

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS  
Cambridge International Diploma in Business  
Standard Level

**EFFECTIVE BUSINESS COMMUNICATION**

**5162/01**

Core Module

May 2005

**2 hours 15 minutes**

Additional Materials: Answer Booklet/Paper  
Graph Paper

**READ THESE INSTRUCTIONS FIRST**

The time allocated for this examination includes 15 minutes reading time.  
Write your Centre number, candidate number and name on all the work you hand in.  
Write in dark blue or black pen.  
You may use a soft pencil for any diagrams, graphs or rough working.  
Do not use staples, paper clips, highlighters, glue or correction fluid.

Attempt **all** tasks.  
Start each task on a new piece of paper.  
Please leave a margin on the right and left hand side of each new page.  
At the end of the examination, fasten all your work securely together, in the correct order.  
The number of marks is given in brackets [ ] at the end of each question or part question.

This document consists of **4** printed pages.

**You must read the case study below and attempt all the tasks which follow.**

[The following case study is based on a real company but some information is fictitious]

### **W. Moorcroft plc – Art Pottery**

W. Moorcroft plc is an internationally recognised UK company that produces handcrafted pieces of art pottery. William Moorcroft, the founder of the company, designed the first pieces of Moorcroft pottery in 1897 at the age of 24.

The company won ‘Gold Awards’ for the quality of its products at international exhibitions in 1904, 1910 and 1925. In 1928, Queen Mary awarded the company the desirable status of official suppliers to Her Majesty the Queen. Examples of its designs, from the 1890s to the present day, can be found in museums throughout the world, including the Victoria and Albert Museum in London. 5

### **The Product Range**

The recent implementation of a dynamic marketing plan ensures that there is now a full range of hand crafted products: Moorcroft pottery giftware and table lamps, Moorcroft enamels (decorated enamel boxes or other shaped items), and Cobridge Stoneware (which is a different type of decorated pottery). Attention to detail and ultimate quality are very important, as each piece is hand-made and decorated using a mixture of traditional and technologically advanced methods. A range of limited and numbered editions is processed, as well as the standard lines. Design is the key to this type of pottery and, therefore, the company uses new, young and very talented designers to produce new ranges on a regular basis. The prices per piece range from \$45<sup>1</sup> to \$3,000, with many pieces in the \$400-\$500 range. As each piece of pottery is made, the word ‘MOORCROFT’ is impressed into the clay together with symbols, denoting the year of manufacture and decorator’s marks. The people who collect Moorcroft Pottery look for these marks to enable them to collect a particular decorator’s and designer’s work. 10 15 20

### **Customers**

Moorcroft sells to the following target audiences:

#### **Trade Customers**

- Major trade buyers and decision makers, such as major department stores – e.g. Liberty of London 25
- International dealerships e.g. Tokyo, New York, New Zealand

#### **Other Customers**

- Moorcroft collectors of certain ages with a higher level of income
- Moorcroft collectors from certain countries 30
- General pottery collectors
- Antique pottery collectors
- Customers looking for giftware or special occasion purchases

Part of the marketing effort is to develop and maintain a collectors’ club of current and potential customers. 35

**This case is based on a live organisation, with kind permission from Moorcroft Plc. However, the tasks which follow do not represent in any way the strategies of this organisation.**

<sup>1</sup> The dollar referred to in this text is the US Dollar [US\$]

**You must attempt ALL of the following tasks.**

- 1 You work for Moorcroft and are very concerned about the level of complaints which have been received about a certain range of pottery. You are considering the best method to respond to each customer's complaint.
- (a) State the effectiveness of using the following methods:
- (i) telephone call to the customer from the customer complaints department [3]
  - (ii) email to the customer [3]
- (b) You need to tell the staff within Moorcroft about the levels of complaints and returns. Identify the most appropriate method(s) of communication you should use to do this. Give reasons for your choice. [6]
- (c) Identify **four** potential key problems which the company could face because of the lack of communication with each of the following:
- (i) international customers [4]
  - (ii) design staff within Moorcroft [4]
- [Total: 20]**
- 2 Your manager has decided that you should gain more experience in communicating externally and internally.
- (a) Write a letter to be sent to all customers on the database. The letter is intended to promote a collectors' club and the new range of speciality pottery. You can 'create' any details that you think are necessary. [12]
- (b) Your manager is writing a report which explains the potential benefits of the new collectors' club.
- (i) Identify **three** essential elements of a report. [4]
  - (ii) Explain **two** advantages of using a report for this communication. [4]
- [Total: 20]**
- 3 There is low morale within the workforce at Moorcroft and increasing numbers of staff are taking time off sick. You have decided to set up a group of staff to consider these problems.
- (a) Identify and briefly explain **three** advantages of using a group to try to solve problems. [6]
- (b) You have decided to run regular meetings to try to improve the morale problem. Identify **four** characteristics of successful meetings. [8]
- (c) Explain the importance of **both** verbal and non-verbal communication in a group meeting. [6]
- [Total: 20]**

- 4 Moorcroft plc needs to recruit two new design staff from the local University.
- (a) Explain **four** purposes of a recruitment interview. [4]
  - (b) Explain what you will need to prepare for in these interviews. [8]
  - (c) Briefly explain open and closed questions which could be used at these interviews and give **one** example for **each** type of question. [8]
- [Total: 20]**
- 5 Your manager is preparing data to present the last five years' sales figures and he is also preparing an organisational chart for Moorcroft.
- (a) Explain what is meant by a line graph, and explain **two** advantages of using this type of graph to present data. [6]
  - (b) Explain **two** advantages of presenting data in a pie chart. [6]
  - (c) Explain the purposes of an organisational chart. [8]
- [Total: 20]**

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