

Enhanced formal communication project essay

[Business](#), [Accounting](#)



In regard to the new SAS 112 regulation and its impact for accounting auditors; it is important that we closely examine the challenges of communicating accounting changes effectively with different groups, and understand the problems that may occur from poor communication and impact the productivity of workers. This memo will first present some background on communicating accounting changes, and then analyze the consequences of poor communication. It is rather difficult to communicate accounting changes effectively without first understanding the various accounting methods that have been used and identifying the different groups involved in the accounting communication process and their roles in that process. Usually the different groups involved and affected by accounting changes range from managers (including CEO, CFO, and accounting managers) to auditors and users (Investors, Lenders, Suppliers, etc...).

For the accounting changes we're communicating to be effective and useful it has to be relevant to each group's work and communicated in a language they speak and understand; in other words we have to put ourselves in the other's person shoes and try to understand things from their perspectives. As noted earlier, the accounting communication process has multiple steps and participants and they all speak different languages so the biggest challenge of communicating changes would be addressing the right group with the right language. It would be impossible for instance, to explain the SAS 112 change the same way to the CEO, the accountants, and/or limited background users. On the other hand, assuming there's only one right way to communicate can only lead to poor communication; especially when

addressing different groups. Thus it is not enough to just share the information, it has to be communicated in the right way otherwise it could cause a problem in properly achieving the organization's vision and goals.

Since effective communication is a key element to any organization's success, it is crucial to avoid miscommunication which could only lead to inefficiencies in completing tasks and decreasing organizational productivity. In summation, I would like to reemphasize the importance of communicating the right information the right way to the right people at the right time, and more importantly the criticalness of avoiding poor communication when sharing information to avoid misunderstanding and operational inefficiencies.