

ADDING EMPATHY TO THE BOTTOM LINE

Traditional organisational structures focus on separate and distinct departments in a clear hierarchical reporting structure. This has encouraged the development of specialisation by function where the role of the accountant as financial reporter, corporate policeman and compliance officer is clearly defined and easily understood.

Against this background, accountancy training has concentrated on developing technical excellence almost exclusively focused in the financial area. Whilst this has produced top quality finance professionals with excellent technical skills, it is increasingly recognised that accountants in industry need additional skills to enable them to contribute more effectively in today's complex competitive business environment. These skills fall broadly into three areas:

(i) *Communication*

The best accountants are the ones who are out on the floor getting to know their colleagues.¹

Their traditional conditioning and training means accountants are often more comfortable dealing with rules and principles than they are in areas that involve softer skills. But, as Bernard Pierce and Tony O'Dea observed in the last issue of *Accountancy Ireland*: "For accountants, their status as premier suppliers of financial and related information is best protected and enhanced by being able to put themselves in the position of the users of that information"²

Accountants must bring more proactivity, thought and attention to determining the design and content of the information they produce. This requires the development of good questioning, listening and empathy skills complemented by strong presentation, negotiation and persuasion abilities.

(ii) *Management Skills*

Training has fallen down on the soft skills...including the ability to interact well with clients, with staff and with colleagues³

To take a more active role as trusted advisor within the business, many accountants need to develop their inter- and intra-departmental management



As organisations continue to change and evolve, it is increasingly recognised that accountants in industry need to be able to adapt and to learn new skills. With teamwork now commonplace, the development of soft skills is not just desirable but necessary, explains **Donla Twomey**.

skills. These include team leadership, motivation, appropriate delegation and review skills. Effective decision-making and the ability to run productive meetings are also important.

Within the finance department a clear definition of roles together with the building of adequate expertise around "must do" functions such as routine reporting and compliance will ensure that the finance professional is freed up to play a more active role.

(iii) *Understanding the Business*

Accountants know the numbers but they don't really know the business⁴

This observation illustrates the lack of perceived communication between accountants and the users of financial information and suggests a lack of understanding, on the part of the accountant, of what constitutes valuable information to other managers for decision-making and problem solving within the business.

The accountant's role is sometimes perceived as reactive, historic in nature and primarily compliance-driven. This stereotypical view of accountants is deeply ingrained in many organisations but can be challenged and overcome by

more proactive accountants.

Reporting only historical information is no longer enough. The proactive accountant will be a creative problem solver. He or she will act as a trusted advisor maintaining an industry watch, monitoring market trends, costs, legislation, likely tax changes, and other developments impacting on his or her industry sector, and will add value by quantifying the implications of that information for the organisation. In this more dynamic role the accountant will be proactive in identifying opportunities for the organisation and helping to develop them.

Developing soft skills

Some accountants are happy and comfortable performing their traditional role. For others, soft skills development is critical for survival and success. Most of us will benefit from a process of self-evaluation.

At this point on our learning journey, we may be "unconsciously incompetent" and need to move to become "consciously incompetent" in order to become aware of exactly which skills we need to work on.

Checking in with peers and colleagues is a good starting point. This may be done formally through a 360 degree

feedback process, or less formally, by questioning, listening, and clarifying, to identify perceived gaps. The way we see ourselves is not always matched by the way our colleagues see us, hence the importance of addressing perceptions. Working alongside a coach or a mentor to become more self-aware may be beneficial at this point.

Once gaps have been clearly identified and articulated, a program to address them can be constructed. This may comprise a combination of structured training courses, reference books, role modelling and practical exercises and coaching.

Structured training courses typically cover areas such as public speaking and presentation skills, negotiation, sales and marketing, communication, facilitation skills, etc. Such training courses are very useful for providing specific content if the timing is appropriate. Similarly, reading well-chosen, relevant material on particular topics can also be very helpful. Most important of all however is a hands-on experience. What is learnt or read in structured courses or in books will not be retained without practical application in the workplace. Coaching and mentoring programs are helpful in this respect.

Coaching is a personal, interactive, goal-oriented form of personally tailored learning delivered one to one. The coach works alongside the accountant helping to clarify exactly what is to be achieved, ensuring that what has been learnt is put into action (or indeed, putting into action that which has been learnt to work), supporting, motivating and encouraging and providing constructive feedback where appropriate. Coaching sessions include checking actions through at each session to create an imperative for the accountant to use what they are learning on an ongoing basis.

Conclusion

The value of the professional skills and disciplines learnt from accountancy training cannot be overstated and undoubtedly provide an excellent foundation for a career in business. Those individuals who build on this strong foundation by adding the softer skills outlined above often flourish in organisations.

Have you ever noticed how many managing directors and chief executives of major corporations have a financial background? As well as adding value to

the enterprise, progression and advancement to the highest management positions within organisations brings with it significant financial and personal rewards that should act as a significant motivator for accountants to develop and hone their softer, non-technical skills.

These skills will enable you to add value and empathy to the company's bottom line while truly fulfilling your own potential, and career objectives. ■

Notes

¹ "Educating Chartered Accountants", by Mary Canniffe. *Accountancy Ireland*, vol 35, no 6, December 2003. pp 12-14.

² "Managers, Accountants, and Yet Another Expectations Gap", by Professor Bernard Pierce and Tony O'Dea. *Accountancy Ireland*, vol 35, no. 6, December 2003. pp 8-10.

³ Canniffe, M., *loc. cit.*

⁴ Pierce, B and O'Dea, T. *loc. cit.*

Donla TWOMEY, FCA, is a Performance Coach with STEP (Success Through Enhanced Performance), a Business and Corporate Coaching Practice. Email: donla@stepireland.com

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