



**EFFECTIVE BUSINESS COMMUNICATION**

5162/01

Core Module

October 2011

**2 hours plus 15 minutes' reading time**

Additional Materials: Answer Booklet/Paper

**READ THESE INSTRUCTIONS FIRST**



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.**

(This case study is fictitious.)

### **The Fairtrade Company**

The Fairtrade Company (TFC) designs and sells stylish and well made fair trade clothing, accessories, jewellery, kitchen and home-ware products to outlets all over the world. The company provides work and training for their production team in India and Zimbabwe.

The head office of TFC is based in Nairobi. The Managing Director, Ben Chima says the company's success is largely due to two business objectives: making a profit and satisfying the demands of their customers. The company pays a good wage to their employees but is also required to make an acceptable profit for its shareholders. The finance department constantly analyses costs and its break-even situation. The various documents supporting the financial records are very carefully maintained. A shareholders' meeting is held twice a year and a financial presentation is made there of the company's accounts which includes sales and production figures.

The company sells products worldwide and operates on a 24 hour/seven days a week basis. At the head office TFC employs several hundred people in a number of departments including warehouse, administration, IT and call centre. The sales representatives are based in a number of countries and very rarely go into the head office. Customers can either order via telephone, sales representative or the TFC website. The website has been a tremendous success for sales. Ben Chima wishes to expand the use of the website and include a staff intranet which the sales representatives and production team can access. This will enable staff to send and receive information, for example production and sales information.

TFC advertises in magazines and also uses press releases but is increasingly reliant on the website. The promotion aspect of its marketing mix largely depends on people discovering the company on the Internet. Ben Chima believes that people are now better educated about the need to assist developing communities to become self-sufficient. The market is also dictated by the products and the prices. Products can be bought as cheaply as \$15<sup>1</sup> and the larger home-ware items start at \$300. The company needs to maintain a good reputation for quality and level of service especially as many sales are now made over the Internet.

Ben Chima is going to advertise for an IT Technician who can link an intranet to the website to enable the sales representatives and production team to email and access other company information. This is going to be a huge cost to the company in terms of the purchase of computer equipment and the associated training. He realises that many of the staff in India and Zimbabwe are not computer trained and will not see the advantages of the intranet to themselves.

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<sup>1</sup> Quoted in US Dollars

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

**Where appropriate use information from the case study to support your answer.**

- 1 Ben Chima is very aware of the importance of communication both internally and externally.
- (a) Explain **four** reasons why it is important for TFC to communicate with its key stakeholders. [4 x 3 = 12]
- (b) Explain **four** reasons why it is important for TFC to use two-way communication during the implementation of the intranet. [4 x 2 = 8]  
[Total: 20]
- 2 Ben has decided that a meeting of the sales representatives should take place to explain and train them on the introduction of the intranet. The venue will be in Nairobi on the 12th of next month.
- (a) Write a letter to all the sales representatives requesting them to attend the meeting to discuss the introduction of the intranet. Use the case study to assist with this letter and make up content regarding time and venue. [12]
- (b) Ben Chima is going to introduce the intranet to all employees.
- (i) Explain what is meant by an intranet. [4]
- (ii) Identify **two** benefits to TFC of using the intranet to communicate to all employees. [2 x 2 = 4]  
[Total: 20]
- 3 Ben is preparing a six monthly financial presentation for the shareholders' meeting.
- (a) When planning the presentation for the shareholders' meeting, **list** what Ben will need to consider in terms of:
- (i) **verbal** communication [4 x 1 = 4]
- (ii) **non-verbal** communication [4 x 1 = 4]
- (b) The meeting for the sales representatives has been arranged. Explain **six** characteristics of a successful meeting. [6 x 2 = 12]  
[Total: 20]

- 4 Ben has decided to advertise for an IT Technician who can install the TFC intranet and train the staff.
- (a) Explain what is needed to plan for this type of recruitment/selection interview. [12]
- (b) Define the following types of business interviews.
- (i) Performance Appraisal Interviews [2]
  - (ii) Grievance Interviews [2]
  - (iii) Disciplinary Interviews [2]
  - (iv) Medical Interviews [2]
- [Total: 20]**
- 5 Ben needs to prepare financial reports for the shareholders' meeting.
- (a) Describe **three** types of graphical visual aid which Ben could use. Give **one** reason why each would be useful for presenting financial information. [3 x 4 = 12]
- (b) Give **two** examples of how technology could help Ben enhance visual communications for his presentation to the shareholders. [2 x 2 = 4]
- (c) Ben has to send out a report to all the shareholders before the meeting. List **four** headings which you would find in a business report. [4 x 1 = 4]
- [Total: 20]**