

©Robert E. Poole  
Coyote Papers 21 (2013)  
UA Linguistics  
Tucson, AZ, U.S.A.

# Good Times, Bad Times: A keyword analysis of letters to shareholders of two Fortune 500 Banking Institutions

Robert E. Poole  
University of Arizona  
repoole@email.arizona.edu

## Abstract

This corpus-based keyword analysis study investigated the letters to the shareholders from two commercial banks, Bank of America and Citigroup, over a three-year period from 2008, 2009, and 2010. The letters were compiled to facilitate a diachronic assessment of profit/loss reporting from two prominent institutions over a time period in which the recession commenced, peaked, and concluded. To conduct the analysis on the node texts, two sets of reference corpora were compiled. The first reference corpus set consisted of the letters to shareholders from eight consistently high-performing corporations not within the commercial banking industry for each of the three years; the second reference corpus set consisted of the letters from the 10 banking institutions that also appeared in the Fortune 500 listings for the three period. The corpus-based analysis revealed that in years of low performance companies create messages that assert a vision and forward a strategy for ensuring future success while also deflecting responsibility for past failure. In contrast, when companies perform well, the keyword lists display a clear tendency of the company and the author to accept praise and responsibility for high performance.

## 1 Introduction

According to the National Bureau of Economic Research (NBER), the recent economic recession began in December of 2007 and ended two years later in June of 2009. While the national media and political discourse within the United States continues to discuss its ongoing effects on the national economy, the recession has by official metrics concluded; the NBER's June 2009 date is its most often cited end date. The recession, the nation's most severe since the Great Depression of the 1920-1930's, prompted calls for reform of the nation's financial sector as much of the blame was attributed to insufficient regulation and oversight of Wall Street and the banking industry. In 2010, two years after the \$200 billion<sup>1</sup> government bailout, the U.S. government passed the Dodd-Frank Wall Street Reform and Consumer Protection Act in response to the perception that the banks and Wall Street were in part responsible for the economy's collapse and continued stagnation. A summary of the legislation published by the U.S. Senate Banking Committee opens:

Years without accountability for Wall Street and big banks brought us the worst financial crisis since the Great Depression, the loss of 8 million jobs, failed businesses, a drop in housing prices, and wiped out personal savings. The failures that led to this crisis require bold action. We must restore responsibility and accountability in our financial system to give Americans confidence that there is a system in place that works for and protects them. We must create a sound foundation to grow the economy and create jobs. (Dodd-Frank, 2010)

However, despite tumultuous markets, negative public perception, and a stalling economy, seventeen banks still occupied positions in the 2011 Fortune 500 ranking of the most profitable U.S. businesses. In 2011, reporting on fiscal year 2010, 15 of the 17 banks reported profits often soaring in the billions of dollars and only two institutions, Bank of America (BoA) and Regions Financial, reported net losses.

This study investigates, by means of a keyword analysis methodology, the means

---

<sup>1</sup> The total government bailout was approximately \$600 billion. \$200 billion was directed towards the banking sector.

through which BoA and Citigroup, two institutions with quite dissimilar performance records for the three-year period, report profit/loss performance while maintaining a positive corporate image for investors. While studies conducted on how institutions either promote successes or obscure failures are numerous (Subramanian, 1992; Abrahamson & Park, 1994; Clatworthy & Jones, 2003; Rutherford, 2003), this study differs in that it performs a keyword analysis to diachronically assess profit/loss reporting by two major banks from the 2008 beginning of the recession, its 2009 apex, and its conclusion in 2010. The following discusses the relevance and importance of the letter to shareholders and explains the value of the keyword analysis approach to text analysis.

### **1.1 Letter to Shareholders**

The letter to shareholders is written annually by the Chief Executive Officer/President/Chairman of a financial institution and normally precedes the more substantial and detailed annual report of financial data from the previous fiscal year. These often several page messages from the leader of the company are particularly important elements of the annual report, as they both explain past performance and also offer a vision for achieving future success. A promotional genre designed to build and present the corporation's image (Anderson & Imperia, 1992), the letters represent a major institutional effort and estimates (Poe, 1994) suggest that \$5 billion annually, a number that has certainly increased significantly, is spent on their production in the United States alone. Hyland (1998) comments that the letter "has enormous rhetorical importance in building credibility and imparting confidence, convincing investors that the company is pursuing sound and effective strategies (p. 224). Further displaying the letter's importance, Barrett and Chandler (1997) found that the chairman's letter is the most read portion of the annual report and that 48% of readers claim to read the letters thoroughly. While the actual financial statements following the president's letter are often considered the most important items for investors and analysts, the chairman's letters are an undeniable influence on investment decisions (Lee & Tweedie, 1981).

One particularly important study on the genre was Hyland's (1998) corpus analysis of the meta-discourse present in the president's letter of publicly listed Hong Kong-based companies. Most notably, Hyland (1998) concluded that even though the

letters supposedly represent an informational genre intended to outline company strategies and performance, “the CEO’s letter clearly moves beyond passive disclosure to what amounts to the marketing of corporate ideology” (p. 232). Further, he asserts that the strategies enacted by the author “depend on the writer’s perception of what is likely to increase the credibility of certain propositions in the reader’s mind” (p. 232). Writers then employ meta-discourse to signal relationships, persuade readers, and present information to achieve objectives (Hyland, 1998).

Similarly, Kohut and Segars (1992) asserted that annual reports and the president’s letter function to establish credibility and convince readers that the company is “pursuing sound strategy” (p. 7-8). Their study assessed whether there are discernable thematic differences between low performing and high performing companies and the extent “word count, number of sentences, and syllables” differ between the two performance levels. Using a content analysis methodology, the study determined that high performance companies were significantly more loquacious than their low performing counterparts. Interestingly, the researchers concluded that high performer letters were more likely to refer to past events in their discussion of company performance. In contrast, low performers tended to project more towards the future (Kohut & Segars, 1992).

Additional studies have also examined president’s letters and annual reports’ methods for reporting both positive and negative performance. Clatworthy and Jones (2003) analyzed the end of year narratives of the top 50 and bottom 50 listed UK companies. Their study employed a computer analysis to determine frequency of lexical items but also a manual analysis to code the semantic relationships of the items. The analysis determined that both groups of companies accentuate the positive aspects of their performance, assume responsibility for success, and deflect blame to external factors for bad news. However, Rutherford (2003) reported that poorly performing companies do not use linguistic complexity to obscure negative performance and that the textual complexity of annual reports cannot simply be attributed to performance. Subsequently, Rutherford (2005) did, however, find evidence of a “Pollyanna Effect”, language biased towards the positive, within the genre. However, the Rutherford studies both analyzed annual reports collected from U.K. based institutions.

For the reasons explained, the letter to shareholders is a particularly important genre. Purportedly intended to simply present objective information regarding a

company's performance and strategy, the letters, however, also serve to project the corporate image and ideology to both existing and potential investors. Negotiating relationships with multiple audiences for multiple purposes results in the rhetorical complexity and richness of the chairman's letter. Thus, the letters to the shareholders provide a rhetorically rich space for a diachronic assessment of agenda formation/evolution and profit/loss reporting of two banking institutions.

## 2 Methodology

The present study diverges from the existing research in three aspects. First, this study uses texts from U.S. based Fortune 500 listed companies over a three-year period to enable a diachronic analysis. Also, this study extracts the chairman's letter from the annual report, as it is within this portion of the message where rhetorical strategies are most prevalent. And finally, this study applies a keyword analysis to generate lists of keywords present in the messages.

A keyword list is the result of a comparative analysis of a node text or texts to a larger reference corpus (Tribble, 2000). Tools such as Wordsmith Tools and Antconc, the resource used for the present study, quickly provide "a rough profiling of texts" based on the keywords deployed throughout the node text as compared with a reference corpus (Tribble, 2007). A keyword analysis then compares a node text and the lexical items present to a larger reference corpus to determine which words are particularly "key" in the node text. While insights are made possible through generating word lists and analyzing concordance lines of lexical items deemed particularly interesting, a keyword analysis is ultimately more revealing and indicative of a text's "aboutness and style" (Scott & Tribble, 2006). Keyness is defined by Scott and Tribble as "a quality words may have in a given text or set of texts, suggesting that they are important, they reflect what the text is really about, avoiding trivia and insignificant detail" (p. 55-56, 2007). Scott and Tribble assert that keyness indicates the central message of the text only observable once "all the verbiage, the adornment, the blah blah blah" is removed (p. 56, 2007). In essence, the keywords are the "words which matter" (Tribble, 2000, p. 79).

The Hyland corpus study previously discussed identified 250 lexical items, approximately 3,600 tokens, which were organized into 10 meta-discourse categories.

The frequency, tokens per 100, and % of total markers were reported in the study. However, the lexical items selected for analysis in the Hyland study were not compiled as a result of a corpus analysis. Instead, the single word items and lexical bundles were collected by the researchers from “an inventory of meta-discoursal markers in other domains and genres” and from consultation of reference grammars and other works on meta-discourse. The Hyland study analyzed lexical items drawn from other domains and genres; therefore, they possibly overlooked salient features present in their corpus of letters to shareholders. While the Hyland study searched for, extracted, and analyzed pre-selected lexical items, the keyword analysis methodology of the present study allowed the salient features to be extracted in a more organic manner.

While Tribble (2000) presents keyword analysis as a means for revealing genre processes in efforts to provide pedagogically useful insights for the instruction of writing, Scott and Tribble (2006) outlines how keyword analysis makes possible the identification of “discourse moves critical to the management of writer/reader relationships in professional communication” (p. 107). The authors use a keyword analysis to exhibit how business writers use the lexicon in efforts to both build and maintain relationships in internal and external communication. Through the generation and study of keyword lists, the authors assert that as external writing may be a face-threatening task, writers avoid certain linguistic features. In contrast, when writing to close contacts and/or colleagues, writers are often more informal with their linguistic choices. Although the current study does not attempt to discover discourse moves within the letter to shareholder genre, the keyword analysis does allow for the assessment of the thematic underpinnings and the evolution of agenda formation and profit/loss reporting of the selected node texts from BoA and Citigroup. The current study is strongly informed by the keyword analysis methodology presented by Tribble (2000) and Scott and Tribble (2006).

## **2.1 Data**

The node texts selected for close analysis were the letters to the shareholders of BoA and Citigroup from the years 2008, 2009, and 2010<sup>2</sup>. First, BoA was selected because,

---

<sup>2</sup> It is important to note that the 2008 Letter to Shareholder reports on 2007, the 2009 on 2008, and the 2010 letter on 2009.

although it is consistently a high-ranking commercial bank on the Fortune 500 list, the company reported losses of over \$2 billion for fiscal year 2010 after reporting profits of \$4 billion in 2008 and \$6 billion in 2009. The second institution, Citigroup, was selected due to their stellar performance in the 2010 fiscal year with reported profits of over \$10 billion; the company was even proclaimed by CNN Money as one of the Fortune 500's biggest winners for 2010. However, the success of Citigroup in 2010 followed disturbing losses of \$27 billion in 2008 and a more manageable \$1.6 billion in 2009. It is important to note that Citigroup and BoA both greatly benefited from the government-funded bailout; Citigroup received \$25 billion and BoA \$15 billion. These quite different trends in performance during and after the economic recession were the primary reasons for their selection for analysis.

To conduct a keyword analysis on the two groups of node texts, two groups of reference corpora were constructed. The first set of reference corpora is referred to as the internal reference corpora and consisted of letters from the 10 highest ranking commercial banking institutions that appeared in the Fortune 500 list for all three years; there was a corpus of letters compiled for the years 2008, 2009, and 2010. The included letters were drawn from American Express, Bank of New York Mellon, Capital One, Goldman Sachs, J.P. Morgan, Morgan Stanley, Pittsburgh National Corporation (PNC), US Bancorp, and Wells Fargo. Institutions that were not listed for all three years were not included in the internal reference corpora. Also included in the internal reference corpora were the letters from BoA and Citigroup, i.e. when keyword analyses were conducted for BoA, the Citigroup letter to the shareholder was included in the reference corpus, and vice versa.

The second set of reference corpora consisted of letters to shareholders from high performing companies not within the banking industry. As revealing as the initial internal comparisons may be, it was necessary to also compare the node texts with letters produced by institutions outside of the banking sector. This comparison was necessary as it displayed whether the reporting tendencies within commercial banking and the two selected institutions were actually unique or whether they were essentially indistinguishable from other high performing companies in the Fortune 500. The external corpora consisted of letters from AT&T, Chevron, Exxon, General Electric, IBM, Johnson & Johnson, Microsoft, and Wal-Mart for the three years.

All the letters for both reference corpora were downloaded from the company

websites and converted into txt. files. The files were then organized and analyzed using AntConc, a free tool for conducting corpus linguistics research (Anthony, 2005).

### 3 Results and Discussion

#### 3.1 Internal Keyword Analysis: The Banks Compared to Their Commercial Banking Peers

Tables 1, 2, and 3 report the top 30 keywords from the BoA letter to the shareholders for each of three years in question when analyzed using the internal reference corpus, i.e. the generated list of keywords when compared to others within the banking industry.

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
13	71.80	Merrill	3	13.81	Tom
10	54.10	Lynch	8	12.79	hard
9	48.23	Countrywide	36	12.72	will
16	34.64	America	19	12.61	through
26	32.56	industry	4	12.41	former
13	28.55	Global	4	12.41	she
7	23.77	board	2	12.14	aren't
14	23.47	leading	2	12.14	Barbara
3	18.21	Meredith	2	12.14	Brian
17	17.17	And	2	12.14	Bruce
20	16.60	economic	2	12.14	CDs
16	15.80	Bank	2	12.14	heading
7	15.80	toward	2	12.14	longtime
9	15.45	we've	2	12.14	MBNA
5	13.82	her	2	12.14	modeling

Table 1: 2008 Boa Internal

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
6	19.66	we've	2	7.6	belief
7	17.99	America	2	7.65	modified
7	16.31	Bank	2	7.65	putting
2	14.20	medium	2	7.65	transparency
7	13.30	we're	3	7.40	approach
3	13.16	responsibilities	6	7.38	It
4	12.23	improve	6	7.22	crisis
8	11.04	shareholders	1	7.10	acknowledging
2	10.44	modifications	1	7.10	advocates
11	10.41	clients	1	7.10	appetite
2	8.77	board	1	7.10	approve
2	8.77	question	1	7.10	beat
2	8.77	sized	1	7.10	Bringing
4	8.60	working	1	7.10	Changing
3	8.33	close	1	7.10	chief

Table 2: 2009 BoA Internal

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
7	30.97	vision	4	13.81	pursue
11	26.81	strategy	12	13.62	customer
16	20.31	company	5	13.26	shareholder
9	19.91	core	11	13.20	work
10	19.66	serve	4	12.63	strengthening
22	17.81	customers	2	12.26	achieving
5	17.26	groups	2	12.26	Be
12	16.12	management	2	12.26	Countrywide
4	15.24	steps	2	12.26	finest
8	14.87	build	2	12.26	laid
3	13.98	fortress	2	12.26	outlined

3	13.98	guide	2	12.26	presentations
3	13.98	repurchase	3	11.85	principles
4	13.81	achieve	4	11.63	related
4	13.81	investor	4	10.76	downturn

Table 3: 2010 BoA Internal

For the three-year period, BoA experienced its greatest success in 2008 and 2009 despite a volatile economic environment and the beginning of the recession. The 2008 keyword list reflects external events, namely the acquisitions of Merrill Lynch and Countrywide Financial, but emphasis on the external is also recognized through the lexical item *economic*. The item appears 20 times in the letter and frequently collocates with adjectives indicating the economic environment, e.g. *harsh, difficult, intense, hard, worst, and changing*. However, despite the challenging economic environment, BoA did post profits for the year and are keen to assert company success. The acceptance of praise for high performance was indicated through the letters' deployment of names and pronouns. For example, in 2008 alone, there are mentions of, in order of keyness, *Meredith, we've, her, Tom, she, Barbara, Brian, and Bruce*. Subsequently, in 2009, *we've* and *we're* both score in the top 5 of keyness. In years of relatively high profits for BoA, the number of key pronouns and proper names in the message is quite high; however, in 2010, there is not a single keyword that is a pronoun or person's name. Instead, there is much greater focus on external agents with lexical items *customers, groups, investor, customer, shareholder* being more key to the message. This would seemingly reflect the tendency to welcome praise and acknowledge personal success during high performing years while shielding and deflecting blame when profits decrease. In other words, people and their decision-making ability are responsible for success as individual performances are lauded when profits exist. In contrast, the message for 2010, the company's poorest year, is much different than the more profitable years of 2008 and 2009 as there are no pronouns and/or names present in the list.

However, it should be further noted that the keyword scores for BoA 2009 were rather low in comparison to 2008 and 2010. In 2008 alone, BoA had 8 lexical items with keyword scores greater than the highest ranking 2009. It seems plausible that in a year of high performance BoA chose to limit deployment of rhetorical strategies that

could be misinterpreted by consumers of the letters, i.e. the message avoids risk. This tendency evident in the letters indicates that in years of high performance the rhetorical richness of the messages is reduced and that rhetorical strategies pertaining to agenda formation and profit/loss reporting are most prevalent in years of poor performance.

Therefore, the 2010 keyword list for BoA is of particular interest in consideration of their rather poor performance for the fiscal year. Although revenues were significant, the company reported losses of over \$2 billion. Moving forward, it would be fair to assume that many current shareholders would need assurances that a plan was in place to rectify past losses. Therefore, it would seem incumbent upon BoA to present a letter to the shareholders that strengthened current relationships, outlined plans for improving performance, and asserted a strong vision for operations in the coming year; the keyword analysis indicates efforts to do just so. Five of the first seven items from the keyword list are *strategy*, *vision*, *build*, *serve*, and *strengthening*. As BoA reported the largest losses of all institutions in the banking sector, it is not particularly shocking that such forward looking lexical items would be key to their letter. Two words of particular interest are the verbs *build* and *serve*. First, the concordance lines for *build*:

1	financial institution; when employees choose to	<b>build</b>	their careers here,
2	experience goals. These are important steps as we	<b>build</b>	a consumer
3	ing us to sharpen our focus on serving customers.	<b>Build</b>	a fortress balance
4	organization. This is where the opportunity to	<b>build</b>	deeper relationships
5	tting it right for customers every time is how we	<b>build</b>	customer loyalty.
6	gement is especially important, as we continue to	<b>build</b>	on our work to
7	achieve their professional goals, while helping	<b>build</b>	the world's finest
8	led to valuable feedback about what we can do to	<b>build</b>	an even more
9	bsite at <a href="http://investor.bankofamerica.com">http://investor.bankofamerica.com</a> .As we	<b>build</b>	on the foundation we

Table 4: Concordance for *Build*

The concordance lines for *build* indicate that the writer recognizes there is work yet to be completed. There is an emphasis on building relationships, foundations, and loyalty. Therefore, we can see that the lexical item *build* is key to the text and the management of the corporate message. Similar to the findings of Kohut and Segars (1992), low performing companies, in this case, BoA, tend to project more to the future than do their high performing counterparts who are more past-event oriented.

*Serve* is also key to the message presentation in the BoA letter. Evident in the concordance lines is the writer's attempt to reaffirm a relationship with the reader. The writer states several times the company's intent to *serve customers*. While such a statement is not surprising to readers, it is the high key score that grants relevance to the linguistic feature. It becomes key because other writers within the industry do not employ the feature with such frequency. As BoA seeks to chart a more profitable course, the use of lexical items *build* and *serve* operate to re-establish existing relationships with shareholders while extending assurances of a vision and purpose for the future to potential investors.

1. rebalancing and realigning our company so we can	<b>serve</b> our customers and clients
2. how we intend to operate the company,	<b>serve</b> customers and clients
3. leading positions in all our major businesses. We	<b>serve</b> one in two households
4. our strategy is relatively straightforward. We	<b>serve</b> three customer groups:
5. se groups, we provide core financial services. We	<b>serve</b> people with a range of
6. to deposit, checking and savings accounts. We	<b>serve</b> parents who want to help
7. of capabilities for all of the customer groups we	<b>serve</b> . And, our capabilities are
8. firm, a brokerage or a private bank. We	<b>serve</b> them on an integrated,
9. business in which we choose to compete. We	<b>serve</b> millions of consumers,
10. and clients for giving us the opportunity to	<b>serve</b> their needs; and our

Table 5: Concordance for *Serve*

The keyword analysis of Citigroup also reveals the evolution of an agenda on the part of the institution. However, considering the rhetorical richness of the 2010 BoA, one would expect similar, or even greater, agenda formation from the 2008 Citigroup

letter. Similar to the 2010 BoA letter that effectively deployed key lexical items to portray a company moving forward with a strategy and vision, the Citigroup letter includes similar future-oriented keywords as the BoA 2010 letter. The items *structure, return, streamlined, work, path, committed, recover, restore, and restoring* serve to assuage investor concerns and display a vision for future success. Also revealing is the presence of the item *innovation* in both the 2008 and 2009 lists. In contrast, when performance peaks in 2010, *innovation* is no longer a keyword. The keyword lists of 2008 and 2009 certainly lends validity to the conclusion that in years of poor performance companies create messages intended to assure investors that the vision and strategy is now in place to secure high performance in the coming year.

<b>2008</b>	
1.	when circumstances call for vision, <b>innovation</b> , and bold action. I have no
2.	continue to build on our rich legacy of <b>innovation:</b> innovation to ensure that we
3.	our rich legacy of innovation: <b>innovation</b> to ensure that we can address
4.	urban and international in outlook; <b>innovation</b> to help people and companies
5.	networks and time zones; <b>innovation</b> to facilitate new ways of thinking
<b>2009</b>	
1.	focus, vast global network and constant <b>innovation.</b> Our leaders also meet another
2.	client focus, global strength and constant <b>innovation.</b> All three are tightly woven
3.	Constant <b>Innovation</b> : To be client-centric and globally competitive
4.	requires obsessive attention to <b>innovation.</b> Even at the height of the
5.	that showcase Citi’s lead role in banking <b>innovation.</b> For example, in Japan, our
6.	to one of the most important goals of <b>innovation</b> for us: to be the digital bank of
7.	centricity demands relentless <b>innovation.</b> It is a business imperative and a
8.	Successful <b>innovation</b> plus our genuine client focus
9.	Investing strategically in <b>innovation</b> and the Citicorp businesses that

Table 6: Concordance for *Innovation*

In contrast to BoA in 2010 as well as their own previous performance, Citigroup enjoyed tremendous financial success in 2010. Predictably, a company in this position

would likely be seeking to expand operations, increase profits, and maximize gains. To this end, the key word *emerging* is particularly functional. This important modifier conveys to the reader that past successes are incomplete and that areas for growth have been identified and targeted as potential markets for the near future. Related to the keyword *emerging* is the lexical item *unbanked* and *global*. Citigroup's message affirms to shareholders that recent growth is not an anomaly and that future profit increases can be expected as *unbanked* peoples have been identified. The message encourages shareholders to continue their investment with the company and promises potential investors that there is more opportunity for growth.

Citigroup is also bolder than BoA in asserting its value and strengths. Lexical item *world's* is key to the message and is consistently followed with boastful proclamations, e.g. *world's best*, *world's premier*, *world's strongest*, and *world's largest*. The company engages in self-promotion as it attempts to solidify its position as a world-banking leader. In addition, the items *best* and *talent* are commonly deployed by the author. Where BoA was seemingly less engaged in attributions to past company performance, Citigroup is much more explicit in its praising of company executives and employees for generating success.

Freq	Keyness	Token	Freq	Keyness	Token
34	210.16	Citi	2	12.36	reflects
7	43.27	Citi's	2	12.36	rich
5	30.9	Holdings	2	12.36	streamlined
8	28.02	profitability	7	11.58	loss
4	24.70	Citicorp	3	10.51	aware
4	24.73	headcount	8	10.48	work
5	18.91	structure	4	9.52	includes
3	18.54	I'm	3	9.36	path
5	14.33	innovation	5	8.91	committed
3	14.14	stage	7	8.68	shareholders
6	13.36	return	2	8.64	acutely
99	12.85	to	2	8.64	recover
2	12.36	Approximately	2	8.64	restore
2	12.36	colleagues	2	8.64	restoring

2	12.36	Fit	2	8.64	TO
---	-------	-----	---	------	----

Table 7: 2008 Citigroup Internal Keyword List

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
62	304.85	Citi	3	14.75	Everything
12	59.00	Citi's	3	14.75	exited
12	47.88	Company	3	14.75	microfinance
9	44.25	Holdings	5	14.54	profitability
7	34.42	Citicorp	230	13.79	the
6	29.50	Citigroup	9	13.10	operating
9	20.91	innovation	8	13.00	Global
18	20.21	world	10	12.80	strength
4	19.67	everywhere	4	12.39	clients'
4	19.67	GTS	4	12.39	colleagues
8	17.44	essential	161	12.01	of
26	17.16	businesses	5	11.62	ways
9	16.81	operations	7	10.85	core
18	16.04	global	7	10.85	strategy
3	14.75	Bangladesh	5	10.50	interests

Table 8: 2009 Citigroup Internal Keyword List

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
15	69.59	Citi	4	20.51	Responsible
36	55.50	—	7	17.61	profit
17	51.41	emerging	3	15.38	Citicorp
6	30.76	Citi's	3	15.38	Citigroup
6	30.76	Holdings	3	15.38	harness
15	30.48	consumer	3	15.38	processing
10	27.82	world's	3	15.38	Transaction
10	23.97	trade	6	13.94	priority
26	23.95	global	5	13.91	unbanked
8	22.86	talent	7	13.60	trends

11	22.47	technology	4	13.19	efficiencies
6	22.09	inclusion	6	12.02	class
16	21.44	best	9	11.81	create
26	21.05	markets	5	11.44	develop
4	20.51	GTS	4	11.43	priorities

Table 9: 2010 Citigroup Internal Keyword List

### 3.2 External Keyword Analysis: The Banks Compared to Fortune 500 Peers

Tables 10, 11, and 12 report BoA's keyword lists for the three years when compared to high performing Fortune 500 companies outside of the commercial banking sector.

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
16	48.12	Bank	7	15.53	interest
16	41.01	America	8	15.06	home
13	39.09	Merrill	5	15.04	community
12	36.09	tx	5	15.04	Corporate
10	30.07	Lynch	5	15.04	funds
9	27.07	Countrywide	5	15.04	her
13	25.16	Global	5	15.04	Investment
8	24.06	Banking	5	15.04	Management
13	22.56	lending	26	13.82	industry
7	21.05	wealth	9	13.03	We've
10	20.26	banking	6	12.80	mortgage
15	19.41	credit	7	12.52	board
14	18.89	leading	7	12.52	institutions
30	18.84	financial	4	12.03	accounts
12	16.19	risk	4	12.03	advisor

Table 10: 2008 BoA External Keyword List

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
10	44.42	we've	2	10.19	faced
6	30.57	It	2	10.19	funds
7	26.46	Bank	2	10.19	modifications
7	23.94	America	2	10.19	modified
9	23.66	clients	2	10.19	preferred
4	20.38	We're	2	10.19	putting
5	15.38	credit	2	10.19	question
3	15.29	loan	2	10.19	risks
3	15.29	loans	2	10.19	transparency
8	14.98	shareholders	4	9.94	changes
9	12.09	all	6	9.62	believe
3	10.95	responsibilities	3	8.88	reported
3	10.95	TARP	3	8.88	take
2	10.19	clients,	6	8.42	crisis
2	10.19	customers	11	8.18	their

Table 11: 2009 BoA External Keyword List

In 2008, BoA reported profits of approximately \$4 billion, a substantial but not dramatic figure when compared to Fortune 500 counterparts. The external keyword list for the year is not particularly telling as many of the lexical items deployed likely appear at a higher frequency within the commercial banking industry than they would in other fields, e.g. *lending, financial, banking, credit*, etc.

In 2009, BoA enjoyed its highest profits of the three-year period. The keyword list reflects this success and the tendency of companies present in the internal lists to accept praise in years of high performance. This owning of the performance is evident in keywords *we've* and *we're* as the company's decision makers are attributed praise for the quality performance. In 2008, the item *we've* also appears on the list, but for 2010, when profits receded, neither *we're* nor *we've* appears as a keyword. It seems a conclusion that companies accept praise in years of high performance and deflect responsibility for poor performance is supported by the keyword lists generated. The deployment of personal pronouns evolves from high frequency in the year of high

profits to omission of the same items when losses are reported.

Freq	Keyness	Token	Freq	Keyness	Token
11	31.78	strategy	3	12.41	guide
12	30.41	customer	3	12.41	liquidity
10	28.15	clients	3	12.41	tangible
6	24.83	wealth	15	12.36	their
5	20.69	mortgage	8	12.03	build
22	18.90	customers	4	11.82	corporate
10	18.81	serve	4	11.82	goals
12	17.55	management	4	11.82	institutional
4	16.55	bank	4	11.82	pursue
5	15.55	groups	4	11.82	strengthening
7	14.02	vision	6	11.02	banking
9	12.69	core	14	10.99	financial
3	12.41	accounts	5	10.92	balance
3	12.41	control	5	10.92	relationships
3	12.41	fortress	5	10.92	sheet

Table 12: 2010 BoA External Keyword List

Furthermore, the keyword list produced from the comparison of the BoA letter to the external reference corpus for 2010 reflects the findings of the initial internal comparison. First, the keyword *strategy* is equally key in the two lists, yielding scores of 27.2 and 26.9. Further, the lexical item *serve* remains key to the node text while *build* does not. The keyword list generated in the second analysis somewhat confirms the identified agenda of the first list. Again, items such as *strategy*, *serve*, and *relationships* function to maintain investor relationships and assure clients of a strategy towards achieving future success. Importantly, items that indicate and reflect the external climate are not included. On the keyword list, there are no items that acknowledge the difficult external circumstances of 2010 that led to the passing of the Dodd-Frank legislation. While an omission within the internal list may simply indicate that other banks also included the lexical item, the absence of overt external markers in the

external list is revealing. Seemingly, this would indicate that the letters by the banking institutions do not reflect and acknowledge external realities that particularly impact the banking sector. Although these letters are directed to an audience of investors, it is a public communication produced in a period of scrutiny and pressure. It is somewhat surprising given BoA's poor 2010 performance that there is no keyword attribution to external environmental factors.

The 2010 keyword list produced from the comparison of the Citigroup letter to the external reference also yielded interesting results. First, the keyword *emerging* that had such a high key score on the internal comparison is not present in the external comparison. It seems then that the external high performers are also deploying *emerging* in the same manner as Citigroup. This may lead to a similar intuition that high performers seek to convey the message to investors that earnings have not reached a plateau and that potential profits remain. Also, the keyword list of this comparison does not have such an overtly boastful agenda. Citigroup, internally, was quite bold in its claims to being the premier, the best, and the largest bank. Key items such as *talent*, *best*, and *world's* clearly indicated a message that attributed high performance to executive and employee diligence and skill. Similar to the BoA external keyword list, there seems to be no acknowledgement of the economic environment. It is possible that these indicators are missing because they are present in the reference corpus letters as well. While this is possible, explicit indicators of the economic climate are also absent in the word frequency list.

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
34	145.06	Citi	3	12.8	path
7	29.87	Citi's	3	12.8	pressure
6	25.60	TARP	4	12.31	headcount
8	24.63	profitability	7	11.15	credit
9	23.36	assets	12	10.88	all
5	21.33	Bank	4	9.93	includes
5	21.33	Holdings	99	9.92	to
7	20.84	loss	5	8.73	structure
4	17.07	Citicorp	3	8.55	aware
4	17.07	loan	3	8.55	expenses

8	16.52	risk	3	8.55	franchise
10	13.60	capital	3	8.55	private
3	12.8	activities	2	8.53	acutely
3	12.8	homeowners	2	8.53	Approximately
3	12.8	I'm	2	8.53	circumstances

Table 13: 2008 Citigroup External Keyword List

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
62	196.72	Citi	8	13.87	Global
12	38.08	Citi's	8	13.87	institutions
14	33.28	banking	6	13.75	loss
9	28.56	Holdings	4	12.69	Banking
8	25.38	bank	4	12.69	cards
7	22.21	Citicorp	4	12.69	clients'
230	21.51	the	4	12.69	GTS
8	19.56	essential	4	12.69	loan
8	19.56	TARP	6	10.97	includes
10	19.06	credit	5	10.92	clear
6	19.04	Citigroup	5	10.92	profitability
161	18.93	of	26	10.29	businesses
10	16.81	client	15	9.63	not
5	15.87	non	3	9.52	assistance
11	15.58	assets	3	9.52	Bangladesh

Table 14: 2009 Citigroup External Keyword List

<b>Freq</b>	<b>Keyness</b>	<b>Token</b>	<b>Freq</b>	<b>Keyness</b>	<b>Token</b>
15	49.42	Citi	16	15.20	best
11	36.24	bank	6	14.45	brand
13	28.67	clients	15	14.25	consumer
10	26.67	trade	4	13.18	GTS
6	19.77	Banking	4	13.18	institution
6	19.77	Citi's	4	13.18	Responsible

6	19.77	flows	4	13.18	Securities
6	19.77	Holdings	4	13.18	thank
6	19.77	inclusion	4	13.18	trading
7	17.46	down	8	12.79	changes
5	16.47	current	7	12.13	come
5	16.47	unbanked	7	12.13	relationships
23	16.06	financial	7	12.13	strategy
26	15.45	global	7	12.13	trends
17	15.21	emerging	9	12.03	consumers

Table 15: 2010 Citigroup External Keyword List

## 4 Conclusion

The primary goal of the study was to assess whether the keywords deployed in the letters to shareholders by these two reputable Fortune 500 would reflect evolution in the reporting of profits and losses during a volatile economic period in which the recession in the United States commenced, peaked, and concluded. The keyword analysis methodology allowed for a diachronic assessment of the letters to the shareholders and the revealing of the underlying and often subtle messages within these important institutional messages. While the messages are ostensibly a fair and balanced reporting of the company's performance, it is quite clear that the messages are manipulated to serve the institution. In the years of reported losses, the messages are largely future oriented with assertions of plans, vision, and strategies for future success. The keyword scores also reveal that personal pronouns and individual names have greater key scores in years of high performance. The presence of these lexical items confirms that the writers of these messages overtly accept praise for high performance for success, and in years of poor performance, their absence indicates the authors defecting of blame and responsibility. Thus, the maxim, "Success has many fathers, but failure is an orphan" holds true for the business world as well

## References

- Abrahamson, E. & Park, C. (1994). Concealment of negative organization outcomes: An agency theory perspective. *The academy of management journal*, 37 (5): 1303-1334.
- Anderson, C. & Imperia, G. (1992). The corporate annual report: A photo analysis of male and female portrayals. *The journal of business communication*, 29(2): 113-128.
- Anthony, L (2005). AntConc: A learner and classroom friendly, multi-platform corpus analysis toolkit. In L. Anthony, S. Fujita, & Y. Harada (Eds.), *Proceedings of IWLeL 2004: An interactive workshop on language e-learning* (pp. 7–13). Tokyo: Waseda University.
- Bartlett, S. and Chandler, R. (1997). The corporate report and the private shareholder; Lee and Tweedie twenty years on'. *British Accounting Review*, 29: 245-261.
- Cendrowski, S. (2011). 20 most profitable companies. *CNN Money*. Retrieved Dec. 1, 2011. Web.
- Clatworthy, M. & Jones, M. (2003). Financial reporting of good news and bad news: evidence from accounting narratives. *Accounting and business research*, 33(3): 171-185.
- Ellis, B. (2011). Bank dumping: Do the big banks even care? *CNN Money*. Published Nov. 7.
- Dodd, C. & Frank, B. (2010). *Brief summary of the Dodd-Frank Wall Street Reform and Consumer Protection Act*. Retrieved Nov. 21, 2011. Web.
- Hyland, K. (1998). Exploring corporate rhetoric: Metadiscourse in the CEO's letter. *The journal of business communication*, 35(2): 224-245.
- Kohut, G. & Segars, A. (1992). The president's letter to stockholders: An examination of corporate communication strategy. *The journal of business communication*, 29 (1): 7-21.
- Lee, T. and Tweedie, D.P. (1981). *The institutional investor and financial information*. London; The Institute of Chartered Accountants in England and Wales.
- Poe, R. (1994). *Can we talk? Across the board*, 31(5): 17-23.
- Rutherford, B. (2003). Obfuscation, textual complexity and the role of regulated narrative accounting in corporate governance. *Journal of management and governance*, 7: 187-210.
- Rutherford, B. (2005). Genre analysis of corporate annual report narratives: A corpus-linguistics-based approach. *Journal of business communication*, 42 (4): 349-378.
- Tribble, C. (2000). Genres, keywords, teaching: Towards a pedagogic account of the language of project proposals. In *Rethinking language pedagogy from a corpus perspective: papers from the third international conference on teaching and language corpora*. Eds. Burnhard, L. and McEnery, T. Frankfurt: Peter Lang.
- Scott, M. & Tribble, C. (2006). *Textual patterns: keywords and corpus analysis in language education*.

Amsterdam: John Benjamins.

Subramanian, R. (1993). Performance and readability: A comparison of annual reports of profitable and unprofitable corporations. *The journal of business communication*, 30 (1): 49-61.