

Entrepreneur

From Bedtime to the Boardroom: Why Storytelling Matters in Business

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It's one of the biggest buzzwords in business—*storytelling*—and it's how savvy companies are satisfying the public's never-ending hunger for content. With compelling characters, relatable plots and, most important, authenticity, these innovators are connecting with consumers, colleagues and investors on an emotional level.

“What is a story?” Andrew Linderman asks a group of students, most in their 20s and 30s, who are gathered in a Manhattan classroom for “Storytelling for Entrepreneurs,” a lesson in how to better pitch themselves and their products.

One student offers a complex definition straight out of a comparative literature class. Linderman, founder of The Story Source, a New York-based coaching



and consulting company, shakes his head. Another student raises his hand hesitantly.

“It has a beginning, middle and end,” he offers.

“Yes!” Linderman says enthusiastically, writing it on the board.

For the next few hours, each student digs deep to figure out how to create a story related to their business, with characters, a setting, a problem, a climactic moment and a resolution. Then they work on telling it all in just three minutes.

Linderman's class is one of many that teach an ancient art in a new way by applying it to a business setting. His students learn that if they want to sell their startups, they need to know how to project themselves and their products in a way that is both engaging and effective. And that's not easy.

"We keep rediscovering and have to remind ourselves of the power of stories in a business context," says Keith Quesenberry, a lecturer at the Center for Leadership Education at Johns Hopkins University. "We love stories. PowerPoint ruined that. Bullet points are not a story."

Storytelling's rise as the buzzword of the business world mirrors the increasing popularity of programs such as "Serial," the free 12-part weekly podcast about a real-life 1999 murder that had been downloaded a whopping 40 million times less than three months after its debut last October. The program was the subject of endless tweets, reddit analyses, news stories and parodies. Listeners

clamoring for a second season quickly donated enough cash to Chicago Public Media to make that a reality.

And take a look at the rise of crowdfunding sites like Kickstarter. What are they, really, but a forum for telling stories as a way to convince people to give money?

But storytelling should be seen as more than just a sales tool. Businesses can use stories to get clients to better understand the company's work, to connect employees to one another and to management, and to give a voice to those who don't otherwise have one.

When Marie-Reine Jézéquel, founder of real-estate company New York Habitat, hired Narativ, a training firm that focuses on storytelling, she wanted help making her workers a more cohesive unit. "I heard about [Narativ] on the radio and liked their depth of analysis and methodology," she says. "It was very hard for me to delegate—I needed to build trust and a team."

The Narativ staff coached Jézéquel's realtors individually in telling a poignant story about a grandparent. Then everyone gathered, told his or her eight-minute tale and received feedback.

“After they told their stories, one by one, I told my own,” Jézéquel recalls. “They really made you tell things you didn’t want to, but they pushed you to be authentic.”

It may sound like an odd business strategy, but Jézéquel says it worked to build camaraderie—more so than holiday parties or staff meetings—because people had their guard down but felt they were in a safe environment where they could be honest.

“It changed the way people related to each other,” Jézéquel says, explaining that hearing one employee’s tale of an ill grandfather altered her perception of that person. A proofreader, she adds, spoke of a grandmother who was always finding faults, so “I understood why she was so good at her job.”

Everything is a story. That doesn’t mean, however, that everything is a *good* story. Just as many people can cook, there’s a difference between slapping together a grilled cheese sandwich and finessing a five-star meal. And like cooking, effective stories have recipes—or formulas—but they shouldn’t be formulaic. It’s tricky.

Paul J. Zak, a professor of economics, psychology and management at Claremont Graduate University, has been studying the reasons those nuances can cause extreme reactions in the listener, changing attitudes, opinions and behaviors. One of the keys, he says, is oxytocin, a neurochemical that is produced by the brain. It has been called “the love hormone” because it is thought to bolster trust and empathy. When the brain synthesizes oxytocin, people tend to be more generous, charitable and compassionate.

One of Zak’s experiments aimed to test the reaction to stories that attempt to motivate positive behavioral change. Participants were shown 16 public service announcements from charitable organizations that anecdotally illustrated the dangers of drinking, using drugs or texting while driving. When people were given synthetic oxytocin, they donated up to 57 percent more money to the charities promoted in the videos than those who were given a placebo. More important, Zak says, those participants said they were less likely to engage in the dangerous behaviors shown in the ads.

In another experiment, participants had blood samples taken before and after watching videos of character-driven stories tied to charitable

organizations; those who showed an increase in oxytocin tended to donate more money to the charity featured than those who didn't.

“Attention is such a scarce resource,” Zak says. “You need to grab someone within the first 15 seconds. People have to care about what’s going on; stories need to be of human scale. For instance, ‘Jane Smith was a customer of ours for the past 20 years. Last year she left us.’ That’s a good opening.”

Indeed, as most of us learned in middle school, stories need a dramatic arc—starting with setting the scene, building action, some sort of conflict or tension and, finally, a resolution. That’s true for any narrative, from a Russian novel to a three-minute pitch.

Within that beginning, middle and end, a storyteller must be specific, honest and personal. “It’s about connecting,” Linderman says. “You need to be vulnerable and connect to the vulnerability of others.”

One way large companies are putting storytelling to use is in getting staffers to understand the roles of co-

does, or convince them why the business is superior to its competitors.

Kevin Allison, founder of New York’s The Story Studio and host of *Risk!*, a live stage show and podcast of “true tales, boldly told,” tells of a workshop he conducted for an agency that creates software for doctors.

“They wanted to communicate in a very human way the technical process that doctors might not understand,” he says. “I worked with them for four to five hours sharing stories and then brainstormed with them about the most emotional, heartfelt, frustrating moments in their careers, to the point where they could say, ‘Ah, this is what I can pull out of it to convince potential clients we’re not just another tech agency.’”

One woman told of a client, a warm and personable doctor, who was having difficulty with the software. “She spent a weekend walking him through the software, and he phoned her saying she had really made his life easier,” Allison says. “Tragically, the doctor was killed in a car accident a week after that. So the fact that he called meant so much—she’ll

workers in other departments. Storytelling can also help prospective clients understand what a company

Storytelling can be an especially effective tactic for philanthropic organizations. Brett Davidson, director of the Health Media Initiative at the Open Society Foundations, a nonprofit that focuses on public health and human rights around the world, has used Narativ trainers. “People we work with are used to telling one particular story about themselves,” he says. “Narativ helped us realize that people have

always remember that. The story brought tears to the eyes of a lot of people in the room.”

many stories. It can help break down stereotypes.”

So is storytelling just another fashionable business trend? “It does seem like it’s been a bit of a fad in the last couple of years,” Davidson says, although he believes it’s one that could last. “But it has to be approached in a meaningful way. People can’t feel like they’re being manipulated. It has to be honest.”