

People At Work

And I think that it starts within ourselves, even to be more specific. That the leaders need to change the way they approach leadership, the way they think about listening, the purpose of listening, the power of showing respect for all voices. (10:07-10:32)

It is a manifestation of nature. It is a manifestation of the divine and the individual is a sacred power source of its own. And I think that really is where we're headed. (23:35-23:53)

In nature, the leadership power is dispersed. It lives in all aspects of nature. And because humans are a part of nature, not separate from it, we ultimately are on a long arching path of aspiration to live in harmony with that natural rule. (27:06-27:33)

Kevin: What if everybody on earth felt trusted, respected, valued, and heard, what might change about humanity?

[00:00:21] **Bev:** Hi everybody. I'm Bev, and I'll be the host of People at Work today. People at Work is a podcast that is created by Jostle. And Jostle is a building and employee intranet that is helping connect people to everything that matters to them at work. And while we're thinking about the technology side of that, we're also thinking about what's going on in the world of work and how are people actually making work better for their people and for others that they come into contact with every day. So I am out there having these conversations on this podcast to help us really understand the leading thinking and to add to our knowledge community around making work better for everybody. So I'm delighted to welcome Kevin Hancock to the show today. Kevin is an award-winning author, speaker and CEO of [Hancock Lumber](#) company, one of America's oldest family businesses. Kevin's first book, [Not for Sale: Finding Center in the Land of Crazy Horse](#) won three national book awards. His most recent book, the [Seventh Power: One CEO's Journey into the Business of Shared Leadership](#) arrived in 2020, just in time to help guide leaders and businesses through a very tumultuous year. Today Kevin and I are going to be talking about the higher calling of business. So welcome to the show today, Kevin, it's a delight to have you with us.

Kevin: Bev, I'm so happy to be with you, thanks for having.

[00:01:49] **Bev:** Fabulous. So as I've learned more about your story and have read part of your book, *The Seventh Power*, you've got a very unique take on the world gained from your life experiences to date. And I know that you've dealt with some hardships through that time. So perhaps you could share with our listeners a bit about your journey and why you believe in this quest of finding the higher calling of business.

Kevin: Sure. I'm, as you mentioned, the CEO of our company called Hancock Lumber and in 2010 at the peak of the housing mortgage market collapse. I acquired a rare neurological voice disorder called spasmodic dysphonia that quite suddenly made speaking quite difficult for me, something I'd always taken for granted and in hindsight, when you think about it, if you're a CEO, your tool is your voice, that's what you use all day. And suddenly I couldn't use it very much. That was that event number one.

Event number two is, as you mentioned a couple of years later, I somewhat serendipitously began traveling from my home in Maine out to South Dakota, to the [Pine Ridge Indian Reservation](#), which is one of the biggest most remote and today the poorest of all the Sioux reservations on the Northern Plains. And there I encountered, among other things, an entire community that didn't feel fully heard, that felt marginalized like a piece in their voice had been taken.

And the two events really helped me realize that there are lots of ways for humans to lose a piece of their voice in this world, their authentic sense of who they are. And that unfortunately, probably throughout history, leaders of established organizations like businesses have done more to limit and restrict the voices of others than to free them. And this got me on a mission of really thinking very differently about leadership and business. And I got quite excited about the potential of dispersing power from the center, instead of collecting it. Sharing leadership broadly and creating work cultures that were driven by a respect and honoring of all the voices in the company. That's kind of a short story of a very big transition, unexpected transition in my life.

[00:05:01] **Bev:** Well, I'm certain that two or three minutes does not do it any justice whatsoever but thank you for succinctly sharing your departure point. And as you mentioned, arriving at that place where you discovered a group of people who were experiencing something very similar to what you were and really realizing that there is power in voice. And I am a firm believer in creating space for people to have their voices heard. And my particular context is in the workplace, but it's really something that as a society, we really need to be embracing and thinking about. And as we've seen history unfold over the past year, we've seen that there is this real need for us to recognize as a society, that there is a place for everybody's voice, and we need to create the spaces for those voices to be heard. Let's talk a little bit at a, at a high level around why should business be the place where we are creating space for voices to be heard?

Kevin: Right. That's such a great question. And my answer to that is because that's where adults hang out. If you think about the bigger objective of advancing humanity, at a really young age school and whether you're 18 or 21 or 24, it ends, but we know as adults that really our growth is just beginning. So where are adults going to continue that journey of self-actualization, self-worth, coming into their own voice? It really has to be the plate support because that's where adults congregate.

And as a secondary benefit, when you create a culture at work that honors and liberates all voices to their authentic form, the performance of a business can take off. But the order of the goals is really important to make. You first pursue it because these are human beings. This is not about first trying to milk or pull better performance out of a company. That will happen. But that, to me, the purpose of your show Bev, is the outcome of a higher calling, the high calling it's to help adults come into their own voice. You know, you were talking about the Black Lives Matter movement and all that's going on these days. And I really have come to think about this one simple, theoretical question, what if everybody on earth felt trusted, respected, valued, and heard? What if all 8 billion humans felt that way? What might change about humanity if everyone felt that way? I think everything might change. I actually think the absence of feeling authentically heard as you are, might well be the single root of all social problems.

Bev: Yeah, and that seems quite daunting to try and solve, but I think if we can look at it at an organizational level, starting with the individual leaders within businesses, it seems a bit easier for us to tackle the problem, right? And there's a lot that individuals can do to actually start contributing to that greater purpose of more trusted relationships. Authentically showing up as leaders, having the courage to speak out, like all of those things can actually be enabled if individuals decide to do it, and everyone has the capacity to decide to do that. You can decide to be kind, you can decide to be cruel. Right. So, I think it's quite interesting to bring this down to the individual level and helping people understand that they're not helpless in this and that people can actually bring about change, which can then escalate out to a much larger scale.

Kevin: Right. I love how you just spoke of that, Bev, I mean, really at the end of the day, humanity progresses one human at a time. You have to break it down to a local level. And I think more broadly about how change is created. And I think that it starts within ourselves, even to be more specific. That the leaders need to change the way they approach leadership, the way they think about listening, the purpose of listening, the power of showing respect for all voices. When leaders start to prioritize those things, that is what kicks off the change within an organization and makes it safe. It's really about making a workplace safe for everyone to be themselves and to feel free and encouraged to say what they actually think.

Bev: So, how do you think we tackle this then without sort of a trigger event that is something disastrous or some really negative thing that happens that shocks people into acting? How do we actually get people to, as leaders, to naturally gravitate to that kind of thinking and being committed to changing?

Kevin: Right. I think that is a critical question and I'm not sure I have the answers, but I would say this: do we think in its present form, that the place of work and capitalism will stand as it is? I think we all understand, and to me it's super exciting, that there is a growing expectation that capitalism and the place of work needs to become something bigger. That the calling needs to become bigger, and it needs to be a place that is serving and benefiting everyone. I really believe in the 21st century that winning is not winning unless everybody's winning and the organizations in the future are going to thrive, businesses, ironically, by learning not to put themselves first, by learning to put the people who work at the company first. I've come to talk about this as creating employee centric companies where the first priority of the business is the employee experience. And if the employees are having an exceptional experience, that will ensure essentially, at the end of the day, that the customer and the company itself are going to be extremely well taken care of.

Bev: That's quite a departure though, isn't it? From this profit centric approach. And we all know that businesses are there to make a profit, unless they're a nonprofit organization or a charity. So how do we help leaders and people who are in key decision-making positions in organizations, especially the larger organizations that have evolved over time, how do we actually help them shift from being profit centric to being people-centric?

Kevin: Yeah. Right. I think there are two ways that can be done. First, for those who want to stay profit centric, the best way to improve the performance of this is to become people centric. In the last decade, the last 10 years, where we really shifted our focus to an employee engagement experiences as the first priority, our profit performance took off. I mean, took off. We ended up, I'm going to share this, just for the spirit of the idea. In the last decade, our

company's been in business since 1848, we made more money in the last 10 years than we did from 1848 to 2010. And our company has always been good, but what was so interesting was when we really committed to putting the employee experience first. That paid the company back just many times over, beyond my wildest expectation.

So to your question, I first would say it is the best way to improve profit performance, but for me, that's just a great outcome. The real purpose of it is to advance humanity one human at a time. And if we aren't going to advance humanity at work, where are we going to do it?

Bev: Yeah, 100% agree with that. You know, if we think about the ripple effects of people who are in organizations, they go out into their lives beyond work and the vast majority of adults work in some shape or form. So that influence is present in virtually all adults' day-to-day lives. So I completely agree with you about it being a place where we should be focusing on. So a couple of questions coming out of that for you. How do we help leaders authentically make people decisions without this underlying strategy of it being something that is just there to seek out further profit?

Kevin: Right. Yeah. That's another great question. I think it really comes back to the mission and purpose of your show, Bev. I think it starts with thinking about what is the highest purpose of this organization. What is its highest purpose? And to start thinking more broadly about the positive impact that the place of work has on society and humanity. You know, I think we've entered a century where we're really seeing the old institutions of church and state, which to some degree centuries ago held everything together, are no longer in a position to do that the way that they historically did. There's a gap there, there's a void there. And I think we all in our own words and ways can see it and feel it. Well, who's gonna fill that gap? How's it going to get filled? I think that business, industry, capitalism, the place of work is the logical place to do it. Again, as one outcome, the performance of the place of work will improve as a result. We're not talking about something you do on the side as a piece of goodwill. We're talking about a fundamental rethinking of how we engage people at work in a way that will have many outcomes, including the improvement of the performance of the business.

Bev: Yeah. Completely agree with that. And I think that there's also this aspect of natural selection that's going to happen with organizations. Because employees and individuals are far more empowered now than they ever have been. So they are making their business decisions themselves or their career decisions themselves on where they want to be. And they're going to go to the organizations who are embracing this authentically, right? So to your suggestion, our systems in society are shifting. The individual depth democratization I think of individual employees has shifted tremendously.

Kevin: No, I totally agree with that. I like to look at the big trends that are driving and epic in human history. And I think the big one that we're coming into is we're transitioning from a society that has long been empire centric to one that is becoming individually centric. For centuries, individuals were really indoctrinated into the art of sacrifice for the capital, the empire, whether it's a company, a nation state, a religion, whatever it might be. But I think that the 21st century is really the age of dispersed power with the internet being the most obvious example of it, where information is being put in everybody's hands and where more and more people are waking up to the idea that there is an empire that lives within me. I'm sacred. I'm holy. I'm important. And corporations have got to adjust to that transformation or

run the risk of falling further behind because to your basic point, humans are mobile, and they know more and more now about what they can expect and have higher standards for what they're willing to tolerate or live with.

Bev: Yeah, absolutely. And what you're talking about is reminding me of another conversation I had on the podcast recently with Kit Krugman, who was talking about the shifting perception of power and how power has generally been considered a negative thing or force within an organization, because it's generally been associated with the CEO or in, you know, more distant memory is things like the king or the emperor, or someone who has got a lot of power is the person who's sitting at the top of the pyramid. And she's been exploring and trying to understand how power can actually be manifested for positive change and how each of us can actually harness our own power. And the systems within society are now receptive to that idea that humans as individuals are actually going to be bringing about positive change rather than big societal systems like you are suggesting, business approach to government. So I think it's a really fascinating time for people who are leading businesses today who have got a really hard challenge ahead of them, I think. There's no more status quo in my opinion. I don't know what you've been experiencing.

Kevin: I love what you said and that actually ties right into the title of my book, the Seventh Power. So that is a native Sioux indigenous concept. Their sacred symbol is a medicine wheel, a circular medicine wheel. Around the outside represents what the Sioux describe as the six great external powers; west, north, east, south, sky, and earth, but at the center of the wheel, the seventh power exists. And that seventh power, Bev, is you, it's me. It is the individual human spirit, which is, interestingly enough, both scientifically and spiritually a piece of the whole. It is a manifestation of nature. It is a manifestation of the divine and the individual is a sacred power source of its own. And I think that really is where we're headed. Even literally, look at what's happening to power generation, actual electricity. We're entering an age where you're going to see solar fields, windmills, everywhere. It used to be that power electricity was created centralized, that's dispersing. The whole thing is dispersing, and business needs to recognize that when you get in that current and flow with it, managing becomes so much easier than when you're trying in this day and age to paddle against it.

Bev: Yeah, absolutely. And I've heard and read about this feeling that we are returning back to our natural states. And even though technology is enabling that, we are recognizing that we need to be at one with natural forces and that we have gone quite far away from really appreciating nature and appreciating that we exist because the planet is here and I mean, we can obviously go much further with this idea. But I was watching David Edinburg's latest documentary, I don't know if you've seen it on Netflix, and he was emphasizing that we need to return to harmony with nature, because that's really where we ourselves can find peace as human beings. We're not in a state of conflict with the planet that we've come to rely on. Right. And it really extends into all sorts of relationships. Doesn't it? Even specifically in our context here today, it speaks to the relationship and the harmony that we need to strike within workplaces in order for us all to thrive. So I think that probably ties in with how you're thinking about it as well.

Kevin: It does. There is a scene from the ending of my book, a real scene that I experienced. The book, chapter one, actually on the Navajo reservation in Arizona. And I was out walking that night in the desert at sunset thinking about the nature of leadership. When this phrase popped into my head. 'In nature, power is dispersed.' Boom, plopped into my head. I stopped

and I looked around and you might chuckle if you could see me, I actually had an out loud rhetorical conversation with the desert itself. Bev, I said to the desert landscape, I said, wait a minute here, where's the capital of this natural place? Where's its headquarters? Where's the CEO of this desert? Where are all the managers and supervisors? I looked at a clump of cacti and I said, which one of you cacti is in charge of all the others? And in every question, the answer was self-evident. In nature, the leadership power is dispersed. It lives in all aspects of nature. And because humans are a part of nature, not separate from it, we ultimately are on a long arching path of aspiration to live in harmony with that natural rule. For thousands of years, power was collected, but we're entering into a return where power is going to be dispersed increasingly back out into the individuals. And therefore, you could say, this is an age of localization where power is really manifested one person at a time. And you create a dynamic organization, not by fighting that, but by tapping into it by unleashing it.

[00:27:23] **Bev:** So, let me ask you this question. Going back to what you were talking about with the success that your own business has enjoyed over the last decade and some of the changes that you, or the shifts that you made in your own perspective of individuals versus control of business by one or two people. Could you share with our listeners, just a few of the things that you actually did? What were some of the practical things that you actually did to bring about that change? Because that might help other people get some more concrete examples of how you actually do this. It's not just saying, oh, well we decided today that its people over profits. What did you actually do and how did you do it?

Kevin: Yeah, there really are three things that come to mind. First, we decided to change our mission. We decided our first mission would be the experience of the people who worked here. So then it was like, okay, how are we going to measure that? So we had to develop tools for measuring the employee experience, as defined by the employees. The most powerful tool we ended up with was participating in the annual best places to work survey, where everybody in our company takes a 90 question, third party survey focused on engagement. And we get from that a score that we can measure and an extremely rich pile of data and feedback about the employee experience as defined by the employees. Gallup will tell you that in America, nationally, engagement at work runs about 33%. One in three workers are. Two in three aren't.

At Hancock Lumber today, we're at 88%, almost nine in ten will self-describe themselves as engaged. So we changed the mission. We created a metric and then we simply inserted in all of our decision-making processes huddle systems designed to include and listen to employees. So the next big step is patience for process. I, as a manager, might think I already know what we should do. But in this approach, I need patients to include everybody in a discussion about what we should do.

And that brings me to the final point, which is we had to learn to listen for a different reason. Listening now at our company is for understanding, not judging. When someone says something in a huddle, here's the answer that works 99% of the time: Thank you for sharing that. I don't need to, as the manager or CEO, I don't need to approve what they said. I don't need to refute what they said. I just need to honor what they said. Now what came out of this, which fascinated me is in giving everybody a voice, our productivity and accuracy and attention to detail took off. One of the things people will say Bev, as you can imagine is, well, Kevin, that all sounds fine and good, but when everyone can do whatever they want, doesn't that just become chaos, don't you lose control? What happened to us was just the opposite. If

you ask me why I would say it's simple. People are much more apt to deeply support that which they help to create. This approach dramatically increased our accuracy, increased our commitment to best practices because everybody was being invited to participate in the processes that created them.

Bev: Yeah, I think that's the key part there too, right? Is that acknowledging that it's not going to be easy, but everyone has a chance to be part of creating it and is part of making something great. We've shifted away from the leaders also being responsible for the success of an organization too, right. If people have investment in something or are bought into it because they see that it benefits them, they see why they should care about it. It's far easier to bring everybody along to a greater outcome as well.

Kevin: Yes. Totally.

[00:32:28] **Bev:** So, thanks for sharing that insight into your own business. As we close here, if we have people who are listening to the show who are really thinking about one change they can make to move us closer to having more engaged people. What could one person do today to help bring us closer to that higher purpose?

Kevin: Yeah, I think it really could be summarized in that iconic thought of Gandhi's, "Become the change you wish to see". Become the change you wish to see. If you would like to see more tolerance, become more tolerant. If you'd like to see more empathy, become more empathetic. If you'd like to see more authentic listening, become a more authentic listener. That was the breakthrough for me that took leadership from being difficult to being, I don't want to say easy, but I'm going to say close to easy. What I'm saying the leap was is the transition from thinking my job is to change others to my only real job is to be the change. It's to work on myself and get myself right. Which I am willing to say, getting myself right is almost a full-time job. I have to work hard at that consistently. And when I stopped feeling like I had to be responsible for 550 people and said, no, the thing I can give down is the version of me. That's when it all became actionable, manageable, and impactful.

[00:34:36] **Bev:** Well, I'm so grateful to have heard part of your story today. And I feel uplifted, and I feel optimistic that a change is possible. I know we live in a hard world at the moment, there's a lot going on for every one of us. In addition to just making our businesses work, there's a lot going on outside of work. So your message and just what you've sketched out here for us today is really valuable and meaningful and attainable. So thank you very much for sharing your story with us. I have the Seventh Power on my desk. I've been reading through it and just really enjoying the humanness that shines through, the humility that you're bringing. And I do recommend that every one of our listeners gets a copy of it and learns more about your approach to life and to business. So thanks for the time today. And take care.

Kevin: Thanks so much for having me and I really appreciate the mission of your show and what you're doing to give people like myself a bigger voice and to share. So thank you. I enjoyed it very much.

Bev: It's my pleasure. It was wonderful to meet you.

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