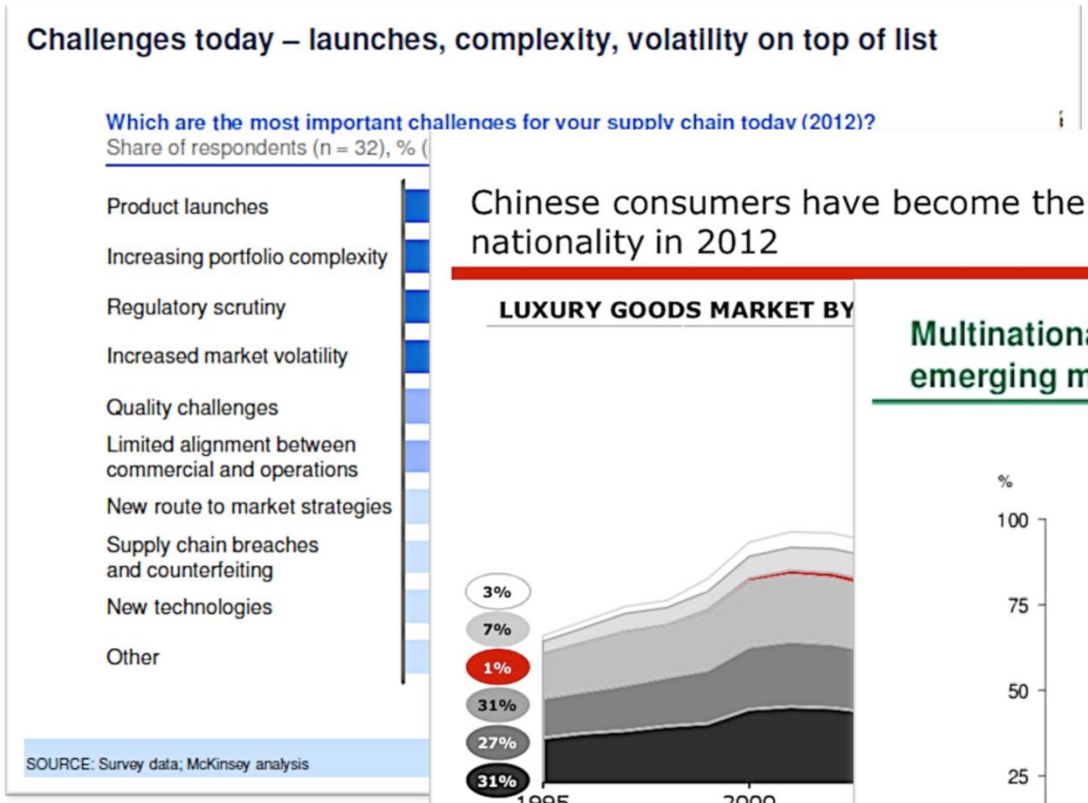
The art of PowerPoint communication

How to build presentations for consulting

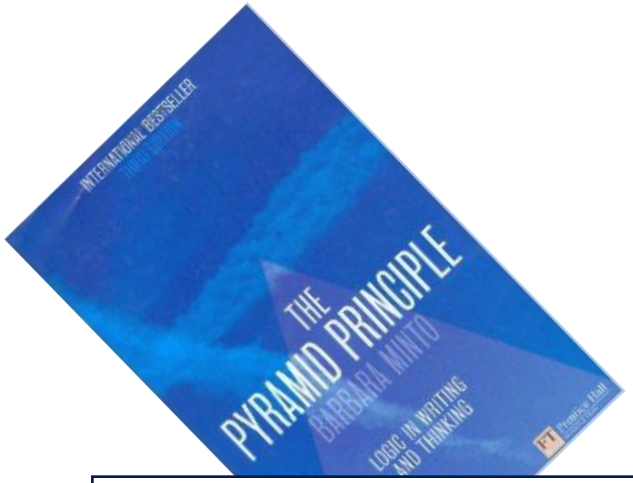
October 2015

The PPT presentations of the big three consultancies all abide to the same principle – The Pyramid Principle



 Source: McKinsey & Company; Bain & Company; Boston Consulting Group

This presentation aims to distill the principles of Barbara Minto's bestseller book in to concrete instructions for your PPT presentations



The Storyline

How to frame the story and present it in the most compelling way

The Argument

How to build the argument with the pyramid principle

The Structure

How to structure the slides for optimal communication

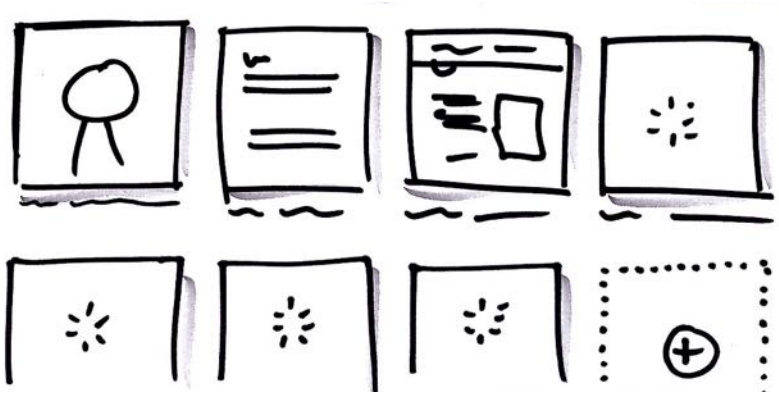
 Source: The Pyramid Principle

One story can have many versions – the way you frame it should match with the kind of response you wish to get from the audience

Why a storyline?
A compelling storyline serves to grab the attention of the audience

You		Audience
• Total immersion in the problem • Lots of ideas and facts to share • Specific needs from the audience - Buy-in - Feedback - Data - Information	<u>Your goal</u> Present ideas and arguments so they can be comprehended (1.) With least mental effort (2.) In the least amount of time	• Busy and distracted • Might not know the issue in detail • Are new to the facts and ideas • Don't know where you're going • May be skeptical

How to craft your story?
Use a storyboard sketch to lay out your storyline slide by slide

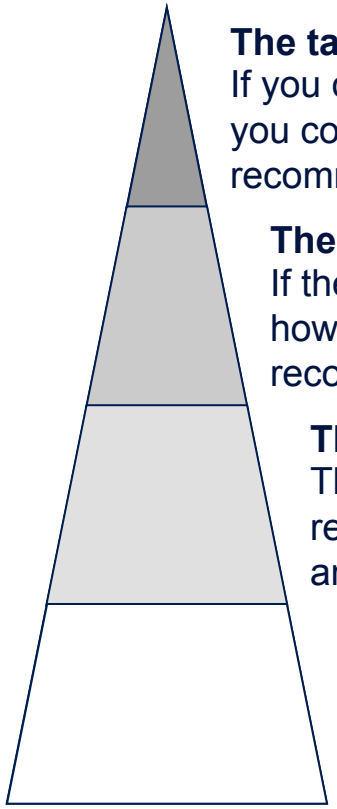


- Use a blackboard or blank paper
- Brainstorm what slides you will need to effectively communicate your story
- Arrange the slides chronologically
- For each slide sketch the main ideas
- Ready, set, go! Build the slides!

 Source: Driving Strategic Impact

The key objective of the presentation is to communicate your recommendations and conclusions effectively

Structure your writing so that if the audience leaves any time, they will still get the most important points



The tagline
If you only had 15 seconds, how would you communicate your recommendation

The executive summary
If the audience only sees one page, how would you communicate your recommendation

The pack
The story that communicates your recommendation by simple charts and illustrations

The appendix
The place for details and back-up; data, calculations, process clarifications etc.

In business communication you usually want to start with the conclusion first, and then present your supporting arguments



- Tell about your journey – regardless of how much effort you put in to it!
- Show detailed analyses and complicated models – save them for the appendix



- Communicate the key conclusions and recommendations
- Cut your deck down to the minimum needed to tell your story
- Show simple graphs and illustrations to support your arguments

 Source: IES Development Limited

Consultants typically start with the resolution first, and then build out the story with the situation and complication

Situation, Complication, and Resolution (SCR) is a framework to communicate your story

Situation

A recognized and stable situation that the audience agrees with!

Technology advancements has enabled touch screens, mobile internet, high resolution etc.

Complication

Raises a question or a change to the statues quo!

The consumers show a latent need for a cellphones with more capabilities

Resolution

The response that will capture, alleviate, resolve etc. the complication!

Introduce smartphone that enables the consumer to have one device for all purposes

You can change the sequence of SCR depending on the structure of your communication

Situation → Complication → Resolution
The classic structure; starting relaxed, adding stress but then calm things down again at the end.

Resolution→ Situation → Complication
The no-nonsense approach. If you do not have time to read the whole story, you get the answer in the first paragraph/on the first slide

Complication → Situation → Resolution
The alarming start that creates a sense of urgency that something ought to be solved

Exercise 1: Imagine that you have completed the project described below, and have to prepare a PPT to present to the company's busy CEO to whom this is new information. Sketch your storyline incl. executive summary, slides and proposed appendixes!

Situation

Garbage&Co is a Chilean company that focuses on transportation of dumpsters from the household to the local landfill sites. It works under government contract, and places large dumpsters around Chile that is then filled with household waste by the citizens. Garbage&Co routinely picks up the dumpsters and delivers them to the landfill sites to be emptied before they are returned back to the citizens to filled again.

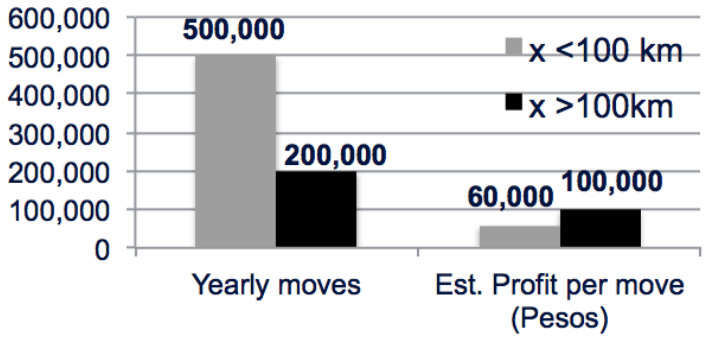
Complication

Your consultancy have been hired to help formulate a market entry strategy into the private moving/relocation industry in Chile. Chile is a very long a slender country, and moving is often a costly affair due to the long distances. The current long-distance moving market is highly fragmented, and it is mostly served by small local moving companies that charges high prices (300,000 pesos) to pack, collect and move stuff between cities located further than 100 km apart.
Garbage&Co is looking to use containers similar to their current dumpsters (to avoid refitting of trucks), by placing them close to the customer, who can then pack his/her stuff in the container themselves before it is picked up and relocate to the new location.

Resolution

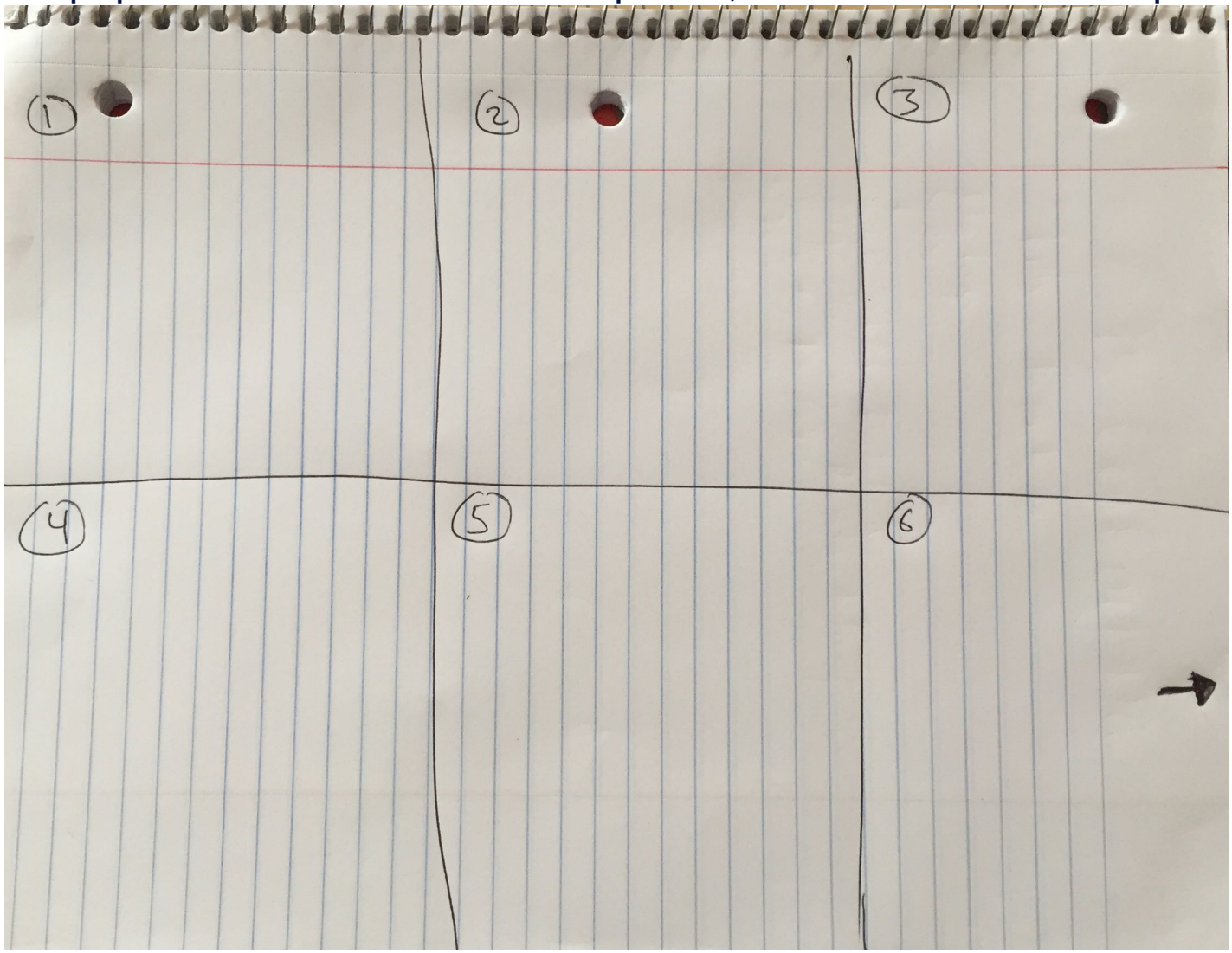
There is an estimated 200,000 yearly moves in Chile above 100 km distance. You're confident that Garbage&Co can capture half of the market resulting in 10 Billion pesos of profit per year (200,000/2 moves per year x 100,000 pesos in estimated profit/move).

How do you best present this golden opportunity at the upcoming meeting with the busy CEO and his board members?

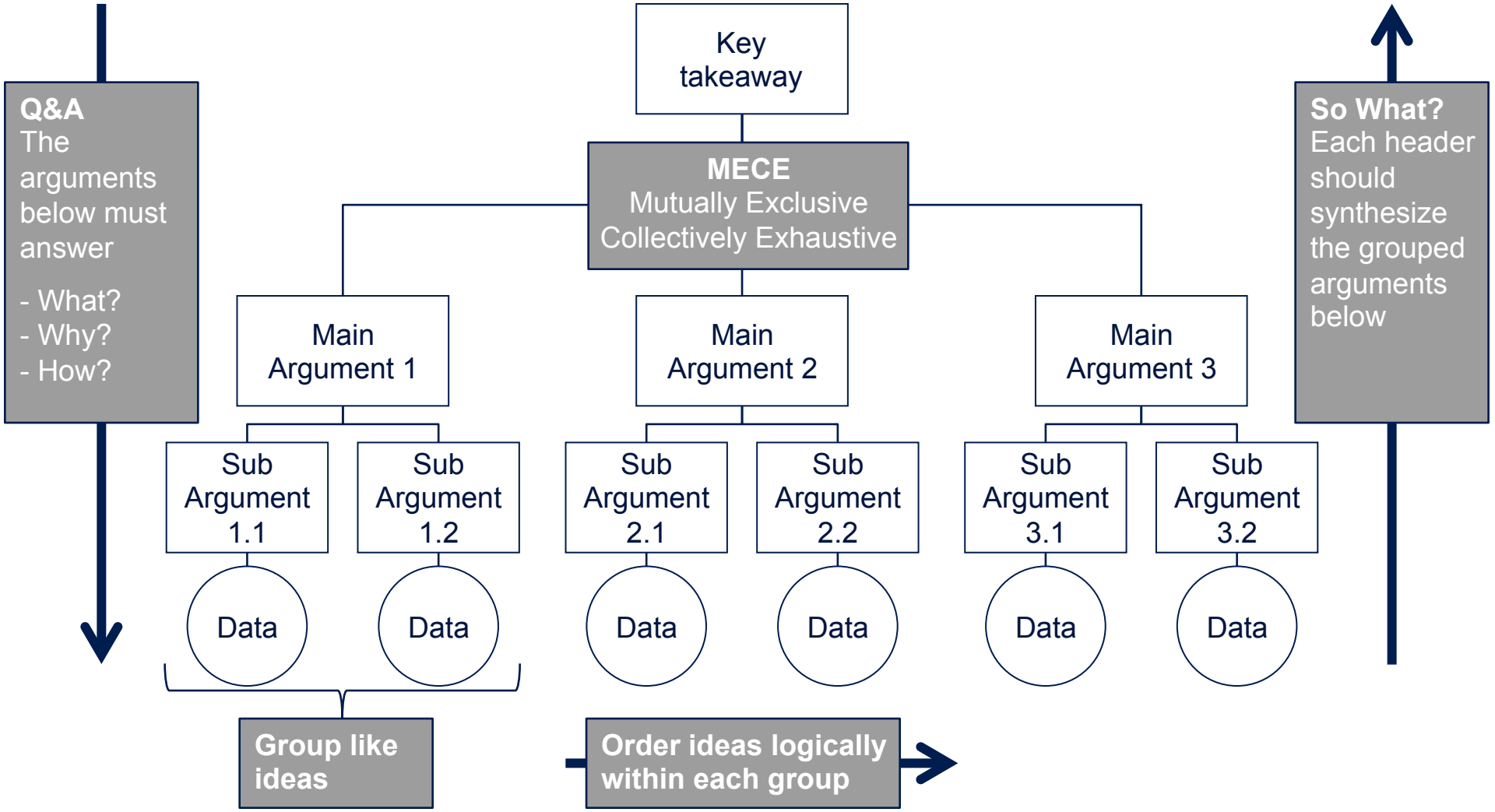


Exercise 1: Sketch your storyline incl. executive summary, slides and proposed appendixes!

Use a piece of paper and divide it in to 6/8 squares, then sketch one slide per square



The pyramid principle is a tool that helps to get the point across most effectively

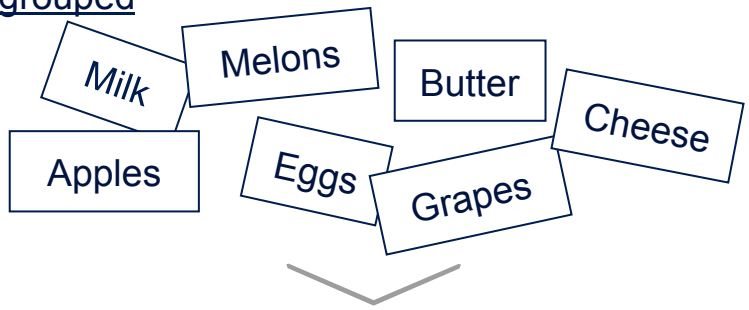


 Source: The Pyramid Principle; Driving Strategic Impact

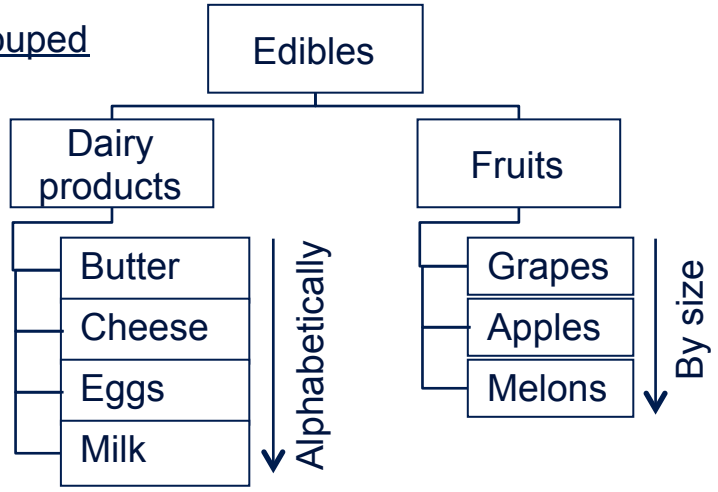
The pyramid principle helps to structure the communication by grouping like ideas and synthesizing with group header(s)

Group the ideas in a MECE structure, and order the ideas in each group logically

Ungrouped

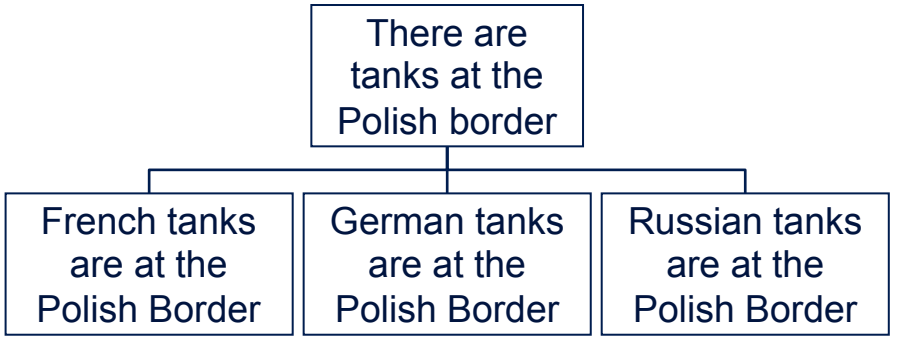


Grouped



Ask "so what" to each of the groups, instead of just summarizing what we already know

Summary



Synthesis (So what?)



* Inductive arguments are far more used in presentations than deductive arguments

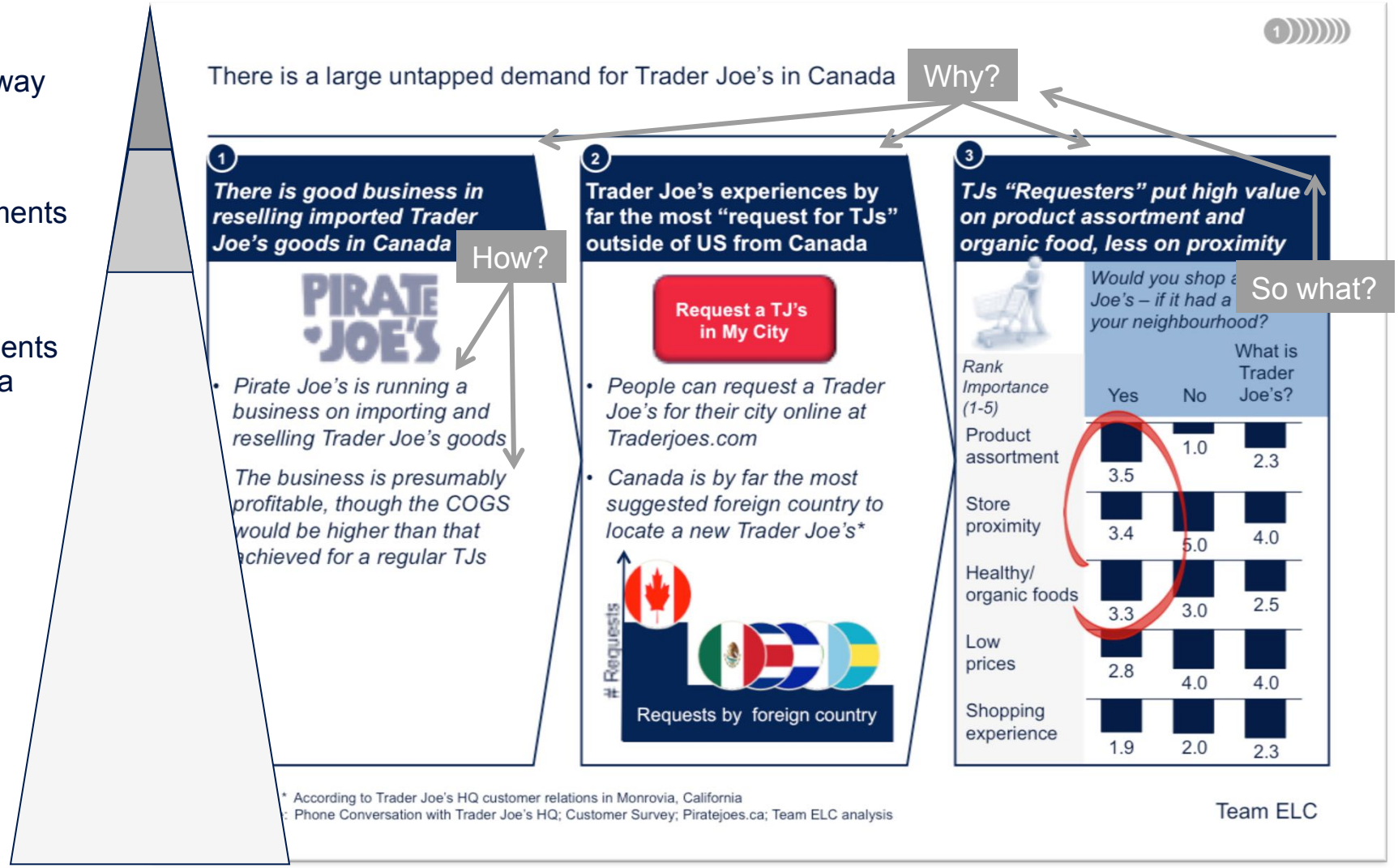
Source: The Pyramid Principle

Each slide is build as a pyramid, with the key takeaway at the top supported by the main arguments below

Key takeaway

Main arguments

Sub arguments and data



11 | Source: The Pyramid Principle; Team ELC, Yale Case Competition

Exercise 2: Below are two examples of communication. Take each of the examples and use the pyramid principle to make the communication clear and structured!

Dear Shirley,

Remember last Saturday afternoon when I was playing in the park with my boyfriend and you came over, and he told me that when my back was turned, you kissed him?

And also, on Sunday when you came to my house and my Mom made you a tuna fish salad for lunch and you said: "Yech! That's the worst salad I ever ate!"?

And yesterday, when my cat brushed against your leg, you kicked her and threatened to sic your dog "Monster" on her?

Well, for all of these reasons, I hate you, and I no longer want to be your friend.

Lucy



I was in Zurich last week, you know what a conservative city Zurich is - and we went out to lunch at an outdoor restaurant. Do you know that within 15 minutes I must have seen 15 people with either a beard or a moustache.

And you know if you walk around any New York office you can rarely find even one person who doesn't have sideburns or a moustache.

And of course facial hair has been part of the London scene for the last 10 years.

Exercise 2: Use this kind of structuring in your everyday life to get the point across. (Email, instructions, arguments etc.)

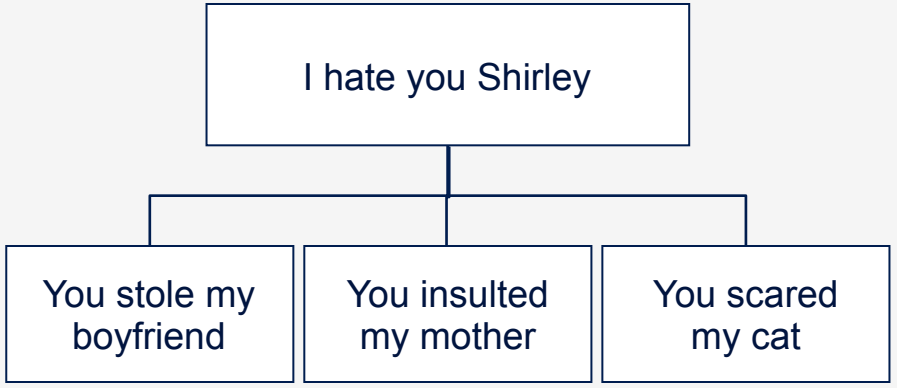
Main statement or "governing thought"

Dear Shirley,

I HATE you. Here are my reasons:

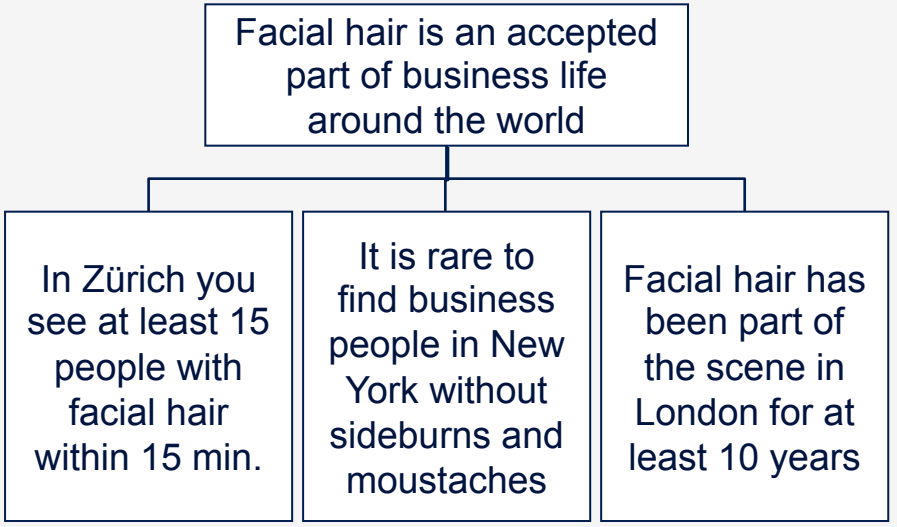
1. *You stole my boyfriend.*
2. *You insulted my mother.*
3. *You scared my cat.*

Reasons supporting the governing thought

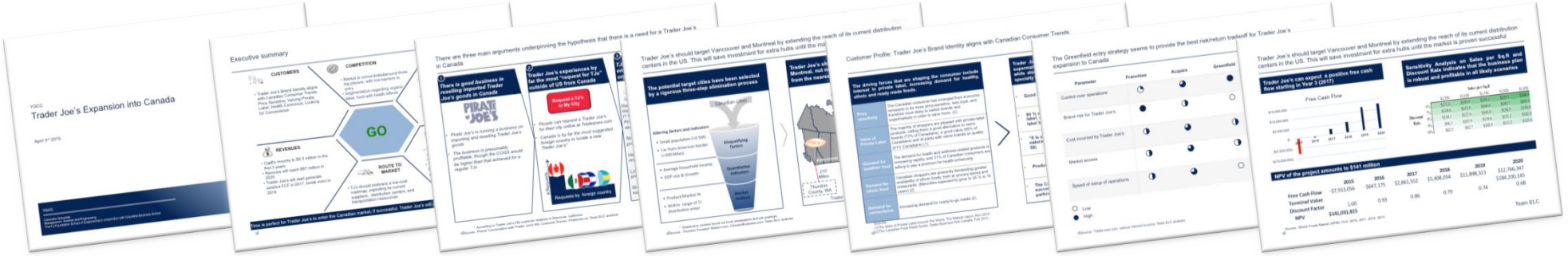


You know it's incredible to me the degree to which facial hair has become such an accepted part of business life.

- In Zurich,
- in New York,
- and of course, London.



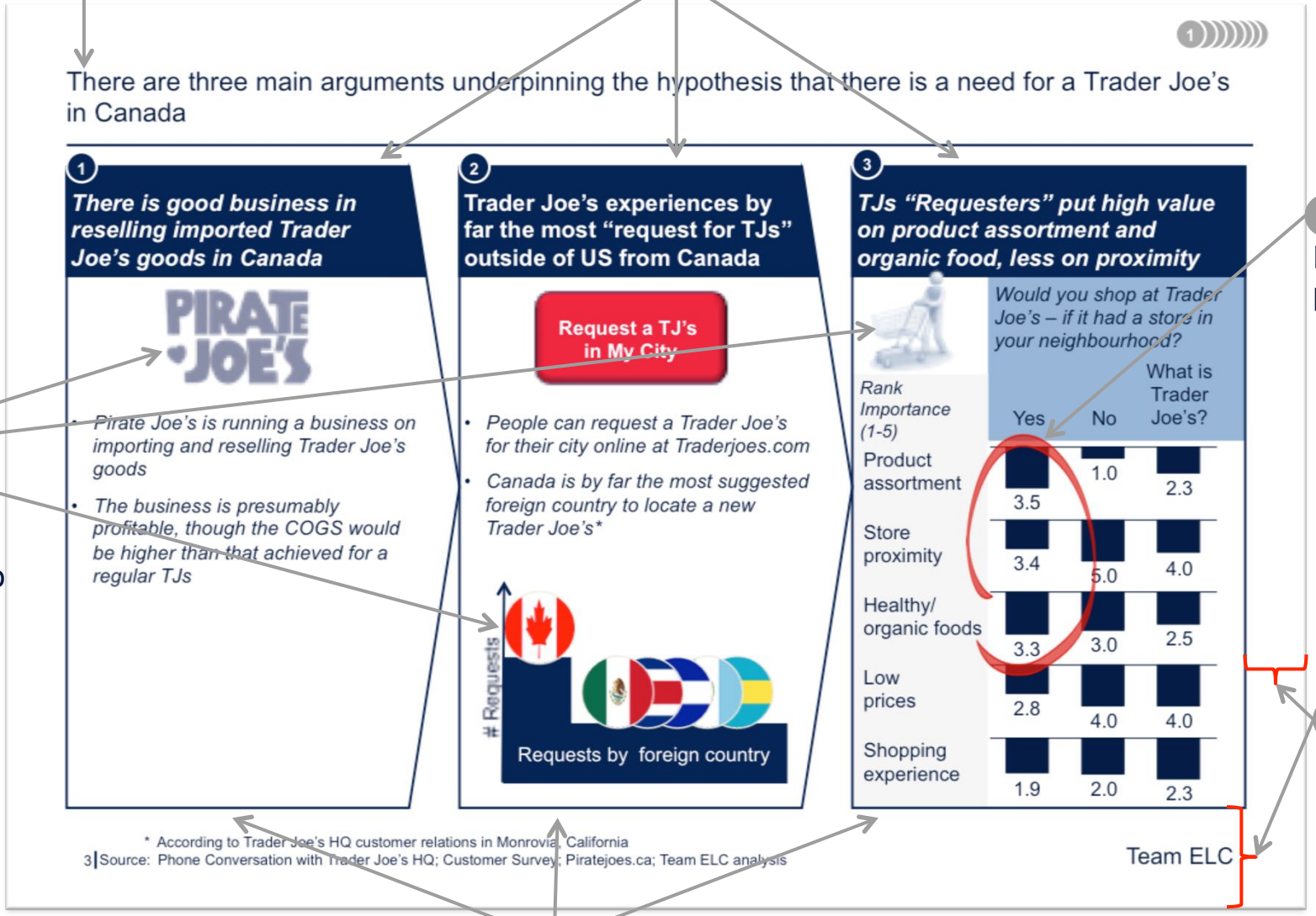
The key to building good slides can be expressed in a simple set of guidelines



1. Key message in header –
not a generic title like "*Market Size*"
2. Have supporting arguments below the header –
make a clear division between different ideas
3. Highlight key points (e.g. use of a circle, bold font, enlarged font size etc.)
4. Leave a small margin around your slide –
i.e. Don't go all the way to the edge
5. Build an evident flow in your slides from left to right – e.g. by use of arrows, pointers etc.
6. Use simple and neat illustrations to support your arguments (pictures, arrows, illustrations etc.)
7. Support your graphs with a logical conclusion, and remember to include units
8. Have a visual tracker that highlights which part of the agenda that is presented, and where you are
9. Keep a consistent color code and font type/size, and keep the same theme throughout
10. Adjust the size of the font to your presentation –
min. 12 pt. for printed and min. 14 for presenting
11. Include notes and sources with small text in the bottom of the slide
12. Ensure that everything is aligned (top, bottom, left, right)

1 Key message in header – not a generic title like "*Market Size*"

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8 Visual tracker

Trader Joe's should target Vancouver and Montreal by extending the reach of its current distribution centers in the US. This will save investment for extra hubs until the market is proven successful

Trader Joe's can expect a positive free cash flow starting in Year 3 (2017)



Sensitivity Analysis on Sales per Sq.ft and Discount Rate indicates that the business plan is robust and profitable in all likely scenarios

Discount Rate	Sales per Sq.ft $1,550	$1,650	$1,750	$1,850	$1,950
6%	$171.6	$190.9	$210.2	$229.5	$248.9
7%	$138.0	$153.9	$169.8	$185.7	$201.6
8%	$114.1	$127.6	$141.0	$154.5	$168.0
9%	$96.3	$107.9	$119.6	$131.2	$142.8
10%	$82.5	$92.7	$102.9	$113.2	$123.4

9 Keep a consistent color code and font type/ size, and keep the same theme throughout

12 Ensure that everything is aligned (top, bottom, left, right)

NPV of the project amounts to $141 million

	2015	2016	2017	2018	2019	2020
Free Cash Flow	-$7,913,056	-$647,175	$2,861,552	$5,408,054	$11,898,313	$12,766,347
Terminal Value						$184,200,145
Discount Factor	1.00	0.93	0.86	0.79	0.74	0.68
NPV	$141,031,815					

Source: Whole Foods Market (WFM) 10-K, 2010, 2011, 2012, 2013

9

Team ELC

10 Adjust the size of the font to your presentation – *min. 12 pt. for printed and min. 14 for presenting*

11 Include notes and sources with small text in the bottom of the slide

Graphs are more than pie-charts and scatterplots

	Correlation	Frequency	Component	Item / Category	Time series
Pie Percentage of total			✓ Pie		
Column/Bar Ranking of items or changes over time	✓ Back to back bars	✓ Column	✓ Waterfall	✓ Bar	✓ Column
Line Changes over time or distributions		✓ Distribution			✓ Line
Scatter Relationships between variables	✓ Scatter				
Mekko 2-variable comparisons				✓ Mekko	
Bubble 3-variable comparisons	✓ Bubble			✓ Bubble	
Gant Project schedule	**Project scheduling**				

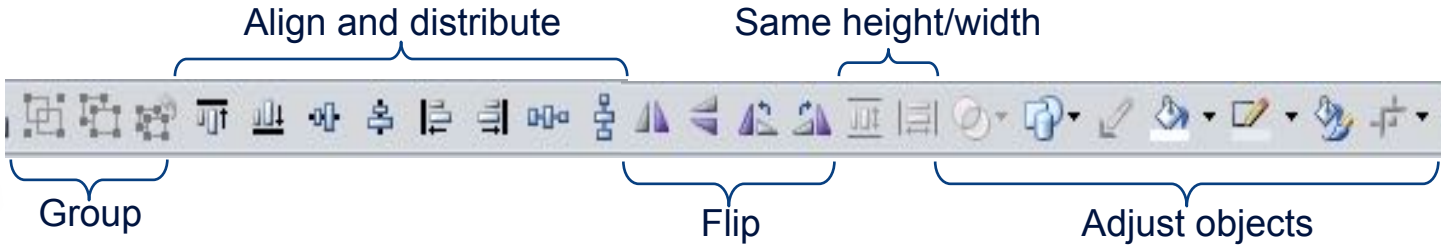
 Source: Say it with charts

Three simple tips to help speed up the construction of PowerPoint slides

1. Use static guides for alignment



2. Include these in your toolbar



3. Save and reuse your slides



The ELC Club