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# The Role of the Narrative in Values-Led Business

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## *Abstract*

Many leaders of values-based organizations already possess the requisite passion for the core values of their respective organizations. The ability to have their organizations perform in a manner consistent with these values is critical to gain the authenticity necessary for their audiences in order to discern the value of what that particular organization offers. The inability to articulate this to all stakeholders – including the marketplace, investors, employees, and competitors – may increase the hazard of mortality for the organization.

One characteristic that human beings do not share with any other creature on earth is the ability to relate complex narratives. Narratives in leadership are synonymous with storytelling in organizations. Narratives have a much broader connotation. Narratives are an ancient art form and have the ability to create a connection between the narrator and the audience. If related well, it can create a sense of community, hone a common focus, and provide a stimulus for change. Most organizations need to address a common problem of implementing leadership tools resulting in the best outcomes for decisions. Poor leadership will inevitably increase the likelihood of organizational failure. They need to implement mechanisms that will increase positive outcomes.

This paper reviews examples of leadership under impossible odds. It will reveal the necessary foundational material to provide a solid background. Next, it will address the common elements of an effective narrative as well as the importance that authenticity plays in its reception. Lastly, the elements of narrative leadership and the power it can give to those leaders who learn how to use narratives effectively will be addressed. Examples will demonstrate how effective narratives used by leaders of values-based organizations can eliminate obstacles and help their organizations perform audaciously.

## **Introduction**

*Narratives are currency for human communication. — David Hutchins*

For many readers, the primary message of this paper may seem prosaic. It is not meant to be a panacea for incorrect actions. Instead, it will provide a more informed manner to critique one's own skills and suggest some ways they can be enhanced. All of us

communicate through narratives. Throughout life, we are questioned about the course of our day by either parents or spouses. They are looking for a story to share and not just the facts of what occurred during the day. While most readers are well-versed in articulating a basic answer, this paper will hopefully provide a better understanding of how to do this more effectively.

Presumably, most readers have attended an event featuring a motivational speaker. A motivational speaker will almost always inform his or her audience about what they will take away from the presentation. Even though some of the narratives that an individual might use in his or her own leadership could be for motivational purposes, the major difference is that narratives will almost never tell the audience what they are supposed to extrapolate. The perspective we create of leadership is formed by our interpretation of stories they tell (Mead, 2014).

Leaders of values-based organizations are typically already passionate about the core values of their respective organizations. This passion — combined with authenticity — will allow the audience to relate the narratives in their own personal way. Leaders who lack narrative leadership skills can, and most likely will, undercut the viability of their entities. Narrative leadership is a powerful form of communication that has been little studied in leadership skills (Gilliam, 2012).

This paper additionally addresses the concept of narrative leadership as opposed to narrative sales. Most people would rather hear a good narrative instead of a sales pitch (Lehew, 2013). I think of the last automobile I purchased. The salesperson noticed that I had two young children. The vehicle's economy and low maintenance were important criteria in the purchasing of a car, but its safety record was the most important feature. Technical details, features, and benefits, were very briefly mentioned. The emphasis of the narrative sales that was used described the safety features embedded in the automobile and the security it would provide the children in case of an accident. The salesperson had tapped into the most profound and fundamental desire possessed by a parent and was ultimately successful in the sale.

Although both skills are closely related, there are some differences in their purpose. Narrative sales, a term we coined, are part of a plan that should be used to create and maintain relationships with one's customers. Another part of the plan is to create a picture associating the product with the most important criteria of the consumer. It is used to solidify the value that a person and his or her organization provide every day (Gardner, 2013). The major difference between narrative leadership and narrative sales is that the audience is the receptor of the message.

Our ability as human beings to share complex narratives with one another is unique among all of the creatures on earth. It is an ancient process that has passed on wisdom for thousands of years. From our earliest memories, we have been taught to evaluate stories. The reasons for the stories have their foundations in fact and relevance to a current issue. The earlier stories typically have positive outcomes, but all stories must be formed so they have a close fit to the audience. As an art form, narratives need to form a bond between the speaker and the audience. When this is performed well, a sense of community (i.e., the embodiment of a common focus) as well as a powerful stimulus for change can be created.

After relating narratives of successful leadership in the face of overwhelming odds, the paper will present a review of the background of narratives in organizations. Next, methods that help in creating and using effective narratives are discussed and the importance they carry for values-based leadership. The importance that authenticity plays in the audience's acceptance of the narrative will be analyzed. The paper will discuss common elements of successful narrative leadership as well as the power it can give those leaders who learn how to master this business skill. Additionally, it will provide examples of effective use of narratives by leaders of values-based organizations. These can eliminate obstacles and help organizations perform audaciously.

We were motivated to do this work because of the lack of academic articles dealing with this topic. Homogenized knowledge has been the norm in business schools since the last decades of the 21<sup>st</sup> century. It is only in the last decade that the value of narrative leadership and how that information is conveyed in the form of a narrative have gained increased attention (Sole and Wilson, 1999).

In 1976, Mitroff and Killman conducted a study in which they noted that there was a minimal amount of systematic study of organizational narratives and a paucity of proper emphasis of social science studies (Rhodes & Brown, 2005). As narratives become part of the curricula in many graduate business schools, the skills of effective narratives are being studied as well as their effect on organizational change, branding, identity creation, and teamwork. The inclusion of this soft skill will help students in the interviewing process as well as in their careers.

## Literature Review

### *The Impossible*

All through history, leadership has demonstrated the ability to overcome herculean odds. In the 205 B.C. Battle of Jingxing Pass (also referred to as the Battle of Tao River), a Han army of 30,000 annihilated a Zhao army of 200,000. At the Battle of Myeongnyang in 1592, a Japanese fleet of 333 ships was defeated by a Korean fleet of 13.

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For 28 years (1963-1991), the Russian hockey team was hailed world champion. Team members had been medalists for many past Winter Olympics and had typically been expected to win with their talented, mature team members. Many players were on active military duty during competition. They appeared invincible. On February 22, 1980 they were paired against the United States hockey team whose players were an average of 21 years of age, had no professional or international experience, and had never played together. A long series of exhibition games was scheduled, culminating with a game against the Russians in Madison Square Garden on February 9. The Russians won 10-3 — in spite of playing their third and fourth strings most of the game.

Entering the Olympic Center, the Russian team was the defending World and Olympic champions. In fact, they had achieved solid victories at four previous Olympics. *Sports Illustrated* would name this particular game the top sport's moment of the 20<sup>th</sup> century. Everyone except the United States hockey team knew the Russians would win. In the 5

games leading up to the game with the United States, the Russians had outscored their opponents 51–11. The Americans had tied in their first game and entered the match with the Russian team with a 4-0-1 record. The game started and the Russian team quickly took the lead. Even though the United States team showed a lot of determination and played with vigor, determination, and acuity, they could not garner a lead over the Russians. With 10 minutes remaining, the U.S. team achieved their first lead, and instead of dropping back and playing defensively against the greatest hockey team in the world, their coach yelled to them to “play your game!” They continued to play aggressively instead of protecting their advantage. The Russian team lost composure, yet never replaced their goalie — a maneuver often done when a hockey team is behind late in the game. However, this practice was foreign to them as they never encountered this type of situation.

Sportscaster Al Michaels broadcasted the countdown and delivered his now famous call, “Do you believe in miracles? Yes!”

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It was late summer in 636 A.D. and the air hung heavily on the combined armies of the Eastern Roman Empire and the Muslim Arab Forces. On the border of Jordan and Syria, the battle of Yarmouck was about to begin. The Emperor Heraclius knew that to destroy the opposing forces required a rapid deployment of a large army. His army numbered over 250,000 and possessed all the resources needed for a successful campaign. The assault would be delivered by five armies. They did not plan to attack their enemy in a massive battle, but rather engage them in smaller encounters. Their plan was well designed and depended on the generals to execute their assignments. The generals fully acknowledged the capabilities as well as the deficiencies of their troops. The lack of military strategy and prowess and the constant feuding among the armies and the generals — many of whom emanated from different parts of the Empire — caused diminished coordination and trust.

The Muslim army was estimated to be around 25,000 and was led by Khalid ibn al-Walid. Khalid had been newly appointed. He immediately reorganized his army which was outnumbered 10 to 1 and had inferior resources compared to those of his enemy. They did have more experienced and coordinated troops. A key decision was to activate, if necessary, a mobile reserve. He also communicated the primary as well as the alternative plans of battle to his generals in the event of his premature demise. The Muslim Arab Forces’ plan was to retreat and force the Byzantines armies to follow and fight in terrain less advantageous to them — a prediction which materialized.

The larger Byzantine army jettisoned their plan. They were never aggressive, even when doing so would have meant certain victory. They calculated that size and history would assure victory. While Khalid’s mobile troops moved quickly between fields of battle — changing the course of events in the process — the Byzantines were uninspired as their leaders appeared to lack any resolve. Khalid’s troops all knew the plans and were inspired by their inclusion in their preparation. They all knew what to do if one of their comrades faltered. Through rapid deployment by his generals in sufficient force and numbers, he defeated the more powerful army by segmenting the opposition.

Khalid is considered to be one of the finest generals in history. After the Byzantine army was routed, Khalid’s army continued to attack until they captured Damascus. Ultimately, the

Byzantine army was decimated as over 45% of the army was destroyed while less than 4,000 members of the Muslim army were killed. Creating an army in which all participants were cognizant of the selected strategy and participated in its development, Khalid's inferior forces achieved one of the greatest victories in military history.

## Background on Narratives

*The universe is made of stories, not atoms. — Muriel Rukeyser*

The oldest written story is the epic of Gilgamesh. It was discovered in 1853, written on clay tablets. This accounting of kings and heroes is believed to be almost 4000 years old. In the total expanse of time, writing was reserved for a very few. But everything we know suggests that all human beings have told stories as early as the Bronze Age. Guy Widdershoven said, "Human life is a process of narrative interpretation" (Hyvarinen, 2007, p.447).

Walter Fisher is a professor of communication at the University of Southern California (USC), but is also regarded as the father of the narrative paradigm. His model is comprised of five points:

- 1) All human beings are storytellers;
- 2) Human decision-making and communication are based on good reasons;
- 3) Good reasons are influenced by history, core values, and character;
- 4) Rationality is determined by coherence between the probability of the story and the authenticity of both it and its teller; and
- 5) The world is comprised of a set of stories from which the audience must choose (Grey, 2013).

Human beings are story generators. Stories allow audiences to experience events vicariously. When provided certain information, people rely on certain senses to interpret the experience. The visual sense is triggered when the narrative is interesting and exciting. The auditory sense is used to speak or to ask questions, making the narrative easier to understand. The tactual sense allows the audience to almost live the accounting and is closely associated with the kinesthetic sense that produces emotions which create a human connection. Ostensibly, many of us have a favorite story from childhood. The power of the oral narrative derives from a combination of hearing an effective story which triggers imagination and multiple senses, ultimately producing a comforting stimulus.

Storytelling is a reliable business discipline that permeates the core of leadership skills. When case studies are used, they draw from an organizational reality with some details changed. They are terrific learning tools. The stories are very descriptive and tend to engage more than one sense (Hutchins, 2000). Aristotle was an expert orator who used facts to convince people to act or to think in a certain manner. The facts were based on a sound argument rather than using narratives to convince others based on sound reasoning (Grey, 2013).

Leadership communication can have many purposes. It can be as simple as leaders wanting to convey their concepts effectively in order to engage others to commit. The

purpose may be to inspire others or to even stimulate the adoption of new possibilities and change. Many of us have witnessed leaders who have used narrative leadership effectively while many have unfortunately experienced the opposite scenario. Narrative leadership demands that the stories be authentic and communicated by a genuine leader.

A top senior executive from a Fortune 500 financial services organization flew on the corporate jet to a Midwest regional office. The executive had a private limousine drive him from the airport to the hotel. That evening, the executive and several senior management personnel from that office, dined at an exclusive restaurant during which the senior executive purchased several bottles of vintage wine, each costing in excess of \$400. The next morning, the entire staff convened at the conference room for a previously scheduled 9:00 a.m. meeting. The meeting did not start until 9:10 a.m. because the limousine was late picking up the executive at his hotel to bring him to the office. The “leader” congratulated the office on what a terrific job they were doing and proceeded to review the financials. He wanted them to know that even though they had performed admirably during the past year, that overall the company needed to streamline its resources by placing a moratorium on hiring and a freeze on payroll increases (with the limited exception of the most exceptional contributors). The executive subsequently turned over further questioning to local staff members in an effort to convey a similar message to the next regional office. While such actions may vary from organization to organization, this is unfortunately not a unique story. It is a keen example demonstrating why an audience would not deem a leader as authentic in the conveyance of this type of message. Leaders’ actions relate stories through their own acts as well as through words (Gardner, 2013).

## Elements of Effective Narratives

*A story is told as much by silence as by speech. — Susan Griffin*

A truly effective narrative must be intelligently communicated to an audience who is desirous of receiving it. It has to address and relate to the current conditions confronting the particular organization. Narratives represent a series of actions that are connected in a meaningful way. One study concluded that females are more adept at relating effective narratives than their male counterparts (McKenzie, 2014).

Narratives can be a vivid and indelible tool to use to memorialize the history, core values, and/or mission of an organization. There are several salient examples of stories regarding customer service. I’m reminded of an organization whose president had heard from customers about the inability they had in reaching a service representative at particular times. Upon further investigation, the problem appeared to be localized to three offices. The president decided to visit these offices and convey how important exemplary customer service was to retain the customer. Donuts and coffee were brought in and there was a very thorough discussion about the issues. One problem was that some of the customer service representatives were texting and not answering the phones promptly. That afternoon, the president witnessed the problem firsthand. She decided that the best solution was not to reprimand anyone, but to demonstrate alternate behavior by example. Shortly thereafter, a phone began ringing — ignored by the customer service representative who was busy using

his own cell phone. The president walked over to the desk and picked up the corporate phone to handle the customer issue herself. Amazingly, she only had to do this twice more at other desks before the problem was not only eliminated in this office, but simultaneously at the other two offices. Her story — concerning the expectations of customer service — had evolved into a narrative that quickly spread throughout the organization.

Narrative leadership can help in the creation of a sense of a team and can be a powerful tool to convey complex, multidimensional ideas (Sole & Wilson, 1999). Narratives can communicate knowledge (including organizational history), resolve conflicts, relate core values and visions, and stimulate problem-solving (Kaye & Jackson, 1999; Snowden, 2000). Episodic memory is a part of explicit long term memory and it is where the *who*, *what*, *when*, and *where* of life is stored (Grey, 2013).

In the use of effective narrative leadership, everyone becomes a storyteller. Stories help people understand the ways that they are relevant and let them serve as storytellers as they share their versions with other people. A well developed and delivered narrative attaches to the intellect and emotions of an audience in ways that no other forms of communication can. Visionary leaders use narratives to defeat inertia and inspire change (Kaye & Jacobson, 1999).

Changes in organizations can be quite complex. Change can become more difficult the older an organization is (Hannan & Freeman, 1989). The difficulty for leadership is to garner enthusiasm for change. A story dealing with the vision of change can have a monumental influence on the audience. Stories should paint pictures to people who don't understand the vision and what its probable consequences will be (Blazkova, 2011). The reasons for inertia include the fear of the unknown, the comfort of normality, and the inability to visualize other alternatives — all contributing to a resistance to change. The key to making organizational changes is the ability to alter its mindsets, behaviors, and/or motivational sources (Kalyani & Sahoo, 2011).

Changes are the alteration of one's thoughts or actions. The inability of leaders of organizations to facilitate change is caused by several factors. An organizational ecologist might argue that the form of the company, the amount of its resources, and outside competitive pressures are vital to comprehend in order to facilitate potential change (Hannan & Freeman, 1989). What is not mentioned is the importance of how an effective narrative leadership program can have on facilitating this change. Altering the thoughts, behaviors, and mindsets of key stakeholders can overcome the fear of the unknown. An effective narrative presented by leaders can change perceptions and create a clearer vision for those who are affected by change.

Narratives are neither a panacea for change nor a substitution for necessary programs, strategies, and budgets. It is a tool that can assist in implementing changes by communication on every level and in mobilizing employees to support the change that otherwise might seem threatening to them (Snowden, 2000).



## Listening

*One of the best ways to persuade others is through your ears. — Dean Rusk*

Storytelling is always a relational experience. The creation of meaningful stories requires tremendous listening skills as much as it does presentation skills (Mead, 2014). Listening is a time during which one actually acquires knowledge. A person can absorb new material if the narrative is being received in a particular manner by the audience. Listening demonstrates to the audience that the presenter genuinely values their opinions. The listener should provide constructive feedback, critiquing both the content and the style of the presenter who will hopefully use this to help create a better narrative. Effective listening is not just hearing the words, but also receiving nonverbal communication. When people are receptive to stories, they become transfixed to the point where they can relax and become connected and henceforth amenable to learning. This connection can be a force for change.

People often ask us, “How do you know if you’re an effective listener?” Our responses are that first you can feel the connection you have with your audience. If you’re not sure, you can ask other members of your team or ask the audience members themselves.

Narrative dysfunction occurs when a particular story is inappropriate, anachronistic, and/or foreign to the audience. It can occur when it is not presented effectively or its substance is not well constructed or trite. Poorly delivered, unprepared, or impersonal abstracts are prosaic and banal. If a leader is not committed to the story personally, it will often fail. Official narratives and other value statements usually do not elicit enthusiastic responses.

Simple words authentically spoken can literally move mountains. “In its physical constitution as sound, the spoken word proceeds from the human interior and manifests human beings to one another as conscious interiors, as persons, the spoken word forms human beings in the close-knit groups. When a speaker is aptly addressing an audience, the members of the audience normally become a unity both with themselves and with the speaker” (Mead, 2014; Ong, 2002, p.32).

## Presentation

*Stories are the creative conversion of life itself into a more powerful, clear, or meaningful experience. They are the currency of human contact. — Robert McKee*

There are many reasons why narrative leadership is so effective. If communicated well, the narrative can elicit a conversation that invites the audience to envision a different environment. The narrative shows how various things are connected and can help people deal with complexity by understanding their role in the overall picture. The good narrative bypasses any defense mechanisms the audience might have. It should create energy in itself and enhance perceptions that are easily remembered. They can also be transmitted to others. There is a story that the audience hears from their leader and then there’s a story that the audience conveys to others at work. When the narratives are presented well, those

that are further disseminated will be very similar to the original. They will evoke strong feelings for those stories as they have now become personal.

When narratives are related, they should be told as if the speaker were conversing with an audience at home. It is said that the impact of a narrative is 10% from the actual words, 40% of which is derived from voice tone, pace, pitch, and pauses — summarily, the speaker's enthusiasm. 50% of the impact consists of the remaining body language and gestures together with an overall passion and energy outwardly present in the narrative's delivery.

Storytelling is a physical act using physiological features to create sounds and make gestures. The eyes gaze on the audience with the intent to create an authentic and personal connection. Once the audience's attention is seized, the story will then do the work (Snowden, 2005). Narratives can be told in many different ways — each having a different effect upon a relationship between the storyteller and the audience member (Rhodes, Pullen & Craig, 2010).

Organizations of all types can benefit from the sharing of stories that narratives create. Almost everyone is capable of acquiring the skill of presenting a meaningful narrative. The competence of communicators includes the ability of listening and responding to the audience needs. Resources including language, gestures, voice, and sharing information in a timely manner enhance the ability of the communicator to gain the comprehension of the audience (Cushman & Craig, 1976; Madlock, 2008). A proven way to enhance this skill is to practice the narrative with someone unfamiliar with the understated purpose. Genuine feedback must be provided in order to perfect the communication.

Lectures are typically passive events that provide information without engaging the listener. The audience is provided with limited, if any, time for interaction. The information can be provided in a propositional manner that uses logic and arguments to convince the audience. A narrative describes the experiences that will occur with change and requires the imagination and appreciation of the audience (Grey, 2013).

Just as with any other skill desired to be mastered, watching and emulating those who have already done so is very effective. *YouTube* provides a litany of speeches made by some of the great orators over the past hundred years. One commonality with many of these speeches is that they start with the single most important point of their message. We recommend that the reader employ this tool to study the manner of these great orators. Some prominent and powerful speeches, demarcated by powerful and indelible phrases, include Martin Luther King, Jr.'s "I Have a Dream" and John F. Kennedy's "What You Can Do for Your Country." One of the foundations of effective narratives is that they be true and related in the most simplistic fashion.

It is legitimate to tell fiction and nonfiction stories. "About 50% prefer telling factual stories, 30% prefer telling fictional stories, and about 20% prefer telling fantastical stories" (Mead, 2014, p. 69). Concomitantly, when audiences were asked what type of stories they preferred hearing, 25% preferred factual, 45% preferred fictional, and 30% preferred fantastical. Factual narratives are based on events that actually occurred. Fictional narratives relate to matters that could possibly have happened. Fantastical stories go beyond what is possible (Mead, 2014).

One suggested exercise is to explain to a third party why he or she should travel by airplane. The results will be predictably interesting, but not necessarily exciting. Next, think about all the times you have traveled by airplane and recall one salient journey which was especially pleasing. If, unfortunately, you are unable to produce a positive example, think of one journey that was particularly regrettable. For the next 2 to 3 minutes, tell this story to another person. You'll find the results are much more intimate and the listeners will be engaged. You will most likely be genuflecting and your face will express deep emotion. There will freely be laughter and occasionally tears. This is a useful example of the difference on the audience that a narrative can have (Mead, 2014).

There is no hard and fast rule about what type of story works best with what type of audience. But leaders are most effective with their narratives when they are true to the values and purposes embedded therein, that is, when the narrative is not just a perfunctory gesture, but rather geared to the unique characteristics of the audience.

A speaker must capture the imagination of the audience. He or she must first identify the purpose of the narrative and then stick to those points desired to be made. The story should be simple so that it flows easily. There should be a summary ending. This type of narrative structure is aligned with Aristotle's synopsis of storytelling as a three-act piece consisting of a beginning, a middle, and an end (Kaye & Jacobson, 1999).

An audience's behavior shapes beliefs. Beliefs are formed by defaults in the absence of actual data (Polos, Hannan & Hsu, 2009). If assumptions are not contradicted by perceptual evidence, they become long-term beliefs (Hsu, et al. 2009). Organizational ecology studies are heavily dependent upon statistical analysis. The results of analyses form the foundation necessary to understand the inception, growth, and mortality of organizations.

## **Authenticity**

*A leader is a dealer in hope. — Napoleon Bonaparte*

The most important attribute that any customer or anyone in an audience seeks is that the speaker is authentic (Hale, 2005). The best narratives occur when speaking about something that evokes emotion and passion. Effective speakers do not have to be extroverts to tell great narratives, but they have to be passionate, genuine, and willing to forego personal ego (Mead, 2014).

Narrative leadership demands courage, integrity, and authenticity (Mead, 2014, p. 27). Authenticity occurs when individuals are acting on their own values. This helps to create an identity (Freeman & Auster, 2011). An identity is not what an individual says it is, but what the audience determines it is (Manternach, 2010).

Authenticity is an attribute given by society through the interpretation by the audience of facts or beliefs (Carroll & O'Connor, 2012). "Authenticity is a social construct and the result of a perceptual process of interpretation" (Casteran & Roederer, 2013). When the audience perceives that someone fits a particular perception and expectation, then that person is authentic. Storytelling is always relational and those telling narratives are at their best when they are true to themselves.

Typically an authentic individual will command more attention. Authenticity has increasing importance with the audience. It verifies what is represented by the audience's choice. Change in perceptions can be caused by the individual's age, the age of the user, and the "Zeitgeist of the community" (McAuley & Leskovec, 2013, p. 897).

## Power of Narrative Leadership

*Stories are the single most powerful weapon in the leader's arsenal.*  
— Howard Gardner

Spin-doctoring is not narrative leadership. A story's value is the ability to convey difficult concepts in several and memorable forms to a mixed audience. Most leadership communications make very simple ideas very complicated. To create a good narrative, the speaker must understand the purpose that the narratives are intended to serve. Narratives that alienate audiences are exemplified by leaders who call for self-sacrifice but then travel first-class.

Paul Ricoeur's studies, in the early 1980s, focused on narratives that were used in creating change. These are narratives that explain the passage from the past to the present and into the future. Ricoeur termed this a "threefold narrative" and the various elements of this narrative created an experience that was understandable, believable, and authentic to the listener. An important aspect of his analysis is what he referred to as "re-figuration." Re-figuration refers to the manner in which stories are received and interpreted by the initial audience and subsequently how these stories are repeated throughout an organization to create a shared understanding (Mead, 2014). Change narratives enable the audience to leap the chasm of inertia and grasp not only what change involves, but why it might be desirable and how it might benefit both them and their organizations (Snowden, 2000).

The inability to accept change can cause higher turnover which in turn can result in expedited institutional mortality (Hannan & Freeman, 1986). This movement is closely associated with the change the audience experiences and which addresses their needs and perceptions (Le Mens et al., 2011). Perceptions constitute one of the three categories of the audience's feelings about an organization, product, or service (Hsu, Hannan & Polos, 2009). The "law of squares" states that the longer a problem ensues, the longer it takes to resolve; if an organization changes strategies frequently, it wastes resources and can ultimately fail (Shimizu & Hitt, 2004, p.44).

One of the greatest powers of the story relates to its ability to hasten the pace of informed change (Kaye & Jacobson, 1999). One definition of leadership is the ability to guide followers toward common goals. A good narrative relates an experience to the audience in such a manner as to invoke a vicarious reaction. The imagination of the audience upon hearing the narrative creates a reality (Mead, 2014).

Some stories are referred to as "springboard" or "green shoot" stories. They need to be brief, intelligible to an audience, interesting, have a happy ending, embody the change, be specific, remain truthful, and paint a comprehensive landscape of the future (Kaye &

Jacobson, 1999). A study conducted by Simmons and Cantrell in 2006 found that people think best in time increments of 20 minutes (Cushman & Craig, 2006).

## Examples of Effective Narrative Leadership Stories

*To lead the people, walk behind them. — Lao-Tzu*

An effective leader's communication competence and his or her relational style have a strong relationship with each other as well as with employee job satisfaction. Good narratives shape the perceptions of the charisma of the leaders. When leaders effectively communicate a vision, they can gain the confidence of followers, which, in turn, aids communication satisfaction (Cushman & Craig, 2006; Madlock, 2008).

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Mulla found a very weary falcon sitting on his windowsill one day. This was a strange bird that he had never seen the likes of before. He said to the bird, "You poor thing. How were you ever allowed to get into this shape?" He then clipped the falcon's talons, cut its beak straight, and trimmed its feathers. He then said, "Now you look more like a bird" (Snowden, 2005).

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As a 28-year-old cyclist, Scott Mercier had made it to the pinnacle of his sport. He was an Olympian and on the U.S. Postal Service cycling team in 1997. The team was going to be led by Lance Armstrong and had tremendous potential in the upcoming races. Scott was faced with a choice. He could stay on the team, but to do so would mean that he had to participate in a steroid-induced training program. Scott loved cycling and dedicated a significant portion of his life to it. By the end of the year, he had quit the team and professional cycling. I (David F. Brauer) wrote to Scott and told him that I taught a class in which I informed them that integrity is doing the right thing when no one is watching — something that I feel is lacking in today's society. He replied that "when confronted with the difficult decisions the choices we make help define our character. Nothing that I did was that tough, really. I just did not want to lie and felt the cheating was wrong."

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In 1975, a company that had been in existence for almost 100 years and had been on the Fortune 500 list since its inception developed groundbreaking technology. In that year, the company generated a profit of \$629 million which made it the 10<sup>th</sup> most profitable organization on the list. This organization had created the first digital camera and was in negotiations with IBM to create a joint venture to develop this technology.

A meeting was held at the chemical division of the organization in Tennessee. At that meeting, a senior manager stood up and said that the public would never want this type of technology and that in his opinion, it was useless and served no purpose. He further saw no reason to agree to a joint relationship with IBM since computers would only be used in the largest organizations. This technology was temporarily shelved and resources were redirected to maintain its top position in film. In fact, it viewed this new technology as a potential threat to its established, top-earning product. Instead of researching ways to

integrate this new technology to enhance business, it was entirely eschewed. In 2013, Eastman Kodak went bankrupt and dropped from the Fortune 500 list for the first time. Its stock fell from a high of \$94 to \$.65. Profits plummeted from \$629 million to \$150 million. Some may attribute the downfall to corporate arrogance, others to a fear of change, while still others to a disconnect with the customer. Corporate change should not be feared. Inertia should be.

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Propellers are rotating fans used to propel ships using the power generated by the main engines. The transmitted power is converted to rotational motion which generates thrust, pushing the ship forward. The largest propeller in the world weighs over 131 tons. Everything about the ships that use propellers this size is massive. Despite their size, they require smaller propellers and rudders to help them change direction and set a different course. They all have to work in tandem to fulfill a particular objective.

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In January, 2014, in the middle of one of the worst winters that the Midwest had ever experienced, a potential catastrophe occurred at Citizens Energy Group in Indianapolis. The wind chill was 30° below zero and a valve broke on a liquefied natural gas tank. This tank provided gas for the system that heated the homes of its customers. The value of the quality and teamwork of the organization in response to this crisis shone as its members worked during their off hours to find a solution to the problem — no one was excluded. A temporary worker had an idea based upon previous experience. Early in the morning, three people climbed to the top of an 80 foot tank and fixed the valve so that customers could keep their homes warm. The inclusion of individuals from top supervisors to temporary employees allowed a rather quick solution to a serious problem.

## Conclusion

*The final test of a leader is that he leaves behind in other men the conviction and the will to carry on. — Walter Lippman*

The thought of relating a narrative to a group can be daunting. The best chance that the narrative will be successful is by combining the elements of a sound narrative with effective presentation skills and subsequent limitless practice. An effective story inculcates in the audience a new way of viewing the environment (Snowden, 2000). Anyone who wants to exercise leadership skills cannot ignore the power that a narrative has to inspire others.

There are many opportunities for leaders to use narratives. Narratives will stir the imagination and engage feelings of the audience as well as provide information and a rationale for the narrator's proposal. Narratives are judged not upon whether audience members believe them to be true, but whether they stimulate imagination (Mead, 2014). Those who by example or by speech influence others are leaders. Narrative leadership is not restricted to those who have formal leadership roles, but extends to anyone trying to influence the behavior, thoughts, and feelings of others.

Those wanting to start using narrative leadership need to consider their repertoire, the composition of their stories, and their individual performance abilities. One's repertoire includes all of the narratives personally known and which are applicable to different situations. Composition relates to how well each story is assembled. Performance is the ability to relate the narrative to a situation which is meaningful to others.

Narratives are told for the benefit of the audience — not the teller. One needs to be clear as to why the story is being told. Stories can be communicated to honor achievements or to acknowledge a tragedy. They can be for the purpose of remembering the past or for apologizing for actions that have occurred. Narratives should encourage good practices while demonstrating the value of eliminating wrongful conduct. They are visionary tools used to assist the audience to imagine the future.

It is important to remember the elements of effective narratives: know the audience, be authentic, practice, listen, assure understanding, be interesting, evoke enthusiasm, be time efficient, exude positivism, stimulate conversation, be location specific, paint pictures, identify salient points, and convey passion.

We are inherently storytellers. Narratives represent the main way that we make sense of our existence, build relationships with others, and operate as a powerful force in the world (Mead, 2014). Narratives create a shared purpose with those involved and as well as a sense of community. It fosters a wider understanding of the realities of an organization, helps leaders communicate their vision of the future, generates commitment from others, and creates a sense of shared purpose. It can inspire alignment and build leadership succession by passing information on to the next generation (Kaye & Jacobson, 1999).

There is not just one single narrative that creates successful outcomes. Many narratives can lead to success. The past should not dictate future outcomes. The paths chosen should not be predicated only on the desired outcomes. Imagination and creation of the possibilities of future outcomes should be the rudder of change (Lord, et al. 2014). Narratives are the propulsion. Fortunately, most of the battles in which leaders are engaged are not combative. The multiple aspects of leadership can evoke change and even instill ethical conduct.

*Depend on the rabbit's foot if you will, but remember it didn't work for the rabbit.*  
— R.E. Shay

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## About the Authors

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David is married with two young sons. He has served on the board of an orphanage, his local church, and presently the Board of Friends of Hôpital Albert Schweitzer. His undergraduate work concentrated on political science and human resource management. David B. Brauer can be contacted at: 159 Windwood Dr, PA 15090, USA; E-Mail: [D.B.Brauer@Durham.AC.UK](mailto:D.B.Brauer@Durham.AC.UK); Mobile Phone: 0011 412 335 5507.

