

Hernan J. F. Saenz, III

Work Experience

BAIN & COMPANY

Dallas, Boston, Madrid, and Sydney

Global Practice Leader, Performance Improvement, 2018- present

Managing Partner of the Dallas, Houston, and Mexico Offices, 2008-2016

Partner and Director, 2003-Present

Practice Leadership, 2003-Present (Strategy, Organization, Transformation, Higher Education)

Manager and Principal, 2000-2003; Consultant, 1998-2000

Leading major transformational programs

- **Led 4-year transformation of largest US domestic airline.** Transformation included merger integration of two major domestic carriers, network and flow redesign, transitioning of operating model to regional management, and implementation of cross-functional planning processes. Stock price up ~4x in four years
- **Led transformation of largest pediatric hospital chain in Dallas.** Designed a new business model to operate in the new healthcare environment, including entry into risk, insurance and clinical integration businesses, regionalization model, strategies to deepen local market share, and dramatic cost reduction (~30% of base). Implementing now, with hospital operating with industry leading margins
- **Led transformation of largest distributor of animal products in the US.** Complete redesign of operating model, including new category management and vendor programs, network and route optimization, new go-to-market and sales model, and in-fill M&A. Implementing now, expected to double EBITDA
- **Led 2-year transformation of industrial pumps manufacturer.** Built a new company from scratch (division was divested from conglomerate), including business strategies and operating models for each business unit, global organizations and role of corporate center. Implementing now, expected to beat aggressive private equity investment plan
- **Led transformation of environmental services and oil refining operator.** Separated management of branch and oil refining businesses. Fundamentally revamped the go-to-market model of the branch business through a customer-centric program. Separately optimized the oil refining operation using sophisticated supply and demand modeling. Reorganized company to support new strategy. EBITDA doubled
- **Led 3-year transformation of global medical technology company.** Phase I of the transformation focused on cost reduction that added 700 bps to the bottom line. Phase II transformed the go-to-market model from research and development, to clinical and quality programs, to product management, to sales. Phase III delayered company to a global platform with country sales organizations. Stock price up ~2X in four years
- **Led 3-year transformation of leading US institutional pharmacy.** Transformation included a new hub and spoke network that redefined industry economics, new branch SOPs deployed nationally, new procurement models including use of generics, an innovative customer retention strategy, and a merger of the two largest institutional pharmacies in the US. Net income increased by ~50%
- **Led 4-year transformation of leading global office products supplier.** Transformation included a new operational model around business units, consumer-focused innovation programs to drive organic growth, moving manufacturing to Mexico and China, major overhead cost reductions, and a merger of the two largest office product suppliers globally. Revenue increased from \$1.2B to \$2.0B, RONTA from 7% to 37%

Designing and executing growth strategies

- **Created new division of a global skin care company.** Helped launch a new division focused on aesthetic and corrective products, including full operating model and organizational design. Designed growth strategy based on segmentation of end users (consumers) and channel (physicians). Developed pricing program and loyalty programs. Implementing now, budgeted 30% growth next year

- **Developed growth strategy for largest network of optometrists in the US.** Developed strategy to continue to grow at a rate 10-15% per year while maintain super-premium positioning and pricing. Strategy based on optometrist segmentation and included new product design, complete redesign of salesforce, new retail services, and clinical integration with ACOs. Implementing now, expecting 10-15% growth per year
- **Designed business model and penetration strategy for US retailer to enter Latam.** Strategy included store design and location, merchandising and pricing, branding, distribution and logistics, staffing, and training. On track to open over 250 stores in five years, with IRR of 48%
- **Developed growth strategy for leading manufacturer of HVACs in the US.** Strategy based on dealer and end user segmentation and included redesign of dealer experience and revamp of salesforce. Also, developed business plan for adjacent move into high end (high SEER) segment. Plan to deliver 10-15 ppt growth over market; company acquired at a very high multiple
- **Developed M&A strategy for leading operator of surgery care centers in the US.** First, developed a model of future demand, supply, reimbursements, and costs by specialty by market in the US. Based on the model, developed a prioritize M&A and integration strategy. Also, identified optimal protocols for physician and health system partnerships. Expansion has exceeded initial projection of 40%
- **Developed growth and adjacency strategy for leading operator of community oncology centers in the US.** Defined a new business model to unbundle core service offering, including designing new products and a new salesforce model. Also, evaluated over 15 adjacent moves and developed business plans for three: clinical research, labs, and informatics. Plan to double income in three years; company acquired at very high multiple
- **Developed portfolio and growth strategy for consumer packaged goods company.** Strategy to migrate from an ingredients company to a branded portfolio, including key M&A moves as well as organic growth plans. Operating model fully migrated to a consumer brands model, which now manages a portfolio of 12 brands
- **Crafted portfolio strategy for leading operator of skilled nursing facilities in the US.** Developed and implemented a portfolio strategy with three types of facilities (hospitality, clinical, and volume driven) based on local market segmentation, alongside adjacency strategy (clinical programs). 20% increase in EBITDA
- **Developed growth strategy for leading operator of home health centers in the US.** Growth strategy focused on maximizing share of wallet, loyalty and referrals; implemented by designing and rolling out a new network and brand, as well as new operations and commercial organization and processes. Growth trajectory went from -7% to +8% (before government changed reimbursement).
- **Developed growth strategy for largest distributor of specialty auto parts in the US.** Focused on gaining share of wallet and penetration in each 24 local US markets. Strategy included network and product changes, trial and loyalty programs, customer service and salesforce reorganization. Company size more than doubled

Designing and implementing operational excellence programs

- **Designed and implemented cost reduction and inventory optimization for a leading US department store chain.** Program included optimization of store labor, procurement, supply chain, and inventory. Results included \$650M of net annual operating cost reductions, plus over \$700M of one-time inventory reduction
- **Designed and implemented cost reduction program at Ivy League University.** Focus was on reducing administrative (non-academic, non-grant) costs. Major reductions identified in procurement, facilities, IT, other G&A functions, and through Spans & Layers optimization. Reduction of approximately 20% of relevant costs
- **Designed best practices and operational efficiency program at leading operator of dialysis clinics.** Program included centralization (hub & spoke), clinical labor best practices, and inventory management. For key admin processes, cycle times reduced by 40% and variability by 60%. Overall, EBITDA impact of approximately 15-20%
- **Led diagnostic of quick-hit cost opportunities for multinational pulp and paper operator.** Savings identified included procurement and supply chain optimization, plus G&A. Total quick hits identified included \$100M of operating cost savings, plus another \$100M of inventory reduction

- **Led procurement cost reduction program for regional US hospital chain.** Included spend on drugs, supplies, devices, equipment distribution. Hospital chain was top quartile before program, but still implemented savings over 10% of base through procurement program
- **Designed best practice, cost reduction and operational efficiency for major US institutional pharmacy.** Program included centralization (hub & spoke), clinical labor reduction, procurement optimization (including generics), and outsourcing. Company became EBITDA leader in the sector and was acquired at a very high multiple
- **Led operational efficiency and cost reduction for Department of Defense medical expenditures in DC.** Modeled demand patterns for active duty and families in the DC metroplex and recommended optimal supply patterns by specialty and facility (across services). Also reviewed full set of contracts to reduce costs by over 20%. Program fully implemented under BRAC, including changes to Graduate Medical Education

People leadership and development (internal to Bain)

- Have led multiple recruiting programs at Bain, including Harvard College recruiting, Harvard and Cornell MBA recruiting, Boston Summer Associate program and Associate Consultant recruiting for Bain
- Have led multiple training programs for Bain, including training for Associate Consultants, Consultants, Managers, Partners, and Consulting Support Services
- Founder and leader of LATBA (Latinos @ Bain), a diversity and inclusion group focused on bringing the best Latino business talent to Bain
- Other major contributions at Bain include serving as Professional Services and Risk Manager for Boston office, as well as design of key HR systems for the firm
- Frequent guest lecturer at a number of business schools, including HBS, Cornell, Tuck, Fuqua, Kellogg, and SMU

CORNELL UNIVERSITY

Ithaca, NY

Visiting Senior Lecturer of Management and Organizations, August 2016-Present

Advisory Council Member, 2007-Present (emeritus)

- Serve part-time on the Johnson School faculty and teaching business strategy
- Supported development of long-term strategic plan for the Johnson School for Dean Joe Thomas, including research, teaching, and placement missions
- Supported program design for Johnson School's expansion to NYC and Cornell Tech for Dean Soumitra Dutta, including program and curriculum design
- Supported development of Johnson's consulting program, including curriculum design and placement program
- Led operational excellence program for President David Skorton, redesigning University's organization, reducing administrative costs, optimizing portfolio of Centers and Institutes, and instituting a new budgeting methodology
- Active member in Corporate and Globalization Committees for the Johnson School
- Between 1995 and 1998, served as a Teaching Assistant in the School of Industrial Relations and the Johnson School

PEROT MUSEUM OF NATURE AND SCIENCE

Dallas, TX

Museum Council and Board Member, 2010-September 2018

- Led development of 3-year strategic plan for the opening of the Perot Museum in 2011, including operational mission, education mission, and community engagement mission, plus key elements of organizational design
- Led redesign of Museum's governance model, including new Board units, new Committee structure and roles, and new governance processes
- Led refresh of the Museum's strategy in 2014 and again in 2017, including operational, education, and community engagement missions, plus key elements of organizational design
- Served as Chair of Executive Committee, CEO Search Committee, and Long-Term Planning Task Force
- Additional Committee expertise includes Finance & Audit, Investment, Legal, Marketing, Development, and Board Development/Governance

INCAE

Alajuela, Costa Rica

Research Associate and Faculty Member

1994-1995

- As the Assistant to the Dean of Executive Programs, developed 5-year plan for Executive Education Programs (50+) covering all of Latin America, including marketing plans, staffing model, comp system for faculty and salesforce, and new organization
- As a member of the Faculty in economics, focused research on labor market and education topics
- Personally led significant number executive education programs
- Co-developed methodology to manage and measure performance and risk profile of financial institutions in Latin America
- As part of my consulting practice, implemented methodology and dashboards for financial institutions and regulators in Costa Rica, Ecuador, Nicaragua, and the Dominican Republic

Education

CORNELL UNIVERSITY

Ithaca, NY

Master of Business Administration, January 1998

Master of Industrial and Labor Relations, January 1998

Served as Teaching Assistant in Economics, Statistics, and Entrepreneurship

STANFORD UNIVERSITY

Palo Alto, CA

Master of Arts in Economics, May 1994

Researched focused on labor market and gender

HARVARD UNIVERSITY

Cambridge, MA

Bachelor of Arts in Economics, *magna cum laude*, May 1993

Served as Teaching Fellow in Economics and Statistics

Other Information

- Board and Council memberships: Cornell's Johnson School, Southern Methodist University 21st Century Council, YPO Gold, Dallas Citizens Council, Dallas Theater Center
- Other pro-bono work: University of North Texas-Dallas, Cooper Institute, Dallas Regional Chamber, etc.
- Multiple publications, including Harvard Business Review, Business Strategy Review, World Business, plus over 100 intellectual property contributions to Bain on the topics of transformation, strategy, organization, and performance improvement
- Hobbies and personal interests: family, tennis, performing arts, travel (over 100 countries visited)