

4.6.20: Using Data for Impact

Learning Objectives

Discuss the impact of research in business reports

A business report is any formal or informal document or set of documents used to analyze a business situation and help decision-makers aid the business. Reports use data in various forms to make their claims and/or inform their audience. There are two types of business reports; both use all sorts of data:

1. **Analytical Reports:** Those used to help make a decision (e.g., whether to hire more people, expand a product line, etc.)
2. **Informational Reports:** Those used to inform people throughout the organization about something of importance.

All reports should be true, factual and helpful. An analytical report should help decision-makers with a very specific type of decision or action. Usually a decision-maker will ask him or herself, “Do I have everything I need to make an informed and quality decision?” Any reports for decisions or actions should be designed around answering this question. Additionally analytical reports should make a recommended solution, based on the data provided in the report.

Informational reports are usually shorter and simply disseminate information about organizational happenings. People are generally familiar with memos, newsletters or other similar items. Informational reports are similar to these items in that they relay something of importance to the organization. We might consider an informational report to be slightly higher in its concision and quality than a memo or newsletter, particularly based on the type of research used to illustrate the information at hand.

Business reports should be:

1. true, factual
2. concise, brief
3. built to help others make decisions
4. free from unnecessary or extra information
5. simple; they should address one question (i.e., well-scoped)

Often employees in a given organization who are tasked to assemble business reports will create something too broad or too detailed. This tends to happen with more junior or less-experienced individuals intent on demonstrating their skills; ironically, in business communication overall, and certainly in report writing, less is more. The writer of any report is encouraged to think like an executive:

1. What do I need to know right away?
2. How quickly do I need to make a decision?

Alfred P. Sloan, the business giant who built General Motors, famously said that his number one requirement for success was to simply “Get the Facts.”

Interestingly, perfect information is not always available or even needed. Speed, especially around decision-making, is also key. Jeff Bezos, CEO of Amazon said the following about making big decisions:^[1]

Most decisions should probably be made with somewhere around 70 percent of the information you wish you had. If you wait for 90 percent, in most cases, you’re probably being slow. Plus, either way, you need to be good at quickly recognizing and correcting bad decisions. If you’re good at course correcting, being wrong may be less costly than you think, whereas being slow is going to be expensive for sure.

We might extrapolate from Bezos’s quote that he likely means the 70 percent of information you have, however, must be true. So the issue here may not be volume of information but rather having enough good/true information to make a reasonable move forward (i.e., a decision).

As mentioned above, at the heart of good research is the proper use and interpretation of data.

Data are all the rage these days. “Big Data,” “Data Analytics,” “Data Science” and other varieties of data use and exploitation are very useful for making key decisions. It can be hard to determine what data is useful. If we define data as, “plain facts, usually numbers,” as Elon University does^[2], that means we need first to understand the type of data we need, then we have to understand

its source(s), and lastly, we have to make sense of the data for our purposes. This requires a research mindset, and it requires us to view report writing as essentially a research project. Through this module, we will address these issues through the lens of research.

1. Salisbury, Ian. "[This Is Jeff Bezos' Best Advice About Making Big Decisions](#)." *Time Money*. April 13, 2017. Web. 12 June 2018.
2. Elon University. "[Data and Statistics](#)." Accessed October 3, 2019.

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