David Gillespie

The Three Pillars and Communications for Leaders

David's presentation focused on the art of great presenting and communicating.

His main thesis was that we should all use more storytelling as a communication tool, that the creation of that story should be done in parallel with planning its delivery, and that we should use the three pillars of communication, ie story, status and focus, to create a more impactful delivery.

As we might have expected from a story teller, David started his presentation with "Are you sitting comfortably ….." and then told us the story about Truth and Story. The heart of this story was that Truth and Story lived together and were forever bickering about who was most popular.

To explore their argument, they agreed to walk up and down their local High Street and see who was most popular. When Truth did this, people saw Truth coming and they disappeared back inside their own houses. Truth even took his clothes off to try and attract attention, but that also failed. Truth reported back to Story: "It was awful, people disappeared. I must do something to attract their attention."

Then it was Story's turn – when Story set off, windows and doors started to open, people joined her, and by the end of the street she was surrounded by people.

The moral of this tale is that nobody likes the naked truth, but everybody likes a good story!

David then introduced us to the framework for his presentation, structured round the three pillars of communication: Story, Status and Focus

Pillar One – Story

The story is the basic language of communication – it is how great ideas and concepts are transmitted. We are all built to tell and receive stories. For instance, our parents and teachers influenced our early lives by telling us stories, and children in the playground (aka networking without business cards) tell stories very freely.

For many of us, all of that stopped when we started doing maths and science.

For many adults, this has carried forward into their business lives. For example, Mark (David's business partner) ran a 2 day communications course with 8 Finance Directors. They were asked to tell the story about a piece of recent business. After a short while, they got together in a huddle, appointed a spokesperson, and announced that "We're accountants, we don't tell stories".

However, when asked to talk about a recent business problem, one of them described a scenario when they had lost a customer and then won them back. This is the classic "love story" – boy gets girl, boy loses girl, and then gets the girl back.

We have never lost our ability to trade freely in stories – we do it all of the time. But when it comes to business situations and presentations, we forget about the power of story-telling.

One of the keys for us to use our story-telling skills more effectively in business is to always think about both the creation and delivery of our material at the same time, ie what effect do we want to create for our audience?

David then went on to describe the five points to constructing a good story:

1. **Structure – keep it simple**
   There are very few authors who can write a story without knowing the end, so when constructing your stories, start at the end. Use the rule of 3: the story must have a beginning, middle and end – start at the end first.
   Think also about the characters – what are they doing, eg Little Miss Muffet and the Spider, Humpty Dumpty and all the King's Men.
   The classic Hollywood film structure follows this rule of 3 – it starts with the Setup, then moves onto a confrontation, and finishes with resolution.

2. **The Journey – that we take people on**
   Map out the journey from A to B so that your audience can understand your information better.
   The only reason to speak is for people to change the way they think about you and what you are talking about.
   Take your audience on a journey so that they build information and you take them to your planned ending.

3. **Fluidity of the Journey – have a journey that flows**
   The journey has to flow and be seamless. It needs to be easy to follow; don't leave it to the audience to make connections – that is our job as the communicator.
   Making connections helps the audience to understand your information better, and it also helps us to remember what comes next.

4. **Edit, Edit and Edit Again – less is more**
   When in doubt, chuck it out!
   Carry out a savage and brutal edit – our audience will thank us for doing that. If in any doubt about any of your content, leave it out.
   In acting, this is often referred to as killing your darlings/babies" – be ruthless about editing out anything that doesn't support your plot.
   There is also, potentially, information that is important, but that you can keep back to support the audience's questions and further discussion.
   To help you decide what to cut out, you can give yourself a 5 minute test – if you had to tell the story and present in only 5 minutes, what would you include and what would you

remove? Carrying out this exercise can help you get to the essence of what you want to talk about.

5. **Life – bring the story to life**
   Children and parents bring all sorts of funny voices to their stories, but not in business. Make sure you "tell" people how you feel about your story – use every voice tool available. Our voices are fantastic instruments, but we don't use them anywhere near to their full capacity.

You should also look at the type of story you are going to tell. In his book, "The Seven Basic Plots: Why We Tell Stories" Christopher Booker talks about all stories following one of seven basic plots:

- Overcoming the monster
- The quest
- Voyage and return
- Comedy
- Tragedy
- Re-birth
- Rags to riches

David then asked us all to do an exercise in table groups – looking at a list of films to identify the main and sub-plots of their stories.

After completing this exercise, David described another way of thinking about our own stories, which is to challenge ourselves to describe them in only one sentence in the style of an elevator pitch, eg: Alien was pitched in Hollywood as "Jaws in space".

Thinking of a story metaphor can also help us be more creative when designing our presentations. David gave us an example of a presenter who needed to create a pitch for £100k to launch a new service in the public sector. David asked them: "What kind of story is it – if it was a children's story what would it be?" Together, they developed the metaphor of 3 little pigs and the big bad wolf – and the essence of the presentation became about needing to build the new service based on solid bricks and not straw, and therefore justifying the investment funding.

Pillar Two – Status

David then went on to get us thinking about ourselves and how we are perceived when we tell our stories, eg:

- What is our draw?
- What is our brand?
- What is our personal story?
- How do we behave?

Jeff Bezos from Amazon summed this up neatly by saying *"Your brand is what people say about you when you are not in the room"*.

David reminded us that we all make decisions about people immediately when we see them. This includes how we feel about them. However, we have control and we can influence the impressions and impact that we create.

The three main dimensions that we can personally use to influence other people's views about our status are our physical, vocal and emotional behaviours and tools.

We took a coffee break while contemplating these 3 dimensions, and then returned to dive into each one.

Assessing other people's status

On returning from the coffee break, and before diving into the first status dimension, David described the conscious and unconscious processes that we carry out to assess another person's status when we first meet them.

We universally answer 3 questions for ourselves, often unconsciously, when we meet someone new:

- What sex are they?
- How old are they?
- What's their status compared to mine?

Our answers to these questions allow us to make decisions about how we will behave with that person.

David introduced us to this Status Scale:
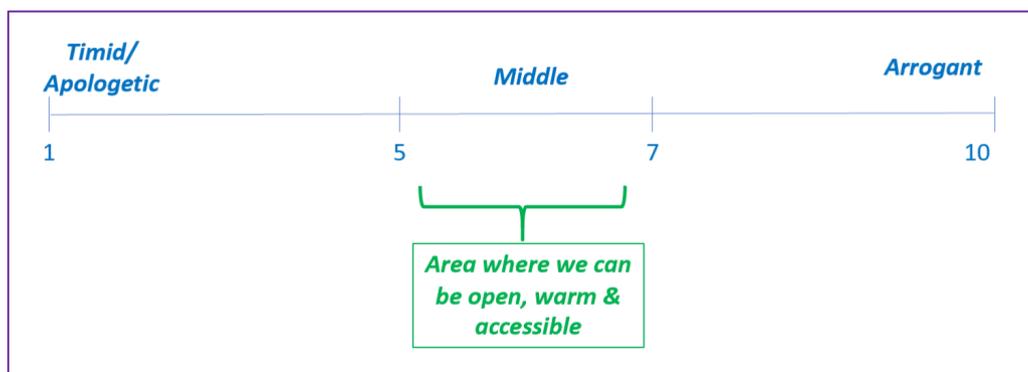
Actors are able to practise and rehearse playing a part and portraying different levels of status. But people in business don't get the luxury of not getting it right first time.

David emphasised that people in the middle are smiling, appear confident, they stand tall, and walk towards their audience.

He then gave us two examples of people at each end of the scale:

- The story about the man who "sucks the life out of people", turns up late to appointments, talks about himself in the third person (eg "he has arrived"), and likes to tell stories that

appear to portray him as high status (eg the first class Cabin Services Director who had told him that he was the most important person on the plane).
- This contrasted with a low status manipulator or abuser who talks about themselves in whiny tones, and are setting you up to be the big bad wolf.

In business, especially where there are high stakes, we can use our physical, vocal and emotional dimensions to portray the status that we wish to put across.

Physical status

When we see someone, we make a judgement long before we have spoken to them about their status. If we get it wrong, we are then in catch up.

Actors train to use a centred posture to create a neutral physical status. The elements of this centred posture are:

- Standing with feet comfortably apart
- Legs straight and not locked
- Hips tucked in
- Hands and arms relaxed
- Shoulders nice and square
- Head sitting comfortably on shoulders.

Using this centred posture creates a neutral physical status, and this is incredibly powerful when interacting with other people.

Vocal status

Our vocal status is nearly as influential as our physical status; the way that we sound affects how people feel about us. Therefore, our vocal image and range is one of our main tools.

David asked us to think about the examples of radio presenters who have only their voice to portray their status, and paramedics who need to use their voice to create and build confidence.

In contrast, the actual words that we use have a relatively low impact on our influence, our words may only carry 10% of our overall influence on the other person. This can be summed up by the saying "It wasn't what she said, it is the way that she said it". Long after we have met someone, we forget the words they used, but we never forget how someone has made us feel.

One of the best examples of people using their voice effectively is hostage negotiators. They often have to work only with their voice over the phone, and they have to slowly and steadily build confidence in the captors in order to get the hostages out alive.

Many of us don't think about using our voices as effectively as we could, but we can do something about our voices and hence our vocal status …..

David reminded us that football players, tennis players, and singers practise every day. He also reminded us that athletes warm up before every race – it would be too dangerous and they would not be at peak performance if they did not warm up.

In business, we need to practise and warm up in the same way if we want to improve our performance and be at our peak. David gave us some exercises to carry out to help us do this:

- Breathing exercises – we have to breathe properly and deeply, ie fill "the tank" from the bottom. This will help us support the sound we want to make with proper breathing.
- Warm up the voice – by singing and doing tongue twisters.

Emotional status

It helps if we think in advance about what emotional state we want to leave people in after we have been with them, eg do we want to shock them, send them away with a warm glow, leave them curious, etc etc.

To influence people in this way, we need to have an emotional interest in them. By way of contrast, it is useful to remember that in the cinema or theatre we pay good money for people to make us emotional, eg to cry, be scared, be happy etc; subconsciously we want to be emotionally impacted. But we forget how this might play out to our benefit in business.

There are significant business benefits to be more effective in influencing people in this way. In his book "How to Win Friends and Influence People", Dale Carnegie identified that if we are successful at influencing people, they will want to

- Trade with us
- Associate with us, or
- Work harder for us.

But, how can we be more effective at influencing people?

We should start by being clear about the impact we want to have and how we want people to feel.

David then gave us the example of a woman who had dinner on two successive nights with Gladstone and Disraeli. After dinner with Gladstone, she thought that he was the most intelligent man in the country. After dinner with Disraeli, she thought that she was the most intelligent woman in the country. It is interesting to think how she might then have behaved towards these two dinner companions.

David gave us this advice on how to be more effective at influencing people:

- After any meeting, make notes about every part of the conversation. When you next meet that person, pick up on at least one personal story, eg their holiday, children, etc.
- For some people, their name is their favourite word, so use it!
- Listen actively and take an interest in the other person.

- Trade stories with the other person and keep these stories in equal balance.

Having completed the deep dive into the second pillar of Status, David then turned our attention to our focus.

Pillar Three – Focus

We can use different levels of focus when we communicate with other people. We also need to be able to vary the degree of focus to keep people's attention.

Stanislavski was the inspiration behind the method school of acting. He came up with three circles of concentration:

- 3rd circle – the broad and wide master shot; it is the safety and establishing shot – it takes in everyone in the scene
- 2nd circle – the intimate two shot – "it's our scene"
- 3rd circle – single close up

In presenting, we are all taught to maintain eye contact, but we can't be with one person all of the time. The solution to this problem is to use the three circles of concentration and make them work together. Never come out of the 3rd circle, but within that we can make more personal contact with small numbers of people, and then with specific individuals.

Acting out different levels of Status

David finished his presentation by asking for volunteers to step up to the front of the room. He then asked them to take a playing card from a deck, and say who they are, what they do, and where they are from in accordance with the status number on their playing card. We guessed the answers in our table groups.

Some of this status acting was hard for the audience to guess, which shows that what we are giving out is not necessarily what our audience is picking up on.

After several rounds of this exercise, those of us who were in the room will remember the penalty shoot-out between "The SLADS" and "Rules of 3" teams. After 3 penalties each, and the score at 2-all, this shoot-out was declared an honourable draw.

Conclusion and close

David wrapped up the session with a Q & A.

In closing his presentation, he gave us a 3 point reminder for us to take away:

1. Get a good story
2. Adopt the right level of focus
3. Think about 3 levels of circles

Tendayi Viki

Report writer's note: In writing this report, Tendayi has kindly allowed use of many of his slides. In addition, his slides and the handout given to all conference participants contained proprietary information about the Innovation Ecosystem Scorecard, the Innovation Scorecard, and the case study Innovation Process. These materials are not duplicated in this report.

Innovation Ecosystems and Transformational Innovation

Through this presentation Tendayi shared his research and practical experience in the strategic management of innovation. He took us through the many challenges for organisations trying to become more innovative, an overarching approach and methods for managing innovation, and many of the lessons he has learned from his own academic and consulting experience.

Tendayi started his talk by emphasising the challenge of innovation – Tom Peters talks about incremental (or adjacent) innovation. The problem with this approach is that it constrains organisations within their current business models; disrupters come in and disrupt while you are incrementally innovating.

74% of CEOs are afraid of new entrants disrupting their business model - KPMG

Tendayi shared his view that Uber technology is not interesting in itself; it is the business model that is interesting, and this applies to numerous other new technology-based businesses.

This leads so many CEOs to be concerned that they are not innovating fast enough. CEOs typically say "we need ideas" and "my people don't come up with ideas". But many are mistaken in their approach, in that they are looking for only one big idea.

6% of executives are satisfied with their company's innovation performance - McKinsey

In addition, incumbents are often not paying sufficient attention to the external market; they often see disrupters as a toy, eg BA didn't believe that customers would be interested in being charged for suitcases and not being given any food.

If they do put anything in place, they typically create a start-up lab with lots of bean bags and sticky notes – all with the aim of brainstorming and finding the one new big idea. Tendayi referred to this as "Innovation Theatre".

INNOVATE HERE

Innovation Theatres often introduce all sorts of interesting ways of working – sticky notes, bean bags, trips to Silicon Valley etc.

But, they are often driven by metrics which are not to do with the bottom line, eg they are often measured by how much information they produce.

Over time, the Innovation Theatre fails to deliver and is closed down.

The better way to create innovation follows the fundamental philosophy that the best way to have a good idea is to have lots of ideas, eg Mozart and Beethoven wrote over 500 pieces, and Shakespeare probably wrote hundreds of plays.

The challenge is how you allow the person with an idea to be heard.
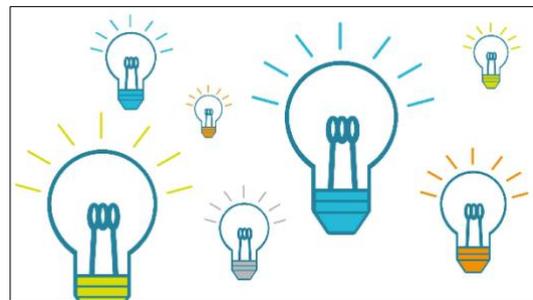

The solution now being adopted by many organisations is to create an Innovation Ecosystem.

Having introduced the Innovation problem, Tendayi then spent the rest of his presentation describing the key elements of an Innovation Ecosystem and supporting processes, using generic and case study models from his academic research and business consulting practice.

Tendayi referred to the handout and set the participants an exercise in table groups to complete the Innovation Ecosystem Scorecard for their own organisations. This allowed participants to discuss the content with their peers and assess their own organisations.

There are some traps in creating innovation, eg quoting inappropriate statistics to justify the potential of a new market or product, mistaking creativity for innovation, setting up a startup that follows the structure of a large organisation, or innovation teams spinning their story and figures to meet the needs of the "execute" business model.
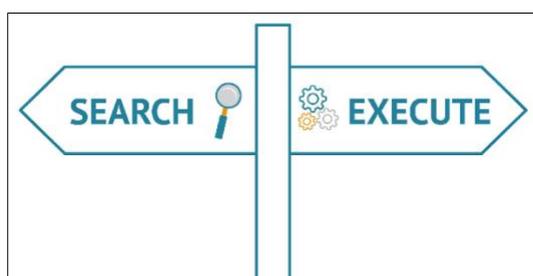
Innovation requires a completely different organisation and mindset from an established business. Startups need people who can search for the new ground-breaking business model.

Tendayi then invited the participants to discuss in pairs – what are the characteristics of "search" behaviours as opposed to "execute" behaviours.

Tendayi then used a jigsaw puzzle metaphor to describe the chaotic process of innovation, and the search process as you explore and capture information to develop the idea. At the start, you have a new idea but don't know if you can create it, or if customers will want it.
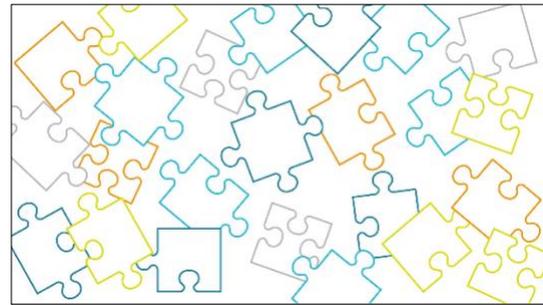
As you search for and develop this idea, new information becomes available and fits the jigsaw, and previous pieces no longer fit.

Therefore, innovative organisations know and work with the fact that innovation projects are chaotic and don't fit "Execute" processes or reporting.

In its simplest terms, the definition of innovation is:

*"A really great idea +
a sustainably profitable business model"*

Ie - you need to make stuff that people want and get value back from it.

The business model needs to be adaptable in a number of areas – and these are represented by the 9 elements of the Business Model Canvas developed by Osterwalder. This model can be used as a rigorous way to manage the development and strategically assess each innovation.

Well organised innovative organisations have an Innovation Thesis. Venture capitalists publish their Innovation Thesis – ie their beliefs about the future and what they invest in. In large organisations, there is only one VC, and they typically don't have a thesis. So numerous ideas are born, run and die randomly.

To be innovative you have to experiment, but in many organisations the only tool is the business plan. If you try to manage innovation via the business plan, this immediately creates a problem because you can't plan for what you don't yet know.
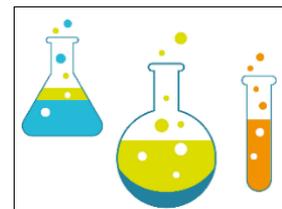
A more effective way to manage innovation is by using the Business Model Canvas to track where you are in each of the 9 elements of the new business model, and use this to identify the next experiments you need to run to get more complete information. This is a great use for sticky notes!

You should be really careful to discriminate between where you have real knowledge (ie supported by evidence) and where you are making an assumption.

You can take this one step further by calculating the knowledge : assumption ratio for each innovation, and then use this to track progress of your innovation portfolio.

The way to manage each innovation idea is to do experiments to test the assumptions, and convert them to knowledge. Big tip: don't allow people to work on the sticky notes that they most like; start by working on the most risky assumption and design an experiment to test it, and then iterate for every other assumption.

Tendayi wrapped up the first half of his session by giving advice for managing innovation funds. His recommendation is to manage the innovation investment funds by giving smaller amounts to more ideas and see which of them fly: ie give a bit, see what succeeds, cut some out, and double the investment in the ones you want to take to the next stage.

We returned from the break and the second half of Tendayi's presentation focused on creating the right environment for fostering innovation and taking new products and services to market.

He started by reminding us about the three main reasons that innovations fail, and linked these to the six elements in the Innovation Scorecard (as in the handout).

To bring this to life, we did a quiz on the six elements of the Innovation Scorecard – "Spot the odd one out".

He then went on to describe the workings of a Product Council (or Innovation Board), and its role in active portfolio management. There can be multiple Product Councils in an organisation, depending on the structure and geographic spread.

Reporting against the Business Model Canvas, and especially reviewing the number of "assumptions" that have been converted to "knowledge" is an excellent way for the Product Council to compare progress across the innovation portfolio. The Council members should be cross-functional and need to be coached to ask the right questions. The Council also needs to manage the overall process and funding release with a clearly defined innovation lifecycle, so that projects can be clear where they are in the lifecycle.

We then carried out an exercise in table groups to assess an innovation in our own organisations using the Innovation Scorecard. Tendayi reminded us to be really clear about our evidence for assessing the status of any element in the scorecard.

Tendayi moved on to discuss innovation cultures and mindsets; he emphasised the need to replace some of the artefacts we may be using to manage the business with tools and artefacts that are aligned with the processes and culture that we need to succeed. For example by:

- Giving people permission to try and fail
- Giving people an appropriate reporting template (such as the example in the handout),
- Giving people a toolbox to use on their projects (such as Deloitte give to their new joiners), and
- Asking the right questions. All of these approaches will change the culture.

54% of innovating companies struggle to bridge the gap between innovation strategy and business strategy - PWC

One misconception about innovation is that it is easier to manage in smaller organisations and startups, rather then in larger organisations.

However, regardless of the organisation's size, Tendayi has a number of observations and lessons learnt from his own experience:

- **Organisation size:** smaller organisations are easier to influence due to the small number of people, but they often don't have the resources.
- **Don't go big bang with your new innovation strategy:** find the Leader and early adopters who get it, and start with them.
- **Keep telling success stories:** you want to create energy and gravity towards the innovation activities.
- **You have to make a big choice:** are you trying to transform the whole organisation or trying to create a small space for innovation.
- **Let people try to discredit you:** allow people to be negative at the start, and then slowly build your credibility.
- **Startups are worse at innovation than larger organisations:** many startups just want to build their stuff and not talk to customers, so can be very insular.
- **Ensure that the innovation strategy matches the business strategy:** a key role of the Innovation Board is to ensure that the innovation portfolio is aligned with the business strategy.

So, where do you start and build your innovation strategy? A good way to start is with a:

- **Portfolio analysis:** who are we and what is our current product/service mix, and a
- **Market analysis:** where are we in relation to the market – our customers and competitors.


Nagji and Tuff's Innovation Ambition Matrix provides a framework for mapping the current strategy and deciding resources in the ratio 70:20:10 to core, adjacent and transformational innovations, and then adjust these ratios depending on your business conditions and levels of ambition.
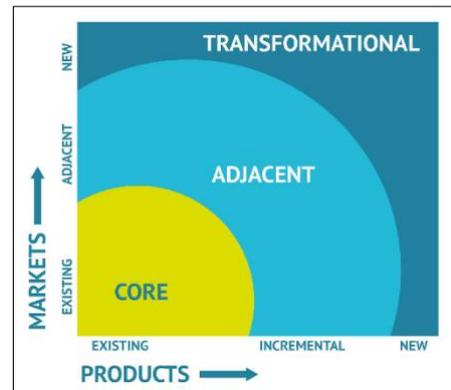
NB – it is not always clear if an innovation is in core, adjacent or transformational. Taking the example of Kindle, you could argue that this is adjacent – it is just another method of reading a book, or you could argue that it is transformational due to the very different business model that it has created, eg allowing for downloading to read books and self-publishing.
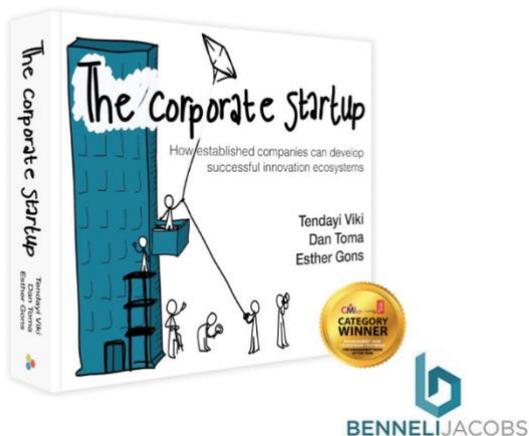
In wrapping up, Tendayi invited us all to use the tools in his presentation and handout, but not sell them!

And for further reading and detail on all of the tools you can buy the book.

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