



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

**EFFECTIVE BUSINESS COMMUNICATIONS**

5172/01

Core Module

October 2007

**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 of the tasks which follow:**

(This case study is fictitious.)

### **THE GOALOA CORPORATION**

The Goaloa Corporation is well known for its involvement in a variety of industrial sectors, including agriculture and mining, with coal being one of its most important assets.

Goaloa has two large coalfields, which are close to two large cities. In the last ten years, the coal mining industry has suffered from a lack of investment. This has resulted in the coalfields losing competitiveness because they use outdated methods of mining. 5

The Goaloa Corporation currently employs some 40 000 miners and is the third largest employer in the area. The company was recently fortunate enough, despite some of the economic difficulties in the region, to gain industry grants that enabled it to start technological upgrading of the mines. Now that the upgrading of the Goaloa mines has begun, an unfortunate side effect has become evident, which is that the new technology will replace labour. 10

Goaloa has been given some grant money towards the cost of implementing the new technology but the rest must be found by Goaloa. This can only be achieved through the redundancy of 4000 miners, some ten per cent of the workforce. These redundancies will have a dramatic effect on the area as coal mining accounts for over one third of the employment.

John Yang, the Managing Director of Goaloa Corporation, is faced with a number of challenging situations, and has had to find effective ways of communicating to the workforce the changes that are going to take place and the impact it might have on them. 15

John is fully aware that the prospect of making 4000 employees redundant in the first phase of the technological implementation is only the start, and it is certainly going to be unpleasant. He is very conscious of this and is trying to create links with other business leaders from local employers and surrounding mines so that those miners who will lose jobs can go to a central point to find alternative jobs. 20

In fact John and some other employers have the idea of establishing a website called 'Job Search' that will enable the network of employers to advertise any potential jobs. In addition to this, the website will keep those being made redundant up-to-date on what is going on locally to help them in such difficult times, including financial packages, re-training and other such opportunities. This is quite a new idea, and those miners being made redundant will be able to access the Internet at a central point in the town free of charge. 25

John has a Human Resources Manager called Lee Chong. Lee is responsible for communicating and consulting with the workforce in order to keep them up-to-date with the changes, and enable them to give their opinions. He will also inform them on how the local 'Job Search' website will work. 30

The introduction of the new technologies is turning out to be quite demanding and John is starting to realise that he may need to recruit some new managers to deal with the implementation and management of the technology. 35

Lee Chong will be responsible for undertaking this recruitment as well as dealing with redundancy. Lee is now preparing to call an information sharing and communications meeting in the near future to start both the process of redundancy and recruitment.

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

- 1 Lee Chong, the Human Resources Manager, is very concerned about communicating effectively in order to avoid future difficulties.
- (a) Explain to Lee **four** consequences of poor communications at such a critical time. [8]
- (b) Identify and explain to Lee the **three** most appropriate methods for communicating news about the future redundancies. [6]
- (c) Explain the characteristics of verbal and non-verbal communication which will be important to Lee when communicating with staff in relation to the redundancies. [6]
- [Total: 20]**
- 2 You work for John Yang, the Managing Director, and he wishes to arrange a meeting with other business leaders in the region to discuss the plan for setting up the 'Job Search' website.
- (a) Draft a letter on behalf of John, inviting the business leaders to the meeting. Create all necessary details. [10]
- (b) The business leaders need to be informed of the benefits of setting up the 'Job Search' website.
- Explain to them **three** reasons why using the Internet to support the redundant miners is a good idea. [6]
- (c) Explain what is meant by an **Intranet** and identify **one** benefit to Lee of setting up an **Intranet** at this difficult time. [4]
- [Total: 20]**
- 3 (a) The issue of redundancy is bound to cause conflict within the workforce.
- Identify and explain **four** common causes of conflict that arise in working groups within organisations. [8]
- (b) Lee has asked you to help him prepare an agenda for the redundancy meetings.
- (i) Explain why it is important to draw up an agenda for a meeting. [3]
- (ii) Identify **three** standard items that are included in any meeting agenda. [3]
- (c) Because of the nature of the situation, John and Lee have decided that all future meetings must have a chairperson and secretary.
- In such meetings, explain the roles of:
- (i) the chairperson; [3]
- (ii) the secretary. [3]
- [Total: 20]**

- 4 Lee is responsible for recruiting new managers to implement the new technology systems and processes.
- (a) Explain the role of an employment interview. [4]
  - (b) Explain to Lee how he should prepare for the employment interviews. [10]
  - (c) Identify **three** different types of question Lee could use in his employment interviews and provide an example of **each** type of question. [6]
- [Total: 20]**
- 5 (a) John and Lee need to talk to the workforce about redundancies. Explain to John and Lee why it is important to use graphical forms of information to help them to communicate more effectively with employees. [4]
- (b) John is going to prepare an organisation chart for Lee to show where the new management will be in the organisation.
- Explain to John the differences between a flat organisational structure and a hierarchical organisational structure. [8]
- (c) Identify **four** different software packages that John and the other local business leaders could use to make their 'Job Search' website more attractive. [8]
- [Total: 20]**