

## EPISODE 1541

[INTRODUCTION]

**Paul Smith (PS):** If you don't know what your company does, and why it's better than other people, I think it's gonna be hard for you to lead your organization even though all they're doing is, you know, doing the accounts receivable or if you're only working sales, but you have no idea why your product is better than anybody else's, or what the vision of the company is, it's going to be hard to lead the organization. So these are stories, I think, every leader needs to be able to tell.

**Whitney Sewell (WS):** This is your daily Real Estate Syndication Show. I'm your host, Whitney Sewell. Our guest today is going to help you to become a more effective leader. We're all trying to do that. Right? Whether it's in our hiring process, whether it's leading our team, whether it's raising more money, whether it's leading our family better or at our church or wherever that may be, you're trying to become a more effective leader, or I am, anyway. I assume most of you probably are also. Our guest today is going to help you do that. And guess what, it's going to be through storytelling, organized storytelling.

Paul Smith is one of the world's leading experts on organizational storytelling. He's one of Inc Magazine's Top 100 leadership speakers of 2018. And the author of three Amazon number one best sellers "Lead With A Story", "Sell With A Story", and "The Top 10 Stories Great Leaders Tell" in addition to "Parenting With A Story" and his newest work, "Four Days with Kenny Tedford". And as part of his research on the effectiveness of storytelling, Paul has personally interviewed over 300 CEOs and executives in 25 countries and documented over 3000 individual business stories that allowed him to reverse engineer what works in storytelling and what doesn't. Paul's trained executives, international giants like Google, Hewlett Packard, Ford Motor Company, and many others.

I heard Paul speak at a couple of conferences I was at and got to meet him, and was just very impressed by his ability to lay this out, right. And obviously, he's put the work in to figure this out. And now thankfully, he's willing to share that with us. And you're going to hear I mean, 10 great stories that you need to have to become an effective leader. And it's going to help you to think through them, right, it's going to take some time to figure this out. But he's going to help you to break that down over a few days here, we're gonna help you to become a more effective leader by telling great stories.

[INTERVIEW]

**WS:** Our guest today is an expert in storytelling. I've heard him speak a few different times at some conferences, and I'm so grateful to share his knowledge with you the listener today. And so, Paul, welcome to the show.

**PS:** Yeah, thanks for having me on, Whitney. I'm excited to be here.

**WS:** Paul, honored to have you. I've learned a lot from him. Just from a couple of times I've heard him speak. I'm just I'm looking forward to this. Paul, telling his story is so important, right, or being able to tell it well. It's something I've tried to learn. And I feel like I've not spent enough time on myself to really think through what that looks like, when I'm trying to express a story or talking about even if somebody says, who are you, right? What is that story that I'm trying to tell? I don't know, in our business is so important is in almost any business, right? You know, and we're building that trust and relationships are specific things we want people to know about us, right? Or we want them to know about our business. And we don't always know how to express that well. And so I'm looking forward to diving in today. Paul, who are you? And let's dive in a little bit into your story. And you know how you became an expert in storytelling? And then also why is it so important, even in our business, that we know how to tell stories well?

**PS:** Yeah, so well, to that first question about me, I certainly haven't done this my whole life. I mean, the first part of my career was pretty typical corporate career path. I spent, I studied

economics and undergrad, I got a master's in business, spent a couple of years as a consultant at Accenture. But I spent most of my career at the Procter and Gamble Company. So 20 years at P&G, and various different jobs and levels of leadership positions. I've worked in manufacturing plants and on with marketing teams, and on sales teams. And my last job, I was the head of consumer research for one of our major global business units, consumer insights.

And about along that way, I just got fascinated with this concept of storytelling. And I think one of the reasons was, because I slowly but surely recognize that it was an important skill to have if I wanted to be an effective leader, yet, nobody taught me how to do that. I mean, they didn't teach me that in undergrad, they didn't even teach me that in business school. I didn't learn that at Accenture. They didn't even teach me that at Procter and Gamble. You just kind of noticed that leaders who are really effective tend to have this ability to tell these great stories. So I just kind of set off on my own little personal learning journey, I started, you know, interviewing the leaders, I thought, who were particularly good at, at first inside the company, and then outside the company.

And along that journey of me trying to learn, you know, I bought all the books, I could read everything I could about storytelling, I still didn't know how to do it. And that's when I really started interviewing people along that way, it occurred to me that if I want to know this that badly, maybe there are other people who do as well. And so it stopped just being my own little selfish learning journey, and became an idea for a book. And so I continue to interview people, you know, outside the company, and at this point, I think I'm up to 300 or so CEOs, executives, leaders, salespeople, marketers, etc. And hundreds of companies and in 25 countries around the world. That's the research that has become the basis for the books that I've written and the courses that I teach. In fact, each person I interviewed probably has told me eight or 10 or 12 different stories.

So if you do the math, I think I've documented around 3000 individual stories. And so that's how I became interested in and develop some level of expertise in storytelling is just starting out because I wanted to know how to do it. And I think I got a pretty good handle on it now, but I certainly didn't start out that way.

**WS:** Yeah, none of us do, right? That's why we lean on people like yourself. And so you mentioned, leaders that are effective are great storytellers. We all want to think of ourselves or at least, that we're becoming a better leader or a more effective leader. And I bet storytelling is not often part of that thought process of becoming that great leader. I love that you said that. Why should leaders be able to tell stories? Well speak through that effectiveness a little bit?

**PS:** Yeah, I mean, there are probably dozens of reasons. I'll give you, you know, a handful of them. The most important one, I think, is that human beings don't make decisions the way we'd like to think that we do, You know, we'd like to all think that we're these rational, logical creatures that you know, completely analyze every situation and make the most, you know, the smartest decision. And I suppose sometimes we do that. But it turns out, much of the cognitive research in this area tells us that many times, if not, most times, human beings make subconscious, emotional, and sometimes irrational decisions in one place in their brain. And then they justify those decisions rationally and logically a few nanoseconds later in a different place in the brain.

And so we leave the decision-making process only aware of that logical processing part of the decision, but completely unaware of the emotional subconscious part of the decision, because it's subconscious. So by definition, we're not aware of it. And so it turns out if you want to influence what people think and feel and do, in other words, leadership turns out you need to talk to both parts of the brain. And stories are just uniquely well qualified to reach that subconscious emotional processing part of the brain that all of our rational thoughts and logic and dictums tend to not reach very well. So it really is because it's a better tool to help people make decisions. And that ultimately is your job as a leader is getting people to make different decisions than they were going to make otherwise.

But there are a few, there are some other reasons as well, you know, storytelling is timeless, it seems to always work and always will, it's not some management fad that will come or go. And also seems to be demographic proof. I mean, I've taught this course, all over the world, and I've yet to meet a demographic profile of audience member who's immune to the effects of a

good story, you know, whereas they're, you know, different management techniques work well with different people, that storytelling just seems to work with everybody.

It's also contagious, you know, you tell a good story. And it'll travel on its own by word of mouth, right? You know, I'll tell you, you'll tell her, she'll tell him, you know, just kind of travels. But your policy memos probably don't do that, right. You know, your emails probably don't do that the speech you gave the last, you know, Christmas party probably won't do that. But you tell a good story. And it just travels on its own, I think you want your leadership message to have those kinds of attributes.

You know, one other I would share is that, just again, from a cognitive science point of view stories literally help people remember things better. So you know, this list that I'm giving you right now, my guess is by this time tomorrow, you're not going to remember it. But if I had already told you a great story, you know, there's probably a story that I told you at one of those conferences you went to that you probably still remember today. But this list I'm giving you right now, you probably won't remember. But stories, I think I remember the studies correctly, stories make facts between six and 22 times more likely to be remembered if those facts are embedded in a story than if they're just given to people in a blank list. Right? So stories just help people remember. And so if you want people to remember your messages as a leader, and the stories are a great way to get them to do that.

**WS:** A lot of that it makes me think of or I wanted to ask you, have you heard of the of the term like living books?

**PS:** No, no, what's that?

**WS:** So living books, so we homeschool. And so as my wife is, I've done so much research on, you know, the type of books we should be reading to the kids where they should be reading whatnot, we've learned this term living books

**PS:** Instead of the dead book.

**WS:** Kind of, yes, there's a term they use for it, but to think about, you know, when you're in a class, in high school, whatever it may be, and somebody says, you know, memorize these 12 facts, right? Well, how boring is that? But you know, if they can tell you that in a story, so much more comes to life, right? Your attention is caught so much differently. And I say this because it's exactly what you're talking about. Because I and I can see it in my kids. My wife can be reading a book, it's a story, but they are learning so much geographical things. I mean, we're certain lakes are bodies of water in certain states this happened here. And you know, we're talking about this one man who did these things traveling on this trip going from this place to that place, and this happened to him and this is why it happened. You know all these like it catches that emotion, right? And it's a living book. There's a story that comes out of it, and my boys are like glued to that story. Just very, very active, right, so hard to steal however, you tell them a good story like that. They will sit for two hours, you know and want her to keep reading, right? Versus if you're just, you know, saying, hey, we need to memorize these multiplication tables, they're almost, you know, no attention whatsoever. So it seems so connected to what, you know, the same thing that you're saying here. You know, it's like when we can tell them a story read a good story. They're glued to it. And they remember it. And they remember so many details that are educational that we're trying to get across. But if you're just having the list, you know, like you just mentioned, they don't remember any of it hardly.

**PS:** Yeah. Well, so it works with kids. And it works with adults, too. It turns out.

**WS:** So, what are some different issues that you've seen the solve? You know, as you think about that leader? How do you see that, you know, helping them and why we should really spend time on this, because there's probably issues that it solves where we haven't even thought of?

**PS:** Yeah, so let's start, I may do this in a little different order than maybe you wanted. But "The 10 Stories That Great Leaders Tell", one of my books, really, the idea behind that is to start with the ten most important things that storytelling can help a leader with and then we can talk about others, because it's not, those are not the only ten but those are the most important. So let me start there. And the way I came up with this list, by the way, I've been doing this

about a decade now teaching storytelling to leaders. And you know, after writing, I have three books at the time, one on leadership storytelling, one on storytelling for parents, one on storytelling for salespeople, and I think I've documented around 70 different types of stories that adults need to tell in either their work life or their home life. And I'll admit that that's just a lot. And so some of the feedback I got was, that's a lot. But are some more important than others, like, give me a place to start? What are the most important ones?

And so I spent some time thinking about that, you know, what are the most important stories that a leader would tell? And so the way I came up with a list was, first of all, what are the types of stories that the people who hire me that the executives that come to me for coaching and training, what type of stories are they looking for help because I wanted this to be a practical list that I knew that, you know, leaders would need, but also wanted stories that I knew would be helpful in a broad variety of leadership, especially areas where the leader really needs to influence something in the company.

So, these are important areas of leadership. But another kind of criteria for me was I wanted stories that you could tell often. So, not the kind of story that will you tell it once and then you don't, you never tell that story, again, that situation is never going to come up again. 12:13 But situations where leaders could use the same story over and over and over again, so that it would behoove them to work on the story develop it? Well, because you're going to use that same story a lot. And that will become obvious when I want to give you the list. So, that's kind of where the list came from. So, here's the list. And the first four go together because they're about setting the direction for the organization, which, of course, is the leader's job.

So here are those first four. First of all, where we came from so that's a *founding story*. Why we can't stay there so that's a case for *change story*. Where we're going which is a *vision story*, and how we're going to get there which is a *strategy story* because of strategies about how you're going to get from where you are now to where you want to be. So if you think about those four stories, if you're a leader, and you're able to articulate those four stories, I think you're in a much better position to get the organization to go where you want them to go

because you can easily articulate in a compelling human fashion, where we came from, why we can't stay there, where we're going, and how we're going to get there.

=Now, the next four go together as well but they are more about who we are as an organization so that's what we believe, sets of corporate values story who we serve. So that's a *customer story*, a story about the customer, so that everybody you work with can understand on a more human visceral level who we're ultimately working for. The next one would be what we do for our customers. So that's a classical *sales story*. It's a story about what we do that is so awesome, people should pay us money to do it. And then the eighth one, if you're keeping track is how we're different from our competitors. So I call that a *marketing story*. Because, you know, every leader's job is to be able to compellingly convince people, how you, whatever it is that you do is better than your competitors because you're probably not the only one that does it, right?

So, if you think about those four stories, you can articulate what we believe, who we serve, what we do for those people we serve and how we're better than our competitors. I think you're in a better position to have an organization that really knows who you are and what you do. But there are two left, 9 and 10. But they're more personal to you, the leader. So, 9 is how I lead the way I do. So that's a personal leadership philosophy story. And number 10 is why you should want to work here, not you, but you whoever you're talking to, right? And so that's obviously a *recruiting story*. And those two are important because every leader's job is to find talented people and bring them into the organization and have them stay and follow your leadership.

So, now again, there are dozens of other types and we can talk about some other things that stories can help you do. But if I had to pick the most important 10 things, I think that would be the list and that's not, notice that's not, a functionally specific list, meaning that's not just a list for the sales leaders or the marketing leaders or the engineering leaders or the HR leaders, you know, the strategy department VP, there's something in there for everybody. And I think that's important because I think even if your job is, I don't know, leading the accounts payable department, if you don't know what your company does, and why it's better than other people,

I think it's gonna be hard for you to lead your organization, even though all they're doing is, you know, doing the accounts receivable or if you're only working sales, but you have no idea, you know why your product is better than anybody else's, or what the vision of the company is, it's going to be hard to lead the organization. So these are these are stories, I think every leader needs to be able to tell.

**WS:** Love that, and how would you measure, say, you know, how we're maybe a length of one of these stories, for example, you know, like, express, like how we tell that if we're standing in front of the organization, you know, would you say, two minutes, ten minutes? Or is it gonna vary all over the place? Where should we try to lean as far as when we're expressing the story?

**PS:** For duration, they should definitely be short. And by short, I mean, you know, two to four minute range is kind of ideal, the sales stories tend to be on the two-minute range. And the more leadership stories tend to be closer to the four-minute often just because the leader has a captive audience. But these are not long stories, they should be short, and to the point.

**WS:** Awesome. And just so the listener knows that, thankfully, Paul is going to do a couple more shows with us. And we're going to talk more about and techniques and actually the next one, you know, the structure and the questions to build these stories. But to dive in just briefly, for a moment, maybe is there an example of one of these that you would pick out just to give us an idea of, you know, when we think about telling a story about one of these items here, what does that sound like, you know, who am I telling the story about? Is there, you know, I know we're gonna get into that a little bit, but just to give the listeners a little bit.

**PS:** Yeah, so I'll pick number nine on that list of 10 I just gave you, which is a *personal leadership philosophy story*. So the example I give you here comes from a guy named Mike, Mike is a West Point graduate. So he's, you know, his first job and first leadership opportunity was in the military. In fact, very first leadership opportunity was in a training exercise out in California on Camp Pendleton, I think it was. But anyway, he was in charge of a group of guys who are running or manning a tank, and they're going to go into a training exercise with 399 other tanks, okay, so they're literally going to be 800 tanks, 400 on one side of the field 400 on

the other. This was a 10-mile-long, five-mile wide training field for folks in the army running tanks. And they're obviously not going to be shooting live ordinances at each other. So they got their, their gun turrets are outfitted with little laser pointers, and they've got receivers on the tank. So it's basically a giant game of laser tag but with real tanks.

Well, Mike happened to be assigned to be the leader of the first tank that was going to go into battle on his side of the field. Okay, so it was literally going to be him and 399 other tanks in wedge formation behind him going in on one side. So since he was in the, in the lead tank, the night before the exercise, he sits down with the commanding officer, they look at the map of the terrain and trying to figure out where the high ground is, so they can have the best odds of winning the exercise. The next morning exercise starts, he's in the tank, they're racing out on the field. He gets to the first place where he's got to make a decision basically turn left or turn right. His first leadership decision in his entire career he's got to make and just a minute, and he gets to that place. And he just doesn't know what to do.

And apparently, a battlefield looks different when you're looking at it through the crack and the hatch of a tank bouncing up and down at 40 miles an hour than it does on the map in the conference room, right? So he just doesn't know what to do. So he's got a choice to make, he can either stop the tank, turn the light on, get the map out, figure out the right thing to do, which I don't know might take 30 seconds or option two, he could just guess. Well, Mike chose option two. So he yells out driver turn left, the driver turns left, even though we have no idea if that was the right thing to do. Well, a few seconds later, the light in his tank starts flashing, which means you just got shot by a laser, you're dead, right?

So you know, they have to stop the tank and pop the hatch and get out, those guys are done for the day. Well, a few seconds later, tank number two turns left, right behind him because that's their job, follow the leader. Well, their light starts flashing, they're done. Well then tank number three turns left and their light starts flashing. But the guys in tank number four just saw three tanks turn left and get virtually shot and killed. They realized that was a mistake. So tank number four turned right. And then 396 other tanks turned right. They took the high ground and won the exercise. Now Mike made a mistake that day he turned left when he should have

turned right but he learned a valuable leadership lesson from it. And that's this and it's sometimes it's better to make the wrong decision quickly than make the right decision slowly.

Just imagine what would have happened if he had chosen option number one, stop the tank, turn the light on, get the map out, figure out the right thing to do for 30 seconds that have been 400 tanks lined up getting picked off one at a time, right? They would have clearly lost the exercise. But because he made a quick decision even though it was the wrong decision they won. Right now, life and business, you know is often similar and that you know, we often in business get stuck in analysis paralysis and will spend months debating and investigating and doing research and studying to figure out the right thing to do. All the while our competition is moving forward. So this is not to suggest that you should always just shoot from the hip and never think about your decisions and never, you know, study anything at all.

But sometimes you need to just make a decision even though you don't have all the information because you know if it's the wrong decision, it'll probably become obvious at some point. Pretty soon things will start going badly. And you'll realize, and you'll monitor and adjust. So as a result of that experience, it changed.

The leader that Mike became, he became a much more decisive leader. And he expects the people who work for him to be more decisive as long as they learn from their mistakes. So he would tell that story to a group of people a new set of new hires into his company, or if he's moved to a new department, you know, he would tell that story to let people know what kind of leadership to expect from him. And also to teach them a little bit of a leadership lesson of the kind of leadership they might want to exhibit themselves. So that's an example of a leadership philosophy story.

Now, you and I obviously can't tell that story to explain why we've become the leader we've become because that wasn't us. So, number nine is an example of a personal leadership philosophy story. Most of them are not that way. They're just their stories about anybody that taught you some lesson that you want to take forward. But this number nine tends to be more personal stories. But that's an example of one.

**WS:** Yeah, no, that's great. And I actually do remember you telling that story. I told that even after you say, and here's an example for the listeners, even after I heard Paul, tell that story at a couple of conferences, and it's probably I don't know how long that's been, it's been a couple of months ago, or maybe four months ago, that I told that to my boys. And you know, my family, you know, just talked about that story about the tanks and being decisive. And yes, it sticks. Those stories are helpful in a big way. And that was no, you answered another question. I wanted the listeners to take hold of that, too. It's like the difference in the story being about you versus a story about somebody else. And maybe we'll dive into this in another segment a little deeper, but some of them need to be about you, sounds like, and then there's some that can be stories about other people.

**PS:** Right? Exactly. Yeah. And in fact, I think most of them need to be about other people. What kind of leader every story they tell is about themselves? I mean, yeah, a little bit too self important, right? You don't want to be that leader, you don't want to be that guy that every story they tell is about themselves. You need a lot of stories about other people. And some of the stories about you need to be failure stories, you need to share the mistakes that you've made. You know, like, that's an example. That's Mike made a mistake, right? So then, failure stories tend to be some of the best leadership stories because they teach people a very valuable lesson. And they let the people who are listening know that you care more about them, their growth and their development. You want them to avoid the mistakes that you made, and you're going to help them do that by sharing the ones that you made so that they don't have to make them themselves. I mean, that's a selfless, you know, servant leader is the kind of leader most people want to work for.

**WS:** Something about that humility is so attractive, right?

**PS:** Yeah, exactly.

**WS:** So attractive. And Paul, we are going to end this segment today. It's so great. It's like just barely diving in. But man, just really telling the listeners, I mean, all these different scenarios or

what stories that we kind of need to have in our tool belt, right? That can help us not only to lead organizations better, but to hire the right people and also probably raise more capital as we you know, work with investors, they're gonna get to know us better when we're better storytellers. It's going to help so many parts of our business and anybody's business, I'm confident. Even like you said, even parenting, it can help in a big way. So looking forward to diving in. Tell the listeners how they can get in touch with you and learn more about you.

**PS:** Yeah, thanks. So my website's probably the easiest way. So that's [LeadWithAStory.com](http://LeadWithAStory.com). It was the name of my first book, and I was never more creative with website names after that. So yeah, [LeadWithAStory.com](http://LeadWithAStory.com). It's got links to all the books and the training courses I do.

[END OF INTERVIEW]

[OUTRO]

**Whitney Sewell:** Thank you for being a loyal listener of the Real Estate Syndication Show. Please subscribe and like the show. Share it with your friends so we can help them as well. Don't forget, go to [LifeBridgeCapital.com](http://LifeBridgeCapital.com) where you can sign up and start investing in real estate today. Have a blessed day.

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