Effective communication is the backbone of successful leadership. It is the most powerful ingredient for managing those you lead. It doesn’t matter if you are a general manager, a GM in training, an entrepreneur or a CEO, your success as a leader will be influenced by your ability to communicate effectively.

Almost any position requires some kind of leadership, and leadership depends on effective communication. Effective communication is important when you want to make convincing presentations with confidence, negotiate with ease or resolve conflicts quickly.

The ability to get your message across effectively and clearly is vital. But it’s more than that. Communication is involved in how you set goals and objectives, communicate with staff and train and develop people. It’s part of instructing, encouraging, correcting, presenting, coaching and rewarding others.

Are we born with the gift of good communication or do we acquire it through experience and study? That is a good question. My experience
indicates that some are born with this ability while others have to work hard at it. What I mean is that for some of us communication flows naturally but for others it must be more intentional.

Here is an important point to remember. What I am about to share with you can benefit both types of people. Paying attention to the key components of communication will make you a better communicator whether you are a natural-born communicator or one who has to learn to hone that skill.

Let’s simplify this by rating communication skills on a scale of one to ten. I hope that following and implementing these practical suggestions will move your score up by two to four points or more on the communication scale. No matter where your starting point is, you can improve your score by reflecting on these suggestions and putting them into action.

**PERSONAL COMMUNICATION**

**Communicating Clearly**
Motivating people, gaining the trust of your team or customers, managing change and negotiating successfully all require clear communication. Clear communication means that people understand what you say and what your expectations are of them. If people tell you, “I am sorry I misunderstood” or “Oh . . . is that what you meant?” then you may want to review your communication style.

Here are three easy steps to achieve clearer communication:

1) **Prepare ahead of time.** Think beforehand what you want to communicate, whether it is at a meeting, on the telephone or through an email or whatever medium you are using. Think first and then organize your message.

2) **Take the time to clearly explain the message** you are communicating. Do you need examples, photos or documents to reinforce your message? Ask the person or group for confirmation of what they understood from your message. Be diplomatic, but a timely, quick confirmation is a sign of caring, and it also emphasizes that communication is a two-way process.

3) **Follow up** in due time to make sure the message has been received correctly.
Achieving clarity starts by being clear in your own mind about what you want to communicate and to whom. Try to eliminate ambiguity or potential misunderstandings when relaying information, ideas or instructions by being brief, concise and to the point.

As we discussed in an earlier chapter, executives and senior managers have three key responsibilities when leading teams:

1) Delivering results.
2) Strengthening the strategic position of their company, division, department or team.
3) Developing their people skills and building a strong team.

Effective communication is the most important ingredient in achieving these three key responsibilities.

If you are not effective at delegating, it is only a matter of time before you hit a brick wall because you can’t do everything yourself. Many team leaders are workaholics and many end up stressed and burnt out due to lack of proper delegation. It doesn’t matter how strategically minded you are or how smart you are. You need to get those you lead to execute your strategy with excellence, and to do this you need to communicate this strategy with effectiveness.

Part of communicating clearly also means using the appropriate vehicle. There are many different tools at your disposal for enhancing your communication. They include face-to-face communication, meetings, telephone, email, writing, speaking, town hall meetings, formal and informal events, breakfasts, lunches and dinners.

Learning to be a good listener
Is it easier to talk or listen? Because we have two ears and one mouth, it should be easier to listen, but I bet you agree that it takes effort and training to be a good listener!

Learning to listen is also part of being an effective communicator. Listening is not the same as hearing. Hearing is the sound you hear, while listening requires focus and paying attention not only to what is being said but to how it is being said. A good listener will also listen to what is not said.
Becoming a good listener requires some basic principles. Here are five key points:

1) Stop talking! While this may be obvious, it is important. A general rule of thumb in situations where listening is important is to use the 80/20 rule. This means that you listen 80% of the time and you speak or ask questions 20% of the time.

2) Be prepared to listen. Take interest in what is said to you. Take interest in the person who is talking to you.

3) Maintain eye contact whenever possible.

4) Remove any distractions or potential distractions that may disrupt your listening. In addition to mobile phones, telephones or the presence of other people, this could include someone who speaks with a heavy accent, the tempo people are talking with, loud volume or lack of privacy.

5) Pay attention to non-verbal cues such as facial expressions, body language/gestures, tone, eye contact and key words.

INTERNAL COMMUNICATION (For organizations/companies)

As an entrepreneur, executive or manager, it is essential for you to use key events to update those you lead on things like company achievements, performance appraisals and future goals. A summer BBQ or Christmas party are excellent occasions to do this and they provide opportunities to thank and encourage the staff.

Send a **one-page letter to all employees** every quarter. This helps them stay up-to-date on the company’s performance and informs them about future goals. Posting the letter on the bulletin board is all right, but it is more effective to attach the letter to the pay statement or check. This ensures that every employee receives the letter and knows about it.

**Meeting new employees** for a quick breakfast within their first 30–60 days of employment is exceptionally informative both for you and them. You will learn about your recruiting and selection procedures, company training systems, frontline managers’ behavior, productivity and quality measures, and get suggestions free of charge. Most importantly, you will learn first-hand about the calibre of people who are joining your team.
Performance reviews, employee awards, employee suggestion programs and sales lead programs are all excellent tools in the quest to promote internal communication. Don’t depend on your human resources manager to manage these HR tools. Take the time to review these tools periodically with your managers. Find out if suggestions are increasing or decreasing.

Select a few suggestions and ask to see what answers were provided, who provided them and how long it took management to respond. Find out if sales leads are being used by the sales force and how successful they are. Ask the sales-lead providers if they were thanked for submitting the sales leads, and if they received their commission.

These tools will motivate your staff, boost team morale, enhance effective teamwork and spur staff to be dedicated to customer satisfaction. These tools help make the sales department, operations or production departments work effectively together.

Performance reviews that are well executed and well managed help managers and staff work together better and avoid the “us vs. them” mentality. That sort of thing often creates invisible walls, which in turn inhibit creativity and performance.

Frequent celebrations for exceptional performance, significant achievements by the staff and achieving key milestones help build staff confidence and help keep things in perspective in a competitive marketplace that is filled with increasing customer expectation. Take the opportunity of a special event and make it a mini celebration by offering a pizza lunch to the department or staff. Celebrate a major win like a new record for productivity in the plant or the acquisition of a strategic new customer by making a small speech. This is when you compliment the teamwork, open a bottle of champagne and distribute free gift cards. Whatever is acceptable in the company culture is a great communication tool.

A suggestion program also helps employees think about how to improve the business. The people on the frontline with customers or who carry out the actual work (those on the assembly line, in the warehouse, in the delivery truck or behind the computer) are always your best source of suggestions. You must encourage your employees to be proactive in thinking about improvements, and encourage them to find solutions that work both for them and the company as a whole.
You must also reward them for their input, and the reward does not always have to be monetary. There are many ways to reward people. It doesn’t matter if you manage a large company with several hundred employees or a small family business with a handful of them.

**What most motivates people is recognition.**

You can reward your employees and recognize their achievements in many ways. Public and private praise can be in the form of thank-you cards, gift cards, buying lunch, a merchandise gift or gift card or a subscription to their favorite magazine. Most of all, make sure you tell people how good you feel about what they did, and how it helps the organization and the team. Encourage them to do more of the same good work. Be specific and genuine.

Finally, with regards to internal communication, it is vital that you **meet once a month with your senior team** to review the results vs. the plan. Do this to evaluate what decisions need to be made and what action must be taken in order to accelerate or sustain your performance. This helps gauge if you are on track or need to turn things around if you are behind. Separate meetings with team members can address specific issues, but there is no substitute for a monthly meeting where senior team members learn how the team is doing corporately.

Keep in mind that developing your people and building a strong team are key responsibilities of a good leader. Use these team meetings to develop the leadership skills of team members. These skills include public speaking, being accountable, taking responsibility, decision making, planning, communicating, problem solving, meeting deadlines, setting objectives, handling human resources issues and resolving conflicts.

**Downward, upward and lateral communication**

Before I leave the subject of personal and internal communication, I want to explain the different types of internal communication (i.e., downward communication, upward communication, lateral communication).

Downward communication is communication from a manager to members of the team. Upward communication is communication from you to your immediate superior/boss. Lateral communication is communication from you to your colleagues in the company. The content and
approach will differ depending on the direction of the communication, and this must be taken into account when crafting your communication strategy.

Equally important is knowing the difference between communication that seeks to simply **inform**, communication that seeks to **obtain approval** and communication that gives a **direct order or instruction**.

Look at the difference between these examples:

- I am writing to **inform** you that we have opened a new office in . . .
- I am pleased to **announce** the appointment of Mary King to the position of . . .
- I am writing to seek your **approval** over the purchase of . . .
- I am looking forward to your **support** for the project . . .
- I am writing to remind you that I am waiting for your **written authorization** for . . .
- I am writing to **inform** you that effective May 5, xxxx . . .
- I am writing to **invite** you to our meeting of . . . on the subject of . . .
  Please come prepared with . . .
- I am writing to seek your specific **feedback** on . . . Thank you for responding by email by Thursday . . . so that I can . . .

---

**EXTERNAL COMMUNICATION**

External communication involves effective communication to and with the marketplace, customers, prospects, suppliers, bankers, media, governments and competitors. Your company’s goodwill is not only based on sales and profits, but also includes your company’s reputation within the marketplace. It is important to know what customers and suppliers think of you, and what message you are actually conveying to the world.

Everything used externally communicates something to the marketplace. This includes your business cards, brochures, letters, website, signs, invoices, envelopes, product packaging and even your check and packing slip.

Every piece of paper coming from you directly or indirectly sends a message.
The organization’s reception area, office, plant, warehouse, signage and parking lot all communicate a message. Is your reception area clean and attractive? Is the telephone answered quickly and professionally? In this sense, external communication can be powerful and it often happens in an entirely passive state. Remember that you never get a second chance to make that first impression. This is why frontline and front-desk staff, and their environment, are key participants in your organization’s external communication.

You can use those moments that visitors spend in your reception area to communicate subliminally. For example, display awards the company has won. Exhibit photos of your product(s) or key staff members. Show any community initiatives you contributed to, along with certificates of membership in associations. All these things help communicate that your business is well established, proud of its contribution, helpful in the local community and successful.

A clean visitors washroom will also be remembered by people who may have traveled far to get to your office. A small bouquet of fresh flowers (have them picked up or delivered) or a bowl of candy on the receptionist’s desk add a nice finishing touch in making waiting time in your reception area pleasant. Making your work environment clean, safe and attractive sends a clear message to employees, customers and visitors alike.

In most companies, communication with the external world happens largely through telephone and email. Again, it is an excellent investment to provide specific training to your employees about professional telephone manners. This includes the use of voicemail and recorded messages, how to transfer calls and how to leave effective voicemails. In this manner, not only do you train your people to be more effective and productive, but you impress customers and business associates with the high calibre of professionals you employ in the company.

I always get positive comments and praise regarding how professional and friendly my assistants who answer the office telephone are. I am told how they go beyond the call of duty to help callers with their needs, or inform them of my whereabouts if I am away, or take important messages or suggest my voicemail.
Don’t underestimate the importance of a good receptionist and a welcome and friendly voice when people are trying to reach you. Here is another important note. Always try to take your calls, even when you know it is a sales call! I know some of you will not agree, but here is why I think it is important. First, you may be interested in what the caller has to offer. Second, you may turn around the situation and identify an opportunity.

Finally, I believe that even if you have no interest in the caller’s product or service, you should be the one who says “thanks but no thanks.” It should not be your assistant. In other words, don’t hire gatekeepers. Be open to the world, and once you know the specific message, be selective.

The same suggestion applies to proper use of the email system, which can be a great productivity booster (or productivity bandit) for your organization. Companies invest vast amounts of money to purchase and install the latest technological devices and software but then fail to invest in training people how to best use this technology.

Investing in training is a profitable proposition because it helps your staff be efficient in their role as they use the technology in order to make things faster, more efficient and organized. More on this can be found in the training chapter. But here are some simple do’s and don’ts about email protocol:

**Email ABCs**

1) Don’t answer your email throughout the day. It is distracting and contagious, steals your ability to concentrate and makes you unable to differentiate between the important, the urgent and the priority. Dedicate specific times during the day to read your emails and respond to them.

2) When answering an email, think first, think again and then choose the appropriate words. Never allow your emotions to run wild. Manage your emotions and select appropriate vocabulary.

3) Remember that email is an official communication tool.

4) Respond, don’t react is excellent advice.

5) Use blind-copy email in specific situations but not as a general rule.

6) Copy only those who need to receive the information. If you want to send it for FYI (for your information) purposes, forward your message and put in the subject “FYI.”
7) When replying to an email, change the subject as needed. Don’t merely reply using the sender subject unless the subject is the same. If the subject has indeed changed, change the subject to best reflect the content of your email.

8) Email is public domain, so never use profanity or bad language. A good rule of thumb is that if what you are saying needs to remain confidential or reserved, then email is not the right tool for the message.

9) Always acknowledge receipt of your emails even with a simple thank-you note in the subject, which takes seconds.

10) Have a signature on your outgoing email with your name, position, company, contact details and company logo. This makes it easy for the recipient to know immediately who has sent them the email and how to contact you. Some people attach a disclaimer and that’s OK if it is brief.

**Your marketing engine**

Make sure your marketing machine also communicates the right message to the marketplace. This means a professional and attractive website, an attractive trade-show stand, corporate events that are professionally executed and press releases that are well written. A professional, attractive and friendly website is an effective tool that communicates to the marketplace why people should do business with you. For more on this consult the online presence chapter.

Websites are open for business 24/7. The size of the computer screen and/or the mobile phone or tablet will always level the playing field between you and larger companies, especially from a communication standpoint. The IBM website is viewed on the same monitor as your website. It depends on you to captivate potential customers and/or visitors by making your website user-friendly, interactive and informative. A website that is well executed and well maintained can be one of the best tools to support your sales and marketing engine. It should also have links to relevant social-media sites. This will help give you that slight edge and differentiate you from competitors.

A final word. Your membership and affiliation with reputable organizations and trade associations will help you and your team build their
professional networks, and get your message and brand out to those who can influence your business. A consistent and professional message is your key to success.

There is no doubt that effective communication skills are key to your success as a general manager, an entrepreneur or a CEO. While the organization size can add more challenges in keeping communication flowing properly, the suggestions in this chapter are effective and applicable to large and small organizations alike.
INTRODUCTION  7

CHAPTER 1
NAVIGATING SUCCESSFULLY THROUGH
THE STAGES OF GROWTH  13

CHAPTER 2
SMALL IS BEAUTIFUL  22

CHAPTER 3
STRATEGIC PLANNING  33

CHAPTER 4
BUSINESS PLANNING  39

CHAPTER 5
LEADERSHIP AND TEAM-BUILDING  46

CHAPTER 6
RECRUITING THE RIGHT TALENT  53

CHAPTER 7
EFFECTIVE COMMUNICATION FOR SUCCESSFUL EXECUTIVES  64

CHAPTER 8
MANAGING PEOPLE  75

CHAPTER 9
SALES MANAGEMENT  84

CHAPTER 10
THE LOW-HANGING FRUITS IN YOUR PRICING SYSTEM  95

CHAPTER 11
THE OLIVE PRINCIPLE: Managing Costs  102