STRUCTURAL BUILDING COMPONENTS MAGAZINE (FORMERLY WOODWORDS)

November 1999

"Why Do People Often Automatically View Change Negatively & Ignore the Positives?" by Kirk Grundahl

BACKGROUND

In the last two months our association has faced what has become a controversial issue that, if there is a knee-jerk reaction to, has the potential to be divisive and unproductive. What is the issue?

- WTCA has been an association where many focus on the word WOOD and where there is little or no focus on the word TRUSS.
- The wood theme continues with our newsletter that is called WOODWORDS, which many inside WTCA have questioned
 as appropriate for what our industry really does.
- The Board of Directors of WTCA has made the wise choice not to change any of this due to the name equity that each, WTCA and WOODWORDS, has in the market, but also realize that WOOD trusses do not reflect all that our industry does.
- The confusion over the word wood is also reflected in the fact that many of our lumber supplier associations view us as a wood association like them and not as a customer association as we are.
- A group of WTCA members decided, after much discussion over the years at WTCA meetings, to start a Steel Truss and Component Association to begin to reflect the broader base of business they desire to undertake.
- Qualtim (Suzi and Kirk Grundahl's company) was asked by this group to consider making a proposal to manage this group to continue to focus on providing services that meet the needs of our component manufacturer customer base. The proposal was accepted and Qualtim is involved with the formation and management of the new Steel Truss and Component Association.
- An unfortunate conflict of interest question has been raised about the role of Kirk Grundahl and Qualtim in all of this.

Anyone that knows our Qualtim staff or me knows that our goal here is to provide services to our natural customers and do good on behalf of the industry, not to create problems or hurt anyone—in particular, any of our customers. Yet some in our industry have cast Qualtim's strategic business decisions in a very negative light. It is hard, from my perspective, to understand why this is being done.

PREFACE

To fully evaluate the current controversy, a very important fact is that WTCA HAS NO EMPLOYEES AND HAS NEVER HAD ANY EMPLOYEES. WTCA contracted with Qualtim in 1992 to provide management services to WTCA. Qualtim's employees carry out administration for WTCA and serve as WTCA's staff. Qualtim provides WTCA with detailed time budgets for all the WTCA-related activities and receives remuneration only for the time that is expended on WTCA work. Besides WTCA, clients of Qualtim include the Government of Finland, the Wood I-joist Manufacturers Association, the Southern Forest Products Association, Anthony Forest Products, APA—The Engineered Wood Association, Imperial Laminators, SpaceJoist TE, Georgia-Pacific, several law firms that are working in insurance defense forensic investigations, Richco Structures, Stock Lumber, Lumber Specialties and many others.

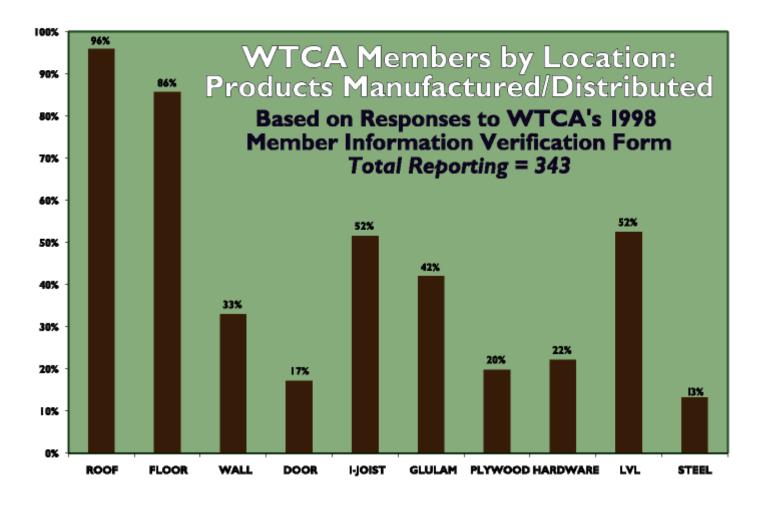
Qualtim is no different than any of the companies that belong to WTCA. We are a small entrepreneurial business (albeit service rather than manufacturing) that manages WTCA as one of our significant customers. We are, of course, profit driven, but at the same time our employees all share an exuberant passion for the truss and component industry. By not having employees but instead contracting with a management company, WTCA has been able to control its expenses and at the same time to hold Qualtim accountable to perform in the best interest of WTCA's members. Many of WTCA Board

"The continual stream of great products and services from highly visionary [industries] stems from them being outstanding [industries], not the other wav around. Keep in mind that all products. services, and great ideas, no matter how visionary, eventually become obsolete. But a visionary [industry] does not necessarily become obsolete, not if it has the organizational ability to continually

members have said that this is why WTCA has operated so successfully over the last seven years, and I strongly believe that this approach to managing the association has been in the best interest of WTCA.

PERCEPTION IS RARELY REALITY

"Perception is [or will become] reality" is an often-heard cliché. For many, searching out the real truth just takes too much time. All of this is unfortunate, as the final outcome is usually bad decision-making based on misinformation or manipulated facts. Only when the dust settles and we clearly see our mistake do we learn that a good deal of valuable time has been expended very inefficiently.



change and evolve beyond existing product life cycles." — James C. Collins and Jerry I. Porras, Built to Last. Successful Habits of Visionary Companies, (Harper Collins Publishers. Inc., 1994) p. 31.

In the August issue of *WOODWORDS*, we asked the question, "What business are we in?" This is the one fundamental question that each business, and probably more importantly, each industry, must repeatedly ask itself. (The Pony Express had to ask itself if it was in the pony delivery business or the information delivery business.) Only after they asked and answered this question could they define their vision and strategy. How one defines one's business or industry vision will greatly impact where one goes in the future.

To this end, our industry has been struggling for quite some time with how we should globally define the business of our members and our industry, while also taking into

account a product-line perspective. The following graph defines the marketplace realities within our membership (the graph represents the percentage of manufacturers making or selling a given product based on companies that responded to our 1998 membership verification form):

After reviewing this data, how would you answer the following questions:

- Are we in the wood truss manufacturing business?
- Are we in the truss manufacturing business?
- Are we in the I-joist and LVL business?
- Are we in the engineered wood products business?
- Are we in the wood component manufacturing and distribution business
- Are we in the component manufacturing business?
- Are we in the component manufacturing and distribution business?
- Are we in the business that finds economic component solutions for all of our builder customers' structural building application needs?

How we respond individually and collectively to these questions will radically affect how we operate individually and as an industry into the future. I would suggest that the answers to these questions for most of us individually are "Yes" and, as an industry, the answers are undoubtedly "Yes." In the last few months, we have seen firsthand the impact of viewing our industry broadly as a group of manufacturers and distributors that do much more than manufacture just wood trusses.

Quite frankly, this concept seems to make some in our industry uncomfortable or anxious, and certainly a change in the traditional way we think about things can do that. We have received letters from supplier groups questioning our involvement with different products.

It appears that a FEW in our industry and related associations would like to divide us. We clearly have seen evidence of this tendency through actions taken in the past, and we will need to continue to monitor such actions in the future. Let us not become misinformed, misguided or manipulated.

As we evaluate this, we know that reconciliation talk is cheap and rumors are dangerous. What we must be looking for in order to move our industry forward is positive actions toward WTCA. This is the only measuring stick we can really use to evaluate true intentions.

On the flip side, we appreciate individuals like Dave Gromala, Larry Kirkwold, Bruce Tate and Helen Griffin of Weyerhaeuser; Lee Ashburn of Industrial Wood Products; Larry Foley and Clayton Barnes of Willamette Industries; Richard Graham and Al Hopkins of Georgia Pacific; Jim Watson of International Paper; Yves LaFlamme, Serge Boulay and Gilles Gaudreau of Donohue; to name just a few, that support WTCA in a significant manner, both publicly and behind the scenes. These are the positive interactions that help to build strength within an industry.

All of us in this industry have reason to be excited about the prospects of our future. We have taken so many strides forward and we are poised to provide even greater value to our customers in the future. Can we accomplish all of this? We clearly can if we do not let the naysayers, self-interests and the inevitable politics that seek to slow down progress, tear us apart. As Bob Ward so eloquently stated last year in his WTCA Hall of Fame speech, we can accomplish anything we set our mind to if we communicate well, speak the same language and are united in spirit and purpose. We will accomplish much because our industry is made up of tremendous people with incredible talent and we will work hard for the overall benefit of our industry. The positives are so significant and exciting. Let's not let negative views slow down our industry's global process and progress. More on our future as an industry is forthcoming in future issues of *WOODWORDS*.

SBC HOME PAGE

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