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DISSECTING A MOTIVATIONAL BUSINESS STORY

Weiss Asset Management, LP (WAM) is a global hedge fund manager and a Stybel Peabody client. WAM President Paul Sherman, called an all-hands meeting of employees to focus on the cultural values of the organization. Rather than preach about the importance of continuous self-improvement, he told 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."

That's the story.

Now let's dissect it.

Stories: Flight Simulations for Life.

Paul Sherman is not the only one who seeks to influence through stories. During his State of the Union Addresses, President Ronald Reagan preferred to avoid lecturing about public policy. Instead he would plant a citizen in the audience. President Reagan 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.

Compelling stories command attention in ways that PowerPoint presentations can't compete with.

Why are stories so emotionally grabbing?

Hsu (2008) argues that our ancestors lived in groups and had to make sense of increasingly complex social relationships and dangerous external environments. 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 in how they learn.

People 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. Doug Ready (2002) has some excellent stories about how companies have used storytelling to change corporate culture.

Who Tells Your Story?

In the popular Broadway musical “Hamilton,” the first Secretary of the Treasury asks, “Who Tells Your Story?” The implication is there are two issues in story telling: the story itself and who tells it. The musical production answers its own question: the story of Hamilton was known to hundreds of historians and undergraduates forced to take American History. Because Lin-Manuel Miranda chose to tell the story as a hip-hop musical, millions of people around the world will now know the 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 high-status individuals. Thus, Paul Sherman’s story has more value when told by Paul in person or on video.

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

President Reagan'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 leaders telling their stories can be captured on video. Stories can thus become scalable. Thanks to YouTube and Facebook they can also get global distribution.

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

For example, powerful stories of faith are often retold to the community by respected leaders within the faith's traditions, and yet the original actors are long gone.

For another 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. 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 points are made by the story and reinforced by a short lecture after the story.

Elements of a Good Story:

A good story needs to be both cognitively and emotionally involving. Three ways to do it is to tell the story in the right setting, create tension, reveal yourself, and talk about a "first time" event.

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 Reagan'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. 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."

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 your younger audience: they see themselves as swimming in "firsts."

Good 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?"

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.

A coach who understands story structure and who can provide impartial feedback can help you move your reputation from Decent Power Point Presenter to Master Story Teller.

If your leadership goal is to change individual behavior today while establishing traditions for the future, start learning how to tell stories.

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