

# LES50NS

## The Impact Of Strategic Storytelling

*Professor Jay Conger—Henry Kravis Research Chair Professor, Kravis Leadership Institute*

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### Lesson Summary

Storytelling is a powerful and under-used method of communication that can have significant benefits when used in an organizational setting.

### Lesson Transcript

One of the most important mediums you and I have as a leader is that of communicating through stories. I like to call them strategic stories, because in many ways they're stories with a strategic end in mind. They're a powerful tool, which many managers and executives forget to deploy. My point is that if you want recall - if you want your staff to remember the genuine priorities or remember why we're going in a certain direction - they need stories to help remind them of that reason, purpose, or type of decision they have to take.

Let me illustrate this idea of strategic stories with a story. This is a story that Herb Kelleher - one of the founders of Southwest Airlines in the United States and its former CEO and Chairman - used to tell as he traveled around the United States, visiting his operations. It was a story that in part explained who were the competitors to Southwest Airlines, as well as being a story to illustrate why Southwest priced its tickets so low: because Southwest Airlines was famous for its low-priced tickets.

What he would do in meetings with people from Southwest - and even with customers - is say "It's funny; I get letters all the time from shareholders, and they're often angry letters. They say 'America West is flying between Los Angeles and Las Vegas for \$149 one way and you, Herb Kelleher at Southwest, are pricing \$79 for that same one-way ticket. Don't you have the decency to at least kick your price up to \$129? Why are you leaving so much on the table?'"

Well, what I do is write back and reply "Thank you so much for your letter. However, you don't really understand who we are, and you really don't understand who our competition is. It's the automobile; it's not other airlines. And \$79 is the price to drive, including maintenance, insurance and gasoline, from Los Angeles to Las Vegas. That's how we price our tickets."

He would use that simple story to drive home what in many ways could be seen as the entire strategy of the organization, vis-à-vis its competition. But it was done in such a way that everyone at Southwest, all the way down to the baggage handler, knew who the competitors were and why that ticket was priced the way it was.

The primary lesson learned is that stories have enormous power in terms of recall. If you look at statistics, or at PowerPoint, or at documents, what you discover from all the research is that there's almost no recall. So you can use all the PowerPoints you want; you can use all the statistical presentations you want, have all the handouts you want; but almost none of that is remembered. What will be remembered are a few compelling stories that you share with your organization and with your team. And those will guide them when they're far away from you - which by the way, is much of the day.

So how do you craft a good strategic story? Well, what we know is that the stories you and I might tell in a work context are different from the stories we might tell our family at dinner, or tell our children when we're putting them to bed. The first characteristic is they're short, very short. Anywhere from one-and-a-half to two-and-a-half minutes is about all anybody can retain as a listener: so keep your stories short. Second, they shouldn't have more than two or three characters at most. The more characters, the more difficult it is to remember the story. Three, keep it simple. Build it around a singular message you wish to convey. Fourth, tell it as if it's actually happening in the present tense. We know that when you do that, it brings the listener into the story and they actually participate within it. Next, make certain you've got a few visual images, because we store visual images far more deeply; a picture is worth thousands of words. And make sure the images you share in the story tie into the theme you want everyone to remember. Finally, if you can, repeat a word or phrase that is the essence of your message.

# LESSONS

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## Questions, Ideas for Action and Takeaways

### Questions

1. How can you better use everyday and personal stories to improve the emotional connection between yourself and your people?
2. What specific goals do you want to achieve with the use of strategic storytelling?
3. In what area do you think you could benefit from the use of an engaging story? Strategic planning? Building a brand? Developing teams? Mastering a change program?
4. How can you use more story-based language in your presentations?
5. When is it appropriate to use a story with employees?

### Ideas for Action

1. Lead by example and encourage the use of storytelling among your team. In preparation, consider a story you can tell that will engage your team and explain the wider impact of strategic storytelling. Plan this properly: what exactly is the story you want to tell? What do you hope to achieve with it? What characters are involved? How will you create the right visual images? How will you keep viewers engaged?
2. Get team members sharing stories with each other. At the next team meeting put people at ease for this exercise and get them into the right frame of mind to participate by telling a story that expresses your own aspirations and goals for the team.
3. Learn the craft of effective storytelling for business. Schedule a meeting with someone you know who is an effective storyteller, read articles or books on storytelling for business, or attend a seminar on effective storytelling.
4. Use a story to generate ideas and visualize how present operations could be improved. Gather your team into groups and ask them to tell the story of what the perfect organization would look like. As they present their ideas, document how this differs from the status quo. Then, work with the team to understand how their vision can be harnessed and brought to life to help bridge the gap.
5. Consider top priorities in the recent past that you have delivered through means of statistics, PowerPoints, or documents. For any of these priorities that have not been effectively met, create a story to redeliver them.

### Takeaways

1. Stories with a strategic end in mind are powerful tools that many executives forget to use.
2. Unlike statistics or Powerpoint charts, stories have enormous power in terms of recall.
3. Compelling stories are best used to help staff recall primary points or directional emphases.
4. Effective stories are short, have no more than two or three characters and a singular message, and are told in the present tense with visual images that tie into the theme. It's best to repeat a word or phrase that encapsulates the message.
5. Such stories will guide staff when leaders are not with them.

### Speaker Biography

Jay Conger is the Henry Kravis Research Chair Professor of Leadership at the Kravis Leadership Institute at Claremont McKenna College.

Professor Conger is widely acknowledged as one of the world's experts on leadership. He has done extensive research into leadership, boards of directors, organizational change and the training and development of leaders and managers.

Prior to his academic career Professor Conger worked in government, and as an international marketing manager for a high technology company.

After moving into academia Professor Conger became a research scientist at the Center for Effective Organizations at the University of Southern California. He then became the Executive Director of its Leadership Institute.

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Professor Conger was subsequently invited to join London Business School in 1999 in the role of Professor of Organizational Behavior. He remained there until he took his current position at Claremont McKenna College in 2005.

Harvard Business School has also asked him to help redesign its organizational behavior course around leadership issues.

Additionally, Professor Conger has been involved in executive education at INSEAD.

An accomplished writer, he has written or co-written over 10 books and 100 scholarly articles. His titles include *Shared Leadership: Reframing the How's and Why's of Leading Others*, and *Winning 'Em Over: A New Model for Managing in the Age of Persuasion*. His latest book, *The Practice of Leadership: Developing the Next Generation of Leaders*, examines what top scholars consider the best practices of leadership in numerous sectors.

Alongside his academic work Professor Conger consults for a number of private corporations and non-profit organizations worldwide.

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