NEWSWORTHY COMMUNICATION

Environmental Reporting

Large companies create a number of official reports each year to keep their boards, their investors, and the public aware of the health of the company and its major initiatives. Often, companies will also report their progress on social and environmental goals. Boeing, for example, releases an annual environmental report that discusses how the company is using energy and water and reducing waste.

In 2007, Boeing set goals for improving its operations and reducing its environmental footprint. In the 2013 report, the company highlighted its improvements, which included reducing

- Hazardous waste by 33%.
- Carbon-dioxide emissions by 26%.
- Energy use by 21%.
- Water intake by 20%.

In addition to providing these numbers (which are adjusted for revenue), Boeing used other strategies to show its successful environmental program. For example, "the reductions in carbon dioxide emissions . . . would be equal to taking 87,000 cars off the road for one year." This way of presenting information includes not only the percentage of improvement, but also a number that makes sense to readers and shows the real environmental impact of Boeing's programs.

In writing reports, whether they are designed for multinational company executives or the supervisor in the next cubicle, presenting the information effectively helps your audience understand your data and allows you to highlight the most important pieces.

Source: PR Newswire, "Boeing Reports Five-Year Environmental Improvements," *Market Watch*, June 20, 2013, http://www.marketwatch.com/story/boeing-reports-five-year-environmental-improvements-2013-06-20?reflink=MW_news_stmp.

Learning Objectives

After studying this chapter, you will know how to

- **LO 18-1** **Use your time efficiently when writing reports.**
- **LO 18-2** **Analyze data, information, and logic.**
- **LO 18-3** **Choose information for reports.**
- **LO 18-4** **Organize reports.**
- **LO 18-5** **Present information effectively in reports.**
- **LO 18-6** **Prepare the different components of formal reports.**

Careful analysis, smooth writing, and effective document design work together to make effective reports, whether you're writing a 2½ page memo report or a 250-page formal report complete with all the report components.

Chapter 15 covered the first two steps in writing a report:

1. Define the problem.
2. Gather the necessary data and information.

This chapter covers the last three steps:

3. Analyze the data and information.
4. Organize the information.
5. Write the report.

Using Your Time Efficiently LO 18-1

To use your time efficiently when writing a report, think about the parts before you begin writing. Much of the introduction can come from your proposal (see Chapter 17), with only minor revisions. You can probably write some sections even before you've finished your research: Purpose, Scope, Assumptions, Limitations, Methods, Criteria, and Definitions. Mock up visuals and data displays early using the guidelines in Chapter 16.

The background reading from your proposal can form the first draft of your list of references. Save a copy of your questionnaire or interview questions to use as an appendix. You can print appendixes before the final report is ready if you number their pages separately. Appendix A pages would be A-1, A-2, and so forth; Appendix B pages would be B-1, B-2, and so forth.

You can write the title page and the transmittal as soon as you know what your recommendation will be.

After you've analyzed your data, write the body, the conclusions and recommendations, and the executive summary. Prepare a draft of the table of contents and the list of illustrations.

When you write a long report, list all the sections (headings) that your report will have. Mark those that are most important to your reader and your logic, and spend most of your time on them. Write the important sections early. That

way, you won't spend all your time on "Background" or "History of the Problem." Instead, you'll get to the heart of your report.

Technology can also help you manage your time more efficiently. For example, Google Drive, the home of Google Docs, will allow you and your teammates to work on different sections of the report simultaneously instead of e-mailing drafts back and forth. As an added bonus, a revision history is always saved so you can go back to an earlier version of your work if needed. Other features allow your team to have real-time instant message chats if your schedules don't permit you to all meet in the same physical location to work on the report.

Analyzing Data and Information for Reports LO 18-2

Good reports begin with good data. Analyzing the data you have gathered is essential to produce the tight logic needed for a good report. Analyze your data with healthy skepticism. Check to see that they correspond with expectations or other existing data. If they don't, check for well-supported explanations of the difference.

Be suspicious of all data, even from reputable sources. Ask yourself "How do they know?" or "What could prevent that data from being right?"

- If you read in the paper that 300,000 people attended a demonstration at the National Mall in Washington, D.C., ask yourself how they know. Unless they were able to get a photo, they are estimating, and such estimates have been known to vary by 100,000 or more, depending on whether the estimator wants a larger or smaller crowd.
- Want to know how many centenarians live in the United States? Surely the Census Bureau knows? Well, not exactly. An accurate count is obscured by lack of birth records, low literacy levels, cognitive disabilities, and the human desire to hit a milestone number.
- Did you read in a job-hunt article that U.S. workers average seven career changes during their working years? That number is a myth. It has been attributed to the U.S. Bureau of Labor Statistics so many times that the bureau now posts a disclaimer on its website. The bureau does not estimate lifetime career changes for a simple reason: no consensus exists for the definition of a career change. Is a promotion a career change? Is a layoff, a temporary subsistence job, and a return to work 0, 1, or 2 career changes?
- Have you heard that Thanksgiving is the busiest travel day of the year? Actually, no day in November has made the top 35 busiest airline days for years, according to the U.S. Department of Transportation (busiest days occur in the summer, when school is out). Even for those traveling by car, July 4, Labor Day, and Christmas are busier holidays.[1]
- Sometimes the discrepancies are not fun facts. Some states are meeting No Child Left Behind federal mandates for continued funding by lowering grade-level proficiency standards.[2]

Spreadsheets can be particularly troublesome (see "Amazing Spreadsheet Errors," the sidebar on this page). Cell results derived by formulas can be subtly, or grossly, wrong by incorrectly defining ranges, for example. It is easy to generate results that are impossible, such as sums that exceed known totals. Always have an estimate of the result of a calculation. Using spreadsheets, you can easily be wrong by a factor of 10, 100, or even 1,000. Studies have found up

Amazing Spreadsheet Errors

Studies have found up to 80% of spreadsheets have errors. Some of these errors are enormous:

- Fidelity's Magellan fund's dividend estimate spreadsheet was $2.6 billion off when a sign was wrongly transposed from minus to plus.
- Fannie Mae, the financer of home mortgages, once discovered a $1.136 billion error in total shareholder equity, again from a spreadsheet mistake.
- JPMorgan Chase's $6.2 billion trading loss was blamed in part on a model with spreadsheet errors.

Adapted from Thomas Wailgum, "Eight of the Worst Spreadsheet Blunders," *CIO*, August 17, 2007, http://www.cio.com/article/131500/Eight_of_the_Worst_Spreadsheet_Blunders; and Stephen Gandel, "Damn Excel! How the 'Most Important Software Application of All Time' is ruining the World," CNN Money, April 17, 2013, http://finance.fortune.cnn.com/2013/04/17/rogoff-reinhart-excel-errors/.

to 80% of spreadsheets have errors, such as misplaced decimal points, transposed digits, and wrong signs.[3]

Try to keep **ballpark figures**, estimates of what the numbers should be, in mind as you look at numerical data. Question surprises before accepting them.

Analyzing data can be hard even for experts. Numerous studies exist in scholarly journals challenging the data-based conclusions of earlier articles. One example is the fate of unmarried, college-educated women over 30. A famous *Newsweek* cover story, "Too Late for Prince Charming?" reported the Yale and Harvard study that suggested such women had only a 20% chance of finding husbands, and only a 2.6% chance by the time they reached 40. Twenty years later an economist at the University of Washington examined 30 years of census data. Her figures for the decade of the original study showed that women aged 40–44 with advanced degrees were only 25% less likely to be married than comparably aged women with just high school diplomas. Since then, those women with post-college education were slightly more likely to be married than those who had finished only high school.[4]

Evaluating the Source of the Data

When evaluating the source of your data, question the authors, objectivity, constituent data, and currency of the source.

Identify the Authors. Which people or organization provided the data? What credentials do they have? If you want national figures on wages and unemployment, the U.S. Bureau of Labor Statistics would be a good source. But if you want the figures for your local town, your local Chamber of Commerce might be a more credible source. Use the strategies outlined in Chapter 15 to evaluate web sources.

Assess the Objectivity of the Source. Ask yourself these questions:

- Does the source give evidence to support claims?
- Is the surrounding prose professional and unbiased?
- If the subject supports multiple viewpoints, are other opinions referenced or explained?

When the source has a vested interest in the results, scrutinize the data with special care. To analyze a company's financial prospects, use independent information as well as the company's annual report and press releases.

Drug and medical device companies, and the researchers funded by them, keep appearing in the news with reports of undue influence. Duke University researchers checked 746 studies of heart stents published in one year in medical journals. They found that 83% of the papers did not disclose whether authors were paid consultants for companies, even though many journals require that information. Even worse, 72% of the papers did not say who funded the research.[5] A study in the prestigious *New England Journal of Medicine* noted that positive studies of antidepressant trials got published and negative ones did not: "According to the published literature, it appeared that 94% of the trials conducted were positive. By contrast, the FDA analysis showed that 51% were positive."[6]

If your report is based upon secondary data from library and online research, look at the sample, the sample size, and the exact wording of questions to see

what the data actually measure. (See Chapter 15 for more help on judging surveys.) Does the sample have a built-in bias? A survey of city library users may uncover information about users, but it may not find what keeps other people away from the library.

Assess the Constituent Data. What is included? Omitted? What are the data based on? What assumptions are being made? Different retirement calculators give widely different estimates of how much savings is needed for retirement because of factors they include or omit (such as entertainment) and assumptions they make (such as inflation rate or healthiness of annuities and mutual funds) in the calculations.

Two reputable sources can give different figures because they take their data from different places. Suppose you wanted to know employment figures. The Labor Department's monthly estimate of nonfarm payroll jobs is the most popular, but some economists like Automatic Data Processing's monthly estimate, which is based on the roughly 20 million paychecks it processes for clients. Both survey approximately 400,000 workplaces, but the Labor Department selects employers to mirror the U.S. economy, while ADP's sample is skewed, with too many construction firms and too few of the largest employers. On the other hand, the government has trouble counting jobs at businesses that are opening and closing, and some employers do not return the survey. (Both organizations do attempt to adjust their numbers to compensate accurately.)[7]

Check the Currency of the Data. Population figures should be from the 2010 census, not the 2000 one. Technology figures in particular need to be current. Do remember, however, that some large data sets are one to two years behind in being analyzed. Such is the case for some government figures, also. If you are doing a report in 2014 that requires national education data from the Department of Education, for instance, 2013 data may not even be fully collected. And even the 2012 data may not be fully analyzed, so indeed the 2011 data may be the most current available.

Hard to Quantify Sports Participation

How many people participate in sports, and which sports do they choose? Governments and equipment makers want to know, but the data are fuzzy. Multiple questions contribute to the lack of clarity.

- What is a sport? One survey includes bird-watching.
- Who should be counted? Do young children count?
- How often do you have to participate in a sport to be counted? Is once a year enough?
- How was the count made? Because younger and more active people tend to have only cell phones, a survey made through landlines probably won't be accurate.

In case you are curious, the National Sporting Goods Association survey says hiking is the most popular participation sport in the United States, with over 40 million people.

Adapted from Carl Bialik, "Sports Results that Leave Final Score Unclear," *Wall Street Journal*, June 9, 2012, A2.

Choosing the Best Data

Sometimes even good sources and authorities can differ on the numbers they offer, or on the interpretations of the same data sets. Researchers from the United Nations and Johns Hopkins University differed on their estimates of Iraqi deaths in the war by 500% because of research design and execution flaws plus sampling error in the Hopkins report.[8] You will be best able to judge the quality of data if you know how it was collected.

In their books, *The Tipping Point* and *Freakonomics*, Malcolm Gladwell and Steven D. Levitt and Stephen J. Dubner reach different conclusions about the data on dropping crime rates for New York City. Gladwell attributes the drop to the crackdown by the new police chief on even minor crimes such as graffiti and public drunkenness. Levitt and Dubner first explain why the cause was not a crackdown on crime (the years don't match well; other cities also experienced the drop) and attribute it to the legalization of abortion (at the time of the crime drop the first wave of children born after *Roe v. Wade* was hitting late teen years and thus prime crime time; that group was short on the category most likely to become criminal: unwanted children). They also provide corroborating evidence from other countries.[9]

Another factor to consider when choosing data is that conditions change over time. Multiple studies have shown that people who cohabit with their future spouse are more likely to divorce than those who do not cohabit.

Reporting on Life

Each year, most publicly held companies produce annual reports. Because the reports can affect stock prices and credit ratings, companies take great care to produce detailed, attractive, and persuasive reports that fit within government guidelines.

Nicholas Felton, a graphic designer in New York City, has taken the idea of an annual report one step farther. Each year since 2005, he has produced a personal annual report, filled with the minute details of his life—encounters with other individuals, places he traveled, restaurants and shops he visited, and so on. With custom-designed charts and graphs, Felton tells his own story of the previous year in "The Feltron Annual Report," which he produces as a printed brochure and sells on his website.

Felton's creative approach to cataloging his life in an annual report has caught the attention of others. In fact, Felton got so many requests that he started a website to help people track their movements and record their personal data.

Sources: Nicholas Felton, "Feltron 2012," accessed June 29, 2013, http://feltron.com/ar12_01.html; and "An Annual Report on One Man's Life," *Bits* (blog), *New York Times*, February 9, 2010, http://bits.blogs.nytimes.com/2010/02/09/an-annual-report-on-one-mans-life/.

Nicholas Felton displays a page from *The Feltron Annual Report,* a catalog of his life through custom charts and graph.

Now, that association seems to be weakening for younger people.[10] As another example, the number of patents held by a company frequently was used as a measure of that company's innovation, but with patents increasingly being used as defensive strategies for even the smallest design changes, patent citations may be a more accurate measure. A high number of patent citations may show that the company's patent truly represents innovation.

Analyzing Numbers

Many reports analyze numbers—either numbers from databases and sources or numbers from a survey you have conducted. The numerical information, properly analyzed, can make a clear case in support of a recommendation.

When you have multiple numbers for salaries or other items, an early analysis step is to figure the average (or mean), the median, and the range. The **average** or **mean** is calculated by adding up all the figures and dividing by the number of samples. The **mode** is the number that occurs most often. The **median** is the number that is exactly in the middle in a ranked list of observations. When you have an even number, the median will be the average of the two numbers in the center of the list. The **range** is the difference between the high and low figures for that variable.

Averages are particularly susceptible to a single extreme figure. Three different surveys reported the average cost of a wedding at nearly $30,000. Many articles picked up that figure because weddings are big business. However, the median cost in those three surveys was only about $15,000. And even that is probably on the high side, since the samples were convenience samples for a big wedding website, a bride magazine, and a maker of wedding invitations, and thus probably did not include smaller, less elaborate weddings.[11]

Often it's useful to simplify numerical data: rounding off, combining similar elements. Then you can see that one number is, for instance, about 2½ times another. Graphing can also help you see patterns in your data. (See Chapter 16 for a full discussion of tables and graphs as a way of analyzing and presenting numerical data.) Look at the raw data as well as at percentages. For example, a 50% increase in shoplifting incidents sounds alarming. An increase from two to three shoplifting incidents sounds less so but could be the same data, just stated differently.

Analyzing Patterns

Patterns can help you draw meaning from your data. If you have library sources, on which points do experts agree? Which disagreements can be

explained by early theories or numbers that have now changed? Which disagreements are the result of different interpretations of the same data? Which are the result of having different values and criteria?

In your interviews and surveys, what patterns do you see?

- Have things changed over time?
- Does geography account for differences?
- Do demographics such as gender, age, or income account for differences?
- What similarities do you see?
- What differences do you see?
- What confirms your hunches?
- What surprises you?

Many descriptions of sales trends are descriptions of patterns derived from data.

Checking Your Logic

Check that your data actually measure what you want them to. What consumers say they will buy is not always what they actually do buy; what employees say they do at work does not always agree with objective studies.

A common belief is that satisfied customers will be repeat customers. But a *Harvard Business Review* study found little relationship between the two groups; customers who said on surveys they were satisfied did not necessarily make repeat purchases. (The best predictor of repeat purchases was that the customer would recommend the company to others.)[12]

Another common logic error is confusing causation with correlation. *Causation* means that one thing causes or produces another. *Correlation* means that two things happening at the same time are positively or negatively related. One might cause the other, but both might be caused by a third. For instance, consider a study that shows pulling all-nighters hurts grades: students who pull all-nighters get lower grades than those who do not pull all-nighters. But maybe it is not the all-nighter causing the poor grades; maybe students who need all-nighters are weaker students to begin with.

Correlation and causation are easy to confuse, but the difference is important. The Census Bureau publishes figures showing that greater education levels are associated with greater incomes. A widely held assumption is that more education causes greater earnings. But might people from richer backgrounds seek more education? Or might some third factor, such as intelligence, lead to both greater education and higher income?[13]

Consciously search for at least three possible causes for each phenomenon you've observed and at least three possible solutions for each problem. The more possibilities you brainstorm, the more likely you are to find good options. In your report, discuss in detail only the possibilities that will occur to readers and that you think are the real reasons and the best solutions.

When you have identified causes of the problem or the best solutions, check these ideas against reality. Can you find support in references or in numbers? Can you answer claims of people who interpret the data in other ways?

Cost-of-Living Comparison Patterns

Although popular with readers, cost-of-living rankings frequently are not very useful for various reasons, including the following:

- Currency fluctuations: Researchers use the exchange rate at the time they gather data, frequently several months before the report is issued.
- Items included: Generally items used by corporate executives who seek the same items everywhere. Adaptations to local products and lifestyles are not considered.
- Rankings are not percentages: Most people want to know how much more expensive New York is than San Antonio, for instance. Or the size of the gap between the fifth and sixth cities on a list. But this data, as well as actual price data, is usually only for sale.

Adapted from Carl Bialik, "Useful Cost-of-Living Data Don't Come Cheap," *Wall Street Journal*, February 9, 2013, A2.

Charity Data

Many people believe they "know" "facts" and figures that are not so. When you encounter these false beliefs, you need to be sure you provide reliable data to counteract them. One area subject to common misperceptions is charity donations. Below are some common myths paired with realities.

Myth: Most charitable giving goes to help the needy. Reality: Less than one-third of individually donated money to nonprofits goes to the economically disadvantaged.

Myth: Most charitable money comes from corporations. Reality: Most (about three-quarters) comes from individuals.

Myth: The wealthy look after those in need. Reality: The wealthy prefer to give to colleges, universities, and museums.

Adapted from Ken Stern, "Why the Rich Don't Give to Charity," *The Atlantic*, March 20, 2013, http://www.theatlantic.com/magazine/archive/2013/04/why-the-rich-dont-give/309254/; and "Giving Statistics," *Charity Navigator*, accessed June 30, 2013, http://www.charitynavigator.org/index.cfm?bay=content.view&cpid=42.

Make the nature of your evidence clear to your reader. Do you have observations that you yourself have made? Or do you have inferences based on observations or data collected by others? Old data may not be good guides to future action.

If you can't prove the claim you originally hoped to make, modify your conclusions to fit your data. Even when your market test is a failure or your experiment disproves your hypothesis, you can still write a useful report.

- Identify changes that might yield a different result. For example, selling the product at a lower price might enable the company to sell enough units.
- Divide the discussion to show what part of the test succeeded.
- Discuss circumstances that may have affected the results.
- Summarize your negative findings in progress reports to let readers down gradually and to give them a chance to modify the research design.
- Remember that negative results aren't always disappointing to the audience. For example, the people who commissioned a feasibility report may be relieved to have an impartial outsider confirm their suspicions that a project isn't feasible.

A common myth associated with numbers is that numbers are more objective than words: "numbers don't lie." But as the previous discussion shows, numbers can be subject to widely varying interpretation.

Choosing Information for Reports LO 18-3

Don't put information in reports just because you have it or just because it took you a long time to find it. Instead, choose the information that your audience needs to make a decision. NASA received widespread criticism over the way it released results from an $11.3 million federal air safety study. NASA published 16,208 pages of findings with no guide to understanding them. Critics maintain the lapse was deliberate because the data contained hundreds of cases of pilot error.[14]

If you know your audience well, you may already know their priorities. For example, the supervisor of a call center knows that management will be looking for certain kinds of performance data including costs, workload handled, and customer satisfaction. To write regular reports, the supervisor could set up a format in which it is easy to see how well the center is doing in each of these areas. Using the same format month after month simplifies the audience's task.

If you don't know your audience, you may be able to get a sense of what is important by showing a tentative table of contents (a list of your headings) and asking, "Have I included everything?" When you cannot contact an external audience, show your draft to colleagues and superiors in your organization.

How much information you need to include depends on whether your audience is likely to be supportive, neutral, or skeptical. If your audience is likely to be pleased with your research, you can present your findings directly. If your audience will not be pleased, you will need to explain your thinking in a persuasive way and provide substantial evidence.

You must also decide whether to put information in the body of the report or in appendixes. Put material in the body of the report if it is crucial to your

proof, if your most significant audience will want to see it there, or if it is short. (Something less than half a page won't interrupt the audience.) Frequently decision makers want your analysis of the data in the report body rather than the actual data itself. Supporting data that will be examined later by specialists such as accountants, lawyers, and engineers are generally put in an appendix.

Anything that a careful audience will want but that is not crucial to your proof can go in an appendix. Appendixes can include

- A copy of a survey questionnaire or interview questions.
- A tally of responses to each question in a survey.
- A copy of responses to open-ended questions in a survey.
- A transcript of an interview.
- Complex tables and visuals.
- Technical data.
- Previous reports on the same subject.

Organizing Information in Reports LO 18-4

Most sets of data can be organized in several logical ways. Choose the way that makes your information easiest for the audience to understand and use. If you were compiling a directory of all the employees at your plant, for example, alphabetizing by last name would be far more useful than listing people by height, Social Security number, or length of service with the company, although those organizing principles might make sense in lists for other purposes.

The following three guidelines will help you choose the arrangement that will be the most useful for your audience:

1. **Process your information before you present it to your audience.** The order in which you became aware of information usually is not the best order to present it to your audience.
2. **When you have lots of information, group it into three to seven categories.** The average person's short-term memory can hold only seven chunks, though the chunks can be of any size.[15] By grouping your information into seven categories (or fewer), you make your report easier to comprehend.
3. **Work with the audience's expectations, not against them.** Introduce ideas in the overview in the order in which you will discuss them.

Patterns for Organizing Information

Organize information in a way that will work best for your audience. Figure 18.1 lists common patterns for organizing information that are particularly useful in reports. Any of these patterns can be used for a whole report or for only part of it.

Comparison/Contrast Many reports use comparison/contrast sections within a larger report pattern. Comparison/contrast can also be the purpose of the whole report. Recommendation studies generally use this pattern. You can focus either on the alternatives you are evaluating or on the criteria you use. See Figure 18.2 for ways to organize these two patterns in a report.

Movie Rankings

What was the top grossing movie ever?

Turns out it is hard to say. Certainly *Avatar* took the worldwide box office by storm. It set records in the United States and overseas to become the top-grossing movie of all time, with over $2.7 billion in ticket sales. That huge number, however, reflects higher ticket prices and charges for 3-D glasses that distort the movie's place in history.

For many years, movie studios have focused on box office grosses as evidence of success. But the ever-increasing grosses do not take into account inflation or rising population figures.

Adjusting ticket prices for inflation, *Avatar* is no longer the top all-time grossing movie. In fact, it comes in at number 14. The top-grossing movie of all time remains 1939's best picture, *Gone with the Wind*.

But even box office numbers adjusted for inflation don't tell a completely accurate story, because popular older movies like *Gone with the Wind* were released in theaters every few years until the advent of home video.

Like other comparative lists, the all-time worldwide box office rankings depend on how the numbers are counted.

Adapted from Carl Bialik, "What It Takes for a Movie to Be No. 1," *Wall Street Journal*, January 30–31, 2010, A2; and "All Time Box Office," *Box Office Mojo*, accessed June 29, 2013, http://www.boxofficemojo.com/alltime/?page=bychart&p=.htm.

A Plan to Fail

In the days following the tragic oil spill in the Gulf of Mexico, BP assured the U.S. government and conservation experts that it was acting in accordance with its 582-page emergency spill response plan. As the details of the plan came to light, however, they revealed deep problems with the company's planning.

For example, the plan, written in 2009, listed Professor Peter Lutz as a wildlife expert. Unfortunately, the professor died in 2005. Additionally, the plan gave detailed instructions on treating sea creatures affected by spills, including walruses, sea otters, sea lions, and seals—none of which live in the Gulf of Mexico.

According to an AP study, the response plan did not address obvious problems and contained serious errors and omissions. Consequently, when the crude oil began to gush into the gulf, BP's employees were left scrambling for solutions without guidance or resources.

Adapted from Justin Pritchard, "Spill Response Plan Was Severely Flawed," *Des Moines Register*, June 10, 2010, 1A.

Figure 18.1 Ways to Organize Reports

- Comparison/contrast
- Problem–solution
- Elimination of alternatives
- SWOT analysis
- General to particular or particular to general
- Geographic or spatial
- Functional
- Chronological

Figure 18.2 Two Ways to Organize a Comparison/Contrast Report

Focus on alternatives	
Alternative A	Opening a New Store on Campus
Criterion 1	Cost of Renting Space
Criterion 2	Proximity to Target Market
Criterion 3	Competition from Similar Stores
Alternative B	Opening a New Store in the Suburban Mall
Criterion 1	Cost of Renting Space
Criterion 2	Proximity to Target Market
Criterion 3	Competition from Similar Stores
Focus on criteria	
Criterion 1	Cost of Renting Space for the New Store
Alternative A	Cost of Campus Locations
Alternative B	Cost of Locations in the Suburban Mall
Criterion 2	Proximity to Target Market
Alternative A	Proximity on Campus
Alternative B	Proximity in the Suburban Mall
Criterion 3	Competition from Similar Stores
Alternative A	Competing Stores on Campus
Alternative B	Competing Stores in the Suburban Mall

Focus on the alternatives when

- One alternative is clearly superior.
- The criteria are hard to separate.
- The audience will intuitively grasp the alternative as a whole rather than as the sum of its parts.

Focus on the criteria when

- The superiority of one alternative to another depends on the relative weight assigned to various criteria. Perhaps Alternative A is best if we are most concerned about Criterion 1, cost, but worst if we are most concerned about Criterion 2, proximity to target market.
- The criteria are easy to separate.
- The audience wants to compare and contrast the options independently of your recommendation.

A variation of the comparison/contrast pattern is the **pro-and-con pattern.** In this pattern, under each specific heading, give the arguments for and against that alternative. A report recommending new plantings for a university quadrangle uses the pro-and-con pattern:

Advantages of Monocropping
  High Productivity
  Visual Symmetry
Disadvantages of Monocropping
  Danger of Pest Exploitation
  Visual Monotony

This pattern is least effective when you want to de-emphasize the disadvantages of a proposed solution, for it does not permit you to bury the disadvantages between neutral or positive material.

Problem–Solution Identify the problem; explain its background or history; discuss its extent and seriousness; identify its causes. Discuss the factors (criteria) that affect the decision. Analyze the advantages and disadvantages of possible solutions. Conclusions and recommendation can go either first or last, depending on the preferences of your audience. This pattern works well when the audience is neutral.

A report recommending ways to eliminate solidification of a granular bleach during production uses the problem–solution pattern:

Recommended Reformulation for Vibe Bleach
Problems in Maintaining Vibe's Granular Structure
  Solidification during Storage and Transportation
  Customer Complaints about "Blocks" of Vibe in Boxes
Why Vibe Bleach "Cakes"
  Vibe's Formula
  The Manufacturing Process
  The Chemical Process of Solidification
Modifications Needed to Keep Vibe Flowing Freely

Elimination of Alternatives After discussing the problem and its causes, discuss the *impractical* solutions first, showing why they will not work. End with the most practical solution. This pattern works well when the solutions the audience is likely to favor will not work, while the solution you recommend is likely to be perceived as expensive, intrusive, or radical.

A report on toy commercials, "The Effect of TV Ads on Children," eliminates alternatives:

Alternative Solutions to Problems in TV Toy Ads
  Leave Ads Unchanged
  Mandate School Units on Advertising
  Ask the Industry to Regulate Itself
  Give FCC Authority to Regulate TV Ads Directed at Children

SWOT Analysis SWOT analysis is frequently used to evaluate a proposed project, expansion, or new venture. The analysis discusses **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats of the proposed action. Strengths and weaknesses are usually factors within the organization; opportunities and threats are usually factors external to the organization.

Cupid by the Numbers

Online dating sites collect mountains of data about their users—interests, hobbies, demographics, and characteristics—all of which are used to match users with potential partners. One site, however, is using all of that data to do more.

OkCupid, founded by four Harvard-educated mathematicians, maintains a blog called OkTrends, which mines user data to note interesting, amusing, and controversial trends. By running computer calculations and comparisons, the blog has compiled features like "Rape Fantasies and Hygiene by State," and "How Your Race Affects the Messages You Get."

While some of the data presented on OkTrends is useful to OkCupid's users (like how to pose for a profile picture and what greetings to use), much of it is posted simply to show trends and interesting facts (like iPhone users have more sex than other smartphone users). It also serves to drive traffic to the OkCupid site—visits have doubled since the OkTrends blog was introduced.

Adapted from Jason Del Ray, "In Love with Numbers: Getting the Most Out of Your Data," *Inc.*, October 2010, 105–6.

Annual Reports

Report Watch posts annual lists of the best annual reports. It also posts tips for creating good annual reports:

- Start with an eye-catching, interest-grabbing cover.
- Live up to the cover's promise in the body of the report.
- Don't overemphasize or underplay important points.
- Offer a longer-term, strategic view of the future in addition to information about the past year.
- Use clear headings and bullets to help readers who skim.
- Use a clear, readable style.
- Make all visuals striking, relevant, and creative.

Adapted from "Report Essentials," *Report Watch*, accessed July 3, 2013, http://www.reportwatch.net/reportessentials/.

A report recommending an in-house training department uses a SWOT analysis to support its recommendation:

Advantages of In-House Training
Disadvantages of In-House Training
Competitor Training Businesses
Opportunities for Training Expansion

This report switches the order of threats (Competitor Training Businesses) and opportunities to end with positive information.

General to Particular or Particular to General General to particular starts with the problem as it affects the organization or as it manifests itself in general and then moves to a discussion of the parts of the problem and solutions to each of these parts. Particular to general starts with the problem as the audience defines it and moves to larger issues of which the problem is a part. Both are good patterns when you need to redefine the audience's perception of the problem to solve it effectively.

The directors of a student volunteer organization, VIP, have defined their problem as "not enough volunteers." After studying the subject, the writer is convinced that problems in training, supervision, and campus awareness are responsible for both a high dropout rate and a low recruitment rate. The general-to-particular pattern helps the audience see the problem in a new way:

Why VIP Needs More Volunteers
Why Some VIP Volunteers Drop Out
  Inadequate Training
  Inadequate Supervision
  Feeling That VIP Requires Too Much Time
  Feeling That the Work Is Too Emotionally Demanding
Why Some Students Do Not Volunteer
  Feeling That VIP Requires Too Much Time
  Feeling That the Work Is Too Emotionally Demanding
  Preference for Volunteering with Another Organization
  Lack of Knowledge about VIP Opportunities
How VIP Volunteers Are Currently Trained and Supervised
Time Demands on VIP Volunteers
Emotional Demands on VIP Volunteers
Ways to Increase Volunteer Commitment and Motivation
  Improving Training and Supervision
  Improving the Flexibility of Volunteers' Hours
  Providing Emotional Support to Volunteers
  Providing More Information about Community Needs and VIP Services

Geographic or Spatial In a geographic or spatial pattern, you discuss problems and solutions by units according to their physical arrangement. Move from office to office, building to building, factory to factory, state to state, region to region, etc.

A sales report might use a geographic pattern of organization.

Sales Have Risen in the European Community
Sales Are Flat in Eastern Europe
Sales Have Fallen Sharply in the Middle East
Sales Are Off to a Strong Start in Africa

Sales Have Risen Slightly in Asia
Sales Have Fallen Slightly in South America
Sales Are Steady in North America

Functional In functional patterns, discuss the problems and solutions of each functional unit. For example, a small business might organize a report to its venture capitalists by the categories of research, production, and marketing. A government report might divide data into the different functions an agency performed, taking each in turn.

Major Accomplishments FY 12
- Regulation
- Education
- Research
- International coordination

Chronological A chronological report records events in the order in which they happened or are planned to happen. Many progress reports are organized chronologically.

Work Completed in October
Work Planned for November

If you choose this pattern, be sure you do not let the chronology obscure significant points or trends.

Patterns for Specific Varieties of Reports

Informative, recommendation, and justification reports will be more successful when you work with the audience's expectations for that kind of report.

Informative and Closure Reports **Informative** and **closure reports** summarize completed work or research that does not result in action or recommendation.

Informative reports often include the following elements:

- Introductory paragraph summarizing the problems or successes of the project.
- Purpose and scope section(s) giving the purpose of the report and indicating what aspects of the topic it covers.
- Chronological account outlining how the problem was discovered, what was done, and what the results were.
- Concluding paragraph offering suggestions for later action. The suggestions in a closure or informative report are not proved in detail.

Figure 18.3 presents an example of an informative report.

Closure reports also allow a firm to document the alternatives it has considered before choosing a final design.

Informative Report Offers Bleak Picture of U.S. Health

A new informative report from the National Research Council and Institute of Medicine suggests that Americans die earlier and experience more illnesses than people in 16 other similar high-income countries.

The report does not single out a specific age group or class. Even wealthy, college-educated people and people who choose healthy behaviors are all more likely to get ill than people in other countries.

The United States is at or near the bottom for nine areas: "infant mortality and low birth weight, injuries and homicides, teen pregnancy and sexually transmitted infections, prevalence of HIV and AIDS, drug-related deaths, obesity and diabetes, heart disease, chronic lung disease, and disability."

The report is startling because the United States spends more per capita on health care than any other country. Some of the reasons for the bleak picture are the result of social and economic disparities, availability of contraception, risky behaviors, and high calorie intake with limited exercise. The report concludes by recommending a stronger focus on national health objectives.

Adapted from "Americans Have Worse Health Than People in Other High-Income Countries; Health Disadvantage Is Pervasive across Age and Socio-Economic Groups," *News from the National Academies*, January 9, 2013, http://www8.nationalacademies.org/onpinews/newsitem.aspx?RecordID=13497

Figure 18.3 An Informative Report Describing How a Company Solved a Problem

March 14, 2014

To: Donna S. Kienzler

From: Sara A. Ratterman SAR

Informal short reports use letter or memo format.

Subject: Recycling at Bike Nashbar

First paragraph summarizes main points.

Two months ago, Bike Nashbar began recycling its corrugated cardboard boxes. The program was easy to implement and actually saves the company a little money compared to our previous garbage pickup.

Purpose and scope of report.

In this report, I will explain how and why Bike Nashbar's program was initiated, how the program works and what it costs, and why other businesses should consider similar programs.

Bold headings.

The Problem of Too Many Boxes and Not Enough Space in Bike Nashbar

Cause of problem.

Every week, Bike Nashbar receives about 40 large cardboard boxes containing bicycles and other merchandise. As many boxes as possible would be stuffed into the trash bin behind the building, which also had to accommodate all the other solid waste the shop produces. Boxes that didn't fit in the trash bin ended up lying around the shop, blocking doorways, and taking up space needed for customers' bikes. The trash bin was emptied only once a week, and by that time, even more boxes would have arrived.

Triple space before heading.

The Importance of Recycling Cardboard Rather than Throwing It Away

Double space after heading.

Arranging for more trash bins or more frequent pickups would have solved the immediate problem at Bike Nashbar but would have done nothing to solve the problem created by throwing away so much trash in the first place.

Double space between paragraphs within heading.

Further seriousness of problem.

According to David Crogen, sales representative for Waste Management, Inc., 75% of all solid waste in Columbus goes to landfills. The amount of trash the city collects has increased 150% in the last five years. Columbus's landfill is almost full. In an effort to encourage people and businesses to recycle, the cost of dumping trash in the landfill is doubling from $4.90 a cubic yard to $9.90 a cubic yard next week. Next January, the price will increase again, to $12.95 a cubic yard. Crogen believes that the amount of trash can be reduced by cooperation between the landfill and the power plant and by recycling.

How Bike Nashbar Started Recycling Cardboard

Capitalize first letter of major words in heading.

Solution.

Waste Management, Inc., is the country's largest waste processor. After reading an article about how committed Waste Management, Inc., is to waste reduction and recycling, I decided to see whether Waste Management could recycle our boxes. Corrugated cardboard (which is what Bike Nashbar's boxes are made of) is almost 100% recyclable, so we seemed to be a good candidate for recycling.

Figure 18.3 An Informative Report Describing How a Company Solved a Problem *(Continued)*

Donna S. Kienzler
March 14, 2014
Page 2

Reader's name, date, page number.

To get the service started, I met with a friendly sales rep, David Crogen, that same afternoon to discuss the service.

Waste Management, Inc., took care of all the details. Two days later, Bike Nashbar was recycling its cardboard.

Talking heads tell reader what to expect in each section.

How the Service Works and What It Costs

Details of solution.

Waste Management took away our existing 8-cubic-yard garbage bin and replaced it with two 4-yard bins. One of these bins is white and has "cardboard only" printed on the outside; the other is brown and is for all other solid waste. The bins are emptied once a week, with the cardboard going to the recycling plant and the solid waste going to the landfill or power plant.

Double space between paragraphs.

Since Bike Nashbar was already paying more than $60 a week for garbage pickup, our basic cost stayed the same. (Waste Management can absorb the extra overhead only if the current charge is at least $60 a week.) The cost is divided 80/20 between the two bins: 80% of the cost pays for the bin that goes to the landfill and power plant; 20% covers the cardboard pickup. Bike Nashbar actually receives $5.00 for each ton of cardboard it recycles.

Each employee at Bike Nashbar is responsible for putting all the boxes he or she opens in the recycling bin. Employees must follow these rules:

Indented lists provide visual variety.

- The cardboard must have the word "corrugated" printed on it, along with the universal recycling symbol.

- The boxes must be broken down to their flattest form. If they aren't, they won't all fit in the bin and Waste Management would be picking up air when it could pick up solid cardboard. The more boxes that are picked up, the more money that will be made.
- No other waste except corrugated cardboard can be put in the recycling bin. Other materials could break the recycling machinery or contaminate the new cardboard.
- The recycling bin is to be kept locked with a padlock provided by Waste Management so that vagrants don't steal the cardboard and lose money for Waste Management and Bike Nashbar.

(Continued)

Figure 18.3 An Informative Report Describing How a Company Solved a Problem *(Concluded)*

Donna S. Kienzler
March 14, 2014
Page 3

Disadvantages of solution.

Minor Problems with Running the Recycling Program

The only problems we've encountered have been minor ones of violating the rules. Sometimes employees at the shop forget to flatten boxes, and air instead of cardboard gets picked up. Sometimes people forget to lock the recycling bin. When the bin is left unlocked, people do steal the cardboard, and plastic cups and other solid waste get dumped in the cardboard bin. I've posted signs where the key to the bin hangs, reminding employees to empty and fold boxes and relock the bin after putting cardboard in it. I hope this will turn things around and these problems will be solved.

Advantages of the Recycling Program

Advantages of solution.

The program is a great success. Now when boxes arrive, they are unloaded, broken down, and disposed of quickly. It is a great relief to get the boxes out of our way, and knowing that we are making a contribution to saving our environment builds pride in ourselves and Bike Nashbar.

Our company depends on a clean, safe environment for people to ride their bikes in. Now we have become part of the solution. By choosing to recycle and reduce the amount of solid waste our company generates, we can save money while gaining a reputation as a socially responsible business.

Why Other Companies Should Adopt Similar Programs

Argues that her company's experience is relevant to other companies.

Businesses and institutions in Franklin County currently recycle less than 4% of the solid waste they produce. David Crogen tells me he has over 8,000 clients in Columbus alone, and he acquires new ones every day. Many of these businesses can recycle a large portion of their solid waste at no additional cost. Depending on what they recycle, they may even get a little money back.

The environmental and economic benefits of recycling as part of a comprehensive waste reduction program are numerous. Recycling helps preserve our environment. We can use the same materials over and over again, saving natural resources such as trees, fuel, and metals and decreasing the amount of solid waste in landfills. By conserving natural resources, recycling helps the U.S. become less dependent on imported raw materials. Crogen predicts that Columbus will be on a 100% recycling system by the year 2020. I strongly hope that his prediction will come true.

Recommendation Reports Recommendation reports evaluate two or more alternatives and recommend one of them. (Doing nothing or delaying action can be one of the alternatives.)

Recommendation reports normally open by explaining the decision to be made, listing the alternatives, and explaining the criteria. In the body of the report, each alternative will be evaluated according to the criteria using one of the two comparison/contrast patterns. Discussing each alternative separately is better when one alternative is clearly superior, when the criteria interact, or

when each alternative is indivisible. If the choice depends on the weight given to each criterion, you may want to discuss each alternative under each criterion.

Whether your recommendation should come at the beginning or the end of the report depends on your audience and the culture of your organization. Most audiences want the "bottom line" up front. However, if the audience will find your recommendation hard to accept, you may want to delay your recommendation until the end of the report when you have given all your evidence.

Justification Reports **Justification reports** justify a purchase, investment, hiring, or change in policy. If your organization has a standard format for justification reports, follow that format. If you can choose your headings and organization, use this pattern when your proposal will be easy for your audience to accept:

1. **Indicate what you're asking for and why it's needed.** Since the audience has not asked for the report, you must link your request to the organization's goals.
2. **Briefly give the background of the problem or need.**
3. **Explain each of the possible solutions.** For each, give the cost and the advantages and disadvantages.
4. **Summarize the action needed to implement your recommendation.** If several people will be involved, indicate who will do what and how long each step will take.
5. **Ask for the action you want.**

If the reader will be reluctant to grant your request, use this variation of the problem-solving pattern described in Chapter 11:

1. **Describe the organizational problem (which your request will solve).** Use specific examples to prove the seriousness of the problem.
2. **Show why easier or less expensive solutions will not solve the problem.**
3. **Present your solution impersonally.**
4. **Show that the disadvantages of your solution are outweighed by the advantages.**
5. **Summarize the action needed to implement your recommendation.** If several people will be involved, indicate who will do what and how long each step will take.
6. **Ask for the action you want.**

How much detail you need to give in a justification report depends on the corporate culture and on your audience's knowledge of and attitude toward your recommendation. Many organizations expect justification reports to be short—only one or two pages. Other organizations may expect longer reports with much more detailed budgets and a full discussion of the problem and each possible solution.

Presenting Information Effectively in Reports LO 18-5

The advice about style in Chapter 5 also applies to reports, with three exceptions.

1. **Use a fairly formal style, without contractions or slang.**
2. **Avoid the word** *you*. In a document with multiple audiences, it will not be clear who *you* is. Instead, use the company's name.
3. **Include in the report all the definitions and documents needed to understand the recommendations.** The multiple audiences for reports include people who may consult the document months or years from

The Importance of Annual Reports

A survey, conducted by WithumSmith+Brown and MGT Design Inc., found that the annual report is the most important publication a company produces. To understand the value of annual reports, the survey asked individual investors, portfolio managers, and securities analysts (the primary audiences for annual reports) about the ways that they read and use the reports to make decisions.

Here are some of their findings:

- 75% said the annual report is the most important publication that a company produces.
- 79% said the annual report is an important tool for investment decisions.
- 66% prefer photos and/or illustrations in annual reports.
- 90% said that important concerns facing the industry, such as environment issues and corporate governance, should be addressed in the report.
- 81% prefer a print version over electronic versions. Respondents said the print documents were easier to read, highlight, annotate, and file.

Taken together, these findings suggest that the annual report is an important communication for organizations and well worth the time spent creating it.

Adapted from Kirk Holderbaum, "Survey Reveals Importance of Corporate Annual Reports," Commerce & Industry Association of New Jersey, accessed July 3, 2013, 66, http://www.withum.com/fileSave/Commerce_Kirk_0207.pdf.

now; they will not share your inside knowledge. Explain acronyms and abbreviations the first time they appear. Explain as much of the history or background of the problem as necessary. Add as appendixes previous documents on which you are building.

The following points apply to any kind of writing, but they are particularly important in reports:

1. Use clear, engaging writing.
2. Keep repetition to a minimum.
3. Introduce sources and visuals.
4. Use forecasting, transitions, topic sentences, and headings to make your organization clear to your reader.

Let's look at each of these principles as they apply to reports.

1. Use Clear, Engaging Writing.

Most people want to be able to read a report quickly while still absorbing its important points. You can help them do this by using accurate diction. Not-quite-right word choices are particularly damaging in reports, which may be skimmed by readers who know little about the subject. Occasionally you can simply substitute a word:

Incorrect:	With these recommendations, we can overcome the solutions to our problem.
Correct:	With these recommendations, we can overcome our problem.
Also correct:	With these recommendations, we can solve our problem.

Sometimes you'll need to completely recast the sentence.

Incorrect:	The first problem with the incentive program is that middle managers do not use good interpersonal skills in implementing it. For example, the hotel chef openly ridicules the program. As a result, the kitchen staff fear being mocked if they participate in the program.
Better:	The first problem with the incentive program is that some middle managers undercut it. For example, the hotel chef openly ridicules the program. As a result, the kitchen staff fear being mocked if they participate in the program.

A strong writing style is especially important when you are preparing a report that relies on a wealth of statistics. Most people have difficulty absorbing number after number. To help your audiences, use text to highlight the message you want the statistics to convey. Examples and action-oriented details keep the audience engaged.

Warren Buffett says this about clear, engaging writing in annual reports, which can certainly present a wealth of statistics:

> I really have a mental picture of my sisters in mind and it's Dear Doris and Birdie. And I envision them as people who have a very significant part of their net worth in the company, who are bright but who have been away for a year and who are not business specialists.
>
> And once a year I tell them what's going on. . . . I think that should be the mental approach.[16]

Who Did What?

In a classic study that is still referenced today, Beverly Sauer found an important stylistic difference between the accident reports of U.S. and British mines.

The passive verbs and impersonal constructions in U.S. reports of coal mine disasters ("coal dust was permitted to accumulate" and "an accident occurred") suggest that accidents are inevitable. Who permitted the coal dust to accumulate? What could have been done to prevent the accumulation? Mine disaster reports contain sentences like the following: "The . . . fatality occurred when the victim proceeded into an area . . . before the roof was supported." Why did the person who was killed go into the area? Had a supervisor checked to see that the roof was supported? Who ordered what?

British reports of mine disasters, in contrast, focus on people and what they did to limit the damage from the disaster. Perhaps as a result, British mines have a much lower incidence of disasters than do U.S. coal mines.

Adapted from Beverly A. Sauer, "Sense and Sensibility in Technical Documentation: How Feminist Interpretation Strategies Can Save Lives in the Nation's Mines," *Journal of Business and Technical Communication* 7 (January 1993): 63–83.

2. Keep Repetition to a Minimum.

Some repetition in reports is legitimate. The conclusion restates points made in the body of the report; the recommendations appear in the transmittal, the abstract or executive summary, and in the recommendations sections of the report. However, repetitive references to earlier material ("As we have already seen") may indicate that the document needs to be reorganized. Read the document through at a single sitting to make sure that any repetition serves a useful purpose.

3. Introduce Sources and Visuals.

The first time you cite an author's work, use his or her full name as it appears on the work: "Thomas L. Friedman points out . . . " In subsequent citations, use only the last name: "Friedman shows . . . " Use active rather than passive verbs.

The verb you use indicates your attitude toward the source. *Says* and *writes* are neutral. *Points out, shows, suggests, discovers,* and *notes* suggest that you agree with the source. Words such as *claims, argues, contends, believes,* and *alleges* distance you from the source. At a minimum, they suggest that you know that not everyone agrees with the source; they are also appropriate to report the views of someone with whom you disagree.

Make sure you don't plagiarize from secondary sources; use in-text citations as well as full documentation on a "Works Cited" page. Be sure to use your own sentence structure to present information as well.

The report text should refer to all visuals before the audience encounters them:

As Table 1 shows, . . .

See Figure 4.

4. Use Forecasting, Transitions, Topic Sentences, and Headings

Forecasts are overviews that tell the audience what you will discuss in a section or in the entire report. Make your forecast easy to read by telling the audience how many points there are and using bullets or numbers (either words or figures). In the following example, the first sentence in the revised paragraph tells the reader to look for four points; the numbers separate the four points clearly. This overview paragraph also makes a contract with readers, who now expect to read about tax benefits first and employee benefits last.

Paragraph without numbers:	Employee stock ownership programs (ESOPs) have several advantages. They provide tax benefits for the company. ESOPs also create tax benefits for employees and for lenders. They provide a defense against takeovers. In some organizations, productivity increases because workers now have a financial stake in the company's profits. ESOPs are an attractive employee benefit and help the company hire and retain good employees.
Revised paragraph with numbers:	Employee stock ownership programs (ESOPs) provide four benefits. First, ESOPs provide tax benefits for the company, its employees, and lenders to the plan. Second, ESOPs help create a defense against takeovers. Third, ESOPs may increase productivity by giving workers a financial stake in the company's profits. Fourth, as an attractive employee benefit, ESOPs help the company hire and retain good employees.

Transitions are words, phrases, or sentences that tell audiences whether the discussion is continuing on the same point or shifting points.

There are economic advantages, too.

(Tells audience that we are still discussing advantages but that we have now moved to economic advantages.)

An alternative to this plan is. . . .

(Tells audience that a second option follows.)

The second factor. . . .

(Tells audience that the discussion of the first factor is finished.)

These advantages, however, are found only in A, not in B or C.

(Prepares audience for a shift from A to B and C.)

A **topic sentence** introduces or summarizes the main idea of a paragraph. Audiences who skim reports can follow your ideas more easily if each paragraph begins with a topic sentence.

Hard to read (no topic sentence):	Another main use of ice is to keep the fish fresh. Each of the seven kinds of fish served at the restaurant requires one gallon twice a day, for a total of 14 gallons. An additional 6 gallons a day are required for the salad bar.
Better (begins with topic sentence):	Twenty gallons of ice a day are needed to keep food fresh. Of this, the biggest portion (14 gallons) is used to keep the fish fresh. Each of the seven kinds of fish served at the restaurant requires one gallon twice a day. An additional 6 gallons a day are required for the salad bar.

Headings (see Chapter 6) are single words, short phrases, or complete sentences that indicate the topic in each section. A heading must cover all of the material under it until the next heading. For example, *Cost of Tuition* cannot include the cost of books or of room and board; *College Costs* could include all costs. You can have just one paragraph under a heading or several pages. If you do have several pages between headings you may want to consider using subheadings. Use subheadings only when you have two or more divisions within a main heading.

Topic headings focus on the structure of the report. As you can see from the following example, topic headings are vague and give little information.

Recommendation
Problem
  Situation 1
  Situation 2
Causes of the Problem
  Background
  Cause 1
  Cause 2
Recommended Solution

Talking heads, in contrast, tell the audience what to expect. Talking heads, like those in the examples in this chapter, provide a specific overview of each section and of the entire report.

Recommended Reformulation for Vibe Bleach
Problems in Maintaining Vibe's Granular Structure
  Solidification during Storage and Transportation
  Customer Complaints about "Blocks" of Vibe in Boxes
Why Vibe Bleach "Cakes"
  Vibe's Formula
  The Manufacturing Process
  The Chemical Process of Solidification
Modifications Needed to Keep Vibe Flowing Freely

Headings must be parallel (see Chapter 5); that is, they must use the same grammatical structure. Subheads must be parallel to each other but do not necessarily have to be parallel to subheads under other headings.

Not parallel:

Are Students Aware of VIP?
  Current Awareness among Undergraduate Students
  Graduate Students
Ways to Increase Volunteer Commitment and Motivation
  We Must Improve Training and Supervision
  Can We Make Volunteers' Hours More Flexible?
  Providing Emotional Support to Volunteers
  Provide More Information about Community Needs and VIP Services

Parallel:

Campus Awareness of VIP
  Current Awareness among Undergraduate Students
  Current Awareness among Graduate Students
Ways to Increase Volunteer Commitment and Motivation
  Improving Training and Supervision
  Improving the Flexibility of Volunteers' Hours
  Providing Emotional Support to Volunteers
  Providing More Information about Community Needs and VIP Services

In a complicated report, you may need up to three levels of headings. Figure 18.4 illustrates one way to set up headings. Follow these standard conventions for headings:

- Use a subheading only when you have at least two subsections under the next higher heading.
- Avoid having a subhead come immediately after a heading. Instead, some text should follow the main heading before the subheading. (If you have nothing else to say, give an overview of the division.)
- Avoid having a heading or subheading all by itself at the bottom of the page. Instead, have at least one line (preferably two) of type. If there isn't room for a line of type under it, put the heading on the next page.
- Don't use a heading as the antecedent for a pronoun. Instead, repeat the noun.

Figure 18.4 Setting Up Headings in a Single-Spaced Document

Center the title; use bold and a bigger font.

Typing Titles and Headings for Reports *14-point type.*

For the title of a report, use a bold font two point sizes bigger than the largest size in the body of the report. You may want to use an even bigger size or a different font to create an attractive title page. Capitalize the first word and all major words of the title.

Two empty spaces (triple space)

Heading for main divisions

Typing Headings for Reports *12-point type.*

One empty space (double space)

12-point type for body text

Center main headings, capitalize the first and all major words, and use bold. In single-spaced text, leave two empty spaces before main headings and one after. Also leave an extra space between paragraphs. You may also want to use main headings that are one point size bigger than the body text.

This example provides just one example of each level of heading. However, in a real document, use headings only when you have at least two of them in the document. In a report, you'll have several.

Two empty spaces (triple space)

Typing Subheadings *Bold; left margin*

One empty space

Most reports use subheadings under some main headings. Use subheadings only if you have at least two of them under a given heading. It is OK to use subheadings in some sections and not in others. Normally you'll have several paragraphs under a subheading, but it's OK to have just one paragraph under some subheadings.

12-point type

Subheadings in a report use the same format as headings in letters and memos. Bold subheadings and set them at the left margin. Capitalize the first word and major words. Leave two empty spaces before the subheading and one empty space after it, before the first paragraph under the subheading. Use the same size font as the body paragraphs.

One empty space (normal paragraph spacing)

Period after heading

Typing Further Subdivisions. For a very long report, you may need further subdivisions under a subheading. Bold the further subdivision, capitalizing the first word and major words, and end the phrase with a period. Begin the text on the same line. Use normal spacing between paragraphs. Further subdivide a subheading only if you have at least two such subdivisions under a given subheading. It is OK to use divisions under some subheadings and not under others.

Writing Formal Reports LO 18-6

Formal reports are distinguished from informal letter and memo reports by their length and by their components. A full formal report may contain the components outlined in Figure 18.5 in the left column.

As Figure 18.5 shows, not every formal report necessarily has all components. The components you need will depend on the audiences and purposes of your report. In addition, some organizations call for additional components or arrange these components in a different order. As you read each section below, you may want to turn to the corresponding sections of the report in Figure 18.6 to see how the component is set up and how it relates to the total report. The

Figure 18.5 The Components in a Report Can Vary

More formal ←		→ Less formal
Cover	Title Page	Introduction
Title Page	Table of Contents	Body
Transmittal	Executive Summary	Conclusions
Table of Contents	Body	Recommendations
List of Illustrations	Introduction	
Executive Summary	Body	
Body	Conclusions	
Introduction — Exordium	Recommendations	
Background — Narration		
Body — Partition		
Conclusions — Confirmation/Refutation		
Recommendations — Peroration		
References/Works Cited		
Appendixes		
Questionnaires		
Interviews		
Complex Tables		
Computer Printouts		
Related Documents		

http://www.pewinternet.org/

To see examples of the ways in which reports are written and disseminated, visit the Pew Internet & American Life Project at the above website.

The project produces reports on the impact of the Internet on American lives, collecting and analyzing data on real-world developments as they intersect with the virtual world. Following data collection, the results are written into the reports and posted as pdfs to the website.

Visit the project's web pages to see examples of the ways in which reports are first presented and then rewritten by the press for their audience and purpose.

example in Figure 18.6 shows segments of a formal report for illustration purposes; the full report can be viewed on this book's companion website.

Title Page

The title page of a report usually contains four items: the title of the report, the person or organization for whom the report is prepared, the person or group who prepared the report, and the release date. Some title pages also contain a brief summary or abstract of the contents of the report; some title pages contain decorative artwork.

The title of the report should be as informative as possible. Like subject lines, report titles are straightforward.

Poor title:	New Plant Site
Better title:	Eugene, Oregon, Site for the New Kemco Plant

Large organizations that issue many reports may use two-part titles to make it easier to search for reports electronically. For example, U.S. government report titles first give the agency sponsoring the report, then the title of that particular report.

Small Business Administration: Management Practices Have Improved for the Women's Business Center Program

Figure 18.6 Segments of a Formal Report

Center all text on the title page.

Slated for Success

Use a large font size for the main title.

RAC Inc. Expanding to South Korea

Use a slightly smaller font size for the subtitle.

Prepared for

No punctuation.

Name of audience, job title, organization, city, state, and zip code.

Ms. Katie Nichols
CEO of RAC Inc.
Grand Rapids, Michigan, 49503

Prepared by

No punctuation.

Name of writer(s), organization, city, state, and zip code.

JASS LLC
Jordan Koole
Alex Kuczera
Shannon Jones
Sean Sterling
Allendale, MI 49401

Month Day, Year

Date report is released.

Figure 18.6 Segments of a Formal Report *(Continued)*

The students in this group designed their own letterhead, assuming they were doing this report as consultants.

This letter uses block format.

JASS LLC
1 Campus Drive
Allendale, MI 49401

Month Day, Year *Enter current date*

Ms. Katie Nichols, CEO
RAC Inc.
1253 West Main Street
Grand Rapids, MI 49503

In paragraph 1, release the report. Note when and by whom the report was authorized. Note the report's purpose.

Dear Ms. Nichols:

In this document you will find the report that you requested in March. We have provided key information and made recommendations on a plan of action for the expansion of a RAC Inc. slate tablet manufacturing plant into South Korea.

Give recommendations or thesis of report.

Our analysis of expansion into South Korea covered several important areas that will help you decide whether or not RAC Inc. should expand and build a manufacturing plant in South Korea. To help us make our decision, we looked at the government, economy, culture, and most important, the competition. South Korea is a technologically advanced country and its economy is on the rise. Our research has led us to recommend expansion into South Korea. We strongly believe that RAC Inc. can be profitable in the long run and become a successful business in South Korea.

Note sources that were helpful.

JASS LLC used several resources in forming our analysis. The Central Intelligence Agency's *World Factbook*, the U.S. Department of State, World Business Culture, and Kwintessential were all helpful in answering our research questions.

Thank the audience for the opportunity to do the research.

Thank you for choosing JASS to conduct the research into South Korea. If you have any further questions about the research or recommendation please contact us (616-331-1100, info@jass.com) and we will be happy to answer any questions referring to your possible expansion into South Korea at no charge. JASS would be happy to conduct any further research on this issue or any other projects that RAC Inc. is considering. We look forward to building on our relationship with you in the future.

Offer to answer questions about the report.

Sincerely,

Jordan Koole

Jordan Koole
JASS Team Member

Center inital page numbers at the bottom of the page. Use a lowercase roman numeral for initial pages of report.

i

(Continued)

Figure 18.6 Segments of a Formal Report *(Continued)*

Main headings are parallel, as are subheadings within a section.

Table of Contents does not list itself.

Table of Contents

Letter of Transmittal i

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Use lowercase roman numerals for initial pages.

Introduction begins on page 1.

Capitalize first letter of each major word in headings.

Indentions show level of heading at a glance.

Line up right margin (justify).

Add a "List of Illustrations" at the bottom of the page or on a separate page if the report has many visuals.

List of Illustrations

Figure 1 South Korea's GDP Growth from 1911 to 2008 4

Figure 2 Comparison of GDP Growth Rates 5

Table 1 Comparison of Specifications for Existing Tablets 8

Figures and tables are numbered independently.

Figure 18.6 Segments of a Formal Report *(Continued)*

Report title.

Slated for Success

Many audiences read only the Executive Summary, not the report. Include enough information to give audiences the key points you make.

RAC Inc. Expanding to South Korea

Start with recommendation or thesis.

Executive Summary

To continue growth and remain competitive on a global scale, RAC Inc. should expand its business operations into South Korea. The country is a technologically advanced nation and would provide a strong base for future expansion. Slate tablet competitors of RAC Inc. in South Korea are doing quite well. Since RAC Inc. can compete with them in the United States, we are confident that RAC can remain on par with them in this new market.

The research we have done for this project indicates that this expansion will be profitable, primarily because the South Korean economy is flourishing. The workforce in South Korea is large, and finding talented employees to help set up and run the facility will be easy. In addition, the regulations and business structure are similar to those in the United States and will provide an easy transition into this foreign nation. The competition will be fierce; however, we believe that RAC Inc. will be profitable because of its track record with the Notion Tab in the United States.

Provide brief support for recommendations.

To ensure a successful expansion, JASS LLC recommends the following:

1. **RAC Inc. should establish its headquarters and manufacturing plant in Busan.**
   - Purchase a building to have a place to begin manufacturing the Notion Tab.
   - Educate RAC employees about South Korean culture and business practices before they begin working directly with South Koreans to avoid being disrespectful.
   - Explore hiring South Koreans; the available workforce is large.
   - Ensure that the Notion name is appropriate when translated into Korean. If not, change the name to better market the product.
   - Market and sell the product in both Busan and Seoul.
2. **After one year RAC should determine the acceptance and profitability of the expansion.**
   - Conduct a customer satisfaction survey with people who purchased the Notion Tab living in Seoul and Busan to determine the acceptance of the product.
   - Compare and contrast first-year sales with a competitor's similar product.
3. **If the tablet is competitive and profitable, RAC Inc. should expand its product line into all large cities in South Korea.**
   - To gain an edge on the competition, create a marketing plan that will offer the Notion Tab at some discount in the new cities.
   - Explore integrating other RAC Inc. products into South Korea. These products could also be manufactured at the new manufacturing plant in Busan.

Language in the Executive Summary can come from the report. Make sure any repeated language is well-written!

The Abstract or Executive Summary contains the logical skeleton of the report: the recommendation(s) and supporting evidence.

(Continued)

Figure 18.6 Segments of a Formal Report *(Continued)*

A running header is optional. This one includes the main title on the left and the page number on the right.

Slated for Success 1

Introduction

Center main headings.

To avoid getting left behind by competition in global expansion, RAC Inc. has contacted JASS LLC to perform an analysis about expanding into South Korea. JASS has researched South Korea to determine if RAC Inc. will be successful in expanding into this foreign market.

"Purpose" and "Scope" can be separate sections if either is long.

Purpose and Scope

RAC Inc. is a successful business in the United States and has had substantial growth over the last five years. With their competitors beginning to venture into foreign markets to gain more global market share, RAC Inc. is looking to expand into the international market as well. The purpose of our research is to decide whether or not RAC Inc. should expand its business into South Korea.

Give topics in the order you'll discuss them.

Tell what you discuss and how thoroughly you discuss each topic.

Topics in "Scope" section should match those in the report.

This report will cover several topics about South Korea including their government, economy, culture, technology market competition, and possible locations. Our research will not include any on-site research in South Korea. We are also not dealing directly with the South Korean people.

List any relevant topics you do not discuss.

Assumptions cannot be proved. But if they are wrong, the report's recommendation may no longer be valid.

Assumptions

The recommendations that we make are based on the assumption that the relationship between North and South Korea will remain the same as of the first part of 2011. We are also assuming that the technological state of South Korea will remain constant and not suffer from a natural disaster or an economic crash. In addition, we assume that the process of expansion into South Korea is the same with RAC Inc. as it has been with other American companies. Another assumption that we are making is that RAC Inc. has a good name brand and is competitive in the United States with Apple, Samsung, LG and other electronic companies.

If you collected original data (surveys, interviews, and observations), tell how you chose your subjects, what kind of sample you used, and when you collected the information. This report does not use original data; it just provides a brief discussion of significant sources.

Methods

The information in our report comes from online sources and reference books. We found several good sources, but the best information that we obtained came from The Central Intelligence Agency's *World Factbook*, the U.S. Department of State, World Business Culture, and Kwintessential. These resources have given us much useful information on which we have based our recommendation.

These limitations are listed because the students correctly assumed their teacher would want to know them. Limitations such as these would never be listed in a real consulting report, since they would disqualify the firm.

Limitations

If your report has limitations, state them.

The information in the report was limited to what we retrieved from our sources. We were not able to travel to South Korea to conduct on-site research. JASS was also limited by the language barrier that exists between the United States and South Korea. Other limitations exist because we have not been immersed in the Korean culture and have not gotten input from South Koreans on the expansion of companies into their country.

Define key terms your audience will need to read your report.

Definitions

There are a few terms that we use throughout the report that we would like to explain beforehand. The first term is slate tablet, an industry term, which from this point on is referred to as a tablet. Another term we would like to clarify is the city Busan. Some sources referred to it as Pusan. From this point forward, we use only Busan. An abbreviation we use is GDP, which stands for gross domestic product. The South Korean and United States Free Trade Agreement signed in 2007 is abbreviated as KORUS FTA, its official name in the United States government.

Figure 18.6 Segments of a Formal Report *(Continued)*

This section outlines the criteria used to make the overall recommendation.

Criteria

JASS LLC has established criteria that need to be favorable before we give a positive recommendation about South Korea. The criteria include the government, economy, culture, and market competition. We have weighted our criteria by percentages:

- Government = 20%
- Economy = 20%
- South Korean culture = 20%
- Market possibilities and competitors = 40%

We will examine each separately and give each criterion a favorable or not favorable recommendation. Market competition is weighted the heaviest and must be favorable or somewhat favorable for us to give a positive recommendation. Market competition can be given a favorable, nonfavorable, or somewhat favorable recommendation based on various external factors in the marketplace. We need a minimum of a 70% total to give a positive recommendation overall.

Triple-space before major headings and double-space after them.

Government

Headings must cover everything under that heading until the next one.

Begin most paragraphs with topic sentences.

South Korea is recognized as a republic government by the rest of the world. A republic government is a democracy where the people have supreme control over the government (South Korea: Political structure, 2009). This foundation makes it similar to the United States' democracy. There is a national government as well as provincial-level governments (similar to state-level governments) with different branches. Larger cities, like Seoul and Busan, have their own city government as well. The government is considered multipartied and has multiple parties vying for positions (South Korea: Political structure, 2009). The Republic of South Korea shares its power among three branches of government, thus providing checks and balances inside the government. The three branches of the government are the presidential, legislative, and judicial (U.S. Department of State, 2010). In this section, we will discuss government control, business regulations, taxes, free trade, and concerns about North Korea.

List subtopics in the order in which they are discussed.

Capitalize all main words of headings and subheadings.

Government Control

It's OK to have subheadings under some headings and not others.

The Grand National Party (GNP) controls the major policy-making branches of the government. President Lee Myung-Bak and Prime Minister Kim Hwang-Sik are both members of the GNP. Winning control of the National Assembly in April 2008 (South Korea: Political structure, 2009), the GNP is considered the conservative party in South Korea and is similar to the Republican Party in the United States. Their policies favor conservatism and are considered pro-business (Grand National Party, 2011). RAC Inc. should not expect much interference from the government with their business venture into South Korea, unless the GNP loses control of the government in the next election.

Use subheadings only when you have two or more sections.

Period goes outside of parenthesis.

Business Regulations

South Korea ranks 16th on the ease of doing business index (World Bank Group, 2011a). This index measures the regulations that a government imposes on businesses and how easy it is to start and run a business in a given country. Factors this index measures include the ease of starting a business, doing taxes, and enforcing contracts. For comparison, the United States is ranked fifth on this list (World Bank Group, 2011b). While there are more regulations on business in South Korea, they are still near the top of the list. The relatively low rating on regulation can be due in part to the Grand National Party controlling the government. There are a few general regulations that RAC Inc. should know before going into South Korea. For more specific business regulations, RAC Inc. may need to do further research before expanding.

(Continued)

Figure 18.6 Segments of a Formal Report *(Continued)*

Since the 1960s, the GDP has had only one dip, a result of the Asian Economic crisis in the late 1990s that affected most Asian countries. In 2004, South Korea became a part of the trillion-dollar economy club, making them one of the world's top economies (Central Intelligence Agency, 2011).

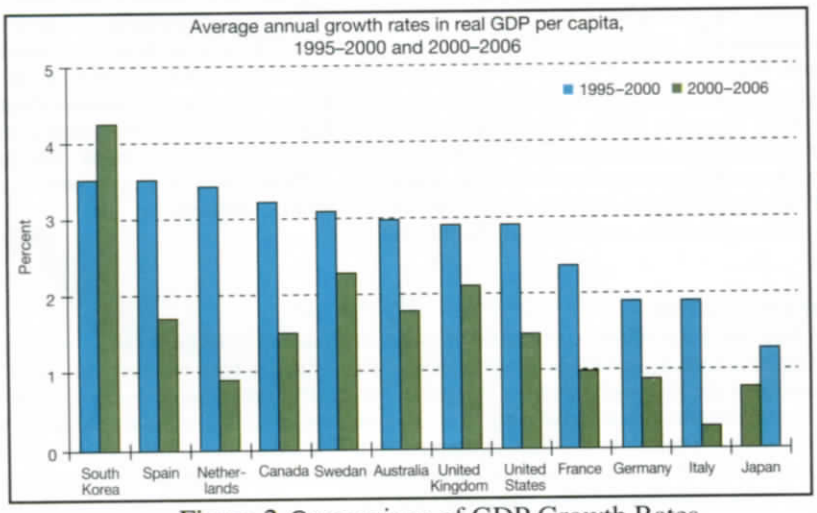
However the economy faces challenges in maintaining steady growth in the future. These challenges include an aging population, inflexible workforce, and an overdependence on exports. Right now, though, South Korea's economy continues to grow. Their industrial production growth rate was 12.1% in 2010, making them the 11th fastest-growing nation in the production industry. In 2010, their GDP grew by 6.8%, the 28th largest growth of GDP in the world (Central Intelligence Agency, 2011). This growth makes South Korea a viable place of expansion.

Refer to figure in the text. Tell what main point it makes.

GDP and Other Important Economic Measures

The official GDP of South Korea was $1.467 trillion in 2010 (Central Intelligence Agency, 2011). This GDP is the 13th highest in the world. GDP measures the total value of goods produced by a country's economy. Figure 2 shows a comparison of GDP growth rates for top countries. GDP per capita in South Korea is $30,200, which is the 44th largest in the world. This measures the output of goods and services per person in the country. It is also an indicator of the average worker's

Number figures consecutively throughout the report; number tables and figures independently.



Label both axes of graphs. See Chapter 16 for more information on creating data displays.

Figure 2: Comparison of GDP Growth Rates

(Source: U.S. Bureau of Labor Statistics, 2008)

Cite source of data.

Figure captions need to be descriptive.

salary in the country. South Korea only has 15% of their population living in poverty. They have a labor force of 24.62 million which is the 25th largest labor force in the world, with an unemployment rate of 3.3% (Central Intelligence Agency, 2011). These numbers need to be considered when starting operations in South Korea. South Korea also has a service-driven economy with 57.6% of the country's GDP output in the service industry and 68.4% of the labor force employed in the service industry (Central Intelligence Agency, 2011). All of these numbers and high world rankings of the economic measures show that South Korea has a stable and healthy economy where a business could prosper.

Figure 18.6 Segments of a Formal Report *(Continued)*

Conclusions repeat points made in the report. Recommendations are actions the audience should take.

Some companies ask for Conclusions and Recommendations at the beginning of the report.

Conclusions and Recommendations

All of the research that we have done supports the decision to expand into South Korea. The government, economy, and culture criteria all received favorable recommendations for a total of 60%. Market possibilities and competition received half support for an additional 20%. Together, South Korea has earned 80% based on our criteria.

Therefore, we believe that RAC Inc. could profitably expand into South Korea. The Notion Tab is a high-quality product, and it will be easily integrated into this technologically advanced county. In conclusion, we recommend that RAC Inc. should expand into South Korea.

To ensure a successful expansion, JASS LLC recommends the following:

Numbering points makes it easier for the audience to follow and discuss them.

1. **RAC Inc. should establish its headquarters and manufacturing plant in Busan.**
   - Purchase a building to have a place to begin manufacturing the Notion Tab.
   - Educate RAC employees about South Korean culture and business practices before they begin working directly with South Koreans to avoid being disrespectful.
   - Explore hiring South Koreans; the available workforce is large.
   - Ensure that the Notion name is appropriate when translated into Korean. If not, change the name to better market the product.
   - Market and sell the product in both Busan and Seoul.

Make sure all items in a list are parallel.

2. **After one year RAC should determine the acceptance and profitability of the expansion.**
   - Conduct a customer satisfaction survey with people who purchased the Notion Tab living in Seoul and Busan to determine the acceptance of the product.
   - Compare and contrast first-year sales with a competitor's similar product.

3. **If the tablet is competitive and profitable, RAC Inc. should expand its product line into all large cities in South Korea.**
   - To gain an edge on the competition, create a marketing plan that will offer the Notion Tab at some discount in the new cities.
   - Explore integrating other RAC Inc. products into South Korea. These products could also be manufactured at the new manufacturing plant in Busan.

Because many readers turn to the "Recommendations" first, provide enough information so that the reason is clear all by itself. The ideas in this section must be logical extensions of the points made and supported in the body of the report.

(Continued)

Figure 18.6 Segments of a Formal Report *(Concluded)*

References

This report uses APA citation style.

Advameg, Inc. (2011). Culture of South Korea. *Countries and Their Cultures*. Retrieved April 2, 2011, from http://www.everyculture.com/Ja-Ma/South-Korea.html.

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LG Slate full specifications and product details. (2011, February 2). *Gadgetian*. Retrieved April 3, 2011, from http: //gadgetian.com/7069/lg-g-slate-t-mobile-specs-price/.

LG Telecom. (2010, November 29). In *Wikipedia*. Retrieved April 2, 2011, from http://en.wikipedia.org/wiki/LG_Telecom.

Life in Korea. (n.d.). *Cultural spotlight*. Retrieved March 31, 2011, from http://www.lifeinkorea.com/Culture/spotlight.cfm.

Compare this list of sources with those in the proposal. Notice how the authors had to adjust the list as they completed research.

List all the printed and online sources cited in your report. Do not list sources you used for background but did not cite.

Sources for this report continue onto a second page.

In many cases, the title will state the recommendation in the report: "Why the United Nations Should Establish a Seed Bank." However, the title should omit recommendations when

- The reader will find the recommendations hard to accept.
- Putting all the recommendations in the title would make it too long.
- The report does not offer recommendations.

If the title does not contain the recommendation, it normally indicates what problem the report tries to solve or the topic the report discusses.

Eliminate any unnecessary words:

Wordy: Report of a Study on Ways to Market Life Insurance to Urban Professional People Who Are in Their Mid-40s

Better: Marketing Life Insurance to the Mid-40s Urban Professional

The identification of the receiver of the report normally includes the name of the person who will make a decision based on the report, his or her job title, the organization's name, and its location (city, state, and zip code). Government reports often omit the person's name and simply give the organization that authorized the report.

If the report is prepared primarily by one person, the "Prepared by" section will have that person's name, his or her title, the organization, and its location (city, state, and zip code). In internal reports, the organization and location are usually omitted if the report writer works at the headquarters office.

Government reports normally list the names of all people who wrote the report, using a separate sheet of paper if the group working on the report is large. Practices in business differ. In some organizations, all the names are listed; in others, the division to which they belong is listed; in still others, the name of the chair of the group appears.

The **release date,** the date the report will be released to the public, is usually the date the report is scheduled for discussion by the decision makers. The report is frequently due four to six weeks before the release date so that the decision makers can review the report before the meeting.

If you have the facilities and the time, try using type variations, color, and artwork to create a visually attractive and impressive title page. However, a plain typed page is acceptable. The format in Figure 18.6 will enable you to create an acceptable typed title page.

Letter or Memo of Transmittal

Use a letter of transmittal if you are not a regular employee of the organization for which you prepare the report; use a memo if you are a regular employee.

The transmittal has several purposes: to transmit the report, to orient the reader to the report, and to build a good image of the report and of the writer. An informal writing style is appropriate for a transmittal even when the style in the report is more formal. A professional transmittal helps you create a good image of yourself and enhances your credibility. Personal statements are appropriate in the transmittal, even though they would not be acceptable in the report itself.

Organize the transmittal in this way:

1. **Transmit the report.** Tell when and by whom it was authorized and the purpose it was to fulfill.

2. **Summarize your conclusions and recommendations.** If the recommendations will be easy for the audience to accept, put them early in the transmittal. If they will be difficult, summarize the findings and conclusions before the recommendations.
3. **Mention any points of special interest in the report. Show how you surmounted minor problems you encountered in your investigation. Thank people who helped you.** These optional items can build goodwill and enhance your credibility.
4. **Point out additional research that is necessary, if any.** Sometimes your recommendation cannot be implemented until further work is done. If you'd be interested in doing that research or if you'd like to implement the recommendations, say so.
5. **Thank the audience for the opportunity to do the work and offer to answer questions.** Provide contact information. Even if the report has not been fun to do, expressing satisfaction in doing the project is expected. Saying that you'll answer questions about the report is a way of saying that you won't charge the audience your normal hourly fee to answer questions (one more reason to make the report clear!).

The letter of transmittal on page i of Figure 18.6 uses this pattern of organization.

Table of Contents

In the table of contents, list the headings exactly as they appear in the body of the report. If the report is less than 25 pages, you'll probably list all the levels of headings. In a long report, pick a level and put all the headings at that level and above in the table of contents.

Some software programs, such as Microsoft Word, offer features that automatically generate a table of contents (and a list of illustrations) if you apply the style feature when you generate headings.

Page ii of Figure 18.6 shows the table of contents.

List of Illustrations

A list of illustrations enables audiences to refer to your visuals.

Report visuals comprise both tables and figures. *Tables* are words or numbers arranged in rows and columns. *Figures* are everything else: bar graphs, pie charts, flow charts, maps, drawings, photographs, computer printouts, and so on. Tables and figures may be numbered independently, so you may have both a Table 1 and a Figure 1. In a report with just two kinds of visuals, such as maps and graphs, the visuals are sometimes called Map 1 and Graph 1. Whatever you call the illustrations, list them in the order in which they appear in the report; give the name of each visual as well as its number.

See Chapter 16 for information about how to design and label visuals and data displays.

Executive Summary

An **executive summary** or **abstract** tells the audience what the document is about. It summarizes the recommendation of the report and the reasons for the recommendation or describes the topics the report discusses and indicates

the depth of the discussion. It should be clear even to people who will read only the abstract.

A good abstract is easy to read, concise, and clear. Edit your abstract carefully to tighten your writing and eliminate any unnecessary words.

Wordy: The report describes two types of business jargon, *businessese* and *reverse gobbledygook*. It gives many examples of each of these and points out how their use can be harmful.

Tight: The report describes and illustrates two harmful types of business jargon, *businessese* and *reverse gobbledygook*.

Abstracts generally use a more formal style than other forms of business writing. Avoid contractions and colloquialisms. Try to avoid using the second-person *you*. Because reports may have many different audiences, *you* may become inaccurate. It's OK to use exactly the same words in the abstract and the report.

Summary abstracts present the logic skeleton of the report: the thesis or recommendation and its proof. Use a summary abstract to give the most useful information in the shortest space.

To market life insurance to mid-40s urban professionals, Interstate Fidelity Insurance should advertise in upscale publications and use direct mail.

Network TV and radio are not cost-efficient for reaching this market. This group comprises a small percentage of the prime-time network TV audience and a minority of most radio station listeners. They tend to discard newspapers and general-interest magazines quickly, but many of them keep upscale periodicals for months or years. Magazines with high percentages of readers in this group include *Architectural Digest, Bon Appetit, Forbes, Golf Digest, Metropolitan Home, Southern Living,* and *Smithsonian.*

Any advertising campaign needs to overcome this group's feeling that they already have the insurance they need. One way to do this would be to encourage them to check the coverage their employers provide and to calculate the cost of their children's expenses through college graduation. Insurance plans that provide savings and tax benefits as well as death benefits might also be appealing.

One way to start composing an abstract is to write a sentence outline. A **sentence outline** not only uses complete sentences rather than words or phrases but also contains the thesis sentence or recommendation and the evidence that proves that point. Combine the sentences into paragraphs, adding transitions if necessary, and you'll have your abstract.

Descriptive abstracts indicate what topics the report covers and how deeply it goes into each topic, but they do not summarize what the report says about each topic. Phrases that describe the report ("this report covers," "it includes," "it summarizes," "it concludes") are marks of a descriptive abstract. An additional mark of a descriptive abstract is that the audience can't tell what the report says about the topics it covers.

This report recommends ways Interstate Fidelity Insurance could market insurance to mid-40s urban professionals. It examines demographic and psychographic profiles of the target market. Survey results are used to show attitudes toward insurance. The report suggests some appeals that might be successful with this market.

A Government Executive Summary that Made News Headlines

On February 18, 2009, the Obama administration announced a "Homeowner Affordability and Stability" plan to counter the home mortgage crisis. The executive summary of the plan—given to the press—included the following:

- First, a statement of background, which included bullet points listing the effects of the crisis (for example, that nearly 6 million households will face foreclosure), and ending with the purpose of the plan (that the plan will help nearly 7 to 9 million families to "restructure" their mortgages to avoid foreclosure).
- Then, the two main components of the plan ("affordability" and "stability") together with their subcomponents (a few subcomponents are given below as examples):
- "Affordability"
  - "Enabling refinancing"
  - "Reducing monthly payments"
- "Stability"
  - "Helping homeowners stay in their homes"
  - "Not aiding speculators"
  - "Protecting neighborhoods"

The summary provided numbers and, where appropriate, examples to inform and explain the plan.

Adapted from "Homeowner Affordability and Stability Plan Executive Summary," *Bloomberg Businessweek*, February 18, 2009, http://www.businessweek.com/bwdaily/dnflash/content/feb2009/db20090218_403370.htm.

Introduction

The **introduction** of the report always contains a statement of purpose and scope and may include all the parts in the following list:

- **Purpose.** The purpose statement identifies the problem the report addresses, the technical investigations it summarizes, and the rhetorical purpose (to explain, to recommend).
- **Scope.** The scope statement identifies how broad an area the report surveys. For example, Company XYZ is losing money on its line of computers. Does the report investigate the quality of the computers? The advertising campaign? The cost of manufacturing? The demand for computers? A scope statement allows the reader to evaluate the report on appropriate grounds.
- **Assumptions.** Assumptions in a report are like assumptions in geometry: statements whose truth you assume, and which you use to prove your final point. If they are wrong, the conclusion will be wrong too.

  For example, to plan cars that will be built five years from now, an automobile manufacturer commissions a report on young adults' attitudes toward cars. The recommendations would be based on assumptions both about gas prices and about the economy. If gas prices radically rose or fell, the kinds of cars young adults wanted would change. If there were a major recession, people wouldn't be able to buy new cars.

  Almost all reports require assumptions. A good report spells out its assumptions so that audiences can make decisions more confidently.
- **Methods.** If you conducted surveys, focus groups, or interviews, you need to tell how you chose your subjects, and how, when, and where they were interviewed. If the discussion of your methodology is more than a paragraph or two, you should probably make it a separate section in the body of the report rather than including it in the introduction. Reports based on scientific experiments usually put the methods section in the body of the report, not in the introduction.

  If your report is based solely on library or online research, provide a brief description of significant sources.
- **Limitations.** Limitations make your recommendations less valid or valid only under certain conditions. Limitations usually arise because time or money constraints haven't permitted full research. For example, a campus pizza restaurant considering expanding its menu may ask for a report but not have enough money to take a random sample of students and townspeople. Without a random sample, the writer cannot generalize from the sample to the larger population.

  Many recommendations are valid only for a limited time. For instance, a campus store wants to know what kinds of clothing will appeal to college men. The recommendations will remain valid for only a short time: two years from now, styles and tastes may have changed, and the clothes that would sell best now may no longer be in demand.
- **Criteria.** The criteria section outlines the factors or standards that you are considering and the relative importance of each. If a company is choosing a city for a new office, is the cost of office space more or less important than the availability of skilled workers? Check with your audience before you write the draft to make sure that your criteria match those of your audiences.
- **Definitions.** Many reports define key terms in the introduction. For instance, a report on unauthorized Internet use by employees might define what is meant by "unauthorized use." A report on the corporate dress code might define such codes broadly to include general appearance, so it could include items such as

tattoos, facial piercings, and general cleanliness. Also, if you know that some members of your primary or secondary audience will not understand technical terms, define them. If you have only a few definitions, you can put them in the introduction. If you have many terms to define, put a **glossary** in an appendix. Refer to it in the introduction so that audiences know that you've provided it.

Background or History

Formal reports usually have a section that gives the background of the situation or the history of the problem. Even though the current audience for the report probably knows the situation, reports are filed and consulted years later. These later audiences will probably not know the background, although it may be crucial for understanding the options that are possible.

In some cases, the history section may cover many years. For example, a report recommending that a U.S. hotel chain open hotels in Romania may give the history of that country for at least several decades. In other cases, the background section is much briefer, covering only a few years or even just the immediate situation.

The purpose of most reports is rarely to provide a history of the problem. Do not let the background section achieve undue length.

Body

The body of the report is usually its longest section. Analyze causes of the problem and offer possible solutions. Present your argument with all its evidence and data. Data that are necessary to follow the argument are included with appropriate visuals, data displays, and explanatory text. Extended data sets, such as large tables and long questionnaires, are generally placed in appendixes. It is particularly important in the body that you use headings, forecasting statements, and topic sentences to help lead your audience through the text. Audiences will also appreciate clear, concise, and engaging prose. Remember to cite your sources (see Appendix C) and to refer in the text to all visuals and appendixes.

Conclusions and Recommendations

Conclusions summarize points you have made in the body of the report; **recommendations** are action items that would solve or ameliorate the problem. These sections are often combined if they are short: "Conclusions and Recommendations." No new information should be included in this section.

Many audiences turn to the recommendations section first; some organizations ask that recommendations be presented early in the report. Number the recommendations to make it easy for people to discuss them. If the recommendations will seem difficult or controversial, give a brief paragraph of rationale after each recommendation. If they'll be easy for the audience to accept, you can simply list them without comments or reasons. The recommendations will also be in the executive summary and perhaps in the title and the transmittal.

Appendixes

Appendixes provide additional materials that the careful audience may want. Common items are transcripts of interviews, copies of questionnaires, tallies of answers to questions, complex tables, printouts of original or difficult to find source material, and previous reports.

Summary by Learning Objectives

LO 18-1 Use your time efficiently when writing reports.

- Think about the parts of the report and what material can come from previous documents or research.
- When possible, even before finishing your research write some report sections: Purpose, Scope, Methods, Assumptions, Limitations, Criteria, and Definitions.
- Use technology tools to manage your time more efficiently.

LO 18-2 Analyze data, information, and logic.

- Good reports begin with good data. Make sure your data come from reliable sources.
- Analyze report numbers and text for accuracy and logic.

LO 18-3 Choose information for reports.

- Choose information to include that your audience needs to know to make a decision. Figuring out whether your audience is supportive, neutral, or skeptical will guide you on how much information you need to include.
- Determine what information to put in the body of the report or in appendixes.

LO 18-4 Organize reports.

Choose an appropriate organizational pattern for your information and purposes. The most common patterns are comparison/contrast, problem–solution, elimination of alternatives, SWOT analysis, general to particular, particular to general, geographic or spatial, functional, and chronological.

LO 18-5 Present information effectively in reports.

Reports use the same style as other business documents, with three exceptions:

1. Reports use a more formal style, without contractions or slang, than do many letters and memos.
2. Reports rarely use the word *you*.
3. Reports should include all the definitions and documents needed to understand the recommendations.

To create good report style,

1. Use clear, engaging writing.
2. Keep repetition to a minimum.
3. Introduce all sources and visuals.
4. Use forecasting, transitions, topic sentences, and headings.

Headings are single words short phrases, or complete sentences that describe all of the material under them until the next heading. Talking heads tell the audience what to expect in each section.

Headings must use the same grammatical structure. Subheads under a heading must be parallel to each other but do not necessarily have to be parallel to subheads under other headings.

LO 18-6 Prepare the different components of formal reports.

- The title page of a report usually contains four items: the title of the report, whom the report is prepared for, whom it is prepared by, and the date.
- If the report is 25 pages or less, list all the headings in the table of contents. In a long report, pick a level and put all the headings at that level and above in the contents.
- Organize the transmittal in this way:
  1. Release the report.
  2. Summarize your conclusions and recommendations.
  3. Mention any points of special interest in the report. Show how you surmounted minor problems you encountered in your investigation. Thank people who helped you.
  4. Point out additional research that is necessary, if any.
  5. Thank the reader for the opportunity to do the work and offer to answer questions.
- Summary abstracts present the logic skeleton of the article: the thesis or recommendation and its proof. Descriptive abstracts indicate what topics the article covers and how deeply it goes into each topic, but do not summarize what the article says about each topic. A good abstract or executive summary is easy to read, concise, and clear. A good abstract can be understood by itself, without the report or references.
- The "Introduction" of the report always contains a statement of purpose and scope. The purpose statement identifies the organizational problem the report addresses, the technical investigations it summarizes, and the rhetorical purpose (to explain, to recommend). The scope statement identifies how broad an area the report surveys. The introduction may also include limitations, problems or factors that limit the validity of your recommendations; assumptions, statements whose truth you assume, and which you use to prove your final point; methods, an explanation of how you

gathered your data; criteria used to weigh the factors in the decision; and definitions of terms audiences may not know.

- A "Background" or "History" section is usually included because reports are filed and may be consulted years later by people who no longer remember the original circumstances.
- The body of the report, usually the longest section, analyzes causes of the problem and offers possible solutions. It presents your argument with all evidence and data.
- "Conclusions" section summarizes points made in the body of the report; under "Recommendations" are action items that would solve or ameliorate the problem. These sections are often combined if they are short.
- Appendixes provide additional materials that the careful audience may want.

Continuing Case

The All-Weather Case, set in an HR department in a manufacturing company, extends through all 19 chapters and is available at www.mhhe.com/locker11e. The portion for this chapter asks students to organize data from the cross-cultural training program and prepare an outline for a recommendation report based on the data.

Exercises and Cases

18.1 Reviewing the Chapter

1. What are some sections of the report you may be able to write even before finishing your research? (LO 18-1)
2. What are some criteria to check to ensure you have quality data? (LO 18-2)
3. What kinds of patterns should you look for in your data and text? (LO 18-2)
4. What are some guidelines for choosing information for reports? (LO 18-3)
5. Name seven basic patterns for organizing reports. For four of them, explain when they would be particularly effective or ineffective. (LO 18-4)
6. What are three ways that style in reports differs from conventional business communication style? (LO 18-5)
7. Name four good writing principles that are particularly important in reports. (LO 18-5)
8. How do you introduce sources in the text of the report? (LO 18-5)
9. Why should reports try to have a topic sentence at the beginning of each paragraph? (LO 18-5)
10. What are the characteristics of an effective report title? (LO 18-6)
11. What goes in the letter of transmittal? (LO 18-6)
12. What is the difference between summary and descriptive abstracts? (LO 18-6)
13. What goes in the introduction of a report? (LO 18-6)
14. What is the difference between conclusions and recommendations? (LO 18-6)

18.2 Identifying Assumptions and Limitations

Indicate whether each of the following would be an assumption or a limitation in a formal report.

a. Report on Ways to Encourage More Students to Join XYZ Organization's Twitter Feed
   1. I surveyed a judgment sample rather than a random sample.
   2. These recommendations are based on the attitudes of current students. Presumably, students in the next several years will have the same attitudes and interests.

b. Report on the Feasibility of Building Hilton Hotels in Romania
   1. This report is based on the expectation that the country will be politically stable.
   2. All of my information is based on library research. The most recent articles were published two months ago; much of the information was published a year ago or more. Therefore, some of my information may be out of date.

c. Report on Car-Buying Preferences of Young Adults
   1. These recommendations may change if the cost of gasoline increases dramatically or if there is another deep recession.
   2. This report is based on a survey of adults ages 20 to 24 in California, Texas, Illinois, Ontario, and Massachusetts.
   3. These preferences are based on the cars now available. If a major technological or styling innovation occurs, preferences may change.

18.3 Revising an Executive Summary

The following executive summary is poorly organized and written. Revise it to make it more effective. Cut information that does not belong, and add any information that you feel is missing.

> This report will discuss the healthier food options for athletes at the University Gym. Currently, there are several vending machines that student athletes can buy snacks from, but all of the snacks are really unhealthy. Some of the vending machine options that they have are potato chips, candy bars, cookies, and fruit snacks. None of these are healthy options for athletes.
>
> I think there are a few options that can help this situation. Some of the options include setting up a snack bar. This snack bar could include items like fruits, vegetables, salads, and fruit smoothies. The University's Food Services would have to run this and hire several students to run it. This would cost quite a bit.
>
> Students need healthy food options, especially when they are athletes who are training for sports. Student athletes have very demanding schedules and may not have time to cook healthy foods for themselves.
>
> Another option that we could do would be to simply have a healthy, refrigerated vending machine, with healthy options in it, like fruits, ready-to-eat salads, veggies, and yogurts. This would be easier to install, but would have to be checked frequently to ensure that that items do not go bad.
>
> These are my recommendations for the problem.

18.4 Revising a Recommendation Section

A student has written the following recommendation section for a report for a local restaurant. The restaurant is called the American Grill and specializes in burgers and fries. The restaurant is new to the area and wants to increase its advertising in the local area to get the word out about their food.

Revise the recommendation section so it is well organized and clear. You may add any information that is needed.

> I recommend the following to expand the advertising for American Grill:
>
> American Grill should hand out flyers to people during the July 4th parade that goes through the downtown area. They could ask some of the servers to walk through the parade wearing their American Grill t-shirts to hand out the flyers. The flyers would contain lots of information, like hours, specials, and other important information.
>
> The American Grill should put a radio commercial on the local radio station with the drink specials and also hand out flyers. The radio commercial should also give location information for those who do not know where it is located.
>
> The American Grill should hand out coupons for appetizers and drink specials. These could also be handed out in a parade, or to college students when they first get to the University.

18.5 Comparing Report Formats

Locate five business or organizational reports (or white papers as they're sometimes called) on the Internet. A good online collection of organizational reports is the website of the Council on Library and Information Resources (CLIR) accessible at http://www.clir.org/pubs/reports/. Additionally, you can find reports linked from the websites of the Fortune 500 organizations, or you can search for them on Google using keywords such as "reports," "business reports," "company reports," or "organizational reports."

The reports you find could be about the organizations' environmental sustainability efforts, their products, or any other aspect of their operations.

Compare the organization of the five reports you select. What similarities and differences do you see in the formatting of all these reports? Make a table of your findings. Discuss your findings in small groups.

18.6 Comparing Style in Annual Reports

Locate two annual reports on the Internet. A good source is Report Watch, http://www.reportwatch.net/. Compare the style of the two reports. Here are some questions to get you started:

1. How do they use visuals to keep attention?
2. What differences do you see in the letters from the CEOs?
3. How do they present number-heavy information? Do they rely mainly on tables and graphs? Do they give prose summaries?
4. Is the writing easy to understand?
5. Do you see places where negative information is given a positive spin?
6. Is one report easier to understand than the other? Why?
7. Is one report more interesting than the other? Why?
8. Is one report more convincing than the other? Why?

As your instructor directs,

a. Work in small groups to do your comparison. Share your findings in a five-minute oral presentation to the class.
b. Work in small groups to do your comparison. Share your findings in an e-mail posted on the class website.
c. Work individually to do your comparison. Share your findings in an e-mail to your instructor.

18.7 Analyzing Business Reports

Visit the following collection of business reports: http://www.technologyreview.com/businessreports/. In small groups, choose a report and answer the following questions:

- How many of the components of a report does it contain? (See Figure 18.5).
- What is the style of the report? What kinds of language does it use? Try to find specific instances.
- Is the writing clear and engaging?
- Is it repetitive?
- Does the report use sources and visuals? How are they used?
- Does the report use forecasting, transitions, clear topic sentences, and/or headings?
- What type of report is this?
- These reports are *MIT Technology Review* business reports. Did that fact lessen your desire to read the report? Was the technology in the report understandable to you? Why or why not?

Share your findings with the class.

18.8 Evaluating a Report from Your Workplace

Consider the following aspects of a report from your workplace:

- Content. How much information is included? How is it presented?
- Emphasis. What points are emphasized? What points are de-emphasized? What verbal and visual techniques are used to highlight or minimize information?
- Visuals and layout. Are visuals used effectively? Are they accurate and free from chartjunk? What image do the pictures and visuals create? Are color and white space used effectively? (See Chapter 16 on visuals.)

As your instructor directs,

a. Write an e-mail to your instructor analyzing the report.
b. Join with a small group of students to compare and contrast several reports. Present your evaluation in an informal group report.
c. Present your evaluation orally to the class.

18.9 Analyzing Information and Writing Reports

Reread the sidebar about the Pew Internet and American Life Project at http://www.pewinternet.org/ on page 597. Go to the website and browse through the reports. Select a report and answer the following questions:

- Who is the report's audience?
- What is its purpose?
- How were the data collected?
- What did the data collection measure?
- Why was the data collection important?

Given your analysis of the report's audience, purpose, and data collection, consider the strategies used in the report to convey the information. Answer these questions:

- What tone did the writer adopt?
- How was the report organized and designed to meet the needs of the audience?
- What language choices did the writer make?

Finally, examine the press releases that are written about the report (the press releases for each report are included as links) for the ways the information in the report is adapted for a different audience and purpose. How do the content, organization, tone, and language choices differ from those of the original report? Do you see any ethical issues involved in condensing the report into a press release?

As your instructor directs,

- Write a report of your findings to your instructor.
- Present your findings to the class using presentation software.

18.10 Preparing an Information Report

Visit the website of the Global Reporting Initiative (https://www.globalreporting.org/Pages/default.aspx), a group of analysts from various industries and professions that is committed to advancing the cause of socially responsible reporting by organizations. Prepare an information report, either as an e-mail to your instructor or as a presentation for the class, describing the organization, the people behind it, their guidelines, their work, and their impact on the corporate world.

18.11 Recommending Action

Write a report recommending an action that your unit or organization should take. Possibilities include

- Developing a stronger social media presence online.
- Enhancing technology with smartphones, tablets, or laptops to accomplish work on the go.
- Buying more equipment for your department.
- Hiring an additional worker for your department.
- Making your organization more family-friendly.
- Making a change that will make the organization more environmentally sustainable.
- Making changes to improve accessibility for customers or employees with disabilities.

Address your report to the person who would have the power to approve your recommendation.

As your instructor directs,

a. Create a document or presentation to achieve the goal.
b. Write an e-mail to your instructor describing the situation at your workplace and explaining your rhetorical choices (medium, strategy, tone, wording, graphics or document design, and so forth).

18.12 Writing a Recommendation Report

Write a report evaluating two or more alternatives. Possible topics include the following:

1. Should your student organization start a Facebook page to promote events, speakers, etc.?
2. Should students in your major start a monthly newsletter? Would an electronic or paper version be more useful to the target audience?
3. Should your student organization write an annual report? Would doing so help the next year's officers?
4. Should your student organization create a wiki, blog, or newsletter to facilitate communication with a constituency?
5. Should your workplace create a newsletter to communicate internally?
6. Should a local restaurant open another branch? Where should it be?

In designing your study, identify the alternatives, define your criteria for selecting one option over others, carefully evaluate each alternative, and recommend the best course of action.

18.13 Writing an Informative or Closure Report

Write an informative report on one of the following topics.

1. What should a U.S. manager know about dealing with workers from _____ [you fill in the country or culture]? What factors do and do not motivate people in this group? How do they show respect and deference? Are they used to a strong hierarchy or to an egalitarian setting? Do they normally do one thing at once or many things? How important is clock time and being on time? What factors lead them to respect someone? Age? Experience? Education? Technical knowledge? Wealth? Or what? What conflicts or

miscommunications may arise between workers from this culture and other workers due to cultural differences? Are people from this culture similar in these beliefs and behaviors, or is there lots of variation?

2. What benefits do companies offer? To get information, check the web pages of three companies in the same industry. Information about benefits is usually on the page about working for the company.
3. Describe an ethical dilemma encountered by workers in a specific organization. What is the background of the situation? What competing loyalties exist? In the past, how have workers responded? How has the organization responded? Have whistle-blowers been rewarded or punished? What could the organization do to foster ethical behavior?
4. Describe a problem or challenge encountered by an organization where you've worked. Describe the problem, show why it needed to be solved, tell who did what to try to solve it, and tell how successful the efforts were. Possibilities include
   - How the organization is integrating a social media strategy.
   - How the organization is implementing teams, downsizing, or changing organizational culture.
   - How the organization uses e-mail or voice mail.
   - How the organization uses telecommuting.
   - How managers deal with stress, make ethical choices, or evaluate subordinates.
   - How the organization is responding to changing U.S. demographics, the Americans with Disabilities Act, the Plain Writing Act, or international competition and opportunities.

18.14 Writing a Consultant's Report—Restaurant Tipping

Your consulting company has been asked to conduct a report for Diamond Enterprises, which runs three national chains: FishStix, The Bar-B-Q Pit, and Morrie's. All are medium-priced, family-friendly restaurants. The CEO is thinking of replacing optional tips with a 15% service fee automatically added to bills.

You read articles in trade journals, surveyed a random sample of 200 workers in each of the chains, and conducted an e-mail survey of the 136 restaurant managers. Here are your findings:

1. Trade journals point out that the Internal Revenue Service (IRS) audits restaurants if it thinks that servers underreport tips. Dealing with an audit is time-consuming and often results in the restaurant's having to pay penalties and interest.
2. Only one Morrie's restaurant has actually been audited by the IRS. Management was able to convince the IRS that servers were reporting tips accurately. No penalty was assessed. Management spent $5,000 on CPA and legal fees and spent over 80 hours of management time gathering data and participating in the audit.
3. Restaurants in Europe already add a service fee (usually 15%) to the bill. Patrons can add more if they choose. Local custom determines whether tips are expected and how much they should be. In Germany, for example, it is more usual to round up the bill (from 27 € to 30 €, for example) than to figure a percentage.
4. If the restaurant collected a service fee, it could use the income to raise wages for cooks and hosts and pay for other benefits, such as health insurance, rather than giving all the money to servers and bussers.
5. Morrie's servers tend to be under 25 years of age. FishStix employs more servers over 25, who are doing this for a living. The Bar-B-Q Pit servers are students in college towns.
6. In all three chains, servers oppose the idea. Employees other than servers generally support it.

	Retain tips	Change to service fee added to bill	Don't care
FishStix servers (n = 115)	90%	7%	3%
Bar-B-Q servers (n = 73)	95%	0%	5%
Morrie's servers (n = 93)	85%	15%	0%
Morrie's nonservers (n = 65)	25%	70%	5%
FishStix non servers (n = 46)	32%	32%	37%
Bar-B-Q nonservers (n = 43)	56%	20%	25%

(Numbers do not add up to 100% due to rounding.)

7. Servers said that it was important to go home with money in their pockets (92%), that their expertise increased food sales and should be rewarded (67%), and that if a service fee replaced tips they would be likely to look for another job (45%). Some (17%) thought that if the manager distributed service-fee income, favoritism rather than the quality of work would govern how much tip income they got. Most (72%) thought that customers would not add anything beyond the 15% service fee, and many (66%) thought that total tip income would decrease and their own portion of that income would decrease (90%).
8. Managers generally support the change.

	Retain tips	Change to service fee added to bill	Don't care
FishStix managers (n = 44)	20%	80%	0%
Bar-B-Q managers (n = 13)	33%	67%	0%
Morrie's managers (n = 58)	55%	45%	0%

9. Comments from managers include: "It isn't fair for a cook with eight years of experience to make only $12 an hour while a server can make $25 an hour in just a couple of months," and "I could have my pick of employees if I offered health insurance."
10. Morale at Bar-B-Q Pit seems low. This is seen in part in the low response rate to the survey.
11. In a tight employment market, some restaurants might lose good servers if they made the change. However, hiring cooks and other non-servers would be easier.
12. The current computer systems in place can handle figuring and recording the service fee. Since bills are printed by computer, an additional line could be added. Allocating the service-fee income could take extra managerial time, especially at first.

Write the report.

18.15 Writing a Library Research Report

Write a library research report.

As your instructor directs,

Turn in the following documents:

a. The approved proposal.
b. The report, including
   Cover.
   Title Page.
   Letter or Memo of Transmittal.
   Table of Contents.
   List of Illustrations.
   Executive Summary or Abstract.
   Body (Introduction, all information, recommendations). Your instructor may specify a minimum length, a minimum number or kind of sources, and a minimum number of visuals.
   References or Works Cited.
c. Your notes and at least one preliminary draft.

Choose one of the following topics.

1. **Selling to College Students.** Your car dealership is located in a university town, but the manager doubts that selling cars to college students will be profitable. You agree that college incomes are low to nonexistent, but you see some students driving late-model cars. Recommend to the dealership's manager whether to begin marketing to college students, suggesting some tactics that would be effective.
2. **Advertising on the Internet.** You work on a team developing a marketing plan to sell high-end sunglasses. Your boss is reluctant to spend money for online advertising because she has heard that the money is mostly wasted. Also, she associates the ads with spam, which she detests. Recommend whether the company should devote some of its advertising budget to online ads. Include samples of online advertising that supports your recommendation.
3. **Improving Job Interview Questions.** Turnover among the sales force has been high, and your boss believes the problem is that your company has been hiring the wrong people. You are part of a team investigating the problem, and your assignment is to evaluate the questions used in job interviews. Human resource personnel use tried-and-true questions like "What is your greatest strength?" and "What is your greatest weakness?" The sales manager has some creative alternatives, such as asking candidates to solve logic puzzles and seeing how they perform under stress by taking frequent phone calls during the interview. You are to evaluate the current interviewing approaches and propose changes that would improve hiring decisions.
4. **Selling to Walmart.** Your company has a reputation for making high-quality lamps and ceiling fans sold in specialty stores. Although the company has been profitable, it could grow much faster if it sold through Walmart. Your boss is excited about her recent discussions with that retailer, but she has heard from associates that Walmart can be a demanding customer. She asked you to find out if there is a downside to selling through Walmart and, if so, whether manufacturers can afford to say no to a business deal with the retail giant.
5. **Making College Affordable.** The senator you work for is concerned about fast-rising costs of a college education. Students say they cannot afford their tuition bills. Colleges say they are making all the cuts they can without compromising the quality of education. In order to propose a bill that would help make college affordable for those who are qualified to attend, the senator has asked you to research alternatives for easing the problem. Recommend one or two measures the senator could include in a bill for the Senate to vote on.
6. With your instructor's permission, investigate a topic of your choice.

18.16 Writing a Recommendation Report

Write an individual or a team report.

As your instructor directs,

Turn in the following documents:

1. The approved proposal.
2. The report, including
   Cover.
   Title Page.
   Letter or Memo of Transmittal.
   Table of Contents.
   List of Illustrations.
   Executive Summary or Abstract.