



## Poor communication: What's the risk?

- **Poor communication can damage your organization over time.**
- **Internal control breakdowns, lack of accountability, elevated stress, and lowered morale are possible consequences of poor communication.**

You may be familiar with a Norman Rockwell painting called "The Gossips." It first appeared on the cover of *The Saturday Evening Post* in March 1948. The painting portrays a series of 15 people, passing on some tidbit of talk from one person to the next, either in person or on the telephone. If you look at the painting carefully, you will notice that the chain of gossip ultimately circles back to the original instigator, a nicely dressed older woman. The person talking to her is clearly not happy, as seen by his frowning face and pointing finger. While we may find this painting humorous, similar behavior can have serious consequences in the workplace, both in terms of time and productivity.

Of the five interrelated internal control components, information and communication can be the hardest to apply. We all know intuitively that weaknesses in control activities, such as unsecured cash or a lack of separation of duties, can result in tangible, immediate loss of assets through theft or misappropriation. Also, by not performing risk assessments on key business processes, we allow the significant risks of waste, fraud and abuse to be unrecognized and unmitigated.

In contrast, what is the real consequence of poor communication on your agency? It generally will not appear through immediate loss or theft. Rather, its effects are perhaps slower to show themselves, but may be more insidious. In other words, it has more to do with damage and loss over time, which are much harder to measure and quantify.

Here are some of the potential consequences of poor communication:

**Internal Control Breakdowns:** Poor communication can manifest itself through lapses in control activities. If employees do not have a clear understanding of their roles in agency internal controls, it is possible that they may downplay or ignore their control responsibilities without understanding the consequences. Such breakdowns can affect the work of others in the organization, and ultimately the agency's overall control structure. Confusion and misunderstandings can also lead to errors. Supervisors and managers must continually

reinforce the importance of control activities in achieving the agency's strategic goals. This communication can take many forms, including written policies and procedures, staff meetings, and one-on-one discussions.

**Lack of Accountability:** Accountability begins with management leading by example and the tone at the top. A good flow of information guides employees to understand agency expectations and their personal responsibilities. Communication of expectations and timely feedback on performance, whether positive or negative, give employees the comfort of knowing where they stand in the organization.

**Elevated Stress:** Unclear direction and expectations, along with rumors and fear, can lead to heightened employee stress. The more stressed a person is, the less able the person is to concentrate on the work and the more mistakes he or she makes, which impacts productivity.

**Lowered Morale:** At the end of the day, your agency's employees are its most important asset. By not communicating clearly and often, managers permit gossip and rumor to fill the perceived communication gap. To be effective, communication must flow throughout the organization, downward, across and upward. Timely dissemination of accurate and meaningful information can prevent a chain of gossip from taking root.

**Suggested action steps:** Assess the strength of communication within your agency. Are employees given the information they need, including their responsibilities for internal controls, to perform their jobs well?

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