

Three Minutes: How to Tell Better Business Stories.

Weiss Asset Management, LP (WAM) is a global hedge fund manager. WAM President Paul Sherman, called an all-hands meeting of employees for the purpose of focusing on the cultural values of the organization. Rather than preach about the importance of continuous self-improvement, he told the group the following story:

“When I was younger and had first joined WAM, I made an investment that worked out much better than we expected. I met with Eitan Milgram (one of the senior partners) to share my achievement. I expected him to congratulate me.

“I was surprised at his response: ‘What can we learn and how can we do better next time?’ I soon came to realize that Eitan’s question was not personal but just part of the way things are done at WAM: we are self-reflective and critical.

‘We are always looking for ways to improve.’”

In this article we will refer to Paul’s story and examine its structure.

You can use story structure to inspire others and to reinforce corporate culture?

Flight Simulation for Life.

Paul Sherman at WAM is not the only one who seeks to influence using stories.

During his State of the Union Addresses, President Ronald Regan preferred to avoid lecturing about public policy. Instead he would plant a citizen in the audience. He would point out that citizen and tell a story about this person’s life. Embedded in the story was his policy. The Story became the policy justification.

Whether your audience consists of children or Board members, a compelling story draws in commands attention. Good stories are remembered long after numerical data, PowerPoint presentations, and exhortations are forgotten.

This is not an accident.

Hsu (2008) argues that stories are important tools for learning and relationship building. Our ancestors lived in groups and had to make sense of increasingly complex social relationships and

a dangerous external environment. There was no ability to read or to write. Telling and retelling stories became the way to spread information and to have it retained through generations.

Over the years, technology has changed our lives. But people are pretty much the same.

According to one UK study, people tend to spend 65% of their communications telling stories to each other. This is true regardless of age or gender. Stories act as “flight simulators” for life.

While stories are a common way to communicate information, not everyone is equally influenced by stories. According to one research cited by Hsu, those with the highest levels of empathy are the ones most likely to respond well to information embedded in stories.

Doug Ready (2002) has some excellent stories about how companies have used storytelling to change corporate culture. At the individual level, storytelling guides behavior. At the organization level, it creates traditions to influence generations of employees and customers.

Who Tells Your Story?

In the popular Broadway Musical “Hamlet,” the first Secretary of the Treasury asks, “Who Tells Your Story?” The implication is that the story itself is important. But “who tells your story” also has power.

The play is itself a response to this question: Alexander Hamilton’s life is now known by thousands because it is being told as a hip-hop popular Broadway Musical. His story told to young audience in language they can relate to has helped Alexander Hamilton regain the recognition and respect so important to him during his life.

Who tells your story?

Psychologist Melanie Green (2013) writes that it is important that the listener be immersed into the story at both a cognitive and emotional level. One way of accomplishing this immersion is to have the story told by a high status individual. Thus, Paul Sherman’s story has more value when told by Paul in person or in video.

Had Paul’s story been told to a group of new employees by the Director of Training it would have less impact.

President Regan’s stories were more powerful when told by him in person or viewed as a video of him. The same story told by the Press Secretary would have less value.

Powerful stories should be told by powerful people. But the stories can be captured on video and are thus scalable.

Powerful stories can also be communicated through powerful figures unrelated to the leaders in your company.

For example, one of the authors taught a class on “Calm Assertive Leadership.” Rather than give a boring lecture on the subject, he had students watch selected scenes about the 16th President of the United States in Steven Spielberg’s movie, “Lincoln.”

When talking about leadership of teams under conditions of stress, he didn’t give a lecture on managing stress at work. He had students watch scenes from the television show “M*A*S*H” where Colonel Sherman T. Potter is shown working with his team under battlefield conditions.

The story is told. The point is made after the story.

In M*A*S*H, the Commanding Officer is constantly away from his desk and with the surgeons in the operating room. He is constantly telling his surgeons, “I am grateful.....”

Important lessons are best communicated through stories rather than through PowerPoint or lecture or Email.

Elements of a Good Story:

A good story needs to be both cognitively and emotionally involving.

The Right Setting: The importance of the story increases when the setting is important. Paul Sherman’s story was told during the all-hands meeting of the company and not with one person at a Christmas Party over drinks. President Regan’s stories were told during the State of the Union address. If your goal is to influence corporate culture, select a setting that matches the importance of the goal.

Reveal Yourself. The authority figure needs to reveal feelings that will be perceived as authentic. Thus Paul Sherman discussed how his initial pride turned into surprise when Eitan Milgram challenged him to figure out how he could have done better. This helps listeners conclude, “This story is authentic.”

Start with your “First.” Paul Sherman’s story is great because it is about the first time he ever had personal responsibility for an investment. Such “firsts” tend to draw in the younger audience because they see themselves as swimming in “firsts.” “First time” stories are powerful because the actor is often in emotionally vulnerable situations.

Stories Have Three Acts. Alton (2016) suggests three acts in a good story: (1) Conflict. In the case of Paul Sherman's story the conflict is an inexperienced professional making his first investment decisions. (2) Rising Tension. In the Paul Sherman story the rising tension is what is the reaction of authority figures to the young investor's success? (3) Resolution. In Paul Sherman's story the resolution is learning that WAM's professionals aim to never be satisfied. Always ask, "How can we improve?"

Tom Kennedy of Kennedy Group Boston has another way of structuring stories:

Problem (we had this issue/challenge/problem)

Action (what we did about it)

Resolution (the result/benefit)

Storytelling is a Performance Art. And Performance Art Takes Practice.

Storytelling is a performance art. And good execution of performance art requires rehearsal and practice. Abraham Lincoln was a master story teller. Examine the structure of some of his stories. Lincoln never told a story for the sake of the story itself. There was always a point he was gently trying to make. Watching the movie "Lincoln" will make this clear.

Tom Kennedy suggests viewing a Master storyteller at his best: Steve Jobs' commencement address at Stanford University. He begins by downgrading what he is about to say: "I only have three stories to tell you." And then watch the Master go to work. As of January 3, 2020, there have been 33.5 million views of this talk. Click below to find out why:

<https://www.youtube.com/watch?v=UF8uR6Z6KLc&t=456s>

Stop aspiring to be called a "great presenter." Aspire to be a Great Story Teller.

1. References:

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