



by Robert McKee and Bronwyn Fryer

Persuasion is the centerpiece of business activity. Customers must be convinced to buy your company's products or services, employees and colleagues to go along with a new strategic plan or reorganization, investors to buy (or not to sell) your stock, and partners to sign the next deal. But despite the critical importance of persuasion, most executives struggle to communicate, let alone inspire. Too often, they get lost in the accoutrements of companyspeak: PowerPoint slides, dry memos, and hyperbolic missives from the corporate communications department. Even the most carefully researched and considered efforts are routinely greeted with cynicism, lassitude, or outright dismissal.[click for InsightDemand video about a client that moves from dull to engaging stories]

Why is persuasion so difficult, and what can you do to set people on fire? In search of answers to those questions, HBR senior editor Bronwyn Fryer paid a visit to Robert McKee, the world's best-known and most respected screenwriting lecturer, at his home in Los Angeles. An award-winning writer and director, McKee moved to California after studying for his Ph.D. in cinema arts at the University of Michigan. He then taught at the University of Southern California's School of Cinema and Television before forming his own company, Two-Arts, to take his lectures on the art of storytelling worldwide to an audience of writers, directors, producers, actors, and entertainment executives.

McKee's students have written, directed, and produced hundreds of hit films, including Forrest Gump, Erin Brockovich, The Color Purple, Gandhi, Monty Python and the Holy Grail, Sleepless in Seattle, Toy Story, and Nixon. They have won 18 Academy Awards, 109 Emmy Awards, 19 Writers Guild Awards, and 16 Directors Guild of America Awards. Emmy Award winner Brian Cox portrays McKee in the 2002 film Adaptation, which follows the life of a screenwriter trying to adapt the book The Orchid Thief. McKee also serves as a project consultant to film and television production companies such as Disney, Pixar, and Paramount as well as major corporations, including Microsoft, which regularly send their entire creative staffs to his lectures.

McKee believes that executives can engage listeners on a whole new level if they toss their PowerPoint slides and learn to tell good stories instead. In his best-selling book Story: Substance, Structure, Style, and the Principles of Screenwriting, published in 1997 by Harper-Collins, McKee argues that stories "fulfill a profound human need to grasp the patterns of living—not merely as an intellectual exercise, but within a very personal, emotional experience." What follows is an edited and abridged transcript of McKee's conversation with HBR.

Why should a CEO or a manager pay attention to a screenwriter?

A big part of a CEO's job is to motivate people to reach certain goals. To do that, he or she must engage their emotions, and the key to their hearts is story. There are two ways to persuade people. The first is by using conventional rhetoric, which is what most executives are trained in. It's an intellectual process, and in the business world it usually consists of a PowerPoint slide presentation in which you say, "Here is our company's biggest challenge, and here is what we need to do to prosper." And you build your case by giving statistics and facts and quotes from authorities. But there are two problems with rhetoric. First, the people you're talking to have their own set of authorities, statistics, and experiences. While you're

trying to persuade them, they are arguing with you in their heads. Second, if you do succeed in persuading them, you've done so only on an intellectual basis. That's not good enough, because people are not inspired to act by reason alone. [click for InsightDemand video StorySelling vs. Spray & Pray]

The other way to persuade people—and ultimately a much more powerful way—is by uniting an idea with an emotion. The best way to do that is by telling a compelling story. In a story, you not only weave a lot of information into the telling but you also arouse your listener's emotions and energy. Persuading with a story is hard. Any intelligent person can sit down and make lists. It takes rationality but little creativity to design an argument using conventional rhetoric. But it demands vivid insight and storytelling skill to present an idea that packs enough emotional power to be memorable. If you can harness imagination and the principles of a well-told story, then you get people rising to their feet amid thunderous applause instead of yawning and ignoring you. [click for InsightDemand video how StorySelling helps a client's more experienced Salespeople become more engaging and onboard new Salespeople quicker]

So What is a story?

Essentially, a story expresses how and why life changes. It begins with a situation in which life is relatively in balance: You come to work day after day, week after week, and everything's fine. You expect it will go on that way. But then there's an event—in screenwriting, we call it the "inciting incident"—that throws life out of balance. You get a new job, or the boss dies of a heart attack, or a big customer threatens to leave. The story goes on to describe how, in an effort to restore balance, the protagonist's subjective expectations crash into an uncooperative objective reality. A good storyteller describes what it's like to deal with these opposing forces, calling on the protagonist to dig deeper, work with scarce resources, make difficult decisions, take action despite risks, and ultimately discover the truth. All great storytellers since the dawn of time—from the ancient Greeks through Shakespeare and up to the present day—have dealt with this fundamental conflict between subjective expectation and cruel reality.

How would an executive learn to tell stories?

Stories have been implanted in you thousands of times since your mother took you on her knee. You've read good books, seen movies, attended plays. What's more, human beings naturally want to work through stories. Cognitive psychologists describe how the human mind, in its attempt to understand and remember, assembles the bits and pieces of experience into a story, beginning with a personal desire, a life objective, and then portraying the struggle against the forces that block that desire. Stories are how we remember; we tend to forget lists and bullet points.

Businesspeople not only have to understand their companies' past, but then they must project the future. And how do you imagine the future? As a story. You create scenarios in your head of possible future events to try to anticipate the life of your company or your own personal life. So, if a businessperson understands that his or her own mind naturally wants to frame experience in a story, the key to moving an audience is not to resist this impulse but to embrace it by telling a good story.

What makes a good story?

You emphatically do not want to tell a beginning-to-end tale describing how results meet expectations. This is boring and banal. Instead, you want to display the struggle between expectation and reality in all its nastiness.

For example, let's imagine the story of a biotech start-up we'll call Chemcorp, whose CEO has to persuade some Wall Street bankers to invest in the company. He could tell them that Chemcorp has discovered a chemical compound that prevents heart attacks and offer up a lot of slides showing them the size of the market, the business plan, the organizational chart, and so on. The bankers would nod politely and stifle yawns while thinking of all the other companies better positioned in Chemcorp's market.

Alternatively, the CEO could turn his pitch into a story, beginning with someone close to him—say, his father—who died of a heart attack. So nature itself is the first antagonist that the CEO-as-protagonist must overcome. The story might unfold like this: In his grief, he realizes that if there had been some chemical indication of heart disease, his father's death could have been prevented. His company discovers a protein that's present in the blood just before heart attacks and develops an easy-to-administer, low-cost test.

But now it faces a new antagonist: the FDA. The approval process is fraught with risks and dangers. The FDA turns down the first application, but new research reveals that the test performs even better than anyone had expected, so the agency approves a second application. Meanwhile, Chemcorp is running out of money, and a key partner drops out and goes off to start his own company. Now Chemcorp is in a fight-to-the-finish patent race.

This accumulation of antagonists creates great suspense. The protagonist has raised the idea in the bankers' heads that the story might not have a happy ending. By now, he has them on the edges of their seats, and he says, "We won the race, we got the patent, we're poised to go public and save a quarter-million lives a year." And the bankers just throw money at him.

Aren't you really talking about exaggeration and manipulation?

No. Although businesspeople are often suspicious of stories for the reasons you suggest, the fact is that statistics are used to tell lies and damn lies, while accounting reports are often BS in a ball gown—witness Enron and WorldCom.

When people ask me to help them turn their presentations into stories, I begin by asking questions. I kind of psychoanalyze their companies, and amazing dramas pour out. But most companies and executives sweep the dirty laundry, the difficulties, the antagonists, and the struggle under the carpet. They prefer to present a rosy—and boring—picture to the world. But as a storyteller, you want to position the problems in the foreground and then show how you've overcome them. When you tell the story of your struggles against real antagonists, your audience sees you as an exciting, dynamic person. And I know that the storytelling method works, because after I consulted with a dozen corporations whose principals told exciting stories to Wall Street, they all got their money.

What's wrong with painting a positive picture?

It doesn't ring true. You can send out a press release talking about increased sales and a bright future, but your audience knows it's never that easy. They know you're not spotless; they know your competitor doesn't wear a black hat. They know you've slanted your statement to make your company look good. Positive, hypothetical pictures and boilerplate press releases actually work against you because they foment distrust among the people you're trying to convince. I suspect that most CEOs do not believe their own spin doctors—and if they don't believe the hype, why should the public?

The great irony of existence is that what makes life worth living does not come from the rosy side. We would all rather be lotus-eaters, but life will not allow it. The energy to live comes from the dark side. It comes from everything that makes us suffer. As we struggle against these negative powers, we're forced to live more deeply, more fully.

So acknowledging this dark side makes you more convincing?

Of course. Because you're more truthful. One of the principles of good storytelling is the understanding that we all live in dread. Fear is when you don't know what's going to happen. Dread is when you know what's going to happen and there's nothing you can do to stop it. Death is the great dread; we all live in an ever shrinking shadow of time, and between now and then all kinds of bad things could happen.

Most of us repress this dread. We get rid of it by inflicting it on other people through sarcasm, cheating, abuse, indifference—cruelties great and small. We all commit those little evils that relieve the pressure and make us feel better. Then we rationalize our bad behavior and convince ourselves we're good people. Institutions do the same thing: They deny the existence of the negative while inflicting their dread on other institutions or their employees.

If you're a realist, you know that this is human nature; in fact, you realize that this behavior is the foundation of all nature. The imperative in nature is to follow the golden rule of survival: Do unto others what they do unto you. In nature, if you offer cooperation and get cooperation back, you get along. But if you offer cooperation and get antagonism back, then you give antagonism in return—in spades.

Ever since human beings sat around the fire in caves, we've told stories to help us deal with the dread of life and the struggle to survive. All great stories illuminate the dark side. I'm not talking about so-called "pure" evil, because there is no such thing. We are all evil and good, and these sides do continual battle. Kenneth Lay says wiping out people's jobs and life savings was unintentional. Hannibal Lecter is witty, charming, and brilliant, and he eats people's livers. Audiences appreciate the truthfulness of a storyteller who acknowledges the dark side of human beings and deals honestly with antagonistic events. The story engenders a positive but realistic energy in the people who hear it.

Does this mean you have to be a pessimist?

It's not a question of whether you're optimistic or pessimistic. It seems to me that the civilized human being is a skeptic—someone who believes nothing at face value. Skepticism is another principle of the storyteller. The skeptic understands the difference between text and subtext and always seeks what's really going on. The skeptic hunts for the truth beneath the surface of life, knowing that the real thoughts and feelings of institutions or individuals are unconscious and unexpressed. The skeptic is always looking behind the mask. Street kids, for example, with their tattoos, piercings, chains, and leather, wear

amazing masks, but the skeptic knows the mask is only a persona. Inside anyone working that hard to look fierce is a marshmallow. Genuinely hard people make no effort.

So, a story that embraces darkness produces a positive energy in listeners?

Absolutely. We follow people in whom we believe. The best leaders I've dealt with—producers and directors—have come to terms with dark reality. Instead of communicating via spin doctors, they lead their actors and crews through the antagonism of a world in which the odds of getting the film made, distributed, and sold to millions of moviegoers are a thousand to one. They appreciate that the people who work for them love the work and live for the small triumphs that contribute to the final triumph.

CEOs, likewise, have to sit at the head of the table or in front of the microphone and navigate their companies through the storms of bad economies and tough competition. If you look your audience in the eye, lay out your really scary challenges, and say, "We'll be lucky as hell if we get through this, but here's what I think we should do," they will listen to you.

To get people behind you, you can tell a truthful story. The story of General Electric is wonderful and has nothing to do with Jack Welch's cult of celebrity. If you have a grand view of life, you can see it on all its complex levels and celebrate it in a story. A great CEO is someone who has come to terms with his or her own mortality and, as a result, has compassion for others. This compassion is expressed in stories.

Take the love of work, for example. Years ago, when I was in graduate school, I worked as an insurance fraud investigator. The claimant in one case was an immigrant who'd suffered a terrible head injury on a carmaker's assembly line. He'd been the fastest window assembler on the line and took great pride in his work. When I spoke to him, he was waiting to have a titanium plate inserted into his head.

The man had been grievously injured, but the company thought he was a fraud. In spite of that, he remained incredibly dedicated. All he wanted was to get back to work. He knew the value of work, no matter how repetitive. He took pride in it and even in the company that had falsely accused him. How wonderful it would have been for the CEO of that car company to tell the tale of how his managers recognized the falseness of their accusation and then rewarded the employee for his dedication. The company, in turn, would have been rewarded with redoubled effort from all the employees who heard that story.

How do storytellers discover and unearth the stories that want to be told?

The storyteller discovers a story by asking certain key questions. First, what does my protagonist want in order to restore balance in his or her life? Desire is the blood of a story. Desire is not a shopping list but a core need that, if satisfied, would stop the story in its tracks. Next, what is keeping my protagonist from achieving his or her desire? Forces within? Doubt? Fear? Confusion? Personal conflicts with friends, family, lovers? Social conflicts arising in the various institutions in society? Physical conflicts? The forces of Mother Nature? Lethal diseases in the air? Not enough time to get things done? The damned automobile that won't start? Antagonists come from people, society, time, space, and every object in it, or any combination of these forces at once. Then, how would my protagonist decide to act in order to achieve his or her desire in the face of these antagonistic forces? It's in the answer to that

question that storytellers discover the truth of their characters, because the heart of a human being is revealed in the choices he or she makes under pressure. Finally, the storyteller leans back from the design of events he or she has created and asks, "Do I believe this? Is it neither an exaggeration nor a soft-soaping of the struggle? Is this an honest telling, though heaven may fall?"

Does being a good storyteller make you a good leader?

Not necessarily, but if you understand the principles of storytelling, you probably have a good understanding of yourself and of human nature, and that tilts the odds in your favor. I can teach the formal principles of stories, but not to a person who hasn't really lived. The art of storytelling takes intelligence, but it also demands a life experience that I've noted in gifted film directors: the pain of childhood. Childhood trauma forces you into a kind of mild schizophrenia that makes you see life simultaneously in two ways: First, it's direct, real-time experience, but at the same moment, your brain records it as material—material out of which you will create business ideas, science, or art. Like a double-edged knife, the creative mind cuts to the truth of self and the humanity of others.

Self-knowledge is the root of all great storytelling. A storyteller creates all characters from the self by asking the question, "If I were this character in these circumstances, what would I do?" The more you understand your own humanity, the more you can appreciate the humanity of others in all their good-versus-evil struggles. I would argue that the great leaders Jim Collins describes are people with enormous self-knowledge. They have self-insight and self-respect balanced by skepticism. Great storytellers—and, I suspect, great leaders—are skeptics who understand their own masks as well as the masks of life, and this understanding makes them humble. They see the humanity in others and deal with them in a compassionate yet realistic way. That duality makes for a wonderful leader.

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