2nd International Conference on Leadership, Technology and Innovation Management

Leadership and Storytelling

Ludmila Mládková*

University of Economics, Prague, W. Churchilla 4, Prague 3, 130 00, Czech Republic

Abstract

There are many methods and tools available in literature that improve and intensify influence of leaders on their followers. Storytelling is one of the most efficient. When used properly it helps the leader to explain his ideas to his constituents, to share his knowledge with them, to build shared vision and settle conflicts peacefully. Storytelling is the tool that addresses emotions of people not their rational mind. It has the potential to overcome barriers people build to protect themselves against the external world and new ideas. This article provides the theoretical background for future research on leadership and storytelling. First it discusses the problematic of leadership, than it gives an overview on what is story and storytelling and finally it makes the theoretical research on the link between leadership and storytelling. Hypothesis of future research is enclosed. The article also includes examples from practice on how leaders work with stories and storytelling.

Keywords: Leadership, Storytelling, Story, Leadersip and Storytelling Styles,
1. Introduction

There are many methods and tools available in literature that improve and intensify influence of leaders on their followers. Storytelling is one of the most efficient. When used properly it helps the leader to explain his ideas to his constituents, to share his knowledge with them, to build shared vision and settle conflicts peacefully. Storytelling is the tool that addresses emotions of people not their rational mind. It has the potential to overcome barriers people build to protect themselves against the external world and new ideas.

Storytelling is a traditional and powerful tool of communication between people. A story can be defined in many ways. Briefly said, a story is a complex system of symbols. As such, stories give sense to things and events and represent norms, experience and explanations of reality. The basic values of people and groups are projected into them. We use stories to create personal and group identities, change social practices, and share knowledge and values. Our private stories determine what we accept, how we see the word and influence our response to incentives. People use stories naturally many times a day without being aware of their special meaning. Stories can be identified in all texts and all human communication (Ricoer, 1991; Mládková, 2010).

For leaders stories represent a valuable tool. They enable them to share knowledge, explain new ideas, implement changes, settle conflicts, create new visions, form the corporate culture, influence and co-create the basic principles of individuals and groups. Leaders can influence the quality of organizational learning through storytelling.

This article is dedicated to the link between storytelling and leadership. First, ideas of different authors on leadership theories and leadership are presented. Then the term storytelling and story is discussed. Finally the article offers review of literature on storytelling in leadership and the hypothesis is defined. This part of the article serves as the background for the empirical research we intend to do in the field of storytelling in leadership. The objective of the research is to collect data that either prove or disprove the hypothesis that there is the link between leadership and storytelling skills of the individual. We think that individuals who have good leadership skills will use storytelling more often, on better quality and in different situations than those whose leadership skills are poor. The survey is planned to be done on employees of various companies in the Czech Republic. Employees from both profit and non-profit organizations will be interviewed. Data will be obtained by questionnaires. The questionnaire offers closed questions that will be evaluated on the 5 level Likert scale. Written commentary is also possible.

As the data of the empirical research are not available at the moment, the article offers two examples on how leaders may use storytelling to influence people around them and two real stories that show the link between skills of the leader and storytelling.

2. Literature Review And Hypotheses

2.1. Leadership

Literature offers many different theories and approaches on leadership. Great man leadership theories explain that leaders are born, not made and that their leadership skills have genetic fundamentals. Such leaders emerge when necessary. Northouse (2004) believes that the great man leadership theory is derived from Trait Theory (Northouse, 2004). Trait theories also indicate that the leader inherited some traits and qualities that predestinate him for the leadership role. For example Stogill (1974) highlights the ability of the leader to adjust his behavior to situation, ability to sense the social environment, ambitions, dominance, decisiveness, self-confidence and focus on objectives as important. McCall and Lombardo (1983) give importance to emotional stability and composure, good interpersonal skills and intellectual breadth. Ability to accept mistakes is also highly credited. Contingency theories believe that effective leadership depends on situation. The leader must adjust his style of leadership to the situation, and especially to the quality of followers (Mládková and Jedináč et al., 2009). Situational theories are similar to contingency theories. Situation factors influence success of the leader. Motivation and ability to lead people, ability to get necessary resources and to build relationships are perceived as important (Hersey and Blanchard, 1969). Behavioral theories believe that leaders are not born. An individual becomes a leader thanks to his self development and learning. Theory of roles and theory of managerial grit belong to this group (Mládková and Jedináč et al., 2009). Participative leadership theories highlight importance of subordinates or followers’ participation on leadership. Transaction theories
believe that good leadership is based on transaction between the leader and his followers. Transformational theories study relationship between the leader and his followers.

Up to previously mentioned theories, different authors understand essence of leadership differently. For example Kouzes and Postner (2002) define leadership as a relationship between those who aspire to lead and those who choose to follow. Schein (2010) understands leadership as the ability to step outside the culture..., to start evolutionary change processes that are more adaptive. Richards and Engle (1986) believe that leadership is about embodying values, and creating the environment within which things can be accomplished. Northouse writes (2010) that leadership is a process whereby an individual influences a group of individuals to achieve a common goal. Roach and Behling (1984) see leadership similarly as the process of influencing the activities of an organized group toward goal achievement. Veber (2000) defines leadership as creation of vision and activation of people to achieve it.

2.2. Story and Storytelling

Storytelling is a traditional and powerful tool of communication (and of course tacit knowledge sharing). A story can be defined as an account of imaginary or real people and events (Oxford Dictionaries, 2012) or as a complex system of symbols (Mládková, 2012a). Steve Denning defines a story in its broadest sense as anything told or recounted; more narrowly, and more usually, as something told or recounted in the form of a causally-linked set of events; account; tale; the telling of a happening or connected series of happenings, whether true or fictitious (Denning, 2011a).

As such, stories give sense to things and events and represent norms, experience and explanations of reality. The basic values of people and groups are projected into them. We use stories to create personal and group identities, change social practices, and share knowledge and values. Our private stories determine what we accept, how we see the word and influence our response to incentives. People use stories naturally many times a day without being aware of their special meaning. Stories can be indentified in all texts and all human communication (Ricoer, 1991; Mládková, 2010; Mládková, 2012a).

Stories teach us how to live, how to behave. As a virtual media they help to transform tacit knowledge between people. Stories create living memories of organizations, keep them alive. They form the corporate culture, influence and co-create the basic principles of individuals and groups. They influence the quality of organizational learning.

The story works as a virtual experience. If the story and its plot are good, the listener is drawn into the story and gets into the shoes of a protagonist. The protagonist takes him on his journey; the listener solves his problems with him and overcomes his obstacles, finally he wins or loses with the protagonist at the end of the story. The listener learns during the whole virtual journey as in real life.

Stories are created by individuals, groups, communities, cultures, societies and nations. Groups, cultures, societies and nations use stories as a media to store their myths, fairly tails, legends, history. The individual who wants to be the part of the group must know and accept their stories. Stories are dynamic. They evolve in time. Unaccepted stories and stories that were not used for some time may disappear and new ones are created (Mládková, 2005; Mládková, 2010).

Literature offers many different classifications of stories. Even though they may overlap, classification helps to choose the right type of story for a certain situation. Steve Denning’s (2004) classifies stories on positive and negative. A negative story is a story about danger, problems, solved or not solved, defeat. Positive stories are stories about victories, and fulfilled desires and wishes. Positive stories help people create and share visions and objectives. They can be identified where something new is happening; they help to create new organizations, states, families, teams, communities. Positive stories help people to understand the standpoints of others. Negative stories enable us to learn. They describe mistakes, moments of ignorance, and difficulties people had to overcome. Negative stories help us to learn new knowledge and understand and change reality. Both types of stories are present in any organization (Denning, 2004; Mládková, 2012a).

Formal stories are stories used in formal communication. Typical formal stories are narratives, transformational stories, anti-stories, accounts, tales, chronicles, news, and reports. Narrative means the story in the broadest sense of
this word, e.g. narrative is whatever is said in the form of a story. Some authors see a difference between the words
story and narrative; some argue that there is no difference. Anyway, word narrative or story is very general and can be
used also for very technical stories shared in, for example ITC organizations or other technical organizations
(Mládková, 2005). A transformational story (springboard story) has the power to share even very complex tacit
knowledge and change how people understand reality. Transformational stories have high potential in management
and a special chapter of the article is devoted to this type of story (Denning, 2004). An anti-story is a story that was
created as a response to another story and negates it. In reality, every story is linked to other stories; stories create their
own complex systems. An anti-story does not support the original story, it works against it. Stories and anti-stories
fight in organizations like in the battle field. Anti-stories can be dangerous not only to original stories but also to their
creators especially when based on lies or misinterpretation. Account is a brief description of a situation. Tales carry
various truth or fictive events. Chronicles are historical descriptions of facts and events in the order in which they
happened. News brings new information, including news in media. Reports periodically inform about the concrete
situation of concrete activities or phenomena (Mládková, 2005).

In more informal verbal communication stories in the form of anecdotes, rumours, hearsays, gossips and jokes are
used. Anecdotes are short entertaining messages about what happened to an individual. Rumours are general talk.
They are not based on knowledge or proofs. Hearsay is something that the storyteller heard but does not know whether
it is true or not. Gossip is talk about the personal things of other people that are not verified. Jokes are funny
anecdotes. They should entertain, but they can also serve as perfect transformational stories (Mládková, 2005).

Fables, parables, legends and folk tales were originally told verbally; they were given a written form later in
history. Fables are fictive stories with a moral lesson. Their protagonists are animals who represent people. Parables
are brief stories about well known events. They provide moral or religious lessons. Myths are traditional stories of
unknown authors. They explain nature, human nature, institutions, and religious habits. Some myths describe heroic
acts of good and famous heroes. They inspire people to improve their mental and physical activities (Mládková, 2005).
According to Cambell (1949) all human culture, including religion, arts, philosophy, science and technology is derived
from myths. They influence what is accepted as truth in the individual and culture and what is not (Mládková, 2012a).
Legends are stories passed from generation to generation. They have a historical background but cannot be proven.
Folk tales are stories characteristic for a nation or its part. They reflect myths and have become a part of the cultural heritage of other nations. They are paid huge attention in tough times and in national uprisings (Mládková, 2012a).

Based on the activity of a protagonist, stories may be classified into stable, progressive and regressive (Gergen, K.
and Gergen, M., 1986). The protagonist of a stable story tries to make his journey through the story unchanged. When
he succeeds, he is the same as he was at the beginning of the story. The protagonist in a progressive story develops for
the better or his situation improves. The protagonist in regressive story develops for the worse, or his situation
worsens. Somers (Somers, 1994) classifies stories to ontological stories, public stories, conceptual stories and Meta
stories. Ontological stories co-create the identity and social position of an individual. A typical ontological story is the
story about the role of sexes in the family – mother cooks, father repairs things. Every human has his own ontological
stories that influence their life. Public stories are related to institutional and cultural forms and are related to human
life and activity. Conceptual stories are analytical models that explain something, like scientific theories. Meta stories
are widely known myths, ideologies and cosmologies. Other types of stories are derived from them, e.g. any story of
any other type has a relationship to some Meta story. Meta stories influence the culture and behaviour of all types of
human groups and organizations (Mládková, 2012a).

2.3. Storytelling and Leadership

It was Steve Denning who highlighted importance of storytelling for leadership (Denning, 2011b). Story opposite
to explicit proofs can overcome protecting barriers humans develop against the new. It does not address the rational
mind but emotions of people. Of course it is highly manipulative tool and must be used in benefit of both leaders and
followers.
A leader can use stories and storytelling to:

- Explanation of ideas.
- Smooth the implementation of change.
- Communication improvement.
- Tacit knowledge sharing.
- Intensification of innovation.
- Community and team building.
- Planning.
- Creation of scenarios and visions.
- Coaching and training.
- Communication with clients and other stakeholders.
- Trust building.
- E-learning and many others.

From mentioned above, probably the most important role of storytelling is the role concerning tacit knowledge sharing. Contrary to explicit proofs, the story can pick up tacit knowledge. Tacit knowledge is difficult to codify, more complex tacit knowledge cannot be codified at all. Traditional analysis and explicit proofs work with an abstraction of what we can see. Unfortunately they cannot catch what is invisible and difficult to articulate. Explicit hard argumentation can satisfy the intellect, it cannot catch the heart, and it cannot transfer tacit knowledge. Stories can pick up the meaning, models, explanations and tacit relationships hidden in subconscious levels of the human mind. It also can move human feelings and touch hearts. It is an excellent tool for tacit knowledge sharing.

A story is a virtual experience that enables the listener or the reader to create new tacit knowledge in a reality simulated by the story. It has the ability to pick up links and relationships that cannot be externalised (Mládková, 2005). A story can be used for tacit knowledge sharing between two or more people.

A proper story helps the leader to overcome mental barriers people build against new knowledge. That is why a story improves communication between people, raises their creativity and helps to find common values and solve conflicts. Stories have the ability to open the imagination of people and to increase their innovative potential. A story can work as a catalyst of change (Mládková, 2005; Mládková, 2010).

Kouzes and Posner (2002) mention ideas of Dave Snowden on storytelling. In his opinion stories are an integral part of defining what that organization is and what it means to work for it. Stories show, for example, whether employees are rewarded or punished for speaking up. A lack of stories may indicate heavy-handed controlling management (Kouzes and Posner, 2002).

Leaders can use and profit from many different types of stories that can be found in every organization. The character and type of stories that are told in the organization characterize the organization and reflect its strengths and weaknesses, its values and principles and health. Organizational elements such as teams, communities, and departments create their own stories that describe the style of management, relationships among employees, values, problems, usual activities, lessons learned. Such stories are shared in everyday informal communication and influence all corporate activities, decision making and style of management (Mládková, 2012a). It is good to know stories subordinates tell as they reflect their ideas, visions and managerial decisions. Unknown, hidden or ignored stories may threaten leaders’ interests (Mládková, 2010).

For example, when Bob Phillips become CEO of Guide Dogs for the Blind he knew very little about the actual workings of the organization. To find out, he asked people to tell him a story about some important organizational event or experience. He followed that up by asking the person for one of their own personal stories, a time that they felt proud about what they had accomplished in the organization. Bob understood the importance of learning what has, and is, going on with people and their organizations; as he puts it, you have to say “hi to the story, and that’s how you find out about the history” (Kouzes and Posner, 2002). Karen Dietz, CEO of National Storytelling Network also thinks that stories you hear are often more important that those you tell. They help you to understand ideas, experience values and relation of employees to their organization. Listening helps to identify problems that would otherwise stay hidden.
In her opinion listening requires self control and the listener must fully manage how he behaves to other people. A quote by writer Salman Rushdie guides her in this work: Those who do not have power over the story that dominates their lives, the power to retell it, to rethink it, reconstruct it, to joke about it, and change it as time change truly are powerless because they cannot think new thoughts (Silverman, 2004).

2.4. Development of Hypotheses

The author of this article carries out the research on knowledge management and tacit knowledge sharing in organizations in the Czech Republic. Having started in 2004, the research provides us with a detailed analysis of knowledge management and management of tacit knowledge sharing in 145 organizations. Storytelling is one of tools examined in this research. Only 30% of interviewed organizations reported that their managers use storytelling intentionally when managing their subordinates. 70% of organizations report that their employees tell especially negative stories. Positive stories prevail in only 30% of organizations. These results indicate that our organizations still do not understand the potential of storytelling and do not know storytelling methodology. If they work with stories they do it intuitively (Mládková, 2012b).

Some of respondents who reported that their managers use storytelling intentionally said that those managers are natural leaders, e.g. people with developed leadership skills who more lead their subordinates than manage them. This led us to idea that storytelling skills, how and in which situations the person uses stories may be influenced by his leadership skills. This leads us the hypothesis that managers who are good leaders use storytelling more and on higher quality than those who are not. E.g.

\[ H1: \text{Leadership skills of the individual influence his storytelling skills.} \]

3. Methodology

3.1. Research Goal

In this survey we aim to collect data that either prove or disprove the hypothesis that there is the link between leadership and storytelling skills of the individual. We think that individuals who have good leadership skills use storytelling more often and in different situations than those whose leadership skills are poor.

3.2. Sample and Data Collection

The survey is planned to be done on employees of various companies in the Czech Republic. Employees from both profit and non-profit organizations will be interviewed. Data will be obtained by questionnaires. The questionnaire offers closed questions that will be evaluated on the 5 level Likert scale. Written commentary is also possible.

We understand leadership in Northouse (2010) understanding. E.g. leadership is a process whereby an individual influences a group of individuals to achieve a common goal. Story is understood in the broadest sense as an account of imaginary or real people and events (Oxford Dictionaries, 2012). Storytelling is than the process of telling stories.

3.3. Analyses and Results

As only the theoretical part of the research is available at the moment, the article does not provide the data. To compensate this, the author of the article would like to offer two examples on how leaders may use storytelling to influence people around them and two real stories that show the link between the leader and storytelling.

As for promised examples, two important speeches can be mentioned. The first of them is the speech presented by J. F. Kennedy as the Address to the Greater Houston Ministerial Association. It was delivered on 12 September 1960 at the Rice Hotel in Houston and helped J. F. Kennedy to win the presidency (Kennedy, 1960). It is also perceived as the speech that started the fight for human rights in the USA. The second example is the famous speech of M. L. King “I have a Dream” presented on 28 August 1963 in Washington (King, 1963). Both speeches are positive stories in the special form. They do not have one protagonist but work with the listeners as protagonists. The purpose of both is to
Two stories on which I would like to show the link between leadership and storytelling have the same protagonist, the used to be senior manager of British Telecom, who her subordinates called Milly. Milly was responsible for so called Operation, e.g. for the technical part of the company, the network. Milly as the name indicates was woman, which was a bit unusual. Technical bosses of telecommunication organizations are usually men and they manage mostly men. In spite of being woman, Milly has huge credibility among her co-workers. Both stories are retold as the author of the article was told them by her colleagues, previous employees of British Telecom.

The first story is a negative story. It is about the problematic situation and how Milly behaved in this situation. It was created and spread by Milly’s subordinates and built Milly’s reputation as a leader across the company.

“In the 80’s of the 20 Century the Thames flooded London and damaged the copper telecommunication wires in the City. The heart of world banking was totally without the telecommunication services. When the company examined the damage they estimated the time necessary for repair for 6 month. The premier of the country wanted services to be back in 2 weeks. Milly used rights given her by the law and declared the special regime; all employees of Operation were called to serve 24 hours shifts, 7 days a week. E.g. they spent all their time at sites where they were repairing the damage; they ate there, slept there. Only the death in the family was the reason for being allowed to leave the workplace. Employees did not oppose this strict regime as they understood the emergency of the situation. But they were surprised and a bit shocked by the behavior of their boss. She was the first who they saw in the morning, as she brought them their breakfast. She popped in several times a day to ask if they did not need anything and gave them messages from their families. And she was the last one they saw in the evening, as she brought them the dinner. It was her who arranged the hospital for grandmother of her subordinate and drove her there; it was her who had a little chat with the revolting teenager and persuaded him to wait with his revolt for daddy coming back home; it was her who was solving their everyday small or bigger troubles. The company met the deadline given by the premier and people from Operation returned home and to normal regime. But they never forgot the behavior of their boss during these two weeks. It was not her duty to behave the way she did; she had enough of her own work. But paying such attention to her staff she was modeling the desirable behavior during the entire crisis. Her reputation was so high that even after years some of her used to be employees had tears in their eyes when recalling the event.”

The second story is a positive story. It is about unhappy mistake Milly made. Instead of trying to hide what happened she used the humiliating event in the form of the story to change undesirable behavior of her subordinates.

“The company provided their technicians with perfect but very expensive toolkits and of course they were “loosing” them. Every “lost” toolkit made Milly angry but sanctions she introduced did not work. She could not find the way how to stop her subordinates stealing these tools. Once driving through London she saw the yellow tent in the street, the signal that BT people were mending something there. She decided to stop and have a little friendly chat with them. When she opened the tent she became furious. There was no one there, just the unguarded toolkit. Milly took the toolkit to her office, and put it on her desk. She was looking forward to that unhappy man who would report the lost tools. She decided to punish him demonstratively and in public. For two days, nothing happened. Then police arrived. It turned out that the tent belonged to the gas company and Milly had to explain why she stole their tools. When police left, the story about Milly stealing toolkits of gas people immediately run around the company. The storyteller? Milly herself. Her subordinates explained later: We loved her. We decided to stop steeling those toolkits when we found out that she cares for them so much that she even steals them in other companies.”

Milly, the manager from British Telecom was credited by her subordinates as the person with very strong leadership skills. She was also perceived as a good storyteller and the person who skillfully worked with stories that emerged and people told in her part of the company. The author of this article did not know Milly personally but witness her previous subordinates paying great respect to her.

4. Conclusion
This article discusses the link between storytelling and leadership. Storytelling is a tool of great importance for leaders. Properly prepared and told stories have high potential to help leaders in their activities, especially in creating and presenting visions, conflict solving, explaining objectives, team building, creation of culture.

As indicate our previous researches, there is the link between leadership skills of the individual and his storytelling skills. The better are the leadership skills, the more he uses storytelling and the better are his storytelling skills. To prove this hypothesis we decided to do the survey on employees of various companies in the Czech Republic. Employees from both profit and non-profit organizations will be interviewed. Data will be obtained by questionnaires. The questionnaire offers closed questions that will be evaluated on the 5 level Likert scale. Written commentary is also possible.

Acknowledgements

Created from resources of VŠE IG310031.

References