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Havryliuk Olha

PhD, Associate Professor,

Associate Professor of the Department of Accounting and Audit

Lutsk National Technical University

Гаврилюк Ольга Олександрівна

кандидат економічних наук, доцент,

доцент кафедри обліку і аудиту

Луцький національний технічний університет

ORCID: 0000-0001-6693-5958

**EFFECTIVE BUSINESS COMMUNICATION IN THE SYSTEM OF
ACCOUNTING AND TAXATION**
**ЕФЕКТИВНА ДІЛОВА КОМУНІКАЦІЯ В СИСТЕМІ ОБЛІКУ ТА
ОПОДАТКУВАННЯ**

***Summary.** The article is devoted to the analysis of effective business communication in the system of accounting and taxation. It is well-founded that the field of business communication is an interdisciplinary field that involves a variety of experts, including researchers in the field of communication, business management, organizational psychology, and related disciplines. The need to establish effective communications in the accounting and taxation system has been established for many reasons, in particular: information exchange, decision-making, problem solving, coordination, employee engagement, customer relations, negotiation and persuasion. Business communication is vital in accounting because it ensures accuracy, transparency and availability of financial information.*

The article substantiates strategies for improving communication within the accounting function and taxation, in particular, consistency of documentation helps to reduce the number of errors and misunderstandings, investment in reliable accounting software optimizes financial processes, development and documentation of clear communication protocols and procedures in accounting should include reporting guidelines, data exchange and internal communication, written and oral communication courses, as well as technical training in accounting software, application of strict data security measures to protect confidential financial information.

Key words: *business communication, accounting, taxation, forms of communication, business management, verbal communication, written communication, non-verbal communication, visual communication, digital communication.*

Анотація. *Стаття присвячена аналізу ефективної ділової комунікації в системі бухгалтерського обліку та оподаткування. Обґрунтовано, що галузь ділового спілкування є міждисциплінарною областю, яка залучає різноманітних експертів, у тому числі дослідників у галузі комунікації, управління бізнесом, організаційної психології та суміжних дисциплін. Встановлено необхідність налагодження ефективних комунікацій в системі обліку і оподаткування з багатьох причин, зокрема: обмін інформацією, прийняття рішень, вирішення проблем, координація, залучення працівників, відносини з клієнтами, ведення переговорів і переконання. Ділове спілкування є життєво важливим у бухгалтерському обліку, оскільки воно забезпечує точність, прозорість і доступність фінансової інформації.*

У статті обґрунтовано стратегії для покращення комунікації в рамках бухгалтерської функції та оподаткування, зокрема узгодженість документації допомагає зменшити кількість помилок і непорозумінь,

інвестиція в надійне бухгалтерське програмне забезпечення оптимізує фінансові процеси, розробка та задокументування чітких комунікаційних протоколів та процедур в бухгалтерії повинно включати вказівки щодо звітності, обміну даними та внутрішньої комунікації, курси письмового та усного спілкування, а також технічну підготовку з бухгалтерського програмного забезпечення, застосування суворих заходів безпеки даних для захисту конфіденційної фінансової інформації.

Ключові слова: ділове спілкування, бухгалтерський облік, оподаткування, форми комунікації, управління бізнесом, вербальні комунікації, письмове спілкування, невербальні комунікації, візуальні комунікації, цифрові комунікації.

The statement of the problem. Business communication refers to the exchange of information, ideas, and messages within an organization or between different parties in the business world. It is a fundamental aspect of running a successful business and encompasses various forms of communication, including verbal, written, and non-verbal methods.

An analysis of the latest research and publications. The field of business communication is an interdisciplinary area that involves various experts, including researchers from communication studies, business management, organizational psychology, and related disciplines. Several scientists and researchers [1; 2; 5] have contributed significantly to the study and understanding of business communications. Some notable figures in this field include Marshall McLuhan, Herbert Simon, Peter Drucker, W. Barnett Pearce and others.

Known for his work in media theory, McLuhan's insights on how communication technologies shape human perception and influence business interactions are influential in the field of business communications [4].

A Nobel laureate in Economics, Herbert Simon contributed to decision-making theories and organizational behavior. His work laid the groundwork for

understanding rational decision-making processes and information processing in business communication [7].

While primarily recognized for Peter Drucker's contributions to management theory, he emphasized the importance of effective communication in business and organizational success. He highlighted the significance of clear and efficient communication for effective management [8].

These researchers and many others [3; 6] have explored various aspects of business communication, including interpersonal communication, written and oral communication, cross-cultural communication, negotiation, conflict resolution, and technology's impact on communication within the business environment. Their work has significantly contributed to understanding the dynamics and strategies for effective communication within the corporate world.

Formulation of the objectives of the article (statement of the problem).

The objectives of the article are to investigate the reasons of effective business communication, the need to establish effective communications in the accounting and taxation system, the strategies for improving communication within the accounting function and taxation.

Exposition of the main material of the study with full justification of the scientific results obtained. Effective business communication is crucial for the following reasons:

- information sharing (business communication helps convey essential information, such as company policies, procedures, goals, and objectives, to employees, stakeholders, and customers);
- decision-making (it facilitates the decision-making process by providing relevant data and insights to management and teams, enabling them to make informed choices);
- problem solving (when issues or challenges arise, effective communication allows for the sharing of ideas and perspectives, leading to collaborative problem-solving);

- coordination (in a business setting, teams and departments must coordinate their activities to achieve common goals. Communication ensures that everyone is on the same page and working toward the same objectives);
- employee engagement (clear and transparent communication fosters employee engagement, motivation, and a sense of belonging within the organization. It helps build a positive workplace culture);
- customer relations (businesses communicate with customers through various channels, such as marketing materials, customer support, and sales interactions. Effective communication with customers is essential for building and maintaining strong relationships);
- negotiation and persuasion (in negotiations and sales, effective communication skills are critical for persuading clients, partners, or suppliers to agree to terms that benefit all parties).

Business communication can take various forms, including verbal communication, written communication, non-verbal communication, visual communication, digital communication (Fig. 1).

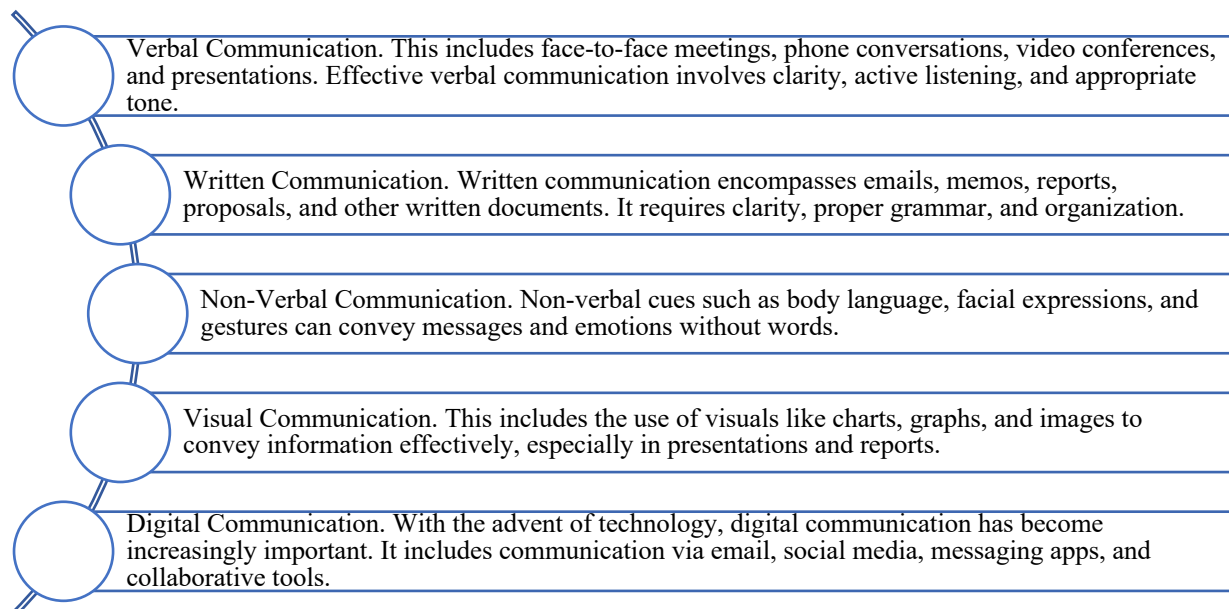


Fig. 1. Forms of business communication in accounting and taxation

Business communication is the lifeblood of any organization, as it enables the flow of information, collaboration, and decision-making necessary for success. Effective business communication requires not only clear and concise messaging but also an understanding of the audience and the appropriate medium for each situation.

Business communication is critically important in the field of accounting and taxation for several reasons:

1. **Accuracy and Clarity of Financial Information:** Accountants are responsible for preparing and presenting financial reports, statements, and records that accurately reflect the financial health and performance of a business. Effective communication ensures that these financial documents are clear, accurate, and understandable to various stakeholders, such as management, investors, regulators, and auditors.

2. **Compliance with Regulations:** Accounting involves adhering to various accounting standards and regulatory requirements, such as Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS). Effective communication ensures that financial reports comply with these standards and regulations, reducing the risk of legal and financial penalties.

3. **Auditing and Financial Analysis:** Auditors and financial analysts rely on the information provided by accountants to assess the company's financial health and make informed decisions. Clear and well-communicated financial data facilitate the auditing and analysis processes, making it easier to identify discrepancies or areas that need attention.

4. **Management Decision-Making:** Accountants often provide financial information to company management to assist in decision-making. Effective communication helps managers understand the financial implications of different choices and make informed decisions that align with the organization's goals and financial stability.

5. **Investor Relations:** Publicly traded companies must communicate their financial performance to shareholders and potential investors. Transparent and accurate financial reporting is crucial to maintaining investor trust and attracting investment.

6. **Risk Management:** Accountants play a key role in assessing financial risks and proposing strategies to mitigate them. Effective communication ensures that risk-related information is conveyed clearly to relevant parties, enabling proactive risk management.

7. **Tax Compliance:** Tax accounting requires accurate reporting of financial information to calculate and pay taxes correctly. Poor communication can lead to errors in tax filings, potentially resulting in legal and financial consequences.

8. **Client Relations (for Accounting Firms):** For accounting firms and individual accountants, strong communication skills are essential for building and maintaining client relationships. Clients rely on accountants to explain financial matters, answer questions, and provide guidance on financial decisions.

9. **Interdepartmental Collaboration:** Within an organization, accounting departments often need to collaborate with other departments, such as sales, procurement, and human resources. Effective communication facilitates the exchange of financial information and ensures that financial transactions are recorded accurately.

In summary, business communication is vital in accounting because it ensures the accuracy, transparency, and accessibility of financial information. Accountants need to communicate complex financial data in a clear and understandable manner to various stakeholders, helping them make informed decisions and comply with legal and regulatory requirements. Effective communication is at the core of maintaining financial integrity and trust in the accounting profession.

Improving business communication in accounting is essential for accuracy, transparency, and effective collaboration. There are some strategies to enhance communication within the accounting function. Ensure that financial transactions and records are meticulously documented. Use standardized formats for reports, statements, and spreadsheets. Consistency in documentation helps reduce errors and misunderstandings. Invest in robust accounting software that can streamline financial processes, improve data accuracy, and generate standardized reports. These tools can also facilitate data sharing and collaboration among team members. Develop and document clear communication protocols and procedures within the accounting department. This should include guidelines for reporting, data sharing, and internal communication.

Hold regular team meetings to discuss ongoing projects, address challenges, and share updates. These meetings foster collaboration and ensure everyone is on the same page. Provide training and ongoing education for accounting staff to enhance their communication skills. This can include courses in written and verbal communication, as well as technical training on accounting software. Use email effectively by keeping messages concise and to the point. Clearly label attachments and provide context for the information being shared. Encourage timely responses and set expectations for email communication. Ensure that accounting terminology and jargon are standardized within the department. Foster collaboration between the accounting department and other departments within the organization, such as finance, operations, and sales. Regular communication with other teams can help align financial goals and strategies. Consider the appropriate communication channels for different situations. Some matters may require face-to-face meetings or video conferences, while others can be handled via email or messaging apps.

It is also important to encourage feedback from team members and stakeholders. Constructive feedback can help identify areas for improvement and enhance communication processes. Develop strategies for resolving conflicts or

disagreements within the accounting team. Encourage open and respectful communication when addressing differences of opinion. Implement strict data security measures to protect sensitive financial information. Clearly communicate the importance of data security to all team members and ensure compliance with data protection regulations.

Regularly review and assess communication processes within the accounting department. Identify areas where communication can be streamlined or enhanced and make necessary adjustments. Effective communication starts at the leadership level. Leaders in the accounting department should set an example by communicating clearly, providing guidance, and fostering a culture of open communication. Pay attention to external communication with clients, auditors, regulators, and other stakeholders. Ensure that all external communications are accurate, compliant, and aligned with the organization's values.

Conclusions from this study and prospects for further research in this direction. Improving business communication in accounting requires a combination of clear processes, training, technology, and a commitment to ongoing improvement. By enhancing communication within the accounting function, you can contribute to better financial management and decision-making in your organization.

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