

# What's your story? Six strategies for entrepreneurs

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An entrepreneur's backstory plays a critical role in the success or failure of a fledgling venture, says Lianne Lefsrud, a postdoctoral fellow at the University of Michigan Ross School's Erb Institute.

"Especially for [entrepreneurs](#) with limited financial resources, stories are a way to create resources if you can make sense of the world with your stories," Lefsrud said.

Good stories increase legitimacy and persuade investors and top employees to commit to an organization. She says an inauthentic story could be worse than none at all.

Stories in startups and small businesses are often tied to their founders, including those about the "two Steves" of Apple Computers (Jobs and Wozniak) who worked out of a Jobs' parents' garage to start the multibillion dollar company, and of Jamsetji Tata who created India's Tata Group by buying up a bankrupt seed oil mill with a small amount of leveraged capital.

In each case, the stories told by the founders and retold by their followers and admirers helped the small, new businesses to grow.

In a new paper, Lefsrud and co-author P. Devereaux Jennings of the University of Alberta offer six strategies entrepreneurs can employ to create, refine and deliver their stories:

- Start with the end in mind—Perhaps you want to improve employee commitment and innovation, increase the amount of [venture capital](#) you are raising, or persuade a mentor to join your advisory board. Working backwards, you can determine which audiences and types of stories might help achieve those effects. For example, if you're in a new industry, emotional appeals would be more persuasive than in a more established, institutionalized context where logical appeals would have more sway.
- Consider others' story designs and delivery—Identify speakers who appeal to you and pull apart their stories. We often admire what we recognize in ourselves: a quality we hope to possess or a dream we share. Consider why you admire them, and do more of what you admire. Perhaps you like Steve Jobs' folksy and laid-back manner. Or you might like Oprah Winfrey's inspirational

tone. Take the best from others and make it your own.

- Simplify and focus your own story—Your [audience](#) has a limited attention span. Thus, what you leave out, what you put aside, and what you choose not to do will free you for your need to do. Do a few things with your story and you can do them all extremely well. Then test-drive your distilled story with your friend, partner or parent.
- Create drama—Have great characters and a likeable hero, with whom your audience can identify. While the hero might be you, it is often more persuasive if others are the heroes of your stories—your clients, your prospects or someone else—but your audience has to care about them. Give your characters goals and a vision that your audience cares about. Identify something, reflective of real life, they are trying to accomplish that your audience understands. You may admire a character for trying more than for her success—such as her tenacity and vision. Demonstrate how your character faces challenges. What you do under stress defines you and can invoke positive emotions that authentically connect with your audience.
- Have a well-organized, absence of meaning—The best stories inspire wonder and mystery. So, make your audience work for the story. If your audience is filling in the missing pieces, they become active co-creators of your story and are more likely to buy in.
- Test-drive your stories with your intended audiences—Demonstrate how you, your product and your company connect with their identified needs. Stories are based on actions (the protagonist who does something), not ideas. Turn your ideas into actions that you can then improve. Get feedback, revise, and reshape.

Stories can only take one so far, however.

"You need a good product, you need the credibility to attract investors," Lefsrud said. "No venture capitalist is going to give you money simply because you're a good storyteller."

Provided by University of Michigan

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