



Communication and Persuasion

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The #1 Criticism of Leaders

- The most common criticism of managers in 360-degree feedback is “poor listener.”
- Why would someone say that? How would someone know that you’re not a good listener?
- People judge you based on “what they see you do” more so than “what they hear you say.”



How does “modeling” work?

Fastenal sells industrial and construction supplies wholesale and retail from its 2,160 store locations located around the world. Even with billions of dollars in revenues, the company’s leadership takes actions that reinforce their cultural focus on reduced costs.

“[Robert] Kierlin [now Chairman of the Board] and chief financial officer Dan Florness could easily have taken a flight to a conference in Chicago, a little more than an hour away by plane. Instead, they drove five and a half hours in a van, saving Fastenal hundreds of dollars. They lunched at A&W, feasting on burgers and root beers. (Cost: \$5 a person.) They spent the night at a motel in Rockford, a Chicago suburb, to avoid the high city prices. The pair even shared a room. “This sends a message that cost control is important to everybody in the organization,” Kierlin says. “By being attentive to all expenditures, you can really set the example at the top.”

Marc Ballon, Inc.

Making “modeling” work

To be effective, it has to be:



- Authentic (not contrived)
- Observable (others are aware of it)
- Routine (doesn't happen just once)



“We Said, We Did”

“Accountability is an important value at DaVita. So is **measurement**—the company measured not just clinical outcomes, costs, and labor utilization, but almost everything that was related to performance. All of this came together in the form of **follow-up, something that began at the top of the organization.**”

“At every board meeting, Thiry (the CEO) would present a list of issues and questions from the preceding meeting, and then explain what he had done about each. Similarly, at DaVita Academies, if the company had made assurances or promises to the workforce—to get an answer to some question, to address some concern or problem—**Thiry would explain what had been done and end with ‘We said, We did.’** The implication was that the company and each person in it was accountable for meeting its commitments.”

Jeffrey Pfeffer, Stanford “DaVita” case

“Come on! It’s obvious.”

- The illusion of transparency
- Managers are 10+ times more likely to be criticized for under-communicating than for over-communicating!
- “When it’s obvious to me, why should I have to explain it to them?”



Why do people change their minds?



Important principles of communication

- Contrast (need a point of comparison)
- Simplicity versus complexity
- Objective evidence
- Singular focus
- Repetition
- Multiple modalities (e.g., sight, sound, speed)

How do you change their behavior?

People are more likely to comply with requests that are consistent with what similar others are doing.

- Canned laughter
- “Salting” tip jars
- The sidewalk study
- Management fads

An effective application...



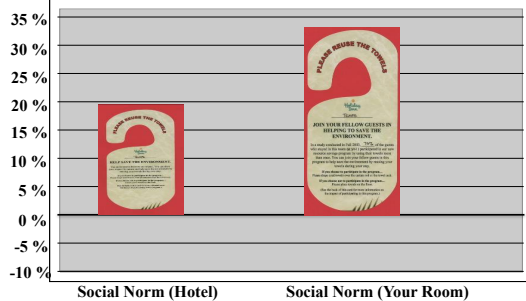
“Operators are standing by,
please call now.”

“If operators are busy,
please call again.”

One more...



Did it matter?



How you get people to “shape up”

- Managers often take corrective action by referring to something as regrettably frequent



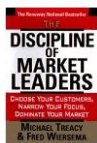
← What happened next?

“Tipping points” and conformity

- We sell ideas or products by labeling them as “fastest-growing” or “largest-selling”

Making your own bestseller

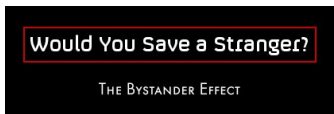
- In 1995, Michael Treacy and Fred Wiersema published *The Discipline of Market Leaders* to mediocre reviews
- Authors spent \$250k+ to have a ring of buyers purchase 10k+ copies from key retailers around the country; bulk buys of another 40k
- The plan: Sales would be counted in tallies without arousing any single retailer’s suspicions
- The book made the NYT’s bestseller list ...
- ... and thanks to manufactured social proof, continued as a bestseller without any further intervention from the authors



Using norms to one's advantage

- We sell ideas or products by labeling them as “fastest-growing” or “largest-selling”
- Where do we stand relative to the norm – “above-average” or “below-average”?
- What do I tell my boss – Harvard and Wharton are doing it too.

The problem with “broadcast” messages



- Only one in the room – 85% helped.
- One other in the room – 65% helped.
- Four others in the room – 31% helped.

Darley, J. & Latane, B., JPS, 1968.

How to deal with this?

- **Enhance individual accountability** – look at your finger, elongate it, and point it at somebody!
- **Watch out for group size** (larger the group, the more likely diffusion of responsibility will occur)
- **Clarify job responsibilities** (in-role/extra-role)

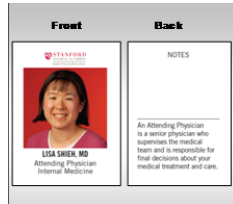
Individuation – making it work

- Trick-or-treat?
- Collecting 360-degree feedback
- Email, versus phone, versus face-to-face



Making it work...

- Stanford Hospital's new program to support clinical excellence
- Do you know who your doctor is? You do now...



Please remember...

- People focus more on what you do than what you say
- Provide people with a compelling contrast
- To persuade, convince people that those whom they want to be similar to are doing the same thing
- If you want someone to take responsibility for a specific action, you need to "individuate" them

Applying it...5 minutes

- Think about one thing you are trying to get others to agree to right now.
- What's holding them back?
- Which of the principles we've discussed can you use to gain support for these efforts?
- How would you go about applying them effectively?
 - Be specific and concrete!
