Steve Denning, organizational storyteller extraordinaire, is the author of the acclaimed book *The Springboard: How Storytelling Ignites Action in Knowledge-Era Organizations* (Butterworth Heinemann, 2000) which describes how storytelling can serve as a powerful tool for organizational change and knowledge management.

From 1996 to 2000, Steve was the programme Director, Knowledge Management at the World Bank where he spearheaded the organizational knowledge sharing programme. In November 2000 he was selected as one of the world’s ten most admired knowledge leaders (Teleos).

He now works with organizations in the US, Europe, Asia and Australia on knowledge management and organizational storytelling. His clients include scores of Fortune 500 companies. In April 2003, Steve was ranked as one of the world’s top 200 business gurus by Davenport & Prusak, *What’s The Big Idea?* (Harvard, 2003).

Steve was born and educated in Sydney, Australia. He studied law and psychology at Sydney University and worked as a lawyer in Sydney for several years. He did a postgraduate degree in law at Oxford University in the UK and then joined the World Bank where he worked for several decades in many capacities and held various management positions, including Director of the Southern Africa Department from 1990 to 1994 and Director of the Africa Region from 1994 to 1996.

According to your website, more and more organizations are realizing that storytelling can communicate complex new ideas and spark energetic action towards their implementation. What is it about storytelling that is so powerful in a business context?

**Steve Denning:**

Storytelling is one of the very few effective ways in which leaders can elicit desire for change. The biggest challenge for leaders is to spark change, particularly in audiences that are often sceptical, cynical or even downright hostile. Top-down command-and-control approaches don’t work in these settings. Storytelling does.

**What are “springboard stories?”**

**Steve Denning:**

A springboard story is a story that springs people to a new level of understanding and sparks them into action. It operates by catalyzing a new story in the mind of the listener. It has a number of characteristics, including:

- (a) It’s a true story – it actually happened;
- (b) it has a positive tone – to get action, Hollywood is right, you’ve got to have a happy ending; and
- (c) it is told in a minimalist way, without a lot of context about the sights and sounds and smells – in this respect, it’s similar in storytelling style to the Biblical parables.

Does the concept of storytelling transfer well across different business cultures and ways of working in other countries, for example?

**Steve Denning:**

Storytelling is central to every country and culture. Anthropologists have yet to find any country or culture where this is not so. So this makes storytelling a universal form of discourse. There are nuances and slight differences in storytelling style between countries and cultures, but the differences are relatively minor. Thus in the US, one tends to hear more positive stories than I’m told one does in, say, Ireland. And in some parts of Africa, there is a taste for open-ended stories. But these differences are less important than the central fact that storytelling is ubiquitous.
In what ways can storytelling be used to accelerate collaboration in mergers and acquisitions?

Steve Denning:

Most mergers fail for lack of attention to the human factors. Most analysts put the success rate at around 15 per cent. So in this area there is nowhere to go but up. Some of these mergers and acquisitions were doomed from the start, as the partners were so mismatched that no amount of leadership could make the arrangement work. But where the arrangement is potentially viable, then leadership including understanding the culture of each organization – through understanding their stories – and then seeding the context with new stories that can elicit desire to work together can be a crucial way of accelerating a successful marriage.

One of your articles published in Emerald’s Strategy & Leadership argues that long-term corporate survival requires a commitment to transformation via disruptive growth. What do you mean by this?

Steve Denning:

The theme song of management in the 20th Century was doing “more of the same, only cheaper and quicker and better.” Organizations following this mantra can do well – for a time. But inevitably in these times of rapid change, the environment changes, and then the challenge becomes: can the organization do something different, something that is disruptive not only of the marketplace but also of its own internal culture? The inability to be successful at transformational innovation is one of key causes of death of organizations.

You have suggested that that innovation remains a management paradox – long-term survival requires a commitment to transformation via disruptive growth, but forsaking a business model that has brought success for one that is untried is a challenge few companies dare undertake. How can this dilemma be effectively challenged?

Steve Denning:

Resolving the dilemma requires leadership – an ability to imagine a better and different future and then persuade others – managers, staff, partners, clients and investors – to elicit desire for and actively embrace that future. The first part is important: you have to have an idea that is genuinely good: but that is usually relatively easy, because new ideas are plentiful. What is the more difficult is the persuasion part: getting people to buy into a radically different future, not grudgingly but with zest and enthusiasm.

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This is where top-down command-and-control management comes to grief: it doesn’t have the necessary tools to persuade. It usually involves a resort to mechanistic methods of carrots and sticks, with predictable results. What leaders need to do is to master the discipline of business narrative so as to be able to persuade people to change.

From 1996 to 2000 you were the Knowledge Management programme Director at the World Bank where you spearheaded an organizational knowledge sharing programme. What were the key lessons you learned from this project?

Steve Denning:

There were many, many lessons. Perhaps the most important for me was the discovery of the discipline of business narrative as a way to persuade sceptical, cynical, even hostile audiences to buy into basic change. Another was to see how long and hard is the road to make change happen. In my naiveté, I had thought that once I had the support of the president of the organization, the war would be almost won. To my surprise, I found that this was just the beginning of the war, not the end. The struggle to make the change stick goes on for years.

One of the most commonly asked questions about knowledge management concerns how KM programs can be measured and clearly linked to an organization's bottom-line performance. How would you answer this question?

Steve Denning:
In the case of the World Bank, sharing knowledge became a central business strategy, and part of the very mission statement of the organization; in this case, although it didn’t have a bottom line in the normal sense, knowledge sharing was directly connected to the organization’s “conceptual bottom line” – its success as an organization.

It’s different when a firm is adopting knowledge management as a tool, say, to reduce costs of a business where knowledge sharing is important but not the raison d’etre of the business. Here you need to see whether costs are being reduced or not, and also whether the knowledge sharing is taking place in a cost-effective manner.

*Your books Squirrel Inc. and The Leader’s Guide to Storytelling take a look at the vast area of business leadership. In your opinion, what are the key challenges facing leaders today?*

**Steve Denning:**

The central challenge for all leaders – whether they are leaders in business or in politics, or in communities, or in families – is persuading people to change. You have people who are doing one thing, and may have been doing it for many years, and you have to be able to persuade them to do something different. And not grudgingly, but enthusiastically and energetically. Often we don’t realize what we are asking. Getting people to do something different involves not just getting them to take on new tasks: it involves new roles, even new identities. You are asking them in effect to become new people. This is not a trivial request. And traditional management methods can’t get the job done, as we can see in the numerous debacles in both the public and private sector over the last decade. There is a need for leaders to change the way in which they approach this task. The discipline of business narrative is a big part of what is needed.

*On your website you say that management as now practiced is a “faddish activity, with each new fashion following the previous with dizzying rapidity.” What are organizations putting at risk by ‘jumping on the bandwagon’, so to speak?*

**Steve Denning:**

Unfortunately a lot of the alternatives offered are too general to be very useful. “Become an authentic leader.” “Discover the leader deep within yourself.” “Become emotionally intelligent.” These things aren’t necessarily wrong, but they are too general to be helpful when you’re trying to figure out what to do and say at 9am on Monday morning.

So, what you see is people leaping from one bandwagon to another, trying to find something that works. If they are lucky, they discover in due course the discipline of business narrative. As narrative has been around for thousands of years, it’s not another fad. It’s part of the basic way in which human beings communicate.

*Finally, what interests you outside of your professional life, and why?*

**Steve Denning:**

I used to have a bi-furcated life: analytic manager by day and literary fan by night, writing and reading novels and poetry. You can actually read my novel, *The Painter*, and my Elizabethan sonnets on my website. What happened when I got involved in business narrative in the mid-1990s was that I was able to merge my daytime self with my night-time self. I got to tell stories and write novels as part of the way I earned my living. So then my personal and professional life became quite integrated and this was very satisfying.