

Volume 10 Issue 1
03 / 2012
tamarajournal.com



The Role of Story in Leadership Change: A Look at the Impact of Restorying on Transition for Leaders

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Keywords

Entrepreneurship
Leadership
Restory

Abstract

Through two case studies, this paper explores the role that story or narrative has upon the changing role of the entrepreneur within organizations. The literature on story and leadership is compiled and eight themes are identified. These themes are then used to take a dramatist perspective on the case study narratives. Findings show that there is a new realm of research that could be conducted to illicit a better understanding of narrative and entrepreneurship, specifically: longitudinal studies would help to illicit whether entrepreneurs do restory in face of organizational pressures and identification of the stories told by stakeholders in face of entrepreneurial changes. There is also more research to be conducted on the impact that locus of control has on narrative construction and restorying.

Introduction

Within the discipline of organizational behavior and management, leadership is a fundamental area for concerted research. Osland, Turner, Kolb and Rubin (2007) dedicate an entire chapter in both their text and associated reader to the topic of leadership. Included in the Osland et al. reader is an article by Jim Collins on Level Five Leadership (2001). Collins reports several characteristics of strong leadership; however it is his use of stories, interwoven with brief snippets of analysis that demonstrates a unique nature of the literature on leadership. Stories of leaders are a significant tool for disclosing traits and teaching the skills of leadership. The power of story is its ability to translate complexity into easily understood terms. Stories also become a factor in the determination of effective leadership, and can in fact become the leader within organizations (Denning, 2008). This paper explores the ways in which entrepreneurs may adjust their story of self, in response to external pressures and crisis within the organization.

Literature Review

Scholars and practitioners present competing views of an effective story and storyteller. Scholars hypothesize that effective stories are comprised of: a true or plausible story, that the tone of the story is positive or upbeat, has a happy ending, has minimal details, and has a moral that links to the question or challenge at hand (Denning, 2008; Parry, 2008). Scholars focus upon the “hook” to draw the listener in, and how negative stories close out the listener. Driscoll and McKee (2007) go a step further, making a connection between spirituality and the story, and describe leaders as “dealers

of hope”. The story has to indicate a light at the end of the tunnel. It is the hope that followers attach to stories of leaders that can hinder the ability of the leader to change their own story.

Practitioners have a different approach to stories’ efficacy. Harris and Barnes (2006) list characteristics that are similar to that of the academic position, including a positive tone, and that the message is clean and compelling. Practitioners are less concerned with the minimalist structure or with the repeatability and memorable nature of the story. Practitioners are more concerned with the results of the story. Practitioners include a story that opens the door and creates new conversations. Denning (2006) takes a practitioner view and highlights the role of self-deprecating humor which is also stressed by Harris and Barnes (2006). The practitioner emphasizes the use of story to highlight the fallible nature of the leader, which increases the approachability of the leader.

Within transformational leadership, stories are the foundation to building and ascribing trust to an individual. The stories that the leader chooses to tell, and how they tell those stories, are the artifacts of their perception of self (Grisham, 2006). However, as the leader entrepreneur is exposed to pressure to maintain and grow a business enterprise, there may be fear in the changing of the story and how that change may impact employees and investors.

What is apparent is that the role of the story in practitioner articles, and the way that the story is analyzed is driven by the ability of the audience to utilize and apply the lessons within the story. The academic position however is more concerned with why it works, as opposed to how it works. These varying positions color the definition of effective. However, both perceptions are accurate and of value within their circle of influence. As entrepreneurs may attempt to change their story, especially effective stories, ones that have been enveloped as part of the organizational culture the entrepreneur may encounter even greater resistance to change.

The second significant aspect of the literature is the role of the listener. The position most prescribed was based upon a post-modernist perspective that the society is not homogeneous and that the experiences of individuals affects how they hear and respond to stories (Driscoll & McKee, 2007; Ford, Ford, & McNamara, 2002; Grisham, 2006; Langer & Thorup, 2006; Ooi, 2002; Yolles, 2007). Ford, Ford and McNamara (2002) ascribe resistance to change to as threat against the way people make sense of the world around them. The story of the entrepreneur makes sense of the organization, changing this story impacts the listener. Ooi, (2002) describes the role that the listener plays, and particularly the current state of the individual in interpreting the history stated by another. Ooi also looks at the role of emotion in affecting the way in which the listener hears and interprets the information presented. Grisham (2006) asserts that “language causes reality to exist” (487). It is how the listener hears the language and the way that language is used that develops the reality of the individuals.

Driscoll and McKee (2007) posit that as people change, they restory to fit their current needs. The way that a story was initially interpreted may shift over time as the individual shifts and changes. For the leader this means they must interpret current states, needs and emotions of their listeners in order to present the right story in the right way to achieve the desired purpose. This is why Langer and Thorup (2006) describe communication as a “process”. Langer and Thorup utilize action research and appreciative inquiry within the Danish airline SAS to develop a cultural story. Their findings indicate that the story as initially told is rarely how it is ultimately understood or recounted. This highlights the need for approaching it as a process, and perhaps is the underpinnings to why the academic authors stress the need for a simple unembellished story with direct relation to the issue at hand.

This is an additional concern for the leader entrepreneur, as their story is accepted and shifts to be a story of the organization; it becomes more difficult for the leader entrepreneur to change that story to reflect personal changes outside of the organization. As the story may become the leader of an organization there may be a disconnect between the organization’s tale and the leader’s tale that creates conflict, similar to the conflict between children and parents as children come of age and seek to move on from their parent’s control.

Similar in nature, but slightly different is the reason that stories are effective at “teaching” leadership, or communicating the character or identity of an organization. It is the fact that those stories convert complex ideas in to simple, easy to understand concepts (Denning, 2006, 2008; Driscoll & McKee, 2007; Grisham, 2006; Harris & Barnes, 2006; Parry, 2008). Grisham takes the most in depth look at how stories, and in particular the metaphors associated with stories, are translated into lessons. Grisham evaluates specifically the role of poetry. Referring to the trend of companies like Marks and Spencer to have poets on staff full time, Grisham highlights how the cadence, meter and rhyme become part of the way in which the listener interacts with the story. How through word choice, line and stanza structure mood, emotion and power can be communicated. Citing Gothe, “everything transitory is but a metaphor” and Nietzsche “everything eternal is but a metaphor”, Grisham unlocks the ways in which metaphors translate the intangible to tangible.

Denning (2008) also explores this concept within his construct for autoethnographic exploration of story as leadership. Looking at the relationship of love to charisma, Denning describes how, by definition, love is highly similar to

charisma. As this is true, and since love can become associated with warmth, then charisma can also be similarly associated with tangible constructs to provide meaning and understanding previously incapable of being translated. Parry (2008) highlights how metaphor allows for a reflexive approach to the story. Throughout the literature, the ability to interact and self construct and self evaluate is critical to the success of the story in communicating the intended message. The leader entrepreneur will often be ascribed with a story that complies with the hero construct. It can be difficult to not be the hero, or the leader entrepreneur may fear that changing the story of their life will cast them as a villain in the organizational history.

There is a thread throughout the literature that relates to the ability of the individual to react and incorporate the story internally, which is that this process can be used as a manipulative tool. Denning (2008), in his assertion that story itself can play the role of leader, evaluated whether stories could also cause harm, and found that stories of hate could indeed have the power to trigger harmful action. Parry (2008) asserts that organizational life is intensely personal, that the organizational story acts as leader, and thus those who follow the organizational story can be manipulated to behave in ways they would not typically or previously have acted. A fundamental example provided for the theory is the employees at Enron or MCI who followed the organizational story that had been adapted to sanction the actions of those companies. Driscoll and McKee (2007) go so far as to assert that stories can become imbued with either good or evil. This concept originates with the biblical quote, "With great power does come the great responsibility of the Great Commission" (Matthew 28:19-20).

It is true that transformational leaders accept this great responsibility, and that they are capable of assisting "ordinary people to extraordinary heights" (Grisham, 2006). Parry (2008) in looking at leaders as "dealers of hope" also discusses the concept of changing the ordinary to the extraordinary. Driscoll and McKee (2007) looking at the role of spirituality also discuss how the principles that underlie the story create the impact that is then reflected in the actions of the listener. Grisham's (2006) definition of leadership as "the ability to inspire the desire to follow and to inspire achievement beyond expectations" (486) is fundamental to understanding the power incorporated within stories. When used for good, stories inspire the extraordinary results that were experienced during crises like World War II on behalf of the Allies, and when used for evil, resulted in Nazi crimes against humanity.

Additionally, there are macro and micro levels of stories. Denning (2008) and Parry (2008) both discuss the backdrop against which stories are told and how those backdrops affect the listener and how they interpret the story. There is a concept that is referred to as background, overstories, or "super story" which is in essence a concept of the metastory of the organization (Denning, 2006, 2008; Driscoll & McKee, 2007; Ford, et al., 2002). Where Ford, Ford and McNamara (2002) indicate that the metastory or background stories were often heuristics, and were the history of how the individuals had made sense of their place within the organization. Change leaders often try and change these prior systems, and thus threaten the ways in which people make sense of their roles, creating fear. Langer and Thorup (2006) were looking at how individuals told their own story of the organization, and used that knowledge to derive the metastory of the organization as the individual stories converged upon one another. For leaders this indicates a need to understand the metastory that exists within organizations, and within Denning's research there may be a case that the story as leader is the metastory which possesses those same characteristics of a leader as an inspiration that causes action, as opposed to the microstories.

An overarching theme of the literature is the way that the individual incorporates and uses story to create the reality of their persona. Parry (2008) asserts that we understand individuals not only through their stories, but instead we understand them as their stories. In much the same way, "I think, therefore I am", the story is the reality of the individual. If holding to the post-modernist concept of comparative experience and understanding, then there are few facts, only the stories of how we experienced an event. Parry (2008) asserts that individuals have to be able to restory themselves to create their own sense of their experiences. Driscoll and McKee (2007) also assert that the individual restories their experiences and the stories of others to create their own sense of the experience. Grisham (2006) citing Lakoff and Johnson (1980) states, "If we are right in suggesting that our conceptual system is largely metaphorical, the way we think, what we experience and what we do is everyday very much metaphor" (488). Utilizing the metaphor as a way to story or restory experiences allows the individual to complete the translation from intangible to tangible and the unexplainable to the explained. Langer and Thorup (2006) utilize this understanding to discuss the polyphonic nature of the story of the organization; leaders do not tell the story or write the story for others to tell, they instead provide opportunities for the members of the organization to act like the members of an orchestra, playing their own part in the construction of the reality of the organization.

It is apparent that stories are used for many purposes within the organization, and even within the life of the individual. Denning (2006) and Parry (2008) both assert that the story plays a key role in the leadership of the organization. Driscoll and McKee (2007) assert that the story is used as a way to link the members of the organization to a higher purpose.

Grisham (2006), with perhaps the most far reaching assertion, states that it is only through language that reality exists. Citing Tichy (2002) , “the best way to get humans to venture into the unknown terrain is to make that terrain familiar and desirable by taking them there first in their imaginations” (Grisham, 2006). Ooi (2002) asserts that stories provide a way of describing “who we are” and “what we stand for”. Stories are also used as a tool to “build the skills and qualities of leadership including, inspiration, creativity, imagination, commitment, enterprise and ambition” (Collison & Mackenzie, 1999).

This concept of the varying roles of the story within the organization returns to the initial theme of the literature, which was how to use stories effectively. Within the varying roles there are multiple ways to approach and utilize stories. However, common amongst the habits that make a story interesting is that the teller of the story need not be a master storyteller, but that the teller must approach the story as a tool. Storytellers and their audience are the ones who imbue stories with their power, and thus teller and audience alike hold responsibility for the ways in which they use the story.

Table1. Themes of the Literature

Theme	Authors	Implications
Effective Story	Denning, 2008; Driscoll & McKee, 2007; Grisham, 2006; Harris & Barnes; Parry, 2008	Practitioners are concerned with the effect of the story in creating positive impact the “how” it works whereas scholars are more concerned with the “why” it works
Role of Listener	Driscoll & McKee, 2007; Ford, Ford & McNamara, 2002; Grisham, 2006; Langer & Thorup, 2006; Ooi, 2002; Yolles, 2007	The listener holds great power in the efficacy of the story and the role that story plays, thus the leader needs to be concerned with audience perceptions and manipulations of the story.
Restorying	Driscoll & McKee, 2007; Langer & Thorup, 2006	There are external pressures and internal changes that cause individuals and organizations to restory – demonstrates that communication is a process
Story efficacy at “teaching leadership”	Denning, 2006, 2008; Driscoll & McKee, 2007; Grisham, 2006; Harris & Barnes; Parry, 2008	Story converts complex material into easy to understand material making story and metaphor a successful tool in translating leadership concepts
Audience reaction and incorporation	Denning, 2008; Driscoll & McKee, 2007; Parry, 2008	Stories garner great power that has been imbued to them by both storyteller and audience; stories can become imbued with good or evil
Macro and Micro Level of Stories	Denning, 2006; Driscoll & McKee, 2007; Ford, Ford & McNamara, 2002;	Stories operate on multiple levels – there is a backdrop or context for stories that changes the way in which the audience hears them
Story as persona development	Driscoll & McKee, 2007; Grisham, 2006; Parry, 2008	As a personal sense making tool, stories can be used in the development of the external perception of self
Varying roles that the story holds in the organization	Grisham, 2006; Langer & Thorup, 2006; Parry, 2008	Organizational stories will hold many roles, including leader

Research Position

Lewis and Llewellyn (2004) suggest that the enterprise culture prevalent in Western society is a moral crusade that validates the power and capacities of individual entrepreneurs to change institutions and organizations in accordance with a belief in the modernist project of improvement through economic growth. As a result, there is a long tradition in the Western media of valorizing entrepreneurs as mavericks, hero figures and lone wolves admired as much for their cunning as for their qualities as serious self-made (usually) men (Nicholson and Anderson, 2005). Consequentially, entrepreneur stories are circulated widely in the public consciousness, as heroic tales of obstacles overcome and bureaucracies toppled in pursuit of new market landscapes. (Warren & Smith, 2009)

This proposition from the call for papers from the Tamara Journal indicates that the story of entrepreneurship has an impact not just within the organization, but within the community at large. This mythic role of the entrepreneur is an additional pressure to maintain the story of the entrepreneur leader. This paper will look at whether entrepreneurs change their story of self when the organization changes. It will then evaluate what pressures are exerted to maintain or change the story.

Methodology

Two entrepreneur leaders who are either currently in transition, or have recently completed a transition, will be asked to tell three stories. First, they will be asked to tell the story of their leadership when they started the company. Second, they will be asked to tell the story of their leadership today. Finally, they will be asked to imagine the story of their leadership in ten years. The interviewer will then look for differences in between each stage, and will ask questions regarding either how they got to that point between story one and two, or how they imagine getting to that point between story two and three. They will also be asked to reflect upon the challenges to accomplishing the transitions. Finally, they will be asked to reflect upon the feelings that they and others in their lives had during those changes.

Analysis will be conducted utilizing dramatism. Prasad (2005) states that “we are always coming up with explanations and stories that account for our own and others’ actions. These stories or personal dramas help us make sense of our own actions, and simultaneously convey a sense of who we are to the wider social milieu” (53). This qualitative methodology is particularly suited to an analysis of narrative and the impact of the stories on the entrepreneur and those around the entrepreneur. The entrepreneur is an actor continuously in the spotlight. The story that the entrepreneur tells in the interview allow the interviewer to identify the role that they are attempting to play.

Interviews

Entrepreneurs

The first entrepreneur interviewed is a serial entrepreneur. Over the course of twenty years he has been involved in multiple companies. He traditionally starts the company, gets it profitable and then exits. This process has recently been completed and he exited his most recent firm within the previous three months.

The second entrepreneur started his first business over thirty years ago. His most recent business has been in operation for more than ten years. Economic conditions have pushed the company to a major change. The entrepreneur is facing significant constraints and has to shift his perception of self.

The Stories

When first asked to tell these three stories, the entrepreneurs expressed surprise and confusion and asked for time to consider before giving their answer. What was striking is that they told similar stories. First and foremost they stressed that they are entrepreneurs. They believe that entrepreneurship is the critical factor to overcoming the current economic crisis. Entrepreneurs are the creative and driving force. Neither is particularly concerned with the product that they are selling and developing; it is about finding a group of like minded individuals and developing a profitable business.

They discussed their roles within the organization. The first entrepreneur starts the business, takes it to stability and then exits the organization, holding his ownership interest but exiting the daily operations. The second entrepreneur has been working for the past five years to exit the daily tasks and to obtain the status of chairman of the board, with visioning and strategic oversight.

They were asked to discuss the impact on friends and family from their changing roles. The first entrepreneur spoke about losing friends when he exits the organization. His perception is they become uncomfortable with the new levels of disclosure; there are daily actions that are not communicated to owners or shareholders. He felt this created a change in

the relationship. When asked about the impact upon his wife, entrepreneur one mentioned that his wife often discusses the houses his activities have cost them.

The second entrepreneur discussed how the change in the business revealed who were real friends. Having experienced a long term of prosperity, changing fortunes has highlighted people who only associated with him for what they could get. In his perception, this allowed him to see his real friends. For him, his family has been split, with a perception by the entrepreneur of the family's shame at having a less prosperous life than they previously experienced. His spouse has expressed that the stress that comes from being an entrepreneur's wife can be exhausting and difficult to manage.

The first entrepreneur had fewer conflicts with change internal to the organization, because he sets himself up to be replaced at the appropriate time in the lifecycle of the organization. The second entrepreneur had a candid discussion about removing the super hero cape. Recalling that most metastories about the entrepreneur involve the hero myth, this entrepreneur is often described as wearing a cape. He mentioned the conflicting emotions that he feels. People will indicate that he has let them down when he doesn't wear the cape, and will equally become frustrated when he comes to the rescue. He mentioned that he is currently trying to not wear the cape and to even potentially step out of the spotlight. Burnout has this entrepreneur considering other options, and possibly becoming an employee for another firm. However, he stressed that no matter what, he would always be an entrepreneur.

Findings

Contrary to the supposition that the stories of leadership and entrepreneurship would have changed over time, they were surprisingly similar. The entrepreneurs displayed characteristics of individuals with high levels of internal locus of control. They attributed their failures and successes to their actions and their responses. They believed that they were in control of their fate and, that their future was theirs to make or lose. They did not tell new stories about themselves and did not perceive that they had changed or would change.

This may have, however been similar to what Kuhn (1996) argued regarding science. As the paradigm shifts, science rewrites the textbooks and adapts the theorems and history of science to conform to the new paradigm. However, with this methodology there is no capacity to determine how much the role of restorying has had on the perception of the previous and the future.

Implications

This research has produced two implications for further study: the story needs to be evaluated from the perspective of those who are those impacted by the story, and that longitudinal studies would help to highlight the differences between entrepreneur stories.

The research indicates that restorying occurs in leadership positions (Driscoll & McKee, 2007; Ooi, 2002). It also indicates that the audience plays an impact in the efficacy of the story, and what the story actually becomes (Langer & Thorup, 2006; Yolles, 2007). This research methodology looked at the changes as experienced by the entrepreneurs themselves. The impact of internal locus of control has been linked to entrepreneurship (Pandey & Tewary, 1979). The potential impact of locus of control on narratives is that the storyteller believes that they are in control and may feel less inclined to restory in the face of external forces. However, it may be the case that in the face of change and fear from employees, friends and family that a new story is required. It is also highly likely that the external stakeholders are changing the story, as they make sense of the world around them.

It is possible that the Kuhn (1996) postulation is impacting the perception and storytelling of the entrepreneurs. To overcome this, a longitudinal study of entrepreneur narratives could yield new results about how entrepreneurs tell their story. Secondly it may be the case that the core of the story really remains constant, and that there is a need to shift the story to adjust to the needs of those impacted by the story. There are also interesting considerations regarding narratives and story of self, and their relation to the locus of control. A high internal locus of control could mediate the propensity to restory.

Conclusion

The story of the entrepreneur has an impact on the success and failure of their organization. The story of the entrepreneur has also become a part of a metanarrative in the west that portrays the lone genius as a driver in the economy. This paper has looked at two entrepreneurs and their narrative as they are going through transition. The research has developed more questions than answers. Specifically, the role of locus of control on narrative development and maintenance, and the ways in which the narrative is perceived by the stakeholders of the story.

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