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# Effective Writing

*A Handbook for Accountants*

Eleventh Edition

CLAIRE B. MAY | GORDON S. MAY



# *Effective Writing*

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ELEVENTH EDITION

# *Effective Writing*

## A Handbook for Accountants

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New York, NY

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# Preface

## NEW TO THIS EDITION

- Emphasis on higher order thinking skills in solving accounting problems
- Expanded coverage of business documents: briefing documents, technical memos, discussion papers, in addition to general formats such as letters, memos, and reports
- Expanded coverage of writing for professional exams: CPA, CMA, CGMA
- Updated references for accounting research
- Current issues within the accounting profession, as reflected in assignments and examples
- Learning objectives for each chapter integrated into the text

## SOLVING TEACHING AND LEARNING CHALLENGES

*Effective Writing: A Handbook for Accountants, 11<sup>th</sup> Edition* will help your students develop the communication skills they need to succeed in the profession. While the book's emphasis is writing skills, it also stresses other "soft skills" accountants need to be successful, including higher order thinking skills and problem solving, oral communication, listening skills, effective and responsible use of social media, and ethical considerations of the communication process.

*Effective Writing* guides the writer through all the stages of the writing process: planning, including analysis of audience and purpose; critical thinking about the problem to be solved or the job to be accomplished; generating and organizing ideas; writing the draft; revising for readable style and correct grammar; and designing the document for effective presentation. In addition to these basic writing principles, the book covers letters, memos, reports, and other formats used by accountants in practice, including email, social media, and other forms of electronic communication. Throughout the text, *Effective Writing* stresses coherence, conciseness, and clarity as the most important qualities of the writing done by accountants.

A special feature of this book is Chapter 8, which discusses accounting research. Here readers will find valuable material on topics such as:

- Where to find all types of accounting and financial information on the Internet, using online database services, and using other printed sources.



- How higher order thinking skills can be used to help solve problems and write persuasive documents.
- How to document sources of accounting information, including the *FASB Accounting Standards Codification<sup>TM</sup>* and Internet sources.

Chapter 13 discusses writing for professional examinations including the CPA exam, the CMA exam, and the CGMA exam, all of which contain questions requiring candidates to demonstrate their writing ability.

*Effective Writing* is virtually unique in its application of communication skills to accounting topics and contexts. Throughout the text, students will see the relevance of communication strategies to actual situations encountered in accounting practice.

*Effective Writing* offers these features to help your students develop the communication skills they will need to succeed in their future careers:

- Examples and assignments use accounting topics and problems, so that students will practice learned skills in a context that will seem relevant to their future careers.
- Students are guided through all the steps of the writing process: planning for purpose and audience; generating and organizing ideas; drafting and revision, so that documents are clear, concise, and correct.
- Assignments are designed for students at different stages in their accounting education, from principles level courses to more advanced courses that incorporate accounting problem-solving and research.
- Updated reference materials will guide students when they research more challenging accounting problems.
- The *Instructor's Manual* contains valuable tips for integrating communication assignments into an accounting course: motivating and encouraging students to improve their skills; designing assignments that will improve communication skills while they reinforce course content; evaluating students' writing and oral presentations. The *Instructor's Manual* also contains teaching tips for each chapter.

## DEVELOPING SKILLS FOR PROFESSIONAL SUCCESS

Accounting students need to be effective communicators if they are to succeed in their careers, yet many of them lack the communication skills they need. We notice their lack of communication skills in our classrooms, and also hear about problems from the professionals who hire them after graduation. Almost everyone in the field would agree that there is a need to help our students to become better communicators, especially better writers.

Writing skills are considered so important for the successful practice of accounting that they are tested in the major professional exams, such as the CPA exam, the CMA exam, and the new CGMA exam. *Effective Writing* discusses the specific criteria tested on these exams and shows students how to prepare for and take the writing portions of these exams as a step toward professional certification.

## TABLE OF CONTENTS OVERVIEW

*Effective Writing* is divided into three parts: Communication Strategies, Business Documents, and Writing and Your Career.

*Part 1: Communication Strategies* – Here students will find discussions of why writing effectively is important to the practice of accounting, and a survey of the writing process. Several chapters cover particular elements of effective writing such as organization, style, use of Standard English, and document design. Discussions of higher level thinking skills and accounting research are also included.

*Part 2: Business Documents* – Chapters in this part of the book pay attention to the particular types of documents accountants may write in practice, such as, letters, memos, reports, and various types of e-communication and social media.

*Part 3: Writing and Your Career* – Here students will find chapters on how to write for academic and professional exams including the CPA, CMA, and CGMA exams, as well as how to write résumés and letters of application for employment. They will also find information on writing for publication and oral communication, including listening and speaking.

## INSTRUCTOR TEACHING RESOURCES

At the Instructor Resource Center, <http://www.pearsonhighered.com/irc>, instructors can register to gain access to the Instructor's Manual available with this text.

### Instructor's Manual and Slides

- Guidelines for incorporating writing assignments into an accounting course
- Using writing assignments to reinforce course content
- Designing writing assignments to supplement assignments in the end-of-chapter materials
- Evaluating writing assignments: two approaches
- For each chapter: teaching tips, trouble shooting, list of masters (for slides or handouts) to support the chapter, answers to exercises (where appropriate)
- Masters for hand-outs or slides

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## CHAPTER

# 1

# Accountants as Communicators

### Learning Objectives

*After studying this chapter, you should be able to*

- 1.1** Define “soft skills” and understand their importance to a successful accounting career.
- 1.2** Summarize the kinds of documents accountants write as part of their professional careers.
- 1.3** Summarize the six tips for effective writing.
- 1.4** Analyze an example of an accounting document and explain how it illustrates effective writing.
- 1.5** Gain confidence in your ability to write well.
- 1.6** Explain the interaction between writing and other forms of communication, such as reading, listening, and speaking.
- 1.7** Explain the connections between writing and problem solving, thinking, and ethics.

The accounting profession has changed dramatically in recent years, due in part to changing technology, the strength of the global business environment, increased regulation, and the evolving needs for accounting services. In spite of these changes, the ability to communicate effectively—whether through speaking or writing—is essential to success in the accounting profession and in the business world in general. It is the purpose of this book to help you master these essential skills.

### THE IMPORTANCE OF “SOFT SKILLS”

---

**LO1.1 Define “soft skills” and understand their importance to a successful accounting career.**

---

Writing and speaking, interpersonal skills, leadership skills, the ability to think critically and to listen carefully are sometimes referred to as “soft skills,” as opposed to the “hard skills” of technical knowledge and ability.

The major differences among competitors may often be found in the degree to which employees have mastered writing, speaking, higher order thinking, and other non-technical skills.

Soft skills, including communication and thinking skills, are essential for accountants in all areas of professional practice, including both public and managerial accounting. These skills are considered so important that they are evaluated on professional certification exams. The American Institute of Certified Public Accountants (AICPA) believes that cognitive and communication skills are as important as knowledge of professional content and evaluates these skills on the Certified Public Accountant (CPA) exam. Writing skills are also essential to success in managerial accounting and are evaluated on the Certified Management Accountant (CMA) exam offered by the IMA (formerly known as the Institute of Management Accountants).

The AICPA, in conjunction with the Chartered Institute of Management Accountants (CIMA), sponsors exams for the Chartered Global Management Accountant (CGMA) designation.\* The CGMA exam requires candidates to demonstrate a wide range of management accounting skills, including communication. The International Accounting Education Standards Board (IAESB) also recognizes that successful accountants must be able to communicate clearly and concisely.

So, to be successful as well as competent, accountants must be good communicators, showing that they can think clearly and use words effectively. Many colleges and universities now stress effective writing and thinking in accounting coursework. And, as we have seen, these skills are evaluated on professional certification exams.

Effective communication, one of the soft skills necessary for professional success, is a broad area that includes formal and informal oral presentations, interpersonal communication, reading, listening, and skills in other related areas, including the ability to think carefully and critically. Ethical issues can also affect communication, both what accountants say and how they say it. Because this book is primarily about writing, we will now look at some of the documents accountants write on the job.

## WHAT DO ACCOUNTANTS WRITE?

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### **LO1.2 Summarize the kinds of documents accountants write as part of their professional careers.**

---

In every type of accounting practice, writing is an essential part of the job. Whether in public accounting, management accounting, not-for-profit accounting, or government accounting, and whether specializing in tax, auditing, systems, or some other area, accountants write almost

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\*The AICPA and CIMA have established a joint venture called the Association of International Certified Professional Accountants, through which the CGMA designation is offered.

every day. Examples in four specialized areas—tax, auditing, systems, and management accounting—suggest a few of the many occasions that require accountants to write.

Tax accountants in accounting firms often write memos to other members of the firm that describe the results of their research. These memos may become part of the clients' files. A tax accountant might also write a letter advising a client about the best way to handle a tax problem. They must also write letters to the Internal Revenue Service (IRS) on behalf of clients and occasionally may even write a judicial brief.

Auditors write memos to be included in a client's files that describe work done on the client's audit. They may also write memos to their colleagues to request advice or to report research results. After an audit engagement, auditors may write advisory letters to management that suggest ways to improve accounting and internal control procedures.

Systems specialists write documents for readers with varying degrees of computer expertise. They may write a beginners' guide on how to use a software package, a highly technical report on a complex accounting system application, or a narrative description of an accounting information system, as we will see later in this chapter.

Management accountants may write reports or discussion papers intended for distribution inside or outside the company, memos to remind or inform employees about company issues or policies, briefing notes to be used by employees for various presentations, and emails for many different purposes.

No matter what their specialty, all accountants write memos to their supervisors, subordinates, and coworkers to request or provide information. They also write letters to clients, agencies, and a variety of other readers.

Technical reports and memos, both formal and informal, are also important ways in which accountants communicate. For instance, an accountant working for a corporation might write a report for management on alternative accounting treatments for a particular kind of business transaction. An accountant working for an accounting or business services firm might write a technical memo on how best to handle a client's unusual accounting problem.

Accountants may also write briefing documents, such as briefing memos or briefing notes. The purpose of these documents is to summarize important information on a particular issue for the decision makers in an organization, who then use this information as the basis of policy decisions or a presentation before some audience. When a problem or issue has several possible solutions, the briefing document will present the pros and cons for all the alternatives. Sometimes the briefing document will recommend one solution as the best among the choices, or it may just summarize the pros and cons of each solution, leaving the decision to the document's readers.

Yet another kind of writing prepared by accountants is the narrative portion of financial statements. Footnote disclosures communicate

information that users may need to interpret the statements accurately. Unfortunately, the meaning of some footnote disclosures is not always clear to many financial statement readers. Several years ago, the Securities and Exchange Commission (SEC) issued a “plain English” disclosure rule requiring companies filing registration statements to write those statements in “plain English” so that readers would find them easier to understand. The rule enumerates several principles of “plain English” including the use of short sentences and clear, concise language.<sup>1</sup>

Not all professional writing appears on paper. Electronic communication, including email and social media, is nearly universal and will likely become increasingly important in the future.

To be effective, all written communication, whether electronic or print, must be carefully prepared, keeping the readers’ needs in mind. How will clients react if, after reading a letter from their CPA, they are still confused about their income tax problem? How will management or one’s supervisors react to a management accountant’s report that is poorly organized and hard to follow?

We’ve seen that the ability to write well is essential for success in the business world. Some people believe the writing of business professionals is getting worse, in part because we have become so reliant on email, texts, posts, and other forms of electronic communication. Electronic communication in a purely social environment often emphasizes brevity over completeness, clarity, or attention to style. Therefore, we are being conditioned to use a type of writing that is not effective in many business situations. Yet email and all electronic communication can be written effectively, as Chapter 12 of this book shows.

## SIX TIPS FOR EFFECTIVE WRITING

---

### LO1.3 Summarize the six tips for effective writing.

---

What is good writing? The list of tips for writers in Figure 1–1 summarizes many qualities of effective business writing, including the writing done by accountants. These qualities are stressed throughout this book. Let’s examine these tips in a little more detail.

The first tip concerns the *content* of the document. You must know what you are talking about, and the information you give should be accurate and relevant.

The second tip is *critical thinking*. You must analyze the issues with which you are dealing, including the questions and concerns of your readers. Can the issues be resolved in more than one way? If so, you will have to evaluate the alternatives carefully.

The third tip for effective writing is *to write appropriately for your readers*. You should write on a level your readers will understand and find meaningful, and you should anticipate and answer their questions.

**FIGURE 1-1** Tips for the Effective Writer

1. *Content*: Be sure that the accounting content is correct and complete. Have you addressed all relevant accounting issues?
2. *Critical Thinking*: Using higher order thinking skills, think carefully and critically about the issues with which you're dealing. Anticipate questions and objections your readers might raise.
3. *Appropriateness for Intended Audience*: Write the document with a particular reader or audience in mind. Check that issues are discussed on a level they can understand. For most documents, it is better to focus on practical, explicit information and advice related to the case you are discussing rather than general accounting theory.
4. *Conciseness*: Write as concisely as possible, given the readers' needs and the issues to be addressed.
5. *Clarity*: Develop a style that is clear and readable. Choose words that convey your meaning with precision and clarity.
6. *Coherence*: Structure the document so that it is coherent. The organization should be logical and the train of thought easy to follow. Summarize main ideas near the beginning of the document and begin each paragraph with a topic sentence.
7. *Revision*: Revise the document so that it is polished and professional. It should be free of all spelling errors and typos; grammatical errors should not detract from the message.

The fourth tip is *conciseness*. Say what needs to be said in as few words as possible. To keep your writing concise, avoid digressions, unnecessary repetition, and wordiness.

*Clarity* is the next tip. Write as simply as possible, using words and phrases with which your readers are familiar. To improve the clarity of your writing, choose words that mean precisely what you intend so that your sentences are not confusing. Well-structured sentences also contribute to clear writing.

*Coherence* is the logical, orderly relationship of ideas. Coherent writing is well organized and easy to follow, with important ideas that stand out. Coherence is the sixth tip for effective writers.

The final tip is to *revise* your writing so that it is polished and professional. Documents should look attractive and be free of grammatical and mechanical errors.

## EFFECTIVE WRITING: AN EXAMPLE

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### **LO1.4 Analyze an example of an accounting document and explain how it illustrates effective writing.**

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You will find many examples of the kinds of documents accountants write throughout this text. One such document is the narrative description of an accounting information system (AIS). Figure 1-2 is



**FIGURE 1–2** Narrative Description of Payroll Processing at S&S<sup>2</sup>

When employees are hired, they complete a new-employee form. When a change to an employee's payroll status occurs, such as a raise or a change in the number of exemptions, the human resources department completes an employee change form. A copy of these forms is sent to payroll. These forms are used to create or update the records in the employee/payroll file and are then stored in the file. Employee records are stored alphabetically.

Some S&S employees are paid a salary, but most are hourly workers who record their time on time cards. At the end of each pay period, department managers send the time cards to the payroll department. The payroll clerk uses the time card data, data from the employee file (such as pay rate and annual salary), and the appropriate tax tables to prepare a two-part check for each employee. The clerk also prepares a two-part payroll register showing gross pay, deductions, and net pay for each employee. The clerk updates the employee file to reflect each employee's current earnings. The original copy of the employee paycheck is forwarded to Susan. The payroll register is forwarded to the accounts payable clerk. The time cards and the duplicate copies of the payroll register and paychecks are stored by date in the payroll file.

Every pay period, the payroll clerk uses the data in the employee/payroll file to prepare a payroll summary report for Susan so she can control and monitor labor expenses. This report is forwarded to Susan with the original copies of the employee paychecks.

Every month, the payroll clerk uses the data in the employee/payroll file to prepare a two-part tax report. The original is forwarded to the accounts payable clerk, and the duplicate is added to the tax records in the payroll file. The accounts payable clerk uses the tax report to prepare a two-part check for taxes and a two-part cash disbursements voucher. The tax report and the original copy of each document are forwarded to Susan. The duplicates are stored by date in the accounts payable file.

The accounts payable clerk uses the payroll register to prepare a two-part check for the total amount of the employee payroll and a two-part disbursements voucher. The original copy of each document is forwarded to Susan, and the payroll register and the duplicates are stored by date in the accounts payable file.

Susan reviews each packet of information she receives, approves it, and signs the checks. She forwards the cash disbursements vouchers to Ashton, the tax reports and payments to the appropriate governmental agency, the payroll check to the bank, and the employee checks to the employees. She files the payroll report chronologically.

Ashton uses the payroll tax and the payroll check cash disbursement vouchers to update the general ledger. He then cancels the journal voucher by marking it "posted" and files it numerically.

an example of such a narrative description, in this case the payroll processing system of a hypothetical company, S&S, a small retail business owned by Scott and Susan. This description illustrates many of

the characteristics of effective writing introduced here and explained more fully in later chapters of this text.

As you read the description, you will notice that it is organized logically, following the steps of the payroll process, so that the narrative is *coherent*. That is, readers will be able to understand how this system functions. Paragraphs are short and easy to follow. Sentences are *clear* and *concise*. The language is *correct*—written following the conventions of Standard English. The document is also written at a level *appropriate* to the intended audience, whom we assume to be the owners, managers, and other professionals who work with the payroll system at S&S.

## YOU CAN BECOME A GOOD WRITER

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### LO1.5 Gain confidence in your ability to write well.

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With all this talk about the importance of good writing to a successful career in accounting, you may feel overwhelmed or discouraged. Many people believe that they can never become good writers.

A word of encouragement is in order. Virtually anyone who succeeds in college work has the education and the skills to become at least an adequate writer, and probably even a good one. Problems with writing are often the result of two factors, both of which can be corrected: lack of adequate training in writing skills and lack of self-confidence.

Let's address the latter problem, the poor image some people have of themselves as writers. One reason to be optimistic about your writing ability is that you've already learned quite a bit about how to write from English courses and other writing classes, as well as from personal experience. Most people are better writers than they realize. They have the potential to become even more effective after they've mastered a few strategies such as the ones we'll cover in this book. As you read this book, note the techniques and principles you already use in your writing. Don't lose sight of your strengths while you work to improve the areas that could be better.

Another reason you should be able to write well as an accountant is that you will be writing about topics you understand and find interesting. If you have had unpleasant experiences with writing in courses other than accounting, the problem may have been that you were writing about topics you weren't interested in or didn't feel qualified to discuss. When you write about subjects you like and understand, it's much easier to write clearly and persuasively.

Finally, you may find it much easier to do the kind of writing recommended in this book because it is simple, direct writing. Some people believe that they must write in long, complicated sentences filled with difficult, "impressive" vocabulary. In fact, just the opposite

is true: Effective business writing is written as simply as possible. It is therefore easier to do.

## WRITING AND OTHER FORMS OF COMMUNICATION

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### **LO1.6 Explain the interaction between writing and other forms of communication, such as reading, listening, and speaking.**

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Writing is only one of several forms of communication, along with such skills as reading, listening, speaking, and interpersonal communication. In fact, all these forms of communication work together to determine how well a person gives and receives information. Let's look at how reading, listening, and speaking skills can help you improve your writing.

### **Reading**

Reading affects writing in several ways. Often you will write a memo or letter in response to a written communication from someone else. In public practice, for example, you might write a letter to clients to answer questions they have posed in a letter or an email to your firm. The ability to read the earlier correspondence carefully is essential to an effective response.

Careful reading is also important when you research accounting literature as background for the documents you write. The tax code, government regulations, financial accounting standards, articles in professional journals, and *The Wall Street Journal* are examples of the material you must read to stay informed on accounting issues and procedures as well as the broader business environment. You will need to understand this material and be able to apply it to particular situations.

You will also read information circulated and stored within your own firm or company, such as client files and memos or emails from colleagues. Reading this material carefully will provide many of the insights and facts you need to deal effectively with situations for which you are responsible.

Thus, careful reading, with an understanding of important ideas and key facts, can contribute to effective writing.

### **Listening**

Along with reading, the ability to listen carefully determines how well you receive information from others. On the job, you interact with colleagues, supervisors, subordinates, or clients; at school, you interact with professors and other students. Listening carefully to these people provides important information you can use as the basis of your writing. Listening gives you facts about projects you are working on, along with insights into other people's expectations and concerns.

In many situations, listening skills contribute to effective writing. Instructions given by the professor in class, interviews with clients, requests from supervisors, and phone conversations with colleagues are a few examples. In all these situations, attentive listening is necessary to hear what people are saying. It's often a good idea to take notes and, when necessary, ask questions for clarification or additional information.

Careful listening to what others say is often a key ingredient in effective writing. By listening carefully, you learn much about what others know about a situation, what their concerns are, and what they expect from you.

## Speaking

Oral communication is one of the soft skills we mentioned earlier as important to success in the accounting profession. Writing and speaking will often overlap in your professional activities. Informally, you may have meetings and conversations to discuss reports or memos you've written. Or you may use what you've written as the basis for formal oral presentations before a group. You might make a presentation to a board of directors, senior managers, or members of a professional organization, for example.

## WRITING AND PROBLEM SOLVING

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### **LO1.7 Explain the connections between writing and problem solving, thinking, and ethics.**

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Problem solving requires many skills, such as identifying key issues, researching relevant literature, and thinking critically and analytically. Often you must decide among several alternative solutions to a problem, a decision which may include ethical as well as practical considerations. At each step of the problem-solving process, writing can help you reach sound conclusions.

When faced with a problem on some topic, you might generate ideas on that topic by writing down what you already know about it, as well as what you have yet to find out. The act of writing about a subject can actually help you clarify your thinking. As one wit put it, "How do I know what I think until I see what I say?" There's more truth in this quip than might at first be apparent. Research into how people think and learn has shown that writers often generate ideas and improve their insights into a subject as they write down their thoughts.

Writing, thinking, problem solving, and decision making are often inseparable, interactive processes that are essential to the practice of accounting. The AICPA has stressed the importance of these skills for entry-level accountants and explicitly tests for cognitive skills on the

CPA and CGMA exams. Candidates must demonstrate critical thinking, problem solving, analytical ability, and professional skepticism. Cognitive skills are also evaluated on the CMA exam.

## Writing and Ethics

Accounting communication, including writing, may involve ethical considerations as well as critical thinking and problem solving. In fact, these three processes—analyzing ethical and other accounting issues, thinking critically, and solving problems—are essential components of effective communication.

Ethics may be defined broadly as the standards we use to determine what is right and wrong, a set of moral principles or values that govern how we act. We learn these ethical principles in a variety of ways, from our families, religious communities, schools, or in general from the society of which we are a part. Professional people, including accountants, also acquire ethical standards as part of their professional training.

Accountants must adhere to very high ethical standards as they perform their professional responsibilities. CPAs must follow reporting rules established by the SEC and other governmental agencies, and they must adhere to ethical standards established by nongovernmental entities such as the Financial Accounting Standards Board (FASB) and the AICPA. In fact, the AICPA's Code of Professional Ethics is a major source of ethical standards for all accounting professionals, not just CPAs. The International Ethics Standards Board for Accountants® (IESBA®) also sets ethics standards, including auditor independence requirements, for professional accountants worldwide and publishes the *Code of Ethics for Professional Accountants*™. Management accountants also adhere to ethical requirements established by the IMA or CIMA, as well as by federal, state, and local laws. Individual firms and corporations may also have ethical codes for their employees.

Legal requirements and codes of professional conduct provide standards of ethical behavior for accountants as they perform their professional responsibilities. Yet these laws and codes alone may not always provide enough guidance for specific ethical dilemmas. Accountants sometimes face situations for which ready-made answers are not available. When you are faced with these dilemmas, you will need to think critically about the issues in light of your own personal ethical standards in order to make ethical decisions. Remember, too, that there may be a gap between what is legal and what is ethical. For many years, discrimination against ethnic minorities and women was legal in this country, but such discrimination was never ethical.

Ethical considerations often affect the way we communicate in a professional situation, whether orally or in writing. Remember that accounting is a process of measuring and *reporting* financial information. Ethical issues can relate to what we say and how we say it. The AICPA's Code of Professional Ethics requires that its members report all the information needed for a user of the information to make a reasonable decision; the Code also requires that financial data not be misrepresented. Thus, information must be reported in an honest, reasonably complete manner. Moreover, the information must be communicated clearly so that users can understand it. Accuracy, clarity, and completeness are all qualities of the ethical communication of accounting information.

Ethics also affects the attitude with which we regard other people, whether the public at large, our clients, or colleagues and coworkers. An important principle here is that we treat other people with courtesy and respect. Later chapters discuss such ethical considerations as writing with a courteous tone, the respectful use of titles and pronouns, and the need to write clear and concise documents so that readers can find the information they need as quickly as possible. We will also discuss analyzing readers' interests and needs as an essential step in the writing process. Finally, sections of this book that discuss higher order thinking skills and accounting research show how to analyze ethical dilemmas. You will learn how to decide what information to provide and how to provide it in a way that not only adheres to professional and legal standards, but also shows respect for the people who will use the information.

The AICPA believes that "a thorough understanding of professional and ethical responsibilities" is an essential requirement for all accountants, and tests for that understanding on the CPA exam.<sup>3</sup>

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## DEVELOPING SKILLS FOR YOUR CAREER

To be a successful accountant, you must master many skills. You must understand and be able to apply accounting principles, of course, but you must also be able to think critically and ethically, and to communicate effectively. A competent, ethical accountant who is also a critical thinker and an effective communicator usually is rewarded with professional success. In fact, these skills are essential even at the beginning of an accounting career. Experts who trace hiring trends in the profession of accounting note the increased importance of soft skills, including the ability to communicate effectively, in decisions to hire entry-level staff.

This text will help you develop these important skills. With study and practice, you'll be well on your way to professional success.

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## EXERCISES

### Exercise 1–1 [General]

Consider the writing you find in one or two articles in *The Wall Street Journal* or the business section of another major business newspaper or magazine. How effective or ineffective do you find the writing? If you have trouble reading or understanding what you read, is the problem due to ineffective writing? If you find the material understandable and interesting to read, what qualities of the writing contribute to this effectiveness? You might consider the tips for effective writing in Figure 1–1 as the basis of your evaluation.

### Exercise 1–2 [General]

Prepare a written report on why the SEC is so concerned that corporations use “plain English” in their filings and what it is doing about the issue. Among the materials you consult, be sure to look at the following SEC publications, but do not limit your sources to just these:

- *A Plain English Handbook: How to Create Clear SEC Disclosure Documents* at [www.sec.gov/pdf/handbook.pdf](http://www.sec.gov/pdf/handbook.pdf).
- *Updated Staff Legal Bulletin No. 7* at [www.sec.gov/interp/legals/cfs1b7a.htm](http://www.sec.gov/interp/legals/cfs1b7a.htm).
- *Plain English Disclosure Final Rules* at [www.sec.gov/rules/final/33-7497.txt](http://www.sec.gov/rules/final/33-7497.txt).

### Exercise 1–3 [General]

Research the topic of “soft skills” and prepare an article for your company’s staff newsletter or your school’s newspaper on their definition and importance in the accounting and business world.

### Exercise 1–4 [General]

The chair of the accounting department at a local college in your area has asked you to address beginning accounting students at an orientation session. The topic of your presentation is “A Competitive Edge: The Importance of Writing Skills for Accountants.” Your purpose is to convince the students to take the need for good writing skills seriously.

Write an outline you can use as a basis for your presentation. As steps in preparing your outline, follow these guidelines:

- Analyze your audience for this presentation. How will you present your topic so that they find it meaningful and interesting?
- Think critically about the objections your audience might raise to your arguments. How will you respond to their objections?

- What material will you include in your presentation? Remember to anticipate your audience's objections and the way you will respond. Also, remember to arrange your ideas in a logical order.
- Using the guidelines found in Chapter 16—Oral Communication: Listening and Speaking, prepare, practice, and present your talk. Your instructor may ask you to make your presentation in class. As an alternative, you may ask a few friends to listen to your presentation.

### **Exercise 1–5 [General]**

Assume that the talk you presented for Exercise 1–4 was very successful. In fact, you have been asked to write an article based on your talk for the accounting department's Web site, which is available to all accounting majors.

Using the guidelines given in Chapter 15—Writing for Publication, write the article.

### **Exercise 1–6 [General]**

Research the following professional exams: CPA, CMA, and CGMA. How are these exams similar? How are they different? Write a memo to your classmates or departmental staff in which you compare and contrast the three exams. Chapter 10 provides information on writing memos.

### **Exercise 1–7 [Financial]**

Look at several published corporate SEC Forms 10-K or annual reports for the most recent year and evaluate the financial statement disclosures they contain. Find examples of disclosures that are not written as clearly or concisely as they could be and rewrite them to be more clear and concise. Share your results with the class and discuss them. (Hint: You can access many 10-Ks and annual reports on the Internet by following the links to listed companies at the New York Stock Exchange (NYSE) Web site ([www.nyse.com/index](http://www.nyse.com/index)) or by going to [www.annualreports.com/](http://www.annualreports.com/).)

### **Exercise 1–8 [Ethics]**

Ethics are an important part of any accountant's professional responsibilities. Prepare an article for your school's Web site or your firm's staff newsletter explaining why this is true and discuss sources of guidance for accountants in making ethical decisions.



### Exercise 1–9 [Managerial/Systems/Auditing/Tax/Financial/International]

The publications below contain articles related to accounting. Choose one of the publications, search several recent editions, and find an article that interests you. Critique the writing using the tips for effective writing in Figure 1–1. How effective or ineffective do you find the writing? Does the writing style contribute to your understanding of the article? Why or why not?

- [Managerial/Systems] *Management Accounting Quarterly* (MAQ). (You can access MAQ on line at [www.imanet.org/insights-and-trends/management-accounting-quarterly/maq-index](http://www.imanet.org/insights-and-trends/management-accounting-quarterly/maq-index). Access is on a subscription basis, so you may have to gain access through your school's library.)
- [Auditing/General] *AccountingWEB* ([www.accountingweb.com/](http://www.accountingweb.com/)).
- [Tax, Auditing, or Financial] *Journal of Accountancy* and *The CPA Journal*. You may find these journals on line at [www.journalofaccountancy.com/](http://www.journalofaccountancy.com/) or [www.nyssscpa.org/news/publications/the-cpa-journal/issue](http://www.nyssscpa.org/news/publications/the-cpa-journal/issue), respectively.
- [International] *The International Journal of Accounting*. You may find this journal on line at [www.journals.elsevier.com/the-international-journal-of-accounting/](http://www.journals.elsevier.com/the-international-journal-of-accounting/).

### Exercise 1–10 [Current Professional Issues]

In early 2016, The Association of Chartered Certified Accountants (ACCA), in cooperation with the Institute of Management Accountants (IMA), released a report entitled “From Share Value to Shared Value: Exploring the Role of Accountants in Developing Integrated Reporting in Practice” (available at [www.imanet.org/insights-and-trends/external-reporting-and-disclosure-management/share-value-to-shared-value](http://www.imanet.org/insights-and-trends/external-reporting-and-disclosure-management/share-value-to-shared-value)). The report encourages “integrated accounting” that includes financial information along with information about the social and economic impacts of a company's activities. Critique the writing in this report using each of the tips for effective writing in Figure 1–1. How effective or ineffective do you find the writing? Does the writing style contribute to your understanding of the report? Why or why not?

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## NOTES

1. “Plain English Disclosure.” Securities and Exchange Commission. *Staff Legal Bulletin No. 7(CF)*. [www.sec.gov/interp/legalslbcf7.htm](http://www.sec.gov/interp/legalslbcf7.htm) (accessed 20 December 2016): 1–2.
2. Marshall B. Romney and Paul John Steinbart, *Accounting Information Systems*, 12th ed. Upper Saddle River, N.J.: Prentice Hall, 2012, p. 53. Used by permission.

3. American Institute of Certified Public Accountants, Exposure Draft, *Maintaining the Relevance of the Uniform CPA Examination*. (New York; AICPA, September 1, 2015), p. 3. Available at [www.aicpa.org/BecomeACPA/CPAExam/nextexam/DownloadableDocuments/Next-CPA-Exam-Exposure-Draft-20150901.pdf](http://www.aicpa.org/BecomeACPA/CPAExam/nextexam/DownloadableDocuments/Next-CPA-Exam-Exposure-Draft-20150901.pdf) (accessed 20 December 2016).

# CHAPTER

## The Writing Process: An Overview

# 2

### Learning Objectives

*After studying this chapter, you should be able to*

- 2.1** Explain the writing process and apply it to your own writing.
- 2.2** Analyze the purpose for each writing task and plan a document that will achieve that purpose.
- 2.3** Identify the key issues to be addressed in each document you write and plan your document to address those issues.
- 2.4** Analyze the audience for each writing task and write appropriately for each audience.
- 2.5** Gather information for your writing and plan an effective organization for your documents.
- 2.6** Write a draft of your document.
- 2.7** Revise your document effectively.
- 2.8** Manage writer's block and time constraints.
- 2.9** Work with colleagues on writing critiques.

Effective writing is a process involving a sequence of steps. In this chapter, we discuss the writing process from beginning to end: planning for purpose and audience, including critical thinking about the issues; gathering information; generating and organizing ideas; drafting; revising; and proofreading.

### STEPS OF THE WRITING PROCESS

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#### **LO2.1 Explain the writing process and apply it to your own writing.**

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Figure 2–1 summarizes the steps of the writing process. You will learn how to apply this process to overcome much of the anxiety you may feel about writing, including the problems of writer's block and time

FIGURE 2–1 The Writing Process

*Plan*

- Read the assignment or consider the task carefully.
- Analyze the purposes of the document.
- Identify the accounting issues, including different ways those issues might be addressed.
- Analyze the issues from the readers' point of view. What are their interests, needs, and expectations?
- Gather and organize material.

*Draft*

- Write down your ideas.
- Don't stop to edit.
- Write the parts of the paper in whatever order you want.
- Keep your readers in mind as you compose and organize your document.

*Revise*

- Reread the document from the readers' point of view. Is your treatment of the issues fair, thorough, and persuasive?
- Revise the document so that it is clear, coherent, and concise.
- Proofread for grammatical, mechanical, and typographical errors.

management. Throughout the chapter, we also discuss how computer technology can help you at every stage of the writing process.

In the previous chapter we identified seven tips for effective writing that focus on content, critical thinking, appropriateness for readers, conciseness, clarity, coherence, and revision (see Figure 1–1 in Chapter 1). In this and following chapters, we discuss specific guidelines and techniques that will help you achieve these goals.

## GETTING STARTED: IDENTIFYING PURPOSE

### **LO2.2 Analyze the purpose for each writing task and plan a document that will achieve that purpose.**

One of the first stages in the writing process—analyzing the purpose of the document—is easy to overlook. When you think about purpose, you decide what you want to accomplish with your letter, memo, or other document. Do you want to provide your readers with information about some topic, answer their questions, recommend a course of action, persuade them to do something, or convince them to agree with you on some point?

These are just a few of the purposes a document may have. You should think carefully about the purpose *before* beginning to write.

It might be helpful to think of your purpose in terms of three categories: to give information about something, to propose a course of action, or to solve a problem. The purpose of most writing tasks falls into one of these categories, or perhaps a combination of them. Be certain that you understand the document's purpose from your readers' point of view. For example, you may be asked to investigate several possible solutions to a problem faced by your organization. Your readers may expect you to recommend the preferred solution, or they may want you to summarize the pros and cons of each, which decision makers will evaluate before making the final decision.

As an example, assume you are the controller for Midwest Growth, Inc., a real estate development firm. Midwest's Board of Directors is considering the purchase of an office building for renovation and resale. A report on this possible purchase could have one or more of the following purposes:

- To inform Midwest's Board of the advantages (and/or disadvantages) of the purchase
- To recommend that Midwest purchase (or not purchase) the property
- To suggest a way to finance the purchase
- To explain the effects of the possible purchase on Midwest's tax liabilities.

One way to think about the purpose of a document is to identify the accounting issues it will address. Sometimes these issues are obvious, but at other times you must analyze the situation carefully before all the issues become apparent. For example, Midwest's Board might be eager to arrange the purchase of the office building so that the transaction will minimize Midwest's tax liabilities. As you analyze the possible purchase, you might become aware of accounting issues that would never occur to the Board, such as the need to record the transaction consistently with generally accepted accounting principles. You might also become aware of ethical or legal issues that the Board had not considered.

Identifying the issues can help you define the purposes of the document you are writing, because one purpose might be to explain the issues in a way your reader can understand.

After you have analyzed your purposes carefully, you should write them down. Be as specific as possible and try to define each purpose in a sentence. This sentence might later become part of the document's introduction.

When you analyze your purposes, *be specific*. Remember that you are writing to particular individuals in a particular situation. Relate the purposes of your writing to these people and their concerns. That is, state the purposes in the context of this specific situation rather than in broad, general terms. In the Midwest Growth example discussed

above, suppose you were writing a report on how to finance the purchase of the office building. You would limit your discussion to the financing alternatives available to Midwest that are practical for the company to consider.

Sometimes, to determine the purpose or purposes of a document, you need to read previous correspondence on the subject, such as a letter or email from a client. Be sure to read this correspondence carefully, noting important information and questions you've been asked to address. You may also receive an oral request to write something, perhaps by your supervisor. If you receive such a request, listen carefully to the directions. If the purposes of the document are not clear, ask questions until you're sure what the document should include.

## THINKING ABOUT THE ISSUES

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### **LO2.3 Identify the key issues to be addressed in each document you write and plan your document to address those issues.**

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If a purpose for your writing involves analyzing complex accounting issues, think carefully about your topic as you plan your document, gather information, and write. A problem might have more than one reasonable solution, and some people might disagree with the course of action you recommend. As you plan your writing, keep alternative points of view in mind and evaluate the advantages and disadvantages of each alternative. Consider not only the reasons for your own opinion, but also the reasons other people might have a different view. How will you support your opinion, and how will you respond to the arguments of people who disagree with you? Critical thinking about the issues throughout the writing process helps ensure that the document you write is persuasive. Your readers will regard you as knowledgeable and fair, and they will take seriously what you write.

As we will see in later chapters, the AICPA regards the ability to analyze a problem and evaluate alternative solutions as essential to the practice of accounting. (Chapter 7 discusses these skills in more detail.)

## ANALYZING THE READERS

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### **LO2.4 Analyze the audience for each writing task and write appropriately for each audience.**

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When you are planning a writing task, it is important to consider who the readers will be. A memo on a highly technical accounting topic might be written one way for an accounting colleague, but another way for a client or manager with only limited knowledge of accounting procedures and terminology.

Effective writers analyze the needs and expectations of their readers before they begin to write. In writing a letter or memo, you will probably be writing to a limited number of people, perhaps to only one person. You also know, or can find out, important information about the reader or readers. Again, you ask certain questions: How much do the readers know about the subject being discussed? What else do they need to know? Have they already formed opinions on the issues? The answers to these questions, and perhaps others, will suggest the level at which you will write, including the terms and procedures you will explain, the background you will provide, and the arguments you will make.

Accountants who deal with the public should be particularly careful in analyzing the needs of their readers. A tax specialist, for example, might have clients with widely varying experience and knowledge of tax terminology. A corporate executive would probably understand such concepts as depreciation and accruals, but a small shopkeeper might not be familiar with this terminology. Business letters to these two clients, even on the same topic, should be written differently.

Consider the readers' attitudes and biases. Are your readers likely to be neutral to your conclusions and recommendations, or will they need to be convinced? The careful thinking you have already done about the issues will help you write to your readers in a convincing way. Remember your readers' interests and concerns as you write. How will they benefit, directly or indirectly, from what you propose? How can you present your arguments to overcome their objections and biases? To answer this last question, you must anticipate readers' questions, research the issues, and then organize your arguments into a convincing sequence.

Other important considerations when analyzing your readers' needs and expectations are tone and style. What are their attitudes and biases? Some readers react well to an informal, friendly style of writing, but other readers believe that professional writing should be more formal. Whoever your readers are, remember always to be courteous. Whether you write in a technical or conversational style, all readers deserve consideration, tact, and respect. Treating your readers with courtesy and respect will help ensure that your writing is ethical, as well as effective.

Word choices also contribute to an effective and responsible writing style. For example, many readers might find the following sentence troubling:

A successful *CEO* will treat *his* subordinates with respect.

Some readers might argue that the choice of pronouns (*CEO/his*) implies a gender bias. Whenever possible, use plural nouns and pronouns so that your language will be more inclusive:

Successful *CEOs* will treat *their* subordinates with respect.

Sometimes your readers will have additional expectations about your documents. In a classroom situation or in a business environment,

you will usually be given directions, such as format and due date of the writing task you have been assigned. How well you follow the directions you are given will affect how your work is evaluated.

Readers' expectations are also important when you write on the job. In fact, meeting readers' expectations might actually be a matter of company policy. Policies often govern how certain documents are written and what procedures they must go through for approval. Many professional services firms do not let new staff members send letters to clients unless a manager or partner first approves them. If you were a new staff member in such a firm, you might draft the client letter, but a manager or partner would review it and possibly ask you to make revisions. Moreover, for certain documents, such as some engagement letters and auditing reports, the actual language used in the letter might be determined by company policy. You will be expected to follow these policies with great care.

In the example of the client letter discussed in the above paragraph, there are actually two or three readers: the manager and/or partner who reviews and approves the letter, and the client who receives it. This letter should be written on a technical level that is appropriate for the client, and it should address the client's concerns, but it should also meet the expectations of the manager or partner. Analyzing readers' needs, interests, and expectations is obviously more complex when there are several readers. Think carefully about the different readers and use your best judgment to meet the expectations of them all.

Analyzing readers' needs, expectations, and opinions is an important part of the preparation for writing. Planning, during which you think carefully about both your audience and your purpose, is an important part of the writing process.

## GETTING YOUR IDEAS TOGETHER

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### **LO2.5 Gather information for your writing and plan an effective organization for your documents.**

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After you have evaluated the purpose of the writing and the needs of the readers, you are ready for the second stage in the writing process: gathering information and organizing the ideas you want to present. This step might be quick and simple. A short letter may not require further research; organizing your ideas may involve only a short list of the main topics you want to include in the letter—perhaps one topic for each paragraph.

For much of the writing you do, gathering information and organizing might be a more complicated process that involves much thought and perhaps some research as well. Let's look at some techniques you can use.



## Gathering Information

Before you begin to write the document, be sure you have complete and accurate information. For many projects, some information might already be available. If you're working on an audit, for example, information might be available from other members of the audit team as well as from the files of previous years' audits. Explore these sources of information fully. Review the files carefully and, when necessary, talk with the people who have already worked on the project.

Sometimes you might need to do additional research. This task can involve background reading on a technical topic or a careful review of professional standards or law, such as FASB publications, the tax code, IRS publications, or SEC publications. As you read this material, take notes carefully and be alert for information that might be helpful when you write. Remember also that issues often have more than one possible solution. As you research, look for material that supports more than one point of view.

This research may require you to interview people who will be affected by the project that you are working on. Suppose you are writing a report to propose a new accounting information system for your company. You can gain important insights into topics your report should cover by talking with the people who would be affected by the proposed system. You can learn what they want the system to accomplish, what they might need to know about it, and whether they have already formed opinions that you should consider.

## Generating Ideas

After you have gathered the information you need, you are ready to begin the next phase of the writing process: deciding exactly what to say.

If you have not already written your statement of purpose, now is the time to do so. Try to break up the purpose into several subtopics. Suppose the purpose of a client letter is to recommend that the client company update its accounting system. The statement of purpose for this letter could specify the different accounting jobs for which the expanded system would be useful, outline its major advantages, and respond to questions and objections the client might have.

Another useful technique for generating ideas is brainstorming. With this technique, you think about your topic and write down all your ideas, in whatever order they come to you. Don't worry about organizing the ideas or evaluating them; later, you can consider how these ideas fit into the outline you developed when you analyzed the purposes of the document.

As you assemble the keywords and phrases that occur to you, the phrases might start to become sentences and the sentences might flow together to become paragraphs. You may find that the faster you record your ideas, the more freely the ideas flow. Most people find that

generating ideas on a word processing program will make this stage of the writing process easier.

## Arranging Ideas: Organization

After you've decided what you want to say, you'll need to consider how best to arrange these ideas so the readers will find them easy to follow. In other words, it's time to think about how the document will be organized.

Much of the work you've already done will help you decide on the best pattern of organization. You may be able to use your statement of purpose as the basis of your organization, or your paper may be structured so that the readers' major concerns are your principle of organization—that is, each concern might be a major division of your paper. Some documents can be organized according to the issues they address.

When considering all these approaches to organization, remember this principle: The needs and interests *of your readers* should determine the document's organization. Arrange your ideas in the order they will find most helpful and easiest to follow. Anticipate when your readers are likely to raise objections or ask questions and respond to those needs when they are likely to occur.

There are a few other points of organization to consider. First, most writing has the same basic structure: an introduction, a concise summary of important ideas, development of the main ideas, and a conclusion. This structure is shown in Figure 2–2.

FIGURE 2–2 Basic Writing Structure

- **Introduction:** Identifies the subject of the document and tells why the document was written. Sometimes the introduction also provides background information about the topic or stresses its importance. You may also use the introduction to build rapport with your reader, perhaps by mentioning a common interest or concern or referring to previous communication on the topic. Finally, the introduction should identify the main topics the document will cover.
- **Concise statement of the main ideas:** Summarizes explicitly main ideas, conclusions, or recommendations. This part of a document may be part of the introduction or a separate section. It can be as short as one-sentence or as long as a three-page executive summary. Sometimes, the recommendation(s) will be part of the final section of the document, along with the conclusions.
- **Development of the main ideas:** Includes explanations, examples, analyses, steps, reasons, arguments, and factual details. This part of an outline or paper is often called the body.
- **Conclusion:** Brings the paper to an effective close. The conclusion may restate the main idea in a fresh way, suggest further work, or summarize recommendations, but an effective conclusion avoids unnecessary repetition.

In later chapters of this book, we will discuss more fully this basic structure as it is used for particular kinds of documents.

Another point is that ideas should be arranged in a logical order. To describe how to reconcile a bank statement, for instance, you would discuss each step of the procedure in the order in which it is performed.

Finally, you can often organize ideas according to their importance. In business writing, always arrange ideas from the most to the least important. Note that this principle means you start with the ideas that are most important *to the reader*.

Suppose you are writing a report to recommend that your firm purchase new accounting system software. Naturally, you will want to emphasize the advantages of this purchase, describing them in the order that is likely to be most convincing to the readers. However, this investment might also have drawbacks, such as the problems involved in converting from the old system to the new one. For your report to appear well researched and unbiased, you need to include these disadvantages in your discussion. You might use the following structure:

- I. Introduction, including your recommendation
- II. Body
  - A. Advantages, beginning with those most appealing to the readers
  - B. Disadvantages, including, when possible, ways to minimize or overcome any drawbacks
- III. Conclusion

One final word about organization: After you've decided how to arrange your ideas, it's a good idea to write an outline, if you haven't already done so. Having an outline in hand as you draft your paper will help you keep the paper on track. That way, you'll be sure to include all the information you had planned and avoid getting off the subject.

## WRITING THE DRAFT

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### LO2.6 Write a draft of your document.

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The next major step in the writing process is writing the draft. Most writers find that they can write a first draft more easily if they don't try to edit at this stage. Spelling, punctuation, and style are thus not important in the draft. What is important is to write the ideas so that you can later polish and correct what you have written.

If you did your brainstorming at the computer, you may already have parts of your draft if the list of ideas you began with evolved into sentences or paragraphs as you typed.

The outline you have prepared will guide you as you write. However, you may decide to change the outline as you go, omitting some parts that no longer seem to fit or adding other ideas that seem

necessary. Feel free to change the outline as you write; when you revise the draft later, you can make sure your thoughts are still well organized.

Although you will use your outline as a guide to the ideas you want to include in your draft, you might find it easier to write the various parts of the document in a different order from the one used in the outline. Some people find introductions hard to write, so they leave them until last. You may also choose to write the easiest sections of your draft first, or you may start writing some parts of the draft while you are still getting the material together for other parts.

One final word of advice on the draft stage: Don't allow yourself to get stuck while you search for the perfect word, phrase, or sentence. Leave a blank space, or write something that is more or less what you mean. You'll probably find the right words later.

## REVISING THE DRAFT

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### LO2.7 Revise your document effectively.

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The next stage in the writing process is the revision of the draft. In this step, you check your spelling and grammar, polish your style, and make a final check to see that the ideas are effectively and completely presented. As you revise, read the document *from the readers' point of view*.

You'll need to revise most of your writing more than once—perhaps three or four times. The key to revising is to let the writing get cold between revisions; a time lapse between readings enables you to read the draft more objectively and see what you have actually said, instead of what you meant to say. Ideally, revisions should be at least a day apart.

Another technique is to have a colleague review the draft for both the content and the effectiveness of the writing. Choose a reviewer who is a good writer and evaluate the reviewer's suggestions with an open mind.

Most word processing software has the ability to check the text for grammar problems and certain errors in style, such as sentences that are too long and paragraphs that use the same word too often. The software may also identify some mistakes in punctuation, as well as most misspelled words.

A word of caution about these style analyzers, spell checkers, and grammar checkers—they're not infallible. They can't catch all the weaknesses in your text, and sometimes they flag problems that aren't really there. If you use a computer to analyze your writing, you still must use your own judgment about what changes to make.

Another revision technique is to print the document and edit the hard copy by hand. You can then make the revisions in your computer file later. Some writers find that they revise more effectively if they work with a hard copy rather than text on a screen.

The next four chapters of the handbook discuss what to look for when putting your writing in final form.

## Document Design

After you have polished the style and organization of the paper, you will be ready to put it in final form. Consider questions of document design, such as the use of headings, white space, and other elements of the paper's appearance. We discuss document design more fully in Chapter 6.

## Proofreading

Proofreading is an important step in the writing process. Here are some suggestions:

1. Proofreading is usually more effective if you leave time between typing and looking for errors. You will be able to critique the paper more clearly if you have been away from it for awhile.
2. Use your computer's spell check program to help eliminate spelling and typographical errors. Remember that the computer program may not distinguish between homonyms such as *their* and *there* or *affect* and *effect*.
3. In addition to your computer's spell checker, you may also need to use a dictionary to look up words that could possibly be misspelled, such as words the computer doesn't recognize or homonyms it may not have flagged. Check also that you've spelled people's names correctly. If you are a poor speller, have someone else read the paper for spelling errors.
4. If you know that you tend to make a certain type of error, read through your paper at least once to check for that error. For example, if you have problems with subject-verb agreement, check every sentence in your paper to be sure the verbs are correct.
5. Read your paper *backwards*, sentence by sentence, as a final proofreading step. This technique isolates each sentence and makes it easier to spot errors you may have overlooked in previous readings.

## WRITER'S BLOCK AND TIME MANAGEMENT

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### LO2.8 Manage writer's block and time constraints.

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Writer's block is a problem everyone faces at some time or another. We stare at blank paper or at a blank screen with no idea of how to get started. The ideas and the words just don't come.

Many of the techniques already discussed in this chapter will help you overcome writer's block. Thinking of writing as a process, rather than a completed product that appears suddenly in its final form, should help make the job less formidable. Any difficult task seems easier if you break it down into manageable steps.

The discussions of the steps in the writing process, especially the section on writing the draft, include suggestions that will help you overcome writer's block. Here is a summary of these techniques:

1. Plan before you write so that you know what you need to say.
2. Write with an outline in view, but write the paper in any order you want. You can rearrange it later.
3. Don't strive for perfection in the draft stage. Leave problems of grammar, spelling, style, and so forth to the revision stage.
4. Begin with the easiest sections to write.
5. Don't get stuck on difficult places. Skip over them and go on to something else. You may find that when you come back to the rough spots later, they are not as hard to write as you thought.

Another challenge you'll face in writing is to manage your time. Throughout this chapter, you've seen how writing is easier if you break the project down into steps. It's easy to manage these steps when you have plenty of time to plan, research, draft, revise, and polish.

What about situations in which you don't have the luxury of time? What about writing answers to discussion questions on an exam, or on-the-job writing tasks where you have only a little time to produce a letter or memo?

The truth is that any writing project, no matter how hurriedly it must be done, will go more smoothly if you stick with the three basic steps of the writing process: plan, draft, and revise. Even if you have only a few minutes to work on a document, allow yourself some of that time to think about who you're writing to, what you need to say, and the best way to organize that material. Then draft the paper. Remember to allow time to revise your writing.

Much of the writing you will do as a professional accountant will be for electronic transmission, such as email or other documents that are sent over the Internet. Documents sent electronically should be planned, written, and revised with the same care you would use for hard-copy versions. This may be obvious for formal documents, but even email and instant messaging, which we often send in haste and consider to be extremely informal, requires care in order to be effective. Chapter 12 gives guidance on the use of electronic communication, including advice on the use of email.

## HELP FROM COLLEAGUES: CRITIQUING

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### LO2.9 Work with colleagues on writing critiques.

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Once you have improved your document as much as you can, you may have another source of help: constructive feedback from one or more colleagues. If you are preparing an assignment for a course, this help may come from other students in the class. In a job situation, you might

ask a colleague to review your writing. You will, of course, be willing to return the favor if your colleagues ask you to critique their writing.

Here are some tips for giving helpful critiques:

- Reviews of the writing should be both tactful and honest.
- Always point out strengths of the writing, and then make a few suggestions if you see ways the writing could be improved.
- Make suggestions in positive ways, and be as specific as possible. For example, you wouldn't say, "I can't make any sense of this, and your grammar is deplorable!" Rather, you might say, "Can you explain this concept more clearly? Perhaps shorter sentences would help. Also, you might want to check your verbs."
- Ask the writer if you can write your feedback on the hardcopy paper or insert your feedback in the electronic file you've been given. Alternatively, ask if you can make a copy of the hardcopy or electronic file to do this. Then be prepared to discuss what you liked about the paper, as well as ways it could be improved.
- For specific guidelines on what to look for in the papers you critique, use Tips for the Effective Writer found in Figure 1–1 in Chapter 1.

If a colleague critiques your writing, here are some things to keep in mind:

- Whenever possible, ask people to critique your writing who are themselves good writers.
- Keep an open mind, and resist the natural temptation to be defensive. On the other hand, remember that final responsibility for the document is yours; you'll decide which suggestions to use. Not all advice, however well intended, is helpful.
- Thank the reviewers for their help.

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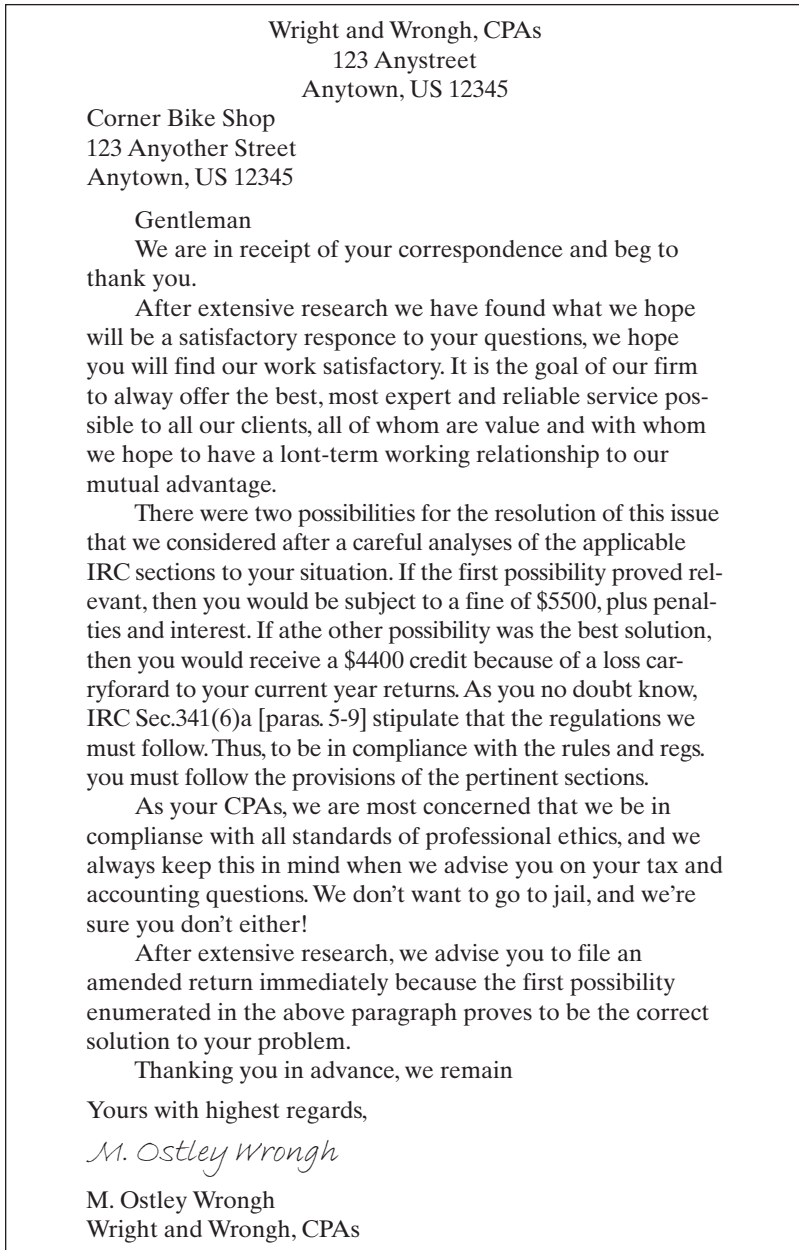
## EXERCISES

### Exercise 2–1 [General]

Analyze the letter in Figure 2–3. How would you react if you received this letter?

1. Think about these questions and then discuss them with your classmates:
  - What are the strengths of this letter? (It does have some strengths!)
  - What are the weaknesses of the letter? (Hint: Can you find all the typos and spelling errors? In addition to these problems, the letter has a number of less obvious weaknesses. What are they?)
2. Revise the letter so that it is more effective. Invent any details you may need. We discuss letter writing in Chapter 9.

FIGURE 2-3 Letter for Exercise 2-1

**Exercise 2-2 [General]**

The chair of the accounting department at your school, John Lee, has decided to initiate a Web site that will provide useful information for the school's accounting majors. Dr. Lee has asked you to write an



article for the site concerning the CGMA exam. In particular, he wants you to explain the exam's components. For what skills and knowledge will the exam test? How will these components be measured? What weight will be accorded to the various components?

Dr. Lee also suggests that your article discuss the advantages for professional success if an accountant obtains the CGMA certification.

Write the article for Dr. Lee, using the principles of writing discussed in this chapter. You may also include a table or other graphic illustration, if you think such an inclusion would be helpful to your readers. Chapter 6 discusses document design, including graphic illustration, and Chapter 15 discusses writing for publication.

### **Exercise 2–3 [General]**

You are a member of Beta Alpha Psi (the accounting honorary society) at a major university. A large local high school has contacted your chapter of the honorary society and asked it to prepare a two-page flyer about opportunities provided by an accounting career and the skills (hard and soft) required to succeed both as an accounting student and as an accounting professional. You have been asked by the president of the honorary society, Sandy West, to write the flyer. She has asked that you send it to her as an email attachment. Write the flyer and the cover memo that you will send to Ms. West. Chapter 10 provides information on writing memos, and Chapter 12 discusses email.

### **Exercise 2–4 [Managerial]**

Jim Kakes, CEO of Kakes Manufacturing Company, needs to hire a new controller as the current controller is retiring. Several other CEOs he knows have suggested he look for someone who is a Certified Management Accountant (CMA). Mr. Kakes is not familiar with this designation and has asked you what it is and whether you believe hiring a CMA would be a good idea, given the extra amount he will have to pay in salary.

Write a memo to Mr. Kakes responding to his request. You may wish to consult Chapter 10 for suggestions on memo organization and format and the Web for information on the CMA designation ([www.imanet.org](http://www.imanet.org)).

### **Exercise 2–5 [Systems]**

You are employed by the consulting division of a large professional services firm. Your expertise is in information systems auditing. You have become interested in gaining professional certification in this area and are aware of an organization, ISACA (formerly known as the Information Systems Audit and Control Association and now known by its acronym only) which offers certification as a CISA (Certified Information Systems Auditor). Write a memo to the head of the consulting division, Mr. John

Shipley, requesting that your firm provide the funds for you to attain this certification. You should, of course, explain what this credential is and the benefits to your firm of having a CISA on staff. You have researched the possibility and believe you will need approximately \$1,100 to cover the expenses of preparing for and taking the CISA exam.

Chapter 10 provides advice on how to write a memo. For more information on the CISA designation, go to [www.isaca.org/](http://www.isaca.org/).

### **Exercise 2–6 [Managerial/Current Professional Issues]**

The AICPA and CIMA have jointly developed a credential called the Chartered Global Management Accountant (CGMA). Write an article for your school's Web site discussing this credential, what its advantages are, and how to obtain it. You can find more information about the CGMA at [www.cgma.org](http://www.cgma.org).

Writing for publication is discussed in Chapter 15 of this handbook.

### **Exercise 2–7 [Auditing]**

You are a partner in a medium-size CPA firm and want to convince your partners that your firm should update the way it conducts audits in order to become more competitive. Specifically, you believe the company should make use of up-to-date data analytics technology.

Write a memo to your partners to explain what data analytics technology is and the advantages to using it. Chapter 10 contains suggestions on memo organization and format.

### **Exercise 2–8 [Tax]**

Your school's accounting honorary society maintains a Web site on which it includes short articles on various accounting topics. The readers of this Web site are primarily other accounting students. The Web master has asked you to write an article explaining the differences among progressive, proportional, and regressive tax systems, including their advantages and disadvantages. Write the article, including specific examples of ideas you develop. Chapter 15 discusses writing for publication.

### **Exercise 2–9 [Financial]**

For decades, there has been a debate about whether different Generally Accepted Accounting Principles (GAAP) should be established for private companies as opposed to public companies. Often, this has been referred to as the "Big GAAP vs. Little GAAP" controversy. In mid-2012, the Financial Accounting Foundation's (FAF) board of trustees voted to establish a Private Company Council to determine whether the FAF should make exceptions or modifications to GAAP for privately held companies.

Prepare an outline you can use for a speech to your accounting club on the pros and cons of modifying GAAP for privately held companies. Chapter 16 provides more information on oral presentations.

### **Exercise 2–10 [International]**

For many years, the International Financial Reporting Standards Foundation, through its standard-setting body, the International Accounting Standards Board (IASB), has worked to develop and promote the adoption of a single set of International Financial Reporting Standards (IFRSs) that are globally accepted.

Assume you are a staff accountant for a medium-size regional public accounting firm. Your managing partner, Alan Rhodes, as been asked to give a talk on the progress of the IFRS Foundation toward global adoption of its standards. He has in turn asked you to prepare a briefing memo for him on this topic that he can use in preparing his presentation. Include in your memo the pros and cons of global adoption of IFRSs, the progress made toward global adoption, and prospects for completion of the effort. Chapter 10 provides more information on memos and briefing memos. You can find information at [www.ifrs.org/The-organisation/Documents/2015/WhoWeAre\\_ENGLISH\\_July%202015.pdf](http://www.ifrs.org/The-organisation/Documents/2015/WhoWeAre_ENGLISH_July%202015.pdf). But you may want to look at other sources as well.

# CHAPTER

## Coherent Writing: Organizing Business Documents

# 3

### Learning Objectives

*After studying this chapter, you should be able to*

- 3.1** Write unified documents that focus on main ideas and readers' concerns.
- 3.2** Write with summary sentences.
- 3.3** Respond to readers' questions and concerns.
- 3.4** Write with transitions that contribute to unified, coherent documents.
- 3.5** Write paragraphs that focus on main ideas and develop those ideas so they are clear and coherent.
- 3.6** Organize longer documents, such as essays and discussion papers, so they are coherent, with main ideas that are focused and developed.

**C**oherence is one of the seven tips for effective business writing discussed in Chapter 1 (see Figure 1–1). Coherent writing is organized so that important ideas stand out. The flow of thought is logical and easy to follow.

Chapter 2 introduced several techniques that will help you make your writing more coherent: analyzing the purpose of the document and readers' needs, then outlining before you begin to write. This chapter discusses additional ways to ensure that your writing is coherent. You'll learn how to write with unity, use summary sentences and transitions, and structure effective paragraphs and longer documents, such as essays, discussion papers, and other business documents.

## WRITING WITH UNITY

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### LO3.1 Write unified documents that focus on main ideas and readers' concerns.

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The key to unified writing is to establish the main idea of each document. An office memo or email may contain only one paragraph, but that paragraph has a central idea. A report might be many pages long, but it still has a central idea or purpose, and probably secondary purposes as well. It's important to determine your purpose and main ideas before you begin writing, as discussed in Chapter 2.

You should be able to summarize a main idea in one sentence. In a paragraph, this sentence is called the topic sentence. In longer documents involving two or more paragraphs, this sentence may be called the thesis statement or statement of purpose.

The main idea is the key to the entire document. Any sentences or details that are unrelated to the main idea, either directly or indirectly, are irrelevant and should be omitted. In longer documents, entire paragraphs may be irrelevant to the main purpose. These irrelevant sentences or paragraphs are called digressions.

When you remove digressions and irrelevant sentences, your writing becomes unified; every sentence is related to the main idea.

The following paragraph is not unified. Which sentences are irrelevant to the topic sentence, and which is the first sentence?

- (1) Incorporation offers many advantages for a business and its owners. (2) For example, the owners are not responsible for the business's debts. (3) Investors hope to make money when they buy stock in a corporation. (4) Incorporation also enables a business to obtain professional management skills. (5) Corporations are subject to more government regulation than are other forms of organization.

Sentence 1, the topic sentence, identifies the main idea of the paragraph: the advantages of incorporation. Sentences 3 and 5 are off the subject.

Writing with unity is an important way to make your writing coherent.

## USING SUMMARY SENTENCES

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### LO3.2 Write with summary sentences.

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In coherent writing, the main ideas stand out. You can emphasize your main ideas by placing them in the document where they will get readers' attention.

First, as Chapter 2 suggested, it's usually a good idea to summarize your main ideas at the beginning of the document. A long document, especially a report, should have a separate summary section at or near

the beginning of the paper. This formal summary may be called an abstract, an executive summary, or simply a summary. The document will also end with a conclusion that again summarizes your main ideas and recommendations.

When writing these summary sections, be specific and remember your readers' interests and needs. Let's say you are writing a memo to the management of Turnipseed Importers to explain the advantages of an accounting software package that it will use to manage its inventory. You'll need to summarize those advantages specifically and relate them to Turnipseed. One of these advantages might be stated this way:

This software is particularly easy to use because it provides online help for the type of inventory control issues we often encounter with our seed stores. Competing software companies do not offer this type of online support.

The summary at the beginning of a document can be several sentences, or even several pages long, depending on the length of the document and the complexity of the main ideas or recommendations. Here is an example of a summary:

The following procedures will ensure a smooth transition to the new software:

- Management should designate a representative from each department to attend the training workshop provided by the vendor. This workshop will be offered on October 15. (Details will be provided later.)
- Each department should plan a training session for its employees to emphasize the department's use of the system.
- A two-week transition period should be allowed for converting from the old system.
- Troubleshooters should be available to all departments to solve any problems that occur.

Summary sentences are important in other places in a document, especially at the beginning of each section and in the conclusion.

Any paper that is longer than three or four paragraphs probably has more than one main idea or recommendation; each of these ideas is suggested in the introduction or in a separate summary section. Often, the logical way to organize the remainder of the document is to use a separate section of the paper to discuss each idea further. Each section should begin with a summary statement to identify the main idea, or the topic, of that section. The reader will then have a clear idea of what that section is about. To make your document more readable, vary the wording from that used in the beginning of the paper.

The principle we've been discussing sounds simple: Begin with your conclusion and then give your support. However, many writers have trouble putting this advice into practice. The difficulty may occur because this order of ideas is the reverse of the process writers go through to reach their conclusions. That is, the typical research process would be to

gather information first and then to arrive at the conclusions. A writer might try to take the reader through the same investigative steps as those he or she used to solve the problem or answer the question.

Think about your readers' needs. They're mainly interested in the findings of your research, not in the process you went through to get there. They might want to read about the facts you considered as well as your analytical reasoning; in fact, some readers will carefully evaluate the soundness of your data and methodology. However, their first concern is with the conclusions.

As we already mentioned, conclusions will be presented again in a final section, especially if the document is very long. Once again, you may need to remind the reader of your main ideas, but be careful not to sound repetitive. The length and complexity of the document determine how much detail to include in your conclusion.

## RESPONDING TO READERS

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### **LO3.3 Respond to readers' questions and concerns.**

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Earlier chapters discussed planning a document so that it responds to your readers' concerns. That is, you anticipate questions they may have as well as objections they may raise to your recommendations. As you plan the organization of your document, consider the best places to address these concerns. Questions are simple to handle: Anticipate where the readers are likely to have questions and answer them at that part of your paper.

Where you place your responses may also depend on how many objections there are and how complicated your responses are. Sometimes responses to readers' concerns are better addressed in a separate section of the paper. For example, suppose you are recommending a certain accounting treatment for a transaction, but you realize that your readers might disagree with you. The first part of the document might explain the reasons for your recommendation, and the final part of the document might explain the disadvantages of other treatments.

## TRANSITIONS

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### **LO3.4 Write with transitions that contribute to unified, coherent documents.**

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Transitions, which are another element of coherent writing, link ideas together. They can be used between sentences, paragraphs, and major divisions of the document. Transitions show the relationship between two ideas: how the second idea flows logically from the first, and how both are related to the main idea of the entire document.