

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

**EFFECTIVE BUSINESS COMMUNICATIONS**

**5172/01**

Core Module

October 2006

**2 hours  
plus 15 minutes reading time**

Additional Materials: Answer Booklet/Paper  
Graph 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.**

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

### **Baby Plant Impact**

Baby Plant Impact is a small company, which was set up in 2003, trading in biotechnology products for plants. This company invents and launches about two new products a year. In 2004, they introduced their top selling product "Insect Juice". Prior to launch all products have to be researched thoroughly and a licence and patent has to be obtained. "Insect Juice" was successful in trials in the Middle East and the results indicated that the product was very effective in destroying all sorts of insects such as whitefly, spiders, aphids and others, as well as enhancing the plants' health. 5

The company's products have been developed for mass-produced crops such as wheat, cacao and others. The majority of sales are obtained from key business to business customers in Jordan, Greece and Yemen. However, due to the relaxation of international law, the company aims to break into the United States of America and Japanese markets. 10

Baby Plant Impact has a small number of employee shareholders: Peter Brian, is the Marketing Director, Guinan An is the Sales Director, Oi-Fan Wong is the Finance Director, Ian Motorman, is a non-executive Director and Maureen Kwong is the office manager. All the products are developed by the Chief scientist, David Ho, who previously worked for one of the world's leading biotechnology companies. Each shareholder put in an amount of equity to set up Baby Plant Impact. The company is located in laboratories and offices which are owned by the Singaporean Government and rented out to new start-up technology companies. The company does not need a manufacturing plant at the moment as it sub-contracts the manufacture and transportation of its products to another company, Kabby Science. 15  
20

Recently the company needed to gain more funds from venture capitalists in order to pay for further trials and developments. This was very difficult, as a new business plan and a presentation was given to each potential investor. The Sales Director, Guinan An, usually undertakes this role in securing future finance. However, the company also uses an investment company for introductions to investors. 25

Baby Plant Impact was very fortunate and won a prestigious government award for "Best new company" in 2005. The staff hope that this will help them to secure new sales and new funding but they are not sure how to communicate this success to their existing and potential customers.

Peter Brian feels that the company needs to recruit a new scientist and a new member of the office staff. The company currently only has six full-time members of staff and thus at busy times they feel very pressurised and cannot offer the customer service which they would like to. 30

A new product is just about to be launched called "Relaxing Plant Juice". This product aims to increase the yield of each crop. Currently there is often only a 10% success rate for plants produced from seeds because of what is known as "plant stress". Plant stress is due to extreme climates (i.e. scorching hot and very cold temperatures) and "Relaxing Plant Juice" allows the plant to flourish in these types of climate. 35

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

- 1 Peter Brian is worried that there have been some internal problems which have been caused because of poor communication.
- (a) Identify **four** key causes of poor internal communications. [4]
- (b) Describe **five** two-way methods of communication which could be used within the company. [10]
- (c) Explain why a business needs to understand the communication process. [6]
- [Total: 20]**
- 2 You have been asked to help to improve the communications with customers.
- (a) Write a letter to the company's trade customers about the new product called "Relaxing Plant Juice". The letter should detail the other products and the award which the company has won. You should try to ensure that there is some response from the customer. You can 'create' any information to help. [12]
- (b) Briefly explain to Peter Brian the benefits of the following types of communication which could be used with different customers or investors:
- (i) electronic mail [2]
- (ii) website [2]
- (iii) presentations [2]
- (iv) press releases [2]
- [Total: 20]**
- 3 The company needs to secure a new investor to inject new capital into the company.
- (a) Peter has called an internal meeting to discuss the issues about potential investors, and has asked you to chair this meeting.
- (i) Explain your role before the meeting. [5]
- (ii) Explain your role during the meeting. [5]
- (b) Explain to Peter Brian, **one** advantage and **one** disadvantage of meetings. [4]
- (c) During the meeting with potential investors, it appears that there is a problem with the following types of communication. Explain each of the following and give one example for each:
- (i) paralanguage
- (ii) metacommunications
- (iii) non-verbal communications [6]
- [Total: 20]**

- 4 During a full staff meeting, it appears that many of the staff are really concerned that they have not received a performance appraisal interview during their employment within the company.
- (a) Prepare **six** guidance points for the aspects of performance which should be discussed during a performance **appraisal** interview. [8]
- (b) Identify **four** features of a **general** business interview. [4]
- (c) Peter Brian has asked you to explain and give an example of **two** types of questions you may use for **both**
- (i) an **appraisal** interview, and [4]
- (ii) a **selection** interview. [4]
- [Total: 20]
- 5 Peter has asked you to analyse the data on sales for each country for the past two years, which is to be included in a report for a potential investors meeting next week.
- (a) Suggest and justify **four** different types of graph, which could be used to present sales information for the potential investors. [8]
- (b) Identify the **structure** and briefly indicate the **content** of the report for the Investors' meeting. [6]
- (c) Explain **three** ways a computer software package could improve the presentation of this graph in the report. [6]
- [Total: 20]

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