LESSON 16

BUSINESS REPORTS

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Model Business Reports

A Model Report

October 10, 2003

The General Manager,
Fit Garment Industries,
Multan Road, Lahore.

Dear Sir,

Subject: Report on the strike of the workers in the factory.

Following your instructions, I have probed into the matter regarding the strike of all the workers in the factory. Here are my findings:

On Monday morning, in the production unit 2, two workers started a fight on a money matter.
Ahmad had lent some money to Kareem, who made several promises but did not return a single
penny.

On Monday morning, Ahmad demanded an immediate return of his amount but instead of an apologetic behavior Kareem abused Ahmad. Hot remarks were exchanged. Kareem picked up a hammer and hit it hard on Ahmad’s head. It started bleeding.

He was rushed to the hospital by the workers. Members of the labour union reached and all the
workers took out a procession. The President of the union gave a call for strike. They raised
slogans against the culprit. While addressing the mob, union leaders demanded a prompt
termination of the culprit. They wanted to continue the strike till the acceptance of their demand.

However, on the assurance of the Production Manager, they agreed to call off their strike. Everything was done amicably.

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Sir,

You have asked for my suggestions, so I recommend Mr. Kareem’s termination. I do feel that a case of fraud and assault should be registered in the police station. Mr. Ahmad should be treated at the expenses of the company and should be granted paid leave for one month.

Yours truly,

A. Sheikh

Regional Manager

Definition

A business report is an impartial, objective, planned presentation of facts to one or more persons
for a specific business purpose or an orderly, objective message used to convey information from
one organizational area to another or from one institution to another to assist in decision making
or problem solving.”

Reports have been classified in numerous ways by management and by report-preparation authorities. We classify reports on the bases of their forms, uses, contents, etc.

Purpose of Report

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| --- | --- | --- |
| Purpose of Report | Common Examples | Distribution |
| To monitor and controloperations | Plans, operating reports,personal activity reports | Internal reports move upwardson recurring basis; externalreports go to selected audience. |
| To implement policies andprocedures | Lasting guideline,position papers | Internal reports movedownwards or on a non-recurringbasis |
| To comply with regulatoryrequirements | Reports, IRS, SEC,EEOC, Human RightsCommission | External reports are sent on arecurring basis |
| To obtain new business orfindings | Sales proposals | External reports are sent on non-recurring basis |
| To document client work | Interim progress reports,final reports | External reports are sent on non-recurring basis |
| To guide decisions | Research reports,justification reports,trouble shooting reports(Classifications) | Internal reports move upwardson a non-recurring basis |

Classification of Report

Formal or Informal

Formal reports are carefully structured; they stress objectivity and organization, contain much detail, and are written in a style that tends to eliminate such elements as personal pronouns.

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Informal reports are usually short messages with natural, casual use of language. The internal memorandum generally can be described as an informal report.

Short or Long Reports

‘Short-or-long’ can be a confusing classification for reports. A one-page memorandum is
obviously short, and a term paper of twenty pages is obviously long. What about in-between
lengths? One important distinction generally holds true: as a report becomes longer, it takes on
more characteristics of formal report. Thus, the formal-informal and short-long classifications are
closely related.

What Makes a Good Business Report?

Business reports are like bridges spanning time and space. Organizations use them to provide a formal, verifiable link among people, places, and time. Some reports are needed for internal communication; others are vehicles for corresponding with outsiders. Some are required as a permanent record; others are needed to solve an immediate problem or to answer a passing question. Many move upward through the chain of command to help managers monitor the various units in the organization; some move downward to explain management decisions to lower-level employees responsible for day-to-day operations.

The purpose of a business report is to convey essential information in an organized, useful format. Despite technological advances, the ability to accumulate data, organize facts, and compose a readable text remains a highly marketable skill.

A well-prepared business report will provide COMPLETE, ACCURATE information about an
aspect of a company’s operations. The subject of a report may vary from expenses to profits,
production to sales, marketing trends to customer relations. The information provided by a report
is often meant to influence decisions, to determine changes, improvements, or solutions to
problems. Therefore, the report must also be CLEAR, CONCISE, and READABLE.
The format of a business report may vary from a brief informal report intended for in-house use
to a voluminous formal report intended for a national public distribution. Some reports consist
entirely of prose while others consist of statistics; and still other reports may employ a
combination of prose, tables, charts, and graphs.

The style of a report depends upon the audience. An informal report meant to be read only by close associates may be worded personally. In such reports personal pronouns ‘I’ or ‘We’ are acceptable. A formal report, on the other hand, must be impersonal and expressed entirely in the third person. Note the difference

Style

Informal:

I recommend that the spring campaign concentrate on newspaper and television advertising.

Formal:

It is recommended that the spring campaign concentrate on newspaper and television advertising.

Informal:

After discussing the matter with our department managers, we came up with the following information.

Formal:

The following report is based upon information provided by the managers of the Accounting, Marketing, Personnel, and Advertising Departments.

Deciding on Format and Length

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Pre-printed form: It is basically for “fill in the blanks” reports. Most are relatively short (five or fewer pages) and deal with routine information, often mainly in numerical form. Use this format when it’s requested by the person authorizing the report.

Letter Reports

Common for reports, of five or fewer pages, those are directed to outsiders. These reports include
all the normal parts of a letter, but they may also have headings, footnotes, tables, and figures.

Memo Reports

Common for short (fewer than ten pages) informal reports distributed within an organization. Memos have headings at the top: To, From, Date, and Subject. In addition, like longer reports, they often have internal headings and sometimes have visuals. (Organizational plan)

Deciding on Approach

Audience attitude is the basis for decisions about an organization. If the audience is considered, either receptive or open minded, use the direct approach.

Lead off with a summary of your key findings, conclusions, and recommendations. This ‘up-
front’ approach is by far the most popular and convenient order for business reports because it
saves time and makes the best of the report which is easy to follow. For those who have questions
or want more information, later parts of the report provide complete findings and supporting
details. In addition to being more convenient for readers, the direct approach also produces a
more forceful report. You are sure of yourself when you state your conclusions confidently at the
outset.

Types of Reports

A memo report is a cross between interoffice memo and a formal report

Memo reports can be used to:

• Answer a request for information

• Report progress

• Make recommendations

• State facts

• Communicate ideas

• Send statistical data

• Explain trend within an organization

Two types of Memo Reports

1. Informational memorandum reports

2. Analytical memo reports

(1) Informational Memorandum Reports

The central purpose of informational reports is to inform and summarize information. It is similar to speech. Obviously, these reports vary widely in content, depending on type of business, purpose, topics discussed, and readers’ needs.

An information memo report will:

• Inform

• Summarize some information requested

• Organize information objectively

• Make recommendation

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Conference Reports

Topics for conference reports range from summaries of personal sales called conferences to write-ups of meetings attended by hundreds of persons. For example, a credit or collection manager or account executive may make similar reports after conferences with clients. The text of such reports is usually organized by topics discussed or presented simply in a chronological order. Some firms have standardized headings for the often-written reports to ensure that the same information or main topics are recorded in all of them.

Progress Reports

Progress reports show, progress, accomplishments, or activity over time or at a given stage of a
major assignment. The organizational plan is usually inductive, including topics similar to these.

1. Introduction (purpose, nature of project)

2. Description of accomplishments during the reporting period.

3. Unanticipated problems (if any)

4. Plans for the next reporting period.

5. Summary (overall appraisal of progress to date)

Periodic Reports

They are routine reports prepared at regular time interval-daily, weekly, monthly quarterly or
annually.

Examples of such reports are:

1. Sales Reports

2. Financial Reports

These reports are prepared on pre-printed form.

(2) Analytical Memorandum Reports

This analytical memorandum report seeks to analyze a situation or problem; it may end with or without a specific recommendation.

Such reports have the following subjects.

• On the causes of decline in sales volume

• On the evaluation of a person before recruitment

• On individual being considered for promotion

• On the analysis of a particular book

Recommendation-Justification Reports

Many analytical reports will have a special purpose: to recommend a change or remain with the
status quo (policy), support the idea that something is desirable or undesirable (value), or defend
the accuracy of information (fact). Your report may be in response to a specific request, or it may
be voluntary.

While Organizing Memo Reports Take Care of the Following

• Itemize the information

• Present the fact with absolute fairness and accuracy

• Be careful not to mix your opinion with the facts you report

• Reserve your comments for your conclusions and recommendations