

Excess Returns

Insights for Investment Marketing and Sales Professionals

Presentation Myths and Misperceptions | April 2023

My job at Alpha Partners often combines creating content with coaching on the delivery of investment presentations. Content and delivery. Two sides of the very same coin, right? One would certainly think so. Yet I often encounter erroneous thinking on this point. This issue of *Excess Returns* considers the downside of seemingly inspired delivery without strong content.

With best wishes,



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Founder

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Alpha Partners is an investment marketing firm offering custom research, marketing communications and presentation coaching. Our goal is to create alpha (excess returns) by helping investment firms win, keep and diversify assets under management.



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Three Myths

Before presentation coaching sessions, I always interview participants to ensure that I understand their goals for becoming better presenters. Recently, a portfolio manager told me that he aspired to develop a more “charismatic” presentation style.

“Charisma” is a tall order. I think of charisma as a certain ineffable magic that cannot be manufactured. After his request, I looked up “charisma” and found these two meanings:

1. Compelling attractiveness or charm that can inspire devotion in others, and
2. A divinely conferred power or talent.

“Divinely conferred.” Hmmm ... Can I really help this person become more charismatic in presenting his company’s investment strategy? The answer is yes I certainly can. But not for the reasons one might imagine. To my way of thinking, content creates its own charisma. Yet strangely, in the highly competitive investment world, I routinely encounter three myths that prioritize delivery over content:

Myth #1: Style Trumps Substance

What I now think of as “the charisma challenge” troubled me for a while without my understanding why. Becoming more charismatic certainly is a reasonable goal. Then I realized that the concept of charisma relates to a widely held myth about presenting: the notion that content doesn’t matter as much as delivery. *Oh come on Liz*, you might think, everyone knows that content and delivery are equally integral to an excellent end result. Don’t they? But I’ve seen several surveys over the years finding that style matters more than substance. A recent *Wall Street Journal* article¹ cites such a survey, concluding that “Just 11% of whether someone is an effective speaker comes down to content ... The rest can be attributed to the passion a person displayed and the presence they commanded.”



Style takes root and grows in the rich soil of substance.

Such surveys always make me smile. What are we supposed to do with this information? Spend 11% of our time honing content and 89% on improving delivery? I'm all for passion and presence. But try, just try marshaling such attributes on a foundation of mediocre content. Or content irrelevant to the audience. Or content marred at every turn by clichés and truisms.

Instead of prioritizing one attribute over another, one should step back and ask the following very simple question: *Why are some presenters so filled with passion and presence? Probably because they have great content, they know it's great and they believe in it.*

To my way of thinking, style without substance is Dead on Arrival. This is particularly true in the investment industry where competitive differentiation represents an immense challenge. I have often seen enthusiastic presenters telling the exact same story as their competitors: long-term perspective, intensive bottom-up research, collaborative team ... yada yada yada. A novice audience might buy the enthusiasm. But to more sophisticated ears, such presenters likely will be perceived as naïve and unconvincing—no matter how strong their delivery.

Myth #2: Scripting Should Be Avoided

Appearing to be unscripted (i.e., conversational) and actually being unscripted (aka winging it) are two very different things.

Because those representing a specific investment strategy in essence are giving the same core presentation over and over again, one would think that scripting delivery at least once as a foundation would pay long-term dividends. Yet I've found that some presenters avoid scripting because a boss or colleague has told them scripting leads to robotic delivery.

And there are real risks with scripting. One can take so long scripting that one runs out of time to practice conversational delivery. A script can become a tightrope where forgetting a key phrase leads to a bad fall. And finally, a script can indeed result in sounding robotic.

But the risks of *not* scripting far outweigh the risks of scripting. Scripting can help you avoid digressive comments while ensuring that your presentation considers potential tough questions. The risks of scripting, moreover, can easily be avoided through disciplined practice moving from a script to a straightforward conversation structured around a few salient points.

Myth #3: The Presentation Book Doesn't Really Matter

Investment professionals often tell me, "Oh, we never really use the presentation book." But of course they really do (or should) use the book in many different and important ways: to succinctly answer complex questions, to provide a clear framework (especially during online presentations), and to fulfill requests for a copy of the book before and after meetings. In [The Deciding Vote](#), I describe a situation where an investment company lost business solely based on the presentation book.

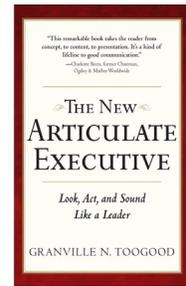
So what is the source of this "the-book-doesn't-matter" mindset? On the one hand, I can't help but see it as a particularly pernicious manifestation of disingenuousness in favor of style. On the other hand, just as with being script averse, there are good reasons for being book averse. An unskilled, nervous presenter might read verbatim from the book, eliminating any possibility of human contact. Many investment decks are too dense to guide an effective in-person presentation and thus require highly selective delivery. And finally, some audiences prefer book-free delivery.

These are all valid considerations. But the presentation book nonetheless provides a tangible record of your investment strategy and thus plays a vital role in building assets under management.

So what happened with the portfolio manager who wanted to be more charismatic? During the coaching sessions, we worked on avoiding clichés and developing specific examples of the investment philosophy and process. But overall he did a superb job: his delivery was well-organized, thoughtful and highly articulate. Was he charismatic? I honestly didn't notice one way or the other because his content was so darn good.

By the Book

For more thoughts on the role of the book, I recommend the following chapter in Granville N. Toogood's *The New Articulate Executive | Look, Act and Sound Like a Leader*: "How to Make a Powerful Deck Presentation: Going by the Book." This chapter provides several guidelines for how to use a book effectively: (1) open and close without reference to the book, (2) introduce the next slide while the book is still open to the previous slide and (3) avoid text-heavy pages that invite the audience to read "sentences, phrases, and bullets while you are trying to speak." Mr. Toogood also provides an instructive horror story about what can happen when presenters misuse a presentation book. See [Does the Presentation Book Matter?](#) for further suggestions.



Respect for Logic

There are many reasons why I have found *Wall Street Journal* columnist Peggy Noonan's advice to be invaluable over the years: her emphasis on the need for specific examples ("specificity is the soul of credibility"), her practical suggestions on preparing to present and, perhaps most of all, her insistence on the primacy of logic (another way to think about substance).

"The most moving thing in a speech," Noonan writes in her book, *On Speaking Well*, "is always the logic ... the thinking behind your case. A good case well argued and well said is inherently moving. It shows respect for the brains of your listeners." In explicitly discussing the importance of substance, she is adamant: "Style is not a replacement for substance, and cannot camouflage a lack of substance."

1. "How to Become a Better, Braver Public Speaker," *The Wall Street Journal*, October 17, 2022.

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