

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

**EFFECTIVE BUSINESS COMMUNICATION**

**5162/01**

Core Module

May 2006

**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.]

### **Business Coaching Consultancy - 'Lane 5'**

Coaching in business skills has never been more popular. Almost eight out of ten organizations now use it as a development tool. Companies use coaching for three vital business reasons: to improve individual performance, to consider underperformance and to improve productivity. However, many people do not realise that the concepts of business coaching comes from the sports coaching arena. 5

The rapid growth of business coaching is in part due to the fact that companies are asking people to work at 95% of their capacity, each and every day, and yet expect them to be more productive. However, because the managers do not understand performance, employees demonstrate absenteeism and the number of dismissals are on the rise. Employees do not perform because, ultimately, the demands placed on them are unrealistic. 10

An Olympic gold medallist, Pierre Hoy, founded the performance coaching consultancy company 'Lane 5' in 2003. "We teach the top performers in the workplace what elite athletes know about performance", said Managing Director Pierre Hoy. Topics taught include goal-setting, handling pressure and techniques to stay focused.

Pierre Hoy has worked extensively with the financial services industry in Hong Kong and China, and he argues that getting to the top is not simply a case of knowing more about banking or insurance. What makes a difference to personal performance are the employees' psychological qualities and their behavioural aspects. If someone with the wrong attitude runs an insurance company, then they are not going to lead people well. They may need to change their behaviour in order to stay strong under pressure. This is essentially the basis on which Hoy's consultancy has been developed. 15 20

The small consultancy owned by Hoy is based in Hong Kong and has been successful in attracting business from Chinese financial companies which are determined to be successful and build a strong workforce. Pierre Hoy wants to gain some new business in Singapore and Sri Lanka, where market research has shown him that there is likely to be a large demand for the consultancy services which he offers. There are six people in the consultancy and it seems clear that this workforce must expand in order to secure new business. 25

The consultancy opened in 2003 and the increase in sales during the three years since then is shown in Table 1 below:

Table 1 – Financial Figures for 'Lane 5'

	Hong Kong			China		
	2003 (US \$)	2004 (US \$)	2005 (US \$)	2003 (US \$)	2004 (US \$)	2005 (US \$)
<b>Turnover</b>	280 891	310 354	330 145	390 112	420 234	530 456

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

- 1 Pierre has asked you to prepare a paper to send to all the members of staff in the consultancy. The paper needs to focus on the following issues:
- (a) Explain **three** important issues which need to be considered when deciding the best methods of communication with employees within 'Lane 5'. [6]
  - (b) Explain **two** methods of one-way communication and **two** methods of two-way communication, which could be used to ensure that all staff know about the plans to target Singapore and Sri Lanka. [8]
  - (c) Identify and explain **three** different methods of evaluating the effectiveness of communications. [6]
- [Total: 20]**
- 2 'Lane 5' has been invited to give a presentation to a potential customer who is a major retail bank in Sri Lanka.
- (a) Write a letter from Pierre Hoy, accepting the invitation to give a presentation to the bank. You can create any details necessary. [12]
  - (b) Write a memo from Pierre Hoy, telling the 'Lane 5' employees that they will need to prepare a presentation for a potential new client to try to secure new business. [8]
- [Total: 20]**
- 3 Pierre has decided to introduce weekly team meetings for all employees within the company, to keep them updated about the plans to target banking and financial businesses in Singapore and Sri Lanka.
- (a) Draw up the agenda for the first meeting, giving all information which will be required. [10]
  - (b) Explain the roles of formal and informal communications within the company and how this may influence the effectiveness of the workforce. [10]
- [Total: 20]**
- 4 Pierre Hoy has instructed you to conduct the interviews for two new consultant posts, which have just been advertised.
- (a) Define **two** purposes of a recruitment interview. [4]
  - (b) This is the first time you have carried out recruitment interviews. Write a set of guidelines to plan for the interviews for the two new consultants. [10]
  - (c) List **three** other types of interview which could be conducted in a small company such as this. [6]
- [Total: 20]**

5 In preparation for the interviews, Pierre wants to be able to give each applicant information about the sales for Hong Kong and China for the last two years.

(a) Pierre has asked you to prepare the data in Table 1 and present it as a bar chart for **2004 and 2005** only. [10]

(b) List **three** issues which you need to consider when producing data as a visual aid. [4]

(c) Briefly explain the following:

(i) pie charts;

(ii) line graphs.

[6]  
[Total: 20]

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