Gazdaság & Társadalom

Journal of Economy & Society

TARTALOM

Koudela Pál
Gazdaság és biztonságpolitika: a kelet-ázsiai régió határainak formáló erői

Nedelka Erzsébet
Gazdasági struktúraváltozások és válságok kapcsolata – különös tekintettel a posztszovjet térségre

Parapatits Zsolt
A klímaváltozás, a világgazdaság és a klímapolitika kölcsönhatásai

Balázs István Tóth
Sundry Observations on Urban Security and Terror-Resistant Action Plans in Urban Areas

Michaela Čiefová
Workspace – the Example of Austria

Antal Takács
Storytelling in multinational environment

Balázs Soós
Die ersten Schritte aus der Krise von führenden österreichischen Unternehmen – eine retrospektive finanzielle Analyse

2017/1
# TARTALOM

## TANULMÁNYOK/STUDIES

- Gazdaság és biztonságpolitika: a kelet-ázsiai régió határainak formáló erői
  Koudela Pál .................................................................................................................. 5
- Gazdasági struktúraváltások és válságok kapcsolata – különös tekintettel a posztszovjet térségre
  Nedelka Erzsébet ..................................................................................................... 26
- Sundry Observations on Urban Security and Terror-Resistant Action Plans in Urban Areas
  Balázs István Tóth ................................................................................................. 51
- Perception of Intercultural Issues and Cultural Differences in Intercultural Workspace – the Example of Austria
  Michaela Čiefová ...................................................................................................... 70
- Storytelling in multinational environment
  Antal Takács ............................................................................................................ 82
- Die ersten Schritte aus der Krise von führenden österreichischen Unternehmen – eine retrospektive finanzielle Analyse
  Balázs Soós .............................................................................................................. 100

## KÖNYVISMERTETÉS/ BOOK REVIEW

- Mi a lényeges most: hogyan győzhetünk a könyörtelen változás, kegyetlen vetélkedés és megállíthatatlan innováció világában
  Parapatits Zsolt ........................................................................................................ 131
- Szociálpolitika
  Resperger Richárd .................................................................................................. 137

## ABSTRACTS IN ENGLISH

- 143
Storytelling in multinational environment

Antal Takács

ABSTRACT: Conviction is in the centrepiece of business presentations. Investors should be persuaded to buy or keep stock, partners to finance future projects, employees to achieve objectives and customers to buy products and services.

In communication there are two parties: the presenter and the audience. Storytelling can help the presenter to buy-in the audience by uniting the main idea of the presentation with some emotions.

This paper presents the latest evolution of storytelling in multinational environment. The paper introduces the mechanism of storytelling and author’s latest research on listening habits. The author has conducted a qualitative research on the field of cross-cultural communication between 1st of January 2016 and 31st of March 2017 in various European countries. In this period 13 different cultures were discovered during 258 one-one-one interviews. The results of these interviews were deployed in a searchable database.

KEYWORDS: cross-cultural communication, listening habits, multinational companies, storytelling

JEL Codes: D70, D90, M12, M14, Z13

Introduction

Once upon a time … and the audience knows that the presenter is entering in a story. The storytelling helps to prove the value of events or meetings to business stakeholders.

Storytelling should not be confused with branding and selling. Branding and selling means convincing people on an intellectual basis. On the other hand, storytelling means persuading the audience by uniting the main idea of the presentation with some emotions.

Why is this topic so relevant today? Till the 1950s the majority of the companies were working only in one country and their teams were monolingual and monocultural. The 1970s changed this situation and the first international companies were born. Today, in 2017, our world is global
and connected. More and more people are working in a multicultural environment. The management of the misunderstandings rooted in cultural differences and the value creation with people coming from different cultures became a daily routine of employees working for multinational companies. These organisations should invest in understanding their employees’ motivation factors. If they fail, their organisations would quickly turn into the also-ran category.

Social media platforms, connected devices, cheap travelling put private life also into the multicultural arena. We should also mention migration, which significantly increases the possibility of interaction between cultures. After World War II, nearly all European countries became multinational, multicultural societies.

Storytelling can help managers to become leaders. A leader is somebody, whom everybody respects, and many people follow him or her. He or she helps people to go beyond their limits. The biggest chunk of leader's job is to motivate people to achieve certain objectives. Leaders make companies a place, where people are ready to spend eight or more hours a day. They lead by example and make employees credible, reliable and confident.

Many multinational companies train their leaders to capitalise on the ways storytelling can positively influence, stimulate and energise employees.

This paper presents the latest evolution of storytelling in multinational organisations.

**Literature overview**

There are many literatures reinforcing the theory that the human mind from an early age is wired for stories. Indeed, every holy books of religions is a compilation of stories.

The objective of this paper is to present storytelling in a multinational context. That’s why the literature overview focuses on those sources, which tackle storytelling in cross-cultural environment and help the author to give his own definition of storytelling at the end of this chapter.

Monarth (2014) is one of the most sought-after leadership development- and executive coaches. The literature overview starts with his thoughts. He puts the beginning of storytelling well before the Sumerian Empire. He states that humans have been communicating through stories for upwards of 20,000 years, back when our flat screens were cave walls (2014b).
Lamb (2008) wrote her book, The art and craft of storytelling, as a comprehensive guide to classic writing techniques. In this book she also gives many good advices for contemporain storytellers.

Lamb says that storytelling can be described as a three-step process. At the beginning the storyteller should define a goal and should have a reason to achieve this. In the middle of the story the presenter should make clear, what are the obstacles that stand in the way of success. Finally, at the end the storyteller should share with the audience, what should be achieved, accomplished to fulfil the desired objective.

According to Lamb the need for story runs is our blood. In fact, scholars postulate that storytelling is one with mankind.

Stanton is an American film director, screenwriter, producer and voice actor based. He brings emotion as a new element to storytelling. He declares in one of his speeches that storytelling is joke telling (Stanton, 2012). Jokes have got an obvious link with emotions.

Freytag was not the first, who discovered certain regularity in how dramas (stories today) are structured. But he was the first to analyse them and to give a precise definition of what we call Freytag’s pyramid.

Freytag divided a drama into five acts, or five parts. Certain literature refers to it as the dramatic arc: exposition, rising action, climax, falling action, and dénouement. See Figure 1. Freytag's Pyramid can help writers organize their thoughts and ideas when describing the main problem of the drama, the rising action, the climax and the falling action. Shakespeare mastered this structure. He wrote his plays in five acts to include an exposition, rising action, climax, falling action, and a dénouement – or final outcome.

![Freytag's pyramid](https://www.slideshare.net/mrmadden/freytags-pyramid)

*Figure 1: Freytag's pyramid*

*Source: https://www.slideshare.net/mrmadden/freytags-pyramid*
Although Freytag's analysis of dramatic structure is based on five-act plays, it can be applied to storytelling and business presentations.

Chip and Dan Heath have further developed Freytag's theory, which was pretty much based on dramas, and introduced the SUCCES model. Furthermore they have identified five additional characteristics, besides emotion, as success factors of storytelling. Stories naturally embody most of the SUCCES framework. SUCCES is the acronym of: simple, unexpected, concrete, credible, emotional and story. They described their theory in their book Made to Stick.

Chip and Dan Heath state that good stories are typically concrete and with emotional and unexpected components. The hardest part of using stories effectively is making sure they are simple. Presenter should build up the speech that words, pictures, tables and expressions reflect to the core message of the presentation. It is not enough to tell a great story; the story has to reflect the presenter's agenda (Heath–Heath, 2007).

Gartner defines himself as a "philosophical novelist". He states that the presenter can easily lose audience's trust, if he /she does not find an authentic voice of storytelling.

What he wrote about novels is also true for storytelling. He says that “a scene will not be vivid if the writer gives too few details to stir and guide the reader's imaginations; neither will it be vivid if the language the writer uses is abstract instead of concrete” (Gardner, 1991:98).

McKee is Hollywood's top screenwriting coach, a Ph.D. in cinema arts. He cited in Harvard Business Review (2003) that executives can engage listeners on a whole new level if they toss their PowerPoint slides and learn to tell good stories instead.

He believes that stories fulfil a profound human need to grasp the patterns of living - not merely as an intellectual exercise, but within a very personal, emotional experience (McKee, 2010:12).

Zak’s researches on the field of neuroeconomics brought many new findings to storytelling. He discovered, what is going on in human body, when people are listening to a story (Zak, 2017).

He states that oxytocin is produced when we are trusted or shown a kindness, and it motivates cooperation with others. Oxytocin does this by enhancing the sense of empathy, our ability to experience others’ emotions. Empathy is important for social creatures because it allows us to understand how others are likely to react to a situation, including those with whom we work (Zak, 2014).
Zak makes clear, if the story is able to create tension then it is likely that attentive viewers/listeners will come to share the emotions of the characters in it, and after it ends, likely to continue mimicking the feelings and behaviors of those characters (Zak, 2011).

The definition of storytelling
The different sources agree that storytelling was born thousands years ago. In the literature there are many definitions of storytelling. However none of them define storytelling in a multinational environment. Since this is the topic of this paper, it is essential to give this definition.

The story is neither an assertion, nor an opinion, nor a statement of fact. A story narrate a precise moment in time that helps the employees (audience) imagine and mentally see what happened.

The mechanism of story-listening
When we listen to a presentation, when we see photos, infographics or short promotional movies, two areas of the brain lit up. These are called the Broca and the Wernicke Areas. Together, these parts of the brain serve as word and symbol repository of human beings. In effect, the Broca and Wernicke Areas store meanings people have learned to associate with language and symbols (Eysenck–Keane, 2000:376).

This process of association is very important. If a presenter use words and show pictures, which the audience is unfamiliar with, these communication tools are meaningless to the people listening the presentation.

Broca’s area is a region of the frontal lobe of the left hemisphere. The area was identified as being involved in the production of speech by the French surgeon Pierre Paul Broca in 1861. Broca described a patient who had lost the use of speech, and was only able to pronounce the syllable “tan”, but was still able to comprehend spoken language, and communicate with hand gestures. On autopsy, the patient was found to have a lesion in what is today known as Broca’s area (Broca, 1861:235–238).

Wernicke’s area is associated with other aspects of language, and is named after the German physician Carl Wernicke. In 1864, Wernicke described a patient who was able to speak, but unable to comprehend language. The patient was found to have a lesion in the posterior region of the temporal lobe (Eysenck–Keane, 2000:376). See Figure 2.
Figure 2: Broca's and Wernicke's areas

Source: http://neurosciencenews.com/language-area-dementia-remapping-2161/

The Broca and Wernicke Areas of the brain help people to decode presentations, messages delivered by words or pictures. The same message can create different effect among the audience. What people hear or see is determined from meanings they associate with the presented words and pictures.

For example words like the bridge or the key have got very different connotations in France and in Germany (Author’s research in 2017).

First the bridge is masculine in French (le pont) and feminine in German (die Brücke). The key is feminine in French (la clé) and masculine in German (der Schlüssel).

In addition to the obvious gender issue French people define the bridge as follow: strong, stabil, hardworking, should not be nice. On the other hand German people define the bridge as: flexible, nice, beautiful, caring.

As a consequence, both the presenter and the audience create the stories. In other terms: stories are “co-created.” The success, the desired reception of the story depend on the way of communication of the presenter and the previous experience of the audience, the way they depict and interpret the presentation. If the brain is highly engaged with the content, this results in greater recall.

Storytelling helps to increase the level of engagement with the content. It triggers many actions in the brain and evokes neurological responses.

Neuroeconomist Paul Zak’s research indicates that during the emotional and tense moments in a story our brain produces cortisol. Cortisol is also named as the stress hormone. Cortisol allows us to focus and to remember the story (Zak, 2013).
The cute-factor of the animals releases oxytocin. Oxytocin is the feel-good chemical that promotes connection and empathy.

Other neurological research indicates that happy-ending stories trigger the limbic system. The limbic system is the brain’s reward center. It releases dopamine which makes the audience feel more hopeful and optimistic.

These chemical effects help the audience to create emotional links with the content of the presentation. This results in a significantly higher retention of the presenter’s message.

**The role of emotions**

The buy-in of the audience, the recall of the main message of the presentation can be enhanced, when emotions are triggered.

Maya Angelou states that people will forget what you said, people will forget what you did, but people will never forget how you made them feel (Angelou, 2017).

Speeches, stories, presentations, performances that trigger emotions like sadness, happiness, anger or surprise, increase recall. With smartphones the usage of emoticons (emotion icons) become ubiquitous. These very basic combinations of some alphanumeric characters differ from one country to an other.

For example:
- The emticon of happiness in Europe: :-)
- Whilst this in Japan: (^_^)
- The emticon of sadness in Europe: :-(
- In Japan: (>_<)

European emoticons express emotions with recalling the position of the mouth, whilst Japanese ones do the same with the eyes.

Relatively few studies have discovered the emoticons. This paper proposes further researches in this field using the following hypothesis:

*Hypothesis 1:* Different nationalities use different emoticons to express the same emotions.

In multinational organisations the most commonly used language is English. In many cases, both the presenter and the majority of the audience are not native English.
When people are communicating in a foreign language, they use different words, different expression than they would in their mother tongue. That’s why the usage of icons, pictures are important. These tools help to create emotions and to pass messages to the audience, which they can remember for a long time.

**Listening habits of people working in multinational companies**

In storytelling there are two actors. The person, who tells the story and the audience, who listens to it. After World War II, with the big wave of globalisation, people started thinking that business presentations should be different than colloquial speeches or personal communications. As a result, there are many dull and boring business presentations.

Storytelling increases the level of retention of the presenter’s main message. The storyteller should know the audience and adapt the style of the presentation to the audience's requirements and listening habits.

This chapter introduces the listening habits of 14 cultures. These are the first results of author's research in 2016-2017 on the field listening habits in multinational organisations.

Relatively few studies have examined the listening habits in multinational work environment. This paper proposes the following hypotheses to examine in a future research.

*Hypotheses 2*: During a presentation people are spending less than 50% of their time with listening to the presentation.

*Hypotheses 3*: People coming from different cultures represent different listening habit profiles.

*Hypotheses 4*: Linear active and data oriented people attentively listens during 35% of time of the whole presentation.

In every kind of interaction, by definition, there are two parties, at least. The one who talks and the other one who listens.

When we are talking, we always have an objective to achieve. This varies from having a simple small talk to getting a billion dollar contract signed. Regardless of the seriousness of the final objective, the presenter should bare in mind that the effectiveness of the communication strongly depends on the way he/she is distributing the message to the audience.
Albert Mehrabian worked out the “7%–38%–55% rule” based on two studies about nonverbal communication (1967a:109–114, 1967b:248–252). Later on his website he added the following precision to his findings (2010):

“Total Liking = 7% (Verbal Liking) + 38% (Vocal Liking) + 55% (Facial Liking).

Furthermore, he adds that this and other equations regarding relative importance of verbal and nonverbal messages were derived from experiments dealing with communications of feelings and attitudes (i.e. like-dislike). Unless a communicator is talking about their feelings or attitudes, these equations are not applicable.”

Many pros and cons concerning Mehrabian's findings have been written since 1967. One thing is for sure. Lots of attention should be payed to both verbal and nonverbal communications, in order to achieve the objective of the presentation. In order to be as close as possible to the original target at the end of the meeting, the presenter needs to be aware of the listening habits of the audience.

**Listening habits of European and Asian cultures**

Every presenter has got an objective to achieve. The literature overview made it clear that the audience is more receptive to keep messages linked with some emotions. That’s why the presenter's main job is to engage these emotions.

There are two ways to convince people. The first is by applying conventional rhetoric. The second is by linking idea with emotion.

The majority of presenters are trained in using conventional rhetoric. Usually they use PowerPoint to animate their presentations. (These are the typical presentations, where there is the brand logo on each and every slide in the bottom right corner.) The other way of convincing people is telling them a compelling story, which links the main idea of the presentation with their emotions.

The main problem with conventional presentation is that the audience is not emotionally involved. This means that the data they see, the statistics they receive can only persuade them on an intellectual basis. Furthermore, the audience tends to closer follow the main characteristics of their national profile, if they are not emotionally driven by the presenter.

E.g. the French audience's “listens for information” activity has got the highest share, 40%. However at the same time they think “that French
is the best” (15%) and “that they know it already” (10%). The national profiles of listening habits have got a strong correlation with the retention rate of the essential message of the presentation.

The charts visualise the listening habits of the 14 cultures described in the qualitative study (Figure 3–17). These charts are derived from the database built up during the qualitative research of author’s PhD thesis. As of today, 14 cultures are described in the database.

**Figure 3:** The listening habits of the 14 cultures: Austria – Western Austria

**Figure 4:** The listening habits of the 14 cultures: Austria – Vienna and surroundings

**Figure 5:** The listening habits of the 14 cultures: Belgium – Flemish
Figure 6: The listening habits of the 14 cultures: Belgium – Walloon

Figure 7: The listening habits of the 14 cultures: Czech Republic

Figure 8: The listening habits of the 14 cultures: France

Figure 9: The listening habits of the 14 cultures: Germany
Figure 10: The listening habits of the 14 cultures: Hungary

- Listens, but 50% of the time switched off
- Wants to take the lead and speak
- Impolite if not interested
- Suspicious of official information
- Looks for a short presentation
- Is ready for taking the challenge
- Needs personal charm and charisma
- Is in need of humour

Figure 11: The listening habits of the 14 cultures: Italy

- Listens politely, may interrupt
- Tries to construct a relation based on your message and your style
- Watches you and evaluates your personality
- Needs sentiments and emotions
- Looks for imagination

Figure 12: The listening habits of the 14 cultures: Japan

- Listens, but requires repetition and context
- Does not understand
- Desire harmony
- Polite

Figure 13: The listening habits of the 14 cultures: Korea

- Listens respectfully
- Has got some language problems
- Looks for win-win and above all profit
- Does not lose face / Protects kibun
- Suspicious of all foreigners
Figure 14: The listening habits of the 14 cultures: The Netherlands

- Listens but prefers dialogues
- Separates ideas and problems from the speaker
- Prefers hard facts
- Listens cautiously and carefully
- Does not like hard sell
- Does not need too much persuasion
- They believe they "know-it-all"

Figure 15: The listening habits of the 14 cultures: Poland

- Listens for information and interrupts rarely
- Sceptical
- Easily insulted
- Suspicious of official information

Figure 16: The listening habits of the 14 cultures: Portugal

- Listens courteously, occasionally interrupts foreigners, often does Portuguese
- Expects human understanding and compassion
- Has got a long experience overseas
- Hates being mix up with Spaniards
- Happy with what he gets

Figure 17: The listening habits of the 14 cultures: The UK

Source 3–17: Author's research in 2017
This research is mainly based on one-on-one interviews. The author of this paper has organised 258 interviews between 1st of January 2016 and 31st of March, 2017. Every interview was documented. The minutes of meeting have been then deployed and their context were clustered into six chapters. The six main chapters represent six data sheet. Every sheet comprises of many records and fields. The motivation factors can be found in the Interaction chapter.

Richard D. Lewis conducted similar studies. (Lewis, 2006:71) The presented charts in this paper show many obvious similarities to that of Lewis' book.

From storytelling point of view there are some interesting findings, which are briefly presented in the section below.

**LISTENs for information**

“Listening for information” is the main activity of the audience in every culture. This characteristic represents between 20% and 45% of the total time of the presentation. There is a big difference between the way Hungarians and Italians listen or Japanese and Koreans do.

Hungarians, for example, listen, but sometimes they are just physically there. On the other hand Japanese and Koreans listen politely, but the do not get the message of the presentation because of their language problems.

**EXPECTs personal charm, humor, sophistication**

This is the second biggest group of listening habits. This characteristic was reported in 6 out 14 national profiles.

The expectation of Austrians is the highest (20%). Czech Republic and in the UK the author measured the lowest rate (9%). In the other countries the figures look as follows: France (10%), Italy (14%) and Hungary (16%).

**NEEds background information, context, facts and figures**

This is also an important characteristic, which was discovered only in 5 out of 14 national profiles.

The qualitative study measured the following values. The UK (9%), Belgium Flemish part (10%), Austria (15%), Germany (15%) and the Netherlands (15%)
Gives feedback
There are many presenters, who do not expect any feedback from the audience. However, this can be a strong characteristic in a few cultures.

The research found that Austrians in Vienna and surroundings prefer giving feedback 20% of the time. Whilst this was measured as 9% in Czech Republic and in the UK.

Looks after profit
It is not a surprise that this characteristic was discovered in the two cultures, where industrialisation is the strongest among the researched ones.

Korean audience spend 30% of their time during a presentation about thinking of win-win and above all profit. Whilst Germans do this 10% of their time, when they are participating in a presentation.

This paper introduces storytelling in multinational companies. The detailed description and analysis of listening habits fall beyond the frame of this article. Using the previously introduced hypotheses future papers can potentially make in-depth analysis and further investigation of the listening habits in a cross-cultural context.

“Listening for information” is the main activity of the audience in the described cultures. This is because the audience wants, desires something, which they do not possess today. In order to fulfil these unsatisfied needs, stories and presentations are often about desire, need, want and some kind of quest for acquisition.

Conclusion

Storytelling can be embarrassing and unfamiliar to many people. Why persuasion is so difficult? Because the presenter should be credible. To gain this credibility the audience should receive some personal information from the presenter. The personal touch is one of the cornerstones of professional storytelling.

In multinational companies the objective of storytelling is not self-aggrandizement, but to further develop the corporate culture, to motivate people or to persuade / buy-in stakeholders to finance future projects.

Different people want various things from the storyteller. There are many storytelling styles; not one way or method of storytelling will satisfy everyone. Motivational theories show that giving direction and intensity to people goes through motivation. It means that the storyteller can
achieve objectives, if he / she can persuade the audience 1) that the new behaviour will result in certain rewards, 2) that these rewards are worth the investment and 3) that the new objectives are realistic.

In the 21st century storytelling may seem obsolete and outdated. It is not. Storytelling is just old-fashioned and that’s exactly what makes it so powerful. Qualitative and quantitative analyses, connected devices have their limits. Storytelling has not. The story can go beyond the limits of researches and can directly talk to the audience's heart. Technical features and advantages can persuade customers, but it doesn’t inspire them.

The latest findings on neurobiology (neuroscience) blow traditional presentations to bits. Presenters, if they want to be remembered, should start with compelling, emotional, human-scale story. Instead of repeating technical features, they should focus on the benefits, their audience's benefits. How do these benefits improve the listener's life? Why should the audience trust in the presented features and advantages? What will happen, if they give their approval to the presenter? These are the leading questions, which make a presentation emotional, convincing and memorable.

Finally, every organisation has got its own founding story. By sharing this story with the audience creates emotional links between the brand and the audience. The corporate culture of multinational companies describe the mission statement and the vision of the company. Furthermore it defines the attitude of these organisations towards their customers. It gives a kind of modus operandi for the daily routine of the employees.

If the story successfully attracts the audience's brain, it will also capture their hearts. And the story will be remembered for long time.

References


DOI: https://doi.org/10.1023/A:1009009018235


DOI: https://doi.org/10.1037/h0024532

DOI: https://doi.org/10.1037/h0024648


