

## Best business writing conveys more than the bottom line

by Richard Ketchen, Contributing Writer

It's safe to say that when money talks, just about everybody listens. However, when some companies talk about money, and particularly when they write about it, the audience thins out in a hurry. Those that remain may be asleep.

Why? Lots of reasons: People are busy or don't understand the material, we live in an age of skepticism and many companies don't communicate clearly.

Anybody who's waded through a prospectus (You do read them, don't you?) or a poorly written and designed annual report is familiar with the problem. Attempting to decipher what's being said, if anything at all, can be daunting.

Usually though, a well-intentioned and informed writer simply fails to get the message across to an interested reader. According to the U.S. Securities and Exchange Commission, the most common problems with corporate writing are:

- long sentences
- passive voice
- weak verbs
- superfluous words
- legal and financial jargon
- numerous defined terms
- abstract words
- unnecessary details
- unreadable design and layout.

The financial and legal gobbledygook has become so thick that it's forced securities regulators in Canada and the U.S. to adopt plain English regulations. Blame it on the lawyers and accountants. Whatever the cause, it's a shame we need more regulations for something as straight forward as corporate communications.

In addition to the ensuring that financial communications are clear and interesting, companies need to make a commitment to tell the whole story. That commitment goes

beyond meeting full disclosure regulatory requirements.

Skirting around difficult issues may seem like the right thing to do. Trouble is, corporate insiders fail to see the transparency of their strategy. Savvy investors can quickly and easily decipher the usual corporate code, so beating around the bush will only get you, well, a beating.

As for a commitment to tell the whole story, Warren Buffett, legendary investor and CEO of Berkshire Hathaway, said it best in a recent interview: "We want to understand the business better when we're through with the annual report than when we picked it up. That is not difficult for management to do if they want to do it."

What it all boils down to is using an artful mix of reporting, which tends to be formal and official, and communicating, more informal sharing of information. The differences may be subtle but the right combination of words and presentation is critical to reaching audiences.

The delivery doesn't need to be complicated, glitzy or scream at the reader to be effective. Too often we're persuaded by others, or our own insecurity, to use complicated tools. Yet, success is often easiest to achieve with the simplest tools.

One of the main problems with complicated creative executions is that they can go so far beyond the obvious they can't be appreciated – or even understood – by the reader. Annual reports, Web sites and other communications initiatives miss the mark, and become budget sink holes, if objectives aren't clearly established and the needs of the audience kept at the top of the list.

Too many companies talk to themselves in their publications. In the process they overlook communication goals and miss opportunities to connect with their audience. More importantly, audiences stop listening, even when money is talking.