

Effective Communication within the Workplace

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Effective communication within the workplace is crucial for fostering understanding, productivity, and collaboration among teams within the workplace. It involves efficient exchange of information through clear articulation and active listening while using appropriate channels which leads to faster and more effective decision making in the workplace. Moreover, effective communication ensures that everyone in the workplace is on the same page and working towards the same goals for the organization. Building on the significance of effective communication within a workplace, this paper explores its necessity in the field of accounting, the 'how' and 'why' of effective communication skills, and important aspects of effective communication that accountants need to consider in a business setting.

Effective Communication in Accounting

In the case of effective communication in an accounting position, frequent, open, and ongoing conversations help individuals understand their motivations, strengths, and how they track their work compared to other workers in that respective position. This skill plays a vital role in conveying insights and information about finances to various stakeholders as accountants have to deal with intricate financial statements and concepts (Koski et al., 2004). Furthermore, effective communication skill is essential to conveying financial information and collaborating with colleagues so that accountants can effectively contribute to organizational success. Through mastering this skill, an accountant can enhance their ability to capitalize on financial trends as well as create interactive and engaging content to increase their market presence (Hamilton, 2004).

'Why' of Effective Communication in Accounting

The reason 'why' effective communication is necessary in the area of accounting is that communication in a planned way while considering the purpose helps an individual prevent errors and misunderstandings that could lead to financial losses. It is important in the areas of accounting and finance because it allows accounting data to be reported and used for financing purposes. Another reason 'why' communication plays a vital role in the field of accounting is that this department deals with high volumes of sensitive information about accounts, resources, and finances of the organization which needs to be presented and reported appropriately without any errors and problems to the stakeholders, investors, banks, and management of the organization (Masztalerz, 2016). Thus, it is a crucial aspect of accounting because it ensures collaboration within accounting

teams, efficient conveyance of financial information, analysis and audits of accounting teams, and completion of accounting tasks on time.

‘How’ of Effective Communication in Accounting

The answer to ‘how’ effective communication can be incorporated in the area of accounting is through planning who should be involved, identification of the key messages, conducting complex communication in a planned way, and being direct in delivering the key message. Furthermore, communication is accounting’s core purpose as it involves breaking down complex messages into simple and direct language, providing context to the message, understanding the audience, and being able to answer queries that can be easily understood in a business environment (Hansen, 2006).

Important Aspects for Effective Communication

The basic yet significant aspects an accountant must have for fostering appropriate and effective communication are critical thinking, persuasion, listening, talking straight, time management, and problem-solving. This can be achieved through setting achievable goals, setting clear expectations, and asking clarifying questions. In addition, effective communication in a work setting for an accountant can also be fostered through criticizing in private and praising in public while scheduling regular one-on-one meetings. Some basic aspects for achieving effective communication in any business setting or in the field of accounting particularly for accountant professionals include:

Persuasion

Accounting professionals must be able to persuade others through their communication skills while talking straight so that their ideas and thoughts can be communicated clearly and precisely as persuasion is the ability to influence others to accept one’s ideas. They should talk straight while avoiding jargon so that their recommendations and proposals based on sound financial analysis can be accepted.

Context

Good communication always has a certain context that involves tone of voice, clarity, and simplicity. In the field of accounting, context is very important when communicating financial ratios and trends to non-finance individuals in a business setting. For instance, a non-finance professional does not know what a decline in return asset means and what significance it offers for the daily work of accounting in an organization. Furthermore, they do not know how the specific team goals impact the line items when a finance professional presents them because non-finance professionals do not know

the necessary level of knowledge and background information on accounting and finance (Stowers & White, 1999).

Critical Thinking and Problem Solving

Critical thinking and problem solving are significant aspects that a professional accountant should be well-versed in so that they can analyze problems in financial dealings. The accountant should be able to analyze financial data and develop solutions to problems so that they can be communicated easily and effectively. For achieving critical thinking in the business setting, accountants can hold meetings and cross-functional check-ins to understand the needs of others and respond appropriately.

Conclusion

In a nutshell, effective communication has a core purpose as it involves much more than the words an accountant uses but the strategy that can be used for stress management and avoiding misunderstandings in a business setting. It not only ensures that financial information is being conveyed to the relevant investors and stakeholders accurately and efficiently but also enhances respectful client relationships. By communicating effectively within accounting teams, accounting professionals can coordinate their efforts, guide the organization through any major change, and align internal accounting or finance teams. Thus, effective communication is a vital skill in the business setting that accountants, managers, workers, and all individuals working in an organization in any capacity should need to polish.

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