

# VISTAGE

## Member *Stories*

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Dan Juntunen, CEO  
Wells Concrete  
Albany, Minn.

### *At a glance*

**Role:** CEO

**Industry:** Construction

**Employees:** 500–1,000

**Vistage chair:** Don Kielley

### **Company background**

*Since 1951 [Wells Concrete](#) has been building and installing reliable and competitively superior concrete products. Headquartered in Albany, Minn., the company is the largest precast supplier in the Upper Midwest, serving architects, building owners, developers and contractors.*

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Things have been going well for CEO Dan Juntunen and Wells Concrete the last few years. So well, in fact, Dan and his team bought the company's largest competitor in the precast concrete niche in November of this year (2014). The acquisition rocketed Wells from a \$100 million company to more than \$150 million in annual revenue. "We are now the largest precast concrete supplier in the Upper Midwest," claimed Dan.

Wells Concrete designs and manufactures architectural and structural precast concrete components used in commercial buildings, parking ramps, athletic facilities and other applications. Its customers are architecture design firms, developers, contractors and building owners.



The company is or has been involved in such marquee projects as Target Field and the new Vikings stadium.

When Dan became CEO of Wells Concrete four years ago it had 450 employees. "It's been kind of a wild ride," he said. Today, the company has 800 employees. Wells Concrete is headquartered in Albany, Minn., which is also home to one of its primary production facilities. Wells Concrete maintains more than 2 million square feet of manufacturing space between four large plants.

"Our customer base tends to be primarily general contractors," shared Dan, "But we also work closely with architects and owners." The company goes out of its way to provide value-added services such as engineering and technical consulting, to decision makers. "We have 20 PEs (Professional Engineers) and 40 Detailers (CAD based Drafters) on staff to assist our customers with technical expertise," said Dan. The company works closely with contractors and architects—preferably during the design phase of a project—to create a specification that favors a Wells Concrete solution.

Wells recently divested its southern MN ready-mix division, where the competition is intense and there are few areas to differentiate your offerings, shared Dan. In the precast market, Wells Concrete has perhaps four to five competitors and produces both structural and architectural components. The structural components include functional wall panels, column and beam roof systems and double Ts for buildings, or what Dan refers to as “big, heavy gray stuff.” The architectural components largely consist of wall panels and while they’re still load bearing, the outside layer has decorative finishes. He said, “We do a lot of schools, court houses, fire stations and commercial buildings using our architectural wall panels. It’s competitive but everybody has their niche.”

One of the biggest business and marketing opportunities for Wells Concrete is the conversion from other building systems to precast. “We as a building system are growing but are still a relatively small percentage of the industry,” he shared. More dollars are going toward marketing campaigns to influence the adoption of precast by more contractors. For example, noted Dan, “A school design may call for block and masonry, but schools are perfectly suited for total precast. We try and get in early to encourage the architect to design in precast versus block or brick. Therefore, by the time the project comes to market we already have a competitive advantage.”

## **When experience trumps theory**

Dan was introduced to Vistage through a friend who also happened to be a Vistage member—Steve Pulley. “Steve just called me one day and said, ‘it’s [Vistage] really helpful for me, would you be interested in joining,’” shared Dan. As a CEO Dan wanted a forum to share the issues and challenges that come with his job title. When it came to the “sticky” issues Dan needed objective

advice and opinions. And that’s where Vistage is valuable, he observed. “What attracted me to Vistage was the chance to meet with people with similar business problems. The industry doesn’t matter. Our issues and challenges—good and bad—are all interconnected,” said Dan.

Dan said where Vistage has helped him most is dealing with issues regarding people and HR challenges. He joined Vistage, in fact, at a time when he was seeking answers on how to navigate a particularly sensitive matter involving several individuals in the corporate structure. The situation required Dan to demonstrate a mix of savvy political skills and emotional intelligence to work with all the parties involved. His Vistage group and chair Don Kielley were instrumental in helping him build confidence to traverse this unfamiliar landscape.

Soon after joining Vistage the opportunity arose to acquire a business unit of the company’s rival, Hanson Structural Precast. For Dan, the acquisition came at a perfect time: He was able to acquire the asset with a creative offer that became a win-win for both companies—and increasing the size of Wells Concrete by 50 percent overnight. Encouragement from Vistage also helped validate his decision to buy Hanson.

“In my Vistage group you’re working with knowledgeable, creative-thinking people who are self-confident enough to give you their opinions,” he said. Inevitably, someone in his group has had to address the same issue Dan is involved in at any given time. Indeed, experience always trumps theory. You can’t learn how to lead employees through difficult terrain by reading about it in a book.

“Being a CEO isn’t really a team job. You’re leading a team but you’re not really part of a team. In

my case I report to a board and the people that report to me are my management team but you can't always just have totally transparent conversations with either group because one or the other of them may be the problem," explained Dan. Vistage is a group that's always allied with the CEO and that support can be priceless at times. Particularly when it comes to difficult decisions.

"The easy, popular decisions are easy," said Dan. "Where Vistage helps you is leading you through making the difficult decisions." These are the decisions that typically affect employee lives. "Everybody hates making these decisions," he said. His group members do not let him off the hook easily. "This group helps you focus on the greater good and do what you need to do," shared Dan.

Dan's interactions with his Vistage chair, Don Kielley, also tend to be frank and objective. Dan has had a few challenging issues involving individuals both up and down the corporate chain and Don has helped him work through matters by extricating emotions and staying objective. "Whether it's a decision that needs to be made on how I conduct myself, or a decision that is directly impacting the business, it's very refreshing to have a no-holds-barred conversation with somebody who is focused on taking the emotion out of it and doing the right thing," he shared.

"Don helps me consider key actions I'm about to take," he said. In monthly one-on-ones Dan says he's very open with his Vistage chair, and in return, Don is direct with him. "As a result I get a lot out of the meetings!" **V**