

ENTREPRENEURSHIP

A Lumber Executive Loses His Voice and Finds a New Way of Working

By JENNIFER VAN ALLEN

CASCO, Me. — Kevin Hancock, chief executive of his family's lumber company, thought things could not possibly get worse: The housing market was sputtering, hundreds of lumberyards had shut down and his company had to resort to painful cuts, hiring freezes and layoffs at its sawmills and retail stores.

The future of Hancock Lumber, started in 1848, and the livelihoods of hundreds of workers weighed heavily.

"It was pretty stressful," Mr. Hancock said.

Then, he lost his voice.

When he tried to talk, his throat would tighten. He sounded and felt as if he were being strangled. What Mr. Hancock initially dismissed as a sore throat was diagnosed as spasmodic dysphonia, an incurable neurological condition that causes spasms in the vocal cords and is made worse by stress.

Mr. Hancock worried whether his work would prevent him from regaining consistent use of his normal speaking voice. He wondered whether he could continue as chief executive.

He did.

That was in 2010. Today he considers the loss of his voice a positive turning point. It prompted a trip to one of the most impoverished corners of the country. And in the five years since, the privately held company has hit record levels of efficiency and productivity, and sales of nearly \$140 million in 2015.

Mr. Hancock dismissed any suggestion that he is the driver of the company's success. Hancock Lumber, he pointed out, has benefited from the economic recovery, and from initiatives that were years in the making.

But losing his voice forced him to redefine his role and share power more broadly. "It helped accelerate a culture of individual responsibility," he said. And that has paid off.

"When I first acquired this, I wondered whether I would be able to do my job," Mr. Hancock, 49, said. "Now I can see that it actually makes me better at my job."

Mr. Hancock never planned to join the family business. After graduating from Bowdoin College with a degree in American history, he taught and coached basketball at a postgraduate prep school, one that offers a year of education beyond high school.

But when his father, David, Hancock Lumber's chief executive, learned he had lymphoma in 1991, Kevin Hancock went to work at one of the company's stores. The elder Mr. Hancock died in 1997, and the next year, Kevin, then 32, became president.

Despite his youth, leadership came naturally. Kevin Hancock, the gregarious father of two, became a go-to guy in Maine for keynote speeches and capital campaigns. People often asked about a run for governor. In 2005, he became chairman of the National Lumber and Building Material Dealers Association.

"He's just so authentic and has this presidential charisma," said

Rita Ferris, president of the Northeastern Retail Lumber Association. "There isn't ever a time when you're not really excited by the time you're done meeting with him."

Hancock Lumber earned the admiration of peers for its innovations. The company was among the first in the industry to adopt lean manufacturing practices and to manage deliveries to ensure that customers received them "On Time and In Full," an industry standard known as OTIF. This is a high hurdle to clear, said Craig Webb, editor in chief of ProSales, a trade magazine based in Washington.

"You have to get all parts of the company involved," Mr. Webb said. "Your salespeople can't make promises that your yard crews can't deliver. Your buyers have to make sure you're in stock. Production has to be efficient. The orders have to get out on time. And the drivers have to meet all

those demands."

And then the housing market fell apart.

From 2005 to 2011, new housing starts in southern Maine declined 66 percent, and Hancock Lumber's store sales dropped 45 percent. Over about the same period, the size of its work force declined 40 percent through attrition and layoffs.

Those who worked alongside Mr. Hancock at the time said that the pains he took to be upbeat and upfront helped shore up morale. "Trying to keep a business open when your primary market is gone is amazingly difficult," said Ruth Kellick-Grubbs, a Tryon, N.C., consultant who sits on Hancock Lumber's board. "If the company didn't have the right people with the right attitude to maintain service, that wouldn't have happened."

Then Mr. Hancock lost his voice.

It is not known what causes



PHOTOGRAPHS BY CRAIG DILGER FOR THE NEW YORK TIMES

Kevin Hancock, chief executive of Hancock Lumber, at the company's kiln and lumberyard in Casco, Me., and talking with Jane W. Garland of the Maine Department of Labor, left.



spasmodic dysphonia, which affects an estimated 50,000 people in the United States, including the radio host Diane Rehm and the environmental activist Robert F. Kennedy Jr. For some people, like Mr. Hancock, the initial onset follows a stressful event, said Dr. Andrew Blitzer, director of the New York Center for Voice and Swallowing Disorders.

Mr. Hancock got temporary relief from speech therapy, and from injections of Botox into the muscles of his larynx, a standard treatment.

When his symptoms were at their worst, efforts to speak left him gasping and sore. "It was pretty isolating," he said.

He had to reinvent the way he worked. At meetings he once led, he now sat in the second row, jotting down notes. As he spoke less and listened more, he discovered how many managers and front-line employees had ideas for changes and wanted to take responsibility for them. He began delegating more.

"You see the passion and ideas coming from others," he said. "People are smart, and they know what needs to happen and they want to do a good job."

By 2012, the company had regained firm financial footing, and Mr. Hancock was ready to take some time off.

He had always been interested in the history of the American West in the late 19th century. He

had read about the severe housing shortage at Pine Ridge, an Oglala Lakota Sioux reservation in South Dakota. He felt drawn there.

At Pine Ridge, Mr. Hancock completely unplugged from his duties as chief executive. And he began to realize how much those duties had come to define him.

"I learned that being C.E.O. of Hancock Lumber was just a role that I played," he said. "I felt that I acquired S.D. because I had become too consumed in my roles and work responsibilities. I needed to bring more balance into my life, which for me meant that the work would be important but not all-consuming."

He also became passionate about sharing the stories of the Oglala Sioux people and raising awareness about the economic and social challenges faced by the Pine Ridge residents.

Hancock Lumber donated materials to construct a two-bedroom home on Pine Ridge. Mr. Hancock established a nonprofit, the Seventh Power Foundation, to celebrate the identity of the Oglala Sioux and to raise money for projects that strengthen residents' economic independence.

In 2015, Mr. Hancock wrote and self-published a 500-page memoir about his experiences, "Not for Sale: Finding Center in the Land of Crazy Horse."

Medical issues in the executive suite do not typically bode well for a company's bottom line. Nor do

vision quests — a sort of trip with a purpose that is a rite of passage in some Native American cultures. But at Hancock Lumber, they unfolded in tandem with changes that led the company to record-setting performance.

In 2012, the company completed the rollout of a bonus program that rewarded workers for increasing accuracy on customer orders, productivity and profitability. Along with raises in base pay, that has pushed up compensation by more than 3 percent a year on average for the last three years.

Improvements in efficiency also paved the way for a shorter workweek for many of the company's 458 employees. Since the incentives were begun, the average workweek for hourly employees dropped to 41 hours from 47.

Mr. Hancock conceded that the initiatives are not cure-alls but steps toward restoring the work-life balance that he envisioned during his time at Pine Ridge.

"If people can work just a little bit less and earn just a little bit more, that's the right direction to be trying to move," he said.

The changes have helped sales grow by an average of 8 percent annually over the past three years.

"Everything they've been working on for years is hitting on all cylinders," said Ms. Kellick-Grubbs. "And they're not letting off the gas."