

BOOK REVIEW

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*Painting with Numbers: Presenting Financials and Other Numbers So People Will Understand You*

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By Randall Bolten, MBA

John Wiley & Sons, 2012, 322 pages, \$39.95 hardcover

*Reviewed by Michael Goldman, MBA, CPA, CVA, CFE, CFF*

I became practically obsessed with the visual communication of financial information after I testified in a lost-profits case. My expert report in that case included graphs and charts that very clearly showed the clumping of data points indicative of focused and intentioned customer activity. The defendant's expert's rebuttal report included over a dozen charts that didn't show any data at all, just simple graphics comparing my opinion, his alternative but unsupported opinion, and a big, bold red space in between them titled "Goldman's error." My complicated graphics required the jury to analyze and think about them, while his conveyed a very simple and immediate message. I became very concerned how the jury would deliberate with both sets of documents sitting on the table in front of them.

My client received an excellent verdict and damages award in that case, probably both on the strength of verbal testimony and because he was right. My fascination with the visualization of data and information and how best to present them remained strong long after this trial. I discovered Edward Tufte, a professor emeritus of political science, computer science, and statistics at Yale University. His one-day course that covers analytical design, presenting evidence, the credibility of presentations, and other visually oriented subjects was fascinating and significantly changed the way I look at websites, presentations, and other visual material.

Tufte uses an incredible example of multivariate analysis from his book *Beautiful Evidence* (Graphics Press, Cheshire, CT, 2006), which clearly and simply shows time, space, geography, causality, mechanism, structure, and explanation all on one sheet of paper. During his presentation, he emphasized that the ability to document and integrate evidence in such a compelling manner starts with clarity in your own mind about

exactly what it is you are trying to communicate. You have to know what you want to communicate before you can adequately communicate it and you have to know your audience, so you can tailor the message to their level of comprehension.

#### **BRILLIANT PEOPLE, ANNOYING SPREADSHEETS**

Randall Bolten's book, *Painting with Numbers*, conveys the same basic message as Tufte, but develops it in a very different way. While Tufte's course could have been subtitled "the brilliant ways in which brilliant people communicate," Bolten's book could have been subtitled "the clumsy awkwardness of accountants and other financial geeks." Tufte's course was much more interesting, but Bolton's book may be more useful.

The beginning of the book covers basics like using consistent formatting, blocking out spreadsheets to highlight key information, and not over-cluttering. Some of it was so basic, such as right-justifying all numbers and not using 12 different fonts on one block of data, that I was actually starting to feel offended at being given this to read, until I thought of some of the work product my clients give me. There actually are quite a lot of annoying things that accountants and analysts do with spreadsheets and PowerPoint presentations. By the time I finished the first section of the book, I had thought of five or six experienced accountants at clients or companies I am investigating to whom I would like to give this book.

#### **WORKFLOW TECHNIQUES**

The middle section of the book provides workflow strategies and techniques. One chapter deals with how to use Excel—it isn't advanced, but it isn't basic either; it makes sure the reader knows about some of the key tools that make a financial person's life easier. Another chapter in this section

deals with how to name your files, how to keep your work consistent from one file to another, and how to document and check your work. None of this is exciting stuff, but as someone who has gone into many dozens of companies and had to quickly understand or reconstruct what the accounting staff has done, I really do wish more accountants and financial people knew and understood these basic concepts.

The last section of the book deals with adequately communicating your understanding of whatever it is you are trying to communicate. The key here isn't the technique, style, tips, or tricks that you use. The key is actually understanding what it is you are trying to say before you set out to say it. There are numerous tips throughout the book, but the most useful is toward the end: start your reporting package with your summary. Hopefully, putting the conclusion in front will keep all your supporting schedules and reports focused on providing a clear and consistent message.

### STRUCTURE AND QUALITY OF THOUGHT

I am old enough to have been in school back in the days when all they taught in English classes was grammar. Grammar, grammar, and more grammar. (Yes, I realize the previous sentence has no verb.) We diagrammed sentence structure until our eyes bled. About that time they totally revamped the curriculum and started focusing on the quality of all our young thoughts rather than on helping us to structure our thinking. My younger brothers only had the new quality-of-thought curriculum in their classes. The problem with the new grammar-free curriculum was that without teaching us how to properly define, articulate, and communicate our thoughts, it didn't matter how good those thoughts were, because nobody else would ever be able to understand them.

There is a serious problem today with accountants and analysts who cannot adequately communicate. I make this statement both as a consultant who on average works with the accounting work-product of over a dozen different companies each year, and as a professor teaching MBA students. The first problem is that they tend to start the communication process before taking the time to understand what it is they are trying to communicate. The second problem is that they do not pay enough attention to the structure of how to express their work and do not ensure that it is expressed as useful information and not just data sprayed on paper. Bolton's book focuses on addressing both of these problems.

Tufte's books will always be more fun to read than *Painting with Numbers*, in the exact same way that an English course

that focuses on the wonderfulness of your ideas will be more fun and interesting than a course that focuses on grammar and sentence structure. Unfortunately, we need a lot more instruction on basic grammar and structure now, because as the amount of information and the speed at which it is developed continue to increase, too many financial people have trouble adequately structuring it into useable and meaningful formats. We have developed our data processing skills much more rapidly than we have taught people data interpretation and communication skills, so that we process more but convey less.

Even though Bolton makes a valiant effort to write in a light and easy tone, I can't say that I enjoyed reading this book. It is at heart a grammar book for financial people. Nobody likes learning grammar, but it is a necessary part of communicating. I will leave my Tufte books on the coffee table in my office where they can impress lawyers who visit to discuss hiring me as an expert witness. I am going to give my copy of *Painting with Numbers* to a CFO client I am working with who spends 75 hours a week cranking out reports that nobody uses because their financial grammar is so deficient. VE



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