Bitesize Business Breakthroughs





...solve thorny business challenges in the time it takes to drink a cup of tea

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Are you putting the persuasive power of numbers to work in the right way?

It's maddening, isn't it, when a customer doesn't order your product or service – even though it is obvious that they'd be better off if they did?

And what about your team? Have you ever been frustrated by colleagues who fail to hit their performance targets and who miss their production numbers, sales targets or quality standards?

It could be that the way in which you communicate the relevant numbers prevents you (and them) from attaining better results.

Are you doing everything you can to make your numbers crystal clear?

The importance and power of numbers...

You use numbers every day to communicate with your colleagues and your customers.

In terms of those numbers, which of these would you like to improve this month?

- $\hfill\square$ Sales targets and results
- Production volumes
- Return on investment



- $\hfill\square$ Quality standards or rejects
- $\hfill\square$ Sales lead conversion rates
- □ Gross profit
- Number of customers
- Website page visits
- $\hfill\square$ Webpage click-through rate
- □ Profitability
- Cash-at-bank
- Customer loyalty

Choose your number-based priority from the list above. Next, you'll need to work out how to communicate your numbers in a way that helps you to get better buy-in from your people, enhancing your chances of improving your results.

These numbers are important, so what is the best way to effectively communicate them to your audience?

When your numbers are easier to **understand**, easier to **retain** and easier

to **repeat**, it becomes easier to get people on your side, achieving what you want to achieve.

IN A NUTSHELL

Using anything other than the smallest numbers often leads to less clarity and more uncertainty. The use of larger or more complex numbers can create misunderstanding, confusion and insecurity. Decision-making will be more difficult, and demotivation and inaction will be the (bad) result.

Use small numbers. Use simple numbers. Or use stories instead. Get better at communicating numbers and your numbers will get better!

Beware the supervillain...

The curse of knowledge is the supervillain in any communication – especially when numbers are involved.

When experts are asked to communicate something that they themselves understand inside out, they can wildly overestimate the clarity with which they are sharing that knowledge with their audience. Likewise, you may have a thorough understanding of the numbers you wish to communicate to your client or to your team, but is this being done with clarity?

Try tapping out the beat to your favourite pop song (without humming the tune) to a friend and ask them to guess the song. I'll bet they can't, even though it's blatantly obvious to you! That is the curse of knowledge.

Numbers can reveal truths about the world that the human mind does not intuitively grasp, but only if you can avoid the curse of knowledge and become a translator of numbers.

Take your audience from confusion to clarity.

To succeed, be a translator...

At best, everyone's brain processes numbers like a second language, so it pays to see numbers as something requiring translation.

A PROVEN SOLUTION FOR YOU...

Translate complex numbers into simple numbers or, even better, into stories, and your customers and colleagues will start to see the value and importance of the numbers you're sharing.

When you build the skills of translation, you get your message through to your team and your customers so that you get their buy-in, followed by a positive decision and a commitment to action.

Try this thought experiment that's designed to help you understand the difference between a million and a billion:

You and a friend each enter a lottery with several large prizes. But there's a catch: if you win, you must spend £50,000 of your prize money each day until it runs out. You win a million pounds. Your friend wins a billion.



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How long does it take each of you to spend your lottery windfall? You can quickly work out that your prize of £1million runs out after just 20 days, as 20 days x £50,000 = £1million. And your friend?

He or she would have a full-time job spending £50,000 a day for – wait for it – 20,000 days, or 55 years! Surprised by the difference? I was.

In their landmark book, *Making Numbers Count*, Chip Heath and Karla Starr use this exercise to show that:

"I billion–1,000,000,000–is a number. We might think we understand it because it's right there, in black and white, but it has so many zeros that our brains fog up. It's just "lots". - Chip Heath and Karla Starr, Making Numbers Count

How much bigger is a billion than a million? A million seconds is 12 days. A billion seconds is 32 years!

One, two, three, lots...

Few people really understand numbers (except accountants) because our brains evolved to deal with very small numbers, not large ones.

Long before our human brains developed numerical systems, we used a process called *subitising*. This means we instantly recognise 1, 2 or 3 objects at a glance, and up to 4 or 5 if we're lucky. Roll a die, and we might be okay with 6.

For example, you don't count 3 goldfish in a bowl, you just **know** there are 3 fish – that's *subitising*.

Beyond these small numbers, our brains generally turn to words such as many, numerous, several, loads, lots, tons, bags, oodles or masses. But when you accept that few of us really understand numbers, you know it's time to find ways to communicate your numbers in a clearer, simpler, more impactful, more human and more influential way.

Here's how...

User-friendly numbers work best...

When a number is easier to understand, easier to retain and easier to repeat, it's more likely to influence the people you want to influence.

Here's an exercise from *Making Numbers Count* by Chip Heath and Karla Starr. You've got 90 seconds. Glance at List A for a few seconds, close your eyes and say the numbers out loud. Repeat for List B.

List A	List B
2,842,900	3 million
5.73 times bigger	6 times bigger
9/17	1/2

Which list was easier to remember? List B is easier to deal with in every way. By rounding numbers you make them "small" - 3, 6, ½ - all are easier to

understand, easier to retain and easier to to repeat.

Small, simple, memorable!

STOP - taking numbers at face value; stop taking numbers for granted

START - working out how to make numbers small or simple, or turn them into a relevant story for your audience

Make numbers personal and emotional...

Eliciting an emotional reaction when you share your numbers shows that you're cutting through the clutter and humanising your numbers.

Below is an interesting example from Heath and Starr's book.

Think about the emotional reaction you have to the numbers in the top cell of the table below. Compare this with your reaction to the same numbers shared in a more personal way in the bottom cell:

There's a 20% chance of experiencing a mental illness in a given year, and a 50% chance of being diagnosed with a mental illness in your lifetime.

Imagine sitting at a conference table and realising that "for every 5 people at conference, 1 of you will be diagnosed with a mental illness this year.

At some point in your lifetime, either you or the person across from you will be diagnosed with a mental illness."

Stating things in a personal and emotional way has greater impact, don't you think?

It's about turning numbers into a relevant story for your audience.

Also, notice how the example in the bottom cell introduces time to help make the explanation more concrete – everyone has a clear concept of 'this year' or 'your lifetime'.

Time is a powerful measuring stick. Below are further examples of the measuring stick approach.

Build connection - use a familiar measuring stick...

Numbers on their own can be unclear or simply confusing. So use a relevant measuring stick or scale to express your message.

Measuring Stick Example 1:

If 97.5% of the world's water is salt water, then 2.5% is fresh water. And if 99% of fresh water is trapped in glaciers and snowfields, then how much can we drink?

The maths says that 0.025% of the water on planet earth is drinkable.

This is a complex figure. Can you easily understand how precious fresh

4 helping hands for you...



With a little thinking and planning you can avoid the *curse* of *knowledge*. You can get your message and your important numbers over to your audience in a way that has real impact, connection and emotion, and which will bring about the decision and action you want.

Use the 4 helping hands, whether your audience are customers, team or family:

- 1. Accept that most people find numbers confusing, especially larger numbers or those that are more complex, such as fractions and ratios.
- 2. Become an effective translator of numbers invest a little time and thought in making your numbers smaller, simpler, more relevant and instantly recognisable to your audience.
- 3. Use concrete examples, relevant measuring sticks and scales that make sense to your audience reference something your audience already has some familiarity with, such as the length of a football pitch or the time it takes to boil an egg; it should be something your audience naturally recognises.
- 4. Build an emotional story and the numbers might not have to show up at all.

Reading this report and the additional suggested resources and downloadable tools is a great first step in simplifying and making sense of numbers. Planning helps too. But having a go before your next customer or team meeting will get you started.

GET YOUR BITESIZE SUPPORT TOOLS NOW https://businessbreakthrough.online/simplify-your-numbers-toolsand-resources/

drinking water is on planet Earth? Try this instead:

"Imagine a 4-litre jug filled with water with three ice cubes next to it.

All of the water in the jug is salt water. The ice cubes are the only fresh water, and humans can only drink the drops that are melting off of each." - Chip Heath and Karla Starr – Making Numbers Count

Measuring Stick Example 2:

The report that the 2020 Australia wildfires destroyed an estimated 46 million acres, or 186 square kilometres, is factual, but it doesn't help us understand the scale of the destruction. It just sounds like 'lots'.

The surface area of England and Scotland combined is roughly 200 square kilometres, which gives you a rough idea of the devastation in Australia. You have a relevant measuring stick.

Measuring Stick Example 3:

If you want to measure the speed of animals, a familiar measuring stick would be Usain Bolt and his best time at 100m - 8.65 seconds in the anchorleg of a 4 x 100m relay, or 26mph. He'd be second to a black rhino, who can run the same distance in 6.55 seconds - Bolt would be 80 feet behind (or trampled!). A chimpanzee running on all four short legs would only be 11 feet behind Bolt! As for you and I, we'd lose just racing the chimpanzee.

When you translate large numbers into small numbers, and small numbers into simpler, clearer, easier to understand numbers with a measuring stick to help, you get information that is easier to understand, easier to retain and easier to repeat.

Measuring Stick Example 4:

The UK government debt is £2.5trillion (£2,500,000,000,000) – a huge and virtually meaningless number to most human brains. But this figure translates into £36,000 per person across the UK. If carefully managed, £2.5trillion now feels like an amount that could be paid off, like a mortgage, over 15-25 years.

Measuring Stick Example 5:

A 1% wage rise sounds insulting after the hard work and commitment the nursing community put in during the pandemic. If a newly qualified nurse starts on a salary of £25,000 a year, that 1% increase would translate into just under £1 per working day, about the price of a first-class Royal Mail stamp. Is it any wonder the nurses were disgusted?

What measuring stick or scale can you use to make your numbers easier to understand, easier to retain and easier to repeat?

TIME TO DISAGREE:

"It seems like hard work translating numbers into something to which people can have an emotional connection."

It's a good thing that this looks hard to do – if it was easy, everyone would do it, and you'd fail to secure a competitive advantage from this valuable skill.

However, as with all new skills, it seems harder than it actually is. You may stutter and stall to begin with, but you should be able to master it after a few attempts.

All you need to do is give it a go. For example, it can be as simple as changing the way you share a statistic about habit change at a dinner party with 6 or 7 friends, a statistic that states that 6 out of 7 people fail to change their routines after a heart attack. Instead of sharing that hard data, why not look round the table and share the information that, if we all survived a heart attack, only 1 of us would successfully change our routine.

"Is it really my fault if people just don't understand the numbers across our business?"

It's nobody's fault!

It's just that the brain, because of the way it has evolved, struggles to make sense of numbers larger than single digits. And so we as leaders and managers, or as sales and marketing, accounting or HR professionals (basically everyone in business), need to take this challenge into account if we're going to get through to our audience in a way that elicits their buy-in.

Numbers are, at best, everyone's second language. The better you are at translating numbers, the better your business's results.

ULTIMATE ARGUMENT:

"We have a simple business, and everyone understands what they're meant to be doing. Do we really need to be better at translating numbers?"

By translating and effectively communicating your numbers to the

people that matter to your business, however simple or complex your business may be, you will be applying the principle of marginal gains - the theory that small yet significant improvements can lead to better results overall.

And hopefully this report highlights how many of us are guilty of the *curse* of knowledge when it comes to talking numbers, which should encourage us to think about our audience when sharing information.

Translating numbers so that they actually connect with our audience ensures that we underpin the future success of our business. Let's give it a go...

Want to know more?

Heath and Starr map out 18 different skills you can use to effectively translate numbers into an emotional connection that works for your team and your customers. By making your



numbers simple and small and by using measuring sticks and stories, you are well on your way to mastering the science of *Making Numbers Count*.

Heath and Starr's book is a simple and brilliant tool to help you build an important business skill - one that can transform your results.

GET YOUR BITESIZE SUPPORT TOOLS NOW

https://businessbreakthrough.online/simplify-your-numbers-tools-and-resources/ Use these tools and resources to discover how to master the skills of simplifying and making sense of the numbers in your business and transform your results.

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