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Session 12GS

General Luncheon — Effective Communication: How To Communicate Effectively Every Time

Presenter: Rebecca Esposito

Summary: Communication=Connection. In an era where there are countless ways to communicate with people — in person, over the phone, via e-mail, by formal presentation, by informal presentation and in team meetings, just to name a few — what is the most effective communication method for CONNECTING with the audience? How do we "say it right the first time" to ensure clarity of purpose and comprehension of text?

MS. DEBORAH A. GRANT: We're honored to have a speaker with us by the name of Rebecca Esposito. She's president of Esposito Communications and is a nationally recognized communications expert. She supplies to her clients group training sessions, personalized communication strategies and executive coaching. She's an award-winning writer, lecturer, trainer and speaker, and her clients include diverse firms such as Frito-Lay, the Dallas Cowboys football organization and many organizations in the financial services industry. She holds a B.B.A. and an M.B.A. from the University of Texas, and she's going to give her presentation today in an area that we as actuaries are often criticized on, and that's our communication skills.

MS. REBECCA ESPOSITO: I don't do a lot of convention work typically because I'm such a people person that I want to work with individuals and small groups and see them expand and grow, and when I got the call to come and talk to the SOA, my assistant came running in laughing. The more you get to know me, the more you'll know how true that is.

She said, "Rebecca, I'm so sorry to interrupt. I know you're on a call with a client, but you've got to take this call," and I said, "First, we have a rule that you never

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interrupt me when I'm on a call with a client because I lose focus anyway. Having my focus diverted creates a problem," and I said, "Never interrupt me on a call." She said, "You've got to take this call. It's a crank call. I just don't know who it is." I said okay, put my client in Des Moines, Neil, on hold, and said "I hate to do this to you, but I've got to take two minutes. It's a special day in our household, and my assistant's convinced somebody's playing a joke on us." I pick up the phone, and she said, "Hi. This is Deborah with the Society of Actuaries." I thought, "Whose voice is this? I know I recognize it. Hold on for a second." I'm putting her on mute asking, "Who could this be?"

She goes on, and we start talking about this, and it turns out that it truly was the SOA, and you had heard about us through some of the work we do with the financial services firms, but I will tell you to this day my assistant says until I get back and have a picture of the entire organization and know that for a fact it was actuaries, she's not buying any of this discussion that I'm with you today, especially given the fact that I've been in Des Moines for a week, and I'm up there for three more weeks, and just flew back in for this gig. She's thinking, "I cannot imagine. There must be something at home with the children that Rebecca's going back for."

I have to tell you I have never wanted to speak to a group the way I want to speak to yours, and there are two reasons why. First of all, what is going on in business today makes your profession paramount. It is absolutely critical that you are out there and have a presence that can be listened to. Senior executives need to make fact-based decisions, and they need to make them with a plethora of data, and that's one of the things you provide. The second reason is I've got to convince you that self-promotion is not a bad thing. It has to happen because one of the things that we're seeing in the financial services and the health-care industries that I work with and with actuaries is that the content and the data are phenomenal.

We have to be able to communicate to have them heard and more important to have them influence, and that's our objective. Today I want to spend some time with you talking about effective presentations and encouraging each and every one of you to get your entire department to get specialized training on this because the one thing we find in financially oriented, quantitative-driven groups is you are only as good as your least effective player. In marketing and sales you all see in your companies every day, you can mask poor performers and poor communicators. In industries such as yours, that's not possible. You are simply as good as your least effective person. We want to get the whole group catapulted.

Here's one more funny story about myself. Don't ask me why I do this to myself, but I called some actuaries whom I've worked with in preparation for this. They, too, seemed to wonder why I'd gotten the call, all except for the three whom I think had somehow gotten my name up here. I called one in particular, and I said, "Michael, I was pretty good in math in school. You and I weren't that dissimilar." He was valedictorian. I was not. "This shouldn't be bad, should it? I should be able to get along." He said, "Rebecca," and you could tell he was pausing on the other end

of the line. I said, "Come on, Michael, just spit it out, for heaven's sake. It can't be that bad." He said, "Rebecca, it's about the difference between a Chevrolet and a Ferrari. You understood math, and the car will drive. I really understood math, and I go a whole lot faster." I thought, "If that doesn't just take the cake for where we're going."

The second actuary I spoke with, by the way, left your profession, which I'm hearing you all have a significant problem with, because of the Texas hold 'em card game out in Las Vegas right now. He is a professional gambler. I said, "For goodness' sake. If somebody can count numbers, he's bound to be phenomenal at least knowing what the odds are on each card." I have not seen him on TV yet, so we will hold off our assessment on his effectiveness.

There are several topics I want to cover today. The first is how do you better present yourself? Neil and I were speaking earlier because he knows one of the associates whom I work with, and one of our big pushes is making sure that your image fits your content. I want to go on record as saying that it's wildly important. You'll see statistical proof today to satisfy that curiosity. What our objective is from the neck down is to get this part neutral because what happens is we want you to be seen and heard, which happens up here. When you hear a lot of talk about image, and it's important, it is important to draw the attention where it should be, which is on your content, so we've got to make sure we keep things in balance as we go forward.

There's a saying that we have that I think sums it up. Communication is about connection. I'm going to add a piece to that based on your profession. Communication equals connection equals retention. Your objective is to have your content, your analysis and your quantitative facts retained so that an action can be taken on them. That is an added piece to the equation that needs to be factored in, which also means you have to be that much more effective as you're up here presenting. I'll also say that presenting is any encounter. As you look at this, why do you present? We present to get attention, time and money. If you're dealing with people in your house, you present just to get heard because oftentimes the children make sure that's a challenging aspect of it, as well. A presentation can be anything from one-on-one communication to five on one, to 100, to 2,000 on one. The objectives don't change based on the size of the audience. You're going to hear us talk a lot today about presenting as opposed to communicating.

There are a lot of reasons why we present, and as I do when I work with my M.B.A. students—I didn't want you to think this was going to be all fluff and no stuff—I've pulled out my best quantitative information, and there's some research out of Stanford that talks about the three V's of communication. It's been done across different professions, everywhere from business to legal, to nonprofit, to education, to health care. If there's one group that needs this communication more than you guys, it's the health care profession. Realize we're all on the continuum spectrum here. Basically what we find is there are three things that affect your

communication.

First is the verbal or the words. Most of us now are so PowerPoint-intensive, the only way to describe this is these are the words that you select to go into your PowerPoint presentation. The second is the vocal. Do you talk real fast and get people excited? Uh, do you talk slowly and have a lot of, um, fillers and kind of think through it as you're talking? How does it vary between those two? That has an impact. The third piece is the vision or the nonverbal. Do you like black suits? Do you like blond hair? Do you like paid-for blond hair? There's really not a difference.

All of those come into play, but all of those affect your effectiveness. Typically what we find when we survey people to find out how they think the three components add up to 100 percent, 30 percent say the words, 40 percent say the vocal inflection and 30 percent say the nonverbal. Most people are not as smart or scientific as actuaries, so these numbers are not correct.

How many of you, by a show of hands, think that the words are the most important? I'm going to assume that there are three or four people in the group, rather than the fact that you guys are not participating. How many of you think it's the vocal, that it's your voice inflection? A lot more. How many of you think it's the visual? A lot. To satisfy your curiosity, it is the visual, and if you look at the visual and the vocal combined, they account for 93 percent of our effectiveness. Hence, I could have spent years on this presentation, but it's only going to affect 7 percent of my effectiveness — 93 percent of my effectiveness will be decided when I stand up here and will be decided when I walk in the room.

That same equation applies to you in your office. If you walk in a hurry, in a pace, frantically or introverted, all of that's going to have an impact on the way your presentation is received. Again this goes back to one-on-one communication or communication of a grouping. If there's one thing in my opinion that has harmed industry more than anything else in the past 10 years, it's the concept of casual attire. This is what I saw at a large financial services firm last Friday, on casual Friday, which I'm sure will move out of casual Friday as soon as the senior executive sees this walking across the courtyard. It was an attractive woman in her 20s. Visualize with me, if you will. She had on white tight Capri pants that hit here, Sex-in-the-City stiletto heels in white, a turquoise crop top that was able to at least meet the pants but certainly not exceed the pants and her hair pulled back in a massive chip clip on top of her head. This is at a large financial services firm. Her work has to be somewhat reflective of that.

There are mountains of data that indicate our behavior responds to how we're attired. Men, when you wear a suit, there's a different level of engagement in the work process than when you wear slacks and a sport coat with no socks. That does come into play. Where we're finding the biggest difference is it comes into play in our minds as chatter. We say things to ourselves. Imagine if I had assumed that

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you were going to be business casual, and everybody here would be in shorts and T-shirts. I'd look like your mother. The first time I went to a meeting at Dell, which is casual, I walked in there in something like this because I was meeting with a client that afternoon. People looked at me as though I was their mother. When they're of the age where I probably could be, it's depressing as you go through the whole thing. Being appropriately attired is as much for our mindset as it is for the effectiveness.

You are actuaries. Help me with a number here. Whoever thinks you've nailed it, raise your hand. What percentage of our time do we spend putting the words on the paper?

Ninety percent keeps coming up, but it's 99.1 percent. What happens is we're so busy putting it down, we can't frame it. One little aside here as we move forward is do not ever from this day forward draft in PowerPoint. We, in turn, end up with 80 percent of our first draft making it into the final presentation, and what happens is seldom are we speaking to a group of peers. Oftentimes we're speaking to senior senior executives. They're at a strategic macro level. We're at a tactical detail level because we own them. There's a huge disconnect here. If you draft in PowerPoint, you don't make that adjustment. I'll give you some tips and techniques on how to do that as we go forward.

The goal of effective communication is to have alignment between the mind, the body and the presentation, making sure that everything's in balance. If I stood up here and gave a formal presentation in shorts and a T-shirt, it would have a different receptivity than if I stood up here in a suit. Make sure that everything's aligned. If I walk in here late and am telling myself, "You screwed up all morning. What are you thinking? I went to the Riverwalk last night and stayed out too late," all of that plays on your confidence, and one of the things as an effective communicator is to have confidence in your style and to know your style so that you know you can effectively communicate. The goal is alignment.

Let's get down into a couple details. The one thing you all will want to hear as a group is you all historically are known for being strong at preparation, and that is a gift. We have to work with a lot of the sales and marketing side on being prepared. Let's play from our strengths, and let's leverage that presentation. Preparation's going to be key. The first rule of effective presentations and effective communication in general is that communication should be audience-focused, not speaker-focused. There is nothing I would love more than to go down into those 738 and 55 numbers and spend all day with you on those. That's what I find interesting. It's not going to help you make a better presentation. You've gotten the macro gist of it. There's absolutely no point in my taking it down to the 45th decimal level, although I could because I was good in math, remember?

The second thing about these presentations is audience attention. This is what we call the ideal curve on audience attention because, if you notice, it'll give you four,

key spikes in attention. That's important because when we have a spike in attention, we have a spike in retention, and if our objective is to drive retention, which results in behavior activity, you have to get their attention. A typical curve starts off with the first peak and a subtle slope downward until a final small peak reappears. Again, as opposed to mountainous peaks, they are hill slopes in reality. We have to change the course of communication behavior and throw that piece in there, and we get that only by an audience-focused model. That way we know we're approaching the content from the way the audience wants to receive it and how it can hear it as opposed to the details.

To make sure you have our audience assessed effectively, you do need to do some diagnostics, which is another thing this group is strong with. Why are people attending? What do they expect? How large is the room? What kind of basic content do they have before they get there? What are the hot buttons? What kind of reaction do you expect? What are the worst possible questions you could have? If you can prepare for this, you can prepare for anything.

I want you to visualize this for a second. Imagine you go to a presentation by a stockbroker, and you're approaching retirement. That's all the individual knows. That person could take it in 40 different directions. He could assume that you have a ton of money. The reason you're interested in the stockbroker is because you want to spend that money investing it with someone, or he could take the opposite approach, which is you don't have any money and haven't saved a thing.

Either way, without a clear understanding of what the audience objectives are, the presenter and the key speaker cannot effectively meet their needs. That is no different from what we face in industry today when we've got complicated risk assessments that we need to communicate clearly to senior executives, and at the end of the day the senior executive wants to know, "What's my number?" Not "my numbers." "What's my number?" Senior executives want it clean and simple so they can in turn communicate it to The Street or whomever they need to. Understanding your audience is going to be important. If you are going to be outside of your arena, meaning in a hotel or in another environment, it's going to be important to know who's on either side of you.

I was with one financial services firm, and I called someone and said, "I need to let you know that I just checked, and the group next to us in the convention is a group of beer distributors." He thought, "It's the only hotel space in Galveston. That's where we want to go." Sure enough, we got in there. The beer distributors were celebrating their most successful year ever. If you know anything about beer distributors, it is their profession to drink 24 hours a day. The 8:00 a.m. convention started. What did they have? Bloody Marys. Beer's flowing from 8:00 on. At 11:30 they have their first cocktail hour. By the time the afternoon speakers got up there, it was sloppy. We started laughing because they couldn't even clap well. Then they all take off late afternoon. If you're ever going to be next to them, go ahead and book your big meetings during that 3:00 to 5:00 window because they're all taking

naps, getting ready for the evening activities.

It is important that you go to that level of detail. That's where you spend the time on the details because you need to prepare for an effective encounter. Another thing to think about as you think about your audience is whether it's always most appropriate to have it in a big group team multidiscipline meeting, or whether the information would be better communicated one on one in a small group setting to gain some buy-in and alignment before you get to the big meeting. Think about how your audience might best receive the information.

To do that you need to have a clearly defined outcome. If you're numbering these—I purposely excluded numbers just to make sure that you all could write them in on your own—the first one is to be audience-focused. The second one is to clearly define your objective. What do you want out of the encounter? We need senior-level management to understand the risk of investing in X, Y and Z. Know exactly what you want to communicate because that dovetails completely with the second point of this, which is one of the cruxes of the entire communication. You need to define the context.

Context is a better word than background because when we say background, people typically think chronologically, and chronologically is not interesting when you're presenting facts, figures and data. You need to think in terms of what the context is with which this is being received. That can include everything from there's a lot of pressure on the organization right now to hit analyst numbers to, senior executives not having a huge propensity for the insurance field to feeling that we're spending too much. It could be anything that defines the context they're bringing into the room.

Part of the context also is the time of day. There is statistical evidence that would demonstrate that afternoon meetings are not nearly as productive as morning meetings. Why?

It's naptime, and we want to be in the beer business. They're bound to need actuaries over there. It's naptime. People are at a lower level of adrenaline. The second factor is too many things could have affected the morning. The executive could have gotten in a fight with her children. She could have had a road rage incident on the way to work. She could have had a terrible meeting with the CEO earlier that morning. That could have been compounded by an angry customer. There's so much that can happen that is out of our control if we're soliciting the meeting. Scheduling those meetings for the first thing in the morning is so key to the success of your outcome.

Dovetail that with this, and if you leave with nothing else today, this is what I want you to leave with: Clearly define what the audience needs to retain. There's a difference between understanding and retaining. I was working with a group that has done now an initial public offering (IPO), and we were practicing. It was the

first round of presentations. The group had made several acquisitions. One of the questions we knew was going to come up was why had it made the acquisition. The chief financial officer (CFO) stood up there and had taken us through an income statement, a balance sheet, debits, credits, everything.

He was at Minute 42 of his presentation, and being the wonder math kid that I was, I said to him, "What I think I hear you say is the reason we acquired this company for so little money is because it was insolvent." "That's right, Rebecca. That's it." The man sent me through 42 minutes of torture. Imagine what the analyst community would think. It'd think this guy's lost his mind and wouldn't care. The analysts would have been so tuned out by it.

He took a 42-minute presentation, and when the company did its road show for the IPO, he was seven minutes of the presentation. He started off with the words, "We have been wildly successful in acquiring sales opportunities because we have managed to buy companies that did not know how to manage money. Hence, they were insolvent when we bought them." It's a completely different level of effectiveness. One was a highly quantitative approach that missed the point. The second was a highly focused, concentrated story that said the same thing.

Every single document that he had presented was available to the analysts in a handout. He just didn't torture them by putting it up in a PowerPoint presentation and starting his phrase of each one by saying, "I know you can't read this, but," and we've all done that. Think long and hard about what your retention points are. Any actuary who can tell a story with numbers is going to be far more successful than an actuary who has to tell the numbers. Know what your retention points are. People will remember them.

Now that I've gotten through my main preach, let me tell you that you have a masterful command of numbers, of facts, of figures and of interests. What you find interesting, most people find interesting. I find it interesting that only 92 percent of Americans ever read a nonfiction book after graduating from high school. That's fascinating to me. What about all the home improvement guys who sit down and read the home improvement book or the women who read a book on knitting? Those qualify, but 92 percent don't do it. Facts and figures are interesting and compelling, and they fit all audiences.

A clever introduction with a cool statistic will draw people in. It doesn't have to be on the subject matter. The objective of an introduction is to warm people up and let them realize, "We're no longer in breakout sessions. We're in a general session. We're no longer in our offices running meetings. We are in a group meeting talking about the expansion of the organization." It sets the frame for what the group's going to do together. It sets the tone with your manager or your subordinate: "Here's what we're here to focus on right now."

The second thing you'll do when you structure these talks is have 80 percent of it fit

the bill of the body. That's where those 7 percent of words must come into play. At the end have another 10 percent that is devoted strictly to closing the loop: "In conclusion today," boom, and say it because that pulls the whole thing together. A conclusion should be uniting everything. It should be all-encompassing. There's nothing more ineffective than having a meeting where at the end people flat out run out of time, and everybody gets up and leaves. Making sure you manage that is going to be a strong piece, but using your interesting facts, figures and data is going to be wildly successful in an opener.

Powerful words are not "I think," "I feel," "I need," "I want" or "let's share." How many of you all lived through the 1990s where the word "share" was so big? It was always said like that. It wasn't, "Let's go share." No, it was "I'd like to share some numbers with you." Who lived through that period? Thank goodness we're no longer sharing. Right now we are strategic in everything we're doing. Have you noticed that? If you look at corporate buzzwords, "strategic" has to be one of the biggest ones right now: "Strategically I think we should have a bathroom break at 11:15 versus 2:30." Sure we do. Watch out for those words as you're doing this. One of the things your industry needs to buy into as individuals is the concept that your opinion matters, and it's valuable. Hence, if you're in a meeting and know what they're talking about is not going to work, you need to find a productive way of saying that.

One of the best examples—it was not an actuary, it was an engineer—was with the Challenger disaster. There was an engineer at NASA in Houston who had strong misgivings about that takeoff for various reasons. He was not able to persuade in a small group setting and consequently gave up the fight because people said, "Quit bringing that up, for heaven's sake." It could have altered the course of history. It may not have, but he would have felt a lot better knowing he'd given it a different shot than what he did. Years later he said, "I wish I'd taken a lot more communication courses and a lot fewer engineering courses because I could have probably been a **less?** effective engineer by missing a couple courses, but I could have communicated my ideas more."

Not all of our thoughts and communications are that profound, but when we see strategic misgivings in a corporate organization and don't speak up, don't speak up effectively or hold it until we leave the meeting, we lose a lot of our credibility as we go into those sessions because we're not viewed as experts anymore. We're viewed as tacticians, and that's not what this group of people is capable of. Speak up and speak up effectively, leave out words that might make it a personal approach and take it professionally down the course.

As you do more and more presentations, be they one on one or large group, practice a technique called verbal drafting. All of us know what that verbal airplay is, which is what we call it when you talk to yourself, stand up and say, "I'm going to open with this, and then I'll do this, and then I'll . . ." and you say it to yourself. There is a significant difference in your effectiveness between doing something like

that and breaking down, signing up for a conference room, getting video equipment from your AV staff or bringing it in and saying it out loud.

The reason you want to have video equipment is so you can assess yourself. It's not for any other reason. You probably won't have anyone else in the room. We find that on the third time you say something out loud, you find the words you're most comfortable with. Rather than having that word that's a typical word around your office, you've got a different word that fits your bill and allows you to communicate more effectively. Verbally draft this standing up in front of a group or as you would do in a room.

Elizabeth Dole probably did the best job of this when they asked her to nominate her husband for president. She had three conditions. The first was that she'd write her own speech, which is unique in Washington, I might point out. The second was that she wanted to have the ability to walk around with the audience. For those of you who remember the convention, she had a red carpet all the way out, and the people were on the side. The third was she would practice it only once in front of a large group.

They were panicked, said no, went off and tried to find other people to introduce her husband and could not find anybody they thought was nearly as effective. Consequently, they haggled for several weeks over the negotiations and ended up relenting on everything. The final kicker was she had 20 minutes. Anyone who follows political conventions understands clearly by the time that the person gets nominated, they're two or two-and-a-half hours late. Of course, put all the pressure on the person doing the nomination. Make her be on time. Don't make any of the people before her economize on their words. It's just like the Academy Awards. If it can run late, the later, the better.

She got up, and what she nailed was an 18½ minute presentation that was warm. It was the first time that audience members were spoken about from the audience. She recognized 17 states in the first five minutes. She walked out and did the grouping, and somebody asked her later how she was so effective. Did she bring in pollster groups? Did she bring in different groups to do assessments of her presentation? She said, "Not unless you consider my bathroom mirror." Her technique is to stand there and say it. She does presentations a lot.

As you get comfortable with this, you can move into that arena, but in the beginning start off in the environment you're going to be in and videotape yourself. We have a lot of executives who speak in their churches or synagogues who have found this to be a saving grace because they don't have the nerves of everyone looking at them, and they've got their content that they verbalized two or three times in the environment. It does make a big difference.

A question always comes up, so I'll take it in my section versus yours. How do you answer questions? The best way to answer questions is to answer them. You should

excel at this. Someone'll ask, "What percentage of UT's M.B.A. students graduated with a job this year?"

A question such as that begs a number, does it not? How often have you seen the political answer, "If you take into consideration the fact that the business school had 41 percent of blah, blah, blah, and the communication school had blah, blah, blah," they go all the way around it and forget to answer the question. When you get a question that requires an answer, answer it: "Sixty-nine percent. The number's a bit skewed because of X, Y, Z." You can add one sentence on it at the end, one. Not 12. One sentence at the end, and what that does is say you are confident in your content and your material and that you can answer the question and then move to the next piece. We find typically that questions are the biggest place of derailment for highly quantitative people because we want to give them everything we know about the subject, not what they need to know. Answer with one fact or figure and one sentence, and that should be your rule of thumb.

Let's go to the last piece, which is what I call enhancement tools or the do's and the don'ts. Reality TV has made my do's and don'ts pretty tame. They used to get a different response until we started seeing people have 41 cosmetic surgery procedures in the course of a one-hour show. Based on that, there are five things I think are most important. First and foremost is confidence. If you are the expert in the subject matter, appear the expert and have the confidence knowing that you have the facts, figures and data to provide the group what it needs.

Second, and listen closely on this one, it's not all about you. Get involvement from the group. One of the best things highly quantitative people can do is let the group come in. That way it's no longer my numbers. It's no longer my facts and figures. It's our numbers, and it's all-inclusive as opposed to an individual. The more you can draw a group in, the more you can have it buy in.

In our two-day sessions the hardest work we do is in two areas. The first is helping you find your style. Everyone has his own style. Telling you to stand still, not use any hands or not to move or turn doesn't work. That blew up in the late '90s. We help you find how you communicate. Someone like me who has a lot of energy needs room. You would be amazed at what would change if I stood here like this. I can't do enough here to get rid of all this energy. Consequently, you all would see me doing things that would be a little overdramatic for what we're doing. Find your style. The second thing is once you find your style, give up control. Draw in and ask questions. It could be that you don't need to make the profound statement. It could be you need to ask the profound question to draw the group to make the statement. Think about how you can get a dialogue and a communication going with the audience as opposed to at the audience.

The third effective tool is force yourself to look them in the eye. Out of all of that 55 percent on nonverbal, the No. 1 thing is eye contact and looking someone in the eye. There are great stories about Ronald Reagan after the past week, but one

that's been out there for eons is someone asked Ronald Reagan after he gave a convention speech, "Mr. President, what are your tips on dealing with a large audience? How do you speak to a group of two million people?" He said, "I don't know. I've never done it." The person said, "You just did it." He said, "No, I didn't. I spoke to the lady in the sweater set. I spoke to the woman in the red dress. I spoke to the man in the green shirt. I spoke to one person every time I spoke." Rather than sit out here and look at the group as I'm doing now, look at individuals.

In a small room setting it is even more pronounced. I can technically get away with murder up here because you don't have me on the big screen to watch it closely in the back, but you have to look at people in the eye because that's where they buy you. That's how we can communicate most effectively. We've touched on these other two, but having the appropriate tone is important. If the mood needs to be somber because the numbers are not good, having a giddy, peppy atmosphere is going to do nothing but break the tone, so have an appropriate tone. Last but not least, make sure your appearance fits the equation.

Here are the don'ts. When people draft in PowerPoint they have a tendency to use a whole lot of words in PowerPoint, which means they have a tendency to have a lot on the screen, which means they do this, and I don't know of too many people whose best view that is. I can assure you it is not mine. I don't do front. I don't do back or side. Based on that, don't turn your back. To not turn your back make sure that your visual, whatever you're using, be it PowerPoint, Word, handouts, whatever, is not overly complicated. You have to be able to see it and understand it quickly at a glance.

Second, don't compete with your slides. If you go back to our earlier premise, your objective of communication is to have the audience remember your retention points. Your slides, your AV, your props, your tools, your facts and your figures should drive the retention points. Technically you don't need one slide that doesn't fit at a retention point. How much you can move those out is going to free it up so that the retention points can come through.

Third, don't read your equipment. Don't. Turn your back. Compete with your slides. People read seven times faster than we can speak. They'll be four pages ahead of you on your handout. Don't read them. If you need to, write a different presentation than your handout. Your presentation should be at a macro level. Your handouts should be at a micro level. Don't give a micro handout to the audience members if you're doing a macro presentation until after it's over. Otherwise they will read ahead of you and assume that they know it, and if, in fact, they do know it, they don't need you up there.

The next-to-last point is so hard to convince people: Don't blame your equipment. I could easily give this presentation without any PowerPoint. I could give it without a microphone. I could do it a lot easier without heels. Don't blame your equipment. Plan for anything that could happen. I travel with an arsenal of supplies because

I've been doing this long enough to know anything can and will happen, and if the airlines are involved, you know the percentages. They go through the roof once you start getting those guys involved. You'll lose a bag. Somebody'll drop it. There'll be all sort of different things.

MS. ESPOSITO: We're making progress. You're all going to remember that one. It is so important that we pull our content up to a level that tells a story. Use precommunication as a way to let other numbers get out there. Do not assume that your audience is as savvy as you are with them. I am convinced that I'm a Maserati. I'm not a Ferrari, but I am certainly not a Chevrolet. It's safe to assume that most of your audience is a Chevrolet or a Ford. We want to have something that'll get us there and take us where we need to go. We don't necessarily have to win the race on the Autobahn. As you're doing presentations, you will never put a title slide up there again if you want to be effective because what that does is that instantly lets the eye divert and zone. Consequently, you're not the focus. Title slides are for handouts. You want to start with content. By hitting the B key I've sent the screen black. I'll hit it again, and it comes right back to where I had it. You do have to be in slide show to have this happen. Watch if I hit the W key. Depending on your room, you could hit B or W and pull the focus right back to you. Try this with your sales and marketing people. They'll be so impressed because they'll not remember one thing you said about the content, but they'll for sure ask you how you did this, which in turn will get you a dialogue going. It's these little tips and techniques, especially for people who have a great command of data, that allow you to be the focus and stay the focus as opposed to having things compete with you.

Before we open it up to questions, I want to ad lib one thing. In addition to your retention points, which is what I want you to focus on as you leave here, remember this saying: Audiovisual is here to support you. You are not here to support audiovisual. Rather than have PowerPoint, Excel, Word, newspapers or anything tell your story, you tell it and have these tools reinforce your core retention points. With that, let's open it up to questions. I've tried to make it lively enough so we'll get more than one or two.

FROM THE FLOOR: Do you have any tips on how to use the SOA-supplied laser pointer?

MS. ESPOSITO: Don't use it. When you go home, give it to the person you like least in the company, and tell him that at this convention you were told to do something nice for a friend, and, consequently, this is for him. The reason I say that is twofold. As you get something like a laser pointer, what happens is you circle typically a number. We seldom see it used for words. This is what happens. Consequently, the audience is able to divert focus from here to here.

Have you ever tried to get focus back from here? If you haven't, try doing it at my house when the UT baseball team's playing. It doesn't come back. Try doing it at

your house when your favorite TV show's on. It doesn't come back. People would rather zone out looking at PowerPoint than they would listen. It's easier. Typically we don't have a lot of outcomes that require you to pay attention because we've not started demanding attention. Don't use those tools at all. As much as you can, free that isolation piece out, be it a number, a fact or a figure. Let it have its own slide so that it easily stands out.

FROM THE FLOOR: How do you answer a question without losing confidence or credibility with the answer "I don't know?"

MS. ESPOSITO: That's an excellent question. Here's one tip. Look them dead in the eye and take out this phrase, "That's such a good question." No, it's not. You just don't have an answer. Quit buying time. Simply look at the person and say, "Steve, I don't know." If you can hazard a guess and say, "Based on what we've seen on the retirement side, which is at 73 percent, and what we're seeing on pension side, which is 41 percent, I'm going to guess it's somewhere in the 60 percent range, but I'll get back to you with the number."

If you can do that, do. If you can't, just say, "I don't know the answer to that question. I'll get back to you by whenever," and always beat the time that you give yourself. If you say you'll get back to them by the end of the day, make it by three o'clock. If you don't, vice versa. One other thing I'd encourage you to do as you go through these situations is always anticipate the worst questions. Most of us know what they are. If you anticipate those, that typically means you've been able to prepare beyond most, and if it's truly a situation where you don't know, it's going to be because something different came up.

FROM THE FLOOR: INAUDIBLE QUESTION

MS. ESPOSITO: Yes. The question came up. Answer first. Don't ever deviate. I say not to use clip art. Does that mean clip art can never enhance your presentation? Yes. There is a lot of research that is being finalized now between Stanford, Carnegie Mellon, UT and some other groups where we have laser-tracked eye movement. Clip art completely has people check out. The reason is it's such wallpaper now. It was so overused in the '90s when it first came out. There were two things that were highly overused. One was clip art, and the second was that concept that we can take your logo off the Web and put it with our logo at the bottom of a page. It was fascinating back in the late '90s. That's a no-brainer and an easy thing to do now. If you can't take that to the next level and customize your own PowerPoint, what good are you?

With eye movement we can instantly see a loss of credibility with those. The other thing I'll point out to you that is interesting and that surprised me a bit, and this research will be out later this year, is that the background color of royal blue with yellow letters, which we had all thought was fairly effective, turns out to be the least effective color scheme for PowerPoint in large group settings. I can't tell you how many big conventions we've seen where that has been the framework, but

there are some interesting data coming out of it. Clip art is done.

FROM THE FLOOR: INAUDIBLE QUESTION

MS. ESPOSITO: Follow the 7x7 rule. That rule you should take special note of. It means put no more than seven words on a line and no more than seven lines on a slide. I would encourage you to look through these. If you notice, most of mine are right at six. As you look through it, less is more—fewer words versus more words, black and white versus shebang, no builds, no flying animation and no voiceovers. All of that allows something that's a flat, stoic medium to compete with you. If you've been asked to own the room, own it.

FROM THE FLOOR: Has anybody pointed this out to Microsoft?

MS. ESPOSITO: I think Microsoft has figured out that it makes so much money on this. It just hopes the controversy continues. I wouldn't be surprised if it's not one of the groups funding the research.

Here are some last-minute pointers. Go back to the three things you want them to retain. Put your humor, put your smile, put your interest and put your passion around those three things. Focus all of your energy on retention points, which, in turn, will leave to a different topic. They'll be able to leave understanding. The last thing I would tell you, and I'm glad I had the opportunity, is set the tone for the room that you want. I don't do well in formal settings. One of my fears coming to you today was that you were going to sit there and think, "I'll be quiet and polite." I do better with irreverent. I like a little bit of action. Set the tone that you want emotionally and let that flow the group. If you want it dead serious, be dead serious. If you don't, shake it up a bit. I cannot stress to you enough to take the time to become an expert in communication. It will do more to catapult your industry than any exam you can take.