Story telling: an old skill in a new context

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For now we see through a glass darkly; but then face-to-face: now I know in part; but then shall I know even as also I am known.

1 Cor.13.12

Abstract

Story telling is a uniting and defining component of all communities. The quality of story telling and its conformity or otherwise with desired corporate values is one measure of the overall health of an organisation. Stories exist in all organisations; managed and purposeful story telling provides a powerful mechanism for the disclosure of intellectual or knowledge assets in companies, it can also provide a non-intrusive, organic means of producing sustainable cultural change; conveying brands and values; transferring complex tacit knowledge. Too many management theories are based on mechanical models of the organisation, which fail to recognise that success is best achieved by treating the organisation as a complex ecology, whose workings cannot be fully predicted. In this article the use of story telling will be explored in respect of different business purposes. This will provide a pragmatic approach to the use of the age-old ability of communities to convey complex knowledge through story telling that will provide readers with tools and concepts that can be readily applied in their own organisations.

In the first, of two articles Dave Snowden explores some examples of story telling with a purpose and draws some conclusions. In the concluding article he will examine a structured approach to the creation of stories in a modern organisation and will look at the various repository structures that can be used to disseminate stories in virtual communities.

Authors note:

Please note that the Cynefin Centre now uses the term 'narrative', rather than 'story-telling' to differentiate the tools, processes and approaches of The Cynefin Centre from those of the organisational story telling movement.

Introduction – story telling is not an optional extra

This article is about an old skill in a new context. The new context is the emerging discipline of Knowledge Management that has arisen in response to the growing understanding that Intellectual Capital is the core asset of organisations and of society itself. The old skill is the human capability to tell stories. Story telling has many purposes, entertainment, teaching, understanding and cultural bonding to name a few. Stories can also convey complex meanings across culture and language barriers, in a way that linguistic statements cannot.

It is early days in understanding the use of stories in a modern business, and this article reflects both early thinking and some experimental projects. However the results are sufficiently good that we now know that there are major benefits to be achieved from the use of stories, and the development of story telling skills. Like St Paul we see as through a glass darkly to a more profound truth.

Moreover, organizations are beginning to understand that story telling is not an optional extra. It is something that already exists as an integral part of defining what that organisation is; what it means to buy from it and what it means to work for it. Tom Stewart of Fortune Magazine, himself a great story gatherer and storyteller, summarises this well. In commenting on an IBM lessons learnt programme conducted by the author and described later, he says "If stories are powerful, and if stories are going to be told - true and false, official and underground, flattering and humiliating - then leaders and managers need to be part of the process. First, suss out how story-rich the place is. A lack of storytelling, Gardner says, betokens an environment where management is too controlling. Ask yourself whether the stories-about the founder, about the guy who got canned, about why the boss got her job-are ones that tell people to shut up or step up, that include or exclude. Is there room for mistakes in the company story?" (Stewart 1998)

What is a Story?

It is important to remember that, like many aspects of our growing understanding of the role of knowledge in an organisation, the use of stories is a rediscovery of an important natural skill that has bound societies for centuries. Some cultures have never lost the skill. Teaching masters of the Dervishes use the stories of Mulla Nasrudin as a means for their pupils to gain wisdom. These Mulla Nasrudin stories can be traced throughout the Middle East from the early Middle Ages to the present day. There are even Mulla Nasrudin stories about the perils of encountering British Immigration at Heathrow! (Shah 1985). All cultures have stories in common, stories which carry a weight of meaning beyond the words themselves. For many years the parables of the New Testament were common stories for western society, reference to which allowed the communication of more complex meanings and the reinforcement of common values. In more recent times we have created urban myths, stories of dubious truth that interest, excite and often teach - I now know not to put a poodle in the microwave to take just one example of a pervasive urban myth.

Two academic approaches to a definition of a story have been identified (Orton 1995). These are:

1. The Story Feature definition that requires any story to communicate some form of causal resolution of a problem based on an explanation of the context that initiates the story, the emotions and actions of a protagonist and the actions - and their consequences - of the protagonist his/her reaction. This approach emphasises the need to define the characteristics that determine story quality.

2. The Structural-Affect definition, which requires the addition of meaning and significance for the audiences, through empathy, suspense, curiosity, shock, all or any of which should create some form of learning or understanding. Here the issue is how a story is structured to affect an audience.

These two definitions reflect one of the defining characteristics of Western academic thinking, namely the desire to create an explicit set of rules and associated process that enables something to be 'known' either through its proof, or the inability to disprove. This is both useful and dangerous at the same time. It is dangerous in that it attempts to create explicit rules for what is a tacit skill: we all know a good story when we hear it, without the need to deconstruct it. It is useful in that it can provide characteristics and contrasts which assist the process of deliberate story construction.

In order to reach some conclusions about the relevance of these distinctions and definitions, we will examine some stories defined by purpose from the author's own experience.

Purposeful Stories

anecdote, n. Narrative of detached incident; (pl. ~ *a*) unpublished details of history. Hence ~IST n., ~AL, **anecdotic(al),** a.a. [orig. pl. f. F *anecdotes* f. Gk *anekdota* things unpublished (AN - (5) + *ekdotos* f. *ekdidomi* publish)]

Anecdotes provide a means by which an organisation or a leader creates a common identity by providing models and examples of good and bad behaviour. Everyone is familiar with these. They have been common elements to effective leadership throughout the ages. Such stories purport (and sometimes are) descriptions of isolated incidents in the history of an individual or company that powerfully convey a set of values and/or desirable actions. The leader is often a character in such a story, possibly the protagonist. A story of how a Chief Executive listened to a student on work placement - and changed company policy as a result - says that this company is not about hierarchical learning; it encourages the communication of new ideas. Such stories may also signal a change in attitude. One example will serve to draw some conclusions about this class of story.

The small guys win out

Data Sciences was an Anglo-Dutch IT Services Company, now a part of IBM. Several years ago it created marketing and internal cultural change programme, branded 'Genus'. A strong element of this programme was the adoption of software reuse through Object Orientation (OO). A common problem with most IT professionals is that they are inherently curious about the structure of software code, and they like to tinker, to build a better version. This strong culture militates against reuse. The Genus team to make it clear that a new attitude was required used one anecdote, based in fact. The story was a simple one, and memorable within a community of Software Engineers. It was the story of two development groups, both tasked with producing a set of software objects that would provide framework of reusable components for the most common features of a range of applications. One group comprised a large team of experts, individuals who in some cases were world-leading experts in OO techniques, all of whom were experienced and well trained. The other group was a small team of ex COBOL Programmers, whose experience was in Payroll data entry systems. The latter team were provided with two weeks of basic OO training and provided with the services of a mentor.

As part of their task, both teams had to create a 'list object', a piece of code that defines the way in which data can be presented to a file, printer etc. The experts created a wonderful piece of code. It was elegant, it performed well and it only took two man months to develop. The COBOL Programmers in contrast downloaded a 'good enough' list object from the Internet at a total cost of five dollars.

This is a powerful story in several respects:

- It says that experts may still miss the point. The COBOL Programmers, had understood the purpose of OO techniques, it is all about reuse, not about reinventing the wheel however elegant;

- It says to owners of old skills that they have something to contribute from their own experience and that they can outperform the experts if they THINK. It provides hope for groups who have been left behind in training and acquisition of new skills and encourages staff retention;

- It advises that the focus should be on business objectives, in which the skill of the Software Engineer is not of value in itself, but in its ability to realise those objectives;

- It cocks a good humoured two fingers at an elite group

Importantly those lessons do not need to be spelled out. The telling of the story conveys all the above meanings, simply. As with all stories the simple memorable form communicates complex meanings and is self-propagating.

Self-propagation is an important concept for usable stories. An effective story will spread like wildfire through an organisation, without altering its core meaning. The fact that it is unpublished, allows it to self propagate as each storyteller can provide their own unique style, or edge.

The story is routed in truth. By providing a narrative of a detached incident it is difficult to argue with. In practice the experts started to respond by complicated explanations, their problem was that the story was one that most people wanted to believe - that was a major part of its power. In the end good-humoured retelling of the story 'against themselves' proved the most effective way of regaining respect.

There are many examples of similar stories. Some of them relate to specific interventions by a new Chief Executive. Giving up executive parking places makes a statement about equality. The use by the CEO of Amazon.com of a cubicle rather than an office says that his company is about reducing cost, mucking in together to provide customer service.

Those stories are all anecdotes, they are unique events that serve to educate. The story itself provides the purpose. However this is by no means the only use of stories. Stories can also be used indirectly - to help us understand something.

Story telling as a knowledge disclosure mechanism

Knowledge Management is the latest fashion in Management Thinking. Analysts now expect the market for Knowledge Management to grow to $4.5 billion by the year 2000. Garner have coined the ugly expression of "nascent mega trend" to describe the phenomena. For those of us who championed the cause of knowledge management through the wilderness years of Business Process Re-Engineering, the current interest in the subject is a bittersweet experience. On the one hand interest is high, on the other the careerists who surf the wave of corporate fashion are seizing control, generally without any real understanding of what it means to manage knowledge.

One of the ways of distinguishing the good guys from the bad guys is to look at the methods used for mapping or cataloguing knowledge. The bad guys will tend to use old methods, re-badged yet again with new language, but no real change of content. Unfortunately, new wine does not sit easily in old wine skins. Looking at different approaches to knowledge asset registers or knowledge mapping best evidences this.

There are two key lessons in respect of identifying what people know:

1. If you ask people what they know, they will generally tell you what they think they ought to know, and it will generally be explicit knowledge - the knowledge that can be written down.

2. The more valuable tacit knowledge, and a substantial proportion of explicit knowledge is **only known when it is needed to be known**. It is triggered by a combination of events and circumstances that creates that 'I know what is going on' moment for the knowledge holder.

It follows from this that arriving with a questionnaire is not the way to discover what people know. Workshop techniques such as imagining what you would rescue from a burning building can help, but are not the most effective.

Knowledge disclosure techniques utilising anthropological techniques, have concentrated on direct observation of decision-making, the exercise of judgement and problem resolution over time (Snowden 1998a-c). It is in these essentially human, and community based activities that we see the traces and evidence of knowledge use.

By looking at decisions that were made, we can ask what explicit and tacit knowledge was used, in context.

That approach has proved effective where the time scales required to observe the knowledge disclosure mechanisms are compatible with the required delivery time scales of the project. However for many companies, the coincidence of time scales is not possible. In most large project environments, knowledge is disclosed over time scales measured in years not weeks. Story telling has proved a powerful knowledge disclosure technique in this respect, and one case study, involving international sales effectiveness in a multinational has been published (Aibel & Snowden 1998 a-b).

The essence of the approach is to select a representative sample of projects and then reassemble as many as possible of the original team for a one-day story telling workshop for each of the selected projects. The storytellers are encouraged to reminisce, in the style of a reunion. Well conducted this creates a series of anecdotes, humorous incidents, lessons learnt, observations and plain narrative. It does not follow a linear sequence over time, but jumps around in time as the flow of the storytellers evolves and explores.

As the storytellers, tell their story they are observed by trained observers who identify decisions, judgements, problems resolved or unresolved and chart these together with associated information flows. Once the story telling has come to a natural conclusion, the observers present their model for validation and then the group as a whole charts for each decision/judgement/problem resolution cluster what knowledge was used, and what was its nature: tacit in the form of skills possessed by individuals (experiences, intuition, relationships, understanding etc.); explicit in the form of artefacts (pricing models, quality control procedures, rules, research etc.).

The consolidation of the intellectual assets thus disclosed then enables a structured process to be followed (Snowden 1998d). The artefacts that contain explicit knowledge can be optimised and distributed as appropriate. For tacit knowledge, the two big questions can be asked: Can we make this knowledge explicit? Should we make it explicit? The second is the most important, tacit knowledge is more powerful under conditions of uncertainty than explicit. Where we can and should make it explicit then we create or reuse artefacts to act as repositories. Where we can't or we shouldn't, then we urgently need to identify if the tacit knowledge concerned is the property of a limited number of individuals or of a community. In the former case - we are vulnerable to its loss and urgent action is required.

Experience leads to several interesting observations as to the manner in which the story telling takes place. In the above-mentioned case, the 'good' teams, those who had won good business, readily moved into story telling mode. They had enjoyed the experience and willingly reminisced, mining a rich vein of anecdotes, often humorous, self deprecating and memorable. On the other hand, the 'bad' teams who had either lost business, or had won business that in retrospect their company would have been better without, found it more difficult. Stories were often told from very different perspectives, with little common understanding between players. Many stories carried themes of betrayal or well rehearsed excuse. However their stories were the most valuable for corporate learning. The best performing teams had often learnt the least and were in danger of propagating their lack of learning to new projects by telling stories of their success without recognising the elements of luck or unrecognised serendipity that were an essential component of that success. One 'anecdote about the anecdotes' was memorable from the project.

The best performing team, one who had won a major contract in the face of all expectations to the contrary, were telling their story. They had reached a key point, in which they had bucked the company's authorisation process in order the close the business. History had proved them right and like all successful teams they felt that the whole world should be like them. They were painting a vision of anarchy that was

intrinsically seductive. At the height of their enthusiasm, one of their number interrupted. "We shouldn't be decrying the processes, they are there because in a company our size we can't always have brilliant and lucky teams. We should always remember that we can't presume that future teams will be as lucky". The timing of this intervention in the story telling process was profound. It forced the circle to look at where they had been lucky to have the right knowledge in the right place at the right time. Where they had made good judgements on the basis of incomplete information, and how those judgements had been made.

The means by which a story is communicated is also a significant factor. Some form of after action, or project review had always taken place - although often it honoured the form rather than the content. The lessons were written up in formal reports - there was an attempt to ensure that the lessons learnt were rendered explicit and distributed as appropriate. In this particular project the story telling workshops were also videoed. In one case the team was the least successful studied. They had won business that was loosing the company millions of dollars. To read the story of the way in which they were out negotiated leads to the conclusion that they were incompetent and should not be trusted again. To see them tell the story is to see the pain of learning etched on every line of their faces, it is to understand that they simply met a brilliant negotiator. For many of the observers, it was this poorly performing team who they would trust the next time. The manner of communication - that is hearing the story told by those with direct experience, changed the understanding through a direct communication of tacit knowledge. The explicit report lost this impact, and inhibited learning and transfer of best practice.

The use of story telling as a disclosure mechanism creates a largely self-sustaining, low costs means by which knowledge can be captured on an ongoing basis - in contrast with a conventional consultancy approach which requires constant measurement and intervention by expensive teams. Story telling is a natural, organic process in which the organisation is managed as a complex ecology, through a series of low cost interventions. Hypothesis based questionnaires in contrast, represent an attempt to manage the organisation as a complex machine, in which the individual components are ultimately definable, knowable and reproducible.

Story telling to create meaning & understanding

The Christian religion began with a storyteller, who used parables and metaphors to create a profound understanding of a set of values, and reinforced that understanding by creating a story of life, death and resurrection. The theologians arrived later in the cycle. This model works, but for some reason the drive for explicit 'rational' models pervades business thinking. The neat (as in tidy) way of creating a common culture is through the linear process of structured mission statements, strategy, tactics etc. The neat (as in wise) way uses metaphors and stories to create an environment in which understanding will percolate the entire organisation in a self-sustaining manner. ***Neat-tidy*** is expensive to create, expensive to maintain but is visible and demonstrates that something is done. ***Neat-wise*** is demanding on time and intellect, but cheap in terms of external resource. ***Neat-wise*** requires less energy to maintain and propagate, the stories it uses can convey more complex meaning than a definition. However ***Neat-wise*** requires greater trust, it is about guidance not direction, volunteers not conscripts.

One example will serve the double purpose of illustrating the use of this technique, and also to create an understanding of what it means to manage knowledge that is central to managing Intellectual Capital.

There are many definitions of knowledge management. None are really truly satisfactory. Some are plain misleading, especially those based on an understanding of knowledge as some higher or added value form of information. The following is the author's latest attempt:

Knowledge Management is the developing body of methods, tools, techniques and values, through which organisations can acquire, develop, measure, distribute and provide a return on their intellectual assets. It is fundamentally about creating self sustaining ecologies in which communities and their artefacts can organically respond to, and confidently proact with, an increasingly uncertain environment.

A lot of time went into that definition, its a statement to the market, and an internal political statement about values. To a knowledge management practitioner it contains coded references that identify the author as belonging to one of the two distinct schools of knowledge management. But, what does it mean? Would you be able to repeat it after reading this article? More importantly would you understand its implications for day-to-day business practice?

An alternative is to create a metaphor, supported by stories that will create an understanding of what it means to manage knowledge in contrast to managing information. Once this understanding is achieved tacitly, and then the explicit definition of Knowledge Management can reinforce established understanding as opposed to trying to create it. This is important for knowledge management programmes, as they cannot be imposed on an organisation - you cannot conscript tacit knowledge it can only be volunteered. A programme has to create a common language across all levels within an organisation and it is not pragmatic or sensible to train everyone.

The metaphor is a simple one; it contrasts the use of a London Street Map, with the use of a London Black Taxi Cab. The map represents information. The mapmaker has taken a mass of data and codified it into an abstract structure that can be used by a broad group of individuals with out the need for specialist training. In using the map, our subject *observes* the street name, orientates to the map using the index and makes a *decision* about which direction to go and then *acts* on that decision (OODA). The power of the map is that that the OODA cycle can be repeated in the event of error. The downside is that the OODA process takes time. The more complicated the information, the richer its potential, the longer it takes. If I am driving around London, then it is difficult to read the map without slowing down - and illegal to do it without stopping. In contrast if I catch a Taxi, the taxi driver simply knows which way to go, the use of the data that underlies the map is an intuitive part of their mindset. S/he is able to cope with change and uncertainty due to accidents, road works and the like in a resilient and responsive manner. Now with this metaphor go two stories.

- The first is the story of how Taxi Drivers in London are trained. A story that has major impact when told to overseas audiences. To get a licence the aspirant has first to drive around London on a motor scooter with a map, until they know the name of every street and the various standard routes. Once they have completed this they have 'the knowledge' - a noun that has been established for decades. The lesson of this story is a lesson about trust. Trust is the key word in knowledge management. Without trust, I cannot use the knowledge of the Taxi Driver, without trust I cannot tap into the tacit components of my organisations' intellectual assets. Trust is established through one to one relationships or, as in the case of 'the knowledge' through confidence in training programmes.

- The second is personal, and needs to be told from personal experience. The author of this article uses an example of reading a map without the knowledge of safe and unsafe areas of New York. Everyone can tell a story of how they used a map, but were unaware of some of the hidden assumptions that were a necessary part of the map-making process - it was easier when one could just write, "here be dragons"!

The use of this type of approach can be powerful. Instead of debating academic definitions of knowledge and information, the question can be posed: "Is this a problem/decision requiring a map or a taxi?" With that question a complex set of

meanings and understandings can be conveyed and used consistently across a broad population.

What can we conclude about stories?

There are many other examples that could be drawn on. Stories can be used to provide warnings - the structure is that we use with out Children - if you go into the woods without Mummy and Daddy you get eaten by bears. Stories can be crafted to teach or reinforce simple rule propagation in a complex environment, they can be used to elicit new levels of customer understanding and allow product innovation. Stories with a purpose are very powerful.

From all of these we can draw some conclusions. Purposeful stories are likely to contain some common elements:

- They will be able to capture and hold the attention of the audience. It does not follow that they have to be entertaining; they can be painful or just excite curiosity.

- Good stories self propagate, they have a life of their own, they are not linked with an individual storyteller. In order to do this they need to be oral or tacit in nature, to allow each storyteller to invest their own authority around common structures and value themes.

- A good story can be told to all audiences regardless of educational background, role or experience and all members of the audience will gain meaning from it at different levels.

- Stories and the metaphors they contain can provide a new language for new forms of understanding. Their use can avoid sterile academic debate and overly explicit (and expensive) consultancy processes, by tapping into the Intellectual Asset base of an organisation and its environment.

It follows from this that there a useful elements from both the *Story Features* and the *Structural Effect* definitions. The *Structural-Effect* approach focuses on the need to relate a story to its context and audience. A story that does not move the audience to greater understanding and/or action in effect fails as a meaningful story. It also focuses the story creator on the need to ensure that the lessons of the story relate to some meaningful goal on the part of the audience, and encourages the audience in involving themselves in the story telling process.

On the other hand the *Story-Features* approach provides an analytical framework (or framework for their are different sub-approaches) to understand story telling components and story construction. It also provides some potential measures for the health of an organisations story telling ability. One of the key developing skills within knowledge management work is the deliberate construction and creation of teaching stories from the common history and experiences of an organisation. This allows an organisation to intervene in its internal ecology for beneficial effect, deliberating creating the stories and (more importantly) the story telling skills that allow us to more effectively communicate values and distribute tacit knowledge.

Implications

There is a Welsh word "*cynefin*, which is difficult to translate into English language. "It describes that relationship: the place of your birth and of your upbringing, the environment in which you live and to which you are naturally acclimatised." (Sinclair 1998). This concept of wholeness and history is what outstanding organisations are all about. They have the trusted relationships and confidence that comes from a

community with common values and a common story about their history, however short.

Interestingly one aspect of the growth of virtual communities, both internally to companies and as part of the growth of e-business is the re-emergence of many of the characteristics of the oral cultures that preceded the birth of scientific rationalism, itself enabled by the invention of a printing press. Electronic communication is more conversational, more immediate and more direct. It allows the development of multiple personalities within virtual space. This trend that will only be reinforced by the increasing sophistication of voice technologies.

In this context it is not surprising that the story telling skills of previous oral traditions are coming into their own in the new age of uncertainty that we are now entering. The capability of an organisation to create its own stories, and through that creation to define its culture and place within its chosen environment is key. It is both symptom and cure.

To finish with a metaphor from one of the outstanding books on Knowledge Management published last year: "Managing knowledge assets, then, in a fast-moving information economy, is the cognitive equivalent of white-water rafting, of going with the flow and trying not to capsize. It requires alertness, flexibility, and a light and buoyant craft. It will not do to shoot rapids in a paddle-steamer" (Boisot 1998). White water rafting requires trust, common understanding and common stories that bond the community of rafters. To achieve this we will need to rediscover the story telling skills and consequent resilience of our Hunter-Gatherer Ancestors.

Acknowledgements

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