Love in Action

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The future of work isn't about shareholder value, technology metrics, or automation. It's about being human and putting people first through actionable love. Welcome to the Love In Action podcast, where we hold deep conversations with extraordinary people to help you grow as a leader and expand your business. Here's your host, Marcel Schwantes.

Marcel: From the scenic city in Chattanooga, Tennessee USA. Welcome to another episode of the Love in Action podcast. Now heard in over 100 countries around the world. Glad you are here. This is the show where we chat with the world's foremost leaders and leadership experts about the powerhouse business principles of love and care. And we do that so that we can help you transform your workplaces, create business impact, generate profits, and make the world a better place.

Love and Action in the context of today's episode, is about sharing your leadership and dispersing your power. Sound counterintuitive? Well, you bet it is. Most bosses I've worked with or for wield their power over people. But what if power was dispersed and not collected and held by people with enormous influence? What if more leaders released control and let others lead? And what if everybody's voice was the shared voice of the company?

In a new book entitled, <u>The Seventh Power: One CEOs Journey into the Business of Shared</u> <u>Leadership</u>, author Kevin Hancock takes the reader on a personal journey of more than 15,000 miles, in which he discovered a new model of leadership in which individual voices are heard and the human spirit is celebrated. So the principles that Kevin learned, which we're going to share, he's going to share with us here in a minute, he now puts to work as the CEO of <u>Hancock Lumber</u>. One of the oldest and best-known family businesses in America. But that all came after Kevin experienced personal tragedy that affected a big part of who he is. I'm not going to give away what that was, I'm going to leave you in suspense so he can personally tell you what happened.

So who is Kevin Hancock? He is the recipient of the Ed Muskie Access to Justice award, the Habitat for Humanity Spirit of Humanity award, the Boy Scouts of America Distinguished Citizen award, and he has also won the Timber Processing Magazine Person of the Year award. And of course as I mentioned before, his company Hancock Lumber, they are a six-time recipient of the Best Places to Work in Maine. They have won that distinguished. And Kevin also has another book. His first book called, Not For Sale: Finding Center in the Land of Crazy Horse. That book was the recipient of the National Indie Excellence award, and also the Independent Author Network Book of the Year award. My goodness, Kevin, I mean, how many awards... your wall must look amazing in your office.

Kevin is also a frequent speaker, and you can find his TEDx Talk online. So glad you are here my friend, welcome to the Love In Action podcast.

Kevin: Marcel, thank you for that lovely introduction, I hope I can live up to that. It's a pleasure to be with you.

Marcel: The feeling is quite mutual. So I want to dive into your amazing story. But before we do, I want to get our listeners a little bit acquainted with you. So what is your reason for getting up in the morning? I mean, what would you say is your 'why'?

[04:02] **Kevin:** I would say it is self-awareness, continuing to expand self-awareness. To come to know my own true voice and to follow it as best I can.

Marcel: Love it. So the book was released back in February, and I didn't want to give away Kevin's personal story in the introduction, like I told you earlier, because I wanted you listeners to hear it from Kevin himself. So Kevin, pick up the story for us in 2010. Listeners may have already gotten a hint by listening to you talk. Personal tragedy struck. So what happened?

Kevin: Yeah. So in 2010, at the peak of the national housing and mortgage market collapse, which was a super challenging time for our industry and our company, I began to have trouble speaking. Something I'd never thought of before, always taken for granted, and as a CEO done a lot of. And it turned out I had acquired a rare, neurological voice disorder called spasmodic dysphonia, or SD for short. That affects only speech with no known cause no known cure. So there I was trying to figure out how to help lead a lumber company through the collapse of the housing market, suddenly without the consistent and comfortable use of my voice.

[05:47] **Marcel:** I can't imagine what that would be like for me in my line of work, speaking, doing podcasts, for that to happen. But for you, you're the CEO of a company where people rely on you for communication. So how did your new way of communicating impact you emotionally?

Kevin: Yeah. So initially it really scared me, because I laugh about this now, but what possible good could a CEO be who can't talk all the time? Because to some degree as a CEO, if you don't think about it a certain way, your tool is your voice. And suddenly I was very limited in my ability to use it.

[06:37] **Marcel:** Yeah. Let's get into how your condition actually impacted not only we talk about communication, but really leadership in general. How did it either help or hurt your ability to lead as a CEO?

Kevin: So this is the lovely story. It turned out it was quite a gift it turns out in setting me on a path towards a very different approach to leadership.

So when you, and I would describe it this way, when it's difficult to talk, you pretty quickly develop strategies for doing less of it. And my primary strategy back in 2010, was simply to answer a question with a question, thereby putting the conversation right back on the other person. So you picture this classic scene at work where someone comes to me - because I'm the CEO or the boss - with a question or a problem, and where historically I would have given an answer and a direction. I now simply started saying. "Gee, that is a really good question. What do you think we should do about it?" While initially this was simply a voice protection strategy, in time it really began to dramatically change the way I thought about leadership.

Because what I found through repeatedly asking this question was lovely. It was Love In Action. What I found was that people already knew what to do. They did not actually need most of the time a CEO manager-direct directive. They knew what to do. What they really needed was encouragement and a safe culture to trust their own voice and to do what they knew was the best thing to do.

[08:53] **Marcel:** I love this because you and I were talking a few minutes ago before we hit record, and how the best coaching conversations always put the question back to the person. Because we believe that they have within themselves the answer to the question. And so in my sessions with my clients, it's always exactly what you just said. When they're struggling with something, they come to me and they say, "Well, what do you think I should do?" And I come back with, "Well, what do you think you should do?" And then that opens them up to seeing the possibility of where they should go. And it's really powerful to always ask the questions.

And it's still, timing is obviously also important. You have to read a person. But you mentioned self-awareness. You have to have the self-awareness to know exactly the question they need to hear to trigger the answer in themselves. So I loved that. But was it an easy transition for your employees to all of a sudden go from Kevin has the answers and he's going to give it to us, to now he's calling us to come up with the answers ourselves? I mean, how did they respond initially?

Kevin: Yeah. It was the bit of a transition, because they were used to engaging with me in a different way. I was a pretty traditional leader, kind of old school leader before, in terms of always being on stage, always being the voice, always giving the direction. And suddenly I was taking a very different approach. But it did not take very long before that approach got

embraced. Because really, this is the direction I believe humanity would prefer to have anyway. Everyone has a valuable, powerful, unique, never to be repeated voice. And the best cultural model for an organization is to release those voices, not restrict them. So once people kind of got the idea around the cultural concept of what we wanted to do, everything actually got a lot easier and smoother. And our company's performance took off, and employee engagement took off, and so I really kind of came to see what happened with me as a hinder or our liability, to actually be a bit of a gift and an invitation to strengthen the voices of others.

[11:44] **Marcel:** It's such a powerful metaphor. I love the symbolic play here where you lose your voice, and you start to give people theirs. It's amazing. So that was when you got your diagnosis, that was 2010. And then let's fast forward to 2012. And you began to go through this incredible spiritual awakening which led you to your travels to, of all places, an Indian reservation in South Dakota. Walk us through that.

Kevin: So that was the second big event that I did not see coming. So by 2012, the economy had stabilized, and I could see that our company was going to be fine. And I had this growing feeling that I fought for a while. Which was essentially that I needed to focus a bit more on myself, that I needed to kind of regain my balance, or quite literally and figuratively search for my voice. And I didn't quite know how I was going to do that.

But in the summer of 2012, I picked up a copy of National Geographic, and the <u>Pine Ridge</u> <u>Indian Reservation</u> was the cover story. The Pine Ridge reservation is the largest, most remote, most historic poorest of all reservations on the Northern Plains. And I'd always had this love affair with the American west, and I'd particularly been very interested, Marcel, in the history of the second half of the 19th century, when America's Manifest Destiny ran into the Plains Indians.

So I read that article, and without any further planning decided I was going to go there. That I wanted to see what life was like for the people who live there today. So that fall I took one trip, that turned into two. I been there over 20 times. And as you mentioned, my first book was about my experiences with them.

But to bring this all back home, what struck me at Pine Ridge was I met in an entire community that felt as if a piece of their voice had been taken, or stolen, or was missing, and that they were not fully heard. And the combination of those two events created some really powerful, personal learnings. First, I knew what it was like to not feel heard because of my disorder. And second, at Pine Ridge I realized there were lots of ways for people to lose their voice in this world. And putting two and two together even started to think about the very purpose of a human life on earth and considered maybe it was to self-actualize. Maybe we're all here just trying to find our unique, never to be repeated voice.

But to tie it back into leadership, what I concluded unfortunately was that across time, leaders have probably done more to restrict and limit and direct the voices of others than to free them. And that's when it really hit me that my condition was an invitation to try to do something quite different. To be a leader that strengthened the voices of others with dispersed power and helped everyone feel heard.

[15:39] **Marcel:** That brings me to a very curious question. People are probably wondering, what is the seventh power, which is the title of your book. Tell us about that.

Kevin: So the seventh power, in essence, is the power of the individual human spirit. It's a term I first heard on the Pine Ridge Indian reservation, when a gentleman there was showing me their most sacred symbol, which is a medicine wheel. That medicine wheel represents what they described as the six great powers. The power of the west, north, east, south, sky and earth. But then this man pointed to the center of the wheel, the axis. And he paused and he said to me, "Some at Pine Ridge who still remember the old ways, know that a seventh power also exists. And that seventh power is you. It's me. It is the individual human spirit. And this is a reminder that humans are an extension or a manifestation of that great mystery sacred energy of the universe. And that power that we often think lives out there away from us, beyond our reach, it is actually within us.

So the books are really an invitation to turn inward for strength, and meaning, and purpose, and for leaders to create cultures that make it safe for people to do that. Essentially to seek, find, and follow your own true voice. And that we can bring this not just into retreat, Marcel, but into the workplace, into the place of work. And that it can fundamentally revolutionize the meaning and value that people take from work. And then the performance of teams while they're working.

[18:01] **Marcel:** Yeah. Let's dive into the book. I noticed that it's broken down into seven lessons. You call it seven lessons for the age of shared leadership. And to me, I'm a leadership practitioner. I love the fact that it's like a framework for building the kind of culture that you speak, that is really the culture of your own company, dispersed power, shared leadership, giving people voice. I'd love to get an overview for our listeners of those seven lessons, what are they?

Kevin: Yeah, sure. So I ended up seven, and they are as follows. Number one, great people are actually everywhere. Number two, that it's culture that makes the difference, culture that either disperses power or collects it. Number three, change - real change - is created first from within, which is the essence of the seventh power. Number four, in the 21st century, leadership's going to be about localizing power and shrinking that center not growing it. Number five is about listening, and the theme there is listening is for understanding not judgment. Number six is about overreaching, and the notion that overreaching has consequences. It ultimately collapses back upon the people that do it. And then number seven is an invitation for the place of work to broaden the mission. So for example, we are a lumber company and we're really into lumber, but that's not our core purpose. Our core purpose is to help advance humanity. In the old model when I came into business, people would tell you to keep your head down, stay in your lane, focus on your craft. And I think in the 21st century businesses actually got to do just the opposite.

[20:21] **Marcel:** So I want to talk about voice, and specifically giving employees voice. Why is it important for those of us that maybe we haven't fully bought into to this, why is it important for all employees to be heard just as much as the leaders?

Kevin: Well, two answers to that. The most important answer is because they're all human beings. That's the most important answer. And that sounds obvious. But it's a fundamental

shift in thinking that I think is super important. That worker at work is not first a worker, they're first, a human being, living a life and leadership at work needs to enhance the experience for everybody that does it. And second, the outcome of this will improve corporate performance. But I like to talk about that now as the outcome of a higher calling.

Marcel: A lot of leaders listen to the show and they're always looking for strategies, tips, practical stuff. So talk to us about how employees are actually are practically heard and Hancock Lumber Company. And what does that look like on a day-to-day level, down in the trenches, as you do business every day?

[21:54] **Kevin:** Yeah, for us, it was a four-step process. First, we changed the mission of the company. We made the primary mission that the employee experience that our number one job was to be valuable to the people who worked at the company in the police. That if we were, those people would take world-class care of the customer, our products, and the company in return. So first you've got to actually look at the mission, because it matters.

Second, we needed a new metric. So, how were we going to measure how we were doing against this mission? So we ended up choosing employee engagement as defined by the employees themselves, as administered by third party survey. In the best place to work process we ended up using but allowed us to get an engagement score and to start tracking it at all of our locations.

And then we simply asked our managers to make that their priority now. And from there to support that we did change our communication systems. And so we were doing a lot more huddling, a lot more listening, a lot of coaching with our managers about the fact that listening is for understanding, not judgment. And all we really needed to do was thank people when they said what they honestly thought.

And then finally company-wide we needed a new shared vision of the very definition of leadership. And we talked a lot about this. If you were a manager or a supervisor, leadership was something to be shared and dispersed. And if you were an employee within the company, leadership was something to be accepted and embraced, not spectated or watched. That the invitation was for everybody to share the responsibilities of leading.

And I might say if I could just add that the worry there often is, doesn't that mean chaos or lack of discipline? And what we've found is just the opposite. That our productivity, our accuracy, our commitment to core systems and best practices went up. Now why, one might say. Well, it's simple. People are more apt to support authentically that which they help to create. And people are participants in discussions around court processes, they are much more apt to embrace them.

Marcel: So is this accurate to say, if you allow employees to be heard and if you give them voice on opinions, input strategies, give them chance to express their creative ideas, you are dispersing power? Is that accurate?

Kevin: Yes. Totally accurate.

[25:34] **Marcel:** Okay. Which is in essence what you're doing, what you did. Kevin, another way of I think dispersing power is the way that you manage people's work hours at your company. You basically say that as productivity expands, work should actually take less time, not more. And that by working less hours during the week, you can actually generate more revenues. I'm also intrigued by how you pay your people. You don't believe in overtime. Unpack that for us.

Kevin: Yeah, thank you. I'm a big believer in what I've come to talk about as putting the work back in its place, where it is important but not all consuming. That it enhances a broader diverse life for everyone, not just the owners or the executives. And I do believe that if you today tried to invent the worst possible pay system for the 21st century, you would invent overtime. Which essentially that model is, the longer it takes, the more you're paid. And the real model ought to be the less time it takes, the more you're paid. The more efficient, accurate, absent of rework, the more it takes, the better.

So we ended up totally rebuilding our compensation systems. First, pretty grammatically increasing the base pay rates, and then building a set of incentives that we call 'performance goals', that pay out for the work to take less time. We took our average hourly work week from 48 hours to about 40, expanded our capacity, not reduced it, and grew people's pay. And that to me is a summary of the idea of putting the work back in its place.

Marcel: So what I'm hearing you say basically is that you bumped up the base pay, and then you replaced the overtime with incentives. You paid people incentives. Is that right? And what were those incentives again?

Kevin: Correct. Yeah. Those incentives were tied to working safely, working accurately, and working efficiently. So when the work takes less time because we're getting better at it, that's what people should be financially rewarded. So people are gaining income, and gaining time, and gaining personal energy, because work takes energy.

We all know that feeling of I'm at home exhausted, going to bed to wake up to do it again. Yeah. Of course we've got to work hard at work. But if productivity improves, we want to take a piece of that productivity and give it back to a more diverse life than just work.

[29:08] **Marcel:** I love it. This is such an empowering pay structure that you're literally improving the lives of people by doing that. And obviously, they're picking up more incentives and getting better pay along the way. But it's improving their quality of life. That's my point. Kevin, your company has been awarded all of these Best Places to Work awards. If I'm a CEO right now listening, how can I begin creating the kind of culture that you speak of? I mean, is there a first step?

Kevin: There is. Well, there was for me. Which was I had to start talking less, sit still more, and I had to really transcend my own ego, and separate that from my role. And then really take that leap of faith.

There are lots of people in our company who can lead it. And the letting go is actually for engaging the power of others. What I often say is the CEO or the boss has first dibs on all the work, on all the speeches, on setting all the agendas, and the rest of the organization picks up

what those leaders aren't occupying. And so the way to get everyone else to pick up more is really simple. It's to occupy less. But the idea of leaders doing a bit less is counterintuitive, because the opposite has been so deeply ingrained in our culture that it takes a determined, focused effort to make that transition. But I dare say anyone who made it, would never go back. It's like when I look back on it now, it's lovably comical to think about what I used to try to do. And we had 550 people in the company. The power of them all leading is just immeasurably greater than anything I could do on my own.

[31:45] **Marcel:** Wow. So looking back, knowing what you know now in retrospect, do you see your disorder as a gift?

Kevin: I do, one hundred percent. I believe it was actually a gift from my own soul. It was a bit of a shot across my bow really forced me to change in a direction, once I embraced it, that really was my authentic voice. So the irony of this is just, I just got goosebumps, that I had to lose a piece of my literal voice to find my authentic, personal, and leadership voice. It was a gift.

Marcel: It's amazing. It's amazing. Well, listen we have a tradition here on the Love In Action, where we juxtapose principles of leadership love in action, against its counterpart, which I feel is fear. And yet here we are in 2020, and it's still prevalent in how organizations and businesses are managed, but we keep finding the evidence. You are case in point, all of your examples in your story, that the principles of love, and care, and inclusion, and respect, and listening, and empathy, and kindness, these things lead to high performance and business outcomes. The million-dollar question, why do you think people still lead through fear and control?

Kevin: I think it's a lack of self-awareness. I think one of the toughest things in this day and age if you're leading, is to take time and stop and really think about the deeply personal human questions like this one. And what that actually is the role of leadership. And when you think about it from a love and humanity standpoint, the answers obvious. The role has to be giving a power to others. It can't be the collecting of power. There may have been a time in an early age, an earlier century, when that was the appropriate approach. But this is the 21st century, and around this planet, more and more humans are awakening to their own sacred power, and they want leaders who fundamentally see the world that way and see leadership as being about giving others voice and power and control.

[34:47] **Marcel:** Yeah. I know that fear and control are relics of the industrial age that have been passed on from generation to generation. Here we are 21st century, it's still something that we see day to day. So how do we go from fear to practical love as a leader? Whether it's personally as a one person, a one manager or a CEO who wants to apply these things, or organizationally systemically in your company culture. I mean, what would you say is a good starting point?

Kevin: Yeah, I would say a good starting point is for leaders to worry about others a little bit less and themselves a little bit more. And I am in love with that iconic Ghandi thought of 'becoming the change you wish to see in the world'. So really taking the time to think about how would you like to see humanity change, and to put your energy into becoming that

change. So really, it's leaders focus mostly on themselves, and then having that personal transformation ripple throughout their organization.

Marcel: Kevin. I want to ask you to put yourself in a time machine and take yourself back to the age of 20. What advice would you give yourself at that age?

Kevin: So what a great question. And I don't think I would get myself any. Because I needed to learn every single lesson. I needed to stumble every single time I stumbled. I had a dream a couple months back that an angel offered to take me back about 15 years in my life. Not quite to 20, but back. And I got super nervous in that dream. And I said to the angel, "No, I don't want to go. Because if I back up, I might not get spasmodic dysphonia again." So I just have become so thankful for the things that haven't gone right, because they are really what brought me to where I am today. Which is totally of course human and filled with missteps still today. But a really clear sense of who I want to be, and what my voice authentically is.

[37:44] **Marcel:** Yeah. Kevin, you embody hope. And we are in a time right now where there's so much uncertainty and fear surrounding so many of us with this pandemic. I want to ask you to just kind of help us help our listeners walk through a little bit of a hope lesson here, maybe. How do we find hope in this mess? How can others find hope? How do you find hope?

Kevin: Yeah, great question. It's such a difficult time with COVID-19, but what I see in it is actually filled with hope. And very much consistent with what we're chatting about today. When you think about this virus, who has to lead the defeat of it? Everybody. It takes every single person on earth. You cannot centralize the solutions to this. Everyone must lead.

Then the second big thought it brings me to in the 21st century is, I think we need a whole new definition of what winning looks like. Because when it comes to this virus, for example, the planet is only as safe as it's least safe place. And isolation does not work anymore because there is no ability to isolate. We are a global tribe and we've got to start thinking more about our shared collective humanity.

Marcel: I love that. Kevin, we bring it home with two final questions. It's kind of a way for our guests to speak authentically with you listeners. Personally, what's really tugging at your heart right now that you would like us to know?

Kevin: I would say it's following your voice, really encouraging everyone to look inward to find their own unique, never to be repeated voice, and take that leap of faith to follow it. Your voice is you by design. It will never be repeated. And your gift to humanity is to do the best you can to release it, and share it, and bring it forth into this world.

Marcel: And finally, you get to end this interview your way with one key takeaway. What would that be that we can just bring it with us and that it's going to make a difference in our lives?

Kevin: Yeah, I would say that in nature, power is meant to be dispersed. A quick story to answer the question. I was in the Arizona desert a few years back where the book begins.

And I at sunset came to a halt, looked around and said to myself, "Where's the capital of this? Where's it's headquarters? Where's the CEO? Where are the managers? Which one of these cactus is in charge of all the others?" And it hit me then Marcel, in nature power is dispersed. And humans, who are part of nature, ultimately aspire to organize in that same way.

Marcel: He is Kevin Hancock, and the book is called, The Seventh Power: One CEO's Journey Into the Business of Shared Leadership. Kevin, if people want to connect with you and find out more about you, where did they go?

Kevin: So they could go right to my website, which is <u>www.kevindhancock.com</u>. D as in David. And there you can order books. They're also available on Amazon and Barnes and Noble and anywhere books are sold. But also there on that site, you can communicate directly with me, and I always follow up with people that reach out to me.

Marcel: You are an inspiring person to talk to. I could talk to you for hours. And I know our listeners got immense value from this episode. So I thank you for your time and I wish you well.

Kevin: Same to you, Marcel. It was a pleasure to be a part of your Love in Action show.

Marcel: So here are my final thoughts on the conversation with Kevin Hancock. When Kevin's PR people reached out to me to ask me if I wanted to interview Kevin, they were a little worried about his voice and how he may have sounded for my podcast audience. And so I was intrigued. So I went online and pulled up his Tedx Talk, because I wanted to hear for myself what was the big deal about his voice. And as soon as I heard his voice and heard the story behind his voice, I knew I had to have him on the show regardless of how Kevin sounded. That was the least of my concerns. By losing his voice partially through spasmodic dysphonia - which by the way, I had no idea what that was until I met Kevin - while initially considered to be a hindrance, this eventually became a gift for Kevin. It was an invitation and a calling for him to lead differently.

Not only did Kevin, by losing his voice partially, find his true, authentic voice, as a leader he was able to also strengthen the voices of others around him. These are the kinds of stories you're going to hear at Love In Action every week. And, we need more examples of these resilient, humane, servant leadership heroes like Kevin Hancock, especially at a time like that. So my special thank you to Kevin Hancock for spending sacred time with us.

And next week, speaking of sacred time, I sit down and chat with Dr. Tim Clark. And I've been waiting for this one. He's the author of The Four Stages of Psychological Safety, which is one of my favorite topics to talk about. On behalf of my all-star production team at One Stone Creative, please check them out for your own podcasting needs. We'll see you next time. And until then, don't forget, Love In Action is what will truly set your leadership apart. The choice is yours.