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INCREASING MARGINS

Communication: Why It Is the Secret to Boosting Productivity and Profits

Communication with staff and with your fellow owners is far more important than you may realize—and there can also be a powerful financial incentive to improving the skill. Why? Because if you communicate well enough, often enough, and openly enough, people around you will be happier and more productive, leading to a more profitable firm—and more profitable partners.

For these reasons, *PR* is always interested in suggestions and insights that can help owners enhance communication, which is never a finished process. Along these lines, we share some observations and suggestions from a presentation at the Association for Accounting Administration's recent national practice management conference. (If you have not yet accompanied your firm administrator to one of these conferences, we recommend it—the partners we speak with who do attend come back with lots of ideas to enhance practice management.)

The presentation was made by consultant Bill Reeb, who assists CPA firms with a range of practice-management issues with a particular emphasis on succession planning and implementation at CPA firms.

The more things change ... "There's a lot of negative talk about young people today," Reeb said, and that is the basis of a lot of miscommunication issues.

Reeb believes that today's young people are the same in many ways as the current crop of partners and other firm leaders were way back when. "We don't remember how our baby boomer generation was when we were young," Reeb observed and reminded the audience what the world—and they—were like in the 1960s and 1970s when most of today's owners were young. What was said about that generation in its youth is quite similar to what is now being said about Generation Y, Reeb noted. But it isn't so much that Generation Y is different; instead what has changed is the perspective of those in the leadership role. Recognizing and understanding this reality will help you when you are trying to communicate with your firm's newest generation of staff.

Members of today's younger generation are perfectly fine with working hard, but Reeb reminded attendees that what has changed significantly in 30 years is the environment in which your staff and you, for that matter, are living. The familial support mechanisms that were present in earlier generations (a grandmother available at a moment's notice to stay with a sick child or help with family errands, for instance) is less likely to be an everyday reality for 20- and 30-somethings who are raising a young family. And many young families have two wage earners, requiring more time to balance life demands than when there is only one working parent.

This environmental change is the basis of the need for flexibility and balance, Reeb noted. It is likely that you experience it yourself, even if you do not have small children: Everyone is overscheduled these days.

Being patient and understanding about how this change affects everyone at your firm is a good starting point for working on your communication capabilities.

Learn to listen—and to hear. Building good listening skills is a central part of the communication process, for though you may really mean to try to improve it, you won't succeed if communicating is not a two-way street.

Reeb pointed out that we are all poised to talk again while the other person is speaking, rather than really listening to what is being said. Simply being aware of this can help you shift the focus off waiting to speak and instead onto really listening and hearing what the other person is saying.

Other tips Reeb recommends to enhance your listening experience: Ask questions, don't interrupt, and "let them empty their bucket." In other words, let people have their say. "They won't listen to you until they've had a chance to say what's on their mind. Then they'll listen."

In addition to listening to the words that others speak, you need to be more aware of nonverbal communication. Body language, including the direction and length of a person's gaze while interacting with you, the volume and pace of their speech, the distance they maintain between themselves and you—all can communicate to you in clearer ways than the actual words being uttered by the speaker.

Break down gender communication barriers. Perceptions about what you hear—even when you are really listening—can be clouded because of gender differences. Males and females are socialized in different ways, Reeb said. Those differences can create misunderstandings and bad feelings in the workplace, even when the male and female co-worker or partner and staff person are trying hard to listen and hear.

Some differences you should take under advisement when communicating across gender lines:

Males:

- Focus on winning.
- Tend to manage their lives as though they were playing sports.
- Operate in a hierarchy.
- See competitiveness as positive behavior.
- Are taught to disconnect with emotions.
- Are taught that pushing or bending the rules to win is OK.

Females:

- Were socialized without defined rules (playing house, playing school, playing with dolls).
- Don't focus on winning because the goal is friendship.
- See being called competitive as an insult.
- Focus on equity and sharing; status and accomplishments are downplayed.
- Are taught to get in touch with their emotions.

To illustrate how these socialization differences play out in the CPA firm and other workplaces, Reeb listed several common communications and compared how they are presented and received by the opposite gender (see the accompanying sidebar). As you can see, it is very easy to misperceive what you may be hearing from a colleague or staff person of the opposite gender.

Boost your communication prowess. Reeb also made some suggestions that every partner can incorporate into his or her communication style, including:

- **Use your eyes.** Remember the point about body language? Your body language communicates too. When you are in a meeting with a group, be sure to make regular eye contact with each person at the meeting. Pay attention to your own responses and behavior as well.

● **Lose the ego.** When you are communicating with others, make it about them, not about you.

● **Remember the management and leadership basics.** Dealing with change, behaving as both manager and leader—and many owners are called upon to be both in some capacity in their firms today—has a communication component as well. Making people feel important and as though their view counts, working together to correct mistakes instead of seeking a place to assign blame, and, when necessary, critiquing an action—never the person who acted—are all important approaches for all owners to embrace in their communication overhauls, says Reeb.

All this probably makes a lot of sense to you. But you may also be thinking that it involves a lot of hard work: to be constantly aware and to alter your perceptions, actions, and reactions. This is indeed hard work, Reeb said, but when you consider the returns in terms of retention, building a workplace culture, and profits, it is well worth the investment of your time.

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The Association for Accounting Administration (www.cpaadmin.org) 

Do You Know These Gender Perception Differences in Communicating With Your Staff and Partners?

Contrary to what your spouse may suggest, men and women don't hear differently—but they certainly do perceive what they hear in different ways. Consultant Bill Reeb described some of these differences in a presentation about communication skills at the Association for Accounting Administration's national practice management conference, including:

When men: Women perceive:

Razz and banter (as a way to connect)	Hostility and attack
Boast and promote (to establish status)	Arrogance and conceit
Act competitive	Inappropriate behavior
Yell or display physical temper	Fear physical harm
Push or bend the rules	Cheating
Bluff	Cheating

When women: Men perceive:

Ask questions and seek input (trying to connect)	Incompetence
Act uncertain or won't assure	Incompetence
Discuss a problem	They are being called upon to fix a problem
Won't banter	Humorless
Make indirect requests	Not direct enough; ignore
Self-deprecate	Weakness

(Source: Bill Reeb, Succession Institute LLC)

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