

Effective Verbal Communication Skills for Finance Leaders



Accountants are generally associated with certain parochial typecasts, and one of the Chartered most long-lasting is that of the bean-counter who is concerned only with numbers. Finance and accounting skills are no less important, however, they are only a fragment of the entire bouquet of skills the today's finance professional offers. Finance Leaders are also frequently assuming the niche positions of decision-makers and corporate leaders, necessitating them to be capable of interacting and networking with a variety of people. The acrobatic act of balancing fiduciary role with a strategic advisory role involves extraordinary set of soft skills. This entails that they need to be excellent listeners, great presenters, analytical, decisive, firm as well as tactful. Read on...

More than ever, the job description of a Finance Leader includes him or her to work as a strategic advisor to the CEO and the Board. A person who can act as catalyst between internal and external stakeholders, someone who is expected to have best in class negotiation skills while maintaining requisite integrity and thus earns the trust of all stakeholders.

This article looks at effective verbal communication skills which are quintessential for a Finance Leader to perform his or her duties effectively as a great leader.



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Effective Verbal Communication

Finance Leaders are increasingly pressured to become world-class communicators and public speakers. They are challenged by the need to communicate complex issues to a variety of audiences. Body gestures, office attire, pleasing personality are no less important part of effective communication.

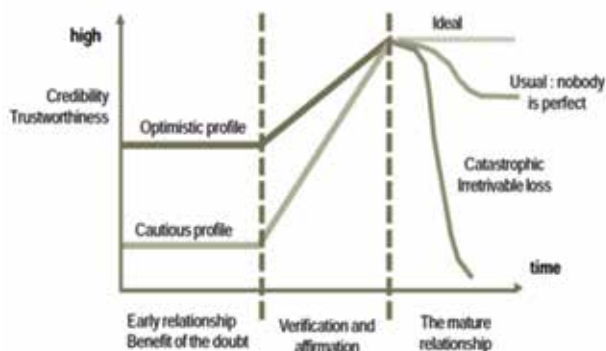
Dale Carnegie in his book '*How to Win Friends and Influence People in the Digital Age*' mentions "There is no such thing as a neutral exchange. You leave someone either a little better or a little worse". Poor ineffective workplace communication typically results in impairment of relationships either immediate or during long term. Some of that damage can be tracked down and fixed, other damage cannot.

Stefano Baldi and Eduardo Gelbstein in their paper '*Jargon, protocols and uniforms as barriers to effective communication*' provides pointers for effective communication. The following diagram given by them (in the next page) attempts to show how credibility and trust develops over a time.

Soft Skills

When you are distressed, the first five minutes are usually the most impulsive. That is the time to pause for a while and think. Assess your mood. If there is any suspicion, nervousness, anger or frustration, then the good idea is to keep mum. If you think you cannot, then mentally rehearse first. This will make you identify statements that may go against your objective.

In their words: *"To make effective communication possible, the concepts of credibility and trust are important. Neither credibility nor trust are automatically and instantly given; they need to be earned. This is why communication with family and friends is much easier than with a stranger. At the early stages of a relationship personal character determines whether we assign someone an optimistic profile of credibility and trustworthiness (like in case of a medical doctor) or a cautious profile (like in case of a door to door salesman). As a relationship develops it can follow many different paths. The diagram below depicts a happy situation where credibility and trustworthiness actually increase during the early stages of the relationship until they reach a high level denoting a mature and stable relationship. Alternately, the mature relationship can involve a catastrophic loss of credibility or trust, which is almost always irretrievable, and implies the end of any meaningful and effective communication."*



Following are some tips for an effective verbal communication;

- **Think Before You Speak**

"Think twice before you speak, because your words and influence will plant the seed of either success or failure in the mind of another." – Napoleon Hill.

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Your anger is your opponent. A Buddhist folktale tells of a young farmer rowing his boat upstream to deliver his produce to the village. As he looked ahead, he spied another vessel heading hastily downstream, right towards him. He rowed frantically to get out of the way, to no avail. He shrieked at the other vessel, "Change direction, you idiot!" It didn't work. The vessel bumped into his with a loud blow. The young farmer was fuming and yelled out to the other vessel, "You moron! You idiot! What is wrong with you?" No one responded, and the young man realised there was no one in the other boat. The lesson is simple. There is never anyone in the other boat. When we are angry, we are screaming at an empty boat.

What we say *impromptu* is something we later generally realise, we had either said it otherwise or had not said it at all. Typically, it happens when we are replying under stressful circumstances or during conflicts and in situations where we are largely driven by untethered impulse. Alleviating this issue is not intricate, however, it does involve behavioral changes. The idea is to mentally segregate when to talk naturally and when to think before speaking and when to be quiet.

Witness yourself and situation - Observe the situations when what you say is not what would have wanted to say, had you given a careful thought to it before conveying. Keep a track of all such events such that you can relate those at a later convenient time and observe if there is any clear trend which can be addressed.

Observe people - Certain individuals are very letter-perfect and some use illustrations. Some add much facial expressions, body movements while some rely on complex *pleonasm*. A lot can be learnt by mere observation which can give you an indication about how to communicate with such person.

Frame your responses - Consider your alternatives. There are diverse subtle ways to convey your message and your aim is to discover

the finest technique that has a positive bearing on listener.

- **Begin with Compliment**

As they say '*well begun is half done*.' The opening words you say establish the mood for the dialogue. Honest expressions of gratitude at the beginning and end of conversation add a lot of value to the entire dialogue. Find out, what you really appreciate about this person. Look for those attributes which you can genuinely admire. Again as they say, *there is something good in everyone*. As soon as you get an opportunity, share your kind appreciation. Just a simple, "*I love your watch -- where did you get it from?*" can get you into an enjoyable conversation about shopping. Even if the compliment doesn't lead anywhere, it will still make the person feel further valued before you start discussing other subjects.

Researchers at the National Institute for Physiological Sciences, Nagoya Institute of Technology, and the University of Tokyo, among other Japanese institutions, have found compliments activate the same region of the brain, the *striatum*, as cash does, and both encourage people to perform better.

The study researchers trained 48 adults to perform a task that required them to tap items on a keyboard in a specific pattern. Then the adults were split into three groups. One group received personalised, individual compliments from one of the administrators of the study. Another group was forced to watch as other people received compliments. The third group was simply meant to evaluate how they did, as participants, on the test.

When the participants returned to the testing facility the next day, all of the participants were asked to perform the finger test once again. The group that received personalised compliments

performed better on the test that day than either of the other groups. Researchers believe that the compliments made them perform better.

- **Be Slow and Brief**

The shorter the message the better it is. It also allows the listener to acknowledge through decipherable subtle responses that the essence has been comprehended. Further, the slowly, calmly and confidently you speak the higher are the chances of listener respecting and trusting your words. A serene voice has a calming effect on a person whereas a hurried, fast voice may induce excitement, annoyance or even panic.

- **Remember Names**

William Shakespeare once said: "*There is no sound so sweet as the sound of one's own name*". You can make people feel special and valued by addressing them with their name. Prodigious communicators remember the names of people they speak with; it's a common saying among politicians "*To recall a voter's name is statesmanship. To forget it, is oblivion*". In some sectors like media, it is imperative for an anchor or a journalist to remember the names of guests, while you are on air you cannot afford to forget names or address them with a wrong name as it could be embarrassing and as well be considered disrespectful.

The following tips can be useful to remember names:

As practice makes a man perfect so is reiteration helps you recall. Simply say sentences which will involve the person's name: "*What are you planning to do next year, Vikram?*", "*How did you feel about that, Vikram?*", "*It was a pleasure meeting you, Vikram*". Using it when you say goodbye is an excellent way of reinforcing the name in your mind for future meetings.

Many of us know about this game called dumb charades wherein a person acts or expresses a word or words without uttering a word till it is guessed by others. There is some science behind how we recall words based on some relation with expressions, acts or what they sound like. This is called association and is one of the best ways to remember names.

You can associate the name with a similar rhyming name or with the meaning it conveys or with someone with similar name or with the place person belongs to, etc. For instance you just met two girls, you met a girl named Kaveri,

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you can associate her name with the river Kaveri. You met another girl named Medha, you can associate her name with Medha Patkar. These are just examples. There could be multiple ways to achieve the same result. Obviously, keep these associations to yourself, as the person might feel offended by what they might see as a comparison rather than an association.

While you work on yourself, you may keep writing the names in your notepad or in your notes app in your handheld device. You may also add something about the person's personality traits, and where and when you met, what location *etc.* Revisiting such information a couple of times will help you freezing the names in your memory.

You may also make use of technology. To name a few, namerize, namerick, nameshark are some apps which can help you with remembering names and related details.

• Don't Criticise

The old Jewish proverb goes "For in the same way you judge others, you will be judged, and with the measure you use, it will be measured to you". The moment you use communication to criticise, the subject of your criticism is forced to defend. Everything you say is then filtered through disbelief. Its long term effect is far more harmful than helpful. In a dynamic environment, you never know when your competitor becomes your ultimate collaborator. A healthy competition should be respected but at the same time collaboration is critical and should be protected.

- **Don't Argue Too Much:** 'Choose Your Battles,' for some issues you have to take a stand considering their materiality and your integrity, but other times it will be more effective to compromise. Todd Duncan in his book 'Killing the sale' describes 10 fatal mistakes a salesperson makes and one of them is 'Arguing'. *"The mistake of arguing is talking too much and listening too little. It's staking your sales success on your ability to state your case in a convincing fashion. It's mastering a monologue and then expecting the jury of your prospects to be convinced to take your side. But arguing only makes certain your sales get a death sentence. And the reason is simple: you can't build trust with a prospect if you're the only one talking. Establishing an initial level of*

In the fast paced world and especially with so much of digital distraction, you may tend to lose your focus, and one of the best ways to regain your focus is by listening. The difference between the sense of hearing and the skill of listening is attention. Good listeners relax and completely focus on listening and suspend judgment until the other person is finished before they create a reply.

trust takes more than flowery monologue. It takes dialogue. It takes actual conversation. There is no other way for you to know that your product or service will meet a prospect's needs."

- **Learn from Different Mediums:** There are some great movies one can learn from. One such movie is "12 Angry Men". It is a 1957 golden bear award winning American drama film based on a teleplay by Reginald Rose. This film shares the story of a jury made up of 12 men as they debate upon the fault or exoneration of a defendant. In USA, the judgment by jury in most criminal trials must be agreed by all jury members. *12 Angry Men* reveals many methods of building consensus, collaborative problem solving, and managing conflicts among a group of people whose personalities are very different from each other. Library of Congress in 2007, selected *12 Angry Men* for preservation in the United States National Film Registry as being "culturally, historically, or aesthetically significant". A very well directed Indian remake of *12 Angry Men* called 'Ek Ruka Hua Faisla' was released in 1986.
- **Use Humour**

"If you're going to tell people the truth, you'd better make them laugh. Otherwise, they'll kill you."

- George Bernard Shaw.

Humour, as per one of the definitions available on Wikipedia is defined as the tendency of particular cognitive experiences to provoke laughter and provide amusement. The term derives from the humoral medicine of the ancient Greeks, which taught that the balance of fluids in the human body, known as humours (Latin: humor, "body fluid"), controlled human health and emotion.

"A sense of humor is part of the art of leadership, of getting along with people, of getting things done." – Dwight D. Eisenhower

Many world leaders including head of businesses, politicians, spiritual leaders and public speakers

use humour effectively. You need not be a comedian to use humour effectively. You only need a good sense of humour. Humour if used effectively, can help you get away from difficult situations and at times let you convey a negative message in an unobjectionable way. Inappropriate humor is off-putting, and can even be frustrating.

In a survey of more than 1,400 CFOs from a stratified random sample of US companies with 20 or more employees done by a Robert Half company Accountemps, roughly four in five (79%) chief financial officers said an employee's sense of humour plays an important role in how well he or she fits in with the company's corporate culture.

Whenever you find something funny around, be it jokes, cartoons, real life examples, videos, pictures *etc*, try and relate them with the issues or points you usually end up discussing with people. Practically, you may write or save them somewhere in your records, assign them to issues and points you discuss and use them as and when required. Slowly, this will become a habit and even without keeping them in your records you will be able to use them effectively.

• **Verbal Faux Pas**

Though the list is endless, Joy Fisher-Sykes says that following Verbal Faux Pas should not be used;

- o *"Let me be honest with you"* (Common variations include *"To tell you the truth,"* and *"To be frank with you."*) should not be used. This phrase implies that, up to now, you've been deceitful or haven't been completely honest-that, in some way, you've been holding back.
- o *"You know"* or *"You know what I mean"* confuses people. This phrase seems common by even the most seasoned speakers, TV personalities, and celebrities. The phrase implies, "It's obvious what I'm trying to say. I shouldn't have to say any more-you know what I mean. Can't you read my mind?" For many, the first thought is, "No I don't know what you mean, please tell me." "You know" is a speech filler which gives the speaker time to think about what to say next.

• **Listening Skills**

The most basic and powerful way to connect to another person is to listen. Just listen. Perhaps the

most important thing we ever give each other is our attention. - Rachel Naomi Remen

In the fast paced world and especially with so much of digital distraction, you may tend to lose your focus, and one of the best ways to regain your focus is by listening.

The difference between the sense of hearing and the skill of listening is attention. Good listeners relax and completely focus on listening and suspend judgment until the other person is finished before they create a reply. If you feel like you might forget a point, just take notes.

Pay attention to what isn't said i.e. to nonverbal signals. We not only listen with our ears but also with our eyes. We pick the add-on information being carried through non-verbal communications like eye-movements, body gestures and facial expressions.

Be unbiased. Every person has a dissimilar way of speaking, for instance some individuals are more introvert than others, some are anxious, some use regional accents, some keep moving their arms *etc*. Don't be annoyed and or let the other person's conduct befuddle you from what they are truly conveying. In more of financial language, pay attention to substance of what is being said rather than getting distracted by the form in which message is conveyed.

It is considered rude to interrupt. When listening to someone talk, abstain from suggesting solutions. Most people don't want your counsel anyway. If they do, they will ask for it.

Listening, like all skills, improves with practice. You can test and practice listening skills online as well. ■

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