

The Write Stuff: How to Prepare Effective Reports

Business reports are a common assignment for accountants today. You'll most likely be asked to provide analysis on a variety of topics from budget considerations to technology investments and operational issues. If you're like many accounting professionals, however, sharing your insights in

written form may not be second nature to you. While confident in your knowledge of the numbers, you may be less comfortable conveying your thoughts in writing.

You don't need a degree in English to be an effective communicator, but it does take attention to detail and an understanding of some basic writing guidelines.

Determine your purpose. Before writing any business document, consider the objective: What do you want to accomplish? Is your purpose to inform the audience or to persuade them to take action? Your approach will be quite different depending on your goal. If you're simply sharing financial results, for instance, you'll want to provide straightforward analysis. If you're recommending potential ways to achieve cost savings, however, you'll need to make a strong case for implementing your suggestions.

Develop a structure. Next, consider how you'll present the information. Effective communication requires an organized series of thoughts. Before you begin the report, develop a list of main points. This is an especially critical

step when you're conveying a complex message. A well-developed outline will enable you to stay on point and address all relevant issues.

Most people reading your report will be familiar with the topic, and their primary interest will be on the bottom line. So while providing the necessary historical perspective, avoid including too much background in the introduction of your document.

Instead, share your conclusion and then offer supporting reasons. For instance: "I highly recommend that our company begin expansion in Eastern Canada by the second quarter of 2004. The only competitor in that market—ABC Firm—has currently captured just 5% of the potential customer base

and still has been able to grow its company-wide revenue by 3%. When we've entered other areas where ABC Firm is our primary competition, we have earned double its market share, resulting in a total revenue increase of at least 7%. Following is an in-depth analysis of ABC Company's financial performance as well as our potential for success in the region..."

The body of the document should be separated into dis-



tinct sections with clear headings—such as “Competitive Analysis” and “Potential Risks”—that make it easy for the reader to locate information. Keep in mind that business reports don’t need to be entirely text based. Using charts or graphs will often allow you to make your case more effectively or persuasively, particularly when presenting financial data.

Place information that isn’t essential to understanding your findings but supports your analysis in an appendix. This is a separate section at the end of the report containing details such as statistics, figures, and explanations of calculations. Each piece of data is labeled separately (Appendix A, Appendix B, and so forth) so it can be easily referenced within the body of the document.

If your report is lengthy, consider preparing a one- or two-page execu-

tive summary, which should explain your purpose, your conclusions, and the data you have to support your analysis. To determine what to include in the summary, you may find it useful to reread the document and highlight key information as you review.

Be succinct. Keep reports simple and concise. You want to capture your audience’s attention immediately so they will continue reading. Let them know upfront the topic you’re addressing and why it’s important to them.

Tailor the information to the knowledge level of your audience. While your company’s CFO will obviously be familiar with accounting terminology, other department managers who will also see the report may not be. Use plain English whenever possible, and avoid buzzwords or acronyms unless they’re understood by everyone who will review your findings.

Pay attention to details. Finally, remember that the little things can make a big difference. Always proof-read carefully. Spelling and grammatical errors reflect poorly on your attention to detail—one of the primary qualifications of an accounting professional. While the spell-check function on your computer can help, it may not catch mistakes such as incorrect word usage or omitted phrases, so take the time to review reports personally.

Keep Learning

To further enhance your abilities, consider attending courses or seminars in-person and online. Many organizations, including the Institute of Management Accountants (IMA), offer continuing professional

education (CPE) credit for these sessions.

University resources, such as Harvard Business Online (<http://harvardbusinessonline.hbsp.harvard.edu>), offer access to instructional publications and tools. There are also books, websites, and software programs available that contain how-to information and templates.

When it comes to formatting the report, you may find that what works well at one company may not be appropriate at another. Some firms have style preferences that dictate how you compile reports. If you’re submitting a document for the first time at a given company, ask colleagues for guidance.

As you become more experienced with preparing business documents, you’ll find that it becomes an easier task. Be willing to listen to feedback from others and follow their advice. You’ll become a more persuasive communicator and create reports that successfully convey your desired messages. ■

Max Messmer is chairman and CEO of Robert Half International Inc. (RHI), parent company of Robert Half® Finance & Accounting, Accountemps®, and Robert Half® Management Resources. RHI is the world’s first and largest specialized staffing firm placing accounting and finance professionals on a full-time, temporary, and project basis. Messmer’s most recent books are Motivating Employees For Dummies®, Managing Your Career For Dummies®, Job Hunting For Dummies®, 2nd Edition, Human Resources Kit For Dummies® (Hungry Minds, Inc.); and The Fast Forward MBA in Hiring (John Wiley & Sons, Inc.).