

Magic Workbooks
Business Survival Manual

REPORTING

OR

*Making the Numbers
Dance...*

Let's face it: Most people, no matter how competent they are at their job, no matter how much time they have spent on preparing their report, no matter how sure they are of their findings, simply hate having to give reports.

The reasons given for this range from the suspicion that the times when the messenger was killed for bringing unwelcome news are not truly over to the fear that the audience will be uninterested or even hostile or will embarrass them by asking for just those few irrelevant bits of information they have not prepared.

Reporting, successful reporting, that is, is a skill that is rarely taught but obviously worth learning because it makes your professional life that much easier and more stress-free.

RULE No. 1: Talk to me, Harry Winston!

What you say is not really important. Important is what the audience hears. (And don't say it's one and the same thing because it isn't. If you say "nuts", your audience is free to think "crazy" or "unsaturated fats" – and that is a very simple example).

When you speak to an audience, concentrate on their faces and as little as possible on your text or your spreadsheets. Check for reactions and mold your reporting accordingly. Repeat something in different words if you get the impression you did not get it across the first time. Skip over a part if you begin to see stifled yawns. Give clear and simple examples if you have to present technical material to a non-specialist audience.

In short: **communicate with your audience!** Mold your reporting style to their intellectual abilities and – to their mood!

The funniest little story to enliven your report will not go down well with an audience that is troubled.

RULE No. 2: **The Man Who Knew Too Much**

One of the most irritating things about giving a good report is that you need to know your subject matter down to the last detail but in order to keep your audience's attention you need to present it exactly the other way around.

There seems to be a massive psychological resistance to this: we like to tell the story first, and then come out with the message. We like to gradually build up to a thrilling climax. And we have a tendency to save the best bits for the grand finale. Unfortunately, reporting reality and management attention spans dictate otherwise.

Those instances where you can tell all the details and then present your conclusions from those details are rare indeed. In reporting, it makes more sense to come out with a conclusion and then cite the facts and figures which have led you to this conclusion. The conclusion is the attention-grabber, and while the attention is there it hopefully extends to your supporting evidence – in those who will try to refute your arguments as well as in those who follow your line of reasoning.

If you go about it the other way and try to build up to your conclusion, you have a situation where you alone know where you are heading and your audience doesn't. You will have people who don't listen or don't follow your chain of arguments and then refute your conclusion – while you think you have just proved it!

Never forget that your knowing how it all ends can stand very much in the way of successful reporting!

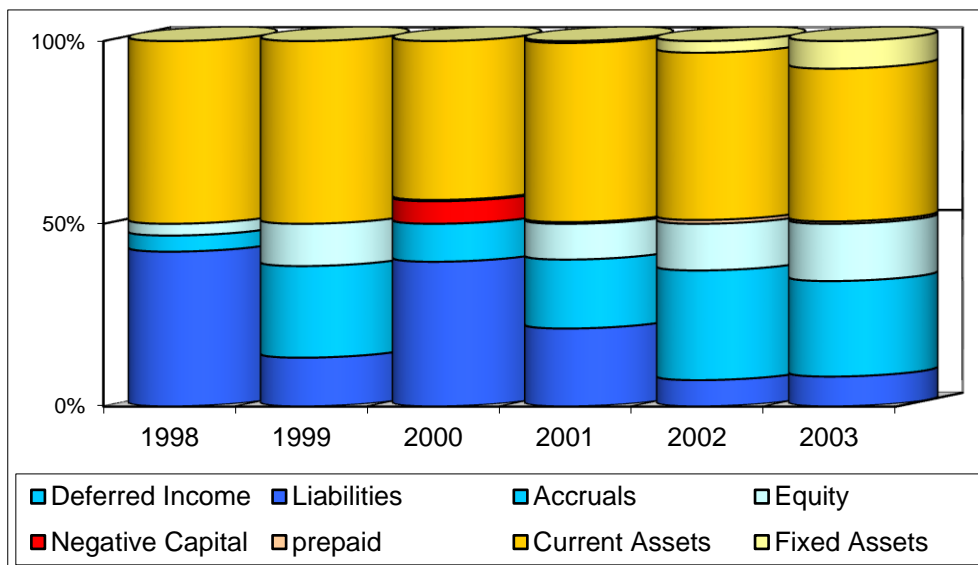
RULE No. 3: **Labyrinth**

For all practical purposes, the capacity for data storage these days is endless. Data processing systems in accounting and controlling software can spout forth an amazing amount of raw data and more and more the task of assessing and channeling the sheer mass of data into something that approaches information becomes a challenge in itself, long before we come to the necessity of understanding the material in question! More so, if the time at your disposal is limited – and let's face it: Time always is in short supply.

Consider the following example as a little reporting challenge: Analyze the crucial facts about the company which is presented below in the form of six consecutive balance sheets.

| <i>in Mio. Euro</i> | 1998 | 1999 | 2000 | 2001 | 2002 |
|-------------------------|------|------|------|------|------|
| Fixed Assets | 0 | 0 | 0 | 2 | 16 |
| Current Assets | 310 | 98 | 177 | 201 | 226 |
| prepaid | 0 | 0 | 1 | 2 | 5 |
| Negative Capital | 0 | 0 | 25 | 0 | 0 |
| Equity | 20 | 23 | 0 | 40 | 63 |
| Accruals | 27 | 49 | 42 | 78 | 148 |
| Liabilities | 262 | 26 | 162 | 88 | 36 |
| Deferred Income | 0 | 0 | 0 | 0 | 0 |

You need some time to come to grips with it, right? Now take a look at the same data in graphical form:



See the red blotch in 2000? This company was insolvent in 2000 and has had a successful turnaround since – the gradual increase in capital employed and decrease in liabilities is obvious at a glance.

So, whenever you tread the maze of data in preparing a report, give some (actually, quite a lot) of thought to graphs.

And by graphs we do not mean little pictures to decorate your report like a sparkling Christmas tree – we mean something like the above – an actual shortcut to understanding issues and developments. You might have to spend an hour or more on preparing a good graph. That's not wasted time. Preparing good graphs take time and those graphs are worth all that time and effort because they will turn out to be the landmarks that keep your audience on track in the labyrinth of data!

RULE No. 4: **The Navigator**

If you have to give and / or write monthly or quarterly reports and you actually sit down and prepare a completely new report each time, you are doing something wrong.

Prepare a blueprint for your report, use spreadsheets and related graphs that just need to be actualized every month or quarter.

This serves two purposes: it saves your time and, perhaps more importantly, it establishes a reporting continuity, a recognizable personal style that helps with reporting. Once you have explained a certain type of chart or graph to your audience, you will need fewer or no explanations the next time around when you present the updated version.

You should, however, keep your blueprint up to date – delete spreadsheets and graphs that do not go down well with your audience, or change them until they meet with understanding.

[See yourself as the navigator in a vast sea of information – it is your responsibility to set your audience on a safe course to the other shore!](#)

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Turning Data into Information