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EXERCISING LEADERSHIP

Why Owners Should Strive to 'Overcommunicate' With Staff Now

There's no such thing as too much communication—or so many leaders and advisors in human resources circles believe.

According to Richard Friedman of Friedman & Partners (www.friedmanpartners.com), that is the right belief. In fact, during tumultuous times, it is best to strive to overcommunicate with your staff, he said. Friedman's firm provides marketing and management consulting services to architecture, engineering, and construction firms, but his observations make sense for CPA firm leaders as well.

"If you're not fully engaged with your staff, no news is not good news. On the surface, that seems like a no-brainer. But we need to err on the side of overcommunication when uncertainty and stress levels are sky high for many firms."

In his work in the architecture and engineering community, Friedman observes that it is often the firms which are struggling the most that lack internal communication. Unfortunately, this is a problem facing many professional services firms.

Why is communication often lacking? Friedman ponders this question:

"Can this be attributed to weak communication skills of some industry leaders? A belief that staff members are so deep in the trenches they don't have time or don't value frequent updates from the 'front'? An unfounded, 'bury-your-head-in-the-sand' feeling that everyone is doing just fine?

"Whatever the reason, information sharing within firms has not, and never will be, optional in an industry that sells knowledge and expertise to clients and seeks to retain that expertise as long as possible."

What to share. Information that can be most helpful to share with staff will vary by the kind of firm, by services and niches, by firm culture, and other factors. Some areas Friedman suggested to consider include:

- The level of competition in your market(s). Competition is certainly heating up for new business and also to keep hold of existing clients. Staff need to understand the context of what is happening so that they can learn about new marketing and service needs—and so they can understand the firm's stance in the market and the strategy to support that stance.

- An update on implementation of the firm's strategic or marketing and business development plan.

- Announcements of new engagements for new and existing clients.

- Market or competitive intelligence that can aid the business development process.

- Anecdotes of employees going the extra mile for the firm or a client.

- A candid, conservative estimate for the firm's financial outlook in the new year.

- The rationale for any needed reductions or elimination of employee benefits.

How to keep communication a constant.

Friedman suggests these ideas:

- "Fireside" chats with staff to field questions, address concerns, and share information.

- A timely internal newsletter with information

from partners and staff that focuses on "good things" going on in the firm. These can include new engagements and prospects, and personal information such as births, CPA exam passage, certification in specializations, and so forth. This newsletter can be issued when there is good news to share, rather than on a regular schedule such as each month.

- Emphasize the mission statement. Many CPA firms that are successful communicators are sending the message about the firm's values and vision on a regular and varied basis. The mission is communicated in reports on how the firm is doing in progressing toward achieving annual goals and strategic plan steps, new business, new hires, and so on.

As Friedman says, a new year offers new chances for change. Stepping up communication now will set the tone for a year that is focused on recovery and enhanced staff development. □

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