

## Accountability— It's Just What the Doctor Ordered

By August Aquila

You may think that creating a culture of accountability in your firm is an impossible task. In reality, it may be one of the simplest things you can accomplish *if* you understand what accountability is all about, stand your ground and follow a process. Firms with a high degree of partner and staff accountability are among the most profitable and best firms to work for.

Firm success today requires that partners and staff focus their energies on achieving the firm's goals. It's like a military campaign. Everyone on the battlefield is accountable for their role in the overall battle plan. Ask yourself this: How well would your people carry out your battle plan? Chances are, there is room for improvement.

While it is critically important to clearly define your goals and outline the actions needed to achieve them, accountability can only be achieved one employee at a time. So, here's the secret to a creating culture of accountability: change behavior of each individual in the firm.

### **There are no excuses**

When we think about accountability, we often think about someone holding a large club over our heads. Or we think about having to explain why we did not do

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## Strategic Planning for Internal Communication

By Janet A. Meade

Most CPA firms understand the importance of strategic communication with clients. These firms recognize the importance of developing strategic plans to guide longer-term decisions, including coordinating strategies for external communications.

When it comes to internal communications, however, fewer firms exercise the same discipline. Instead, decisions regarding the content, timing and channels of communication within the firm often are left to the individual communicators. The unfortunate result is that the firm's message comes across as disorganized and incongruent.

While there are many reasons why firms lack strategic plans for internal communication, there is no question that having strong internal communications adds value. Good communication brings a coherence to the workplace and allows for better coordination. Staff are more productive because they understand their role within the firm, and they know that their contributions are important. They also share a sense of belonging, not just to their practice area or department, but to the firm as a whole because they feel privy to what is going on.

Effective internal communication doesn't happen by chance, though. It takes planning, organization and commitment. The typical hurdles of busy season and tax deadlines have to be placed in perspective so that communication doesn't break down. Internal communication processes cannot simply be implemented and then left alone; they must be adaptive to change. Most important, they must emerge from, and be guided by, the firm's mission and business strategies.

### **Internal communication**

Internal communication encompasses both overt communication, like meetings, e-mails and newsletters, as well as more casual forms of communication, such as office pleasantries, gossip and body language. Collectively, these forms of communication define the firm's internal communication culture. Strong internal communication cultures are those that promote a shared identity among staff and a sense of belonging. They breed loyalty and motivation. They transform a place of work into a place of collaboration and connection.

Creating a strong communication culture isn't particularly difficult. But it does require an internal communication strategy that drives the types of behaviors needed for long-term business success. For most firms, this strategy can emerge by following six steps.

### **Step 1: Assess current communication culture**

The first step in developing a strategic plan for internal communication is to assess the current state of the firm's internal communication culture. Strong internal communication cultures generally are ones in which employees are encouraged to think, question, form independent judgments and take responsibility for changing the way business is done. These cultures are also ones that regularly use multiple channels to keep employees informed, not only about the firm's activities, but also about their individual performance. The starting point in this assessment, therefore, is to look at the firm's internal communication in terms of its key messages and channels of delivery.

The key messages most firms need to communicate to staff are its mission and business strategies. There are several techniques that can be used to determine whether staff are familiar with these messages, including surveys and focus group interviews, but one of the best methods is to simply walk around the office and listen. Observe the staff's attitudes and behaviors, both in formal meetings and informal conversations. Are they able to articulate the firm's mission? Do they share a common

vision of the firm? Are they responsive to each other's needs? Do they understand the firm's business objectives and how their contributions fit in?

In addition to the firm's mission and business strategies, other key messages relate to the firm's policies and procedures, particularly those that guide workplace behavior. Are staff educated about proper e-mail and phone etiquette? Does the firm have guidelines for online social computing? Does it train staff about the importance of protecting confidential and proprietary information?

To be effective, the firm's messages must be received. Because the same message can have a dramatically different level of understanding, interest and impact depending on its timing and channel of delivery, an assessment of the firm's current internal communication culture must also include an examination of the channels used to convey the firm's messages, together with their frequency of use. Strong internal communication cultures are those that consistently use multiple channels to communicate common themes about the firm's key messages. They are also ones that reinforce these messages with congruent behaviors and decisions. If one of the firm's key messages is client service, then that message must be conveyed at staff meetings and incorporated into performance appraisals, emails, Webcasts and the many other channels used in the firm for communication. The message must also be reflected in the actions of the firm's leaders, for incongruent behavior can quickly

undercut even the best communicated verbal messages.

### **Step 2: Review history and resources**

The next step looks at the firm's communication history and resources, noting changes that may have occurred in its leadership, as well as whether it has undergone a merger or been acquired by another firm. Mergers and acquisitions, while primary tools for revenue growth, often leave firms with inconsistent communication cultures. Also, consider how the firm's structure, be it functional or hierarchical, affects the flow of its communications. If the firm is large or its workplace is populated with virtual workers, its internal communication needs are likely to be greater than those of a smaller, more traditional firm. The nature of the firm's client engagements also should be noted, as more complex engagements are likely to require a higher level of collaboration among staff.

After examining the firm's history, turn to the firm's communication resources. At many firms, e-mail and instant messaging are the principal tools of internal communication. Also popular are shared workspaces, Web conferencing, online video, intranets and discussion boards. While these electronic communication tools are unlikely to replace face-to-face meetings or phone conversations, their growing dominance is likely to continue as newer social media, such as blogs and wikis, enter the workplace. Incorporating these emerging technologies into the firm's communications requires financial,

technical, institutional and human resources. Ask whether the firm is prepared to handle these emerging communication tools and whether it has the necessary resources to integrate them with its existing communications.

Finally, spend some time understanding the demographics of the firm's staff. Differences in age, race, ethnicity, religion, culture and gender can all affect the way they interact. For example, younger workers tend to favor interactive media with immediate feedback. They are often unwilling to wait for information to find its way to them. In contrast, older workers generally prefer traditional communication channels and face-to-face dialogues. Understanding some of the key differences in the way the firm's staff prefers to communicate will go a long way towards defining a communication culture that reduces office misunderstandings and conflict.

**Step 3: Define desired communication culture**

After gaining a good understanding of the firm's current internal communications, it's time to define its desired communication culture. The goal here is to visualize the type of internal communication culture that would enable the firm to better achieve its mission and business objectives. While the specifics of this culture are likely to depend on factors such as the firm's size, organization, resources and staff, the ideal culture should be one that fosters collaboration, loyalty and innovation. Four characteristics are central to such a culture:

1. *A strong internal communication culture is characterized by trust.* Trust is difficult to manufacture, particularly in the workplace. Yet, it can arise when its members are open, honest and responsive. Remember, communication is not just about the message; it is also about the sender and receiver. When the parties trust each other, the message emerges clear and free of hidden meaning.
2. *A strong culture values its members.* One of the best ways to convey value is to recognize the individuality of each member of the firm. Addressing staff by their first names, celebrating their personal and professional milestones, assigning them to challenging engagements, recognizing their contributions and respecting their uniqueness are all effective means of communicating value.
3. *A strong communication culture consistently uses formal channels to keep its members informed.* Nothing destroys trust faster than rumor, so regular communication is essential. Equally important, this communication must be consistent across channels and communicators. Incongruent messages feed gossip, rumor and dissatisfaction.
4. *A strong culture involves its members.* Involvement can take many forms, but at a minimum, there must be formal mechanisms for input and feedback. Surveys, grievance forms, performance appraisals, suggestion programs and open forums are all effective methods for involving staff. But involvement does not have to stop there. When the firm's communication culture is receptive to input from its staff, informal

**Figure 1: Sample Internal Communication Matrix**

Message	Channel	Direction
Organizational issues ... ... ... ... ...	Staff meetings E-newsletters Intranet Web conferencing Online video Presentations	Downward
Team task matters ... ... ...	E-mail Instant messaging Meetings Phone calls	Downward/upward
Project management ... ... ...	Wikis Intranet Enterprise software Electronic whiteboards	Downward
Performance appraisals ... ... ...	Intranet Meetings E-mail Instant messaging	Downward/upward
Casual exchanges ... ... ...	Face-to-face Phone calls Instant messaging Social networking	Sideways

modes of involvement will also emerge.

#### **Step 4: Outline communication tactics**

This step is perhaps the most difficult as it requires building a bridge between the firm's current internal communication culture and the desired culture. Construction of this bridge begins by creating a matrix of the firm's internal communications, with each communication characterized in terms of its message, channel and direction (see Figure 1: Sample Matrix).

Most internal communication contains several interrelated messages. For classification purposes, these messages can be characterized as concerning either organizational issues, team task matters, project management, performance appraisals or casual exchanges. These communications also can be characterized according to their channel of delivery. Among the most popular channels are electronic applications such as e-mail, instant messaging, intranets, Web conferencing, online video and e-newsletters, as well as personal collaboration *via* meetings, phone calls and presentations.

The firm's internal communication can also be characterized according to its direction. Downward communication typically educates staff about the firm's mission and business strategies, as well as informing them about personnel policies, operating procedures and team assignments. Upward communication generally provides feedback about things happening in the firm, such as project status

reports, staff suggestions and grievances. Sideway messages are peer-to-peer conversations, such as office greetings, casual exchanges and gossip. These messages, while seemingly innocuous, are often the most difficult to harness.

Armed with this matrix of the firm's internal communications, it's time to identify areas that need improvement. Start by determining whether the channels used to deliver the firm's key messages are appropriate. Follow this with an assessment of whether feedback from the staff regarding these messages is being received and whether it is used in shaping future messages. Also, check the direction of the firm's communications. If too many messages are flowing in only one direction, it's a clear sign that something needs to change.

For each identified area, develop a tactic or specific action for addressing the observed communication weakness. In developing these communication tactics, keep in mind the firm's resources and workload. Also recognize that some communication weaknesses will take time to correct and that they may require multiple tactics. It's important, therefore, to prepare a timetable for implementing each tactic and to assign responsibility for completing different tactics to different members of the firm. This approach not only reduces the likelihood of conflict, but it also increases the probability of broad-based support for the firm's internal communication strategy by allowing for multiple inputs and a shared sense of direction.

#### **Step 5: Review and implementation**

The firm is almost ready to put its strategic plan into action. The only remaining step is circulating the plan among those responsible for implementation so they can provide their input. This step, which often is overlooked, allows the firm's marketing, technical and human resources staff to consider how they will be impacted by management's chosen tactics. Left unaddressed, these coordination issues may erupt into turf battles.

Deadlines should to be established and enforced so that staff can prioritize their review and provide timely feedback. The preferred channels for providing feedback also should be communicated. If the firm has an internal blog or wiki, one of these collaborative communication tools might be used when circulating the plan and receiving feedback. Other suggested methods for soliciting and receiving feedback include the use of open forums, surveys and online discussion boards. Remember, the goal of the plan is to improve the firm's internal communication culture, so this review step is an excellent opportunity for promoting collaboration, coordination and open communication within the firm.

Once feedback has been received, it should be evaluated along these key dimensions:

- It should provide a holistic improvement to the strategic plan.
- It should be consistent with the firm's key messages and desired internal communication culture.

- It should be feasible and within the scope of the firm's financial, technical, institutional and human resources.

Feedback that fails any of these tests should be returned to the sender with a clear explanation as to why the suggested comments could not be adopted. Nobody likes to be ignored, particularly after having been asked to provide feedback. It is essential, therefore, that all feedback be acknowledged.

After incorporating the accepted suggestions into the plan, it is time for implementation. Depending on the scope of the plan, implementation might start quietly, with just a few key staff members involved, or it might involve announcements across several communication channels, with a much broader reach. However the plan starts, the important thing is for the firm to clearly and consistently communicate its commitment to improving internal communications.

#### **Step 6: Monitor, evaluate and update**

Internal communication, by its nature, is an ongoing process. The last step of the strategic plan, therefore, is to monitor, evaluate and update the plan. Monitoring starts with the implementation of the plan, and it provides feedback as to whether the plan's communication tactics are being carried out on time and as intended. It also identifies what adjust-

ments are needed. While monitoring the plan's progress can be the continued responsibility of the plan's designers, it can also be shifted to an administrative staff member who reports back to the plan's designers or the firm's managing partner.

Evaluation follows the monitoring process by determining whether the tactics are moving the firm's internal communication culture in the intended direction. Formal mechanisms of evaluation include annual surveys and focus group interviews. While both of these mechanisms are good, their reliability is improved when they are combined with random samples drawn from the firm's oral and written communications. Staff meetings, online discussion boards, e-newsletters and conversations in office corridors are all great ways to sample the content and tone of the firm's internal communications.

Monitoring and evaluating the effectiveness of the firm's strategic plan, however, is not the end. Internal communications are organic in nature. Consequently, the plan needs to be updated periodically to accommodate the firm's growth and the emergence of newer communication technologies. Tactics that aren't working will need to be replaced, while others will need to be modified. The updating process, while not as extensive as the development stages, is a critical part of the plan because it keeps the firm's internal communication strategy on track.

#### **Conclusion**

Most CPA firms have good internal communication. What they lack is the kind of communication that sets them apart from their competitors. Often, the work product of one accounting firm looks markedly similar to that of another. As such, it is difficult for an accounting firm to own a unique market position. What the firm can own, however, is a reputation for people who are connected, collaborative and creative. Building such a reputation starts by thinking strategically about the firm's internal communication. Developing and implementing a strategy for internal communication isn't particularly difficult, but if done correctly, it can create an internal communication culture that empowers staff to deliver the kind of client experiences that stand apart from the competition.

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