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CEO PRESENTATIONS IN CONJUNCTION WITH EARNINGS ANNOUNCEMENTS: EXTENDING THE CONSTRUCT OF ORGANIZATIONAL GENRE THROUGH COMPETING VALUES PROFILING AND USER-NEEDS ANALYSIS

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ABSTRACT

This study examines a critical organizational genre for financial reporting that the investment community regards as one of the most important sources of information: the CEO presentation in conjunction with earnings announcements. The study seeks to define this genre sufficiently enough to suggest how its effectiveness may be meaningfully measured, exploring the relevance of user-based analytical tools as well as the suitability of these tools for articulating one of genre theory's more abstract notions, namely, "communicative purpose" as it applies to effectiveness. Specifically, competing values profiling, holistic effectiveness scoring, and two kinds of user information needs analyses were performed on a small sample of CEO presentations delivered at the New York Society of Security Analysts. Analysis produced a typified presentation profile of highly informational and secondarily relational; none were highly promotional or transformational. Moreover, all possess the imprimatur of "communication skills training," yet among them are contrasts related to communicative purpose and content coverage which appear to impact effectiveness. Results suggest the potential of these analyses, not only for the elaborating the theoretical constructs of organizational genre, but also for corporate communications planning and evaluation.

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The global investment community clamors for information that can provide a competitive edge in forecasting the worth of companies; interpretative data that offers insight as to what the financials may mean, particularly in regards to future firm value. As Gassman (1995) noted, it's almost impossible to get an edge with the numbers alone because today's databases give everyone equal access. Indeed, the reporting requirements imposed on US-listed firms by legislators, standard-setting agencies, and regulators insure that the investment community enjoys a steady stream of corporate financial communications ranging from securities commissions filings to annual reports. But accurate predictions regarding a firm's likely prospects for continued profitability require an ability to *interpret* the numbers, an ability to read between the lines, and for this, qualitative inputs, such as personal contacts with top management, are highly valued by the investment community including bankers, buy- and sell-side analysts, institutional fund managers, and a growing and diverse host of individual investors worldwide (Gassman, 1995; Melcher, 1993; Unseem, 1998).

Contacts with management, particularly CEO presentations in conjunction with earnings announcements, such as those given at analysts societies around the world, are increasingly seen as a key genre of voluntary financial reporting. In fact, analysts, whose livelihood depends upon access to all kinds of financial information, rank such contacts as their most important information source (Arnold & Moizer, 1984; Bamber & Cheon, 1998; Breton, G. R.J. Taffler, & G. Cucumel, 1993; Previts et.al., 1993; Schipper, 1991; SRI International, 1987).[1] Meanwhile companies have come to characterize these presentations as "missionary work"--occasions for providing "the corporate word" that may attract followers, including analysts not currently following the firm. Indeed, these presentations allow upper management to frame the corporate facts and figures from a decidedly "up close and personal" perspective that is not afforded via other venues (Unseem, 1996; Gibbins, Richardson, & Waterhouse, 1990), and such contacts have been shown to prompt analysts to publish earnings forecasts following the company's own predictions (Arnold & Moizer, 1984; Breton, G. R.J. Taffler, & G. Cucumel, 1993). As a recurring event of consequence, both for companies and for those who have or may decide to stake a claim in them, the CEO presentation in conjunction with earning announcements is an attractive candidate for research.

PURPOSE

This study examined CEO presentations given in conjunction with earnings announcements. The intent was to define this genre sufficiently enough to suggest how its effectiveness could be meaningfully measured as well as to explore the potential of user-based analytical tools. It was further believed that these analyses might shed light on genre theory's notion of "communicative purpose," particularly as it relates to effectiveness. Specifically, competing values profiling, holistic effectiveness scoring, and two kinds of user information needs analyses were performed on a small sample of CEO presentations delivered at the New York Society of Security Analysts (NYSSA) in conjunction with unfavorable earnings announcements. Questions addressed via these analyses included: Can "an effective presentation" be characterized using the analytical tools employed in this study? Do competing values profiling and user-needs analyses shed light on the nature of "communicative purpose" as it relates to effectiveness? To what extent do these presentations provide the information that the investment community needs? What constitutes an effective CEO presentation in conjunction with earnings announcements?

After a review of relevant research and the theoretical foundation of the study, the research methodologies and results of the various analyses are reported. A concluding section compares the presentations deemed most and least effective, describes the profile and content coverage that appear to typify this genre, argues that effectiveness resides in more than so-called presentation skills, and suggests opportunities for future research. As a point of interest, market data occurring after the presentations is provided in a postscript. Regarded as preliminary, these analyses are intended to suggest new directions for researchers, practicing managers, and the investment community for evaluating the effectiveness of financial communications.

NATURE AND CONTEXT OF CEO PRESENTATIONS IN CONJUNCTION WITH EARNINGS ANNOUNCEMENTS

Rather expensive, but usually not very elaborate affairs, CEO presentations at the New York Society of Security Analysts (NYSSA) are typically working luncheons held at One World Trade Center a short distance from the New York Stock Exchange.[2] The CEO gives a talk and attendees, an assortment of analysts, individual investors, and other visitors, follow along using copies of the presenter's transparencies or power-point slides. Typically the presentation manuscript is also available. Many attendees take notes on pads or laptops and, although lunch is usually served, the setting looks more like a classroom than a dining room. Presentations may also be simultaneously broadcast by NBC's Private Financial Network (PFN) to some brokerage houses and other locations the presenting firm may request. Audio and videotapes are also part of the package for presenters and audio tapes may be purchased by NYSSA members or guests(see http://www.nyssa.org;Koonce, 1993).

CEO presentations in conjunction with earnings announcements, such as those given at the NYSSA, belong in an enormous bundle of company-generated communications firms use to disclose financial information to diverse constituencies: board members, management, employees, regulators, auditors, underwriters, bankers, shareholders, analysts, investors, reporters, competitors, and the general public[3]. These oral and written, formal and informal, public and private, internal and external communications include not only those required to meet various legal requirements, such as 8- and 10-K filings, rate case submissions, proxy statements, quarterly and annual reports, and prospectuses on all public offerings, but also business plans to secure funding, press releases, interviews, meetings with analysts and reporters, company tours and private discussions with key analysts and investors, phone calls and open telephone lines for the same audiences, annual meetings with shareholders, and historical "fact books" providing corporate business and financial records.[4]

In addition, a variety of communications are generated in conjunction with the CEO presentation itself. These include various pre-announcements, sometimes carried on news networks, business wires, and by *Investor's Daily*; company invitation letters and phone calls to potential attendees; profiles of key individuals who are likely to attend and other review materials senior management use to prepare for the meetings; the presentation slides and transcript, plus annual reports and recent quarterlies that may be distributed at the event; CEO pre- and post-presentation meetings with select analysts and investors, pre-meeting press conferences with reporters, and post-event communications that may include evaluation forms and follow-up phone calls to collect data from attendees. The presentation transcript, videotape, and sometimes even analysts' reports and earning estimates following the event, may be distributed as well, both externally to the investment community and internally to management and corporate board members (Koonce, 1993, see also Mahoney, 1991; Unseem, 1996).

CORPORATE NEEDS FOR FINANCIAL REPORTING

Clearly, companies enjoy a huge "set of pigeonholes" in which to place financial information and incur significant costs filling them, including employing communication experts to assist with such efforts. Yet, while legal reporting requirements are understood and administered with some acumen by US firms, many financial communications are not legally prescribed and there are few guidelines for dealing with them (Gibbins, Richardson, & Waterhouse, 1990; Mahoney, 1991).[5] Perhaps it is not surprising then that after legal requirements are met, corporate approaches for communicating financial information diverge dramatically. Gibbins, Richardson, and Waterhouse (1990) discovered companies using as many as 135 to as few as three different communications to disclose earnings; few firms have programs for systematically dealing with such communications, even as the need for them seems to have accelerated.[6] Indeed, as Mahoney noted, "There are no simple guidelines. Nor is there any consistency" (1991, p. 299).

Yet, communications related to the financial well being of a firm can prove excruciatingly difficult to manage as they involve conflicting objectives and tricky trade-offs that are bound to place corporate managers in a no-win situation at one point or another in their careers--e.g. few firms enjoy good news all the time. Increased communications can expose a firm to more scrutiny, a state of affairs that managers are not known to relish, nor are their firms known to reward them for. Nor is managing message consistency easy, particularly as the number and type of a firms' communications increase; yet, external audiences regard consistency as a staple of corporate credibility (see Previts, Bricker, Robinson, & Young, 1993). Managers must also be mindful not to breach exclusive information-sharing arrangements involving important inter-organizational networks with credit unions, banks, and the like. And then, in terms of information control, there are firms' real and on-going concern that too much disclosure may impact their competitive position, that they may simply "give away too much" (Gibbins, et.a., 1990, 132). Protecting proprietary information in order to exploit its potential economic advantage, is a very real problem; even detailed information about strategy and business segments can help competitors. (Dye, 1985; *Economist*, 14 March 1998).

At the same time, research shows that publicly-held companies need public attention in order to succeed in the marketplace. Lang and Lundholm (1993) document that firms disclosing more tend to have a greater analyst following, more accurate analyst forecasts, and less dispersion among individual analyst forecasts; Byrd, Johnson, and Johnson (1993) found that some firms may have some reason to expect they will get cheaper money as a consequence of CEO presentations at the NYSSA. Moreover, some evidence suggests that in the case of impending poor earnings, early disclosure may reduce the threat of disclosure-related legal liability costs (Bamber & Cheon, 1995). In these and other matters requiring the favor of various public constituencies--regulatory hearings, labor negotiations, access to scarce resources--public discosure is ultimately seen as "banking" the kind of credibility and influence that may be needed in the face of regulatory hearings, labor negotiations, access to scarce resources, or other critical situations (Gibbins, Richardson, & Waterhouse, 1990). In fact, some firms have deemed the communication of financial information important enough to merit changes in internal managerial procedures in order produce communications, as a matter of course, that may be more favorably digested by the investment community. As Gibbins, Richardson, and Waterhouse observed, among managers there is "a general aversion to self-promotion but also a clear desire to keep the firm in the public eye with sufficient information on the firm's financial position *to ensure access to capital markets*" (1990, p.132).

Still, managers express discontent with standardized reporting mechanisms, finding them not only burdensome, but also very limited. As Healy & Palepu noted, "current accounting rules do not permit managers to show the *benefits* of investments in quality improvements, human resource development programs, research and development, and customer service on their balance sheets" (1993, p. 1, emphasis mine). Such benefits can be shown, however, in unregulated, voluntary venues, particularly those that afford personal contact such as corporate presentations at analysts societies.

INVESTORS' FINANCIAL INFORMATION NEEDS

Since the 1970's, a variety of studies have investigated the kinds of information investment constituencies want and how corporate financial reporting might be improved. Until recently, these studies tended to focus on a particular segment of the investment community, namely analysts (e.g. Lee and Tweedie, 1977; Chang and Most, 1985; Myers, 1991; Schipper, 1989; Stein, 1989; Pervits, Bricker, Robinson, and Young, 1993). An early study by the Financial Executives Research Foundation (1987), for example, found that analysts believe financial reporting could be improved if more information were provided in five areas: (1) market and competitive position of the company; (2) business segment financial statements; (3) intra-industry comparisons; (4) management goals and objectives; (5) company performance statistics and ratios.[7] Hill and Knowlton (1984) discovered that investment professionals want companies to provide more business information via a segment-by-segment format and to disclose as many details and numbers as possible. More recently and along the same lines, Boersema and VanWeelden (1992) found that sell-side analysts, the most highly analytical segment of users, placed higher than average importance on more detailed segment reporting. According to O'Brien and Bhushan (1990), the sheer "amount of information" plays a role in analysts' decisions to follow some firms but not others. O'Brien and Bhushan's research further revealed "a behavioral link between analysts' decision to follow firms and differential costs and benefits of gathering information" (1990, p. 75; see also Brennan & Hughes, 1990; Bhushan, 1989)--in other words, make the information easy to access and expect more followers.

Williams (1993) demonstrated a correlation between analyst forecast revisions and the "usefulness" of the information, more specifically the degree to which the information improved the accuracy of the analyst's forecast, a state-of-affairs that Williams associates with management credibility (see also Stickel, 1989; Baginski & Hassell, 1990; Unseem, 1998).[8] A "management affect" was also discovered by Breton, Taffler, and Cucumel (October, 1993) whose content analysis of stockbrokers' circulars (documents reporting buy/hold/sell recommendations) showed that "the most important argument in differentiating between recommendations is the *quality of management and strategies*" while firm financial structure and position seemed to have less impact on analysts' recommendations (September, 1993, p. 28).[9] "Assessing the quality of management," Breton, Taffler, and Cucumel further observed, "is often proposed as a good way to reach a judgment on a firm. Moreover, the absence of objective criteria for evaluating management quality leads to situations were plant visits and business lunches become the most preferred methods of analysis. Such methods, as often pointed out, can lead to analysts revising their forecasts in the 'good' position" (October 1993, pp. 3-4). Furthermore, Jennings' (1987) research suggests that analysts tend to trust management earnings forecasts unless these forcasts prove to be surprisingly different from what analysts have been led to expect.

To date, the most comprehensive analysis of the information needs of the wider community of users was conducted by the American Institute of Certified Public Accountants (AICPA) Special Committee on Financial Reporting. Motivated by an acknowledged need--the lack of consensus regarding how to improve corporate financial reporting--the AICPA Special Committee went to the users themselves and user-based sources. Data collection included formal discussions with protfolio managers, analysts, and bankers from large and small institutions, and with members of the Financial Accounting Policies Committee of the Association for Investment Management and Research, and the Accounting Policies

Committee of Robert Morris Associates, as well as analysis of research publications. the writings of investors and creditors, and analysts' formal reports.

As published in *The Information Needs of Investors and Creditors: A Report on the AICAP Special Committee's Study of the Information Needs of Today's Users of Financial Reporting* (November 1993), the AICPA Special Committee found a common desire among diverse users for financial reporting in five content categories: (1) disaggregated information, (2) core earnings, (3) estimates, assumptions, and off-balance-sheet risks, (4) nonfinancial business information, and (5) forward-looking information. As can be seen in Appendix III where these categories are elaborated, users want management to highlight and extend the financial information that is communicated via other venues. An apt example is category five, "forward-looking information." Here the AICPA report concludes that users want management to identify key trends and relationships in the data. Users do not expect management to provide projections, but rather users need information on which to base their own forecasts, including more information about operating opportunities and risks (1993, p. 5).

On the whole, research on user information needs suggests little desire for change in some of the more standardized reporting vehicles, but avid interest in obtaining more analysis from management. There is, for instance, little reported demand for additional information on balance sheet or income statement values. As McCaslin and Stanga (1986) show, analysts assign more importance to such items presented at historical cost, rather than in constant dollars or current costs. In other words, analysts want a more historical analysis of the numbers, analysis that corporate management is uniquely suited to provide. Indeed, as the AICPA report and other research shows, there is a general consensus that contacts with management are essential. This consensus builds on the "information models" of economics, finance, and accounting, which suggest that managers have superior information on their firms' current and future performance than do outsiders and, therefore, managerial reports are a potentially reliable source of information (e.g. Healy & Palepu, 1993). Overall, a theme emerges from the research: users of corporate financial communications want more detailed information and they want that information, elaborated from the perspective of corporate management.

RESEARCH ON THE GENRE OF FINANCIAL REPORTING

The Financial Executives Research Foundation reported that the top five "most-used" sources of information are: the company annual report, the SEC Form 10K, the company quarterly report, analysts or other professionals, and company management (SRI, 1987, p. 34). Of these, investment professionals ranked company management as the "most important" source of information (p. 38). By way of comparison, the annual report ranked first in frequency of use, but only fifth in importance. This finding is confirmed by Hill and Knowlton's (1984) earlier survey, which showed that financial reports were ranked second in importance; direct discussions with management ranking first.

Studies of the genre for financial reporting are few in number and have focused mainly on the annual report, however. For example, Courtis (1997) analyzed the use of graphics to communicate financial information in Hong Kong based firms' annual reports and argued that over half failed to follow "sound principles" of design. Several other studies analyzed annual reports in light of select contextual variables, particularly good-versus-bad news. Subramanian, Insley, and Blackwell (1993) tested the relationship between firm performance and annual report readability, finding higher readibility scores for the annual reports for good performers than for poor performers. Looking just at the CEO letter in the annual report, Hildebrandt and Snyder (1981) found these letters to be *predominately* positive regardless of performance, although, negative words were less frequent when performance was good. Building on their study, Thomas (1997) analyzed the linguistic structures in annual report letters for a machine tool manufacturer. Comparing reports over the four-year period during which the company moved from prosperity to severe losses, Thomas discovered an increased use of passive constructions and other features which, she posited, served to "objectify" the situation and remove direct attribution of responsibility to management (see also Hyland, 1998). None of these studies, however, examined issues of annual report effectiveness--e.g.

investigated the amount and type of coverage in light of readers' desire for information or compared reader responses to companies' communicative goals.

In contrast to annual reports, the CEO presentation in conjunction with earnings announcements has received almost no scholarly attention. Clearly, discussions of CEO speeches crop up from time-to-time in the popular press while management consulting firms, public relations professionals, and corporate communications departments deal with them as a matter of task. (Mahoney, 1991). CEO speeches to the general audiences, such as community groups and employees (Myers & Kessler, 1980; Sussman, Ricchio, Belohlav, 1981) and CEO statements associated with crisis situations or occasions having to do with corporate change and image-building activities, have been analyzed for some time (Brinson & Benoit, 1999; Graham & David, 1997). Also of some interest here are attempts to distinguish "management presentations" from "speeches" (Dance, 1987; Rogers, 1988), a discussion that might have been framed from the perspective of "organizational genre" had it not taken place some time before Yates and Orlikowski (1992) introduced the notion.

A ground-breaking study, as it has direct relevance to CEO presentations in conjunction with earnings announcements, was conducted by Byrd, Johnson, and Johnson (1993). While Byrd, et.al. did not analyze the presentations themselves, they did map changes in analyst following, changes in institutional holdings, abnormal returns, and shifts in equity betas surrounding 2,866 CEO presentations to security analyst societies occurring over a four-year period. And while they found no significant impact on share price, their results did reveal *increased investor interest after the presentations*, as evidenced by a significant increase in analysts following, analyst forecast revision activity, and institutional holdings. They also found some evidence that small, unknown firms secure cheaper capital after their presentations. Examining the CEO presentations themselves seems one logical next step.

DESCRIPTION OF SAMPLE, DATA COLLECTION, & ANALYSES

The sample of CEO presentations for this study met the following criteria: 1) all were delivered at the New York Society of Security Analysts (NYSSA) during the three years prior to publication of the November 1993 American Institute of Certified Public Accountants (AICPA) Special Committee Report on information needs, 2) all were associated with corporate earning announcements that were not favorable, or what might be generally called "bad news" announcements, and 3) all were available on videotape. The following eight presentations met these criteria: Avnet (electronic components and computer products distributor), Bisys (banking software developer), Bytex (superhub provider), Cyprus Minerals (mining), Interpublic (advertising agency), Liposome (biotechnology), PHP Healthcare (outpatient clinics and surgery centers management), and Sierra Pacific Resources (energy production and real estate) (see Appendix I: Descriptions of Sample Companies). Of manageable size for the kinds of analyses undertaken here, this sample covers a wide spectrum of businesses and proved adequate to meet the goals of the study; namely, to examine a small number of presentations intensely in order to explore the potential of several analytical tools for evaluating communication effectiveness from a user perspective.

In addition to the videotapes of the CEO presentations, information on each company was obtained from database company profiles, articles in general investor literature (e.g. *Business Week*, *Forbes*, *Fortune*, *Institutional Investor*), and the NASDAQ Market Index. Audio recordings of other CEO presentations provided supplementary data. Additionally, the author visited the NYSSA on several occasions throughout the study; one such visit was a one-week stay at a peak period during which the author attended all company presentations, talked with attendees, and interviewed William Koonce, NYSSA Director of Corporate Programs/Presentations.

For this research, two independent studies were conducted on the sample presentations, one employing the competing values framework developed by Quinn, Hildebrandt, Rogers, and Thompson (1991), and the other employing categories based on the user information needs categories identified by the AICPA study which, as noted earlier, is the only comprehensive user needs analysis to date (November 1993). The competing values and user needs analyses were separated not only by time (they were conducted over a two-year period), but also to a great extent by the composition of the evaluators—except for one case, the individuals who conducted the competing values analyses were different than those who conducted the user needs analyses, the only exception being Respondent 5/Reviewer B who completed all the analyses. Descriptions of the competing values and user needs tools, the methodologies by which they were applied, and the results follow the theoretical framework below.

THEORETICAL FRAMEWORK: ORGANIZATIONAL GENRE

Drawing on structuration theory and the concept of rhetorical genre (e.g. Giddens, 1984; Miller, 1984; Swales, 1990), Yates and Orlikowski originated the concept of *organizational genre*, defining it as *"a typified communicative action invoked in response to a recurrent situation"* (1992, p. 301). They further specify that organizational genre include not only communications unique to specialized groups, (e.g. Procter and Gamble's one-page memo), but also transorganizational communications that are shared across various kinds of social communnities, such as audit reports and SEC filings. The CEO presentations at the NYSSA clearly belong to this latter group.

Generic designation means that these presentations should possess comparable characteristics at some level of typification, that is, they should share "a family of common factors by which they look and sound similar and by which they could be said to belong in the same group of communications (Miller, 1984, p. 153). Yet, as Miller posited, "a rhetorically sound definition of genre must be centered not on the substance or the form of discourse but on *the action it is used to accomplish*" (Miller, 1984, p.151, emphasis mine). This modern formulation of genre, upon which the notion of organizational genre is based, builds on Bitzer's (1968) notion that rhetorical situations consist of three critical elements: an exigence, or something needing to be done, an audience, or someone needing to be affected, and constraints or contextual aspects, namely, the people, relationships, events, and objects that modify the exigence (see Yates & Orlikowski, 1992, p. 301). In other words, organizational genre draws attention to how discourse actually functions in the experience of the individuals who create and interpret it. By this definition, texts become more than social artifacts, rather they comprise *actions* that need to be taken in conjunction with a recurrent situation—e.g. the CEO presentations of interest here comprise corporate missionary work on the one hand and investor information needs on the other. "Genre in this way," writes Miller, "becomes more than a formal entity; it becomes pragmatic, *fully rhetorical,* a point of connection between intention and effort, an aspect of social action" (1984, p.155, emphasis mine).

As Miller observed, the notion of genre "emphasizes some social and historical aspects of rhetoric that other perspectives do not" (1984, p.151). In this, the construct is recognized as potentially changing the way communications are viewed; it opens up the possibility of seeing some communications as integral to on-going in business activities. "Genre studies," wrote Freedman and Medway, "are a particularly promising instrument for illuminating the social process in its detailed operation" (1994, p. 12). As organizational genre then, the presentations under study here are regarded as situated interactions with recognizable features and conventions that are shaped to meet some social need, namely, the corporate need to build goodwill and recruit followers on the one hand, and, on the other, the mulitvarious information needs of investors whose buy and sell decisions can ultimately make or break fortunes, both their own and those of the firms they trade.

ORGANIZATIONAL GENRE AND EFFECTIVENESS: UNCHARTED TERRITORY

While the construct of genre is valued for its explanatory power, it remains an abstract construct that scholars struggle to employ as a research tool (Yates & Orlinkowski, 1992). Definitional ambiguities revolve around basic questions such as what communicative acts should be accorded genre status, how substance and form come into play, and what "communicative purpose" actually means in practice (see Swales, 1990; Bhatia, 1993; Berkenkotter & Huckin, 1995). Still, studies of organizational genre appear to be on the increase, some explicitly employing "organizational genre" as an explanatory framework. For example, Bazerman (1988), Swales (1990), Forman and Rymer (1999) examined specialized professional and academic genres. Others have grappled with the meaning of genre as "communicative action" in business organizations—e.g. Orlikowski, Yates, and Okamura (1995) used a genre frame to compare patterns of media use in organizations over time; Swales and Rogers (1995) showed how revisions in corporate mission statements marked organizational change; Zachry (1998) associated rhetorical genre theory with activity theory to ground his historical analysis of written communications at a meat packing company. Work on the definitional perameters of genre continues as well, Louhiala-Salminen's (1997) argument that "the fax" is a new genre being an apt example. Although central to understanding organizational genre, the notion of "communicative purpose" as it relates to audience affect, remains uncharted territory for research, however.

Genre studies to date, including field studies which go far to explicate communication context, continue to center around the discourse itself or are conceptualized largely from the view of the rhetor. As Berkenkotter and Huckin (1995) observed, scholars in literary studies and discourse analysis have focused "on the formal, characteristics of texts (written and oral) rather than on the activities or practices within which genres are embedded" (1995, p. 10). Observing this inclination toward what Brandt (1990) called "strong text," Swales concluded that "one reason for [genre's] success has been a built-in assumption that discourse is indeed both socially situated and designed to achieve rhetorical goals. Its weakness," he continued, "also lies in its rhetorical and literary origins in its infancy" (1990, p. 5). Indeed, as Devitt observed, "studies of formal conventions and language styles are at times treated as genre analysis" (1996, p. 611).

The historical literary roots of genre are also evident in the tendency to privilege the rhetor or creator of the text. Studies of specific genre tend to conceptualize "communicative purpose" as the intent of the rhetor or the actions of the communicator—e.g. the moves *a writer* uses in sales letters to promote a product or service (Bhatia, 1993), to request that something be done in conjunction with a business transactions (Akar, 1998), or to demonstrate belonging or competence in a social situation (Foreman & Rymer, 1999). So too, theoretical explanations tend toward conceptualizing genre as "dynamic rhetorical forms that develop from *responses* to recurrent situations" (Berkenkotter & Huckin, 1993, p. 8). But, is not "responsive utterance" also "utterance received"? Does not the dialogical view of language-in-interaction (Bakhtin, 1986), upon which genre theory draws, imply "the other" as necessary for genre to be "fully rhetorical," as Miller would have it (1984, p.155)? Can "communicative purpose" be understood without some understanding of the extent to which that it is achieved with receivers? Can genre as "the action being accomplished" be understood absent of audience affect?

To explore these questions, this study seeks to understand CEO presentations at the NYSSA as organizational genre through a series of *user-based analyses.* The intent is to determine if these presentations qualify as genre, based on the extent to which "communicative purpose" is achieved from the perspective of receivers. One set of analyses, involving competing values profiling, looked at "communicative purpose" at the macro level, drawing on rhetorical objectives such as informing and persuading. Another set of analyses examined the extent to which users' information needs were met via these presentations using tools based on the AICPA findings. All the analyses are intended as a small steps toward associating the theoretical notion of organizational genre with communication effectiveness.

COMPETING VALUES FRAMEWORK & PROFILING

Drawing on literature regarding organizational and managerial effectiveness and on rhetorical and linguistic theory emphasizing social context (e.g. Quinn & Rohrbaugh, 1983; Quinn, 1988; Spitzberg, 1983; Sypher & Sypher, 1984; Huckin & Hutz, 1987; O'Keefe & McCornack, 1987; Swales, 1990), the competing values framework is an empirical model that links communication effectiveness with receiver expectations. Quinn, Hildebrandt, Rogers, and Thompson (1991) developed the competing values framework to explain the relative effectiveness of *presentational communications in management contexts* by illustrating the degree to which various communication characteristics or descriptors are associated with various communicative objectives. According to the framework, some characteristics are highly valued to achieve one purpose, but less so to achieve another purpose; indeed, these characteristics may be "competing values."

Significant for this study of CEO presentations as organizational genre, is the fact that the competing values framework was constructed using a survey instrument based on *generic* understandings of communications. To construct this framework, experts who evaluate management presentations compiled an extensive list of characteristics of effective communications; then each characteristic was matched with a highly contrasting one. Subsequently, nearly 100 communication expects completed a survey evaluating the relevance of these characteristics for six different organizational genre (e.g. "a good technical report"; "a good sales presentation"). These experts' judgments were used to create similarity scores that were submitted to multidimensional scaling by which the characteristics were placed into a model. "The consistency of the scores for each of the characteristics in relation to the different genre suggested that the participants in the study shared an implicit framework for describing the various kinds of messages" (Rogers & Hildebrandt, 1993, p. 126; see also Quinn, et. al. 1991, p. 221).

Thus, various communication characteristics or descriptors were formulated into a model illustrating four different orientations toward managerial presentations as shown in Figure 2. The lower left quadrant represents presentations primarily intended to provide information, communications associated with factual precision and logical organization; by contrast, the upper right quadrant represents presentations high on dynamic content, "emphatic, forceful, powerful" and "insightful, mind stretching, visionary" transformational communications intended to motivate, inspire, or stimulate change. Quinn et.al. associate this latter quadrant with "the images and ideas of the charismatic presenter who creates new visions and paradigms in the minds of an audience" (1991, p. 224). Sharing with transformational presentations the qualities of "aware, discerning, and perceptive," relational presentations involve "open, candid, honest" qualities that build trust and establish rapport between individuals. These qualities contrast with the "conclusive, decisive, and action-oriented" emphasis of highly promotional presentations represented in the lower right quadrant (Quinn et.al., 1991; Rogers & Hildebrandt, 1993).

As its originators explain, the competing values framework "articulates a set of perceptual relationships, which, in turn, have some important advantages for analyzing written and spoken presentations" (Quinn, et.al., 1991, p. 226). The framework suggests that all presentations are not equal; indeed, there is no bundle of characteristics comprising "the definitive presentation," but rather effectiveness depends upon communicative purpose and the degree to which a presentation possess the characteristics implicitly associated with that purpose. At the same time, Quinn, et.al. explain, "presentations of various types may possess more characteristics from one quadrant than any other; however, ... effective presentations must [also] have some combination of characteristics from all the quadrants" (1991, p. 226). For example, a promotional presentation that completely lacks credibility and plausibility necessary to relate, will fail; so too an informational presentation without some trace of transformational insight and forcefulness.

According to the competing values framework then, the degree to which characteristics are desirable for a particular presentation, depends upon its communicative purpose. The framework suggests, for example, that the high degree of logic and practicality expected for a highly informative presentation will necessitate a lesser degree of competing characteristics, such as forcefulness and innovation which are expected for presentations intended to transform. In this, the framework illustrates the "state of dynamic tension" that discourse analysts have observed in the interplay between different organizational genre (Swales, 1992, p. 12) as well as the complexity and trade-offs between differing management styles and their successfulness relative to changing organizational goals (see Quinn, 1988). Associating certain characteristics more strongly than others with various types of presentations raises the issue of context. As the framework originators acknowledge, the framework does not itself map context; nonetheless, it is built on the assumption "that both presenters and audience bring to the interchange their own constructs of context in any particular case" and furthermore, that "[a]udience assessment of message effectiveness stems from implicit views of contextual demands and audiences evaluate a presenter's success accordingly" (Quinn et.al., 1991, p. 228).

The competing values model was further elaborated as a profiling instrument for analyzing management communications on each set of characteristics using a 1 (low) to 7 (high) rating scale (Rogers & Hildebrandt, 1993). Stevens (1992) examined the workability of this profiling instrument by using it to evaluate corporate ethical codes. The two groups who rated the codes in her sample found these documents to be "relationally and informationally dynamic," exhibiting transformational and promotional characteristics to a lesser degree (1996, p. 71; see also 1992). Using this profile and some preliminary content analysis, Stevens argued that codes share commonly identifiable characteristics used to inform and to relate. As such, she further argued, management intends ethical codes to protect the organization from unethical employee behavior, rather than to inspire or to persuade employees toward ethical conduct as one might expect of a corporate mission statement. Although Stevens does not explicitly characterize her research as a study of organizational genre, it is such. Indeed, her findings suggest the potential of the competing values framework as one means of typifying organizational genre, mapping communicative purpose as it is realized in receivers. If CEO presentations are organizational genre, it is expected that a somewhat uniform profile will emerge across presentations, even if the presentations are viewed by different audiences.

METHOD FOR COMPETING VALUES ANALYSES

To employ the competing values analyses for this study, respondents viewed each presentation in its entirety and subsequently completed the Response Form shown in Figure 1. Two types of respondent data were collected via this Form: 1) *descriptive data* indicating the extent to which the respondent found each of the 12 sets of words relevant to characterize the presentation, and, 2) *evaluative data,* namely, the respondent's holistic judgement regarding the overall effectiveness of the presentation. Piloted by the author, a Ph.D. student in accounting, and four MBA students who responded in conditions as would be required for the actual analyses, the Response Form proved adequate for the kinds of analyses intended.

Using the Response Form, five to eight respondents provided descriptive data for each presentation; five of these also provided effectiveness scores. All responded independently in a blind condition, completing the descriptive scoring first and the evaluative scoring last. With one exception, each respondent scored only one presentation. The exception, Respondent 5 (R5), provided both the descriptive and the evaluative data for all the presentations. This approach meant that, but for one exception, each presentation was viewed by a different audience. A patterned response to the presentations across audiences and presentations would suggest some uniformity in the perception of communicative purpose by which these presentations can be classified as organizational genre; an absence of this would suggest these presentations are incidental communications, perhaps in search of systemization.

Respondents to each presentation included MBA students at a leading business school, all of who had at least two years of post-undergraduate organizational work experience. Respondent 5 was a professional with an MBA degree working for a multinational corporation. Although some had experience as analysts, generally these respondents were more representative of the wider investment community, much like the individual investors in attendance at the NYSSA.[10]

RESULTS OF COMPETING VALUES *DESCRIPTIVE* ANALYSES

Competing values descriptive data depict the CEO presentations in this sample as highly informational and secondarily relational. Averaging all observations by all respondents for all the companies, produced quadrant means of 5.26 on informational and 5.00 on relational (seven-point scale: 1 low; 7 high). Ouadrant means were noticably lower for the promotional and transformational quadrants at 3.64 and 3.30 respectively (see Table 1).[11]

[Table 1 about here]

This result is reinforced when the overall mean scores for each set of characteristics (listed in Table 1 as 1-12) are profiled. As seen in Figure 2, using the overall mean scores, these CEO presentations profile strongly in informational and relational quadrants which value alike the need for technical correctness and accuracy (see middle, horizontal ray in Figure 2). Meanwhile, characteristics unique to promotional or transformational quadrants (beginning with "emphatic" and ending with "conclusive") scored lower. Exceptional cases were characteristics shared with other quadrants, namely "aware, discerning, perceptive" associated both with relational and transformational communication and, at the bottom, the "practical, realistic, informative" descriptors shared by promotional and informational communications.

[Figure 2 about here]

Individual presentation data further supports the high inform and relate finding, with more continuity than variation presentation-to-presentation, as can be seen in Figure 3 (respondents' individual scores are shown in Appendix II). Most unique in this sample, is the PHP Healthcare presentation, which failed to profile strongly in the informational quadrant, registering high only in the relational quadrant at 4.61. In fact, all of PHP Healthcare's quadrant means registered the lowest of the entire sample (see Figure 3). Even PHP's highest scores are dramatically low in comparison to the other presentation profiles—e.g. PHP's highest quadrant mean of 4.6 for relate, is below the lowest achievers on this quadrant, including Bisys at 4.8, Bytex at 4.9, and Avnet at 4.95.

In contrast to PHP Healthcare, the highest quadrant means on inform were achieved by Sierra Pacific at 5.75 and secondarily by Bisys at 5.6. On the relational quadrant, Sierra Pacific also achieved the highest quadrant mean at 5.32, followed by Interpublic and Cypress, each at 5.25.

[Figure 3 about here]

One further observes in Figure 3 (see also Table 1), several incidentally high mean scores on individual sets of characteristics in the less favored promotional and transformational quadrants, such as the 4.4 mean Bytex achieved on "emphatic, forceful, powerful," the 4.0 mean Interpublic achieved on "interesting, stimulating, engaging," as well as the 3.7 and 3.6 means achieved by Bisys and Liposome respectively on "insightful, mind stretching, visionary." The patterned emphasis on highly informational and relational quadrants seen when all the mean scores for all the companies on all the characteristics are recorded on one profile as shown in Figure 4, however, suggests that observers did not find these CEO presentations particularly persuasive (promotional) or visionary (transformational). Meanwhile, the presentations are strongly associated with informational and relational qualities.

[Figure 4 about here]

RESULTS OF COMPETING VALUES *EVALUATIVE* ANALYSES

On the *holistic effectiveness evaluations* of each presentation, Interpublic received the highest mean score, 5.6 (seven-point scale with seven being high), Bisys the second highest rating with a mean of 5.2, and Sierra third at 5.0 (see Table 2). By contrast, PHP Healthcare achieved the lowest overall effectiveness rating with a mean score of 3.28, nearly a full point lower than the next lowest achiever, namely Avnet at 4.25.

When these evaluative analyses are compared with the descriptive data, there appears to be some correlation between the communicative purpose as associated with the four quadrants of the competing values framework and overall effectiveness. For example, the presentation receiving the lowest overall effectiveness score, PHP Healthcare, also achieved the lowest mean scores in all the quadrants, including the lowest means for the informational and relational quadrants which patterned very high in the sample as a whole. At the other end of the spectrum, presentations receiving the highest overall effectiveness scores, Interpublic, Bisys, and Sierra, also achieved some of the highest quadrant means for inform and relate: Sierra Pacific and Bisys the highest quadrant means for inform; Sierra and Interpublic the highest quadrant means on relate. This preliminary data suggests that CEO presentations comprising characteristics associated with highly informational and relational communications may typify this organizational genre. The fact that this pattern emerged across presentations from diverse audiences, suggests the potential of competing values profiling for associating users' generic understandings with communicative purpose and, furthermore, mapping the extent to which that purpose is achieved from a user perspective.

USER INFORMATION NEEDS ASSESSMENT

The second study for this research examined content coverage in the CEO presentations using categories identified in the American Institute of Certified Public Accountants (AICPA) Special Committee Report titled *The Information Needs of Investors and Creditors: A Report on the AICAP Special Committee's Study of the Information Needs of Today's Users of Financial Reporting*. As noted earlier, this AICPA study comprises the most extensive data to date on the financial information needs of users from all facets of the investment community and offers a compilation of content categories for which coverage is widely desirable (AICPA, November, 1993). In the course of two pilots, it was determined that the five categories in the AICPA Special Committee Report (Appendix III) were useful for analyzing the CEO presentations in this study.[12]

Using the template of five AICAP user needs categories, two types of analysis were conducted on the sample of CEO presentations: a categorical content analysis and a time-stamp analysis. Both of these analyses examined the extent to which the AICPA categories were covered, but each from a slightly different perspective. The categorical content analysis asked reviewers to make value judgments regarding the extent of coverage using an evaluative grid. The time-stamp analysis involved actually timing the coverage down to the second and served to show not only the length of time spent on each category, but also the position in the presentation where that coverage occurred. Each of these analyses is detailed below.

CATEGORICAL CONTENT ANALYSES

Three reviewers analyzed the videotaped CEO presentations in this study using the template of AICPA categories shown in Appendix III: one research assistant, a business student in the last semester with an accounting major (RA), one MBA graduate working for a multinational corporation (RB), and the author/primary researcher (PR). RA and RB were trained separately to do the analysis, which each completed independently in a blind condition. For an initial viewing, RA and RB took notes using the AICPA categories as a guide; for a subsequent viewing RA and RB made judgments regarding the adequacy of coverage by completing the evaluative grid. As can be seen in Table 3, this grid allowed for the following judgments regarding the coverage of each category: "thorough," "partial," "little," or "no report."

In conjunction with their analyses, RA and RB also were asked to provide written explanations of their judgments, particularly for categories they regarded as "close calls." To double check their judgments and to upgrade their explanations, each reviewer was instructed to review the videotapes again, spot-checking problematic areas. In training the reviewers in this process, PR stressed that the analysis must be based on a thorough viewing and reviewing of each videotape. Toward that end, RA and RB were each allowed up to three months to complete the process. Despite the lengthy timeframe, blind condition, and lack of intervention, the degree of coding agreement for RA and RB, using Cohen's formula, calculated a simple Kappa of .758 and weighted Kappa of .821 for the total set of items (5 categories x 8 companies = 40 total judgments). On individual categories, RA and RB registered the lowest level of agreement--simple Kappa of .600, weighted Kappa of .652--on "off-balance sheet information." Agreement on "core earnings" was .830 and .886, and on "forward-looking information" was .758 and .789. Total agreement (Kappa of 1.000) was achieved on two categories: "disaggregated information" and "non-financial information."

After RA and RB analyses were complete, RA reviewed them for accuracy and made the final call on areas of disagreement. The results of this analysis, including comments on areas of disagreement, are shown in Table 3.

[Table 3 about here]

It should be noted that the multiple viewings and use of the evaluative grid caused the reviewers to scrutinize the videotaped presentations to a far greater degree than one would expect of a typical audience. As RB expressed it: "I looked hard to find at least some information in each category." An analysis of RA and RB's notes suggests that this "looking hard" caused them to register implicit references in addition to content that was explicitly or obviously categorical. This was a modest attempt to replicate the intensity of the listening that the author observed among attendees at the NYSSA, a kind of "hanging on every word" (recall Greenspan's "irrational exuberance"?).

Findings From Categorical Content Analysis

As Table 3 quite dramatically illustrates, only one of the eight CEO presentations in the sample, Interpublic, obtained high-to-moderate coverage on all five AICAP user needs categories. Avnet, Bisys, Bytex, Cypress, and PHP Healthcare had high-to-moderate coverage on at least three of the five categories, although Avnet and PHP only at the "partial" level.

Only one category was greatly overlooked, specifically "off-balance sheet information," which received low-to-no coverage in seven of the eight presentations. Interpublic alone registered high coverage on "off-balance sheet information" and this was only at the "partial" level. (Lipsome's "no report" on "core earnings" is a unique case in this sample.)

"Disaggregated information" and "non-financial business information" received high-to-moderate coverage in six of the eight presentations. Next was "forward-looking information," which received "partial" coverage in five presentations. Clearly a draw, "core earnings" received high-to-moderate coverage in half the presentations with the other half, registering this category at "little."

While all the AICAP categories provide explanatory information, the "non-financial business information" and "disaggregated information" categories appear to provide information most directly related to management activities that are less easily observed in the standard genre for financial reporting. This is particularly true of the "non-financial" category, which includes managerial explanations ranging from the company mission to unusual transactions and events (see Appendix III). Perhaps these categories received the greatest degree of coverage because companies realize the special capability of this face-to-face organizational genre for the kind of managerial explanation this kind of information necessitates?

TIME-STAMP ANALYSIS

Subsequent to the categorical content analysis, a time-stamp analysis was conducted by Reviewer B (RB) and the primary researcher (PR). RB did the initial time-stamp using a two-step process. Step one involved viewing each presentation from start to finish and taking running notes using the content analysis categories as a guide. Information not relevant to any of the categories was logged as "non-categorical." For step two, actual times were added to the running content log. The video counter and a stopwatch were used for this process.

PR provided secondary analysis, reviewing RB's records against the videotapes and discussing fuzzy areas in an effort to insure accuracy. The fact that both RB and PR were highly familiar with the presentations facilitated this process—recall that RB completed all the analyses for this study, including the competing values analyses. The intent of this time-stamp analysis was to build a reasonably accurate chronological map of the coverage, down to the second, but not to obtain empirical judgments requiring inter-rater reliability. This analysis was also viewed as a way to independently validate to some degree the results of the categorical content analysis.

Very basic information provided by the time-stamp was the relative length of the presentations. As can be seen from the list of total times below, lengths ranged from a high of nearly 45 minutes to a low of nearly 15, both well under one hour.[13]

[Table 4 about here]

The average length of a CEO presentation was about 30 minutes (29:98).

More significantly, the chronological map of each presentation shows the location and times of AICPA categorical coverage. Two of the most interesting, Interpublic and PHP

Healthcare, are shown in Figures 6 and 7 and discussed in the next section on effectiveness (Recall, these presentations received the highest and lowest effectiveness scores in the other study reported here.)

The time-stamp analysis allowed for a close approximation of the percentage of time spent on each category. As seen in Table 5, the greatest percentage of total time across presentations was dedicated to "non-financial information" and, individually, this category was either the first- or second-most covered category time wise in six of the eight presentations. Across the presentations, "disaggregated information" came in second--in six of the individual presentations it was the first- or second-most covered category in terms of time. After these two categories there are no clear winners in terms of time investment. Coming in third was the special miscellaneous category termed "non-categorical" information, but this result is largely due to the fact that this category comprised more than 70% of the total time in a single presentation, the talk by Lipsome.

[Table 5 about here]

At the other end of the spectrum, the "off-balance sheet information" category received almost no attention in terms of time. The fact that "off-balance sheet" category registers at all is due to its modest coverage in only two presentations: 7.6 percent of the total time in Interpublic; 6.1 percent of the total time in Sierra. PHP had no coverage of "off-balance sheet information," a fact which was also recorded in the categorical content analysis (Table 3).

COMPARISON OF TIME-STAMP AND CATEGORICAL ANALYSES

Taken together, the time-stamp and categorical content analyses reveal that the CEO presentations in this study include quite solid coverage of "non-financial" and "disaggregated information" but, afforded little attention to "off-balance sheet" information. This result is vividly illustrated when the time-stamp data are converted into a bar chart, as shown in Figure 5.

[Figure 5 about here]

The solid coverage of "non-financial" and "disaggregated information" may stem from the nature of the genre itself. As face-to-face communications, these CEO presentations are widely regarded as critical for evaluating a firm's "managerial health" so to speak. And, of all the AICPA categories, these two are in some respects the most "managerial."

Coverage of "forward-looking" and "core earnings" categories was lower overall. "Forward-looking information" is touched on in all but one of the eight CEO presentations under study, with partial coverage in six instances and little coverage in one instance. As this category overlaps to some degree with "non-financial information," which received somewhat similar coverage, this result is not surprising. "Core earnings" comprised an important focus in one presentation, namely Bisys, suggesting some recognition that the information in this category is appropriate for this genre.

On the whole, these results suggest that even before publication of the AICPA report, diverse firms recognized the need to incorporate information on these categories into their CEO presentation of earnings, although no one pattern of coverage is apparent from these analyses. (Recall the sample of presentations for this study occurred during the three years prior to the publication of the AICPA Special Committee Report.) If there is a characteristic template of coverage typifying this genre, and how the categorical content might be more systematically and effectively incorporated, remain questions for future research.

WHAT IS AN EFFECTIVE CEO PRESENTATION?

Pulling together all the various analyses--the competing values profiling and holistic effectiveness evaluations conducted for the first study and the categorical content and time-stamp analyses based on user information needs completed for the second study--a surprisingly clear profile emerges as to what appears to constitute an effective CEO presentation in conjunction with earnings announcements.[14]

MOST EFFECTIVE PRESENTATION: INTERPUBLIC

Receiving the highest overall effectiveness score, Interpublic's CEO presentation registered as highly informational and highly relational on the competing values profile. As seen in Figure 3, this attention to information-giving and relational aspects emerges as the pattern characteristic of all the presentations in the sample, but a pattern that is particularly strong in the profiles of the top four presentations on effectiveness: Interpublic (5.35; 5.25); Bisys (5.6; 4.8); Sierra (5.75; 5.32); Cypress (5.08; 5.25). But with almost the same quadrant means of 5.35 and 5.25, Interpublic's informational-relational scores are the most balanced in the sample.

Moreover, in terms of content, recall that Interpublic emerged as the only presentation with high-to-moderate coverage on all the AICPA user information needs categories (see Table 3) with each category receiving a total of at least three minutes time, as can been seen from the chronology of coverage shown in Figure 6. Three categories, however, received the bulk of the time: "core earnings" (8 minutes; 15 seconds), "non-financial information" (9 minutes; 28 seconds), and, most of all, "forward-looking information" (11 minutes, 21 seconds).[15] Moreover, one observes blocks of time dedicated to each of the categories, reflecting some elaboration. The time-stamp also suggests some categorical cross-referencing as may be expected of coherent, developed informative text (Figure 6).

[Figures 6 & 7 about here]

LEAST EFFECTIVE PRESENTATION: PHP HEALTHCARE

Receiving the lowest overall effectiveness score, PHP Healthcare's competing values profile registered moderately high on relational (4.61 quadrant mean) followed by informational (4.1 quadrant mean) (Figure 3). Compared to the other presentations in the sample, however, PHP recorded the lowest mean scores for all quadrants, with less-than-desirable means of 2.68 and 2.75 for the transformational and promotional quadrants--recall that according to the competing values framework, some registering in all the quadrants is desirable (see Rogers & Hildebrandt, 1993).

PHP had no coverage of "off-balance sheet" information, while "core earnings" received less than a minute of total time. In contrast to Interpublic, the PHP time-stamp shows less balanced coverage and less cross-categorical referencing. PHP's over 10 minutes on "disaggregrated information" and over eight minutes on "non-financial information" is attributed to the fact that the CEO spent the bulk of the presentation reviewing the business segment-by-segment, describing the various businesses but with noticeably less management analysis related to the financials than was offered in Interpublic.

EFFECTIVE CEO PRESENTATIONS AS ORGANIZATIONAL GENRE

The preliminary findings in this study suggest that the CEO presentation in conjunction with earnings announcements is an organizational genre not because it possesses any particular textual features, but rather because it is identifiable by functional purpose. As Gibbins, Richardson, and Waterhouse observed in their article on the management of corporate financial disclosure: external demands for information have "an important influence on disclosure outputs" (1990, p. 122). This demand seems evident here. The pattern of high inform and relate that emerged through the competing values profiling is supportive of the definitional bounds of "organizational genre" as a typified response to social exigence, or "something needing to be done" (Bitzer, 1968; Eubanks, 1998); this exigence or corporate action being to meet investment constituencies' need for interpretative information derived through direct contact with managers.

These results suggest that interactants, both the presenting companies and the broader body of information users, as represented by the respondents and reviewers participating in this study possess shared understandings regarding the communicative purpose such presentations fulfill. Different respondents viewing different presentations produced a uniform profile--even the least effective of the lot, PHP Healthcare, privileged relational and informational values. Indeed, the presentations viewers deemed most effective provided considerable coverage of the AICPA categories, which inherently necessitate managerial elaboration; this further explains the high inform, high relate reading.

By contrast, these presentations did not register as explicitly promotional. Indeed, closer analysis of the texts reveals that claim statements, which would be expected in highly persuasive communications, do not dominate these presentations; whereas, points of information do.[16] Neither are these "bad news" messages involving buffered explanations of poor earnings--one is hard pressed to find highly positive or negative evaluative statements in any of these presentations despite the fact that they were all given in conjunction with poor earnings. (Moreover, in attending presentations at the NYSSA and reviewing recordings of others, the author has not observed overtly noticeable differences between presentations associated with bad earnings and those associated with good.) Rather, the profile of an effective CEO presentation in conjunction with earnings announcements suggests that receivers expect an elaborated statement of factual information, with coverage of all AICAP categories, but with considerable emphasis on highly interpretative categories which involve management analysis, much as was provided by Interpublic. From this it can be posited that such presentations need not explicitly promote the company or deliberately seek to motivate those in the audience to invest in the firm, as would be expected of promotional communications one associates with unveilings of new product lines or services.

PRESENTATION SKILLS DO NOT INSURE EFFECTIVENESS

Findings from this study have further interest when considered in light of so-called "presentation skills." Although the individuals who were involved in the various analyses for this research frequently characterized the presentations as "boring," all readily acknowledged that the CEO speakers were well prepared, demonstrating a great deal of familiarity with their presentation content and visuals. Across the board, these presenters looked and sounded completely comfortable with their material, even deviating from their texts from time-to-time and making very specific retrospective references to data visualized earlier. Design and use of visuals, eye contact, vocal projection, pace, and expression evidenced considerable forethought and rehearsal. Much as the author observed first-hand when attending presentations at the NYSSA, the speakers in sample presentations analyzed here, employed a low-key conversational style which the competing values framework associates with highly informational communications with relational affects, a style quite different than what might be expected for highly promotional or transformational talks.

Yet, while all the speakers demonstrated a high level of preparedness and professionalism, these analyses reveal that all were not equally effective--those short on information with limited managerial analysis were deemed less successful than those registering high on relational and informational qualities, with elaborated coverage of key areas that users have identified as needing and that management is uniquely equipped to provide. These findings support the notion that so-called "presentation skills" are a gloss, not the substance of effectiveness.

CONCLUSION: NEXT STEPS

What then is "the stuff" of which effective communications, such as CEO presentations, are made? Simply put, organizational genre theory suggests that effectiveness is to be found in the extent to which *oral and written texts* achieve the communicative purpose and accomplish the action for which they were intended. By drawing attention to text, a genre framework would have us replace abstract conceptualizations (e.g. "motivating employee performance through increased communications") with concrete observations of communicative acts (e.g. writing, delivering, discussing, and negotiating the oral and written generic forms used to appraisal employee performance). As texts, such acts can be examined using any number of qualitative and quantitative tools. The problem is, we do not yet understand how to operationalize the complexity of the construct of organizational genre sufficiently enough to use it as the basis for effectiveness measures.

Observing that genre studies to date have put too much emphasis on the individual creator of the text, or the text itself, or have treated contextual analysis as if were genre analysis, Devitt posits that "we need to find ways to keep genre embedded and engaged within context while also keeping our focus on learning about genre and its operations" (1996, p. 611). "Without reducing genre study to taxonomy," she writes, "scholars need to explain what distinguishes a genre perspective from all others" (p. 611). Toward this end, Devitt suggests that some "blurring of the lines between context, situation, and genre may be appropriate, keeping us from creating dichotomies while enabling us to see interactions" (p. 610) as "dynamic activity" (p. 610-11). This harbors back to Miller, the modern genre theorist who in introducing the construct explained that "a rhetorically sound definition of genre must be centered not on the substance or the form of discourse but on *the action it is used to accomplish*" (1984, p.151, emphasis mine). This modern conceptualization of genre would have us regard "genre as action rather than form, as text-type that *does* something rather than *is* something" (Devitt, p. 606). But, how so? As Witte somewhat pessimistically observed in his article titled "Context, Text and Intertext," "[a]ll current approaches appear too narrow to permit a syntheses of the textual, cognitive, and social perspectives that Halliday suggests would be necessary for a comprehensive theory of language . . . and no current theoretical approach or perspective . . . accounts for writing [or speaking] as it is produced and used in contemporary culture" (1992, pp. 241-2). If genre theory is to address this concern (and I think it has the capacity to do so), it must be operationalized in a way that accounts for the blurring of the lines between the rhetor and the receiver, the text and the context. Attending to the receiver response in an attempt to explore the extent to which "the action is accomplished," as this study has done, provides another piece in the puzzle, but it remains one dimensional. So, what next?

At a definitional level, the results of this research suggest that the answer to the basic question that has haunted genre studies for some time now, namely, what communicative acts should be accorded genre status, must and can incorporate audience response--different respondents viewing different presentations at different times produced a common profile related to communicative purpose and content coverage. Indeed, this finding suggests that these presentations possess comparable characteristics at some level of typification, and that they share "a family of common factors by which they look and sound similar and by which they could be said to belong in the same group of communications" (Miller, 1984, p. 153). In this respect, it also could be said that competing values profiling and various user information needs analyses undertaken here, tell us something new. But, if organizational genre is to be operationalized in a way that captures the fullness of the construct, looking at just the receiver side is not enough. As Devitt contends, "theorists must find ways of incorporating diversity, conflict, and tension in their sometimes overly placid views of genre" (1996, p. 613).

Accepting this challenge, a fruitful follow-up study might to obtain competing values data and judgments regarding AICPA categorical coverage in real-time from actual CEO presentation attendees, particularly analysts who, as Morgenson recently observed, are playing "an increasingly important role in creating demand for a company's shares" (1999, Section 3, p. 1). Such data could be collected in any number of settings, including those outside the United States, such as the Deutsche Vereinigung fur Finanzanalyse und Anlage Beratung. The competing values profiling tool could also be employed to a fuller extent by asking attendees to provide not only "now," but also "should be" data on all the characteristics. In addition, collecting the same kind of data from presenter constituencies--the executives giving the talks as well as the communications experts who assisted in preparing them--would afford comparative data, capturing more of the "fully rhetorical" interplay between corporate intent on the one hand, and receiver expectation on the other.

The data from this study also raise a number of questions regarding the CEO presentations or the texts themselves in relationship to user needs and expectations. For example, companies could benefit from knowing more about the categorical distribution of coverage that users expect and whether there are significant differences among key user constituencies. The AICPA report does not specify weightings in coverage, but the findings from this study suggest that users may want thorough coverage of "non-financial information" and "forward-looking information," while partial coverage of other categories may be sufficient in these presentations. Moreover, such a study could be extended to the global marketplace, investigating the coverage of the AICPA categories by multinational corporations and the extent to which the global investment community finds such coverage useful, for example.

It might also be useful to examine corporate intent and user expectations in regard to the other critical communications for financial reporting; that is, to examine the communicative purposes of the different genre comprising genre systems, or the, interrelated genres that interact with each other, such as the required and voluntary communications used in conjunction with annual earnings announcements, or the various communications employed in conjunction with the CEO presentations at analysts societies mentioned earlier in this article. Using the tools employed here for a study of this kind might involve competing values profiling and categorical content analyses across a genre system as a way to associate communicative goals and content with particular venues. Findings from such research could help companies become more systematic in planning financial communications. Moreover, a study of genre systems of financial reporting could prove particularly useful as new media, such as Internet trading and information sharing (Ip, 1999; Sesit, 1999), online annual reports (Harris & Grimes, 1999), "Net roadshows" (Stone, 1999), and public live broadcasts (Ford, 1999) bring new communication opportunities and challenges to firms. As noted earlier, currently companies have few guidelines to facilitate systematic planning and strategic choices in dealing with the huge number of communication vehicles in which they can place financial information; meanwhile, communicating continues to be a necessary and costly endeavor for firms worldwide.

All in all, organizational genre theory presents a challenge: figuring out meaningful ways to measure effectiveness that integrate the complex, iterative dimensions represented in recurring management texts, dimensions comprised of content and form functioning to meet organizational requirements and, most especially, to address interactant needs, tensions, and expectations.

POSTSCRIPT: WHAT WAS THE MARKET OUTCOME?

Although the post-presentation market data relevant to this study is noisy and cannot be appropriated, it does provide an interesting postscript. Stock prices for two of the presentations rated most effective in this analysis, Interpublic and Sierra, registered almost no change the day after the event, but 30 days out, the stock price of each had gone down by more than one point. Meanwhile, PHP Healthcare, rated the least effective presentation in this study, enjoyed a stock price increase from 8.75 on the day of the presentation to 9.5 the day following, which moved to 10.0 after 30 days. Ranked the second-most-effective presentation, Bisys bumped down slightly immediately following the CEO talk, but after 30 days enjoyed a comeback of nearly a full point.

Coinciding more closely to the results of this study were the data on analysts following, which is regarded as a highly important as research shows some correlation between increased analyst following and firm value over time. After PHP Healthcare's NYSSA presentation, its analyst following dropped from three to one; whereas, presentations scored most effective here experienced positive results: Interpublic's following increased from nine to 10, Bisys from three to four, and Sierra Pacific from eight to 11. While Bisys's institutional investor following dropped, Interpublic and Sierra also achieved gains among this constituency.

NOTES

[1] Seeking to understand analysts' decision-making methodologies, Arnold and Moizer (1984; see also Firth, 1977) found that analysts' most frequently used method appeared to be fundamental analysis, that is, price/earning ratio calculations. (Price/earnings or P/E ratio calculations revolve around the notion of a 'real' price/earnings ratio calculation and its comparison with actual ratio to identify companies that are under-or over-valued.) Yet analysts did not appear to use formal modeling to estimate this ratio and, on the whole, their analysis is "very subjective," Arnold and Moizer (1984) concluded. Complementing to this finding, Cohen et.al (1987) used a questionnaire to obtain data regarding analysts' preferences and concluded that analysts employ a wide spectrum of methods to determine firms' future earnings, ranging from sophisticated integrated economic models to simple guesswork.

[2] According to William Koonce, NYSSA Director of Corporate Programs/Presentations, the fee alone for presenting at the New York Society of Security Analysts is $3,000.

[3] Gibbins, Richardson, & Waterhouse define financial disclosure as "any deliberate public release of financial information, whether voluntary or required, numbers or words, formal or informal, any time during the year." The disclosure process they further explain, includes "all activities and procedures, the individuals or groups involved, the alternatives considered, the timing and sequence of events, and the threads and connections among people and events" (1990, p. 126).

[4] Related communications are generated by brokerage firms (e.g. analysts' buy, sell, hold reports; research reports), service and media-generated communications (e.g. real-time information on all transactions on the NYSSE, ASE, and NASDAQ), each of which may comprise a unique genre system that both impacts and responds to corporate financial communications.

[5] Bamber and Cheon found that "most firms have no formal policies for voluntary disclosure" (1998, p. 3). According to Kennedy and Wilson (1980), investors and managers alike agree

that corporate investor relations programs have a favorable impact, although the nature of that impact could benefit from more investigation (see also Kennedy & Wilson, 1980).

[6] Gibbins, Richardson, & Waterhouse found that "structure, both in the organization itself and in the external demands for information, has an important influence on disclosure output, as do external mediators and consultants and, not least, perceived opportunities and norms in the situation at hand" (1990, 122). They further characterize external demands for financial disclosures as arising "from either the capital market (equity, debt, and government-based financing) or the product market (for example, through regulatory boards or supply contract requirements" (1990, p.12).

[7] In 1987, the Financial Executives Research Foundation (1987) study produced an initial list of the following top ten items: (1) recent developments and outlook for the company's industry; (2) annual company earnings; (3) company position in the marketplace; (4) risks to which the company is exposed; (5) recent events affecting the company; (6) financial position; (7) cash flow; (8) corporate goals and strategy; (9) major business unit information; and (10) performance forecasts.

[8] Other research examining analysts' forecast revisions, includes Brown, Foster, and Noreen (1985) who found that 20-30 percent of analysts revise their forecasts monthly. Influencing analysts' revisions were voluntary earnings forecasts by management (Jennings, 1984, 1987; Hassell et al. 1988; see also Baginski and Hassell, 1990, who suggest that timing and good-versus-bad news impact forecasts).

[9] The specific aim of the Breton, Taffler and Cuccumel study was to investigate the degree of homogeneity of stockbroking firms in the sets of information analysts consider when assessing securities. What they found was not only great diversity among stock brokering firms, but also a strong within-firm effect; analysts within the same firm shared a common writing style that dictated the kind of content that got selected and reported . "This may not be surprising," Breton et. al (October, 1993) concluded, "considering that when an analyst starts to write a new circular he already has the previous ones on the company, the firm's

standard framework and the training and experience he has received in his particular firm" (1993, pp. 26-7).

[10] Should this preliminary research prove sufficient to incite a follow-up study, using the analytical tools with stock analysts would be a plausible next step.

[11] Variability among respondents (see standard deviation, SD, column in Appendix II) is acceptable. In no case is variability bigger than the mean. It is also interesting to note that no one set of characteristics seems particularly problematic in terms of respondent agreement as no set has a consistently high degree to variability across companies.

[12] An initial attempt to collapse the AICPA categories from five to four proved unworkable; this simplified template used for this preliminary analysis did not provide reliable data. By contrast, the five categories as described in the AICPA Report (charted in Appendix III) could be applied at a high rate of reliability.

[13] It should be noted, however, that these times were for only the presentation itself and do not include time for the speaker/company introduction or the question-answer session that customarily follows each presentation.

[14] "Surprising" was indeed the reaction of the author. The two separate studies each involved more than one type of analysis, which (except for the time-stamp analysis) were conducted over several years during which little thought was given to how it might all come out.

[15] The fact that reviewers charted "core earnings"as receiving "thorough" coverage in the Interpublic presentation (see Table 3), may be due to the fact that coverage was largely during the latter half of the presentation (see Figure 6).

[16] This conclusion resulted from another analysis for which two reviewers, the author and a colleague with extensive experience teaching business communication, content analyzed the

neutral versus claim statements and the data to support each. This analysis was completed in a blind condition; the colleague was paid for this effort.

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RESPONSE FORM

Presenting Co. Name:________________________________

DESCRIPTION: Using the 7-point scale, indicate *to what extent* each set of words *describes* this presentation.

1	2	3	4	5	6	7
Not At All Describes						Very Much Describes

		Scale #
1.	Aware, Discerning, Perceptive	____
2.	Technically correct, Accurate	____
3.	Insightful, Mind Stretching, Visionary	____
4.	Rigorous, Precise Controlled	____
5.	Interesting, Stimulating, Engaging	____
6.	Conclusive, Decisive, Action Oriented	____
7.	Practical, Realistic, Informative	____
8.	Focused, Logical, Organized	____
9.	Innovative, Creative, Original	____
10.	Emphatic, forceful, Powerful	____
11.	Credible, Believable, Plausible	____
12.	Open, Candid, Honest	____

EVALUATION: Using the 7-point scale, rate the *overall effectiveness* by circling one number below.

1	2	3	4	5	6	7
Very Ineffective	Ineffective	Somewhat Ineffective	Neither Effective nor Ineffective	Somewhat Effective	Effective	Very Effective

Name of Respondent ________________________________

Date of Response ________________________________

Figure 1: Competing Values Response Form

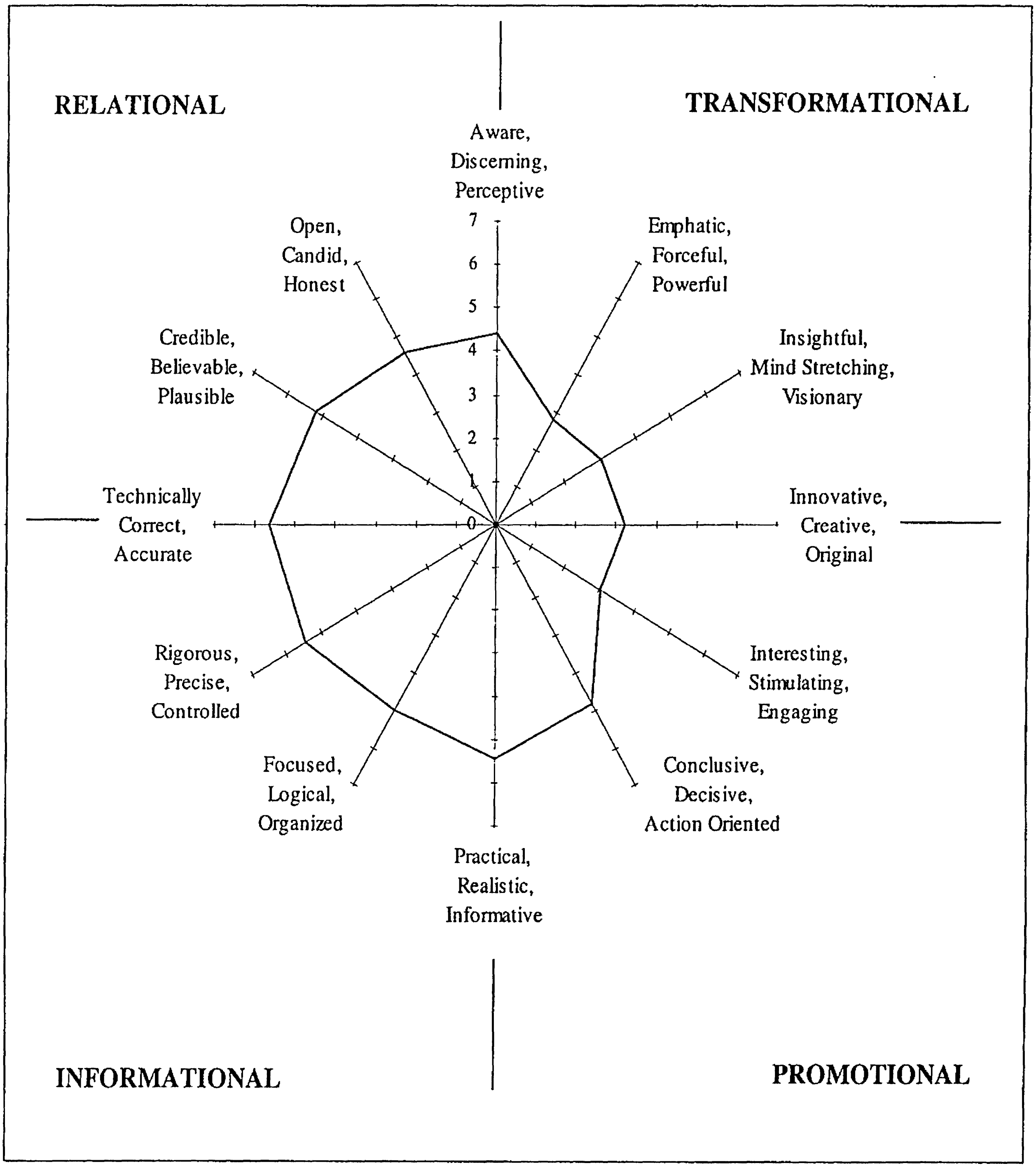

Figure 2: Profile of All CEO Presentations Using Mean Scores for Each Set of Characteristics

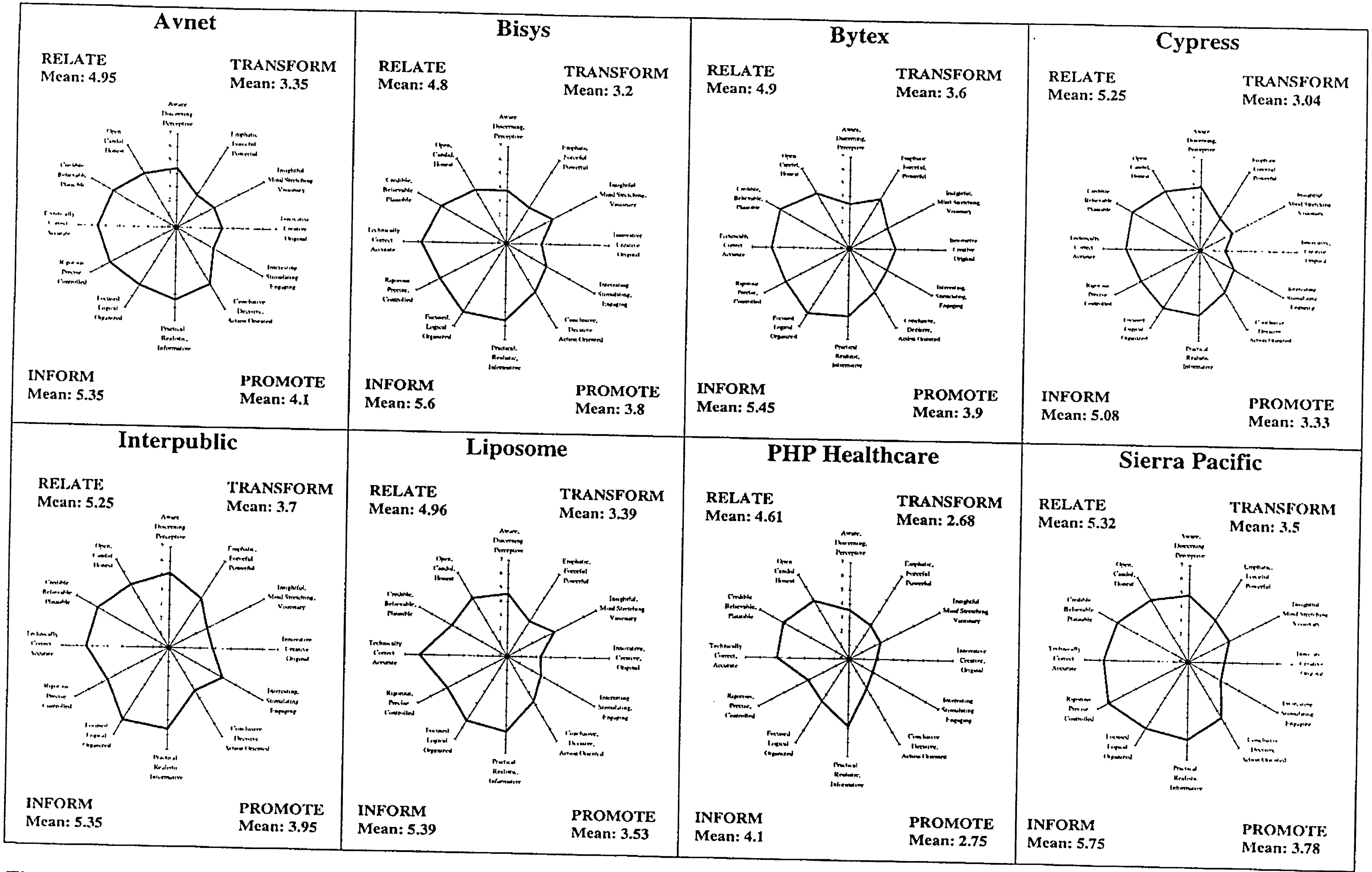

Figure 3: CEO Presentation Profiles Using Respondents' Mean Scores

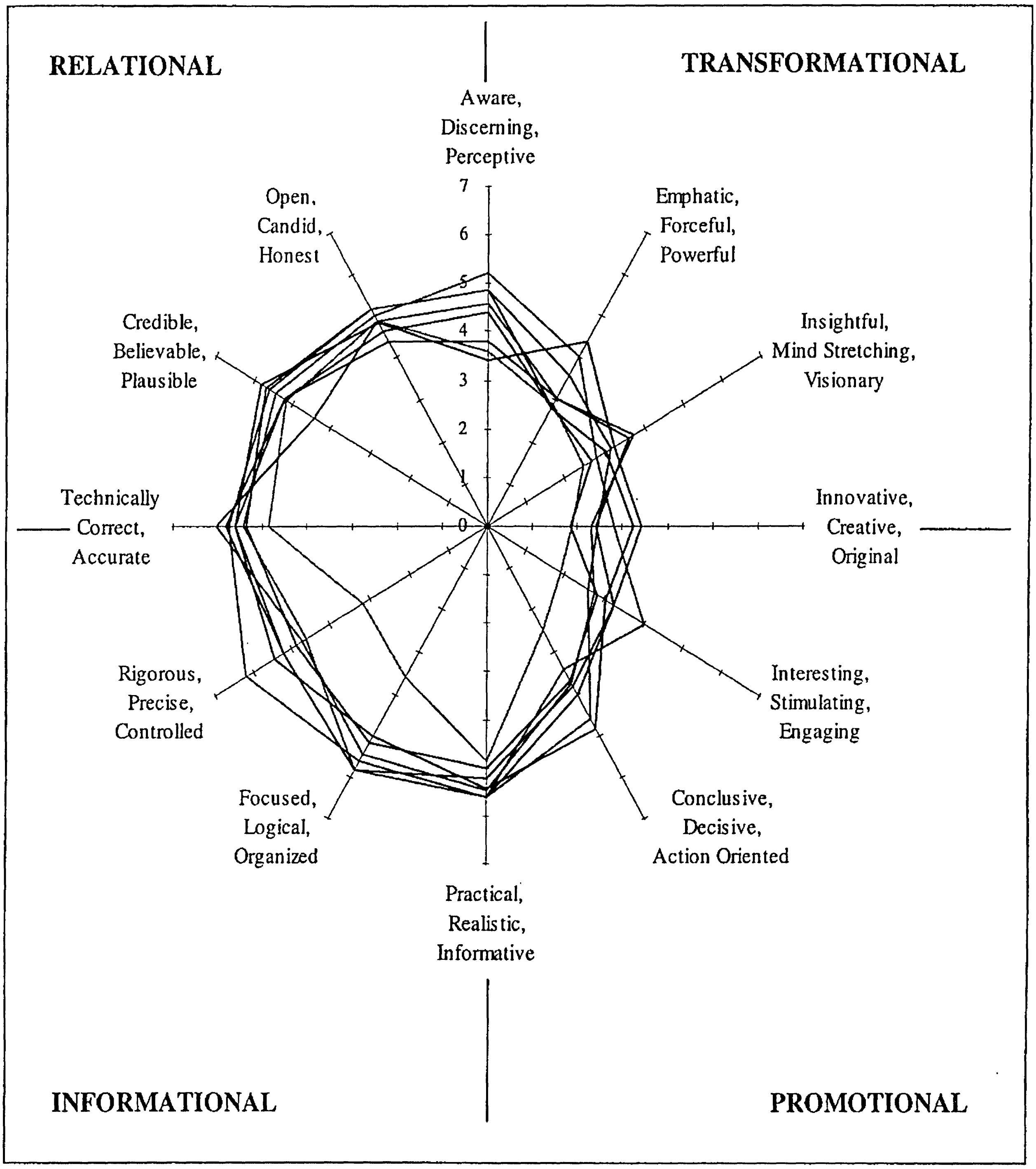

Figure 4: Compilation of Individual Presentation Profiles for All Companies

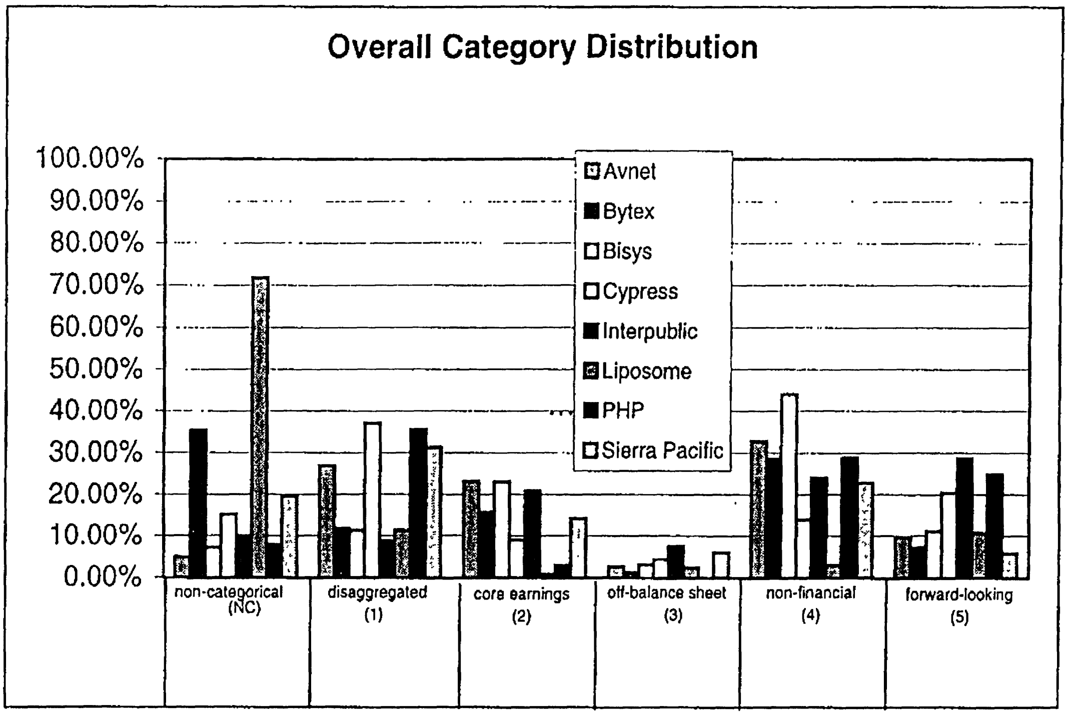

Figure 5: Bar Chart of Time-Stamp Categories By Percentage of Time

INTERPUBLIC GROUP

Non-categorical			Category1			Category2			Category3			Category4			Category5			
Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	
02:56	03:48	0:00:52																
															03:48	04:26	0:00:38	
04:26	05:50	0:01:24																
												05:50	06:02	0:00:12				
06:02	06:17	0:00:15																
															06:17	06:33	0:00:16	
									06:33	06:50	0:00:17							
															06:50	07:28	0:00:38	
												07:28	07:55	0:00:27				
															07:55	08:33	0:00:38	
												08:33	09:00	0:00:27				
09:00	09:20	0:00:20																
		0:00:00	09:20	09:44	0:00:24													
		0:00:00			0:00:00													
															09:44	10:12	0:00:28	
		0:00:00			0:00:00													
												10:12	10:27	0:00:15				
		0:00:00			0:00:00													
															10:27	12:14	0:01:47	
		0:00:00			0:00:00													
												12:14	12:57	0:00:43				
		0:00:00			0:00:00	12:57	13:23	0:00:26										
		0:00:00			0:00:00			0:00:00										
												13:23	14:04	0:00:41				
		0:00:00	14:04	15:00	0:00:56			0:00:00										
		0:00:00			0:00:00	15:00	15:18	0:00:18										
		0:00:00	15:18	16:42	0:01:24													
		0:00:00																
												16:42	17:21	0:00:39				
		0:00:00																
															17:21	17:42	0:00:21	
		0:00:00																
												17:42	19:30	0:01:48				
19:30	20:19	0:00:49																
															20:19	22:00	0:01:41	
												22:00	23:05	0:01:05				
															23:05	25:10	0:02:05	
												25:10	25:40	0:00:30				
															25:40	25:52	0:00:12	
												25:52	26:51	0:00:59				
26:51	27:08	0:00:17																
												27:08	27:30	0:00:22				
						27:30	27:50	0:00:20										
															27:50	28:52	0:01:02	
						28:52	31:20	0:02:28										
															31:20	31:26	0:00:06	
									31:26	32:32	0:01:06							
						32:32	33:01	0:00:29										
									33:01	33:40	0:00:39							
												33:40	34:02	0:00:22				
						34:02	36:00	0:01:58										
			36:00	36:45	0:00:45													
									36:45	37:00	0:00:15							
												37:00	37:33	0:00:33				
									37:33	38:16	0:00:43							
						38:16	39:40	0:01:24										
												39:40	40:05	0:00:25				
															40:05	40:30	0:00:25	
						40:30	41:22	0:00:52										
															41:22	42:26	0:01:04	Total Speech Time
Total Time		0:03:57			0:03:29			0:08:15			0:03:00			0:09:26			0:11:21	0:39:30
%		10.00%			8.82%			20.89%			7.59%			23.97%			28.73%	

Figure 6: Interpublic Time-Stamp (Total speech time does not include the opening introduction of the presenter.)

PHP HEALTHCARE

Non-categorical			Category1			Category2			Category3			Category4			Category5			
Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	Start	Finish	Diff	
02:06	02:52	0:00:46																
												02:52	03:27	0:00:35				
			03:27	03:55	0:00:28													
												03:55	04:56	0:01:01				
			04:56	05:35	0:00:39													
												05:35	07:40	0:02:05				
			07:40	07:55	0:00:15													
07:55	09:25	0:01:30																
												09:25	10:01	0:00:36				
			10:01	10:20	0:00:19													
												10:20	11:30	0:01:10				
			11:30	12:30	0:01:00													
												12:30	14:35	0:02:05				
			14:35	18:40	0:04:05													
						18:40	19:30	0:00:50										
												19:30	20:17	0:00:47				
															20:17	23:26	0:03:09	
			23:26	26:56	0:03:30													
															26:56	30:59	0:04:03	
Total Time		0:02:16			0:10:16			0:00:50			0:00:00			0:08:19			0:07:12	Total Speech Time 0:28:53
%		7.85%			35.55%			2.89%			0.00%			28.79%			24.93%	

Figure 7: PHP Healthcare Time-Stamp (Total time does not include the opening introduction of the presenter.)

TABLE 1: Overall Mean and Quadrant Means For All Companies

CHARACTERISTICS	COMPANY MEANS									
	AVNET	BYTEX	BISYS	CYP-RESS	INTER-PUBLIC	LIPO-SOME	PHP	SIERRA	*OVERALL MEAN*	*QUADRANT MEAN*
1 Aware, Discerning, Perceptive	4.4	3.4	3.8	4.83	5.2	4.57	3.57	4.86	4.33	
2 Emphatic, Forceful, Powerful	2.8	4.4	3	2.83	4	3.00	2.86	3.57	3.31	transformational
3 Insightful, Mind Stretching, Visionary	3	3.2	3.6	2.67	2.8	3.71	2.43	3.14	3.07	3.30789
4 Innovative, Creative, Original	3.2	3.4	2.4	1.83	2.8	2.29	1.86	2.43	2.53	
5 Interesting, Stimulating, Engaging	3	3.2	3.2	2.83	4	2.71	1.86	2.57	2.92	promotional
6 Conclusive, Decisive, Action Oriented	4.8	3.8	4	3.67	3.4	3.71	2.43	4.57	3.80	3.64435
7 Practical, Realistic, Informative	5.4	5.2	5.6	5.00	5.6	5.43	4.86	5.57	5.33	
8 Focused, Logical, Organized	5	5.8	5.8	5.17	5.8	5.43	3.57	5.57	5.27	informational
9 Rigorous, Precise, Controlled	5.4	5.2	5.2	4.83	4.6	4.71	3.14	6.14	4.90	5.26042
10 Technically Correct, Accurate	5.6	5.6	5.8	5.33	5.4	6.00	4.86	5.71	5.54	
11 Credible, Believable, Plausible	5.2	5.8	5.2	5.67	5.4	4.43	5.14	5.57	5.30	relational
12 Open, Candid Honest	4.6	4.8	4.4	5.17	5	4.86	4.86	5.14	4.85	5.00536

Table 2: Respondents' Effectiveness Scores & Means

Presentation	R1	R2	R3	R4	R5	R6	R7	*Mean*	*SD*
Avnet	3	5	4	NR	5	NR	NR	4.25	.96
Bytex	5	5	5	5	3	NR	NR	4.6	.89
Bisys	5	6	6	5	4	NR	NR	5.2	.84
Cypress	5	5	4	4	5	5	NR	4.66	.52
Interpublic	4	6	6	6	6	NR	NR	5.6	.89
Liposome	4	3	5	3	5	3	5	4.0	1.00
PHP	3	2	2	4	3	5	4	3.28	1.11
Sierra	5	4	6	5	5	5	5	5.0	.58

NR means no report

TABLE 3: Reviewer's Categorical Content Analysis

COMPANY	HIGH-TO-MODERATE COVERAGE		LOW-TO-NO COVERAGE		COMMENTS
	Thorough	Partial	Little	NO REPORT	
Avnet	Disaggregated Nonfinancial	Core Earnings	Forward-Looking	Off-Balance Sheet	
Bisys	Core Earnings Nonfinancial	Forward-Looking	Disaggregated Off-Balance Sheet*		*PR agreed with RA who placed "Off-Balance Sheet" in "Little"; RB put it in "No Report".
Bytex		Core Earnings Nonfinancial Forward-Looking	Disaggregated	Off-Balance Sheet*	*RA placed "Off Balance Sheet" in "Little" but PR agreed with RB who placed it in "No Report".
Cypress	Disaggregated	Nonfinancial Forward-Looking	Core Earnings** Off-Balance Sheet		**RB placed in "Partial" but PR agreed with RA that "Little" is more accurate.
Interpublic	Core Earnings	Disaggregated Off-Balance Sheet Nonfinancial Forward-Looking			All evaluators found a great deal of specificity in Core Earnings information relative to other presentations--e.g. 5-year annual EPS growth, year-end results including growth, tax rates & pre-tax income, impact of international currency fluctuations, FASP change/share, balance sheet numbers, receivables/payables.
Lipsome		Disaggregated	Off-Balance Sheet Nonfinancial Forward-Looking	Core Earnings	All agreed that content focused on product descriptions without reference to finances; therefore, "Disaggregated" scored "Partial" not "Thorough"
PHP		Disaggregated Nonfinancial Forward-Looking	Core Earnings	Off-Balance Sheet	
Sierra	Disaggregated		Core Earnings Off-Balance Sheet Nonfinancial Forward-Looking*		RA missed Forward-Looking info at the end of the presentation

RA = Reviewer A
RB = Reviewer B
PR = Primary Researcher

*RA & RB Disagreement by one level but within either High or Lower coverage category.

**RA & RB Disagreement by one level crossing Low to High Coverage category line.

Table 4: Presentation Times

Presentations	**Total Time** (minutes;seconds)
Bytex	44:49
Cypress	42.07
Interpublic	39:30
PHP Healthcare	28:53
Avnet	25:58
Bisys	23:42
Liposome	23:07
Sierra	13:39

TABLE 5: Percentage of Time Spent on Each Category

Category	Avnet	Bisys	Bytex	Cypress	Interpublic	Lipsome	PHP	Sierra	Total	**Average Percentages Across Presentations**
Non-Categorial (NC)	4.9	7.2	35.4	15.2	10.0	71.7	7.9	19.5	171.8	**21%**
Disaggregated (1)	26.9	11.3	11.8	37.0	8.8	11.4	35.5	31.3	174.	**22%**
Core Earnings (2)	23.2	23.1	15.7	9.1	20.9	0.8	2.9	14.3	110.	**14%**
Off-Balance Sheet (3)	2.6	3.1	1.2	4.4	7.6	2.4	0.0	6.1	27.4	**3%**
Nonfinancial (4)	32.7	44.0	28.6	13.9	24.0	3.0	28.8	22.9	197.9	**25%**
Forward-Looking (5)	9.7	11.3	7.2	20.4	28.7	10.7	24.9	5.9	118.8	**15%**

Appendix I
Descriptions of Sample Companies

Avnet is a distributor of electronic components and computer products (e.g. semiconductors). Primary customers are original electronic manufacturers (OEM's), including military contractors. The company also produces or distributes other electronic, and video communications products. In October, 1993, *Financial World* characterized Avnet as "the world's largest distributor of semiconductors and other computer and electronic components."

Bisys develops data processing software for banking institutions and financial institutions, supporting loan administration/servicing, marketing, and record keeping. In March, 1992, Bisys sold 40% of its stock publicly at $11.00 a share;.in November, 1992, Bisys was trading at $17.00. Wall Street's attraction to small data processing operations outsourcers, such as Bisys, has been defensible niche marketing, growth rates of up to 25% per annum, and seemingly soft, predictable earnings. (*Business Week*, November. 30 1992).

Bytex is a network management solutions supplier. In the fall of 1991, Bytex introduced what it called "intelligent super hubs," selling $1 million worth in the first quarter of 1992. By April 1992, however, competitors were coming out with similar products (e.g. Info. Canada).

Cyprus is a diversified mining company engaged, directly or through its subsidiaries, in the exploration, extraction, processing, and marketing of mineral resources. Cyprus operates in three principal industry segments: copper, coal, and other minerals. Cyprus is among the world's largest producers of copper, molybdenum (used by steel producers), lithium, and talc. The company is also a significant domestic producer of coal.

Interpublic is an international agglomeration of advertising agencies and a management consulting group. *Forbes* reported on February 15, 1993, that the secret to Interpublic's relative success is its combination of tight financial controls at the parent company, with creative autonomy at each of the four agencies: McCann-Erickson; Lintas Worldwide; Dailey & Associates; Lowe Group. Among these, there is a "healthy amount of rivalry." *Forbes* continued that in 1993, Interpublic must increasingly sell the idea of advertising itself in an era of corporate cutbacks and competition from other forms of product promotion.

Liposome is a biotechnology company developing lipid and liposome-based pharmaceuticals, and selectively developing proprietary parental pharmaceuticals for the treatment, prevention, and diagnosis of inadequately treated, life-threatening illnesses. According to the *Wall Street Journal*, October 4, 1993, Lipsome had not marketed any products, although the company's CFO said they were getting close to moving forward "pretty aggressively" on one product . According to Liposome's December 31, 1993 annual report, they intended to file Marketing Authorization Applications in six European countries and subsequently in 10 more countries in 1994.

APPENDIX II

COMPETING VALUES DATA FOR INDIVIDUAL CEO PRESENTATIONS

AVNET

Characteristics	Respondents 1	2	3	4	5	6	7	Overall Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	3	3	7	5	4	NR	NR	4.4	1.67	
Emphatic, Forceful, Powerful	2	3	4	3	2	NR	NR	2.8	.84	transform
Insightful, Mind Stretching, Visionary	4	1	4	4	2	NR	NR	3	1.41	3.35
Innovative, Creative, Original	2	3	4	4	3	NR	NR	3.2	.84	
Interesting, Stimulating, Engaging	2	3	2	5	3	NR	NR	3	1.22	promote
Conclusive, Decisive, Action Oriented	4	6	6	4	4	NR	NR	4.8	1.10	4.1
Practical, Realistic, Informative	5	7	6	5	4	NR	NR	5.4	1.14	
Focused, Logical, Organized	6	5	5	4	5	NR	NR	5	.71	inform
Rigorous, Precise, Controlled	6	7	6	5	3	NR	NR	5.4	1.52	5.35
Technically Correct, Accurate	6	6	6	5	5	NR	NR	5.6	.55	
Credible, Believable, Plausible	6	7	4	4	5	NR	NR	5.2	1.30	relate
Open, Candid, Honest	3	7	4	4	5	NR	NR	4.6	1.52	4.95

BISYS

Characteristics	Respondents 1	2	3	4	5	6	7	Overall Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	4	5	4	3	3	NR	NR	3.8	.84	
Emphatic, Forceful, Powerful	4	3	3	3	2	NR	NR	3	.71	transform
Insightful, Mind Stretching, Visionary	4	3	4	4	3	NR	NR	3.6	.55	3.2
Innovative, Creative, Original	3	3	2	2	2	NR	NR	2.4	.55	
Interesting, Stimulating, Engaging	3	4	5	2	2	NR	NR	3.2	1.30	promote
Conclusive, Decisive, Action Oriented	4	4	4	6	2	NR	NR	4	1.41	3.8
Practical, Realistic, Informative	6	6	5	6	5	NR	NR	5.6	.55	
Focused, Logical, Organized	6	7	5	6	5	NR	NR	5.8	.84	inform
Rigorous, Precise, Controlled	6	7	4	5	4	NR	NR	5.2	1.30	5.6
Technically Correct, Accurate	7	7	5	5	5	NR	NR	5.8	1.10	
Credible, Believable, Plausible	6	6	5	5	4	NR	NR	5.2	.84	relate
Open, Candid, Honest	4	6	5	4	3	NR	NR	4.4	1.14	4.8

BYTEX

Characteristics	Respondents 1	2	3	4	5	6	7	Overall Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	2	2	6	4	3	NR	NR	3.4	1.67	
Emphatic, Forceful, Powerful	2	6	4	3	7	NR	NR	4.4	2.07	transform
Insightful, Mind Stretching, Visionary	1	5	4	4	2	NR	NR	3.2	1.64	3.6
Innovative, Creative, Original	2	3	2	4	6	NR	NR	3.4	1.67	
Interesting, Stimulating, Engaging	2	5	2	3	4	NR	NR	3.2	1.30	promote
Conclusive, Decisive, Action Oriented	5	4	5	3	2	NR	NR	3.8	1.30	3.9
Practical, Realistic, Informative	5	7	6	4	4	NR	NR	5.2	1.30	
Focused, Logical, Organized	4	6	7	6	6	NR	NR	5.8	1.10	inform
Rigorous, Precise, Controlled	5	7	7	6	1	NR	NR	5.2	2.49	5.45
Technically Correct, Accurate	6	7	7	6	2	NR	NR	5.6	2.07	
Credible, Believable, Plausible	6	7	7	5	4	NR	NR	5.8	1.30	relate
Open, Candid, Honest	4	5	5	6	4	NR	NR	4.8	.84	4.9

CYPRESS

Characteristics	Respondents 1	2	3	4	5	6	7	Overall Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	5	5	5	4	5	5	NR	4.83	.41	
Emphatic, Forceful, Powerful	5	1	2	3	3	3	NR	2.83	1.33	transform
Insightful, Mind Stretching, Visionary	2	2	4	3	2	3	NR	2.67	.82	3.04
Innovative, Creative, Original	2	2	2	2	1	2	NR	1.83	.41	
Interesting, Stimulating, Engaging	3	2	3	4	2	3	NR	2.83	.75	promote
Conclusive, Decisive, Action Oriented	5	5	3	4	2	3	NR	3.67	1.21	3.33
Practical, Realistic, Informative	5	5	5	5	4	6	NR	5	.63	
Focused, Logical, Organized	5	5	5	7	4	5	NR	5.17	.98	inform
Rigorous, Precise, Controlled	6	4	4	4	6	5	NR	4.83	.98	5.08
Technically Correct, Accurate	5	5	6	5	5	6	NR	5.33	.52	
Credible, Believable, Plausible	5	7	4	6	6	6	NR	5.67	1.03	relate
Open, Candid, Honest	6	7	3	4	6	5	NR	5.17	1.47	5.25

INTERPUBLIC

Characteristics	Respondents 1	2	3	4	5	6	7	Overall Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	5	5	4	6	6	NR	NR	5.2	.84	
Emphatic, Forceful, Powerful	3	4	3	3	7	NR	NR	4	1.73	transform
Insightful, Mind Stretching, Visionary	2	4	1	4	3	NR	NR	2.8	1.30	3.7
Innovative, Creative, Original	2	3	2	3	4	NR	NR	2.8	.84	
Interesting, Stimulating, Engaging	2	2	5	5	6	NR	NR	4	1.87	promote
Conclusive, Decisive, Action Oriented	2	4	4	3	4	NR	NR	3.4	.89	3.95
Practical, Realistic, Informative	5	6	6	5	6	NR	NR	5.6	.55	
Focused, Logical, Organized	5	6	5	6	7	NR	NR	5.8	.84	inform
Rigorous, Precise, Controlled	4	6	7	4	2	NR	NR	4.6	1.95	5.35
Technically Correct, Accurate	5	7	7	6	2	NR	NR	5.4	2.07	
Credible, Believable, Plausible	5	6	4	6	6	NR	NR	5.4	.89	relate
Open, Candid, Honest	6	4	5	5	5	NR	NR	5	.71	5.25

LIPOSOME

Characteristics	Respondents 1	2	3	4	5	6	7	Overall Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	4	6	4	4	6	4	4	4.57	.98	
Emphatic, Forceful, Powerful	4	2	2	5	2	2	4	3	1.29	transform
Insightful, Mind Stretching, Visionary	5	4	3	4	4	1	5	3.71	1.38	3.39
Innovative, Creative, Original	4	2	1	1	1	2	5	2.28	1.60	
Interesting, Stimulating, Engaging	7	3	1	1	2	1	4	2.71	2.21	promote
Conclusive, Decisive, Action Oriented	2	6	4	3	4	3	4	3.71	1.25	3.53
Practical, Realistic, Informative	7	6	6	3	7	5	4	5.43	1.51	
Focused, Logical, Organized	7	6	6	4	6	5	4	5.43	1.31	inform
Rigorous, Precise, Controlled	2	7	4	4	7	4	5	4.71	1.80	5.39
Technically Correct, Accurate	2	6	7	7	7	6	7	6	1.83	
Credible, Believable, Plausible	3	2	5	5	7	4	5	4.43	1.62	relate
Open, Candid, Honest	5	6	5	3	5	4	6	4.86	1.07	4.96

PHP HEALTHCARE

Characteristics	Respondents 1	2	3	4	5	6	7	Overall Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	3	2	4	4	2	6	4	3.57	1.40	
Emphatic, Forceful, Powerful	3	1	4	2	2	5	3	2.86	1.35	transform
Insightful, Mind Stretching, Visionary	1	1	1	3	1	6	4	2.43	1.99	2.68
Innovative, Creative, Original	3	1	1	2	1	2	3	1.86	.90	
Interesting, Stimulating, Engaging	2	1	1	3	1	2	3	1.86	.90	promote
Conclusive, Decisive, Action Oriented	2	1	1	3	2	5	3	2.43	1.40	2.75
Practical, Realistic, Informative	4	5	4	6	3	7	5	4.86	1.35	
Focused, Logical, Organized	3	3	1	5	2	7	4	3.57	1.99	inform
Rigorous, Precise, Controlled	4	2	4	2	2	6	2	3.14	1.57	4.1
Technically Correct, Accurate	4	4	4	6	4	7	5	4.86	1.21	
Credible, Believable, Plausible	5	3	7	5	4	7	5	5.14	1.46	relate
Open, Candid, Honest	6	5	1	7	3	7	5	4.86	2.19	4.61

SIERRA PACIFIC

Characteristics	Respondents 1	2	3	4	5	6	7	Mean	SD	Quadrant Mean
Aware, Discerning, Perceptive	5	4	4	5	6	5	5	4.86	.69	
Emphatic, Forceful, Powerful	3	3	5	3	3	4	4	3.57	.79	transform
Insightful, Mind Stretching, Visionary	3	2	3	2	4	4	4	3.14	.90	3.5
Innovative, Creative, Original	1	1	3	2	3	3	4	2.43	1.13	
Interesting, Stimulating, Engaging	2	1	2	2	4	4	3	2.57	1.13	promote
Conclusive, Decisive, Action Oriented	5	5	6	4	3	5	4	4.57	.98	3.78
Practical, Realistic, Informative	6	7	5	4	6	5	6	5.57	98	
Focused, Logical, Organized	6	7	6	5	6	4	5	5.57	.98	inform
Rigorous, Precise, Controlled	6	7	6	7	6	5	6	6.14	.69	5.75
Technically Correct, Accurate	5	6	6	6	6	6	5	5.71	.49	
Credible, Believable, Plausible	6	5	6	5	6	6	5	5.57	.53	relate
Open, Candid, Honest	6	5	5	4	6	5	5	5.14	.69	5.32

APPENDIX III
USER NEEDS ASSESSMENT: AICPA CONTENT ANALYSIS CATEGORIES

#	Category	Brief Description	Full Description
1	Disaggregated Information	Both investors and creditors place a high value on segment reporting and believe that current Disaggregated disclosures generally do not provide adequate information to help them predict an entity's future earnings and cash flows. They also want segment information on a quarterly basis.	Users believe segments of an entity's business that have significantly different opportunities and risks should be Disaggregated and disclosed separately in the financial statements. They want Disaggregated information presented in a manner consistent with the way the entity manages its risks and opportunities, even if the company is not managed on an industry basis. In certain instances, users also want Disaggregated information on a geographic and line-of-business basis.
2	Core Earnings	Users want information about the portion of a company's reported earnings that is stable or recurring and that provides a basis for estimating sustainable earnings.	Current financial reporting does not separately display core earnings, and users do not believe the system provides sufficient information about nonrecurring, unusual or infrequent items to enable them to determine core earnings for themselves. They believe that financial statements do not identify a sufficiently broad range of potential nonrecurring, unusual or infrequent items and that the descriptions and details of items identified are sometimes insufficient to determine whether they are part of core earnings.
3	Estimates, Assumptions and Off-Balance-Sheet Risks	Users want companies to disclose information about the estimates and assumptions used to determine material assets and liability amounts. They also wants more qualitative and quantitative information about the risks associated with financial instruments and off-balance-sheet financing arrangements.	Users believe that companies should disclose information about estimates and assumptions because that information is essential to the evaluation of the uncertainties inherent in the financial statements. They also want more useful information about financial instruments and off-balance-sheet financing arrangements to understand the nature of the various risks undertaken by a company. In the current environment that might include information about: • Hedging strategies. • Sensitivity analyses based on changes in interest and foreign exchange rates. • The risks related to derivative products (swaps, futures contracts, etc.), particularly credit and counterparty risks.
4	Nonfinancial Business Information	Users need to understand the relationship between the events and activities of a company and how those events and activities are reported in its financial statements. Nonfinancial business information serves the critical function of helping users understand that relationship as they evaluate a company's operations.	Users are interested in nonfinancial business information about a company and its segments, such as: • Mission and objectives, methods of conducting the business and its relationships with others--for example, financial interests and relationships among major shareholders, directors and management and between them and the company. • Nonfinancial operating data, such as production data, for recent periods. • Explanations of relationships and changes in the data, such as key changes in amounts in the historical financial statements and nonfinancial statistics and the reasons for those changes. • Measures of liquidity and reasons for changes in those measures. • Identity and effect of unusual, infrequent or nonrecurring transactions and events.
5	Forward-Looking Information	Investors and creditors need forward-looking information on which to base their own projections. But they do not expect management to provide projections or forecasts. They also want more information about operating opportunities and risks that are relatively near-term and relatively certain and quantifiable.	Users consider it essential that companies disclose forward-looking information, such as the identity of key trends and relationships in the data. They also seek other forward-looking information like measures of leading indicators--for example, backlog and innovation. Both investors and creditors consider forward-looking information an important part of their analysis, using it to assess variability of the operation, debt service capability, additional borrowing needs, management goals and strategies and future revenues. They welcome qualitative information, such as broad business objectives and prospects for return on assets and equity. But they are only interested in key indicators, as opposed to full forecasted financial information. Users want operating opportunities and risks identified based on the company and its segments rather than on an industry-wide basis. They also want information about opportunities and risk resulting from concentrations in assets, customers and suppliers.