

## **MaineBiz – The Day That Changed Everything**

**The idea is to put more power and control in the hands of the very people on the front lines of the business, who are doing the work and who know their area of the business best. So in that approach, management’s job really becomes a function of learning how to listen and making it safe for people to say what they actually think. My biggest wish for any organization would be that it’s safe for people to say what they think. 14:18-14:59**

**Leaders have done more to limit, restrict, intimidate or direct the voices of others than to free them. (17:59-18:12)**

**I think the purpose of work should be to advance the lives of the people who do it. Work should be meaningful to the people who do it. And if a company focuses on creating an exceptional work experience, one of the outcomes will be the employees will take great care of the company. So this approach will actually improve corporate performance. (23:06-23:34)**

**Kevin:** Really when you think about it, if you're a CEO, your tool in many ways is your voice. And suddenly I was having a really difficult time speaking.

**Donna:** This is The Day That Changed Everything, a podcast series produced by MaineBiz, Maine’s business news source. Every two weeks, we will post an interview with a Maine business leader whose life or business was upended in one day and learned how they navigated their way back.

If all great changes are preceded by chaos, then this podcast series seeks to help us make sense of the chaos. The Day That Changed Everything is sponsored by Norway Savings Bank, Maine Technology Institute, or MTI, and Sutherland Weston.

**Donna:** Welcome to the MaineBiz podcast series. This is The Day That Changed Everything. I'm Donna Brassard, and I'm here today with Kevin Hancock, the CEO of [Hancock Lumber](#). Welcome, Kevin.

**Kevin:** Donna, hello. Thanks for having me. It's good to be with you.

**01:31 Donna:** Absolutely. So today Kevin's going to share his story about the day that changed everything. And it's a very interesting story and very inspirational story, I might say. So first of all before we start, let's tell people a little bit about Hancock Lumber. Kevin, can you tell us what the company does and how big you are and where you located?

**Kevin:** Sure. Yeah. So our company is located in Casco, headquartered in Casco, out on the western edge of Cumberland County. And we are a 7<sup>th</sup> generation family business. So our company goes back to 1848, before the first cannonball was fired in the Civil War. And the company has been in the same business, owned by the same family, doing essentially the same things uninterrupted ever since.

We're an integrated company in the forest products industry. So we own timber land and we grow trees here at Southern Maine. And then we have three eastern white pine sawmills across Maine, one in Casco, Bethel, and Pittsfield. And we manufacture pine boards that we ship all over the world. And then in Maine and New Hampshire we have a series of lumber yards that sell a full line of building materials to contractors and homeowners. And we have 550 people who are a part of our team who work at the company.

**Donna:** That's awesome. So at the time that we get to the day that changed everything, obviously Hancock Lumber has gone through depression, wars, recessions, et cetera, in its long history and has been sustained all through that. And when you became CEO as six generations, you were leading the team. You led the team through the recession in 2008, 2009, correct?

**Kevin:** Yeah, correct. Well, most everyone probably remembers well the national housing mortgage market collapsed during that period. And if you were in the construction industry or the construction supply industry, or the lumber industry, you remember it super well. In a three-year period from 2007 to 2009, housing starts in Southern Maine fell by 66%. And our sales at 36 months fell but 50%. So they were cut in half. Essentially without losing customers, we worked with all the same builders for after the market had just gotten that much smaller that quickly.

**Donna:** And despite that, you guys were able to persevere and come out on the other side. So that wasn't the day that changed everything for you. You were able to manage your way through that just as you had for other sort of challenges that Hancock Lumber has had to battle over the years. But then something really personal happened for you in 2010.

*04:59* **Kevin:** Yes. Correct. And really, I would say, Donna, in hindsight was in part the result of what happened with the economy from 2007 through 2009. That was a super difficult period for customers in our industry, employees in our industry. And I didn't realize it at the time, but it was really stressful for me. I felt a lot of responsibility to try to find the best spot possible path for the maximum number of people through that period.

**Donna:** Because you had over 400 employees that you were caretaking, is that correct?

**Kevin:** Yes. Correct. So anyway, at the end of that period, unconnected to me at the time but I'm connecting it now, I began to have trouble speaking. Something I always take it for granted, never thought about, and as CEO done a lot of. Really, when you think about it, if you're a CEO, your tool in many ways is your voice. And suddenly I was having a really difficult time speaking. When I went to talk, all the muscles in my throat kind of spasmed at squeezed and contract. And my voice got very broken and choppy and hard to hear. And long story short, I couldn't really say very much.

I ended up going to a doctor and then another doctor. And this took about a year, but I was ultimately diagnosed with a very rare neurological voice disorder called [spasmodic dysphonia](#), which affects only speech, perhaps 20,000 people in North America have it. And it has no real known cause and no known cure. So there I was as a CEO trying to figure out how I was going to do my job without really being able to use my voice.

**Donna:** And so what did you do?

**Kevin:** Well at first, I just fought through it. Because at the beginning, the economy was still really difficult, and I kind of did what Mainers do. I just dug in and I just fought through it. Because at the beginning the economy was still really difficult and I just did what Mainers do, I just dig in and competed. But it was hard. And they as I started thinking about my future, it really started to scare me a bit because I didn't quite know if I was going to even be able to continue to do my job. I laugh about this now, Donna, but I said at the time, what possible good could a CEO be who can't talk all the time?

**Donna:** I hear that. Because they do like to talk, those CEO's, don't they?

**Kevin:** So here's what happened to me in a nutshell. When it's hard to talk, you pretty quickly developed strategies for doing less of it. And my primary strategy was to answer a question with a question, thereby putting the conversation right back on the other person.

So someone would come up to me at work because I was the CEO or the boss or the manager, with a question or a problem. And I started simply saying, "Geez, that is a good question. What do you think we should do about it?" And that person would then give their answer and perspective. And generally then I followed up saying, "Okay, that sounds good. Let's go do that." And off that employee would go with his or her solution to the problem that he or she had identified.

And while initially, this was simply an exercise that I did to protect my voice. Over time, something really struck me that made me think completely differently about leadership. And that was that people already knew what to do. So the answers people were giving were amazing, they were fantastic. They were better than the answers I would have given, they already knew what to do. All they really needed was some encouragement and a safe work culture where they knew they could and should trust their own voice.

So that's what got me really thinking about a new approach to leadership, that dispersed power instead of collected, that pushed power out from the center. And I really started to see my own voice condition actually as a bit of a gift, and an opportunity, and an invitation to lead differently, in a way that strengthened the voices of others.

In summary, I got really caught up with this idea of, well, what if everybody led? What if Hancock Lumber had 550 leaders? All of our employees who collectively together were the voice of the company. Wouldn't that make for a more dynamic work environment. Wouldn't that produce better business results. But most importantly, wouldn't that be more meaningful, and exciting and engaging for the people who worked here.

**Donna:** That's a really good philosophy. And we're going to find out how that worked for you after we come back from the short break. We want to hear from our sponsors.

**Kevin:** It seemed so obvious to me that if you could create a culture where everybody is leading, then the odds are high that company will outperform an alternative version of itself, a more traditional one.

*12:13* **Donna:** Welcome back. It's Donna Brassard here, with Kevin Hancock, talking about the day that changed everything for him after losing his voice. And coming up with coping skills, he discovered a new way of leadership. And so how did that philosophy work, Kevin, when you put that into practice?

**Kevin:** Well, here's the exciting thing, Donna. It ended up working really well. So the performance of our company, which had been good before, solid, good, but it over time had started to become great. We were improving in every area of the business that we cared about at a really rapid rate, whether it was safety, or accuracy or efficiency, or customer experience, that the company's performance really took off.

Now in hindsight, it seems so obvious to me that if you can create a culture where everybody's leading, that the odds are high that company will outperform an alternative version of itself, a more traditional one, where just a few people are leaving in a more hierarchal, top-down manner. So it makes perfect sense to me now, but I really never would have guessed how that change and approach, how strong an impact it would have had on the performance of the company.

**Donna:** So that's exciting. And now you've gotten through that bad time and you're in the good time. And you've grown the company, and the company's financially successful and moving forward and developing new processes, I believe, and new products as you grow. And a lot of that came from ideas from staff, not necessarily top down.

**Kevin:** Right. Exactly. The idea is to put more power and control in the hands of the very people on the front lines of the business, who are doing the work and who know their area of the business best. So in that approach, management's job really becomes a function of learning how to listen and making it safe for people to say what they actually think. My biggest wish for any organization would be that it's safe for people to say what they think. I call getting to that point, the answers to the test, that when you get to the point where employees will say what they actually think. They know what makes a company great, and they know where the company is weak or vulnerable or could improve, and they will bring you right to the opportunities and they will identify the solutions. And really in that approach, management becomes purely a function of listening the right way to the people who are doing the work.

**Donna:** Right. And so how are you, Kevin? How are you feeling? What have you done to take care of yourself through this transition?

**Kevin:** Well, my voice has gotten a lot better. I mean, anyone listening to me can tell my voice is a bit unique or sounds different. But to put it in perspective, four or five years ago, if you invited me to do this talk with you, I wouldn't have been able to. And the job of being CEO has been so much more rewarding and so much more relaxing. I've kind of worked myself out of a job, Donna. There's not very much for me to do on a typical basis.

**Donna:** Don't tell anybody that, Kevin. We'll just keep it between us.

**Kevin:** Because when everybody leads, the load gets lighter for everybody. And I think if you back up to when I acquired my voice condition during that difficult economic time, I was trying internally to carry the company on my shoulders. Which was never actually necessary or even optimal, but that's how I was internalizing it. And that pressure or burden that I put on myself, I'm certain is what triggered my voice condition. So I've come to see my voice condition as a gift and an invitation to change, that I was fortunate enough to pick up on and double down on and take advantage of.

**Donna:** Great. So we're going to take another quick break to hear from our sponsor. And when we come back, we're going to talk about the book that Kevin wrote from this experience called [The Seventh Power](#). We'll be right back.

**Kevin:** Leaders have done more to limit, restrict, intimidate or direct the voices of others than to free them.

*18:13* **Donna:** Welcome back to The Day That Changed Everything. It's Donna Brassard here with Kevin Hancock. And we've talked about his experience of losing his voice and finding a new way of communicating and finding a new leadership philosophy within the company at Hancock Lumber that has led to their multiple successes. And from this experience, Kevin, you gained some new insight that you felt you wanted to share. And you wrote a book. You want to talk about that a little bit?

**Kevin:** Sure. I need to quickly add one other event that came in my life that created the foundation for the book. Around 2012, I started traveling out to the [Pine Ridge Indian Reservation](#) in South Dakota, which is one of the biggest, poorest, and most remote of all Sioux reservations on the Northern Plains. And there, and this is the connection, I encountered an entire community that felt like it had lost its

voice. That felt marginalized, pushed to the side, and not fully heard. And putting my own condition together with their situation, I kept thinking that there are lots of ways for people to kind of lose their voice in this world, or a piece of their voice. And that unfortunately probably across time, leaders have done more to limit, restrict, intimidate, or direct, the voices of others than to free them, whether a company or on an Indian reservation out west.

Well, so when I put all of that together, it really got me thinking about a new, fresh approach to leadership that strengthens the voices of others. And having applied that approach to our own company, I really got thinking about trying to share some of those ideas more broadly. Which became the basis of my book, which is titled, *The Seventh Power: One CEO's Journey into the Business of Shared Leadership*.

So 'seventh power' is a Lakota or Sioux term for the individual spirit, celebrating and honoring the power of the individual spirit. So say for example, it reminds me of Rudyard Kipling's iconic line, 'for the strength of the pack is the Wolf.' And the idea that if every individual feels respected, valued, and heard, then the tribe as a whole, or the company as a whole, will be successful. So the book is a bit of a travel adventure, it begins actually on the Navajo reservation in Arizona. And it ends up in Kyiv in the Ukraine. And I make seven stops over the course of a couple of years where I pick up what I believe or feel are seven kind of critical lessons for shoring in the age of shared leadership. If the past was about leaders collecting power, and the future is about distributing that power, we need some new rules or core concepts to make that happen. And that's what the book explores. The book is available as an e-book, or audio book, or a traditional book, so that you can access it in any format that you like.

**22:12 Donna:** So what would you say to a CEO out there who's listening to this today, what advice would you give them as a step one to sort of thinking about this kind of leadership philosophy, which may be a complete 180 from what they're thinking and doing right now?

**Kevin:** Yeah, I would say it would be to revisit the very purpose of work. So in the 21st century, what should the purpose of work be? Traditionally, the place of work has always been about maximizing return or performance for the company or the owners of the company. But I'm really interested in flipping that script and thinking about work differently. I think the purpose of work should be to advance the lives of the people who do it. Work should be meaningful to the people who do it. And if a company focuses on creating an exceptional work experience, one of the outcomes will be the employees will take great care of the company. So this approach will actually improve corporate performance. But corporate performance now becomes the outcome of a higher calling. The higher calling is to help give everybody in the company a voice, and help everybody in the company feel trusted, respected, valued, and heard. So my advice would be to take a moment and rethink the very mission or core purpose of a company's reason for existing.

**Donna:** And the focus would be on the employee versus necessarily the customer. But by default, by focusing on the employee, the customer is served. Is that what you're saying?

**Kevin:** Yeah. I love how you said that, Donna. I stood up a few years ago in front of a group of our biggest customers, took a deep breath and said, "You know that old saying, 'the customer comes first'? I don't actually believe that's true anymore." I went on to say, I think the people who are going to take care of the customer should come first. And if a company takes world class care of the employees, the employees will take world class care of the customer in return.

So now what I like to say to borrow a little piece of Maine slang, is that 'the customer comes a wicked close second'. So the customer is still super important, and we're really into our customers. We love them, and we appreciate them, and we're committed to them, but they don't quite come first. The

people who are going to take care of them, come first. And this ends up being in the best interest of the customer.

**Donna:** Yeah. I think that's an interesting way of looking at it. And I think that they can't help but be well-served when they've got great people working with them, and waiting on them, and helping them to be successful. It's a win/win on. I don't mean to use an old business saying 'win-win', but it certainly is that way.

Kevin, thank you so much for your time today. We really appreciate your sharing your story about the day that changed everything. We're glad you're feeling well, and we appreciate what you're doing, and I'm sure the 500+ employees at Hancock lumber appreciate it as well. Any final thoughts?

**Kevin:** Just thank you for having me on the program? I appreciate the opportunity to speak with you.

**Donna:** We're delighted to have you.