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Effective storytelling in business school ethics curriculum

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Introduction

Narrative, or storytelling, is a tool increasingly used by business to effectively portray complex business issues in a manner which is engaging, comprehensive and easily comprehended.

Instructors in a business school setting can also make use of narrative as a tool to engage their students in the complexities of business. The use of narrative places theoretical concepts in the context of actual (or hypothetical) business situations in a way that emphasizes the importance and the difficulties inherent in effective business decision-making. Where business decisions involve ethical issues, narrative is particularly effective because it illustrates the personal and emotional implications these decisions have to the decision-maker, the decision-maker's organization and the organization's broad array of stakeholders.

Stories can serve a variety of purposes in the study of applied business ethics. Stories can be used to share knowledge by presenting historical ethical issues faced by companies, the actions taken by these companies to address those issues, and the ultimate consequences of those actions. Stories can also move the audience to action; describing successful strategies for dealing with ethical issues allowing students to imagine what they would do in similar situations. Stories that present impending issues or dilemmas with far reaching consequences can impress upon the audience the complexity of the issues and the importance of multi-party cooperation and collaboration in addressing these issues. Stories can be used to illustrate key points or they can present complex and interrelated business issues that generate multiple ethical issues or dilemmas.

Storytelling as a management tool has four major strengths. Firstly, storytelling facilitates the integration of emotion and personal values as part of the management decision-making process. Secondly, storytelling facilitates the packaging of complex situations into a contextual framework which enhances the understanding of the listener of the issues at hand. Thirdly, effective storytelling can provide a vehicle for establishing, maintaining and expressing the values held by an organization. Finally, storytelling can harness the emotion and energy of an organization by moving its members to action. Emotion drives the movement from values to values-in-action which in turn drives the formation and maintenance of corporate culture and, by extension, the corporate brand. The same strengths of narrative as management tool can be leveraged in the application of storytelling to the delivery of ethics curriculum in business schools. This paper makes recommendations with respect to the effective adoption of narrative storytelling as a tool for enhancing the delivery of ethics curriculum. Also presented is an

argument in favour of the teaching of storytelling as a tool for developing and maintaining an effective organizational culture with strongly held organizational values.

Storytelling defined

Story is a vehicle or a container which holds much more than simply a recounting of the events leading up to a given situation and the resulting actions taken. Effective storytelling conveys the energy and the emotion that bridges the past to the present and into future. The traditional format of story structure permits the formulation of a map by which an individual or a corporation might engage in and identify with that energy and emotion; an architecture if you will that has stood the test of time (Hamel and Prahalad, 1994). It has been argued that the truth of a story lies not in the facts, but in *the meaning* (Gabriel 1991, 1995, 2000). In conveying meaning, story tells you not just what happened and what people did, but why people did what they did. Story is not only what you have to say but how you say it (McKee, 1997). As an indicator of the values held by the storyteller, the “how” carries meaning.

When meaning is lost or communications breakdown, it is often because people are making different basic assumptions about meaning (Schein, 1997). Storytelling is an effective tool for aligning understanding within an organization. A reconnection with the story’s meaning implies a conscious re-visioning of the idea, a mythopoesis or mythmaking. *Poiesis* comes from the Ancient Greek and is the creation of something new from existing materials. Many companies find themselves in the dynamics of mythopoetic change (technological, workforce demographics, global and local politics, socio-cultural movements such as sustainability, etc.) that prompt

change that moves beyond adaptation to a complete corporate transformation. These transformational events are recounted as stories again and again until they become part of corporate lore. The values of an organization become aligned with those expressed in this corporate lore as the lore gains mythical proportions. The myth then serves as a much repeated example of the organization's values-in-action. Such mythmaking is delivered by story. It is the stories of old that carry the value system or ethics into the present and on into the future, often recontextualized to suit the time at hand. Values and ethics are shaped and refined by contact with real problems, and people interpret problems according to the values they hold (Heifetz, 1994). That fact that ethics is at issue speaks to the need to reconnect the role of ethics in acknowledging the complexity of organizational change and how it is expressed best through story (Boje, 2008).

A well-told story helps shape the identity of a tribe, gave it values and boundaries and helps establish and carry its reputation (Fog, 2005). We tell stories to inform and educate others as to what can and can not be done 'around here'. Stories are fad-proof in that the art of telling has been around since humankind began using language. Regardless of what management fad is currently in use, storytelling is ageless. To capitalize on the power of storytelling within an organization is to understand the power of unconscious content that if made conscious, reveals tacit knowledge and deepens the relationship between the teller and the listener. The stories told and re-told reveal deeper organizational realities that allow people to function within these unspoken rules that form the basis for the behavioral norms that exist within a given corporate culture. A particularly powerful benefit to working with organizational stories is that they cross

generational boundaries. A workforce may change over time, but storytelling will remain an effective form of communication that implicitly instructs people in how to behave.

Providing context

The ethical complexities involved in conducting business in a globalized business environment require the consideration and application of a variety of theories, or combinations of theories, to business problems. The concept of moral imagination as a tool for creatively addressing ethical issues suggests that context is a key driver in selecting the appropriate tools and theories to apply to specific situations (Crane and Matten, 2007). Stories provide the context within which students can hone their ethical decision-making processes through the consideration and application of a variety of ethical theories to the specific or complex ethical problems presented in the story.

Information overload and the need to sift through and organize the continuous bombardment of data is becoming increasingly problematic as our world continues to become evermore complex. The use of narrative, or storytelling, provides a welcome respite from the avalanche of data by placing the information into a meaningful context. People float in an ocean of data and disconnected facts that overwhelm them with choices (Simmons, 2007). To use the bones of a good story is to provide an adaptable language to describe those choices and carry their emotional content - the values that are attached to those choices which ultimately determine the choices made. As such, storytelling is a language for describing the emotional (value-laden) as

well as intellectual thought processes used in decision-making. (Molodoveanu and Martin, 2010).

Emotion and the Story

The use of a story which includes the emotional experience of the storyteller provides a contextual structure for business decision-making that goes far beyond the moving of boxes around on an organization chart or word-smithing a strategic plan (Fog, Budtz and Yakaboylu, 2005). The use of narrative to portray the emotional effects and consequences of ethical decision-making in a business context has the power to touch people in ways that are beyond our limited ability to verbally express (Grant, 2005). When providing examples of situations where management has had to make difficult ethical decisions in order to either steady the course or to implement a change in strategic direction, we sometimes forget that it will be people who carry out the strategic plan. Each one of those people is touched emotionally in some way by the implications of a given corporate action. Including a description of those emotions in a narrative provides infinitely greater depth in the portrayal of any situation requiring business decisions that carry ethical implications.

In the context of the delivery of ethics curriculum in business schools, storytelling can be particularly engaging because of the emotional responses from students that these stories generate; horror at past and present ethical indiscretions; determination to address systemic ethical problems; and dismay at their own or society's inability to satisfactorily address an

ethical dilemma. These stories inevitably generate debate and often reveal conflicting or opposing values among students. This emotional response emanates from each student's individual ethical framework and their own sense of what is morally permissible and what is not. Stories can help students recognize that moral compasses differ and that multiple points of view need to be considered as an important part of the decision-making process. Failing to consider multiple points of view and alternative solutions leads to snap decisions based on emotional responses which can ultimately have suboptimal long term ethical consequences.

The most common example of the use of storytelling in the delivery of business ethics curriculum is the use of case methodology. Business cases are in fact stories which provide the reader with a context in which a problem or situation needs to be understood and addressed. The best case studies are the ones that incorporate the emotions of the major players within the portrayal of the situation to be addressed. These case studies clearly illustrate that the values held by decision-makers play a significant role in the choices they make. Often the decision-maker is faced with an ethical dilemma or a decision that challenges or conflicts with their deeply held values or their values come into conflict with the values of their organization. Within a classroom setting, providing a case as a context in which to address ethical problems brings the problems to life. The case, or story, places an often myriad of seemingly disconnected facts within a richer context which allows the students the opportunity to consider and empathize with the emotions of the characters described in the case while also considering their own values in proposing a strategy for addressing the problems presented.

Establishing values

In light of the recent near-collapse of the global financial system, there has been expressed great concern that the ethical foundations of the world's business organizations and those that lead them seem to be crumbling. Business schools are being held to account for the behavior of graduates placed in those organizations and the values that these graduates espouse. This implies that the professed belief systems held by individuals and organizations matter. In the past, our belief systems were defined by various forms of religion. The principles and beliefs espoused by each of these religions are grounded in the stories about the origins of, and subsequent acts surrounding, the relevant deity or deities. With the advent of globalization and the resulting cultural and religious pluralism that has followed, the influence of religion has declined and the influence of the world of business has come to the forefront. If business is the new religion, then what are the stories that bind the individual to an organization?

Management needs to be driven by an emotional, or even spiritual, commitment to keep the development of companies successfully on track (Kunde, 2000). The reference to religion is an intentional one as our various religions in the past have dictated situational ethics. Religion is defined in the context of passionately held beliefs within a moral structure. Religious institutions traditionally articulate these beliefs and moral structures through the use of story. If any organization is to be held to a moral accountability then that moral structure needs close scrutiny. Values or ethics in an organizational setting are not always clearly developed much less articulated; nonetheless they drive behavior. Organizational theorist Ronald Heifetz (1994) addressed this articulation in education and stated that the difficulty was in the attitudes, values, habits and relationships held by leaders; and what was required was problem-solving to be

addressed by hearts and minds. Educating the heart is not traditionally considered in business; and yet in order to shift the operational ethics in an organization, it is the values-in-action that deliver results. Organizations change one individual at a time. Every organizational culture is a collection of individuals and each individual brings both espoused values and values-in-action into work every day (Schein, 1992). The difficulty then lies in the interpretation of both espoused values and values-in-action. Using story enables us to interpret raw facts combined with emotions and values to create a comprehensive understanding (Simmons, 2007).

All stories are values-in-action at some level (Simmons, 2007). Kunde (2000) believes that is the essence of corporate religion - values that are consistently communicated both internally and externally. The challenge facing organizations today is to build solid values into their corporate brand; that is where storytelling fits in. A story addresses emotions and provides the means to express a shared set of values (Fog, Budtz and Yakaboylu, 2005). As such, these stories provide a frame of reference or container in order to express something previously intangible. That container shows the boundary lines of what is permissible and what is punishable within an organization. To use story in teaching ethics leverages the transformative learning process intellectually, emotionally, and practically - the student experiences the story on a multitude of levels.

After Enron and the enactment of Sarbanes-Oxley, it was realized that ethics should not be automatically assumed but instead that values need to be espoused, trained for and test-driven (Schiemann, 2009). Values need continual investment and vigilant discipline to remain values-

in-action. In the production of the Corporation in 2004, Joel Bakan outlined criteria for organizations to be considered pathological:

1. a failure to comply with social norms with respect to lawful behaviours;
2. reckless disregard for the safety of others;
3. deceitfulness: repeated lying or conning others for profit;
4. callous unconcern for the feelings of others; and
5. incapacity to experience guilt.

The pathological corporation portrayed by Bakan (2004) is one without conscience which does not empathize with or take into account emotions and values of the stakeholders in its analysis and consideration of its strategic choices. The entrenching of values within corporate culture is achieved through the recounting of corporate stories. Keeping these values in the forefront when making strategic decisions will go a long way to dispelling the idea of the psychopathic corporation. Shared values that characterize organizational culture and remain true and relevant regardless of how the world changes are the hallmark of great organizations (Ray and Meyers, 1986, Collins, 2001).

The storyteller and the leader

Henry Mintzberg has asked whether we consider the kind of leadership that resides in our institutions and whether we pay enough attention to the values espoused by those leaders (Mintzberg, 2004). Business schools contend that they are educating future business leaders.

These leaders need to possess much more than the analytical skills needed to engage in a cost benefit analysis or assess a make or buy decision. In order to make truly well informed decisions, business leaders must be able to consider the emotional consequences of their decisions on stakeholders and they must be aware of the values that exist within their organization, whether clearly articulated or merely assumed.

Stories are often told about leaders and their values. The reputation of the leader and his ethical performance often lives on in story as part of corporate culture long after that leader has gone. The role of the senior management of Johnson and Johnson in reacting to the Tylenol crisis of 1984 is still, twenty-five years later, held forth as an exemplar of how to react to an ethical crisis. Likewise, the decision made by the leadership of Merck to continue to manufacture and donate their cure for river blindness to people who could not afford to purchase it continues to be held forth as indicative of Merck's corporate values. It is not the stated values themselves that people remember but the stories that best illustrate them.

Stories can also illustrate dysfunction within organizations and a failure of leadership to act in a manner consistent with a company's espoused values. The story of Ken Lay and Ron Skilling and their role in the collapse of Enron Corporation will live on in infamy as will the stories of corruption that surround the downfall of Bernie Ebbers of WorldCom, Conrad Black of Hollinger International and Dennis Kozlowski of Tyco. These stories are remembered by the listener, be they stakeholders, society or business students, because of the emotional context in which they are told. The listener may empathize with a decision-maker facing an ethical dilemma or be in awe of the bravery shown by the decision of a corporate leader to put his career

and company at risk in order to do the “right” thing. The listener may empathize with certain stakeholders such as the victims of corporate malfeasance or they may be repulsed by the lack of conscience exhibited by corporate leaders engaged in corrupt behavior.

Just as important as the stories told about leaders, are the stories told by leaders. Effective leadership could be construed as the management of meaning (Smircich and Morgan, 1982, Czarniawska, 2008). The leader as storyteller transforms events into experiences that can be shared between teller and listener. The stories told by the leader demonstrate his or her status within the ‘tribe’, establishing a place in the hierarchy of the organization. As the stories travel the organization, they become institutional memory and thus an organizational culture is grown. To carry that intent over the extended period of time required for implementation, an emotional commitment to the task is mandatory. Martin Luther King stated “I have a Dream” - not a strategic plan. Emotional commitment, our interpretation of meaning, is carried by the stories we tell.

Story and culture

Recounting an organizational story demonstrates to the listener who one is and what one values, and as such storytelling and narrative methodologies can be used as an evaluative function in examining and exploring a corporate culture (Fog, Budtz and Yakaboylu, 2005). The culture of an organization with a strongly held set of values which are reflected in its stories reveals that there is little gap between espoused values and values-in-action. An organizational culture has three characteristics that determine its effectiveness. The first is its ability to inspire individual

creativity and initiative in its people. The second is its ability to link and leverage pockets of activity and individual expertise by constantly reinforcing a culture that learns. The third is its ability to continuously renew itself (Ghoshal and Bartlett, 1997). Using story to illustrate and articulate examples of each of these three functions further entrenches them as values held by the organization. Essentially a story expresses how and why life changes (McKee, 2003).

In first joining any organization, people question what can and can not be done “around here” which places the boundary markers around creativity and initiative. Such boundary will dictate how much creative capital can be exercised by the employee. Individual potential can not be realized if hampered by a command and control organizational structure or toxic corporate culture (Deiser, 2009). The boundary markers are defined by the stories that are told. Simmons (2001) believes that facts are neutral until people add meaning to those facts. The meaning that remains in a story that is passed from person to person defines the elemental patterns of the organizational culture. Specifically, it is not the fact of the telling but the emotional message contained in the story, the cultural DNA. When an examination of multiple stories of the organization is conducted, an intuitive mapping of the structure of collective unconscious begins to take form. In terms of organizational renewal, perhaps successful leaders are successful only to the extent that they tell and, perhaps more importantly, embody persuasive stories about where our institutions should be going and how they will get there (Gardner, 1997).

Conclusion

Storytelling facilitates the inclusion of emotion in the recounting and analysis of factual information. The emotion generated within the listener and by the teller of a story with ethical

implications originates from the values held by each party. These values have the power to move the listener to action thus transforming values to values-in-action. Using story to place ethical problems within a situational context which includes the emotions and values of the parties involved allows for a better understanding of why certain actions were taken as well as the real consequences of those actions.

Students of business presented with ethical issues or dilemmas must be cognizant of the greater context within which these issues or dilemmas are contained and the importance of individual emotions and values and how they interact with organizational goals. Using story to provide this greater context encourages the students to look beyond the simple facts into the reasons (values and emotions) which drive the people involved to behave as they do. This illustrates the importance of values in conducting a richer deeper analysis of any situation with ethical implications.

In delivering business ethics curriculum, it is vital that business schools instill the importance of the establishment and maintenance of strong corporate values as a core element of an effective corporate culture. Emphasizing the power of story as a management tool to aid in entrenching corporate values will assist graduates in leading their organizations through the ethical dilemmas and challenges they will inevitably face.

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