

Manifestations of storytelling in management practice

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‘Storytelling transports people to different points of view
so they can reinterpret or reframe what your “facts” mean to them.’

Annette Simmons: *Whoever tells the best story wins*

Introduction

Storytelling is increasingly advocated as a management tool, and many business managers and management consultants are convinced of its power and effectiveness in achieving business-related outcomes (Brown et al. 2005). There is, however, a lack of common ground as to what ‘story’ and ‘storytelling’ means in management practice, both in terms of their purpose in the communication toolbox, and how they are recognized and accepted by employees. As a consequence, business managers and management consultants will find it difficult to make an informed decision about the appropriateness and effectiveness of storytelling in their daily practice.

Research¹ into storytelling in management practice conducted at Newcastle University Business School reveals that storytelling in contemporary organizations is manifest in three different types: corporate storytelling (macro level), managerial storytelling (meso level) and peer storytelling (micro level). Each type has its distinctive definition and use, and each is applied with differing levels of consciousness by different players in the organization. Knowledge about these different types of storytelling, their uses and limitations, will aid managers and consultants to select situations in which storytelling can be used both appropriately and effectively to communicate with employees and other audiences.

This article offers example evidence of the delivery of, and responses to, storytelling within a public-private sector partnership in the North East of England, referred to as NorthService Ltd. throughout this paper. NorthService Ltd. is a new entity, generated in 2008 from staff TUPEdⁱⁱ from an existing public-sector organization and an existing private-sector organization. The research demonstrates how storytelling as a communication tool can be used to provide vision and strategic direction (corporate storytelling), facilitate the achievement of key business results (managerial storytelling), and develop working relationships between organizational actors (peer storytelling). It also illustrates contexts in which such communication is received less positively and provides insights into why this may be the case. Analysis of this research is still in progress, and this paper has been compiled to provoke thought and enable practitioners to consider the implications for their own storytelling.

Corporate storytelling: providing direction

Corporate storytelling is the communication of an organization's vision, mission and identity in story form. The corporate story is a kind of meta-narrative that incorporates a number of stories from within the organization (see Denning 2005). It is purposefully constructed at senior management levelⁱⁱⁱ with varying input from staff and/or management consultants. Its aim is to construct a coherent story to engage staff in what the organization is doing, thereby providing direction. Such a story is commonly used to demonstrate an agreed and shared purpose (e.g. in strategic partnerships, mergers and acquisitions) and to facilitate transformational change. It typically paints a positive picture of the organization and its future to encourage staff to make it come true.

NorthService Ltd.'s corporate story is about giving a deprived economic area a better future through the creation of operational efficiencies and the introduction of new business to absorb any roles that become redundant. The NorthService story defines the organization as the driving force behind such change. Many employees, regardless of role and responsibilities, crave the stability and direction that such a story can provide. For some, it generates cohesion for the 'new' organization, a sense of common purpose and identity, and a genuine understanding of their place within the organization at present and in future.

"Story-telling to me is that you are telling people where you are on a journey. If you haven't got the view of where the journey's going, then you can't really tell a story of how we're getting there. You're setting the scene about what you want to achieve and telling the story of how we're getting there." (Middle manager Jonathan)

However, there exist two corporate stories from both public-sector and private-sector parents that have been brought with the majority employees to NorthService Ltd. This has been challenging for the formation and acceptance of the partnership organization's new corporate story. The result is a context in which some employees compare 'the way things were' (in the public or private sector parent) with 'the way things are' (in NorthService Ltd.), affecting their interpretation, acceptance, belief and trust in the organization's corporate story.

"I suppose one good thing about [private-sector parent] is that you are always informed, you're always told, either by a meeting or by email what's going on. Whereas for all the years I've worked with the [public-sector parent] there were never any meetings to say 'this is happening, that's happening'; you were just told." (Employee Hetty)

NorthService Ltd. tells its corporate story through a monthly newsletter, a communications forum and round table meetings with frontline staff facilitated by senior managers. Crucially, however, the story *told* through these methods is insufficient on its own; it has to be *experienced* by employees through managerial actions which go beyond what is said and/or written.

"Senior managers definitely follow up any points raised during the round tables. We've just received something today from our last meeting where they've listed all the questions and queries that were brought up and given some answers of why this is happening or what's going to happen in the future. They do try to follow up on everything, tiny things as well. Yes, they're really good for that." (Employee Catherine)

If senior managers do not pay attention to such seemingly small details, their storytelling may evoke negative or even cynical reactions among staff because they do not relate to the positive picture of the organization painted by the corporate story.

In NorthService Ltd., many employees carry some kind of baggage resulting from previous negative experiences with management, which taint their view of the new organization. Management has to establish credibility and win their trust by actions that underline the corporate story in order to engage staff effectively. Managers also need to be aware that timing impacts on the way in which members of staff receive the corporate story.

“If team morale is low and you try to paint the vision of a brighter future, then you get a very cynical response. ... If they are ready to look forward and you can paint something for them, then they’ll go with you.” (Line manager Timothy)

In summary, the telling of the corporate story itself is not enough, it has to be lived and experienced. An organization’s corporate story must be both plausible and authentic; it must ring true for organizational actors. There is significant potential for damage to the organization if actions do not match words.

Managerial storytelling: facilitating the achievement of key business results

Living the corporate story also means that it needs to be translated into the achievement of key business results through functional (also known as ‘middle’ or ‘line’) managers and their staff. Categorized as ‘managerial storytelling’, our analysis indicates that this type has two main forms: 1) *translational*, i.e. conversion of the corporate story into systems and procedures that allow the corporate story become true; and 2) *interpretational*, i.e. helping team members understand (or make sense of) how the corporate story affects their role in the organization.

Translational storytelling

Functional managers translate the corporate into action through tangible systems and procedures, to inform staff about what the corporate story entails for their team/business area, and to articulate what key business results are expected. This type of storytelling is a largely planned and conscious process, and the content represents extracts of the corporate story of most relevance to their team/business area.

“One of the main things for me is making sure that people understand that whatever they are doing helps you get to that story, that they can see a link to achieving the vision and that they feel that sense of purpose to whatever they’re doing, that they can see why it fits with what we’re trying to achieve.” (Middle manager Jonathan)

This is a very practical and functional type of storytelling, and the data would suggest it is a relatively directive type of storytelling that connects different layers of the organizational hierarchy.

“I think that storytelling as I understand it is a fantastic method of taking things forward. The reason is you put it into terms that everybody understands. It’s got a beginning, it’s got a middle and it’s got, not an end, but the end is the opportunities. The vision is where we see ourselves in five or ten years’ time. If you can build that picture up, build and underpin that with ... things like KPIs^{iv}. What you need to do to underpin the story [with details about] how we are going to work, how we are going to develop and train and change our people to take us to where we want to be. And I think it just gives people something to hang on to.” (Senior manager Adam)

This type of storytelling is characterized by the manager selecting and then retelling different points of the corporate story depending on the needs of their team and/or their own interest. There is also an extent to which, however, there is a belief of team members that this process of storytelling ought to be two-way, i.e. dialogic.

“Staff have issues that they are not being listened to, that the way change is implemented, then implemented without consultation. There might be instances of that and I think there probably are instances of that. ... What I've said [to my staff] is that communication is two way: you come and communicate with us as well as us coming and communicating with you.”
(Line Manager Timothy)

Hence, managers are in a pivotal position to communicate how the corporate story is put into practice. The assumption is that corporate storytellers (senior management) accept that such a translation of the corporate story into key business results is necessary to make it come true. However, there is an implicit risk that: a) functional managers may not take the message as intended or deliberately manipulate the story to serve their own interests; b) their team members may disagree with the translation, resulting in deviation of expected achievements; and c) this may create gaps and inconsistency in delivery across the organization.

Interpretational storytelling

A good corporate story may speak for itself, but it nevertheless requires interpretation by staff as to what it means for their department, their team, their role, their career. Interpretational storytelling is a somewhat conscious but largely unplanned activity that is shaped by the interaction and relationship between managers and their staff and can enable honesty and openness regarding organizational participation in two respects.

Firstly, future forecasting and scenario planning in terms of what the corporate story could mean for team members and their role at the level of personal and professional development (albeit that it may be a shifting context).

“Part of my role is to try to make my team see what opportunities are out there, what could potentially happen, and we're seeing the fruits of that now. Some of them are suddenly being given opportunities that they weren't even aware of, and they have grabbed them with open arms. ... I try to explain ... that if we do this, that is opportunity will arise, and it can only benefit everybody. So I'm probably just ... trying to relay that within a manner that my staff understand.” (Line manager James)

Secondly, present positioning using previous experiences to support, encourage and reassure what is required in current roles.

“When we're looking, for example, at savings. When staff say there're challenges, I'll say 'well, just remember two years ago we had a situation where the team, as it was then, was delivering substantial savings and we did that without the sort of issues that we've got now'. So I've recalled historically what's been done and point them back to previous successes or areas where there've previously been issues and how we've dealt with them there, trying to draw parallels to the current situation. So looking back is always a useful tool that I have used, just drawing back on previous successes.” (Line manager Timothy)

There is, however, a danger that staff react with cynicism to their managers' stories of past successes, particularly when their relationship is relatively new and the story puts the manager in the fore. Thus, there is a place for peer storytelling to help develop effective working relationships, as discussed in the following section.

Peer storytelling: developing working relationships

Peer storytelling describes the exchange of experiences among organisational actors and takes place between peers at different levels throughout the organisation as a way of sharing knowledge and developing a sense of community (Kahan 2001). It is largely unplanned and unconscious that is determined by social interaction between the different parties. This type of storytelling typically takes place in a team meeting or in situations when organizational actors meet informally. It serves to build and maintain working relationships between colleagues on the same level, as well as between levels, as one line manager explained:

“For example, I went diving the other weekend and I’ll tell my colleagues the story of how I fell out of the shower in the chalet. It’s a story and it’s a funny tale and it’s true, but I’ll tell it like a story ... At the end of the day I’m a manager and I have to make decisions that might not be popular but that doesn’t mean you can’t have a personal relationship with your staff.”
(Line manager Hermione)

The sharing of personal experiences – from within or outside of a work context – can be a powerful means of communicating of one’s sense of humour, values and beliefs. Funny incidents in particular can be a welcome antidote to an often pressurised work environment and unpopular managerial decisions.

Another aspect of peer storytelling is the grapevine, the spreading of rumours, gossip and other information from person to person in informal conversation. This often involves an attempt to find out what is happening in the organisation and to make sense of past, present and anticipated change.

“I must admit, that I personally and the team take an interest in the grapevine concerning issues like where the partnership is going. Are we going to pay staff off? Are we going to lose contracts? Are we going to be put in a [redeployment] pool? Something which might have an impact on them, they will take an interest.” (Line manager Christopher)

While stories circulating on the grapevine are rarely welcome by managers, such storytelling can serve an organizational purpose: it engages organizational actors with the corporate, managerial and wider socio-economic stories and makes them subject to informal discussion and interpretation, allowing organizational actors to make sense of what is happening in the organization.

It is apparent from the data that there is relative strength of the different types of storytelling, in terms of the impacts of attention, recall, belief and action. Peer storytelling is evidently the strongest and most natural type of storytelling because it is closely linked to personal relationships at different levels of the organizational hierarchy. Interviewees described their strongest and most stable relationships being with their peers, as well as high levels of trust and feelings of solidarity, particularly in the context of organizational change. Peer storytelling offers ways to make sense, to construct reality; however, this may be in conflict with the broader organizational direction and business requirement.

Implications for managers

Storytelling by managers can have clear benefits: more effective communication of the organization's vision, mission and identity (corporate story), its more focused translation into business processes (managerial storytelling), and the development of working relationships (peer storytelling). The types and contexts of storytelling overlap, with snippets of stories being transferred across hierarchical boundaries to inform new stories at different levels in the organization. The organization's history and culture will determine how much overlap corporate, managerial and peer storytelling have and to what extent storytelling travels up the hierarchy in an attempt to inform organizational dialogue.

The effectiveness of storytelling by managers depends on the extent to which different organizational groups know and trust each other (working relationships), the extent to which the corporate story is translated into more operational and personal ones and also the extent to which it is lived. Intentions of storytellers are filtered through motivation/feelings of audience, which then affect their behaviour/response. The audience needs to know, understand and accept that they need to listen and act upon what is told. The teller needs to recognize the nature of selective hearing and consider that in deciding what is said and how it is said.

The relationships between managers and the types of storytelling described above are complex, interchangeable and interdependent. Senior managers generally direct and create the corporate story, tested with their peers, but it is not created out of context and in isolation; it is informed by wider environmental/social/political contexts, previous experience, philosophy and management, culture of organization and by their employees. It is the most manufactured and controlled of the types of storytelling evident through our data (with peer storytelling least so), yet potentially most influential in terms of audience impact. Managers in the middle represent a powerful axis through which all types of storytelling flow; their position of translator and interpreter can potentially distort the message, affect what is put into action and what are the resulting outcomes/outputs for the organization.

The findings of this research to date illustrate that storytelling is not going to be necessarily the right tool for every organization and for every context within that organization. Our respondents have stressed that sensitivity by managers-storytellers is required to minimize the risk of a cynical reception by organizational actors. It is recommended that managers using or purchasing storytelling make an informed decision as to whether storytelling will truly help them achieve their ends, and if selected, its use is considered and structured in acknowledgement of the potential risks and benefits described above.

References and further reading

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ⁱⁱ TUPE = Transfer of Undertakings (Protection of Employment)

ⁱⁱⁱ The terms 'senior', 'middle' and 'line management' in this paper do not necessarily refer to a position in the organizational hierarchy but rather to the role that a manager has. So in small or medium-sized enterprises, managers may employ all different types of storytelling in their different roles.

^{iv} KPI = key performance indicators.