

The Report That Changes Things

Reports are the lifeblood of every business. They inform those who need to know so that decisions can be made and business can move forward. Reports come in every stripe and size, from a paragraph or two to hundreds of pages. And they cover all kinds of functions from expense reports, aimed at getting reimbursed, to boards of directors meetings (minutes), aimed at recording decisions; from R & D reports, aimed at describing progress and directing new research, to annual reports, aimed at giving an account of the business's operation for the year.

The sole purpose of the business report is to communicate what has happened—or is happening—and possibly recommend what should be done next.

Writing reports well will mark you for success as a business writer.

The writing style, structure, and tone in reports range from the very informal to very formal.

Informal reports are usually completed in a conversational tone and cover short-term information. They usually appear in your email inbox as memos that disclose the monthly financial status, recent field activity, or things like weekly or monthly test results or the latest management decisions. Formal reports use a more formal tone and are more structured, often using an indirect style.

For either type of report, be sure to follow these steps:

1. *Analyze your audience.* Know to whom you're writing, and what they know about the subject.

2. *Know the facts.* Be a reporter and keep meticulous notes on every fact of your subject. If it's an incident or accident report, for example, take photos at the time to document facts, save any physical evidence, and record complete information of times, personnel involved, witnesses, and contact information. Write immediately, when the details are clearest.
3. *Start with a purpose.* Often the type of report gives the purpose—for example, "expense report" or "progress report"—but if not, make it clear in the first sentence: "The client meeting decisions made were: (1) start the ad campaign on October 1; and (2) simultaneously start the public relations plan."
4. *Use a solid structure.* Your organization may have a prescribed format. If so, use it. If not, make sure you've included a concise statement of the *facts or findings*; a *summary* (this sometimes comes at the beginning in an executive summary); a *conclusion*, which wraps up the meaning of the findings; and *recommendations or next actions* to be taken. Use subheads and bullets to help the reader quickly grasp the information.
5. *Be concise and thorough.* Returning frequently to your purpose statement will keep you on track in delivering all the essential elements of *what, who, when, where, why, and how*. Use objective, complete, and unbiased language in the body of your report. Opinions, interpretations, and recommendations need to come at the end and must be labeled as such. These are usually given under the conclusions or recommendations subheads. Don't color or inflate the facts to make a point, and don't leave out negative information—that needs to be reported, too.

REPORT FORMAT

Use labeled sections and subheads to guide your reader. Select sections consistent with your organization's protocol, as well as those that help you tell your story in the most readable, clear, and concise way.

FRONT MATERIAL

This is where you'll describe the report's purpose, give an overview, list contributors, and include a listing of specific content.

- ▶ The **title page**, the first page, gives the title and author(s). It sometimes also lists sponsoring persons or organizations, date of issuance or period, and the name of the commissioning organization. The page isn't numbered but counts as page i. (The back of the page, also unnumbered, is page ii.)
- ▶ **Letter of authorization**, when used, lists the sponsoring organization (or person) that commissioned the report. It is numbered with lowercase Roman numerals: iii.
- ▶ **Letter of transmittal** is a cover letter that identifies by whom the report is sent, and to whom it is being sent. It draws attention to certain sections and major points of the report.
- ▶ **Abstract** is a synopsis, or summary, of the major points of the report. This is usually limited to 200–250 words.
- ▶ The **table of contents** is a listing of heads and subheads in the report and the page numbers on which they begin.
- ▶ **List of figures** (when there are five or more) gives the figures and page numbers on which they appear.
- ▶ **List of tables** (when there are five or more) gives the tables and the page numbers on which they appear.
- ▶ **List of abbreviations and symbols** gives a quick index for all those used to give readers a quick reference.
- ▶ The **foreword** introduces the report. It's written by someone other than the author(s), giving background and sometimes comparisons with related reports. The foreword author's name and the date appear immediately at the end.
- ▶ The **preface**, when included, is the author's statement about the history, background, purpose, and scope of the report. Sometimes it includes recognition of people and organizations that provided assistance in funding and compiling the report.

BODY

This is the meat of your report. Use a logical progression that presents the most comprehensive and concise narrative. Include the methods,

procedures, tests, and comparisons used, as well as the results, analyses, findings, conclusions, and recommendations or next steps to be taken. Select the sections consistent with your organization's protocol and the scope of your report. You won't use all of these.

- ▶ The **executive summary** is an overview of the highlights of the report. It shouldn't exceed 10 percent of the length of the report, and it should be aimed at decision makers.
- ▶ The **introduction** sets up the account that will follow by giving readers background knowledge that will help them understand the report. Be sure the complete subject, purpose, scope, and any pertinent explanations and approaches used and research are covered here.
- ▶ The **text** describes in detail how the study, investigation, tests, and research were done and gives the initial findings.
- ▶ The **conclusions** or **summary** distills the results, findings, and outcome, and offers the conclusions drawn.
- ▶ The **recommendations** section offers a course of action or lists possible courses of action based on the conclusions, and sometimes it gives the next step to be taken.

BACK MATERIAL

This is where you list sources, offer documentation, and provide other supplemental materials.

- ▶ **References** list studies, books, magazine articles, Web references, surveys, and interviews referred to in the report. A listing of the page numbers makes this most helpful to readers.
- ▶ The **bibliography** is a listing of the published sources and Web sources used in researching the report.
- ▶ The **glossary** is an alphabetical listing of terms and definitions used in the report.
- ▶ The **index** uses key terms, subjects, or names with the page numbers on which they appear, so readers can find specific information.

TYPES OF REPORTS

Specific types of reports take on a style that becomes familiar to readers and allows them to quickly find and understand the message. Here's a list of descriptive elements found in specific reports.

PROGRESS (ACTIVITY) REPORT

This report is written to provide decision makers with information on the status of a project, usually to keep them informed about scheduling and budget issues. It is prepared by subcontractors for contractors, contractors for a client organization, and project managers for supervisors. It's usually written on a regular timetable to avoid scheduling conflicts and cost overages. When done properly, it helps projects of all kinds run smoothly, by allowing managers to efficiently order supplies, schedule work, assign work, and adjust budgets as needed.

FEASIBILITY REPORT (RECOMMENDATION REPORT)

Organizations usually start with a perceived need, then develop this report to investigate whether new equipment, a new service, space expansion, or a change in operating procedures will have the desired successful result—cost savings, increased production, etc. Undertake a thorough investigation and conduct careful research to present all the facts and projections. Use objective reporting to produce this report and divide it into introduction, body (background, scope, comparisons), conclusion, and recommendations. This is not a proposal that is based on persuasive writing, but if you are convinced of the success here, your opinion should be included in the recommendations.

TRIP REPORT (REPAIR REPORT, SERVICE REPORT)

Used for field-service problems, maintenance, installation, or other business, this report documents what was accomplished and when. Organizations often have a specified format to follow and distribute the report as a memo, through email.

Usually sent to your immediate supervisor, it may also be sent to a

number of managers to provide them with important information on results. Use the subject line to identify the customer, location, inclusive dates of the trip, and sometimes the purpose: "Miracle Landscapes, Roanoke, New Jersey, April 10–12, 2014. Repair."

Use your organization's prescribed format or divide the report into these sections: problem (or reason for the trip), action taken, conclusion, and sometimes recommendations. Make your report both thorough and concise. Often an expense report is attached, or cost information may be part of this report.

EXPENSE REPORT

This report is usually written by an employee to his supervisor and gives a simple sentence or two of explanation, listing expenses and attaching receipts. Most organizations have a prescribed format, which you must follow.

INVESTIGATIVE REPORT

This report is produced after a request for information initiates an inquiry about such things as competitive product pricing, competitive positioning, customer product satisfaction, a possible change in operation or procedures, etc.

Complete it in an informal tone in a memo, which can be transmitted by email.

Start with a brief statement of the purpose of the report. Then write an introductory summary stating the background or reason for the inquiry. Next, give the scope of your investigation and follow that with a concise statement of your findings and conclusions. Opinions and recommendations, if any, should be labeled as such and included at the end.

TROUBLE REPORT (ACCIDENT REPORT, INCIDENT REPORT)

Maintaining a safe work environment and documenting any accident or incident that could result in legal action or an insurance claim drive this report. The subject may be an equipment failure, an employee

injury, negligence, or other kinds of health injuries. Make sure an objective and complete accounting of the facts and times is recorded, and include a complete record of witnesses and those offering assistance and aid, along with their contact information. This report is made for internal organization use. Be aware, however, that it may have a much wider distribution—if, for example, an employee injury results in an insurance claim or legal action.

The memo form is the usual format, unless your organization uses another specific form. The report will be sent to the supervisor or other organization-designated administrator. The subject line should include a concise description and the date and time, such as “Production Line Accident, Line B, May 15, 2014, 2:43 p.m.”

You want to answer these questions: What happened? When did it happen? Where did it happen? Who saw it happen? What did they report? Was anyone injured? Was there damage to equipment? Was there work stoppage? Were outside experts called? If so, who, when, and what did they do? Was anyone taken to the hospital? If so, where and when?

Start the first sentence with a statement of the incident or accident; give a complete and concise account of what happened, with details; and end with conclusions and a list of witnesses and contact information. Some reports may end with actions to be taken or recommendations, too. But when personal injury is involved, be cautious about providing opinions. Often the best structure for the body of your report will be a recording of the precise time and what happened. Here's an example:

Mayberry Motors, Inc. Accident Report

TO: James Boil,
Director of Safety

FROM: Julie Grover,
Line B Supervisor

DATE: May 15, 2015, 4:00 p.m.

SUBJECT: Production Line B Accident,
May 15, 2015, 2:43 p.m.

Accident Summary

Alice Jitters, assembly line worker, was injured when she slipped on spilled water on the assembly line floor at her station. She fell against the conveyor belt, causing a gash to her right temple, and injured her hand when she hit the floor while still holding her power wrench.

Occurrence Details

1. Alice, who was not wearing her required safety shoes, slipped on water on the floor, which she had spilled moments earlier from a bottle she'd placed within the assembly area on the floor (a violation of rule #37).
2. Dedra Isaac, Alice's assembly partner, stated that Alice was stepping into position to tighten a bolt when her right foot slipped, and she fell against the conveyor belt, then to the floor. Dedra reported that Alice's right temple hit the conveyor belt, which produced the laceration.
3. Alice was conscious and talking when I approached her immediately after the accident, at 2:44 p.m., and she complained that she'd hurt her wrist when she hit the floor. I applied compression to the right temple laceration, which was about two inches in length, stabilized the wrist, and called emergency care.
4. An EMT, Jason Tremor (Roanoke Fire Department; #3435; cell phone: 000-000-0000), arrived at 2:52 p.m., examined the laceration to Alice's right temple area, tested her reflexes and vision, and examined her wrist. Tremor said Alice would need sutures for the laceration, and he suggested that the head and wrist be x-rayed as a precaution.
5. At 3:10 p.m., Alice was transported to Roanoke Memorial for further examination and treatment.
6. There was work stoppage for ten minutes from 2:43 to 2:53 p.m. No equipment was damaged.
7. Dr. Aaron Flex, emergency room physician at Roanoke Memorial, put three sutures in Alice's right temple at 3:50 p.m.

8. An X-ray of Alice's head and right wrist revealed no further injuries. (See EMT and hospital reports, attached.)
9. Alice was cleared to return to work the following day.

Further Action

The Safety Department is analyzing the accident further but makes these initial findings:

- Alice Jitters was in violation of the requirement to wear her approved assembly-line shoes.
- Bottled water was positioned by Alice Jitters inside the restricted assembly line area, and this was the direct cause of the accident.

Recommendations

- Safety-rule adherence needs to be more closely monitored and enforced within the assembly-line area.
- Safety rules should be posted in the assembly-line area and reviewed with employees each quarter.
- A reward system for safety-rule compliance should be initiated.

ANNUAL REPORT

The first and most vital point in writing the annual report is knowing who your readers are. They are not only sophisticated investors but also the hourly wage employees who own stock in the company. And the annual report is also an important marketing tool, offering the public an inside view of the organization, its products, profits, and prospects.

So when a big portion of your audience is unknown, it's important to write for every reader—comprehensible and clear; simple, but not simplistic.

Read a number of annual reports prepared by organizations like yours. You can review the winning annual reports from businesses around the world at <http://www.mercommawards.com/arc.htm>, or go to www.annualreports.com to look at a great variety. You may also go directly to the organizations' Web sites and read them there.

You'll notice that in nearly every case, the language is simple and straightforward, with the theme and the tone being set right on the cover. Here's the cover copy of the Wells Fargo annual report for 2013:

The right people. The right markets. The right model.
Servicing customers in the real economy.

The second page opens with:

Serving customers in the real economy.

What is the real economy? It's the first-time homebuyer looking to buy a home. It's the bookkeeper who needs to make a deposit quickly. It's the veterinarian who sees her business growing. And it's large companies, too—like a family business that is one of the largest growers and suppliers of produce in the U.S.

Wells Fargo's Mindi Weber, who has a background in agriculture, works side by side with customers like Fowler Packing Co. every day on products and services, from its line of credit to treasury management. Co-owner Dennis Parnagian—whose father founded Fowler Packing in 1950—said, "Wells Fargo 'gets it.' They understand our world and our specific needs and challenges. Wells Fargo has shown me it is committed to agriculture and has the personnel and capabilities to do the job right." To Weber, and all Wells Fargo team members, that means developing deep relationships, understanding and serving customers' needs, and helping them succeed financially.

This simple theme is consistent throughout. The letter from the chairman, president, and chief executive officer, John G. Stumpf, begins:

To Our Owners,

2013 was another great year thanks to the dedication of our more than 264,000 team members working together toward our common vision: To satisfy all our customers' financial needs and help them succeed financially.

Our focus on serving customers drove outstanding results. In 2013, Wells Fargo generated record earnings for the fifth consecutive year—in fact, we were the most profitable U.S. bank—and ranked as the world's most valuable bank by market capitalization.

The report continues:

We believe banking—and Wells Fargo—is at its best when supporting the "real economy" by creating new jobs, helping businesses grow, and pro-

moting the financial well-being of individuals. For us, this means keeping deposits safe, lending responsibly and fairly, helping students pay for college and customers plan for their financial futures, supplying needed capital to businesses of all sizes, and investing in communities. It also means instilling confidence in our customers as their financial partner—from providing checking accounts and automobile loans to treasury management and investment banking services.

Here's how Virginia M. Rometty, chairman, president, and chief executive officer at IBM, started her letter to stockholders in the 2013 annual report, following a cover that reads, "What will we make of this moment?"

Dear IBM Investor:

What will we make of this moment—as businesses, as individuals, as societies?

What will we make with a planet generating unprecedented amounts of data? What will we create from—and with—global networks of consumers, workers, citizens, students, patients? How will we make use of powerful business and technology services available on demand? How will we engage with an emerging global culture, defined not by age or geography, but by people determined to change the practices of business and society?

To capture the potential of this moment, IBM is executing a bold agenda. It is reshaping your company, and we believe it will reshape our industry. In this letter I will describe the actions we have taken and are taking, and the changed company that is emerging from this transformation. I believe that if you understand our strategy, you will share our confidence in IBM's prospects—for the near term, for this decade and beyond.

Let's start with the phenomenon of our age—data.

RESEARCH. After reviewing previous annual reports for your organization, talk to the management personnel responsible for supplying parts of the new report. Ask them what they would like to have included and discuss the timeline for getting information submitted.

SCOPE AND BUDGET. Establish the scope of the report, the objectives, the budget you have to produce it, and the timetable for getting it produced. Get management agreement and approval for the budget; also get management input and agreement, often from the chairman and/or CEO, about the theme, tone, and what to highlight and emphasize.

STRUCTURE. Most annual reports go far beyond meeting the minimal financial reporting requirements and include the following sections:

- **Shareholders' letter.** Set the theme and tone with a direct statement from the president, chairman of the board, and/or CEO. The letter gives an overview of the year's performance, interprets that performance, explains any failures, and indicates future direction.
- **Financial highlights.** Briefly review, in broad strokes, sales and profits for the year, comparing them to those of the previous year, or several years.
- **Narrative section.** In positive terms, cover operations for the year, new products, and developments in the marketplace. Consider including:
 - ▶ Leading profit factors
 - ▶ Market share and performance of current products or services
 - ▶ New products or services
 - ▶ Stock dividends
 - ▶ Productivity
 - ▶ Profit changes
 - ▶ Competitive comparisons
 - ▶ Organizational changes
 - ▶ Forecast outlook for next year
 - ▶ Acquisitions
 - ▶ Restructuring
 - ▶ Research and development
 - ▶ Marketplace trends and changes
 - ▶ Social responsibilities (community service, environmental activities and considerations)

- **Financial statement.** Aimed at showing a complete picture of the organization's financial health, this section needs to be written in direct and clear terms. It should include:

- ▶ Balance sheet
- ▶ Income statement
- ▶ Profit and loss statement (changes in financial position)
- ▶ Independent auditor's statement
- ▶ Explanatory footnotes

- **Board of directors and officers.** Include a complete listing of the organization's board of directors and their organizational affiliations. You may also want to include a brief statement about each member and his photograph. The list of organization officers may include the president, vice-presidents, treasurer, and sometimes general managers of divisions. Brief descriptions of areas of responsibility may be included, too.

Proposals and Grant Applications That Get Approved

One of the most skilled authors I know told me that she is studying the art of grant writing. Really? Why? There are two reasons: grant writing—proposal writing—demands a very specialized set of *persuasive writing* skills, and each set of RFPs (request for proposals) has unique requirements and rules for applying for grants and awards.

As a proposal writer, you must be able to “sell” your ideas.

Never are the skills of writing well for business success more on the line than they are when you write a proposal to persuade your top managers to approve a plan; to convince a potential client that your ideas and ability to execute them are the best for their needs; or to assure a government agency or a foundation that your organization or you should be awarded a contract or grant because you correctly diagnosed a problem or identified a need and have the right solution and plan, and the capabilities to do what you propose.

Never are the stakes higher, and never are the rewards greater. So, the best approach and first step is to do the complete and thorough *background work* before you begin the writing phase. It's a winner-takes-all challenge, and a one-shot opportunity.

When I ran an advertising, marketing, and public relations agency, my organization's existence hinged on being able to write proposals that won clients over. Everything was on the line each time I went out with a proposal in hand and made a client presentation. That day was often preceded by weeks, even months, of long hours worked by a team of highly skilled experts—from financial estimators to marketing whizzes to gifted graphic artists. And the most critical part of the proposal process was analyzing and evaluating the opportunity and the audience for my proposal.