

# THE HIDDEN STRUCTURE OF LEADERSHIP COMMUNICATION



How Leaders around the world use the Minto Pyramid Principle for structuring their key communication

Ravishankar lyer

### The hidden storytelling tool used by Leaders



What do Jeff Bezos, Mukesh Ambani, Narendra Modi, Bill Gates, Warren Buffett - the world's most accomplished leaders - have in common when they communicate during high-stakes events?

They use the Pyramid Principle.

Well, maybe they don't realise that they are using it. But they are.

"Hey, why am I not in this list?"

Abdul Fateh Al-Sisi, President of Egypt<sup>1</sup>

This simple yet powerful communication tool can be used by all – including you – to organise and structure your work story.

This e-book will give you a glimpse of the tool and how it is used by the aforesaid leaders in their communication.

Having said that, let me be clear what this book *doesn't* do – it is not a comprehensive "how-to" guide to understanding and applying the Pyramid Principle. For that there are other resources<sup>2</sup>.

This e-book mainly gives a basic overview of the concept (with a vivid example) and then shares multiple, diverse examples of its usage - for you to appreciate its wide applicability across leaders and contexts.

So the next time you have a high-stake communication event (or, for that matter, even a regular low-stakes situation)... use the Pyramid Principle to build a comprehensive, coherent and compelling story.

The leaders you admire sure do.

1. So I was in a funky mood writing this. If you thought this one was bad, wait for the others.; 2. See Slide 22 for more resources for learning the Pyramid Principle

### 1. Introducing the Pyramid Principle with a simple example



Is business storytelling an **art or a science**? As with most such questions, the answer is: "a bit of both".

But the most fascinating proponent of the "It's all science" theory is a Harvard-grad and ex-McKinsey consultant called <u>Barbara Minto</u> (probably the most important person in storytelling not to have her own Wikipedia page, yet).

Barbara was extremely clear in her thinking and writing - and she would get a lot of presentations and reports to edit. She noticed that she always seemed to be reorganizing ideas into a particular shape - which looked like a Pyramid! And that's how the **Minto Pyramid Principle** - a multipurpose writing tool that can be used to "organise" or "structure" messages for any piece of formal communication - came into being, sometime in the late 1960s.

Given it's utility, it was widely adopted by most of the major consulting firms (McKinsey, BCG, Bain) and continues to be a staple framework used by them for structuring presentations. But the tool hasn't become popular outside these elite firms.

Why?

So while the Pyramid Principle is deceptively simple-to-understand, it is a stubbornly tough-to-master storytelling tool.

The Pyramid Principle can't understand Rajnikanth\*

Let's try to understand it with a simple example.

Let's say you are a fan of podcasts and are writing a blog post on the topic, and here's your unstructured first draft (which is like a 'thoughts-dump'):

<sup>\*</sup> The Chuck Norris of India (or so Chuck Norris wishes)

### Sample blog post on podcasts - without any structuring



"I must tell you about this recent discovery of mine - podcasts! I believe they are the best thing since sliced bread. The other day, while taking a walk, I was listening to this fascinating episode on the Bengal famine by Malcolm Gladwell in his Revisionist History podcast, and I was blown away. Man, I can't believe that all podcasts are free!

Another superb episode that comes to mind is by Radiolab on CRISPR, the gene-editing technology. Boy those guys can spin a great story.

There are many other interesting podcasts spanning a wide variety of topics. For example if you are a history buff, you should try out Hardcore History by Dan Carlin; for politics and current affairs, Fareed Zakaria is highly engaging, while Freakonomics is great for behavioural economics.

A big advantage of podcasts is that you can bundle them with other activities, like I do with my morning walk.

Many podcasts also feature interviews of leaders from various fields: politics, sports, science, media. It is a great way to keep yourself updated of the latest in these fields; and learn about new topics.

And oh, you can also listen while commuting to work - what a great way to spend those empty hours... Of course you can download episodes over WiFi and listen offline.

Plus, did I mention they are free?! Good content is no longer offered free in many cases – most good news websites now have paywalls and audiobooks can be quite expensive"

### This sample blogpost - has issues



In the above piece, while you would 'get' the gist of why podcasts are good, you'll notice that the content itself is all over the place.

How does that matter?

If I were to ask you to close your eyes and re-tell the post's contents to an imaginary friend, (go ahead try it without going back)... you may not remember all the points.

That's not something you'd want happening to your critical communication sent to your boss/client.

Which is where the Pyramid Principle comes in.

Using this Principle, we can organise the ideas such that they become easy to read, understand and recollect.

### Step 1: Bucketing ideas

Let's look at the statements and start organising them under 3-4 buckets.

Management consultants are no mugs; they prefer to 'bucket' things (Oooh, that's a bad one)

### Let's group the ideas in the post



### Step 1: Organising ideas into buckets

### 1. Ideas related to topic intro

I must tell you about this recent discovery of mine - podcasts! I believe they are the best thing since sliced bread.

### 2. Ideas related to convenience

Can bundle them with other activities, like morning walk.

Can also listen while commuting to work – great way to spend empty hours

You can download episodes over WiFi and listen offline

### 3. Ideas related to cost

All podcasts are free!

Good content no longer free - news websites have paywalls and audiobooks are expensive

# 4. Ideas related to podcasts being engaging and fun

Fascinating episode on the Bengal famine by Malcolm Gladwell in his Revisionist History podcast - I was blown away.

Episode by Radiolab on CRISPR, the gene-editing technology

# 5. Ideas related to podcasts being useful across many topics

There are many other interesting podcasts spanning a wide variety of topics. For example if you are a history buff, you should try out Hardcore History by Dan Carlin; for politics and current affairs Fareed Zakaria is highly engaging, while Freakonomics is great for behavioural economics

Many podcasts also feature interviews of leaders from various fields: politics, sports, science, media. It is a great way to keep yourself updated of the latest in these fields; and learn about new topics.

### Step 2: Summarising each bucket in one line

### 1. Podcasts are great!

I must tell you about this recent discovery of mine - podcasts! I believe they are the best thing since sliced bread.

# 2. Podcasts are convenient to listen to

Can bundle them with other activities, like morning walk.

Can also listen while commuting to work – great way to spend empty hours

You can download episodes over WiFi and listen offline

### 3. Podcasts are free

All podcasts are free!

Good content no longer free news websites have paywalls and audiobooks are expensive

### 4. Podcasts are engaging and fun

Fascinating episode on the Bengal famine by Malcolm Gladwell in his Revisionist History podcast - I was blown away.

Episode by Radiolab on CRISPR, the gene-editing technology

# 5. Podcasts are a useful learning tool across many topics

There are many other interesting podcasts spanning a wide variety of topics. For example if you are a history buff, you should try out Hardcore History by Dan Carlin; for politics and current affairs Fareed Zakaria is highly engaging, while Freakonomics is great for behavioural economics

Many podcasts also feature interviews of leaders from various fields: politics, sports, science, media. It is a great way to keep yourself updated of the latest in these fields; and learn about new topics.

### And organize them as a pyramid



### Step 3: Organising the ideas as a 'Pyramid'

Finally, when we organise all the ideas, we realise why this construct is called the 'Pyramid Principle' – because *the ideas can be arranged in the form of a pyramid*, with the main idea at the top, supported by 3-4 ideas below, which are further supported by more ideas below:



So to summarise, the way to build a pyramid from your ideas is:

- Group your ideas into buckets/themes
- Derive a key message to summarise each bucket
- Derive a main message that summarises the entire set of ideas (the "answer")
- Figure out the right order for narrating the story - top-down or bottom-up

Of course, the pyramid structure is just the skeleton of your blog post – not the final output. But it lends solid structure to the same.

With the structure in place, let's rewrite the original post:

### And finally rewrite the entire post



The revised write-up - using the Pyramid Principle structure

### Three reasons why podcasts are a great content source

I must tell you about this recent discovery of mine - podcasts! I believe they are the best thing since sliced bread. Why, you ask? There are four compelling reasons

First, many podcasts are **fun and engaging**. For instance, I was blown away hearing a fascinating episode on the Bengal famine by Malcolm Gladwell in his Revisionist History podcast. Another superb episode is Radiolab on CRISPR, the gene-editing technology - boy those guys can spin a great story.

Secondly, they are also a **useful learning tool across many topics.** For example if you are a history buff, you should try out Hardcore History by Dan Carlin; for politics and current affairs Fareed Zakaria is highly engaging, while Freakonomics is great for behavioural economics. Many podcasts also feature interviews of leaders from various fields: politics, sports, science, media. It is a great way to keep yourself updated of the latest in these fields; and learn about new topics.

A third big advantage of podcasts is their **convenience**: you can bundle them with other activities, like I do with my morning walk. You can also listen while commuting to work - what a great way to spend those empty hours...! Of course you can download episodes over WiFi and listen offline.

Finally, did I mention they are **free**?! Good content is no longer offered free in many cases - most good news websites now have paywalls and audiobooks can be quite expensive.

To sum up, podcasts are great, and I would highly recommend it to anyone interested in learning and listening to fun, engaging conversations.

### Advantges of using the Pyramid Principle



### Why is this tool important?

The Pyramid Principle construct has many advantages in business communication:

- It starts with the answer first: How many presentations have you sat through, emails have you scrolled down, or articles have you read, while asking yourself, "what's the point of the whole thing?". By starting with the answer (or the main message) first, you maximise impact in the least amount of time. (Having said that, there are some situations when you don't start with the answer first; instead you would build your case by taking the audience through the underlying arguments and then stating the main message as the final conclusion. We will tackle this category in another post).
- It's very audience-time-efficient: If your audience is time-constrained, they can 'get' your main arguments by quickly going through the main message and next level support messages without having to wade through example number 7 and datapoint number 15.
- It's a great diagnostic for your own thinking: Once you apply the framework to your ideas, you are likely to find chinks in them, which you can iron out before publishing.

Q. Why was it called the 'Pyramid Principle'?

A. Coz the 'Triangle Tool' was too corny\*

<sup>\*</sup> I promise, that's the last one

# Let's study five diverse examples of global leaders using the Pyramid Principle



# How do you respond to people who want to break-up your company





### Understanding the Story Context

Who	Jeff Bezos, founder and CEO of Amazon
When	July 2020
Where	Statement to the US Antitrust Sub-committee, published online
Who was the audience	Primary: The US lawmakers Secondary: All of Amazon's stakeholders (customers, partners, employees) and the general voting public
What was the objective	To convince the audience that (a) Amazon was a force of good for the country (and world), (b) It was not in a monopoly position, and (c) It typified American 'ragsto-riches' entrepreneurship and needed to be encouraged instead of being broken up
What was the mode	A formal written statement, that was then read out in front of the Antitrust committee and a live audience

https://judiciary.house.gov/calendar/eventsingle.aspx?EventID=3113

# 1 slide summary of Jeff Bezos' Statement to US Anti-trust Subcommittee (28-Jul-20)



Despite Amazon's humble beginnings and incredible odds, we have delivered extraordinary outcomes for all stakeholders: Employees, Small business and Shareowners. We may seem big, but our market share is small and others are growing; our large size enables massive impact for society as a whole

We came from humble beginnings; faced incredibly tough odds... We had humble beginnings Personal story -Mom, Dad, grandpa - testament to US Started Amazon minimised regret And faced insurmountable odds Barnes and Noble was big challenge

Dot-com crash

was a low point

Most people

wrote us off

...But focused on two approaches: Taking big risks and Obsessive Customer focus

Pane trust Fmplove

Americans trust us to do the right thing

Employees: Large numbers, strong benefits and growth

Our approach yielded extraordinary outcomes for all stakeholders

Small Business: Growing faster Shareowners: \$1Tn wealth

80%+owned

shareholders

by outside

Owned by

teacher

Fire, Police,

pension funds

Created \$1 Tn

shareholders

wealth for

outside

We are big (though our market share is small); and our scale enables massive impact

We had humble beginnings

We took big risks

Some paid off – Prime, AWS

Some didn't – we've had billions of \$ of failures

And had obsessive customer focus

Trust hard to win, easy to lose

Decisions made on long-term customer value

Polls favour us

80% in US have favourable impression

Top ratings with Democrats and Republicans

#2 in Most Admired company in Fortune 2020 Numbers: High and rising

1 mn people directly

employed; 175K addl hired in Covid crisis

Benefits: Industry leading

ment

\$15/hour min wage, benefits \$700M on training for

Story of Patricia – became Med. Asst.

100K employees

Large and growing numbers

1.7M SMEs on Amazon

sales, growing at faster pace

2.2M jobs

Many are making good money

globally

Stories of Sherri and Christine Our share is small

Retail is competitive! We have

1% global share, 4% in US

Other retailers growing, esp. online business

Our large size enables large impact

Climate: Net zero carbon by 2040; 100K electric vans; \$100M in reforestation

\$100M for homeless

Comp-Sci scholarships



# How do you warn all of humanity of an unseen danger





### Understanding the Story Context

Who	Bill Gates, founder of Microsoft
When	March 2015
Where	TED 2015
Who was the audience	Primary: Attendees at TED 2015; governments and public health organisations; Secondary: Entire world watching the video recording
What was the objective	To persuade the powers-that-be to invest in preparedness for pandemics
What was the mode	Engaging, well-prepared presentation from the TED stage

# 1-slide summary of Bill Gates speech about the danger posed by pandemics



# Pandemics are our most devastating threat; we need to invest in a strong response system now

Pandemics, not war, biggest threat to humanity

Ebola was worrisome; the next epidemic could be far more lethal

But we can cope if we build a strong response system

Benefits of such a system will far outweigh costs

We should start now

We worry about nuclear war...

But pandemics are more threatening

We had no system for Ebola...

But we were lucky to suffer only 10K deaths

The next one could be far more lethal

We have science and tech tools

Also, the Army gives a useful model

We need 5 systemic initiatives to prepare

System costs estimated to be modest

If we don't we could lose millions of lives and trillions of dollars in GDP losses

# How do you build bridges between the world's two largest democracies





### Understanding the Story Context

Who	Narendra Modi
When	September 2019
Where	NRG Stadium, Houston, Texas, US
Who was the audience	Primary: Indian American attendees, NRIs in the US Secondary: Indians back home
What was the objective	To reiterate India's commitment to democratic values, share the progress achieved by the government over the past 5 years, and outline the future growth agenda, challenges and appeal for participation in the progress
What was the mode	Rousing speech in front of a stadium packed with cheering audience

https://www.narendramodi.in/text-of-pm-modi-s-speech-at-indian-community-event-in-houston-texas-

# Decoding the #HowdyModi speech in Houston, Texas



# 1 slide summary of the #HowdyModi speech (22-Sep-19)



India matters - given its diversity, democracy and development; we've achieved a lot over the last 5 years, but we have a long way to go... and look to your support

2. ...Also, India is

developing at a rapid pace

I appreciate those who made this event happen Spirit of Texas Dignitaries, present audience 1.3 Bn Indians **Event** 

organisers, people who couldn't get ticket, admins our heritage (Modi speaks in different languages) India has diff. languages, religions, cuisines We're world's biggest democracy 610M voters, 80M first time voters

Highest women

women MPs

voters and highest

1. India's

diversity and

democracy

make it

special...

Unity in diversity

lives of poor Better coverage of services Rural sanitation: 38% to 99% Cooking gas: 55% to 95% Rural roads: 55% to 97% Bank accounts: <50% to100%

**Improving** 

(that's why our govt. came back with a higher majority) **Improving Improved** business governance ease Passport: Ease of 2-3 weeks doina to <1 business week New Co. regn: 2-3 weeks to <24 hrs Cheap data Tax costs returns and refunds

Open Article 370 defecation This is 1,500 troubling those who're archaic laws biggest Multiple terror taxes(preexporters GST) Trump's doing great Corruption job in fight against terror Removed Removed 3.5L

dubious

companies

80M fake

names

Farewell to

the bad stuff

growth 5 yrs. Low inflation. fiscal deficit FDI doubled from '14 -'19 Lower corporate tax would further

incentivise

7.5% avg.

3. Despite

uncertainties our

economy has

done well

\$5Tn economy \$1.5 Tn infra

spend

4. We still

have a long

way to go

Poem:

of

Mountain

difficulties

... is also

tower of

my spirits

NRIs India's engaging better with NRIs (MADAD, e-migrate, etc.) US Same democratic values Similar

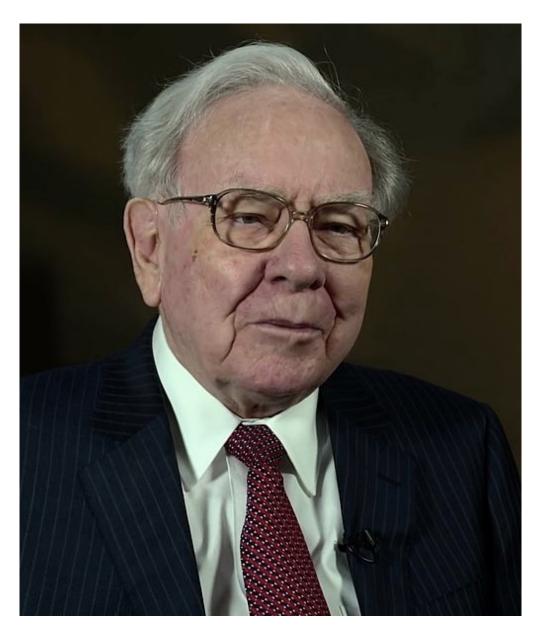
Pt.B

5. We are all in this journey together

resolutions

# How do you share the secrets to a stunning career of investing success





### Understanding the Story Context

Who	Warren Buffett
When	2019
Where	Shareholders letter published online
Who was the audience	Primary: Berkshire Hathaway shareholders (existing and potential) Secondary: Investing public in general
What was the objective	To celebrate Berkshire's stunning performance achievements and unveil the factors that led to its success
What was the mode	Written letter with just a few tables for numerical backing

### The 'Big Story' for Berkshire Shareholders letter (2019) Berkshire Hathaway has consistently outperformed, driven by its unique structure, approach and American tailwinds; we are likely to continue doing so ...Driven by Structure, Approach and the Economy Consistent outperformance... Pt.A We normally On the Tailwinds: start with 2 Approach: Longmeasures that Structure: Our 'forest' of The term focus: measures; but matter, we're five 'groves' American they've lost prudence doing great Economy relevance Our whole is greater than sum of its parts In last 77 yrs, Measure 1: Net 1. Operating Grove 2: Grove 5: Grove 3: Grove 1: Focus on long-S&P outdid profit: \$4B earnings: \$24.8 Non-Equity Co-owned Insurance term gold 100X, B (41% up from Insurance investcompanies business shareholder -Wild swings driven by : \$1.3B 2016) businesse - not very ments: not the Street due to new American \$3.9B in profitable s - \$16.8B post tax or Analysts **GAAP** rules Tailwind , but dividends post tax (a Measure 2: (not Grove 4: provides better 2. Market price: Pt.B Be prudent -Share Book \$20B in valuable counting measure Outperformed debt can Growth likely value 'float' than much treasury S&P to continue enhance bills & funding to 'Adjusted more in handsomely 3 reasons over next 77 results, but other EBITDA' retained other debt why its lost yrs.; Continue can also be entities earnings) as buffer relevance to invest in us fatal

# How do you make India's biggest ever platform launch announcement





### Understanding the Story Context

Who	Mukesh Ambani and others
When	July 2020
Where	Virtual presentation – Reliance Industries AGM
Who was the audience	Primary: Reliance Industries shareholders Secondary: All of India (and the world!)
What was the objective	To launch Jio Platforms (the biggest ever product ecosystem India has seen) and get the audience excited about the possibilities
What was the mode	Virtual presentation with use of backdrops, VR, multiple people talking et al

https://www.moneycontrol.com/news/business/ril-agm-2020-heres-the-full-text-of-mukesh-ambanis-speech-5551401.html

# 1 slide summary of Reliance AGM Speech (15-Jul-20)



### In incredibly tough times, Reliance has impeccable financial strength, with unprecedented future growth to be driven by 3 engines

Despite tough times, our financial strength is impeccable...

P&L is great

100K Cr group EBITDA, up 10%

Growth from Retail and Digital (Their EBITDA up 49%)

Balance sheet even better!

> 213K Cr capital raised; net debt free

Marquee investors like FB. Google, PEs, Wealth Funds

... with unprecedented future growth prospects driven by 3 engines:

1. Digital: Future Star

Two strong pillars...

Digital Connectivity

- Mobile broadband
- •Jio Fiber: 1Mn homes connected
- Enterprise broadband
- SME Broadband
- Narrowband IoT
- •(Soon to come) Complete 5G solution from scratch

Digital Platforms

- Capabilities
  - •4G/5G
    - Cloud computing
    - •Devices and OS
    - Data Analytics,
    - •ML/AI, VR/MR
    - Blockchain
    - •NLU, Computer vision
    - •To be deployed across industries
    - Export potential
- •Product demos: Jio TV+, Jio Glass, JioMeet and (soon) 5G Tech
- •To transform Edu and Healthcare

... getting strengthened thru Global partnerships

- Microsoft Cloud computing
- Facebook: Whatsapp integration for eCom
- •Google: To develop low-cost 4G/5G smartphone for masses

Media and Entertainment consolidation to become largest listed entity

2. Retail: Rising star

Reliance Retail

•162K Cr rev and 10K Cr FRITDA

- Largest and most profitable in retail
- More than 2/3<sup>rd</sup> stores in Tier 2/3/4 cities
- •80% fruits and veg from farmers

JioMart

enabled P'ship between producer, kirana.

•Tech

- brands. buyers •Beta
  - version in 200 cities
  - •250K order

a day; scaling

3. Energy: Old star, learning new tricks

Strong growth in tough times

Record 55K Cr **EBITDA** 

90% cap utilisn; 2.5X export growth

With bright future ahead

- Aramco deal
- •BP p'ship and investment
- Net carbon-zero by 2035

We'll create more Growth **Engines** and grow with India

- Partnerships will drive this
- Demonstrated ability to raise capital
- •Record performance with 31% mkt cap CAGR since
- Continue to invest and grow with Reliance

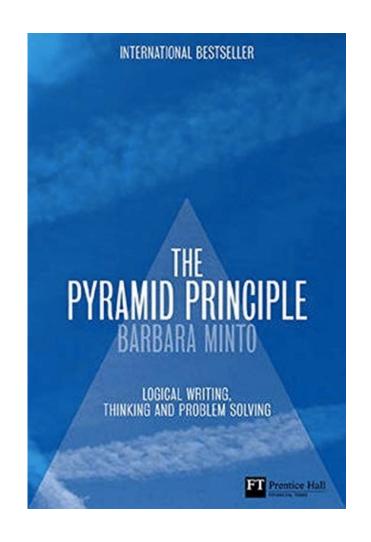
1977

Pt.B



### **Further learning resources**







COURSE BY RAVISHANKAR IYER

https://storyrules.thinkific.com/



# BEST OF LUCK! @

ravishankar@storyrules.in 9920550827



in https://www.linkedin.com/in/ravishankar-iyer/



# Bonus! - Amazon Shareholders letter (April-2019)







https://www.linkedin.com/pulse/deconstructing-critiquing-amazons-shareholder-letter-ravishankar-iyer/