

## Something Extra EP 070 – Don Imholz

[00:00:03] **Lisa Nichols:** Chromosomes, little strands of nucleic acids and proteins are the fundamental genetic instructions that tell us who we are at birth. Most people were born with 46 chromosomes, but each year in the United States, about 6000 people are born with an extra chromosome, making them a person with Down syndrome.

[00:00:25] **Nichols:** If you've ever encountered someone with Down syndrome, you know that they are some of the kindest, most joyful people you will ever meet. They truly have something extra. My name is Lisa Nichols and I have spent the last 24 years as both the CEO of Technology Partners in is the Mother to Ally. Ally has something extra in every sense of the word. I have been blessed to be by her side as she impacts everyone, she meets through these two important roles as CEO and mother to Ally. I have witnessed countless life lessons that have fundamentally changed the way I look at the world.

[00:01:04] **Nichols:** While you may not have an extra chromosome, every leader has something extra that defines who you are. Join me as I explore this “something extra” in leaders from all walks of life and discover how that difference in each of them has made a difference in their companies, their families, their communities and in themselves.

[00:01:30] **Nichols:** I'm excited to have Don Imholz on the show today. Don is the former CIO of Boeing Defense in Space and the former CIO of Centene Corporation. Currently, Don is providing strategic consulting through his company Don Imholz and Associates. Don, thank you so much for making the time to be here today. You know that I'm a huge fan.

[00:01:52] **Don Imholz:** And vice versa. So, you're welcome.

[00:01:53] **Nichols:** The way you and I met, originally, you were my boss's boss when I started out of college at McDonnell Douglas. And you did not realize it probably at the time. It was not a formal mentoring relationship. But, Don, you always took that opportunity to bring me in to meetings and things like that was more of an informal. But you probably didn't even realize it. But I watched you and I'm just so grateful that we're still friends today. And I'm just grateful to have you.

[00:02:19] **Imholz:** As am I. I always tried to surround myself with people who are smarter than me, so.

[00:02:22] **Nichols:** Well, thank you. So, we've got a lot to talk about. So, growing up, what was growing up like for you?

[00:02:27] **Imholz:** Probably like most kids, in the area, I had one brother still have one brother, fortunately, and grew up really focused on sports going into information technology was never something I really considered. But I definitely was not career oriented. I definitely was not thinking even about college when I was growing up.

[00:02:45] **Nichols:** Really? Okay. So, like at five years old, you didn't say, I want to be the CIO of a multi-billion dollar company one day?

[00:02:53] **Imholz:** No. At five years old, I wanted to be a pitcher.

[00:02:56] **Nichols:** Of course you did. A Cardinal's pitcher, I bet?

[00:02:48] **Imholz:** Cardinals pitcher for sure.

[00:03:01] **Nichols:** So, when did you develop a little bit of interest in IT?

[00:03:04] **Imholz:** Not really until late in high school. I actually was, again, not that great of a student in high school. I worked a lot and had a lot of fun activities. And as I got to my senior year and considering colleges, it was very clear that going away was out of the question because of financial reasons. I was going to pay for any schooling that I had. And my high school counselor actually came to me with an opportunity for the McDonnell Douglas Co-op program. And I took the test in the Christmas break in my senior year and did well enough. They offered me an internship based on the test and steered me into technology.

[00:03:42] **Nichols:** That's great. Did you graduate with a MIS degree or what is your degree?

[00:03:48] **Imholz:** So, I went to University Missouri-St. Louis and at that time there was no MIS degree. There were courses, but the actual degree, I think the emphasis was quantitative management. So, I took all the programming and IT. courses I could, which wasn't that many.

And then later on, of course, went to Washington University and got a Masters in Information Systems.

[00:04:09] **Nichols:** So, you started your career at Boeing upon graduation? And how did you start? What was the role?

[00:04:16] **Imholz:** I was a systems analyst, and I was, actually, there was at that time, some people who have been around the area long time, will remember McAuto. I was not in McAuto. I was in the aircraft company. And so officially the programming work was supposed to be done by McAuto and the requirements and training and all the stuff that goes into business systems. **Alsis** was in the aircraft company and I was one of the few people in that organization that also knew how to develop software. So, I came in at the right time to have a little bit differentiation from some of the other people in that era.

[00:04:48] **Nichols:** So, I know that you had just an illustrious career. How many years, Don?

[00:04:53] **Imholz:** I planned to stay two and I stayed 33.

[00:04:57] **Nichols:** You planned to stay two and stayed 33? And so, you had various roles. Were you able to move around, you know, out of McAir or did you move around different components?

[00:05:07] **Imholz:** Yeah, I did. I was lucky enough to move quite a bit. So first few years certainly, or in the aircraft company. And then as the company changed evolve, there was an organization called MDays, McDonnell Douglas Aerospace Information Services Company, which I went over first. The lead, actually, their finance and some other organizations and then was general manager of that. And of course, later on, McDonnell Douglas merged with Boeing. And I had lots of different opportunities and positions there as well.

[00:05:35] **Nichols:** Yes. I left before that merger happened. Tell me this. You did have a lot of opportunities. And was it you say in raising your hand and saying, hey, I'd be interested in that? Or were there people tapping you on the shoulder?

[00:05:49] **Imholz:** It was more the latter. It was more people tap me on the shoulder. I was lucky fairly early, I guess, get into some different roles. So, PCs came out and I was there. I had some interest in personal computers and proposed the organization to set up a user support

center and I was chosen to lead it. And that led to some visibility. I was put into a general management training program where actually rotated in the manufacturing and did some different roles over there, moved in some classified programs. So, I moved in and out of IT five or six times.

[00:06:25] **Nichols:** Yes, Greg also, my husband, co-founder of Technology Partners, was at McDonnell Douglas and McDonnell sent him to Wash U to get a degree in artificial intelligence. Because that was you know, they were looking at how you do that. In the scheduling system. So your very last role at Boeing now was you were the CIO for Boeing Space and Defense, I believe, which was a \$30 billion.

[00:06:50] **Imholz:** Yeah, I think it was called at that time Integrated Defense Systems, I believe. Now it's called Boeing Defense Systems. Right.

[00:06:57] **Nichols:** And then how long were you in that role?

[00:06:58] **Imholz:** Oh, five or six years. So I had additional responsibilities as well as that. So I was, again, different times, different organization structures, but when I left, I was also responsible for application development across Boeing.

[00:07:12] **Nichols:** My goodness. Well, then you made the decision to retire and you completely failed.

[00:07:19] **Imholz:** Yeah, I guess that's true. I wanted to. I mean, aerospace is very cyclical industry. And I'd been through enough downturns that in 2007 the company had had its fourth record year. And I just felt that as an executive, you best leave when times are good, if you're in a middle, when times are bad, you feel like you're deserting a sinking ship. And I didn't want that. In summer, early fall of 2007, I decided to leave and did so. And in January 2008, of course, I had no idea what was coming in terms of the downturn in 2008/2009, I had a plan that I would work part time as a consultant after I retired from Boeing and do some other things and did some consulting. But I'm obviously not as good as you and your company is. So, I went back to work full time for Centene Corporation.

[00:08:18] **Nichols:** But you started as a consultant.

[00:08:20] **Imholz:** I started as a consultant at Centene. Yeah. They had been interested in me interviewing to be the chief information officer. And I had declined multiple times saying I want to work full time. And then I started consulting and then consulting, crowded out all my other consulting assignments and opportunities. And so I was essentially consulting full time and eventually got the bug and decided to come on board, again, with the thought that I would work there two years. I ended up working there seven. I'm very I'm not very good, obviously, at planning my career.

[00:08:55] **Nichols:** Well, I think Michael Neidorff chose well. I think when you came in it was a \$3 billion organization, right? And when you left,

[00:09:03] **Imholz:** Yep. We're about \$22 billion. So, but seven times growth in seven years. So, it was a lot of fun.

[00:09:09] **Nichols:** So, what was that like? That had been just a crazy ride.

[00:09:12] **Imholz:** Yeah, I used to describe it as like riding the back of a tiger. It's a lot of fun unless you fall off. And I think I was fortunate not to fall off. Yeah, it was always exciting. Things that work at \$3 billion, don't work at \$10 billion. Things that work at \$10 billion, don't work at \$20 billion. So we were constantly innovating and changing things.

[00:09:32] **Nichols:** Somebody told me recently about you saying, if you're having trouble, come talk to me about it. What's the quote?

[00:09:38] **Imholz:** Yeah. It was never written down or anything, but it paraphrased. It was you come to me early, you have a coach, you come to me like you have a judge. And the point of it was to encourage, if you got challenges, I mean, I believe the health of an organization I learned is from a good friend at Centene, actually, who coined this phrase, but the health of an organization can be measured by how quickly bad news rises to the top. And if you think about organizations having challenges, usually somebody in the organization knows about it. And when things are hidden, the challenges get even bigger. So, if you can get issues surfaced, you can deal with them. So, it was in that vein of trying to encourage people to elevate issues because their natural tendency is to try and hide them and fix them on your own.

[00:10:30] **Nichols:** But realizing that sometimes you've got to have the help of your superiors. I just think that such excellent advice for anyone out there.

[00:10:39] **Imholz:** And candidly, from a selfish standpoint, it's a lot more fun to coach people than it is a judge people.

[00:10:44] **Nichols:** Absolutely. Yeah. That's not much fun. So, I am sure that when Centene went from \$3 billion to \$21 billion, there were a lot of things that have to happen technologically. So what were some of those transformations that you took the organization through?

[00:11:01] **Imholz:** Yeah. I mean, virtually in that time frame, almost everything was touched, but I would say fairly consistent for us through the years. One was the customer facing of systems and certainly starting with our web presence. It wasn't very good in the 2008 timeframe and we put a lot of energy and effort into that, both in terms of cost structure, in terms of self-service. But more importantly, in terms of providing our customers, members and patients with more information that they could manage their health and do better than not having that information available. So that was always a huge thrust that also extended into implementing the CRM system. We chose a Microsoft project because their call centers and help centers weren't as efficient and as good as they could have been. We didn't have the call as just one example a member would call, and it got called back the next day. And if we didn't have the call history at the original name, that same member would start all over with a different person. So, it's not at all good to our members. So, that was a huge stress. And then the other one was certainly business analytics, advanced analytics. Taking the information, I mean, we were collecting data from millions of claims. And originally we reviewed the industry is just paying claims and underwriting and we weren't not taking advantage of the information that was on those claims. So, that was and continues as a huge trust for any company in that kind of business today.

[00:12:36] **Nichols:** So, how important, because I know for Centene, Don, there've been multiple acquisitions. I don't know how many. So, I'm sure that you've done some retrospective on that. Sometimes mergers and acquisitions work. Sometimes they don't. But what are some of the things that you have seen are common threads when they do work? What's important to look at?

[00:12:58] **Imholz:** Most mergers and acquisitions succeed or fail based on culture integration. And I think that was definitely the case. And again, I'd been through a very what I viewed as a very successful merger with McDonnell Douglas and Boeing. Boeing put tremendous amount of effort into the culture aspects of that. Again, it helped that the businesses were very

complimentary. So, Boeing was very, very strong on commercial. Candidly, had struggled with the defense and space side. McDonnell Douglas was historically very strong on the defense side. A good presence in space, but had struggled, obviously on the commercial side. So, you know, just a good blend. But I don't think it would work without the emphasis on merging leadership and culture. I mean, many companies that I've worked with through the years that have grown through mergers, acquisitions, the people still have affinity for where they came from and their culture. And to some extent, McDonnell Douglas had experienced that in their past. There's an old story that when pencils were ordered that had McDonnell Douglas on them in Long Beach, where the commercial business was headquartered, they would have McDonnell Douglas on the pencil, such that as you reduce the size of pencil and sharpened the pencil, only Douglas would show. And in St. Louis it was the reverse. As you sharpened the pencil, McDonnell would show, and not Douglas. I don't know if that's real or not. I'm told it was. But I would say that the sentiment behind that, that people in Douglas in many cases still referred to themselves as Douglas employees, and didn't have that much use for the for the St. Louis aircraft contingent and vice versa. Many people on St. Louis resented the commercial business perceived as not holding its weight and not contributing as much earnings and so forth. So those things happened in that merger 50, 60 years ago now. But we're very different than Boeing. Boeing did a great job of merging things.

[00:15:00] **Nichols:** Well, we're going to take a quick break and we'll be back with Don Imholz.

[00:15:05] **Ad:** Let's face it, the future is mobile. There's a good chance that you're listening to this show right now on your phone. Have you explored how you can move your business mobile too? Our mobile apps team at Technology Partners makes it their mission to move our clients into the hands of their employees and customers and change their business processes to meet the demands of their users. Let's work together and build a dynamic mobile app for your team. Go to [tpi.co/mobileapps](http://tpi.co/mobileapps) and get the conversation started about how we can help you get your new application off the ground.

[00:15:39] **Nichols:** Don, why is it important for a technologist to continue to evolve? And this program that we're doing, it's not really technical skills, it's what we call core competencies. Why is it important for a person that's wanting to continue to rise in their career?

[00:15:54] **Imholz:** I mean, I always tell the story that when I started my career, I was all about technology. And it manifested by where you spend your lunch hour. So, I used to spend a lot of time reading technical magazines, and then as I evolved, to use your word, which I think is the

right word, I decided I needed to understand business better. So, I started reading the Wall Street Journal and business magazines. I evolved further and I was dealing with a lot of executives that McDonnell Douglas and I didn't really understand the industry as well. So, I took out a subscription aviation where he can space technology and would read it cover to cover every week. And then lo and behold, I really began to understand the importance of relationships. And later in my career I would use lunch hours to meet with people and build a relationships. So, I think it is important that you and that those kinds of meetings, that's where you practice and you develop better core skills, and core skills is exactly right. I think some people will come hard skills as technology is hard and soft skills as if the interpersonal stuff is easy. Right. Because it's soft and nothing could be further from the truth, if anything it may, indeed, be opposite.

[00:17:03] **Nichols:** It may be opposite. Yes. Yes. Because understanding the human person and behaviors, I mean, that's not always an easy thing to do and how to motivate.

[00:17:13] **Imholz:** That's absolutely right. And especially as I think businesses have gotten more complex, there's more collaboration today. There's more groups of people working on things. And certainly I mentioned my background with software development. I mean, at Centene, we were very much in Agile. And it just you cannot have a person sit in a room anymore developing code. It just doesn't work that way.

[00:17:39] **Nichols:** Right. Especially with agile methodology. For sure. When you came into Centene as the CIO, the propensity may be sometimes to just try to boil the ocean. There's so many different things that we need to work on. But you said no. You came in with one big initiative and then carry that forward. So, talk about that a little bit.

[00:18:03] **Imholz:** I had a huge advantage, as you talked about before, that I started there as a consultant. So, I had an outsider view for 10 or 12 weeks of really looking at the organization of what was wrong. And indeed, there were a lot of things that needed to be done, but people only have a certain amount of capacity to change. And I think it's very important for senior leadership, if you declare something important, it stays important forever and you build on things. You don't replace them because the natural tendency, especially frankly, with a lot of organizations that have gone through management turnover is we'll just wait him out. OK. So that's the flavor of the month. Right. So, you have to avoid flavor of the month. You have to institutionalize things for real change. So, as I came in the Centene and looked around the organization, yeah, there were a number of things that needed attention. But we chose one to

emphasize for the first six months and then we kept emphasis on it as we added on. So, the one of the first things we decide to do, our infrastructure company had grown very rapidly. The infrastructure was had a degree of success based on heroes., based on tribal knowledge. So, core processes like change management and system management, et cetera, the basics of ITIL, if you will. We're not being there was different languages. A lot of people from different companies. So, we didn't have common definitions for what was an incident, what was the change, what was a problem beyond having processes that were somewhat disciplined. So, we sent everyone through ITIL training and again, as we grew the organization and people came in, we continue to them through ITIL training. So, ITIL never went away as an initiative. But a few months we put together initiative around customer service excellence and had the training associated with that. So, we started scheduling classes 2 to 4 per year. More intense for that to get everybody that was there caught up. And then as we hired employees into the organization over the succeeding years, we continue to hold those classes and everybody had a common framework a common set of expectations around those soft skills or core skills more appropriately very tailored to us in terms of our expectations of leaders in the organization as we matured that two years in, we wanted to move Agile. So, we announced Agile as an initiative and then went through the same thing in terms of training and adoption and pilots, and we continued on with Agile and then a couple of years before I retired from Centene, we introduced Lean to the organization. So, while I was there we had four primary initiatives, but every all hands meeting that I had in the entire duration there, I would always talk about talk about each one of those and where we were at. So, they can't go away because if it goes away, then you just hurt your credibility.

[00:21:06] **Nichols:** Yeah. No. It makes total sense to continue to build on those. So, this is Something Extra. What was this something extra, would you say, in the team that you led at Centene, Don?

[00:21:16] **Imholz:** So, I mean, lots of great people with a lot of great skills, smart people, hard working people, people that were interested in the collaboration. But I think what truly differentiated us from many of our competitors was the amount of business knowledge that we had. Multiple people; so we'd had people that had worked in the industry for 12 or 15 years. And the details of claim systems and provider data systems, again, which especially was important for me because I came into the industry from another industry not knowing we had people that had been consultants. So, it had a center person who had been in the health care as a kid and so had seen a lot of different kind of different a lot of different companies. We had an ex consultant from E&Y, who likewise had worked with a lot of companies. So, I was incredibly

fortunate to inherit a team that had a lot of business knowledge. I would say in terms of dealing with the business, we were very much able to deal with the business. Other parts of the business I never talked about IT and the business always talked about IT in other parts of the business because IT has to be as much of the business as any other group. But we could work with people outside of IT in their language.

[00:22:28] **Nichols:** Right. And I know you say that and mean it's really for young technologists out there. It's so important for them to understand the business because it's really the business challenge first, right, Don? And it's how technology can either solve a challenge or move the needle.

[00:22:45] **Imholz:** And there are certainly people out there that are totally focused on the technology. And they want to learn enough of the business on a transient basis to solve a problem, make some money and move on. Most corporate IT organizations hopefully are able to attract and retain people that their motive is solving the business problem. And technology is a part of it. And in today's world, it typically is. That's great. But they seek first to understand the extent of the business problem and build capabilities rather than just a product or solution for a short time.

[00:23:20] **Nichols:** So you said something very key. Seek first to understand. That's great advice. It's a great principle right there. So what do you believe? Is it something extra that every leader needs?

[00:23:32] **Imholz:** The thing that comes to mind there is you have to have integrity and credibility. The credibility piece, I think is big extension of that. And how do you handle yourself in situations? I used to always talk about being in meetings and having a direct report, say something that wasn't quite right. And how you handle those situations is very telling because you want to back the people that work for you. And yet if you allow someone else in the business to get the impression that things were good when they're not or things were bad when they're not, or whatever, you risk your credibility as well. And so you have to learn to navigate those situations to balance those interests, because if you've lost your credibility with other people outside of IT or for that matter, your direct reports, are people inside your IT organization, you've lost something very precious.

[00:24:28] **Nichols:** I could not agree with you more. So, you retired again. You kind of failed again. You're consulting. I know you are but you've kind of taken on a new role recently, right? Just an interim role. On an interim basis.

[00:24:46] **Imholz:** No, I retired it in the 2015 plan to certainly not deal with the corporate challenges and everything and not work quite as hard. I believe that health is around being physically active and mentally active both. So, I continue to be engaged. And always for a number of years I've been involved in various non-profits and boards and such and I continue to be involved in those and I only really do consulting for friends. I'm in a fortunate place where I don't need to sustain a lifestyle. But if friends call and I can help them, then I will. So, the latest one is Clayco called a couple months ago and had lost their CIO who worked and lived in Chicago. Friends there called and said, could you help out? So, I'm helping out. It will be a fairly short term assignment.

[00:25:36] **Nichols:** So you've got just so much knowledge. I think you're in a perfect place, really, Don, because people need you and need your expertise.

[00:25:44] **Imholz:** It's always good to be wanted. You know, I've had the fortune of working in different industries and working with a lot of smart people. So, I've learned a lot through the years and to the extent that I'll have an opportunity to give some of that back. It's very rewarding.

[00:25:58] **Nichols:** Absolutely. So, Don, is there anything that you're excited about or, you know, something that's coming up that our listeners might want to get involved in that you can talk about?

[00:26:08] **Imholz:** I don't know if the right term is excited, but one thing that I would pitch is for people in the region to look at the region as just that, a region. I think for those of us, I'm blessed with four wonderful children who are married and a bunch of grandchildren now. And when I look to the future of this region, there's great people here. There's great opportunities. But the political leaders in the region need to help the business leaders in the region and indeed in all of us. So, I'm not taking a particular position on Better Together or anything like that. But in terms of involving, especially technology leaders that can bring so much to the nonprofits in the area, to the political process in areas get involved, and it doesn't really matter to me what you get involved in as much as getting involved. But for the sake of our children and grandchildren and their children, this region, on a competitive basis, while having great people, great resources,

some great companies is not advancing at the rate as others. And we need to work on that together.

[00:27:17] **Nichols:** So, Don, thank you so much for being here today. This has just been so delightful for me. I feel like it's kind of come full circle. You know, from way back when I was right out of college and now I get to interview you.

[00:27:29] **Imholz:** Well, I'm very proud of you and I cherish the relationship that we have. So, thank you. It's quite a bit of fun and you're quite welcome.

[00:27:37] **Announcer:** Thank you for listening to today's show. Something Extra with Lisa Nichols is a Technology Partners Production. Copyright Technology Partners Inc. 2019. For show notes or to reach Lisa, visit [tpi.co/podcast](http://tpi.co/podcast). Don't forget to leave a review on Apple Podcast, Google Play or wherever you listen.