Life as Leadership

And that's what I really got excited about this idea of, well, my own voice condition might have limited my ability to speak at times, but maybe it was an invitation to strengthen the voices of others. (9:20-9:34)

But I think having said that, specifically to your question, the big epiphany or turning point for me was starting to see the business of business as being more than just business. (16:19-16:37)

Now, having said that, the other reason I'm such a big believer in that approach is simply to ask oneself who is the human being that you can most influence and that's self evident as well, that the only person, any of us can really change is ourselves. And I have found that the best way to create change within an organization is to become it. (27:52-28:24)

Josh: Business owners are cluing into the fact that Bitcoin is here to stay, but its adoption is only about where internet adoption was in the mid-nineties. In other words, there's still a ton of upside and opportunity. If you want to learn how other business owners and entrepreneurs are using Bitcoin to enrich their lives and grow their businesses so that you can too, stick around at the end of this episode, to hear the trailer for my newest podcast Business Bitcoinitation, and now onto today's episode.

You're listening to the Life as Leadership podcast. Are you looking for motivation and encouragement on your path to becoming a better leader? If so, you've come to the right place. Keep listening to find a community of leaders, committed to learning and taking action to improve their world. The Life as Leadership podcast, where leaders gather to grow together. Here's your host, Josh Friedman.

Josh: Have you ever had a situation in your life that seemed o9n the surface to be a really bad thing, but ended up being one of the best things that ever has happened to you? Our guest today has experienced that, and I think that this is a great and timely message for us right now, but really for anyone in the future, we all have difficulties in our lives and a lot of how we experienced them and a lot of the fruit that comes from them all depends on how we decide to handle them.

Our guest today is the CEO of <u>Hancock Lumber</u> company, which is actually one of the oldest companies in America and it's a six time recipient of the best places to work in Maine award. In 2010 at the peak of the national housing and mortgage market collapse, our guest acquired a rare neurological voice disorder called spasmodic dysphonia, which remains with him to this day. When his own voice became weakened, he developed a new leadership style focused on strengthening the voice of others. He's now a champion of a work culture where everyone leads and every voice is trusted, respected, and heard. His new book, <u>The Seventh Power: One CEOs Journey into the Business of Shared Leadership</u> shares the philosophy, values, and strategies that Hancock Lumber company has embraced on its journey toward

becoming an employee centric company. Here is Kevin Hancock. Kevin, welcome to the podcast.

Kevin: Josh, it's my pleasure. Thank you for having me.

[00:02:19] **Josh:** Absolutely. Well, I like to start off every interview with a few questions to help us to get to know you better as a leader and give us some insight for our own lives. So you're ready to get started with these? What is some lesson, saying, or experience that continues to influence your leadership to this day?

Kevin: Well, a saying I've got right here on my desk beside me is Gandhi's iconic quote, "we must be the change we wish to see in the world".

Josh: Use three descriptors to finish this sentence. "A leader is..."

Kevin: Self-aware. Humble. And appreciative.

Josh: And what is a question that leaders should be asking either themselves or others?

Kevin: In what way do I need to change? And that's focused on asking oneself that question.

Josh: That's right. Good clarifying point there. What is a book that you would recommend to leaders?

Kevin: Well I love all of Jim Collins' books, especially <u>Built to Last</u>, <u>Good to Great</u>, and <u>How the Mighty Fall</u>.

Josh: If you could get every listener to start doing something this week to help them be a better leader, what would that thing be?

Kevin: It would be the focus a bit less on others and a bit more on ourselves.

Josh: Interesting. Usually someone would say the opposite. I think I know why you're saying that. I want to delve into that a little bit later on, but we have our final question here, which we call our arbitrary, but insightful question. And it is this: as a general life principle, is it better to ask why or why not?

Kevin: I would say why not. 'Why not' challenges the existing paradigms of what we're currently doing and expands the zone of thinking in terms of what might be possible.

[00:04:12] **Josh:** Well, Kevin, we are here today to talk about your leadership. Talk about your business and your new book, the Seventh Power: One CEOs Journey into the Business of Shared Leadership. And so I'd like to start off by letting you talk for a second about this idea of shared leadership. What do you mean by that?

Kevin: So what I mean by that essentially is that throughout history leadership/power has often been something that was collected and centralized, and acquired, you gathered that, and that's how you build empires. And while that may have worked or been the most traditional approach historically, I don't believe in a period of human awakening in the 21st century, that approach will continue to carry the day and that actually what's needed today is it's opposite, which is leadership models that disperse power and give strength to others and share leadership broadly.

Josh: And talk for a second about your book, the Seventh Power. What does it add to the conversation in regard to this idea of leading a business and using a shared leadership model to do so?

Kevin: The Seventh Power is actually a concept that comes from the Lakota Sioux tribes on the Northern Plains, and it represents the power of the individual human spirit. And it would be something akin to that iconic line from Rudyard Kipling's, <u>The Jungle Book</u>: the strength of the pack is the wolf. And the idea is that if every individual is living a full authentic life, speaking with their own true voice, then the entire tribe will be made strong. So it's really about that idea that the group is strong, so long as the individuals that comprise it are healthy and strong.

Josh: And I want to get to how you as a leader can make sure that the people in your organization are healthy and strong. But as we read in the bio, you acquired this rare neurological voice disorder called spasmodic dysphonia. I'd love to hear how that has influenced the way you think about leadership. We also talked about how you really care about helping people find their own voice and making sure that every voice is trusted, respected, and heard. Is that something that came out of your experience with spasmodic dysphonia or is that something that you had already developed as a leader?

Kevin: It came out of my voice condition. So in 2010, with the peak of the national housing mortgage market collapse, I began to have trouble speaking, something I never thought about. I'll take it for granted and have done a lot of, and of course, when you're a CEO, one might say that your primary tool is your voice. And suddenly I couldn't really use it. I've recovered a good bit since, but then it was super difficult to string together even a few short sentences. When it's hard to talk, you end up developing strategies for doing less of it.

And mine at the time, Josh, was simple. I just began answering questions with a question, thereby putting the conversation right back on someone else. So in that classic scene, someone would come up to me at work because I was the CEO, with a question or a problem, and I began responding by simply saying, "That is a good question. What do you think we should do about it?" And while initially this was a voice protection on my part, in time, I got really excited about what I saw through this question. Which was simply that people actually already knew what to do. They didn't actually need a CEO centric solution or top-down directive. For the vast majority of challenges that phased in the course of the day, they knew what to do. And so really it was about encouraging them to do it and make it safe for them to do it.

And that's what I really got excited about this idea of, well, my own voice condition might have limited my ability to speak at times, but maybe it was an invitation to strengthen the

voices of others. We have 550 people at our company. And I was thinking about this idea of a little bit of a loss of my own voice traded in for the magnification of 550 other voices could be a pretty cool and powerful exercise, not just on an economic level, but on a social human level.

Josh: And I love that idea. I love that attitude. One of the questions that I have for you is, was that a difficult transition because as a CEO, as a leader, you'd like to think that you are essential and I have no doubt that you are, but sometimes our understanding of what it means to be essential is different than actually being essential. And when you are allowing other people to come to conclusions and come to decisions. That can kind of be a touchy thing. Was it tough for you as you realize that other people often already had the answers, was it a tough thing for you to relinquish some control or was it something that you kind of grew into because of this voice disorder that you acquired?

[00:10:39] **Kevin:** That's a great question. It really was a function at the time of I had no choice, because I couldn't really talk very much. And I have always valued people and held people in high esteem in an optimistic way. I've always seen the good in people, but I was also always, before my voice condition, a pretty traditional leader where I was always presiding. I was always talking. I was always in the center of the stage, and it took this kind of jolt to my system in terms of my voice condition to get that change, but in short order, what I saw was much more enticing to me and I would never go back.

I had a dream about six months ago that an angel, if you will, had showed up and offered to back me up in my life prior to the voice condition. And I got so scared in the dream about not wanting to go because as I said in the dream, if I back up, I might not get my voice disorder again. Meaning that now at this point in my life, what I've gotten from the little bit of a limitation I have had has been so much richer and fuller and more dynamic with what I've given up, that I see it as a gift, not a hindrance or a liability.

Josh: I love that attitude. And one of the things that you just said is that you were a more traditional CEO. Your business is a family business that's been around, I think you are the sixth generation. And obviously as one of the older businesses in the United States, you have done something, your family has done something, that has allowed you to have staying power and to be effective. So even though you've changed in your leadership approach, I'd love for you to speak just a second to what it looks like to have a business that lasts for so many generations and continues to be healthy. And even today, as we said in the bio, you are recognized as one of the Best Places to Work in Maine. How do you do that? How do you have that staying power and consistency over such a long period of time?

Kevin: Our company goes back to 1848, before the first cannon ball was fired in the Civil War and people sometimes will ask what's the key to having an organization that's that old? I'll often start by playfully saying, well, you would have had to begin a really long time ago. So that's the first key, and think about it, we're in New England where the first businesses began in this country and we're in the forest products industry, which was one of the first businesses. And so, that's part of the opportunity. But beyond that, if somewhat said, what are the keys to that type of longevity? I think that a) it does take some luck and good fortune. It takes persistence. It takes a lot of people across a lot of generations caring for the institution, and then it takes the ability to change and constantly be willing to reinvent your business

while staying committed to a set of endearing values that are transgenerational and bigger than any single generation.

[00:14:35] **Josh:** So in your book, the Seventh Power, you talk about your journey into this idea and to this practice of shared leadership, we've already gotten some of your story here, but could you talk about a little bit of what this journey included, especially the things that can be helpful for the leaders who are listening to this podcast today?

Kevin: Sure. Well, it really took off for me in 2012, when I started traveling to the <u>Pine</u> <u>Ridge Indian reservation</u> in the remote Southwest corner of South Dakota. And there, long story short, I encountered an entire community that felt like it was not fully heard. And putting my own experience together with theirs, I got thinking about how there are lots of ways for humans to lose a piece of their voice in this world and perhaps even the very purpose of a human life on earth flows to find one's voice, one's own authentic voice and selfactualize. Unfortunately, across time, leaders of established organizations have probably done more to limit and restrict and intimate and intimidate and direct the voices of others than to free them. And that's when I started to see the invitation in my own voice.

But I think having said that, specifically to your question, the big epiphany or turning point for me was starting to see the business of business as being more than just business. Not to throw that word in too many times, but to start to see the real mission of business as a human exercise of which a profit was really just an outcome, an important outcome, of a higher calling, which was creating a work culture where everyone could have a voice and be heard.

Josh: So, I'm curious. I don't want to just start throwing terms around that not everyone in the audience may be familiar with, but would you say that this type of thinking that you've developed over time through your experiences, both personally and working with other people, would you say that this is somewhat connected to the idea of conscious capitalism? Or do you not see these two running side-by-side?

Kevin: Oh, I would. I've since become quite connected to the conscious capitalism movement. At the time doing what I was doing to build this, I hadn't heard of it, but it's very much connected. I've been talking about, at our company, the idea of creating an employee centric company, an employee centric company where the first priority of the business is to make sure that the people who work at the company have a meaningful experience, that work is meaningful in more than just economic ways. I really believe we have to change the world right beside us. When you look out broadly, it becomes too big and too overwhelming.

But when you look at the world right beside you, that's something you can get your hands around and that's a place where you can create change. And I've really kind of built our whole mission around the potential of a single question, which is this: what if everybody on earth felt trusted, respected, valued, heard, and safe. What might change? And I think everything might change, I literally think everything might change. And then you have to say, well, where might that change occur? And I think the place of work is an exceptional candidate site for that change to occur first, because so many people work globally, 3 billion people work and work functions better when the responsibilities and opportunities of leadership are shared broadly. **Josh:** So there are leaders who are listening to this and who may like the sound of this. However, it can be a little bit difficult to bring about a change that is that large scale, that massive. And I would love to hear from you about any insights you have in that regard. How do you bring aspects of this shared leadership idea into an organization, especially when you don't have the same situation that you've gone through. You had this situation that really has allowed you, and we've talked about it as a very positive thing, allowing you to enter into this idea of shared leadership in a very organic way. Not everyone has that. Do you have any recommendations so that people can bring this shared leadership approach into what they do?

Kevin: Yeah, that is a great question, Josh. I appreciate that. The first thing I'd like to say on that subject is that a lot of people hear that story or approach for the first time, the worry is, well, this means anarchy and chaos, because everyone can just do what they want. And what we've found is the opposite, that taking the time to have authentic dialogue and include people in decision making increases discipline, increases alignment, increases productivity, and increases unity. People are more apt to support that, which they help create. And we found people don't always have to have their exact way, as long as they believe that the discussion processes are sincere and authentic.

Now, having said that, to the other part of your question, we were able to create this change of culture with just three tactical changes. First we changed the mission of the company. This is such an underestimated but powerful move. We made our first mission the experience of the employees and our first priority is to be meaningful to them, to set the flywheel of success, if you will, in motion at the point of the employee experience with the belief that if they're having a world class experience, they will make sure that customer does too, and that the company is cared for. So we started with a new mission and then we needed a metric to measure that mission, so we knew how we were doing. So there we made our new primary metric employee engagement. And we measure that through an annual third party administered survey, designed to measure engagement. Everybody in the company takes it. We get this really rich data set of feedback that is the voice of the company. And we simply asked our managers that produced a score in the survey, and we simply asked our managers to make driving that score their top work metric priority.

So yeah, we measure profit and revenue and productivity and accuracy and inventory and all the things everybody else does, but we've made our primary first metric, the employee experience. And if you ask managers to improve the employee experience as their first priority, and you give them a few tools and resources to do it, it's actually pretty intuitive, how to go about doing it. So we reset our mission. We found a new metric, and then we just talked a lot about a fresh definition of leadership. If you are a manager or supervisor, leadership was something to be dispersed, not collected. And for everybody else in the organization, leadership was something to be accepted and shared, not spectated or rejected. And we were able over time to create substantial change in our performance on the heels of those three sub changes.

Josh: I love that, having an employee focused mission, having metrics that are also employee focused, and then having a definition of leadership that engages all of the people within the organization to accept leadership, or if they're already in leadership roles to be giving that leadership away. Now, you were saying earlier something about the health of those employees. Could you speak to that a little bit? What do you do to encourage and create a

healthy culture? And when I say healthy culture, I mean a culture of people that are going to work, they're healthy and happy and engaged and able to do their work well.

Kevin: Yeah. Great question. And then I think there are obviously a lot of pieces to that. One that comes to mind at the top is making a safe place for people to say what they actually think, first of all, and a safe place for people to make decisions and create action. So I think that's the critical ingredient. And what we've really tried to do is change that the very purpose of listening, which is for understanding, not judgment. So if someone said something in a huddle in our company, really the only response that's needed is jeez, thank you so much for sharing that. Or if you want to understand it better. Thank you so much for sharing that. Could you tell him more about that?

When I was younger, I used to listen to evaluate answers. And now I listen just to understand answers, and that's to really understand that the truth about a company is plural, not singular. That the truth is what everybody's seeing and experiencing. And the biggest gift a company could have, or a leadership team could have is to know what everybody actually thinks. That's such a powerful gift and it's pretty easy to create it, actually, because it's intuitive and something that everybody can support.

[00:26:35] **Josh:** Now there's something that you said at the very beginning of the interview, in our initial questions that I told you, I wanted to circle back around to, and I want to do that now. And that is this idea of focusing less on others and more on yourself. That's usually said in the opposite way, usually people will say I should focus on myself less and focus on others more. But why do you say focus on others less and focus on yourself more?

Kevin: At the simplest level, if you asked a thousand people or if they wished across their career if they'd been more closely supervised and directed or less, the answer I think would be pretty clear. People are well-intentioned and they're talented and they know what to do, and they're fully capable of leading. Now, having said that, the other reason I'm such a big believer in that approach is simply to ask oneself who is a human being that you can most influence and that's self-evident as well, that the only person any of us can really change is ourselves. And I have found that the best way to create change within an organization is to become it. And this is really about self-awareness and trying to transcend ego. I can look at any challenge or problem in our company anybody might raise, and trace directly back to me and what I either did or didn't do to contribute to it. And I found that my own management life has gotten a lot easier and more effective as I focused on how I need change a bit more and really trusted that if I change, that will ripple and enable or create change in others as well.

[00:28:47] **Josh:** I want to give you a second before we finish out our interview to maybe give us some insight from the Seventh Power that we haven't had a chance to talk about yet, or maybe reiterate something that you think is really important for the listeners to take away from this interview.

Kevin: Thank you. There's one scene in the book that's pivotal for my own experience and I love to share. I was walking a few years when the Arizona desert at sunset thinking about all we've discussed today, Josh, and kind of looking for a clarifying reason behind it all, why reorganize leadership? And it hit me at about sunset that night in the desert, these five words

came to me and they stopped me in my tracks. And those words simply were, 'in nature power is dispersed'. And I stopped and I looked around and I actually began posing a series of leadership questions to the desert out loud. And I said as I stood there, where's the capital of this desert and where is its headquarters? Where's the CEO? Where are the managers and where are the supervisors? Which one of these cacti is in charge of all the others? And the answer to me in each case was abundantly clear, the leadership power of nature is scattered and diffused. It lives in all its parts and pieces, great and small. And humans who are part of nature, not disconnected from that, ultimately aspire to organize in this same way.

And in the 21st century as more humans awaken to their own sacred intrinsic value, I think that leadership and organizational structure has got to evolve to meet that, to disperse the power and put our management governance systems more in line with the natural order of the universe. I think when you work in sync with nature's sacred rules, you have the wind at your back. And when you work against them, it's like paddling up the river.

[00:31:27] **Josh:** Well, Kevin, I really appreciate you coming on the show today and sharing with us this idea of shared leadership from your experience and just giving us some great leadership insight in general. If people have liked what they've heard from you today, and want to follow up and read your book, the Seventh Power, where would you recommend they go? And where would you recommend they go to follow up with you and learn more about the work that you do?

Kevin: Thank you. Yeah, the book just came out a couple of weeks ago, so it's super fresh. It's published by Post Hill Press out of Nashville and cited by Simon and Schuster. And it's available anywhere books are sold, which today is often right online through Amazon or Barnes and Noble or a site like that. And if you'd like to learn more or talk to me, I'd love to listen. And my personal website is <u>www.kevindhancock.com</u>. And I respond to everybody that reaches out to me.

Josh: Well, Kevin, thank you so much for your time today. It's been a pleasure.

Kevin: Josh, thank you so much for helping to share a piece of my voice, I appreciate you.

[00:32:47] **Josh:** So this is one of those episodes that, for me, helps to reshape and shift the paradigm of my leadership thinking a little bit. I really appreciated Kevin's message and I think that there are a lot of things in here that leaders could take and apply in their own organizations and on their own teams to help them lead more effectively and empower those around them to become leaders as well. And my first of today's three key takeaways is just that actually, it's the idea that people often already know what to do. And so it's our job as leaders to empower them and also make it safe for them to take action.

The second key takeaway is a question that Kevin posed, which is this: if everyone on earth felt trusted, respected, valued, heard, and safe, what would change? And his response is that he thinks a whole lot would change. And I think that he's spot on right there. At the same time, this isn't a matter of sitting around and talking about how we feel and our emotions all the time. There is a whole lot more to this and that leads to the third key takeaway, which is this: shared leadership increases discipline, alignment, productivity and unity is not something that has people sitting around talking about how they feel, and it doesn't lead to

everyone going their own direction and doing their own thing and anarchy like Kevin talked about. But what it does do is help everyone, not only to have a vested interest in the company, but to realize that their insight and their actions actually make a difference within the organization. And that is what leads to the discipline, alignment, productivity and unity. As always, if you want to connect with Kevin, go ahead and look at the show notes below or go to lifeasleadership.com/072.

Now at the beginning of next week, we're going to have a really interesting episode. Basically, if you want to connect with someone famous, this is the guy that can help you do it. He's made it possible for someone to get married by the Pope in the Vatican. He has helped people connect with the likes of Elon Musk and Elton John. And he's also been able to organize once in a lifetime trips, like going to the bottom of the ocean and visiting the Titanic. As you might imagine, he has some great advice on how to connect with people and communicate more effectively and we have a really enjoyable conversation. I hope you'll join us then. And until then keep living and leading well.