

Storytelling – Getting the Message Across

“Whereas storytelling in organisations was considered fresh and radical just a few years ago, it has recently become more mainstream. It is an undeniably important and useful tool, with the potential to enhance communications across organisations at all levels.”

Gillian Pillans, Report author.

Executive Summary

“There’s something profoundly counter-intuitive about ... narrative intelligence. We would all like to believe that it’s substance that convinces, that analytic understanding must surely be more effective than any mere story.... It’s hard to accept that something as primitive and old-fashioned as... narrative can be more powerful than analysis in the sophisticated business world of the 21st century.”

Stephen Denning, author of *The Secret Language of Leadership*

1 Storytelling in the context of organisation development and internal communications has become big business in recent years. This report considers:

- what we mean by ‘stories’ in the organisational context
- what organisations can achieve through storytelling
- the evidence that storytelling is more effective than other forms of communication
- what makes a good story
- how organisations are using stories in practice.

2 Stories have been around almost as long as human beings. They appear to play a key role in developing cohesive societies and in helping us to understand why we act as we do.

3 The use of storytelling in organisations has become much more common. Leaders are increasingly realising that sharing information based on logic and rational analysis alone has only limited value, and that for employees to commit to action they need to be engaged at both an emotional and intellectual level.

4 Storytelling appears to work because:

- it helps people make sense of their environment and the challenges they face
- it is rooted in emotion and can therefore touch people in ways that more rational forms of communication can't

- stories are more memorable and easier to recall than data
- it allows people to add their own perspective to the story, and engage with the story in a way that’s unique to them
- stories reflects the ambiguity of real life and allow complex ideas to be presented in a way that’s easy to digest
- it can spur commitment to action far more effectively than logical analysis.

5 Cognitive psychology provides clues to why storytelling is effective.

- It appears to be a natural human trait to use stories to make sense of situations.
- People are significantly more likely to remember information that is presented in the form of a story.
- Active involvement in a story facilitates learning.

6 The elements of what makes a good story are rooted in the concept of 'rhetoric' first developed by Aristotle in Ancient Greece. Effective stories combine each of the following three elements:

- 'logos' – reasoned discourse or argument
- 'pathos' – awakening emotions to achieve a desired outcome
- 'ethos' – the aspects of the character, beliefs and values of the storyteller that make them credible to their audience.

“Stories provide a window on the soul of our organisation. The stories people tell instruct us about how they feel about the business.” **Geoff Lloyd, Group HR Director, Serco**

7 The structure, plot and characters in the story are also important, and storytellers need to pay attention to content and style in order to make stories compelling. Stories can also be crafted to suit different organisational requirements, such as sparking action, sharing values and leading people into the future.

8 We review the ‘universal’ stories that recur throughout history and in disparate societies, and ask whether they have resonance in today’s organisations. We also consider the relevance of Carl Jung’s concept of ‘archetypes’ – the idea that certain innate characteristics inform all human experience and behaviour.

9 The report shares insights into how organisations have used storytelling to achieve a variety of business objectives, including:

- engaging people in the organisation’s history and sense of purpose
- developing and sustaining culture and values
- developing business strategy and gaining employee commitment to strategy execution
- setting an agenda for change and making change happen
- handling conflict and sensitive situations
- celebrating success and rewarding and recognising employee contributions.

However, we found little, if any, direct evaluation of the effectiveness of storytelling as a management technique.

10 We consider the role of leaders as storytellers. Our research found that organisations are encouraging their leaders to develop storytelling as a core leadership capability. Some organisations are making significant investments in helping leaders develop storytelling skills.

11 In conclusion, we find that storytelling can be a powerful business tool if it is used well and with care. We recommend that organisations consider whether there are opportunities to expand their use of storytelling and further develop their internal capability.

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