliefs and how important they were in your life.*

BP: Right.

WCR: *Did Peggy have brothers and sisters?*

BP: Just the one younger sister.

WCR: *Did any of your teachers or other people at Baylor University have a major influence on you?*

BP: I had a wonderful teacher, Dr. Longaker, who taught management in the school of business. He and I became quite close. We met a network of friends that we have maintained to this day. We've often gone back to homecomings and sit together or get together in the summer. We developed lifelong friendships at Baylor. I had a very favorable experience in college. We'd go to the football game at Baylor in sports coats and ties. Not so at Berkeley. It was quite different. The only thing I found in common between Baylor and Berkeley was the fact that both mascots were bears.

WCR: *How did you decide to go to the University of California at Berkeley to do your postgraduate work?*

BP: There were about 12 programs in health care, and about 4 of them were considered excellent—Chicago, Minnesota, St. Louis, and Berkeley. They all had a different approach and a different emphasis and were in different parts of the country. If I hadn't gotten a business degree, I may have gone to one of the other schools. Since I had the business degree and since the University of California had a very small program (we had 11 in my class) in the School of Public Health, it appealed to me. We were taught on a seminar basis and not by didactic lectures. That appealed to me. Two residents that I had gotten to know at BUMC and the one who subsequently stayed on the staff at BUMC had gone to Berkeley and had had a good experience. I also wanted to take some general courses in the School of Public Health.

Berkeley required us to have a year's experience before we could go to graduate school. They allowed me to use my summer jobs at Baylor Hospital to count toward that requirement. They required me to spend a summer in one of the hospitals in the San Francisco Bay area. I worked at the Marin General Hospital. It was a totally different exposure to hospital management than I had had at Baylor, and it was a good experience. I went to Memphis, Tennessee, to the Baptist Memorial Hospital system for my administrative residency. It was the largest private hospital in the USA.

WCR: *The whole environment in Berkeley, California, is a lot different than that in Dallas, Texas, where you grew up, and Waco, Texas, where you went to college. How did Berkeley, California, strike you and Peggy?*

BP: Strange. We liked it—it was just so different from anything we had grown up with. Berkeley had many Nobel Prize winners on its faculty. It is a marvelous intellectual university. The culture obviously is different. It was an activist campus, but not to the extent that it became later on. One day I heard an active communist longshore union man speak. I said, "How in the world can you allow him on the campus?" We lived right off the main street of Berkeley. While walking on this street during our first 2 weeks there I saw 2 guys carrying on a conversation. One was walking forward and the other was walking backward

so they could be face to face. I thought to myself that I had arrived in California.

When we went to California, Peggy was expecting our first child. I got to know the administrator of the hospital at Berkeley where she would go. He taught at the program. Our son was late. At graduate school we only had a midterm and a final. Mark was born on Monday evening, and my midterm started on Tuesday morning. I was a little apprehensive about that, but it all worked out.

WCR: *You were in the School of Public Health, but your degree was a master's degree.*

BP: It's actually a master's in public health, but I was in the division of health care management. There were probably 12 different majors inside the School of Public Health.

WCR: *Did you and your family take family vacations when you were in high school and college?*

BP: I remember several trips to the West Coast. Mom and Dad always had a pet (a dog) that traveled with us.

WCR: *So it was not too strange for you to go to California?*

BP: No. Every organization, every group of people, has its culture. Every state and city has its culture. That was my introduction to the differences in major cultures. I'd go back. We loved the Bay area. It was a broadening experience.

WCR: *Was there anybody in school there, either a fellow student or a teacher, who had considerable influence on you?*

BP: I had met the 2 principal instructors before I went. I'd met them when they were checking on residents at Baylor. I liked them. That made it even easier for me to select the school. I lost track of a number of them. We wanted to come back to this part of the country. Most of them stayed out there, so there has been virtually no connection.

WCR: *Tell me about your experience at Baptist Memorial Hospital. That's where you went from Berkeley?*

BP: It had a wonderful reputation. I felt like I could get good management experience there because I had known the CEO, Dr. Frank Groner. I primarily went to Baptist Memorial Hospital because of him. The year I was there he was the president of the American Hospital Association. Dr. Groner was a highly regarded executive in health care. He happened to be a Baylor graduate. He was a fine person. My dad's youngest brother was also vice president on the administrative staff there. Baptist Memorial Hospital had a big residency program, and I'd met several people who had gone there as well. I was able to line up graduate school and even my residency in advance.

WCR: *This was 1959 to 1960. How big was Baptist Memorial Hospital at that point?*

BP: It was big—probably 1500 beds. They had just moved into a new 15-floor tower. It had more beds than Baylor did. Dad referred to it as "his satellite." He and Frank were good friends. Baptist Memorial Hospital was the first hospital in the country that built a physician office building connected to it. A couple of large independent towers had been built by real estate people to rent to doctors. They didn't fill up, but the ones that the hospital built filled up. The key was the connection to the medical center, either by overpass or tunnel. I learned a very important lesson about that.

Baptist Memorial Hospital had also gotten into the idea of "satelliting." They built a satellite hospital during that time. I

received a letter last week, Bill, that their satellite in Germantown in eastern Tennessee is now the principal part of their hospital. They are going to give the hospital that I trained in to the University of Tennessee Medical School, which is right across the street.

Dr. Groner was a mathematical wizard. One thing that I wanted to learn from him was his approach to financial management because Berkeley didn't do much teaching in that area and Dr. Groner was good at it. Just before I left to go to West Texas, I went to him and said, "Dr. Groner, tell me one more time what is successful financial management of a hospital." He said, "It's very simple. Take in more than you spend." I said, "That's it?" He said, "That's it."

WCR: *When you left Memphis, you felt very comfortable about managing a hospital?*

BP: I felt as if I had had good preparation. I could find only 1 or 2 other executives in Texas who had gone through formal graduate training because it was still very new at that time. I was 24 when I finished the training. I had thought I would do some work in the military, but nothing was going on.

WCR: *This was in 1961.*

BP: I was not called to do any military service. I thought about doing a residency in the military, but it wasn't necessary. I was hired to be the first assistant to E. M. Collier, the administrator of the hospital in Abilene. He was a legend. E. M. Collier was a dearly beloved executive in Texas. In fact, the hospital association named its annual award for excellence in his honor. He was 63 and I was 24. I was hired to be his successor if everything worked out okay. When Peggy and I were interviewed by the whole board, they made it very clear that, although Mr. Collier had trained a lot of people unofficially at the hospital who were out running other hospitals in Texas, they didn't want me to go. I was his assistant for 9 years, and then when he retired I became the CEO (at age 33).

WCR: *That was in 1970. How did it come about that you went to Abilene? You must have had several options when you finished your training in Memphis.*

BP: Yes, there were options. In that era, administrative residents started out in a staff position. In those days we called it "administrative assistant." You would be on staff for several years and then maybe get an assistant's job. I knew that I'd like to come back to Texas if I could. The circumstances were such that they let me come out to interview, and instead of starting where I thought I would, they put me into the number 2 position. Then Mr. Collier was gracious enough to cover my mistakes as I was growing. He gave me room to learn.

WCR: *How big was Hendrick?*

BP: When I went there it had 220 beds.

WCR: *When you left in 1980, how many beds did it have?*

BP: It was about 450 beds when I left. It had converted itself to a regional medical center with lots of diversified activities.

WCR: *You were there for 19 years, and 10 of those years you were the CEO. How did you and Peggy like living in Abilene?*

BP: We absolutely loved it. The people in West Texas are marvelous. People are the natural resource of West Texas. There isn't anything else out there but just wonderful people and sunsets.

WCR: *How many people did Abilene have when you moved there?*

BP: Probably about 70,000.

WCR: *And you had 2 children by that time?*

BP: Both our second and third children were born there. Peggy had grown up on the Plains, so she was very much at home. West Texas was a new experience for me. I really did like Abilene, which has 3 universities: Abilene Christian, Hardin-Simmons, and Murray (Church of Christ, Baptist, and Methodist). During those days the 3 universities were polarized against one another. When they played football the question was "Whose side is God on?" It was that serious. They tried to bring theological implications to the sporting events. With time I got to know the leaders of all 3 universities, and we became friends. The president of Abilene Christian University headed up one of our capital campaigns, and that was good for our community and us. Cooperation among the 3 increased. It was an encouraging thing to be a part of.

One of the last things I did out there, Bill, was to take our 3-year diploma school of nursing and convert it to a baccalaureate program. We made an agreement among all 3 universities and the medical center that all of us would sponsor the new nursing program. Students could enter into any one of the 3 universities for their first 2 academic years, come to us for their clinical training, and then graduate from the school that they had entered. They loved it and we did too. It's one of the unique nursing programs in the country, and it's a strong program. I got a lot of satisfaction from that. One of the nicest occasions we had was a dinner with the presidents of the 3 universities and their wives just before we left. It was very special.

WCR: *It sounds like E. M. Collier was almost like a second father to you. Is that right?*

BP: He was certainly a mentor. I watched him very carefully. Mr. Collier was always fair with people. He would not take advantage of anyone. I liked that. I watched him do that in practice. He just loved the place. I thought that I would stay there my entire career. I had no notion about leaving. I enjoyed it that much. A lot of my best friends were members of the medical staff, which is generally not what happens between a hospital executive and its medical staff. I still visit with a number of them.

WCR: *You must have had quite a few offers while in Abilene before Baylor came along. It sounds to me like you were a boy wonder—33 and head of the whole operation.*

BP: I had a number of opportunities to leave. I'll go back to the fundamental thing: I felt like I was "called" into this, and I felt like I knew where I was supposed to be in the various years of my life. I didn't want to leave, so I didn't give any serious consideration to the offers.

WCR: *It was nice to be halfway between Peggy's original home and your original home.*

BP: It was almost ideal.

WCR: *How many miles is it driving to Abilene from Dallas?*

BP: 180 miles.

WCR: *As you look back over your Abilene experience, what accomplishments are you most proud of?*

BP: I liked the opportunity to build a medical complex. The mandate during the 1960s and the early 1970s was to develop the most comprehensive set of facilities, programs, and services

that you could. In the 1960s, the mandate in this country was to put a hospital in every community. It was funded by the Hill-Burton program, and it was encouraged by the Ford Foundation and others. I entered health care in that era, before the regulatory environments we have today and before Medicare. Whatever your sights were, if you could do it then do it. After I was on the job for only 2 weeks, I was given the chore of building the first major addition of 84 private rooms.

WCR: *That was when you were 24 years old.*

BP: I got a chance to take what I had learned from Dad and the philosophy I'd picked up from my physician father-in-law and see how it worked. I had heard both my dad and Dr. Hogan speak highly of the character of the physicians that they worked with. I never had a second thought that I would not enjoy working with physicians. I had respect from them as long as I can remember, and I knew that it would be difficult to accomplish very much if we couldn't find ways to engage ourselves together. That is the way I started practicing management. You don't get a chance very often to get a report card to see whether that approach works or not. I found out when I left that it worked, and I got so many nice letters from the physicians. I said, "You turkeys, if you'd have told me these things before I left, I might not have departed." I thoroughly enjoyed it.

I learned of the intensive care unit concept before most doctors did. I asked them, "What do you think about this concept? It makes sense." You aggregate patients; you get your staffing ratios in such a way that you can really focus on care. Because I saw that concept before most of them did, we got the intensive care unit. They went along with it, and subsequently it became an important part of medical care. Joel Allison was on the staff at that time. He joined me 2 years after I became CEO.

I was getting into this new discipline called "strategic planning." How do you do that? How do you engage people with you to set some targets for your organization? I went to a program sponsored by the American Management Association for presidents and CEOs and found some useful ideas there. Later on, my administrative staff and I left for a week off campus and used a facilitator from the American Management Association. We built quite a road map for the medical complex. It gave me a great sense of comfort knowing that when I left, work had been done that could be further advanced by the next team.

WCR: *How many hospitals were in Abilene when you went there?*

BP: Two. In the early years we had a small Catholic hospital down the street. Later on, a proprietary hospital was built that was owned by several different companies. Some competition developed. In those days there was a distinction between the community hospital and the for-profit hospital.

WCR: *When you were there in 1961 and were the assistant to the CEO, how many other members of management were present?*

BP: It wasn't nearly as complicated to run those hospitals then as it has become. I think there was maybe 1 or 2 others. There was a financial officer. Most of the organization was vested in the department heads. I became an operating officer from the beginning. We had about 500 employees at that time.

WCR: *How many did you have when you left in 1980?*

BP: It was considerably larger, and there were a lot of diversified activities. A foundation was created. It was probably 3 times

bigger when I left compared to when I came.

WCR: *How did the offer from BUMC come about?*

BP: The gentleman who followed my dad in 1972 as CEO was his longtime assistant, David Hitt. David had been with Dad and Baylor for 20+ years. Dave became the CEO, and my father did other things such as creating the foundation. In 1979, David decided to go with a consulting firm. At that point, the board engaged a search firm to make a national search. I was contacted early in the process, but I thanked them and said I wasn't really interested. I didn't talk to them for several months. I did give them a name of somebody I thought would be good. Six months later the search firm came back to me and said, "Will you not come up for an interview?" I told them I wasn't interested in doing that. I talked to my wife and she said, "I don't want to leave, but how are you going to know what God wants you to do if you don't at least look at it?" I told the search firm, "I will come, but it's got to be very objective." They said, "It will be. You will be interviewed by a committee of the board and 2 separate medical staff committees." I said "okay."

Four of us from around the country came. I went through 2 days of meeting certain medical staff, management, and some trustees and then went back home. Later on they called and said, "We've narrowed it to 2 and we want the 2 of you to come back with your spouses." The other fellow who came was the one I had recommended. He and I agreed that we were both happy with where we were and what we were doing, so it wasn't a win-lose situation. We would both go and see what happened. I finally got comfortable with that because Dad wasn't in the process. He took himself out early. Having those 2 medical staff committees review all the candidates was really important to me because it took away (at least in my mind) some of the accusations that I would be selected because of the family connection. I was selected at the end of 1979 and I came on April 1, 1980.

WCR: *Actually, your father had not been CEO for 8 years when you came here. How many beds were being used at BUMC in 1980 when you came?*

BP: It was full. All the hospitals were full in 1980. None of the managed care stuff had surfaced yet. Baylor had between 900 and 1000 beds. Sometimes we would have 1000 patients in the hospital. An area on the 7th floor of Hoblitzelle had guest rooms for people to stay overnight. We were so tight for beds that we converted those guest rooms into patient beds. We got hugs from the doctors. Getting 7 more beds was really important! Little did we know that 2 or 3 years later we would be heading into an era of major change, both from the federal government's approach to payment and later on from managed care.

There were 200 people (doctors, trustees, and others) on 9 task forces doing a 10-year plan for Baylor. This was in place when I came to Baylor. They were almost through when I got here. That subsequently led to the building of the Roberts Hospital and the facility on Main Street where you have the laundry and other services. About 2 years after I arrived, we had the plans to do the expansion, we went to the community with a capital campaign, and we were off and running. While we were building that addition, diagnosis-related groups were introduced. Our occupancy suddenly began to go down in 1983 and 1984. It went down because the lengths of stay dropped. We hadn't even opened the Roberts Hospital. We opened Roberts near the end

Figure 4. The fundraising committee for A. Webb Roberts Hospital. From left to right: Boone Powell, Jr.; Dewey Presley, board of trustees; A. Webb Roberts, donor; Mayor Robert Folsom, head of fundraising campaign; and Boone Powell, Sr.

of 1985 (Figures 4 and 5). Here we were building this magnificent new structure, and the occupancy rate was dropping! I thought, wait a minute. This thing has some challenges to it. I felt like all of a sudden there weren't 200 people who had planned that addition, there was only one guy, namely me. And they were saying, "Why in the world are you doing that?" I felt a bit of isolation on that decision. Obviously, it worked out.

I made 2 recommendations to the trustees if I were to come to BUMC. We needed to build a community hospital system, called at that time a multihospital system. I suggested that we see if other communities would like to be a part of us. The second thing I recommended was that we create a nonprofit holding company, which turned out to be the Baylor Health Care System. They concurred with both of those recommendations, and we got them under way. If we had not done that, we would have become an isolated downtown hospital that would have been compromised severely. As good as BUMC was, we would have been compromised by managed care contracting because the population was moving away from us. What I finally concluded is that people would say, "You guys are disadvantaged by staying close to downtown." Building the system became an advantage for us. It gave us an advantage of going to a number of communities because we were no threat to them. It allowed us to build this big network, a circle around the metroplex.

WCR: Your recommendation to build this multihospital system was approved before you ever got here.

BP: It was my recommendation, and by the end of 1980 we already had our first community hospital.

WCR: The first one you acquired was Ennis.

BP: Yes.

WCR: How did that actually work out?

BP: During the days of cost reimbursements, small community hospitals could make it. All the little towns could afford their own hospital. Most patients were Medicare patients, but you could get by with it. Ennis was profitable. It did fine. The fellow running the Ennis Hospital used to work for me at Abilene.

WCR: When you came here you called up the CEO of Ennis.

BP: We started looking at possibilities and starting getting in contact. We established a fundamental principle that we were not going to be aggressive in the sense of forcing ourselves on any community. We would not make a serious bid if a community was not interested in it. We didn't want forced marriages. I think that helped us over time. We subsequently got Grapevine, Waxahachie, Garland, and an affiliation with Richardson and later with Irving. That part was really important. We had Gilmer in East Texas too. Later on we had to sell it. It was just too far.

WCR: During your time as CEO, you acquired 7 other hospitals.

BP: Yes. And affiliations with a number of others—Sulphur Springs, Denison, and other places. My time was an era of developing and building systems. I'm part of the group that had that view of health care and directed Baylor in that direction. If we hadn't done it then, we

couldn't do it today. It created the basis for us to protect BUMC. It created the basis for us to expand what BUMC represented into other communities. Later on it also allowed us to work out the physician component that we have through HealthTexas. If we hadn't done that first step, I don't think we could have done the others.

WCR: As you look back on these 20 years as president and CEO of the Baylor Health Care System, I gather that setting up this system is going to be your biggest legacy. Is that the way you feel?

BP: Yes. I would say that is probably right. There are a couple of other things that I feel very gratified about. One was my close association in developing the transplant initiative. That substantiated all the other clinical services that we have and added to the luster and stature of Baylor. Baylor was such a strong clinical institution that reinforcing that became important, and we tried to do it in each of the categories. Establishing the transplant program was cutting-edge medicine at that time. We became quite recognized for doing that, and today it's one of our points of recognition.

Figure 5. Boone Powell, Jr. (right) at the tree-topping ceremony for Roberts Hospital.

WCR: *How did it come about?*

BP: Dr. Fordtran had been the best man in Tom Starzl's wedding. Tom married a lady who had worked for John at the medical school. They became friends. Tom came to town to do a lecture in 1982. He happened to mention that he would like to see a big transplant program in this part of the USA because his program in Pittsburgh could not accommodate everyone. He thought that transplant centers should be geographically spread. There wasn't anything in the Southwest. He encouraged us to look at it. John talked to me. Jesse Thompson was the chief of surgery at the time. The 3 of us spent about a year looking at it quietly because if we were going to do it, we wanted to be sure we understood it and be in a position to be able to say why and discuss it with leaders of the medical staff and with the board. We knew there would be questions. At that time, liver transplantation was still considered experimental. The insurance companies were not paying for it. We carefully worked our way through it. We worked out an affiliation with the University of Pittsburgh Medical School. Tom was our friend all the way through. He helped us build the hospital program. He helped us by sending down 2 potential guys to head the program. One was Roger Jenkins, who stayed in the Harvard program in Boston, and the other was Göran Klintmalm, whom we selected to come.

When we finally decided to do it, we set up a medical staff oversight committee to give us guidance and set guidelines and policies. We had our first committee meeting in December 1984. That same day I left and went to the Salesmanship Club's annual Christmas party at the camps in East Texas for the kids. I was dressed in jeans and boots. We went over on buses. We got back a little early. I got in my car at the parking lot at Southern Methodist University and drove down to BUMC to give Judy and Susan their Christmas presents. When I walked in, they said, "Mr. Powell, we just about sent the state troopers out to get you." I said, "What for? What's going on?" They said, "You'd better sit down. Dr. Starzl called earlier today and said that both the Children's Hospital in Pittsburgh and the Children's Hospital in Dallas are full, and there's a little girl who needs a transplant. He wants to bring her to Baylor to do it." I said, "You've got to be kidding." They said, "He'll come down with his team and he'll do it, but he needs an answer by 6 o'clock tonight."

I gathered Jesse Thompson, John Fordtran, Mike Ramsay, and other key people and said, "Gentlemen, this is a big decision." At that time there was much press about transplants. Newspapers published the condition and the results on each patient. I said, "We are going to put our reputation on the line." Organizationally, I didn't feel like we were there. We went through the pros and the cons of the decision and finally decided that Dr. Starzl had not given us bad advice anywhere along the line. There wasn't any reason then to doubt him. Finally, I said, "Okay. Let's do it." I called Dr. Starzl and said, "Dr. Starzl, we reviewed this and we're prepared to do it." And he said, "Good. We'll get this under way." And he said, "Incidentally, there's liable to be a little publicity associated with this." I said, "What do you mean?" He said, "This little girl, Amie Garrison, who is 5 years old, is the girl who just turned on the lights of the White House Christmas tree. Nancy Reagan and the press will be keenly interested in this little girl, so I just wanted you to know that." That was after the decision had been made. As we concluded the conver-

Figure 6. Boone Powell, Jr., with Amie Garrison, the first transplant recipient at Baylor, and her mother.

sation, he just chuckled. He said, "You know, Boone, this is kind of risky, but I love it." And he hung up.

Our place went into operation. People spent the night. The operating room personnel came in. Our nurses got set up. Dr. Klintmalm was with us but wasn't going to start the program until the spring of 1985. The team flew in from Pittsburgh, got in about 5 AM, and had police escorts to BUMC from the airport. The first stop was to a donut shop to get some donuts and coffee, and then they headed in. Dr. Ramsay and others were all there. The little girl's surgery was done and she did fine (Figure 6). We kept her for about a week and then flew her back to Pittsburgh for follow-up care.

The logistics of that were fascinating. The little girl was from Louisville, Kentucky. The donor was from Canada. The surgical team was from Pittsburgh, and they all were coming to Dallas to converge at BUMC to take care of her. It was something! It was extensive like a military operation. One personal afterthought on that: I was right in the middle of it and was just praying that we would have a good outcome and no difficulties. I visited with the family and periodically checked on Amie. On a Friday afternoon I visited her father and mother in the intensive care unit. While I was there, they told me that Amie would like her favorite meal, Spaghettios. They weren't sure what that was, so I got her dad, Mr. Garrison, in my car and we went to several grocery stores that Friday night trying to find Spaghettios for Amy. We brought them back and gave her her meal. They didn't tell me at Berkeley that I'd be doing these kinds of things. It was a fascinating experience.

That next spring Dr. Klintmalm kicked off his program. Sure enough, every one of those cases was put in the newspaper. I found myself like an expectant father. I'd go up to surgery. I'd walk the hallways. I'd have them check to see how the patient was doing. Then I would follow them to the floor. I would ask how so and so was doing. They would tell me fine and "the numbers are okay today." I would go up the next day. "The numbers are

not very good today.” I said, “What’s wrong?” That was the pattern of the care of the patient. I was like an emotional yo-yo trying to understand what was happening. I was so invested in that activity.

We saw some extraordinary things begin to happen in the lives of these patients and their families. I suggested that we had better capture that on film. I got a film crew to come in, and they filmed the surgery and the families before, during, and after surgery. We focused on 5 patients. We didn’t know what was going to happen to them, but we wanted to put it on film and capture that moment. We lost one of the 5 patients, and that was also the reality of what liver transplants were about. We still have the film. It is very moving. It goes to the essence of health care.

WCR: *This endeavor must have brought tremendous prestige to Baylor.*

BP: No question about that.

WCR: *Thank goodness you made the right decision.*

BP: We have always been eternally grateful to Tom Starzl for befriending us. He had some detractors around the country. I can’t imagine how he sustained mentally and emotionally the will to go on with so many patients who didn’t make it. That’s why he is such a pioneer. He was a key part of our decision and our ability to do what we do today. In those early days it was not uncommon to see surgery run 10 to 14 hours. It wasn’t uncommon to use enormous numbers of blood transfusions in those procedures. Later, as the team’s skills improved, they did cases under 5 hours and without any transfusions. The team is incredibly gifted. It requires a major institutional commitment to take on programs like that. The spin-offs have strengthened the other parts of the liver program, and other surgeons were engaged in it. You had to have strong gastrointestinal and hepatology physicians. It has been a great thing for Baylor.

WCR: *You mentioned initiating the Baylor system (multiple Baylor hospitals) and the transplant program. You touched on a third part of your legacy.*

BP: That would be our relationship with the physician community. The general view of Baylor is that it is very physician accommodating and physician friendly. We have tried to see physicians as our partners, and we’ve done that by engaging them in decisions and in joint venturing. We are now looked at in the country as an organization able to accomplish some things with physicians that very few other hospitals have been able to do. We have had people visit the campus to learn what we’re doing in this area. That has allowed us not only to expand some of our clinical programs, but also to build our physician network that subsequently became HealthTexas. Six or 8 years ago it was very important for a tertiary center to have a strong primary care base. We had a good department of medicine, but we did not have the geographic locations that would be helpful to us to serve more patients as the insurance companies contracted with primary care doctors. HealthTexas came into being, and we were fortunate to get the first 3 or 4 groups composed of outstanding medical leaders. That set the framework for building the network. In 20 years, we’ve gone from one very fine medical center located downtown to a system of other hospitals, other facilities, and other levels of service. We now have a primary care center or another hospital in about 45 different physical locations.

WCR: *That has all happened during your tenure? When you came it was BUMC only.*

BP: A strong clinical hospital, but that was it.

WCR: *What have your working activities been like on a day-to-day basis? What time do you wake up in the morning? How do you go about your day? What time do you go to bed at night? Could you speak to these daily details?*

BP: I don’t sleep long hours. I go to bed at 11 or midnight. I get up pretty early. With breakfast meetings being so important, I found that both ends of my day stretched out pretty much. I also found that if I was going to stay up in this business, I had to get out of the medical complex, interface with the industry, and be in groups where I could learn and exchange and test out ideas. Since 1983, I’ve been in a group of 35 CEOs who are some of the best in the country. I’m with them 2 or 3 times a year. That has been a wonderful environment for me to hear what is happening, measure the trends, see what is working and what isn’t, and test out what we are thinking about and get reactions to it.

WCR: *What is the name of that group?*

BP: It is called HRDI (Healthcare Research and Development Institute). That was one of my key areas. VHA (Voluntary Hospitals of America) was also very helpful to me. Baylor was a founder of that organization, so I was very active in it.

WCR: *When did you start that?*

BP: VHA started in 1977. It was just getting under way when I came. HRDI started in the 1960s. I’m in my last year, and I’m hopeful that Joel Allison will take my place.

WCR: *You have been chairman of VHA?*

BP: I’ve been chairman of the VHA regional board called VHA Southwest. I helped put that together.

WCR: *Could you explain for the readers what VHA is?*

BP: It was formed in the late 1970s by 30 to 35 outstanding geographically spread nonprofit hospitals with the idea that we were committed to the voluntary, not-for-profit sector of health care. We watched the explosion of proprietary companies that spun out of the enactment of the Medicare law and built the major Wall Street-type companies—the Hospital Corporation of America and Humana, for example. We determined that we had better do something to redefine the voluntary hospital group that still provided most patient care in the USA. Those were the hospitals that were committed to teaching and research, and we wanted to find ways to enhance that. After a while, we got the number of hospitals up to 90 or 100 across the country. We then created regional networks of VHA by grouping various states together. I, along with a couple of other people, invited selected hospitals in Texas to become part of the VHA Southwest. There are now about 25 hospitals in that regional group. A whole series of programs and consulting services are available, including mass purchasing. VHA has had some leverage with the manufacturers. We do about \$12 billion through VHA purchasing. Both the corporate office and VHA Southwest are based in Dallas. The fellow running VHA Corporate is a person I recommended for the job.

WCR: *Tell the readers more about HRDI. It sounds to me like these are the leaders in health care in this country. As a CEO and president of such a large corporation, the pull on you for activities outside of Baylor is pretty strong. I suspect that some of them have a connection to Baylor Health Care System and you are afraid not to*

be part of them because you never know what ideas you are going to get from these other activities. How have you been able to manage that through the years?

BP: You are right. That's another pull, the city of Dallas. We're considered such a strong corporate citizen in Dallas that I have been asked and have served on many community agencies and on many boards. Sometimes I spend a substantial part of a particular day engaged in community relationships. That is partly how we justify who we are and how we build our reputation. We also have a denominational relationship that we had to take care of. For a long time we had a university relationship. I did things on behalf of the institution that would help it on a national basis. I also had to find ways to grow personally. It's all one big ball of wax, and you have to figure out how much of it you can take on. VHA and HDRI were probably my 2 key outside activities. Although I respect what the hospital associations do, I decided not to go that route.

WCR: *The American Hospital Association?*

BP: Yes. Some people will follow that track and volunteer to be on the board and would like someday to be chairman of "X" association. That's fine. For me that wasn't the way I wanted to do it. I often looked outside the industry to see what I could learn. I would pick out seminars to go to and try to learn from another discipline. Everybody has his or her own way of trying to do it.

WCR: *You tried to invest a small percentage of your time into your own personal growth, which hopefully could become a part of Baylor's growth and survival?*

BP: Every time I would come back from an HRDI meeting, the staff would wonder what I was going to bring back this time. I never left a meeting without some idea I wanted to try out at Baylor. It was very valuable for me and for the institution. I've attended seminars where doctors also went with me. In the early days, we went to the Estes Park Seminars for physicians, management, and trustees. I did that a lot in Abilene. I did it in the early days here. Today, we have other avenues. Some of our doctors go to medical leadership seminars. We are always looking for what the trends are, what the issues might be, and inviting people to take a look at them with us.

I got through some of this simply by delegating. I had confidence in people. I knew they were not always going to do it right, but I was willing for them to take it on. I also believe in the principle that they will be better and make Baylor better if they have a sense of owning part of it. I feel that any leader who feels like he or she has to call every detail of every shot is fundamentally insecure. If you want to build a team, then you've got to be willing to engage people with you and let them help you. Our folks have made us much better than if I was trying to make all those decisions myself.

WCR: *When you get people in leadership positions at Baylor to buy into and approve various projects that you have initiated, you are still responsible if they succeed or fail. Like the Roberts Hospital: if admissions suddenly decrease as the 17-story structure is being built, it is your fault!*

BP: It is.

WCR: *The physicians can easily give an opinion on this or that, but they aren't really responsible.*

BP: No, they are not. I remember during that era a physician out of town said, "Roberts Hospital is Boone's white elephant." That stung a bit. But it made me more determined to see that we had not made a mistake. We were caught during the 1980s trying to figure out how staffing should be adjusted if patients were not staying as long. What does it do to the hospital financially? The length of stay dropped 40%! That is like taking 1000 and dropping it to 600. What do we do with the excess facilities or the new programs that we could bring into it? We tried different things, like drug treatment, and shifted some inpatient activities to an outpatient setting. We had to do a lot of shuffling. All that happened before we even had the impact of the health maintenance organizations. The gurus at the time thought that by the end of the 1980s, we would be through the white water and things would settle down. How little did they know! It's been like being on a treadmill at high speed without the ability to get off. It's been like that for years. But it's that way in the computer industry and some other industries as well. The intensity of the changes has been unrelenting. That is why it is easy to get absorbed in it.

We had a cardiology war in East Texas started by some friends of ours in another facility. It looked like they were going to march through East Texas and commit all the hospitals and doctors to refer patients to their center. We said, "We can't let that happen." We hooked up with some of our cardiologists and out we went. I found myself sitting in a small town around a doctor's dining table at 10 PM talking about why it would be good to be associated with us as opposed to someone else.

WCR: *It seems to me that physician decisions—and physicians of course make a lot of decisions—involve mainly single patients and patients' families. Your decisions, like this new Heart and Vascular Center, Roberts Hospital, the Landry Center, involve a lot of people—patients, customers, employees, and their families and their futures. You can't just make these decisions overnight. As you drive to and from the hospital or when you are lying in bed at night, you must be thinking about them. How have you been able to balance your life and be able to consider these decisions not in a panicked state, but in a cool, calm, thoughtful manner?*

BP: I didn't always do that. I have always believed that the idea of balance was important. I have varied my ability to keep balanced, but I have tried to keep balanced. Early in my career when my children were small, I was home to have dinner with them. If I had an evening function, I would go after we had put them to bed. I worked hard at that. I worked hard at being at their events (plays, golf matches, whatever they were doing).

When the industry in the early part of my career was somewhat stable, I knew what was happening. You had maybe 6 months to analyze something and to make a decision. When the frequent changes started about 1982, two years after I came to Baylor, the time for decisions decreased substantially, and the intensity of the decisions went up. We were constantly doing mental assessments about what this or that meant. Should we, should we not? I trained my mind, and I do it today. I automatically take an issue and develop a bad case—best case scenario. I go to the worst case first. It's just instinctive to me now. It wasn't at one time. I had to start learning to think like that, and I had to start thinking about how the decision would look in the eyes of other people (your constituency). It may be your medical staff,

it may be the community, or it may be an agency that you are working with. I had to learn to anticipate the impact of a decision. Those were skills that evolved over time but became instinctive to me and to others. It was required because of the intensity of the change. I worried about the welfare of employees as we saw these economic things change. We have 13,000+ employees; I had to think about them and their families. The thing I probably thought about the most was not making a decision that would tarnish the name of Baylor—not creating an action that would embarrass the institution. That became part of my assessment process.

I didn't expect it to be like this. Personally, it would have been easier for me not to have come to Baylor. The impact of the changes would not have been as severe in Abilene. But the opportunity to come to the major leagues—Baylor—was then or never. Our organization has developed to the point where we play in the major leagues, and that is a privilege. Baylor is almost the only non-medical school hospital recognized in the annual U.S. News & World Report survey of hospitals.

WCR: *You've been a CEO for 30 years! Although Abilene might not have been a major leaguer compared with Baylor, you were much younger then. And the decisions you were making then were probably equivalent in magnitude to those you made here because you had a lot more decision making behind you by the time you got here.*

BP: That was helpful. I could not have walked in off the street without that experience and come anywhere close to trying to take on Baylor. There wasn't any way to do it. One thing I shared with the trustees when I was interviewed was that I was not a "maintainer." I asked them the question, "Because Baylor is so well thought of right now, is there anything left to do? If there's not, then don't offer me the job because that's not what I do. I'm not a good maintainer. If there is something to develop, expand, and enhance, then maybe I could help." I know if I'm not thrown into that development side, trying to improve something, then I don't function very well.

WCR: *You've gone to Baylor University. You've been a loyal alumnus of that university. You have received the prestigious Baylor University alumni award. You've been CEO at Baylor Health Care System for 20 years, and you have continued your connection to Baylor University via their and your board of trustees. It must have been a terrible disappointment to you when the idea suddenly arose that the Baylor Health Care System could be pulled out from under you by your own university. It must have been the most traumatic experience you've had here. Is that right?*

BP: Yes. Right or wrong, we were trying to evaluate the next set of environmental trends to see what we should do. I tried to discuss those with the regents and didn't anticipate that 3 or 4 of them would see that in a different light and would come up with an idea that was unacceptable to us and to the Dallas community. It's probably the most uncomfortable position I've ever been put into. It was for some of our trustees and friends as well. One thing I had to do internally, since it started out as a high-profile case, was to decide how I was going to handle it and how I was going to come across publicly. It was uncertain to me what was going to happen for a period of time. I didn't want to say that all the trustees in Waco felt that way, and I certainly didn't want to damage the university that had meant so much to many of us.

I took the approach that we would have to find a way to solve it. I determined that I would not say inappropriate things about anybody or about the institution in Waco. I tried to give the constructive rather than destructive answers. Based on feedback I got through the course of its solution, that's the way it came across, fortunately. That helped us in the reconciliation later on. I'm not sure I would be very good at public politics. If you look at Bush and McCain during the primaries in 2000, they said rough things to each other. Politics requires you to come back and say, "I didn't mean it." I didn't want to get into that. I didn't want to have to apologize later for losing my temper, which I never did.

WCR: *Were you pleased with the resolution?*

BP: Yes, I was.

WCR: *Did you actually view this event as a major positive for the Baylor Health Care System?*

BP: The traditional relationship that the medical center had with Baylor University had been wonderful. They operated theirs and we operated ours. We cooperated where we could. Nary a problem existed for years. I felt bad being at the helm when the dispute arose. In the life of an organization, as in personal life, freedom is essential to determine destiny. It looked like we were not going to be able to be free under the university-proposed arrangement. I felt that it became imperative to become independent, and so did others. And that is what happened.

WCR: *The time spent in trying to decide whether it would be worthwhile for Baylor to merge with the Harris/Presbyterian combination must have been exhausting. Do you view those discussions now as a positive, something that taught you and others more about Baylor?*

BP: I think that is fair. Any time there are discussions like that, you're faced with a fair number of difficult dilemmas. The involved institutions obviously have different views, histories, cultures, and approaches. We felt like there were 3 church-based and faith-based organizations, and if anybody could pull it off from that fundamental base then we could do it. It was more imperative at the time we got into the dispute with the university because Columbia was a big machine running across the country. The fundamental proposition we held was that we were community-based nonprofit organizations—not for-profit organizations. I don't denigrate the proprietary side. It's just not for me. If we had been sold, I had already told our board chairman that I was leaving. I knew the people in the company (Tenet). I didn't have any ill feelings toward them, but it just was not my calling and I would be gone.

As we got into discussions, we learned a lot about each other. The discussions probably made us better; we understood how we thought and what was important. It became clear to me toward the end that the views of our clinicians and the views of some of our key employees, after they had taken a good look at it, were such that they preferred that we stay the way we were. We had so many people put efforts into the merger. We had great leadership on the board. We studied it, looked at it, and didn't do it. I didn't look at it as a failure. I viewed it as a very serious examination of an idea and alternative that the parties decided not to do. The landscape of health care changed during the 1 to 2 years of the discussions. Many of those great institutions that did come together are now unwinding. The experiment generally has not worked. Trying to put these big organizations together when

Figure 7. Boone and Peggy with their 6 grandchildren.

there are so many differences in the organizations is difficult and probably infrequently desirable.

WCR: *You are absolutely pleased with the decision not to merge.*

BP: Yes. I think the trustees in both organizations made the right decision, although months earlier I thought it was the right thing to merge, and so did some of our physician leaders.

WCR: *You've been a CEO for 30 years. Most CEOs in the major corporations in this country are there for 4 or 5 years only.*

BP: College presidents turn over pretty quickly also.

WCR: *I presume that you are quite pleased to be out of the day-to-day operations of a billion-dollar plus corporation.*

BP: I had moved out of the operations some time ago, and Joel helped me a great deal when he came back and became the chief operating officer. The difference for me is not so much that; it's the sense of carrying the responsibility 24 hours a day, the sense of knowing that if anything goes wrong, you'll have a question about it. The sense that a regulatory group comes in and you didn't know you had a problem, but you do. The sense that you may get a call from the media on something. In my career, I've dealt with things such as patients' jumping out of windows or outsiders (as imposters) coming in and sexually harassing patients at 2 AM. I've had an enormous number of exposure points that were not pleasant, and they worry me to death. In the early part of my work, I was very fearful about the nursery and the fact that we mixed our own formulas. In mixing formulas for the nursery, a slipup could occur and harm a baby. I feel like I have been on call all my life, all of the time. I've been called at different places in the country for different reasons. That was okay. It's part of the territory. It's nice not to feel like you're on call. Doctors have a parallel to that in their practices, of course. For me it wasn't the work, it was that sense of responsibility. I never wanted to mess things up, and I didn't want to hurt people at either one of the hospitals that I worked with by doing something wrong.

WCR: *Could you talk a bit about your family? It sounds like you and Peggy are best friends. Your children have all come out well. You are a grandfather now. How have you been able to keep that part of your life together so well?*

BP: Peggy and I have been married 42 years. Our children are 36, 38, and 40. We've done things to try to keep the family unit in place and together. Peg and I have spent a number of years working with engaged couples at our church in hopes that their marriages would be okay. We've done things like that together.

Figure 8. Playing golf with the grandchildren.

We both just love being grandparents (Figures 7–9). We're typical crazy grandparents. We will do things with the grandchildren that we never did with our own. I give them ice cream sandwiches for breakfast when they stay with us and just laugh when we turn them back over to their parents.

In Colorado we built a place that everybody can come to (Figure 10). We just opened the home about a month ago, and we had our grandchildren and family there for 2 weeks. That part of our lives has changed my perspective. I had thoroughly enjoyed being immersed in work because what I did was so important. It represented healing, not hands-on healing but being part of the healing process, and I loved it. I can't do that at the pace or the hours that I did most of my life, and I enjoy this next phase. It was time to change. I sensed it. The board knows when it is appropriate for changes to occur. I love what I'm doing now.

WCR: *What are your goals now?*

BP: I'll add one more thing to my list of what I felt good about, and that is trying to build the philanthropic part of Baylor. I've got to put this in context. When I arrived in 1980, Baylor didn't have any debt, but it also didn't have any money. Dallas had been good to it, but philanthropy during that period of expansion all went for equipment and buildings. There was no endowment. There was no cushion for the mission-related parts (education, research, and community service) we had to do. About 1982, I determined that we needed to put a priority on that in the organization. I got Gordon Caswell to come, and we started building up the foundation staff. We started putting emphasis on it. We had a goal of getting to \$100 million. That looked like a long way because we only had \$8 million in endowments at that time. But we hit it and then we set a goal at the 100th anniversary (2003) to try to be at \$250 million. That's a combination of gifts we have and gifts we know we are going to get through trusts and things of that nature. We've passed that.

Figure 9. Celebrating a birthday with the grandchildren.

We've raised the target to \$350 million and might even push it a little further. When I walk away, I would like to feel that there are some appropriate endowments there that can weather any of the environmental storms that come, that will help us do some of our mission purposes. And the other thing that has always driven me is to try to walk away from anything that I've done and any board that I've served on and have the place be better than I found it when I arrived. When I exit, I want Baylor to be better than when I found it. It was good, but I want it to be better.

WCR: *Baylor in 2000 is entirely different than when you came in 1980. That fact must give you an enormous degree of satisfaction.*

BP: It's 2 different organizations. The new team will have the same opportunity. They will continue to develop and build our clinical strengths. They are very good at assessing what needs to be done. There are a lot of operational pressures on the new team because of finances, but they will do a good job with that. They are doing a good job at enhancing some of our partnerships with physicians and those in communities. I want to end up by having built up some of the philanthropic base. I was in Washington, DC, yesterday meeting with the head of the Medicare Advisory Commission on the implications of decisions that Medicare had made and the negative impact they have had on Baylor. I'm working in the public policy arena. Governor Bush

Figure 10. Boone in Colorado with his granddaughter.

asked me to be on the task force to improve medical insurance and coverage to Texans. I have moved into this arena trying to strengthen us and trying to get some input in key areas that have impact on us.

WCR: *I was visiting Charlotte Memorial Hospital several years ago. The people I was visiting took me to see their CEO. He asked me where I was from and I told him BUMC in Dallas. He said, "Well, I just watch Boone Powell, Jr., and whatever he does I try to follow." That was a pretty good compliment.*

BP: It is a very nice compliment. Baylor has a good reputation nationally, and mine's been okay too. I try not to think about that too much because you trip over yourself. The way I've been able to try to get around that is that some years ago the idea of leading by serving began to develop as a philosophy. It's called servant leadership, and it means your focus is on the service and not on what you are doing. It's a very liberating concept, and I liked it so much that I have shared it with our management team on several occasions. Let's lead by serving. You don't have to be the first one in the buffet line, you can be the last. You be sure that those people we serve get what is necessary, and we'll be taken care of.

WCR: *Could you talk a little about your church life and your teaching activities? You've already mentioned your discussions with newly engaged couples.*

BP: For 13 or 14 years in Abilene, my wife and I taught college. It was fun to work with freshmen. We taught for a while when we came to Dallas, but our biggest involvement was our teaching in the engaged couples program with several of our trustees and others. My wife actually started it. We're not going to do that anymore. She has an idea for something else—parenting classes. I think she is going to try to start that. I have found that when I've been so busy, I'll say to those people who ask me to help them, "I will, but let me do the rifle approach rather than the shotgun approach." What that means is to give me something specific, a specific project or a specific area where I can do something. I can do it and complete it. That's different than taking on the obligations of something weekly. I just haven't been able to do that. I really enjoy working on a rifle basis.

WCR: *Your activities with the Young Life group have been a lifelong activity of yours.*

BP: It has been 48 years since I went to that camp. I've got my own bias, but I don't think popular culture has been very

friendly to kids, particularly in recent years. I am very much an advocate of things that are more positive in nature. Young Life is one of those. The Salesmanship Club does a good job and so do the "Y," Girl Scouts, and Boy Scouts. Those kinds of things are great influences. Kids need balance in their lives. Whether it's MTV or something else, they're getting washed with a lot of stuff that is not too good. I want to help out on the other side of that equation.

WCR: *What are your own 3 children doing now?*

BP: Two of them are housewives, and my son is quite good in the financial world (asset management). He works with banks as a financial advisor.

WCR: *Where does he live?*

BP: Austin. We're very close. We talk a lot and share ideas. He's very engaged in supporting the same types of things now that I do. I didn't ask him to do that; he just evolved to that.

WCR: *That must make you very proud.*

BP: It is very gratifying.

WCR: *What do you think the Baylor system is going to be like 25 years from now?*

BP: I think it will continue to have its core mission in place. Whatever will be the sophisticated technology 25 years from now, I think Baylor will be part of that. A good part of it would be downtown because that is what BUMC offers. I expect us to

continue to expand into other communities. I expect us to have a presence way out north, possibly Frisco. I think we will anchor the metroplex that way.

WCR: *Boone, is there anything that you would like to discuss that we haven't covered?*

BP: I really can't think of a medical group that has been better to work with than what I found initially at BUMC and what I found in some of the other community hospitals. We have tried to put such a premium on physician-administration relationships, and many physicians have responded well. I pay tribute to the physicians quite a bit. I've had a great board, too; wonderful citizens are on it. I don't think you can be successful, particularly in this at-risk environment, without the doctors helping you through it. Of all the years and all the associations I've had as CEO, I'm not sure I've come across a medical group that has been with its hospital more than what I've seen here. I inherited it, and I've tried to nurture it.

WCR: *Boone, on behalf of myself and particularly the readers of BUMC Proceedings, I want to thank you for your willingness to pour out your soul, so to speak.*

BP: Let's see how it works.

WCR: *Thank you very much.*

BP: Bill, thank you.