

# MANAGERIAL COMMUNICATION



Study Material Prepared by...

**Dr. R. THIRIPURASUNDARI,**  
Head – Dept. Of Business Administration,  
Swami Dayananda College of Arts & Science,  
Manjakkudi.  
[thiripurasundariramesh@gmail.com](mailto:thiripurasundariramesh@gmail.com)

## Unit 1

### Communication

#### Meaning:

The English word 'communication' has been derived from the latin word 'communis', which means common, consequently it implies that the communication is common understanding through communion of minds and hearts. This common understanding results not only through transfer of information and idea but also from transmission of the attitude.

#### Definition:

"communication is an exchange of facts, ideas, opinions or emotion by two or more person."

**\_W.H.Norman &summer**

#### Features of communication:

##### communication is unavoidable:

Communication is always an existing and unavoidable phenomenon. Not to talk of facial expressions, position gestures and other behavioral ways, even silence also conveys a lot about the person's attitude.

##### Continuous process:

Communication is not an art or event at an instance of time rather it is a continuous process, incorporating various events and activities that are inter-related and interdependent.

##### Two-way traffic:

Communication is not complete unless the receiver understands the message. To ensure that the receiver has understood the message, there should be some sort of feedback. Thus, the communication is two way and not the one-way traffic.

## Universal:

Communication is universal phenomenon. All living creatures (human beings, birds, beasts etc.) communicate through their own symbols and signs.

## Social process:

Communication is a social process as it enables everyone in the society to satisfy his basic needs and desires through exchange of written, spoken or non-verbal message. It is through communication that two or more persons interact and influence each other and consequently bridge the gap in their understanding.

## Trans activity:

Since the communication process involves multiple causality interaction and transaction, it is transactive. It has been observed that in a gathering of five or six persons, when one person leaves, the conversation change entirely. People change radically when they one communication situation to another; sometimes becoming talkative sometimes silent.

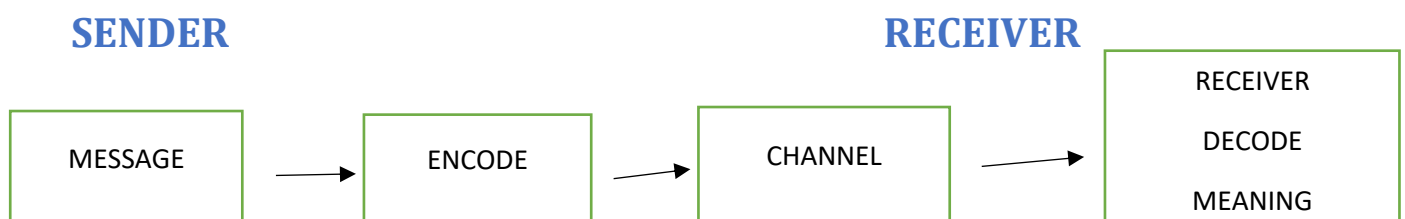
## Multi dimensionality:

Communication is multidimensional. Its sources, channels, audiences, and effects of these message are multidimensional.

## Multi purposefulness:

Communication process is multipurpose. The participants, act as sources to the extent they have purpose which they wish to accomplish. Participants act as receivers too, to the extent they have purpose they wish to accomplish.

## Communication cycles:



## **Sender:**

The communication process starts with the sender, the person or group who wants to transmit the message to another person or group. He is not interested in the words, date or symbols themselves but uses them for conveying meaning to others.

## **Message:**

The physical form of the idea or information conveyed which can be understood through receiver's sensory receptors (hearing, seeing, smelling, feeling, touching). Message are not the meanings but indicative of meanings.

## **Encoding:**

Encoding is putting the meaning of the message into appropriate words, symbols, gestures or other form of expression for the purpose of sending an intentional message.

## **Channel:**

Channel or medium is the methods or vehicle used to transmit the message. For business communication, commonly used channels are telephone, letters, memos, e-mail, etc.

## **Receiver:**

The person or group who perceives the message and attaches some meaning to the message, is the receiver. In the reasonably good communication situation, the intended message is received by the receiver.

## **Decoding:**

Decoding means attaching meaning to the message. Meaning are already in the receiver's mind, not in the message.

## **Feedback:**

Feedback is the reversal of the communication process in which the receiver expresses the response to the sender's message.

## **Significance (or) importance of communication:**

### **(A) General significance of communication**

#### **Conducive Environment:**

It is through communication that different persons exchange thoughts and feelings, and transmit understanding. When two or more persons understand one another totally, a conducive environment of understanding is created in which disputes and differences among individuals or groups are amicably settled.

#### **Technological process:**

Communication is essential to publicize and pass on the fruits of scientific discoveries and inventions. Technological progress would have been slow, had there been underdeveloped means of communication. If we compare the technological progress and communication infrastructure of different countries, we find a highly positive correlation between them.

#### **Economic advancement:**

To attain economic development, communication plays a dominant role, especially when the industrial economy is evolving and ushering into a digital economy in which information, services, products, and money are transferred and transacted electronically. In the present era of e-commerce, no country can survive and thrive unless it imbibes the e-ways.

#### **Global village:**

With the sweeping waves of liberalization and globalization, the world has been reduced to a global village. Modern technology has played and will continue to play a significant role in breaking all geographical barriers among different countries and continents and has integrated various communication and cultures under a unified network.

## **(B) Significance of communication to individual**

### **Expression of oneself:**

It is through communication process that one conveys opinions, thoughts, feelings, etc. This helps in expressing oneself and making other person understand one's point of view.

### **Satisfaction of human needs:**

Communication helps man to satisfy his emotion needs of security, belongingness, recognition, etc. It is through communication that man expresses himself and feels relieved of emotional stress. If there had been no communication man would have become passive, inactive, static and somewhat neurotic.

### **Building human relations:**

It is through communication that man conveys his point of view and understands other. As gaps in understanding are bridged, human relations are strengthened. The two-way communication promotes openness, trust, cooperation and harmony among different individuals.

### **Career advancement:**

Man's ability to communicate effectively helps him to perform effectively. Communication skills-writing, speech, listening, etc.-play dominant role in one's success in his profession.

## **(C) Significance of communication to business**

### **Efficient working of the business:**

Communication is essential for successful and smooth running of an enterprise. It is through communication that healthy and conducive environment is created, organizational goals and

policies are conveyed to the employees and various resources necessary for their accomplishment are co-ordinated.

### **Communication failures: costly:**

The communication failures often prove costly for an organization. They directly result into stoppage of production and loss of man hours and indirectly create ill-will and low morale among the employees and affect productivity and production.

### **Building human relations:**

Healthy industrial relations are conducive to industrial peace and prosperity. This is possible not only with good working conditions and environment but also with communication among the management and workers. Through effective communication the management can convey its expectations to workers can put their suggestions and grievances before the management.

### **Total quality management (TQM):**

Communication is especially essential in total quality organization because of involvement of various department and specialist with varied allegiances and assumptions. In a total quality organization with cross functional teams, until consensus is reached between the executives and employees about achieving quality, there will be a great deal of wasted efforts or no effort.

### **Job satisfaction and enrichment:**

Bad communication results into illusions and misunderstanding among employees and executives. As a result, their behavior becomes defensive and consequently leads to low morale, low job satisfaction and low productivity. Effective communication overcomes illusion and misunderstanding among people at work.

## **Objectives of communication**

- 1. Information**
- 2. Advice**
- 3. Suggestion**
- 4. Order**
- 5. Motivation**
- 6. Persuasion**
- 7. Warning**
- 8. Negotiation**
- 9. Education**

### **Information:**

One of the objectives of communication is enquiring, supplying or receiving information through spoken or written languages or through symbols, sign or signals. Information is different from data. Data (plural of word dactum) are symbols, signs or character without meaning; and information is processed data, with meaning and value.

### **Advice:**

Advice is the personal opinion about what to do, how to do, when to do, and where to do a particular course of action in a particular situation, with a view to change the behavior and opinion of the receiver. Since it involves the personal opinion of the advisor, it is likely to be subjective. It is not neutral, objective and factual like information.

### **Suggestion:**

Suggestion is the most important objective of communication. Suggestions are the proposal by subordinates to higher authorities indicating change required in the existing procedural and operational matters.



## **Order:**

An order is the directive issued by management to subordinates in authoritative manner, specifying to do or to restrain from doing some course of action. Irrespective of the size and nature of organization, issuing of order is essential to accomplish the task.

## **Motivation:**

Motivation channelizes the inner urges of man and to excel towards the organizational goals. Everyone is worker as well as shirker, and divine as well as devil. The business manager has to motivated his employees to work with all their divine qualities in the direction of organizational goals. .

## **Persuasion:**

Persuasion is the act of influencing the other persons to voluntarily change their attitudes, beliefs, feeling or thoughts. Effective persuasion is a difficult and time-consuming task, but it is also more powerful way than ordering or warning in command-and-control style of management.

## **Warning:**

Warning is informing about the unpleasant and unfavorable consequences, if certain course of action is not changed. Such course of action may be negligence, defiance, mishandling material and machinery regularly, misbehaving with other, etc. the purpose of warning is to ask the employee to abide by the rules and regulations and to work with dedication and discipline.

## **Negotiation:**

Negotiation is one of the objectives of business communication. In negotiation two or more parties discuss the proposals concerned with specific problem to find mutually acceptable agreement. Usually it is done in informal way.

## **Education:**

Education is the most important objectives of communication. Organization teach and train their executives and employees, both existing as well as newly recruited to learn new tools and techniques of performing various operations with greater economy, efficiency and effectiveness.

### **Principle of communication**

- (A) 7Cs of communication**
- (B) Other principle of communication**

#### **(A) 7Cs of communication:**

##### **(1) Candid:**

The message, to be communicated, should be candid (straight forward, frank), it should not be indirect, multivocal or untrue.

To make communication effective, it is most imperative that the message should be frank and straight forward. There should not be beating about the bush or conveying something that hinders the truth.

##### **(2) Clear:**

The message to be communicated, whether oral or written, should be clear. For this, not only clarity of expression is must, but also clarity of thought. It is the first and foremost requirement. Clear message always stems from clear hearts. Since the message to be communicated is first produced in the mind of the sender.

##### **(3) Complete:**

Completeness is necessary for effective communication. Incomplete message breeds misinterpretations. It leads to further

queries resulting into wastage of time and resources, and irritates the receiver.

**(4) Concise:**

Conciseness means conveying the message in fewest possible words without sacrificing its completeness and clarity. It contributes to make the important ideas stand out, on the other hand, aimless and unnecessary details distract the reader's attention. Concise message appears more interesting to the reader and show respect for recipients by not letting their personal as well as professional life bored with unnecessary information.

**(5) Concrete:**

The communicated statement should not be vague, rather, it should be concrete and specific. Concrete expressions create specific visual images in the mind of the receiver which vague or generalized statement cannot.

**(6) Correct:**

The message to be communicated should be correct in spelling, grammar, format, contents, statistical information, etc. incorrect and inaccurate statements mislead the reader, lower his confidence in the communicator and tarnish the image of the organization.

**(7) Courteous:**

Courtesy, in the message as well as manners, plays dominating role in this regard. While communicating, it is necessary that we should be considerate, compassionate and friendly. We should avoid becoming sarcastic, impatient and irritated by being aware of ourselves.

## **(B) Other principles of communication:**

### **(1) Create synergetic environment:**

Misunderstandings are rules rather than exceptions because of unhealthy and uncongenial environment. The neutral words attempting to convey position message convey negative message because people possess different perceptions.

We notice defensive behavior of employees because of lack of co-operation and trust among them in the organization.

### **(2) Two-way communication:**

Effective communication is never one-way traffic rather two-way channelization. The organization should ensure two way communication, with sound feedback system to overcome the communication gaps resulting from distortions, filtering, coloring, etc.

### **(3) Strengthen communication flow:**

The organization policy should simplify, streamline and strengthen the flow of communication-both upward and downward-through proper organizational structure, proper decentralization and delegation of authorities.

### **(4) Proper medias:**

Proper medias of communication should be followed. Any media is not ideals for every situation. Illiterate workers should be instructed through oral and visual communication. In case of formal relations, written communication should be followed.

### **(5) Encourage open communication:**

Lack of transparency and denial of information, breeds rumours in the organization and consequently harms the organization environment. To avoid this, management should make open-door policy and manage by walking around.

### **(6) Appropriate language:**

Appropriate words, pictures, symbols should be used to the message simple and easily comprehensible to concerned employees. As far as possible technology and equivocal words should be avoided and message should be supported by proper diagram.

### **(7) Effective listening:**

In oral communication, effective listening is vital. It is not only the sender's responsibility to make his message clear, complete and concrete; but also, of the receiver to understand the message in proper sense through effective listening.

## **Types of communication**

- 1. One-way communication and two-way communication**
- 2. Verbal communication and non-verbal communication**
- 3. Formal communication and informal communication**
- 4. Interpersonal and intrapersonal communication**
- 5. Other types.**
  - (a) group communication**
  - (b) public communication**
  - (c) mass communication**

### **One-way communication and two-way communication:**

#### **(a) One-way communication:**

One-way communication is characterized by absence of feedback from the receiver to the sender. Here role of the sender and the receiver are isolated, not interdependent. The sender conveys the message and the receiver has to make out the meaning on his own as there is no scope for check back.

#### **(b) Two-way communication:**

Two-way communication involves active feedback from the receiver to the sender to ensure that the receiver has understood

the same message which the sender intended to convey. This form of communication being more interactive and interpersonal, allows better mutual understanding.

### **Verbal communication and non-verbal communication:**

#### **(a) Verbal communication:**

Verbal communication is communication through spoken or written words. This verbal communication can be oral as well as written.

#### **(b) Nonverbal communication:**

Non verbal communication is means transmission of meaning other than oral or written words. This transmission can be through facial expression, body postures, eye contacts, clothing, silence, etc. studies reveal that more than 65% of human communication is through nonverbal clues than through written or spoken words.

### **Formal communication and informal communication:**

#### **(a) Formal communication:**

Formal communication is communication structured on the basis of hierarchy, authority and accountability. Departmental meetings, conference, circulars, company news, interviews, etc. are examples of formal communication.

#### **(b) informal communication:**

Informal communication takes place outside the formally prescribed and planned network or channel. Unlike formal communication which is deliberately created or documented; it is spontaneous and off records and beyond organizational hierarchy.

## Interpersonal and interpersonal communication:

### **(a) Intrapersonal communication:**

Intrapersonal communication is internal dialogue occurring within the mind of an individuals. It may be clear or confused, depending upon the individuals state of mind. If the individuals mind is in trouble and turmoil, the message will be unclear, vague and confused. On the other hand, if the mind is silent and still, the internal dialogue will become clear and perceptions of the individual will be more wide and broad. To convey a message in an effective's way with desired effect, it is essential that intra-personal communication should be clear.

### **(b) Interpersonal communication:**

Interpersonal communication is communication among two or more persons. It is an important element of the organization. On an average, half or more item of executives and employees in spent in interpersonal communication. Therefore marketing inter personal communication is of great importance.

## Other types:

### **(a) Group communication:**

Group communication is an extension of interpersonal communication. A group is an association of two or more persons who interact with each other in such a way that each influences the other. Group may be formal such as committees, board of directors, quality circles, teams, etc.

### **(b) Public communication:**

Public communication involves speech by one person to a large group at a time. This is one-way communication as the speaker gives speech and the audience listens only. Political leader, religious preachers, trade union leaders, etc.

### **(c) Mass communication:**

Mass communication, the extension of public communication, is the process of communicating to the public at large through mass medias such as television, internet, films, publication, etc.

### **Medias of communication**

**(a) Oral communication**

**(b) Written communication**

### **(A) ORAL COMMUNICATION MEANING:**

Oral communication is vital for any business, social or political organization. Whatsoever the form it may assume, it occurs through spoken words, through spoken words, through speech either face to face or through any electrical device such as phone, teleconferencing, public address system, etc.

### **Principles of oral communication:**

#### **(1) Pronunciation:**

All the words should be pronounced correctly and clearly. Bad pronunciation create adverse image in the mind of the listener.

#### **(2) Self-confidence:**

The person speaking must have self confidence which comes with sufficient knowledge of the subject and overcoming inner inhibitions.

#### **(3) Concise and complete message:**

The message to be presented must be concise and complete. Over-loaded message diverts the reader's attention whereas underloaded message misleads him.



#### **(4) Logical sequence:**

The speaker should present the message in logical sequence with marshalled arguments. Only then, his message will be more vivid and forceful.

#### **(5) Nature voice:**

The message should be presented in the nature voice. This voice should be made pleasing and clear with practice, confidence and emotional content.

#### **(6) Tone:**

The tone of the message should be according to the situation so that the message should not only be intelligible to the mind but also appealing to the heart.

#### **(7) Variations is the intonation pattern:**

The sound of the voice should not be steady and flat. These should be variations in the intonation pattern i.e. both rising as well falling pitch, according to the occasion. It definitely creates interest and maintains the attention of the listener.

### **Advantage of oral communication:**

#### **(1) Immediate clarification:**

In oral communication, the communicator can immediately clarify the message if the receiver has any doubt about the message. This is not possible in written communication which requires certain time for feedback.

#### **(2) Speedy:**

Oral communication, whether face to face or through electrical or electronic devices, is speedy. Unlike written communication, it does not require time to be spent on dictating, drafting, printing, proof reading, revising and recopying.

### **(3) Suitable for emergency:**

Since oral communication is the most speedy method of communication, it is suitable for conveying emergency message. With this, instantaneous feedback is received that eliminates the chances of misunderstanding and misinterpretation of the message and simultaneously helps to convey the meaning and sense without wastage of time.

### **(4) Lesser formal:**

Oral communication is lesser formal as compared to written communication. As a result, the concerned parties can exchange their opinions frankly and fearlessly.

### **(5) Group communication:**

Through oral communication, group communication is possible. Therefore, this type of communication is most used in conferences, meetings and seminars where different persons can interact with each other.

### **(6) Personal quality:**

Through oral communication, effective impact can be made on the receiver through personal quality and influence of the personality. Such advantage is not possible.

## **Disadvantages of oral communication:**

### **(1) No record:**

Since there is no documentary record of the oral communication, it does not become legal evidence. It can be used for future or legal reference, if it is tape recorded. But it is not possible in every case.

### **(2) Lengthy message:**

If the message is lengthy the chances of its misunderstanding, delusion and forgetting are very high. Lengthy message usually fail

to retain listener's attention; as a result communication failures occur.

### **(3) Distortions:**

In oral communication, misunderstanding and misinterpretation of the message usefully occur because of the distorted meaning by the receiver. The main theme of the message is lost as a result of these distortions.

### **(4) Speaker's ineffectiveness:**

Speaker's inability and ineffectiveness adversely affect the creation and retention of the listener interest. To make the oral communication effective, speaker's vitality and effectiveness are essential.

### **(5) Limitations of human memory:**

Because of limitations of human memory, oral communication becomes ineffective. Human memory cannot retain all the spoken words even if they have been clearly heard and understood.

## **Oral communication takes place the following medias:**

- (1) Face to face**
- (2) Teleconferencing**
- (3) Telephone**
- (4) Voice mail**

## **FACE TO FACE COMMUNICATION:**

Face to face communication may be between two persons or among small group or gathering of persons. It may also assume the form of speech or address by one persons to an audience. Face to face communication has the same pros and cons as oral communication, except the following additional.

## **Benefits:**

### **(1) Control over reader's attention:**

Compared with written or telephonic communication, face to face communication provides the advantages of exercising control over reader's attention. The speaker can effectively capture the listener's attention by making his message clear and interesting.

### **(2) Effect of facial expressions:**

Another advantages of face to face communication is that the speaker can make it more vivid and forceful by conveying through facial expressions, tone and pitch of the voice.

### **(3) Suitable for discussions:**

Face to face communication is most suitable for discussion where instantaneous feedback is imperative. Even communication on telephone or teleconferencing is not as effective as it is in case of face to face situation, when a lot of discussion for negotiation, brainstorming or persuasion has to be done.

## **Limitations:**

### **(1) Inattentive listening:**

For effective communication, not only the ability of the communicator matters but also the listening skill of the listener plays important role. Most of the persons seem listening, but do not listen because of wandering of mind to other matters, using or selective perception, egoism, etc. as a result the communication does not take place because of inattention listening.

### **(2) Difficult in arranging personal contacts:**

Face to face communication suffers from the limitation of arranging personal contacts. If the various department and persons are working at different places, especially noticed in big

organizations, it is not easy and economical, rather expensive and time-consuming process.

### **(3) Unproductive in unhealth relations:**

Face to face communication sometimes proves counter productive when the relations between the parties are unhealthy. It may lead to further conflict and confrontation among them. Under such situation, better will be to avoid this mode of communication. First, make the communication environment congenial, then proceed with such medias of communication.

### **TELECONFERNING:**

Teleconferencing is the next substitute for face to face communication, popularly used when two or more persons are thousands of kilometers away from one another. Through teleconferencing they can hear and see each other and talk with one another as if they were sitting together in one room.

#### **Advantages of teleconferencing include:**

- Substitute for face to face communication.
- Communication is real time.
- Transcending barriers of distance.
- Connectivity of different persons sitting at different places.
- Saving in travelling costs of executives.
- Saving in time of holding meetings.
- Rapid expansion of knowledge of people sitting at different places is possible.

#### **The drawbacks of teleconferencing are:**

- Blockage of space.
- Heavy capital costs.
- Not eafforsable by business house of small size and scale.

## **TELEPHONE:**

Telephone is one of the most frequently used means of oral communication in the present business world. Most of the urgent matter, are dealt with on phone. Not only one to one contact but group communication is also possible through audioconferencing, when more than two persons, sitting far away speak on telephone.

### **Merits of telephone:**

- (a)** Through telephone, contact with persons sitting miles away is possible.
- (b)** It saves the time wasted in transmission of message either through first or personal contacts.
- (c)** On telephone instantaneous feedback is possible. Consequently, the communicator can clarify the doubt if receiver can adjust his message accordingly.
- (d)** Sometimes it is very difficult to contact a person busy with his job. Through telephone, he can be contacted without disturbing his busy schedule.
- (e)** Telephonic communication can be made more effective than face to face communication, through modulations of voice.

### **Demerits:**

- (a)** Since telephone lacks visual feedback, it is difficult to reveal the mood of the receiver. As a result, communication becomes ineffective if the receiver is in hurry or anger.
- (b)** Unlike face to face communication, on telephone it is very difficult to hold the receiver's attention for a long time. Therefore, it is not very suitable for conveying lengthy message.

- (c) It is expensive especially when geographical distance between the sender and receiver is more. But compared with videoconferencing it is cheaper.
- (d) Telephone message does not provide a permanent record for legal purposes, unless they are recorded on audio tapes.
- (e) It is very frustrating when the concerned persons can not pick up the receiver, because of his touring or travelling. Pagers and mobile phones have overcome this disadvantage, but they are still expensive in India.

### **VOICECALL:**

Sometimes it happens that the receiver is not available on first or sometimes second, third or more attempts. To overcome this, telephone tag, the electronic message system of voice mail is used. This system allows the sender to leave the message with the receiver who will pick it up later on. with this, the sender can feel confident that the receiver will receive the message by listening to his (spoken) voice.

### **(B) WRITTEN COMMUNICATION:**

Written communication includes written words, graphs, charts, reports, diagrams, pictures, etc. it comes in a variety of forms; letters, memos, bulletins, reports, etc. it may be ordinary manual based internal or external mail or may be based upon computer technology. Whatsoever the form or channel it may assume, every piece of written communication requires use of human memory, imaginative power, ability to observe and think, mastery over language and ability to write.

## **Advantages of written communication:**

### **(1) Permanent records:**

Written communication has the advantage of being stored for future reference or legal document. Therefore, policy matters, procedural instructions and confidential orders are communication through written communication.

### **(2) Easier to understand:**

Written communication is easier to understand than speech as it allows ample time to the reader to read at his leisure, analyse and think about the message. He can take a break, if his interest wanes.

### **(3) Composing in advance:**

Written communication can be composed in advance before it is delivered. The sender can ponder over the words and their effect on the receiver, and accordingly can change his message.

### **(4) Accuracy:**

Written communication are less prone to errors, as they are organized more carefully than the spoken message. While written a message, superfluous words and all possible error should be avoided to make it concise, clear and complete.

### **(5) Wider access:**

Written messages, being frequently circulated, have wide access to the employees. This is not possible in case of oral message.

## **Disadvantages of written communication:**

### **(1) Time consuming process:**

Written communication involves time in writing, rewriting, printing or proof reading the message, to be communicated. In oral



communication such problem is avoided with instantaneous communication.

**(2) Not suitable for illiterate:**

Written communication is not suitable for illiterate people as they cannot read or write.

**(3) Formalism:**

Written communication, is more formal and rigid than oral communication. As a result, it leads to defensive behavior among employees and red-tapism in organizations.

**(4) Immediate feedback not possible:**

Unlike oral communication, in written communication immediate instantaneous feedback is impossible.

- **Facsimile (fax)**
- **Electronic mail (e-mail)** are the most used computer-based medias for transmission of the written message. They deserve special attention due to their growing need in the present business organizations.

**(1) Facsimile:**

A facsimile or fax, machine is one of the most useful media for transmission of written especially visual material such as diagrams, copies, etc. fax machines are connected with telephone both at transmitting and receiving end. In fax a document is fed in the transmitting end which is converted into electrical signals. These signals are transmitting through telephone lines to another fax which reconverts these signals into printed out hand copy.

**Advantages of fax:**

- It is quick means of communication.
- It can contain pictures as well as words.

- The recipient needs not to be at the receiving end to receive the message.
- Generally, it is cheaper to fax the message than to send it through postage or courier.

### **(1) Electronic mail (e-mail):**

E-mail is another instantaneous medium of communication. It transmits the written message via computers connected on network. For access to network area, a computer, a telephone, a modem with software are needed to function on e-mail. If the network is linked with internet, it provides the added advantages of global communication at local charges.

#### **Advantages of E-mail:**

- E-mail is easy quick and cheap means of communication.
- In the present business world, rapidly advancing towards less formal structure, E-mail facilitates more paperless office and enables the employees to function even without sitting at office.
- The message sent by e-mails are in the form of text. As a result, the correspondents can include them in computer programmers of their own.
- E-mail has created an easy communication link among executives and employees transcending hierarchical barriers and has facilitated them to work at home beyond their duty hours.
- E-mail is the instantaneous means of communication at distant places at significantly cheaper rates.
- Through E-mail, message can be sent to large number or selected persons simultaneously.
- Like fax, E-mail system also provides the advantages of storage of message in the memory. As a result, it saves the sender's time wasted in telephone tags.

- The sender Needs not to spend a lot of time worrying about layout, typing faces, paper quality or print quality of the message. Therefore he/she can focus his/her attention on the words. As a result, e-mail message are short and informal.
- One can attach computer files-for example, desk top publishing (DTP) pages, graphics or spread sheets-which other can use in their own work.
- When one receives an email and wish to reply to it, one can attach one's reply to the message. This keeps that correspondence together, which is useful when cheaking back what has already been said.

### **Barriers of communication:**

#### **Meaning:**

Communication is complete and perfect when the receiver understands the message in the same sense and spirit as the communicator intends to convey. But practically it has been noticed that such perfect and complete communication does not take place because of certain obstacles or other factors known as communication barriers.

#### **Types of barriers:**

- (a)** Semantic barriers.
- (b)** Physical barriers.
- (c)** Organizational barriers.
- (d)** Psychological barriers.

### **(a) SEMANTIC BARRIERS:**

Semantic barriers are connected with problem and obstructions in the process of encoding and decoding the message into words or other impressions.

The use of different languages, different interpretations of different words and symbols, poor grammatical knowledge are some of the semantic barriers.

#### **(1) Different languages:**

Employees at organization have no common language. This is obvious barriers when there is no common vehicle to convey ideas and feelings. This problem is more acute in culturally diversified organizations and multinationals. Even competent translator fail to convey the exact meaning of different words of different languages.

#### **(2) Different context for words and symbols:**

The meanings of words are not in the words; they are in us," hayakawa (author of languages in thought and action) profoundly remarks.

Words and symbols used several meanings depending upon the context in which they are used e.g.

**Give me water to drink (here water means water of river)**

#### **(3) Poor vocabulary:**

Poor vocabulary hinders the communicator to convey written or verbal message in right sense. The communicator should know the clear and precise meaning of the used words and their appropriate replacement, if needed.

### **(a) PHYSICAL BARRIERS:**

Some of the physical barriers are as follows:-

### **(1) Noise:**

Any disturbance or interference that reduces the clarity and effectiveness of communication is called noise. It may be physical or psychological, written or visual. Noise distracts the persons communicating and acts as barriers to communication. Loud noise of speaker playing outside or noise due to machines, affects listening process of persons communicating.

- Physical noise.
- Psychological noise.
- Written noise.
- Visual noise.

### **(2) Improper time:**

Improper timing of communication also hinders the process of communication, e.g., an order at closing hour to execute an urgent work, may cause resentment in the employee who has to catch train for going back to his home. Message requiring action in distant future may be forgotten. A phone call at midnight, interrupting sleep, further irritates the receiver, if message is not urgent.

### **(3) Distance:**

The distance between sender and receiver acts as a barrier in the communication process as the sender has to speak loudly to convey the message, similarly in import-export transactions because of distances of miles, communication may be ineffective if proper use of fax, telephone is not made.

### **(4) Inadequate or overloaded information:**

Inadequate information falls short to convey the message and overloaded information distracts the reader's attention and dilutes the theme of message. It is imperative that information should be adequate, neither less than desired, nor more than wanted. If this is not so, it fails to serve the purpose of communication.

## **(b) ORGANIZATIONAL BARRIERS:**

### **(1) Organizational rules and regulations:**

Organizational rules and regulations, prescribing the different sub-matter along formal communication may restrict the flow of message and act hindrance in the communication process. Sometimes it happens that important messages are omitted or manipulated.

### **(2) Non conducting of staff meetings:**

To overcome the above barrier, certain organization conduct staff meetings to know the grievances and suggestions of employees. In organizations where such meeting and conferences are missing, free flow of communication is interrupted and the communication gap between persons being ruled and the ruling, widens.

### **(3) Wrong choice of channels:**

There are many mediums and channels of communication available, like face to face, oral communication, telephonic, E-mail and audio visual. Each channel is not ideal and perfect in every situation.

### **(4) Hierarchical relationship:**

Hierarchical, formal boss subordinate relationship in organization structure also restricts the free flow of communication specially in upward direction. The greater the difference in hierarchical position, the greater is the communication gap between employees and executives. The employees are expected to contact executives through their immediate bosses.

## **(c) PSYCHOLOGICAL BARRIERS:**

Psychological barriers arise from motives, emotions, social values, different perceptions, etc. These create a psychological

distance, cause misunderstanding among people at work and hinder the communication process.

### **(1) Selective perceptions:**

Our sensory receptors have their own limitations. As a result, we perceive not the whole spectrum, but a few selective symbols based upon our needs, motives, experience, background, etc. as already explained we do not see the reality, as it is; but interpret what we see and call it reality.

### **(2) Premature evaluation:**

It is human tendency that we try to evaluate quickly. We do not listen or read the whole, but try to infer from certain part of the message. The moment we try to evaluate, we stop further message visible to our sensory receptors. As a result, effective communication does not take place because of premature evaluation.

### **(3) Different comprehension of reality:**

Reality is not absolute concept, it is relative to different persons. Each person has unique sensory receptors and mental filters. As a result, our abstractions, inferences and evaluations are different. Abstraction is the process of focusing attention on specific details and ignoring others. Due to abstracting we fail to comprehend the situation as a whole and even fail to understand other person's point of view as we think ourselves right.

### **(4) Attitude of superiors:**

The general attitude of the superiors about communication, affects the flow of communication. If the superiors are afraid of delegating authority and lack confidence in themselves as well as in their subordinates, they will obviously try to conceal, color or filter the information. They intentionally do so to twist the situation to their favour or to mask their weaknesses.

### **(5) Attitude of subordinates:**

The negative attitude of subordinates also affects the communication flow. Their inferiority complexes, unwillingness to share information and fear of action are the obvious barrier to communication. Under such situation, organizational communication becomes ineffective.

### **(6) Poor listening:**

Poor listening is one of the psychological barriers in the effective communication. Most of the people just hear, do not listen attentively. If they listen, they listen selectively: taking the 'desired part' and ignoring the 'understand part' of the message. They do not listen to what the other is saying, but what they want to listen.

### **(7) Egotism:**

Egotism is diametrically opposed to transmission of understanding- the most vital aspect of communication. The self-centered persons think that their own ideas are more important and other are wrong. Such people are very bad listeners. They keep their minds closed and alienate from the people with whom they work.

### **(8) Emotions:**

Positive emotions such as love, affection and compassion smoothen the flow of communication whereas emotions such as hatred, anger, anxiety obstruct the communication process. Excited, nervous, frightened and perplexed individuals cannot think rationally and consequently transmit their negativity to others.







## Unit 2

### Business letter

#### Meaning:

Business letters are an important part of business communication. These business letters serve as a record for future references, act as evidence of contract, serve as formal and informal relations and help to do business in remote areas.

#### Personal letter meaning:

Personal letters differ from business letters. The objective of a personal letter is to establish a personal contract, whereas the objective of a business letter is to do business through letters.

#### Functions of Business Letters:

##### (1) Record and Reference:

Business letters function as a permanent record of dealing with customers, suppliers and government agencies, etc. Therefore, they can serve as a ready reference if certain queries arise relating to them.

##### (2) Evidence of Contracts:

Business letters act as a valid document and evidence of the contracts between the two parties. A letter signed by the proprietor, managing director or other responsible officer is an authentic proof, fully recognized by the courts of law.

##### (3) Public Relations:

Business letters serve as formal as well as informal business relations even without personal contacts. They help to build goodwill among clients and creditors and create a positive image of the organization among the readers and win the friendliness of the other parties.

#### **(4) Business in remote:**

Business letters serve the business in case of dealing with personal operating in remote areas, where means of transport and communication have not developed or the distance are too large to deal with economically.

#### **Parts of Business Letters:**

##### **(1) Heading:**

The Heading of a letter consists of the printed letterheads that mention the name of the company, its address, telephone and E-Mails address, symbols and trademarks.

##### **(2) Date:**

Two or three lines below the letterhead, the date when the letter was typed should be mentioned. This serves as an important reference for the future.

##### **(3) Inside Address:**

Below the date line, the inside address is mentioned. It contains the name, title or division or department (if any), mailing address or pin code of the receiver.

##### **(4) Salutation:**

Below the inside address, the complimentary greeting which is called 'Salutation' is made on the right or left side. This salutation depends upon the writer's relationship with the correspondent.

##### **(5) Reference Lines:**

For involving special attention to the subject matter of the letter or singling out the person to whom the letter is addressed, reference line is inserted below the inside salutation with word 'Subject' or 'Attention'.

### **(6) Body:**

Body is the main part of the letter with preceding and succeeding parts as its ancillaries. These ancillaries are formalities, yet convey certain message. The body of the letter starts two lines down the salutation either in block style with no paragraphs, indentations or semi block style with indented paragraphs.

### **(7) Complimentary close:**

After the body of the letter, complimentary close is typed whether on left or right side of the letter. This is conventional and polite way of ending the letter.

### **(8) Signatures:**

While typing the letter, two or three lines below the complimentary closures, are left blank for the signatures of the writer in ink. Just below, his name and designation are typed.

### **(9) Reference initials:**

Below the name and the designation of the sender, the sender of the letter puts his initials, which is called as the "Reference initials."

### **(10) Enclosures:**

This is the certain material enclosed with the letter for its indication. Enclosures are put at the end of the letter.

## **Format of business letters:**

- (a) Full block
- (b) Block
- (c) Semi block
- (d) Simplified

### **Full block format:**

In full block format all lines: data, inside address, salutation, paragraphs and complimentary closure are flush with left margin.

In concentrates too much on the left margin rather than the right. This form is popular due to its pleasant and informal look. Exhibit I is an example of full block format.

### **Block format:**

In block format all lines except data and complimentary closures (along with signatures) are flush from the left margin. However, data, complimentary closure, signatures are flush with the right margin.

This form also saves time in typing as little adjustment is required to be made. Because of its balanced look, this block form is very popular and widely used form in business correspondence.

### **Semi block format:**

In semi format (a) data, complimentary closer and signatures are flush with the right margin (b) inside address and salutation are set flush with the left margin and (c) paragraphs are indented.

### **Simplified format:**

In simplified format like full block format all lines are flush with the left margin but there is no salutation and complimentary closers.

It eliminates the problem of gender specific salutation (sir/madam) by doing away with salutation line altogether. Because of its simple and direct form and quality of time saving.

### **How to make business letter effective:**

Writing effectives and excellent business correspondences:

### **Write naturally:**

Letter writing is a piece of conversation by post or Email. It should be as natural as the oral communication. Therefore, do not sacrifice your naturalness for sake of literary endeavor. Think and ask yourself, what you want to convey.

### **Take care of language:**

Effective business correspondences require more attention and awareness of the language and avoidance of outworn expressions, wordy phrases and vague terms.

### **Clarity of the message:**

The message of the letter should be clear, unambiguous and self-explanatory. Remember that communication is complete only when the receiver understands the message in the same sence and spirit as the conveyor wants to convey.

### **Brevity:**

The effective business letter always express the writer's message in a clear way and in as few words as possible. Businessman have got limited time at their disposal to deal with correspondences and will naturally like to get exact information without the message the wastage of time.

### **Accuracy:**

Business letters should convey accurate facts and figures to the reader. Inaccurate information can cost money and goodwill which no businessman can afford to sacrifice.

### **Check the tone:**

Tone, the emotion content of the letters, can be formal, informal, persuasive, humorous, positive or negative. Each tone has a different role the play in a different context.

## **Enquiry letter:**

### **meaning:**

Business organization have to write enquiry letter on number of occasions. These enquiries may be in response to advertisement (solicited enquiry) or at one's initiative (unsolicited), while writing enquiry letter, the writer should use direct approach, state clearly the purpose of enquiry and ask about terms and conditions.

### **Reply letter:**

These enquiries are replied in the form of quotations and offers. These replies should clearly state quality and quantity of goods, mode and terms of payment, methods of transportation, etc.

## **Opening and closing sentence:**

### **Opening sentence:**

Suitable opening sentence in a letter of enquiry include:

- (a) We shall be grateful if you would kindly quote your lowest rates for the following items.
- (b) We shall be glad if you would kindly inform us of the terms and conditions for the supply of following items.
- (c) We would be glad to receive details of your terms and condition of the sale for the supply of following items.
- (d) We intent to buy the following items for our organization. We are grateful if you would kindly quote your lowest rates for this. The detailed specifications are given below.
- (e) We are considering the purchase of..... and are the making preliminary enquiries from several supplies with a view to compare prices and terms of sale.



- (f) May we request you to let us know your lowest rates for the following items which are planning to purchase from the supplier with lowest quotations?
- (g) A business friend has given us your name as a reliable firms, prepared to supply ..... we would welcome information about your range of product.

**Closing sentence:**

- (a) We hope the terms and condition you quote will be satisfactory. We shall, of course, be happy to order all our requirement from you.
- (b) If your terms are favorable, we shall be pleased to send our order immediately.
- (c) As we need these goods urgently, we shall be grateful for your prompt reply.
- (d) Since we plan to contract for regular long run business, we are sure that you will quote your most favorable terms.
- (e) We look forward to your reply. If your quotations are cheap and best, we shall be happy to buy from you.

For drafting enquiry letters, the following points should be considered:

- (1) Use direct and straight forward approach with confident and positive tone.
- (2) State clearly the purpose of enquiry in compact yet complete language.
- (3) Request for catalogue, price list or sample of desired goods.
- (4) Ask terms and condition regarding discount, credit, packing and forwarding.
- (5) Express your gratitude for the time the reader has spent in reading the letter. If enquiry is made for getting certain

information other than related with purchase of goods, also include self-addressed envelopes in such cases.

**(6)** Avoid lengthy, unnecessary and unwarranted statements.

### **Quotations and offer:**

After enquiries, quotations stating various terms and conditions, are stated or sometimes offers are made. The acceptance of offer constitutes a valid contract whereas such is not in case of quotations.

While making offer or sending quotations, the seller must touch following points:

- Quality and quantity of goods.
- Mode and terms of payment.
- Methods of transportation.
- Place and time of delivery.
- Charge on account of sales tax, octroi, freight and insurance.
- Packing and forwarding charges.

While drafting letter of offer and quotations, consider the following points:

- (1)** Reply promptly, if quotations and offers are to be made in response to inquiry.
- (2)** Refer to the date or number of other parties' letter in response to which quotations are made.
- (3)** Be specific about the price, quantity, quality, terms of payment, time and mode of delivery, sales tax and octroi charges, packing and forwarding charge, etc.
- (4)** Express gratitude for the interest the enquirer has taken in the company and its products or services.

- (5) Demonstrate the willingness to serve or help, if additional information or classification is required.
- (6) Be clear about the various terms used in quoting prices: F.O.R. (free on railway), C.I.F. (cost, insurance, freight), etc.

### **Order, execution and cancellation:**

#### **Order meaning:**

After receiving replies of various enquiries, the businessman compares terms and conditions various suppliers before making order. This order can be placed through letters which should give full details of the goods, data of delivery, mode of transportation, after sales services, etc. This receipt of order should be acknowledged with thanks.

#### **Drafting order:**

Order placed by letters should:

- (a) Give full details and quote catalogue numbers, if any.
- (b) Give full description of the data of delivery, mode of transportation, etc.
- (c) Confirm the settled terms of price and payment.
- (d) Thankyou the supplier for his or her quotation.
- (e) Ask for after-sales service, if needed.

#### **Acknowledgement meaning:**

The receipt of order should be acknowledged in cheerful and pleasant way. As this acknowledgement is a legal acceptance of all the mentioned points, it is essential that the order should be carefully read before acceptance and acknowledgement.

### **While writing letter of acknowledgement:**

- (a) Thankyou the party for the order.
- (b) Mention the time when goods will be dispatched.
- (c) State the total amount of invoice and attach the copy of invoice to the letter.
- (d) Specify the mode of dispatch or transportation like post, railway, roads, etc.
- (e) Maintain a placement and personal tone throughout the letter and ensure the customer for your service in all possible ways.
- (f) Express the hope that the quality of goods will satisfy the customer's needs and requirements.

### **Cancellation of order:**

Cancelling order means conveying bad news. Therefore, extra care and caution should be taken to ensure that reader's annoyance is not provoked, and the principle of consideration and courtesy towards the reader is not sacrificed. It requires etiquettes, professionalism and use of appropriate words to letter cancelling the order.

### **Complaint letters:**

#### **Meaning:**

Complaint letter are written to being these mistakes to the notice of the responsible person. The purpose of writing of writing complaint letter is to inform the supplier about defects, deficiencies or delays and to get the fault corrected or to get compensation. The reputed business house always attend to their customers and make adjustments very quickly.

### **Drafting of complaint letter:**

- (1) The writer should be very careful, conscious and courteous.
- (2) These letters are written to settle the claims without losing relations.
- (3) Therefore, the writer should keep his temper cool before narrating the problem in objective way.
- (4) He should make accurate and clear statements by giving pertinent details and exact description of the goods, and its default.
- (5) He should not be offensive in his approach and should avoid threats, accusations or veiled hints about the legal action.
- (6) At the end of the letter, he should make formal request to the supplier to respond favorable and fairly to the claim.

### **Adjustment letter:**

#### **Meaning:**

Adjustment letters are written as reply to the complaint's letters. The objectives of writing adjustment letter is to restore customer's confidence in the organization and the product and to convince him that these mistakes or defects are rare instances, not matters of routine. While handling complaints, the management should be fair and friendly to the concerned party.

#### **Beginning sentence:**

- (1) We regret to learn about your experience with
- (2) Thankyou for bringing our attention to the defect in
- (3) We are indeed very distressed to know that.
- (4) Please accept our sincere apology for mistake in

(5) We feel very sorry to know that

**Concluding sentence:**

- (1) We assure you that in future these things will not happen.
- (2) Thankyou you once again for drawing our attention to this defect.
- (3) We are in deeded very grateful to you for giving us an opportunity to have a look at our working.
- (4) We hope that our new arrangements will be highly suitable and satisfactory for you.
- (5) Kindly tell us if you wish us to do anything further. We are always at your services.
- (6) Please do inform us how you find the replacement. We always value our customer very high.

## **UNIT - 3**

### **COLLECTION LETTERS**

#### **COLLECTION LETTERS MEANING:**

Collection letters aim at collecting the dues without affecting the business relations. An impatient and rash approach affects the customer's relation, while negligence and delays in collection result in opportunity costs of interest paid or forgone along with increased possibility of bad debts. The language and the tone of collection letters is not same for all the customers. Companies write a series of collection letters from early polite requests, to stronger requests, to warnings.

#### **SERIES OF COLLECTION LETTERS:**

##### **First series of collection letter:**

The first series collection letters are request and reminders for non-payment of bills. They are written in polite languages that seek to jog the customer's conscience about the unpaid bills. While writing such letters, one should state the unpaid bills clearly with dates, numbers and amount unpaid, send the photo copies of the bills for customer's easy and quick references and demonstrate trust in customer.

##### **Second series of collection letters:**

The second series of collection letters are stronger reminders, pressing the customers to take immediate action. These are written in formal but friendly

tone. While writing such series of letters-avoid using harsh or threatening language and expressing doubts about customer's intention or capacity, give references of the reminders or requests already sent, tell the customer that he owes a definite amount which he ought to pay promptly and express hope that amounts will be paid immediately.

### **Final collection letters:**

Final series of letter is written with tougher tone but not with sacrifice of courtesy. This letter leaves no doubt in the reader's mind that supplier intends to collect the amount. While drafting such letters refer to the past attempts made to collect the amount, give the customer a final opportunity to pay within a definite time limit, restate the consequences of failure to pay the amount owed in terms of legal action and explain and explain that customer is responsible for the unfortunate situation.

## **PERSUASIVE LETTERS**

### **PERSUASIVE LETTERS MEANING:**

In the present era of growing competition, persuasion skill has assumed added importance. Persuading other to act in desired way requires changing their mindset and mental filter consisting of their old prejudices and perceptions. Persuasive letters are drafted overcome these mental barriers and to motivate the desired action.

### **TYPE OF PERSUASIVE LETTERS:**



1. Circular letters
2. Sales letters
3. Fund-raising letters
4. Job application letters
5. Reports with recommendations
6. Solution letters

## **PURPOSE OF PERSUASIVE LETTERS:**

### **(1) Primary purposes:**

- To motivate the reader for desired action.
- To overcome reader's mental resistance to desired goal.
- To provide enough information so that the reader knows exactly what to do.

### **(2) Secondary purposes:**

- To create healthy image about the writer and the organization.
- To strengthen the relationship between the writer and the reader.
- To reduce or eliminate future correspondence on the same subject.

## **HOW TO PERSUADE OTHERS:**

1. Identify the needs and interests of the reader. Only after this, one can talk about rewards and incentives to them.
2. Enhance your credibility by supplying evidence and statistics regarding claims. Without credibility, use of appeals, emotions and logic will be considered as manipulation.
3. Talk about facts to those who think analytically.
4. Appeal to self-interest of the reader.
5. Use selling words like now, exciting, fashionable, cost-effective, easy to use successful.

**6. Motivate the reader for desired action.**

**APPROACHES TO PERSUASIVE LETTERS:**

1. Direct approach
2. Indirect approach

**(A) Direct approach:**

In direct approach, the writer explain he request directly. He states the reasons for favorable response in straight away manner and then complete letter with a courteous close.

**The direct approach should be used when:**

- The audience will do what you ask without any resistance.
- You need a response only from the people who are willing to act.
- The audience is busy and may not read the entire message received.
- Your organization's culture prefers direct request.

**In direct-approach, the letter is drafted in three parts.**

1. Main idea. Request for desired action.
2. Explanation. Evidences and details stating reasons for the desired action.
3. Courteous close. At the end, the letter is closed by asking for the desired action.

**(B) Indirect approach:**

When the situation is complex and complicated, it needs more efforts to persuade the audience. Indirect approach and problem solving pattern approach is followed in such a situation.

**The problem-solving pattern should be used when:**

- The audience is likely to object to do as you ask.
- You need action from everyone.
- You trust the audience to read the entire message.
- You expect logic to be more important than emotion in the decision.

**STEP INVOLVED IN PROBLEM- SOLVING MESSAGE:**

**Describe the problem you both share:**

Here you should present the problem in objective way. Blames and accusation on personalities should be avoided.

**Give the details of the problem:**

You should give the details of the problem, money and time involved, etc. You have to convince the reader that something has to be done for arriving at the solution.

**Explain the solution to the problem:**

After giving details of the problem, explain the solution to the problem. If you know that the reader will favor another solution, start with that and slowly show why it will not work. At this stage, avoid the use of words: I or my, criticizing personalities.

### **Show that any negative elements:**

Show that any negative elements (cost, time) etc. Are you weighted by the advantages. At this stage, explain the benefits of the problem. With this, desire for the proposal will arise.

### **Summarize any additional benefits of the solution:**

After explaining the main benefits of the problem, mention additional benefits of the proposal.

### **Ask for the action you want:**

After explaining the various benefits of the proposal, ask the reader to act.

## **SALES LETEERS**

### **SALES LETTER MEANING:**

Sales letters are part of publicity and advertisement campaign. They perform salesman's function of educating and persuading customers. Before writing sales letter, the first and foremost requirement is identification of reader's interests and needs, and the thorough knowledge of the product or services being offered. Remember, customer is not buying the product or services, he is buying the benefits (of product or service). Hence, we have to approach the customer by telling him the possible and potential benefits.

## FORMULA OF SALES LETTERS:

Two most effective formulas for organizing sales letters are:

### AIDA

**A** = Attention.

**I** = Interest.

**D** = Desire.

**A** = Action.

### IDCA

**I** = Interest.

**D** = Desire.

**C** = Conviction.

**A** = Action.

## PARTS OF SALES LETTERS:

The parts of sales letters are as follows:

- A. Introductory paragraph.
- B. The body.
- C. Concluding paragraph.

### (A) Introductory paragraph:

The opening sentence plays a vital role in arresting reader's attention. It should appeal to his interests, feelings, vanity or social sense.

#### (1) Making a striking statement:

Here is a splendid opportunity for you to buy T.V. at reduced prices.

#### (2) Stating a significant fact:

The leading manufactures of coolers.

With more than 1 lack subscribes one of the largest in India.

You need not worry about your old age; just give us Rs/- 5000 today and 20 years later, we shall return Rs/- 50000 with thanks!

**(3) Making special appeal to the pride of possession, vanity, etc:**

“Adding to your fair and fabulous look “

**(4) Asking a question:**

Does your cooking oil give you taste at the cost of your health?

Do you want to drink water absolutely clear and clean?

**(5) Focusing the central selling point:**

Kurlon. If you want a comfortable sleep, please let us know. Kurlon is the other name of comfort.

**(B) The body:**

After capturing the reader’s attention in the introductory Para, concentrate on arousing his interest in the product or service. For this, develop a central idea that explains the qualities and special features of the product/service and convince the buyer about the potential benefits. If the product is a consumer article, make your appeal on an emotional or psychological plane. If you are selling machine to the businessman, appeal to his knowledge and requirements. In both cases, always substantiate your claims and statements by well established facts, logic or reliable tests.

**(C) Concluding paragraph:**

In the concluding Para, induce the reader to act within a certain time. Despite the will designing of first two parts, you will not be able to clinch the issue unless your paragraph motivates the reader for desired action.

## STEPS INVOLVED IN WRITING SALES LETTERS:

### (1) Capturing the reader's attention;

Start with capturing the reader's attention or interest. For this, you may ask him question about saving time or money, getting better service.

### (2) Stimulate reader's desire:

Stimulate reader's desire for product or service in the following paragraph, by describing them in terms of his motivation for comfort, leisure, pleasure, saving of time or money, etc.

### (3) Support the desirability of the product:

Support the desirability of the product by offering evidences from established statistical facts, independent testing services, or guarantee, etc.

### (4) Motivation the reader for action:

Motivation the reader for action at the end by telling him what exactly he is to do and how to do.

## CIRCULAR LETTERS

### CIRCULAR LETTER MEANING:

Circular letter are used when the same information and message is to be conveyed to large number of people, customers, share holders, members of societies and so on. They are circulated to the selected reader who has same and

common interest in the information. Because of their wide circulation, they should be drafted with great care, printed in bulk on attractive letter heads and sent on addresses obtained from specialized directories.

## **THE OBJECTIVE OF WRITING CIRCULAR LETTER:**

The objective of writing circular letter may be to market the product or idea, to inform the reader regarding change of business, place or policies, or to retain the reader or customer by keeping his interest alive.

### **Circular letters are written in case of:**

- (1) Opening of new branch.
- (2) Change in address of business premises.
- (3) Reduction in sales price.
- (4) Admission, retirement or death of a partner; etc.
- (5) Entering into joint venture with other companies.
- (6) Organization of seminar.
- (7) Obtaining an agency.

## **PRECAUTIONS MUST BE TAKEN FOR DRAFTING CIRCULAR:**

- (1) In drafting the circulars, following points should be considered: 1. Capture and arouse reader's interest in the opening paragraph.
- (2) Give the personal touch by writing in friendly tone and conversational style by addressing like Dear Shareholders, Dear Customer, Dear Sir, Dear Friend, etc.
- (3) Print the letter on attractive and quality paper with suitable letter heading.
- (4) Be precise but informative.
- (5) Use appropriate tone.



(6) Thank the reader for their trust and co-operation.

(7) Mention the main contents of the letter in first paragraph. For example, in case of change of address of premises, new address may be given in first paragraph. Similarly in case of introduction of new product, name of the new product should be mentioned in the opening paragraph.

(8) Explain the benefits and utilities of new premises, product or proposal to the customer and other parties.

(9) Ensure the readers your personal attention in future.

## **UNIT 4**

### **Bank correspondence**

#### **INTRODUCTION:**

Banks are indispensable part of present day business and commerce. Their paramount importance is felt in every nook and corner of the world because of their dealing in money the life blood of economic activities.

## **FUNCTION OF BANK:**

### **1. Accepting:**

Accepting people's surplus money through various deposits like saving bank, fixed deposits, recurring deposits, etc.

### **2. Leading money:**

Leading money in the form of various advances like overdrafts, cash credit, loans, etc. Against hypothecation of documents of titles to property, goods, life insurance policy, etc.

### **3. Collection:**

Collection of customer's cheques, bills, dividends, etc.

### **4. Honoring:**

Honoring customer's cheques.

### **5. Guarantee:**

Opening letter of credit on behalf of customer to provide guarantee for payment to exporter.

### **6. Standing order:**

Paying insurance premiums, telephone or electricity bills on standing order of customer, etc.

### **7. Transferring money:**

Transferring money from one place to another, etc.

## **CORRESPONDANCE WITH BANK (OR) BANK CORRESPONDANCE:**

A business house has to correspond with bank for opening account, procuring various loans or credit, opening letter of credit, stopping bank from making payment of particular cheque etc. Most of the correspondence with banks is on form letter with blank spaces left. These save time and energy besides filling the form letters forwarding letters are to be attached with them.

### **While writing with bank following points should be specially considered:**

#### **1. Brevity:**

The letters should be brief and to the point. There should not be any irrelevant matter in the correspondence.

#### **2. Clarity:**

The letters written to bank should be clear and complete. They should convey the message in simple and clear language.

#### **3. Accuracy:**

The letters written to bank should carefully worded to be accurate in figures, dates, names of parties.

#### **4. Tactfulness and courteousness:**

Attempt should made to maintain good relations with bank. For this, language of the letters should be polite and courteous.

## **Banks required documents to be furnished in the following situation:**

### **1. For opening account:**

For opening account, the businessman should furnish the letter of introduction opened in the account holder of bank and his specimen signature.

### **2. Letter asking to stop payment of a cheque:**

In case of letter asking to stop payment of a cheque; the no, date, amount and the name of party in whose favour the cheque was written, should to be stated.

### **3. Cancellation of draft:**

In case of cancellation of draft, the forwarding letter should clearly state the amount, date, no., party's name in whose favour the draft was written and the place (at which draft was to be encased). Along with these particulars, the customer should also state the mode of receipt like crediting the proceeds to his bank a/c no. ....

### **4. Cancellation of fixed deposit:**

In case of application of fixed deposit before maturity, the customer should state his fixed deposits no. ..., the principal amount and the date. With forwarding letter he should annex original F.D., and the relative receipt duly signed by him.

### **5. Application for loan:**

In case of application for loan--printed application form with required documents complete in all respect should be submitted.

### **6. For opening letter of credit:**

For opening letter of credit -the customer should state the name of the exporter in whose favour L/C is to be opened the name of the advising bank, the amount of L/C, and the required documents that exporter should hand over against L/C.

### **7. For asking bank to issue cheque book:**

For asking bank to issue cheque book - the customer should state the reasons for procuring fresh cheque book. The reason may be either previous cheque book has been exhausted or has been lost.

### **8. For writing letter to bank regarding instruction for transfer of funds:**

For writing letter to bank regarding instruction for transfer of funds from one account to another-the customer should ask bank to transfer a specified amount from his or her account to another account.

### **(1) Specimen letter for opening a current account by public company (In Block Format).**

**Amrita Furnishing Limited,**

**87, Medavakkam Tank Road, Kilpauk, Chennai-600010.**

**Date:** April 10, 20...

**To**

The chief manager,

State Bank of India,  
78, New Avadi Road, Kilpauk,  
Chennai-600010.

**Dear Sir,**

We would be thankful to you if a current account in the name of Amrita Furnishing Limited be opened in this branch. For this, we are enclosing here with the following documents along with application form duly filled in and also signed by the introducer Mr. Ashok Aggarwal having account in your bank:

- (1) Certificate of Incorporation.
- (2) Certificate of Commencement of Business.
- (3) Copy of Memorandum and Article of Association.
- (4) Certified copy of resolution of board of directors authorizing Mr. Anil Sundram, Managing Director to operate the account. We are depositing RS. 20,000 as initial deposit. Kindly accept this deposit and open a current account in the name of the company. Please also issue us a cheque book of 100 leaves.

**Yours faithfully,**

Anil Sundram

Managing Director.

**(2) Specimen letter for opening a saving bank account by a sole trader (In Block Format)**

**Sudarshan Traders**

**34, Lakshmi Talkies Road, Shenoy Nager, Chennai-600030**

**Date:** Aug. 17, 20....

**To**

The Manager,  
Oriental Bank of Commerce,  
G.S.T. road, Tambaram West,  
Chennai-600045.

**Dear Sir,**

Please open a saving bank account in the name of Sundarshan Traders in your books and supply me with cheque book of 50 leafs and a pass book.

I hereby declare that I am sole proprietor of the business. All cheques, orders and communication in connection with this account will be signed by me.

With this letter, I am enclosing herewith (1) application form with signature of Mr. Rajinder pal having account in your bank (2) three recent passport size photos of mine.

Thank you.

**Yours faithfully,**

A.K. Sudarshan.



**(3) Specimen letter for stopping payment of cheque (In Block Format):**

**A.F. Chemicals**  
**Model Town, Ambala**

**Date:** April 16, 20...

**To**

The Manager,  
Punjab National Bank,  
Model Town Branch,  
Ambala.

**Sir,**

Kindly stop payment of cheque no. AX 38647 for Rs. 2000 dated April 18, 20...., issued in favor of Mr. Ramesh Gupta.

Incidental charges of Rs. 20 may be debited to my current A/C No. 5171

**Sincerely,**

Ratan Arora

Proprietor.

**(4) Specimen letter applying for vehicle loan (In Block Format):**

**Padmani Furniture House**

**8, Poonamallee H. Road, Kilpauk, Chennai-600010.**

**Date:** September 12, 20...

**To**

The Manager,

State Bank of India,

A-4, Srinivasapuram,

Chennai-600041;

**Sir,**

It is submitted that I want to purchase maruti 1000 van costing Rs.3, 75,000 in the name of my business concern M/S Padmani Furniture House, Chennai. For this, I request you to sanction a loan for Rs. 2, 75,000. The difference between the total costs of vehicle and the amount of loan, Rs. 1, 00,000 is already lying in firm's saving bank a/c No. 43567862049.

As per terms and conditions of loan, I agree that bank will charge interest @ 10 p.a. calculated quarterly and will exercise lien on the documents of title of the vehicle.

With this letter, I am enclosing loan application form, letter of hypothecation and a letter of guarantee as collateral security. Please sanction the loan and remit a draft of Rs. 3, 75,000 in favor of M/S Duggal Motors, the authorized dealer.

Thank you.

**Sincerely yours,**

For Padmani Furniture,

T.R. Ramesh

Proprietor.

## **Import-Export Correspondence**

### **INTRODUCTION:**

No nation in the world is- sufficient and self-dependent to all the needs of its inhabitants. It has to buy or import the goods and services from other countries and export or sell its surplus products to the nations needing those.

### **IMPORTANT TERMS AND DOCUMENTS:**

#### **1. Free Alongside ship (F.A.S ),:**

A price quoted F.A.S includes cost and expenses up to bringing the goods to the ship. The cost of actual loading is to be borne by the buyer.

## **2. Free on Board(F.O.B):**

A price quoted F.O.B implies that expenses up to bringing the goods on the ship are to be borne by the seller.

## **3. Cost Insurance, freight (C.I.F):**

A price quoted C.I.F includes the cost of the goods freight and insurance expenses up to the port of the importer.

## **4. Franco:**

A price quoted includes cost, insurance, freight and expenses up to place (god own) of the buyer. This price includes C.I.F plus import duty plus conveyance charges from port to the place of the buyer.

## **5. Bill of entry:**

A form used by importer for declaring about goods (Free goods Dutiable Goods or Bonded warehouse goods) entering the port for the purpose of facilitating custom authorities to levy appropriate import duties.

## **6. Marine Insurance Policy:**

A contract with insurance company regarding insurance against marine hazards.

## IMPORT FORMALITIES:

Subject to restrictions and conditions laid down in the prevalent Import-Export Policy goods from other countries can be imported either directly or through institutional agencies

- A. Demands quotations regarding prices and other terms and conditions.
- B. Places orders after receiving replies to his enquiries.
- C. Receives invoice from exporter that states the amount payable.
- D. Arranges letter of credit from bank that guarantees payment.
- E. Advises shipping agents to clear the goods on production of documents like bill of lading shipping bill, marine Policy, etc.

## EXPORT FORMALITIES:

Like imports exports, can be direct or through intermediate agency. As sending through intermediate means losing profit margin as well as export incentives (like income tax exemption duty back, etc.), exporters try to make their own contacts for exporting directly.

- A. Reply to enquiries of importers by sending them quotations on invoice.
- B. Send pro formas like packing list, Pro forma invoice and ask the importer to arrange payment for the consignments.
- C. Procure finance from bank against letter of credit
- D. Arrange shipping agent for packing, custom clearance and shipment of goods
- E. Intimate the importer regarding dispatch of goods along with sending them documents for clearance-marine policy, bill of lading, shipping bill, etc.

## TERMS OF PAYMENT:

1. In import- export business, there is very high risk of either non-payment or non-delivery of goods. It is essential that both the parties should carefully settle the payment clause. Usually payment can be made in advance, against documentary bills or letter of credit
2. There are two types of payments under documentary bills: Document against payment (D/P) and Documents against Acceptance (D/A). Under D/P bills, the exporter's bank will send the documents to its branch in the importer's country which will deliver the documents to the importer as payment of bill.
3. In case of D/A bills, the risk is greater as importer has already taken possession of the goods. If he fails to make payment on due date of bill, the exporter has no choice except to file civil suit which is very costly and time consuming.
4. Letter of credit is other way of arranging payment. Under L/C importer's bank undertakes to pay the amount to the exporter. L/C may be revocable or irrevocable.
5. UN revocable letter of credit, the importer's bank opens a credit with expressly stating that credit can be revoked at any time without the consent or notice of the exporter. Thus revocable L/C does not protect the interest of the exporter who may find at last moment of after shipment that credit has been revoked. Therefore irrevocable L/C is most secure.

### **(1) Specimen of a letter sending invoice of the goods ordered (In Block Format):**

**General wire Spring Company**  
**Mikensiee Road, California, U.S.**

**Date:** April 6, 20...

M/S Bharat Industries Limited,  
Thuraimangalam, Perambalur,  
Tamil Nadu 621212.

**Dear Sir,**

Please find invoice enclosed herewith for your order no. 312 dated march 15, 20... and make arrangement for the payment of \$ 3549.05 in advance. We shall send the goods ordered as soon as we receive the payment.

Thank you.

**Sincerely yours,**

Clive Higgs

Sales Executive.

**(2) Specimen for placing an import order (In Block Format):**

**Ashita Sports**

**Thillai Nagar, Tiruchirappalli, Tamil Nadu 620018**

**Date:** July 31, 20...

**To**

M/S Nikolson Limited,  
13, Peter Street, South Hall,  
London.

**Dear Sir,**

We feel pleasure to state that your terms and conditions mentioned in your letter dated July 15, 20... are acceptable to us.

We place the order of the following items:

2000 English Willow Sticks Type A

1000 English Willow Sticks Type B

Please send your invoice and other documents. For your payment, we are arranging irrevocable letter of credit payable at London.

**Sincerely yours,**

S.P. Babu

General Manager



## Job application and CVs

### POINT SHOULD BE CONSIDERED FOR GETTING JOB:

- (1) Job application letter.
- (2) Creative resume
- (3) Curriculum vitae.
- (4) Employment letters.

#### 1. JOB APPLICATION LETTER:

An application for a job is the first business letter an applicant has to write when he seeks a position in a company. Usually big business firms have printed application forms and the applicants have to fill them up when they apply for the job. But many times the candidates are directed to apply on a plain paper.

A job-application letter is written by the applicant to sell his services.

#### 2. RESUME:

A resume is a written summary of one's educational qualifications and experience. It usually includes one's career objective, employment record, and a summary of his formal education, references and other information such as awards, publications or any other item which will highlight his abilities.

## Format:

To enhance the look of resume.

- Print it on a good bond paper.
- Use a standard type face: Helvetica, Future, Optima, Times, Roman, New century School book, Courier or Bookman.
- Use 12 or 14 point type.
- Avoid italicizing or underlining words.
- Use plenty of white space.

## Layout of the resume:

### **A. Career objective or the position sought:**

The most important thing to mention in a resume is the position sought. The employer should be able to see at a glance the position the applicant would like and the job opportunities he likes for in a company. The title of the job, the applicant is applying for, should be clearly mentioned.

### **B. Work experience:**

This section should be very carefully written. It should not be a summary list of the places where the applicant has already worked. It should indicate the position of responsibility the applicant has had and the skills that he has gained through his work-experience.

### **C. Educational qualifications:**

For those persons who have recently graduated and do not have work experience, the education section of the resume is more important. Here the applicant should give specific details about his educational qualifications highlighting the training that qualifies him for the job.

## **D. References:**

The resume must contain references to two or three very important persons whom the prospective employer may contact if he wants detailed information about the applicant. The applicant must obtain permission from references before listing them in the resume. These references should be able to attest to the applicant's experience, record education and character.

## **3. CURRICULUM VITAE (CV):**

Like resume curriculum vitae is a document that contains a summary of listing of relevant job experience and education usually for the purpose of obtaining an interview for employment purposes.

## **4. EMPLOYMENT LETTER:**

Employment letters include letters inviting candidates for written tests and interviews, informing them about the selection and offering appointment. It usually happens that for a single or limited post(s), the organization receives large number of applications. Out of them, candidates not fulfilling qualification are shunted out.

**In this section of employment letters, following letters are considered:**

- a.** Letters calling candidate for written test.
- b.** Interview letters.
- c.** Letters informing candidates about selection or rejection.

d. Appointment letters.

**(A) Letters calling candidate for written test:**

Letters are written to deserving candidates before they are called for the interviews. The purpose of these letters is to judge the knowledge and written communication skill of the candidate.

**While drafting letters calling for written test, following points should be considered:**

- The time, date and place of written test should be mentioned specifically.
- If possible distance of the place from the Railway Station or Bus Stand should be mentioned. Important nearby places like tourist spot, historical places or well-known shopping complex should be mentioned so that candidate may not find any difficulty to locate the place of written test.
- The candidate should be informed whether he or she is entitled to any T.A. or D.A.
- The Role Number Slip, with attested photograph of the candidate, should be dispatched with the letter.
- The letter should indicate the type of written test-objective type with multiple answers, or essay type questions.

**(B) Interview letter:**

After evaluation of written tests, deserving candidates are called for interview. The interview letter states the time and date when interview shall

take place and the authority before which the candidate is supposed to appear.

### **While drafting interview letter:**

- Be precise and specific.
- Use direct approach with clear message.
- Mention the time, date and place of interview.
- Name the office and authority before whom the candidate is supposed to appear.
- State clearly that the candidate is required to submit his/her certificates and testimonials in original at the time of interview.
- Inform the candidate whether he/she is entitled for any T.A. or D.A.

### **(C) Letters informing candidates about selection or rejection:**

After the interview, successful candidates are informed about their selection. Other candidates who were interviewed but could not succeed are also informed that the post has been filled so that they may not wait. Letter type or letter demonstrates common courtesy to convey positive image of the organization.

### **(D) Appointment letters:**

The appointment letters given by an employer are legal documents which act as proof of claim in case of disputes relating to seniority, pay scale, retirement benefits, gratuity etc. Therefore special care should be taken to design the appointment letters as the company is bound by conditions stated in it.

### **An appointment letter usually contains the following details:**

- Name of the person.

- Name of the post.
- Nature of employment: temporary, permanent, etc.
- Scale of pay and rate of increment.

E.g. Rs. 8,000—200—10,000—400—14,000—600—17,000 which means the starting basic pay is Rs. 8,000 per month; the annual increment being Rs. 200 till basic pay reaches Rs. 10,000, etc.

- Applicable allowance like D.A. (Dearness Allowance), C.C.A. (City Compensatory Allowance), H.R.A. (House Rent Allowance), T.A. (Travelling Allowance), etc.
- Service and retire mental benefits like provident fund, pension, gratuity, etc.
- Period of probation if the appointment is no probation.
- Period of notice required for termination by either side..

## UNIT 5

## Report writing

### MEANING OF BUSINESS REPORT:

A report means an account given or opinion formally expressed for specific purpose after proper inquiry, investigation and consideration of facts affecting the situation.

### DEFINITION:

According to Raymond V. Lesikar and John D. Pettit, "A business report is an orderly, objective communication of factual information that serves some business purpose."

### FEATURES OF BUSINESS REPORT:

#### 1. Orderly:

A business report is not a casual exchange of information, rather it is carefully planned, prepared and presented message.

#### 2. Objective:

Objectivity means freedom from personal prejudices, presumptions and preconceived ideas.

#### 3. Communication:

Business report is one of the ways of communication that involves transmission of meaning and understanding.

#### **4. Factual information:**

One of the ingredients of business report is factual information, events, records and other forms of data communicated in the course of business.

#### **5. Business purpose:**

A business report always serves some specific and significant business purpose. They are not designed for the sake of writing.

### **TYPES OF REPORTS:**

#### **1. On the basis of legal requirement:**

Statutory reports are the reports required to be prepared and presented according to legal procedures. Under section 165 of the companies act, statutory report is to be prepared after holding statutory meeting within six months of the incorporation of the company.

#### **2. On the basis of formality:**

##### **The formal structure of business reports includes:**

##### **(a) Prefatory parts:**

Title, letters or reference of authorization acknowledgements, context, etc.

##### **(b) Body:**

Introduction, text, summary of findings, recommendations, etc.

##### **(c) Supplemental:**



Appendix, bibliography, index.

### **3. On the basis of frequency:**

On the basis of frequency, reports may be routine or special reports. Routine reports are reports structured and submitted at regular intervals (year, half-year, quarter, month, fortnight, week or day) examples of such reports include annual report, auditor's report, monthly sales statements, etc.

Special reports are reports concerned with single or special situation, for example, management's report on strike of labour, feasibility reports, etc.

### **4. On the basis of functions:**

On the basis of functions, business report may be informational or analytical reports. The information reports merely present the facts and summary without analyzing, interpreting and making recommendations.

The analytical reports present facts after their analysis and interpretation, and make recommendations if any.

### **5. On the basis of subject matter:**

On the basis of subject matter business reports may be marketing report, accounting report, production report etc.

### **6. On the basis of length:**

- (a) On the basis of length reports may be short or long. Short report are (a) written in lesser formal coherence plans.
- (b) Addressed more with personal touch.

(c) Presented with lesser introductory material.

On the other hand long reports are structured in formal style of writing.

## **7. On the basis of writers:**

On the basis of writers of report, business reports may be:

(A) Individual reports.

(B) Committee reports.

Individual reports are reports submitted by individuals like auditor, works manager, company secretary etc.

## **IMPORTANCE OF REPORTS:**

- (1) These recommendations are the most expert advices, which enable management to take sound decisions and prompt actions.
- (2) Investigational reports provide detailed analysis and highlight the factual and real information, which can act as basis for planning and controlling.
- (3) Committee reports facilitate solving complex and complicated problems through the mature, impartial and combined judgment of expert members.
- (4) Progress reports act as control devices for taking corrective actions to ensure successful implementation of plans and policies.

## **ESSENTIAL OF GOOD BUSINESS REPORT:**

### **1. Clarity:**

The business report should be entirely clear and completely understandable. This is possible if the author of the report has clear purpose and thought in his mind.

## **2. Consistency:**

The business report should be consistent with the purpose of writing. The various stages in report writing like enquiry and collection of facts, their analysis and interpretation and recommendations should flow towards the main theme.

## **3. User oriented:**

Report is basically meant for the reader, not for the writer himself. If the words, symbols and sentences used in report are beyond the reader's mental filter, the purpose of writing report will be defeated.

## **4. Objectivity:**

There should be objectivity in observation, collection of related facts and writing of report.

## **5. Accuracy:**

Accuracy of facts and figures is imperative for report, whether routine or non-routine, statutory or non-statutory. A misstatement of facts in statutory report results in heavy penalty under law.

## **6. Brevity:**

The report should be made brief to save the reader's time and to retain the attention. Unnecessary details, irrelevant facts and needless repetition of the same idea should be avoided.

## **7. Interesting:**

The business report should not only be informative and illuminating, but also be interesting to the reader.

### **8. Relevant:**

The report should be relevant for the user in making decisions or taking corrective action. It should not be just post-mortem analysis for the sake of finding the causes, rather it should be futurist in its approach.

### **9. TONE:**

The tone of the report is more formal than the tone for business letters or memos. It is customary to write the report in impersonal third person except when the report accounts for any eyewitness.

## **STEPS OR STAGES IN BUSINESS REPORT WRITING:**

- (1) Prewriting stage.
- (2) Writing stage.
- (3) Rewriting stage.

### **1. PREWRITING STAGE:**

**In the prewriting stage, following steps should be followed:**

- Establish the purpose of your writing report.
- Determine the intended readers of your report whether top or middle level management, general public, workers, etc.
- Narrow down the subject to a few listed topics in the light of the purpose of the report.
- Collect the background research material from libraries, industrial and government data on the relevant subject.

- Obtain information on the topic under study by:
  - (a) Making personal observations,
  - (b) Interviewing the concerned parties,
  - (c) Asking and helping various concerned persons to fill up the (pre-designed) questionnaire.

## 2. WRITING STAGE:

After gaining and gathering the relevant information to be presented, next step involves outlining and organizing the matter in logical sequence to write the first draft of the report. Business report may be short, written in letter or memo form, or long. The short report is written in informal way whereas long report is prepared and presented in formal structure.

**Usually the short report is written in the following outline structure:**

- (a) Subject and purpose of the report.
- (b) Data and its sources.
- (c) Methods of study.
- (d) Findings and conclusions.
- (e) Recommendations.

**The long report has the following contents:**

**(a) Title page:**

Title page contains all the identifying information—title of the report, name of the company recipient, date and name of the writer.

**(b) Letter of authorization:**

Letter of authorization from the person authorizing to prepare the report.

**(c) Table of contents:**

Table of contents contains the lists of all topics and tables, with their corresponding page number in the report.

**(d) Introduction:**

Introduction describes the purpose of writing report, methods and sources of collecting data, definitions, etc.

**(e) Body:**

Body contains the major finding of the study written under suitable heading and sub-headings, graphic and pictorial presentations to show the point, etc.

**(f) Conclusions:**

Conclusions highlight the findings in summarized form for easy and quick understanding of the report, even by skipping its body.

**(g) Recommendations:**

Recommendations enumerate the further actions to be taken by the concerned authorities to rectify the situation.

**(h) Bibliography:**

Bibliography lists also sources used in writing report: list of persons interviewed or corresponded, and already written references like other reports, articles, documents etc., consulted.

**(i) Appendices:**

Appendices contain the information that supports the data in the body like charts, questionnaires, photographs, etc.

### **3. REWRITING STAGE:**

The third stage of writing business report is rewriting stage that involves reviewing, revising and recopying the matter already written.

#### **For this, the following points must be kept in mind:**

- (a)** Is the report coherent with the overall purpose and selective objectives of its writing?
- (b)** Is the information presented completely? Does the reader need more data to understand the situation?
- (c)** Is the matter written concisely by elimination of unnecessary words and phrases?
- (d)** Will the language of the report be clear to the intended reader? Are technical terms defined sufficiently and vague impression avoided?
- (e)** Are the facts and figures recorded correctly? Are facts and opinions differentiated? Are they objective, unbiased and impartial? Not only are they accurate and true but also are they free from grammatical and spelling errors?
- (f)** Is the report written in a courteous way? Is it free from personal attack and unparliamentarily language?

Before final draft is presented the report should be carefully proofread and ruthlessly edited in the light of above questions.

### **STYLE MEANING:**

In context to report writing, style refers to arrangement of meaningful words into useful sentences to make the text logical as well as appealing to the

reader. Like characters of different individuals, styles always differ. There is no universal style, there are unique styles.

## **WRITE THE SHORT NOTE ON**

### **1. Progress reports:**

Progress reports are prepared and presented to show progress, accomplishments or activities over a time. These reports are submitted either periodically or on special occasions by subordinates to superiors.

### **2. Confidential reports:**

Confidential reports are prepared by the immediate boss for submission to the higher authorities to evaluate the periodical performance of the subordinates.

### **3. Technical reports:**

Technical reports are reports prepared by technical experts in a specific technical area. As these reports are meant only for technical persons a lay man cannot interpret them.

### **4. Directors' reports:**

The directors of the company prepare report at the end of every financial year, to disclose the information with respect to:

- (a) The state of company's affairs.
- (b) The financial results during the year.
- (c) The amount, they recommend as dividend.
- (d) The material changes during the years, which affect the financial results of the company.



(e) The conservation of energy, technology absorption, foreign exchange earnings and other matters in such manner as may be prescribed under company law or legal rules.

### **5. Auditor's reports:**

The auditor shall make a report to the members/shareholders of the company on the balance sheet and profit & loss account and the documents annexed with them. In his report, he shall state whether in his opinion and to the best of his information and explanations, the accounts give a true and fair view of the balance sheet and profit & loss account or not.

### **6. Press report:**

Press reports are written to inform the public through media about the important events occurring within a company, like change of managing director, expansion of existing project, entering into joint ventures with foreign collaborations, mergers and takeover, etc. They publicize the company and create positive impression in the minds of the readers.

### **7. Market reports:**

Market reports are reports that convey the activities of the market. These reports are published in the form of news in the various daily newspapers. These reports may relate to stock market, money market, bullion market or commodity market. The stock market reports highlight the news relating to the transactions and tend in stock exchange. The money market reports deal with monetary transaction in the money market during a certain period. The bullion market reports inform trends in precious metals like gold and silver. The commodity market reports are concerned with food grain, cotton, oilseeds and other commodities.

## **STRUCTURE OF REPORT:**

Reports as a means of gaining and giving information may assume numerous structural forms depending upon the customs and convenience.

## **SHORT REPORT:**

### **The structure of short reports usually contains:**

- (a) Terms of reference.
- (b) Methodology of collection of information.
- (c) Findings and interpretations.
- (d) Recommendations.

## **LONG REPORT:**

The structure of long reports should be designed in the following way:

### **Prefatory part:**

1. Cover.
2. Title page.
3. Authorization letter.
4. Forwarding letter/transmittal.
5. Preface.
6. Forward.
7. Acknowledgement.
8. Table of contents.
9. List of illustrations.
10. Executive summary.

## **Main body:**

1. Introduction.
2. Analysis and descriptions.
3. Conclusions.
4. Recommendations.

## **Back matter:**

1. Appendices.
2. References.
3. Bibliography.
4. Glossary.
5. Index.

## **PREFACTORY PART:**

### **1. Cover:**

Cover is the outer wrapping either of hard sheet or card which is done for the purpose of protecting the manuscript from damages and giving the report a nice appearance. They are mostly included solely for formality sake as the contents of the cover again appear.

### **2. Title page:**

Title page is the first right hand page of the report. It usually contains the same information and contents which appear on cover of the report.

### **3. Authorization letter:**

The authorization letter—a letter authorizing the researcher to begin the present findings—should be inserted in the report.

#### **4. Forwarding letter/transmittal:**

Mostly formal reports contain some form of personal communication from the writer to the reader in the form of letter of transmittal. This letter is necessary because the longer and formal reports can deprive the reader of understanding the subject-matter quickly.

#### **5. Preface:**

Preface is the preliminary message from the writer to the reader. It introduces the report to the reader by giving a brief account of the reasons to take up the study, important findings, its uses and problems encountered during the study.

#### **6. Forward:**

To enhance the grace and credibility of the report a forward by some expert or authority on the concerned subject is added. It is different from the preface.

#### **7. Acknowledgement:**

Acknowledgement contains author's expression of gratitude and indebtedness to the persons, institutions or team members who helped in preparation and presentation of report.

#### **8. Table of contents:**

Table of contents is a list of topics, along with pages, covered in the report.

#### **9. List of illustrations:**

If the report has a number of tables, charts, graphs, diagrams, a separate list of illustrations is given after the contents of table.

## **10. Executive summary:**

The executive summary—also called synopsis, digest or highlights of reports—concisely summarizes all the ingredients of the report.

## **MAIN BODY:**

### **1. Introduction:**

The purpose of the report's introduction is to introduce the subject matter to the reader and to orient him to the problem at hand.

### **2. Analysis and description:**

This part of the report deals with the collected data, analyses it and relates it to the problem.

### **3. Conclusions:**

After discussing the matter in the main part of the body, the writer states the outcomes of the report in the form of conclusions.

### **4. Recommendations:**

Usually research reports, investigation reports and market reports contain recommendatory part that specifies a course of action to be taken. This is solely based upon writer's interpretations derived from the conclusions of the report.

## **BACK MATTER:**

## **1. Appendix:**

All supportive materials and documents—questionnaire, detailed data, news-clippings, pictures, (sometimes) definition for certain terms, etc—are presented in this part of report under the head Appendices/ Appendix.

## **2. References:**

If the writer has quoted and referred to certain books, articles, reports and other unpublished material, he should give credit to those works by citing such works.

## **3. Bibliography:**

Bibliography is alphabetically ordered list of publications and unpublished works which the writer has consulted before or during the preparation of the report. It is different from references.

