



Directorate of Distance and Continuing Education

Manonmaniam Sundaranar University

Tirunelveli – 627012, Tamil Nadu.

B.A. ECONOMICS

(First Year)

Business Communication

(JFEC11)

Prepared by

Mr. M. Karuppasamy

Assistant Professor of Economics

Manonmaniam Sundaranar University

Tirunelveli – 627 012.

Subject Experts:

Dr. D. Amutha Associate Professor and Head Department of Economics S.T. Mary's College (Autonomous) Thoothukudi	Dr. C. A. Sham Shankar Associate Professor and Head Department of Economics ST. Hindu College Nagercoil
Dr. S. Sarasudevi Associate Professor Department of Economics Rani Anna Government College for Women Tirunelveli	Dr. V. Raja Rajeswari Associate Professor Department of Economics Sri KGS Arts College Srivaikundam, Thoothukudi District
Dr. M. Neeladevi Associate Professor Department of Economics V.O.C College Thoothukudi	Dr. P. Mary Thangam Assistant Professor Department of Economics Sarah Turker College (Autonomous) Tirunelveli
Dr. R. Rajan Babu Assistant Professor Department of Economics ST. Hindu College Nagercoil	Dr. V. Arockia Amuthan Assistant Professor Department of Economics Nazareth Margoschis College Pillaiyanmanai, Thoothukudi
Dr. S. Sasikumar Assistant Professor Department of Economics ST. Xavier's College (Autonomous) Palayamkottai, Tirunelveli	Dr. G. Gnana Elpinston Assistant Professor Department of Economics Nesamony Memorial Christian College Marthandam

Course Coordinator:

Dr. G. Monikanda Prasad

Course Material Compiled by:

Mr. M. Karuppasamy
Assistant Professor of Economics
Manonmaniam Sundaranar University
Tirunelveli – 627 012

BUSINESS COMMUNICATION

Course Objectives

- To know the meaning, objectives and role of Communication and Media
- To understand the need and importance of Communication in Management
- To acquire knowledge on Business letter
- To study the business correspondence with Insurance and other Organisation
- To understand the meaning and importance of Report Writing

UNIT	Contents
I	Communication Communication: Meaning and Definition - Objectives - Role of Communication – Process and Elements of Communication – Communication Networks-Types and Media of Communication– Barriers to Communication-Characteristics for Successful Communication
II	Communication in Management Management and Communication: Need and Importance of Communication in Management – Corporate Communication - Communication Training for Managers - Communication Structure in an Organization.
III	Business Letters Business Letter: Need –Functions–Kinds–Essentials of effective Business Letter - Language and Layout – Planning, Enquiries and Replies - Sales Letter - Orders, Tender and Notice - Complaints - Letter of Appointment.
IV	Correspondence Correspondence: Bank Correspondence – Insurance Correspondence– Agency Correspondence - Import-Export Correspondence
V	Report Writing Report Writing: Meaning and Importance - Purpose - Types of Business Reports - Characteristics of a Good Report - Report Preparation - Report by Individual and Committees - Agenda and Minutes of Meeting.

UNIT-I

COMMUNICATION

1.1 Communication:

In this age of globalization, the survival and progress of a business enterprise depend on the speed and efficiency of the communication. Every business organization therefore, sets up an effective communication network for both internal as well as external interactions. Internal communication is necessary for the flow of information from top to bottom and vice versa, which ensures perfect coordination, whereas external communication boosts up procurement and supply activities.

Communication involves two or more persons who exchange their views, ideas and plans by face to face interaction, such as in meetings or through media. In modern times the Information Technology (IT) has revolutionised the process of transmitting communication by making a variety of media available which are much faster and more effective than the older methods, such as letter writing or talking on classical telephone. Now people prefer to use smart phones, WhatsApp, Skype, Twitter, Facebook, Instagram etc. for communicating. These channels are internet based. The electronic mail (email) has replaced the classical letter-writing as it is not only much faster, but also provides the possibility of sending other documents as attachment files. Furthermore, if the same communication and documents are to be sent to many recipients, the copy (CC) of the mail can be sent to all by a click of the mouse.

1.2 Definition of communication.

Oxford English dictionary defines communication as “imparting or exchanging of information by speaking, writing, or using some other medium. ...The successful conveying or sharing of ideas and feelings.

According to *Keith Davis*, ‘The process of passing the information and understanding from one person to another.’

-T.S. Mathews. “Communication is something so simple and difficult that we can never put it in simple words”

-*Peter Little* defines the communication as follows: “Communication is the process by which information is transmitted between individuals and / or organizations so that an understanding response results.”

-Another very simple definition of 'communication' has been provided by *W.H. Newman and C.F. Sumner Jr*: “Communication is an exchange of facts, ideas, opinions, or emotions by two or more persons.”

1.3 Objectives of Business Communication

The objectives of business communication are manifold, including:

Facilitating decision-making: Effective communication helps employees, managers and other stakeholders share information and make informed decisions.

Building and maintaining relationships: Another key point is good communication. It helps to build and maintain positive relationships with customers, suppliers and other stakeholders.

Achieving organizational goals: Effective communication is essential for coordinating activities and achieving common goals within an organization.

Promote understanding: Business communication helps to promote understanding and clarity among employees and stakeholders, reducing confusion and misunderstandings.

1.4 Importance of business communication:

The following points show why business communication is absolutely essential for any organization.

- **Improving productivity:** Good communication can help to increase productivity by eliminating delays and confusion and by ensuring that employees have the information they need to do their jobs.
- **Managing change:** Effective communication is crucial for managing change within an organization, whether it is a change in management, a shift in business strategy, or a reorganization of the company.
- **Building trust and credibility:** By providing accurate, timely information and responding to stakeholders' inquiries and concerns, effective communication helps build trust and credibility among stakeholders.
- **Digitalization and globalization:** The business environment is becoming more digital as well as globalized. Companies are more likely to have employees, customers and vendors in

different countries, communicating across time zones and cultures. A good communication strategy can help to bridge cultural and language barriers and ensure smooth interactions between different parties.

- **Increasing productivity:** Effective communication can boost output by removing delays and confusion and ensuring that staff members know what is necessary to do their duties.

In short, effective business communication is crucial for the success of an organization. It is an essential tool for building and maintaining relationships, promoting understanding, improving productivity and achieving organizational goals.

1.5 Role of Communication in Business:

In order to get the most benefit, both in the personal and business environment, you need to incorporate effective communication in your routine.

a) Exchanging Information:

Communication is important to exchange information between two or more parties. Whether it is your client or your supplier and employees, you'll need to share information with them to keep them updated. It is not essential for information purposes only. Rather you also need it for getting the right thing done in the right manner.

b) Goal Achievement:

If you are working with a group of people or anyone other than you, you'll need to share your opinion and goals to ensure that everyone else is on the same page. Without synchronization of your goals, you cannot expect results to go in your favor.

c) Decision Making:

The decision making regarding the business is dependent on information that you would collect regarding the particular aspect of the business. How do you expect to collect this information and formulate strategy? You'll have to communicate with someone to collect information or discuss it for making strategies. Even if you think you can manage the process up till here on your own, you'll still need to communicate your decision to the others for implementation. So, there is no way out without realizing the role of communication in business.

d) Marketing Businesses:

Either you are selling a B2B product or a B2C product, you'll need to tell your customers about these products or services. This, in simple terms, is "marketing". It involves the communication of the right kind of message to the right audience. Without this communication, you cannot expect to sell your products or reach your audience in an effective manner. I.e. Branding is another important aspect.

1.6 Element or Process of Communication

Communication has been defined as follows:

- i) "a process consisting of a sender transmitting a message through media to receiver who responds" (Kottor, 1977)
- ii) "an act of establishing contact between a sender and a receiver, with the help of a message: the sender and receiver have some common experience which lends meaning to the message encoded and sent by the sender, and received and decoded by the receiver". (Schralmm, 1955)'. (Schralmm, 1955)'. (Schralmm, 1955)'

The above definitions indicate various elements in communication process such as sender, message, and receiver. The communication process model developed by Berlo (1960): clearly shows various elements in communication process. It is also known as "S-M-C-R" model of communication. The process of communication in more detail.

1.Sender: Sender is the person or the party from which a message originates under different scenarios a sender may have different status. Depending on the type of communication. Thus a communication starts from the sender. In the context of a business enterprise, an internal communication may originate from the director or the manager or the group leader. It may originate from the lower level of the hierarchy such as co-worker or subordinate who may seek some information, clarification or seeking redressal of some grievance.

In the context of an external communication, the sender may be a supplier or a vendor seeking the order for the supply of raw materials. It may be a customer or a retailer who intends to send a complaint about the product purchased/ sold. Sender may be a person from the government department seeking information about the production/supply/tax returns, etc. Similarly, it may be a person from the public relations department of the organisation seeking information about the new rules from a government department.

Depending on the direction of the communication, sender and receiver (described later) may exchange their status.

2.Encoding: This step is not shown in the above sequence of events in a communication. It intervenes between message and channel. In fact, while sending the message in the digital form,

it has to be converted into another language compatible with the electronic media. This change in the format of the message is called encoding.

Encoding means to convert information into codes. Code is the system of symbol, sign or letter used to represent the secret meaning. According to John Fiske, “coding consists of both signs and rules that determine how and in what context these signs are used and how they can be combined to form more complex messages”. The code and system are inter-related, i.e. type of encoding depends on the media/channel being used for the transmission of the message.

3. Message: A message is the information, idea, thought or opinion the sender wants to send. Depending on the status of the sender within or without the business establishment, the nature of the message changes. The message from the director or manager or the group leader may be a type of order, suggestion, appreciation or warning. However, if the message is sent by a person of lower cadre, it may be a type of complaint or a request for the redressal of the grievance. A message from the vendor or supplier will be of the nature of query or reminder for the clearance of the pending bills. A message from the retailer will be a request for the supply of the goods or request for the sanction of higher margins in the sales. A customer may send a message complaining some defect in the products of the company. It is obvious that all these messages are business related.

4. Channel: A communication channel is the medium through which communication is sent to its intended receiver. In a business enterprise, utmost care is taken to set up appropriate communication channels so that information flows quickly and correctly within and without the organization. Using an inappropriate channel for interaction can lead to negative consequences including financial losses. Richer communication channels are used for complex messages to ensure clarity.

There are various types of communication channels. Let us learn them in detail.

1. Face to face Communication Channel: Over the years, this communication channel has become very popular in big business organisations, because through this channel, manager(s) can communicate with the staff without calling them to one place, thus avoiding unnecessary disturbance and saving time. Video-conferencing have become very common these days, because facial expressions and tone of the speaker’s voice create the desired effects on the recipients. There are no chances of ambiguity, and if necessary, the speakers and the recipients can ask questions to each other and speak classifications. Several apps, such as Skype, Whatsapp are easily available for this purpose.

2. Mobile communication channel: Mobile communication channel using smartphone is preferred when a private or confidential message is to be communicated to an individual or a small group of persons. Unlike face-to-face channel mobile communication channel is less expensive and it saves on time.

3. Electronic communication channel: It includes e-mail, Internet, intranet and social media platforms, this channel can be used for one-to-one or one-to-group or mass communication. It is less expensive or even does not involve costs, as many companies such as Facebook, Twitter, Instagram, etc. have made these media platforms available free of cost. However, while using these channels sender has to be careful for drafting/ posting messages, because inappropriate words can cause confusion or negative publicity.

4. Broadcast media communication: This channel includes TV and radio. These types of media channels are usually used by the business organisations for advertising or promoting their products. The CEO of a global company may use this channel for addressing across the global sites. If a message is intended for a mass audience, a broadcast channel is usually used.

5. Written method of communication: Business organizations use this channel for announcing their policies, or for sending memos, letters, manuals, notices etc. Sometimes, written communications are sent for advertising the products. Recipients may respond through electronic channel or use written method of communication.

5. Receiver: Receiver is the intended target of the business communication sent by the sender. After the message emerges from the channel, it is received at the receiver's end. In fact, after the emergence of the communication from the media, there are three stages before the receiver can respond:

1. Reception of the Message: Message reception is a key element of the business communication process, because, it can induce desired effect on the receiver, if it received properly. For example, if a business enterprise advertises its new product, it will attract the desired customers only if it is received by the customers as well as received by the audience in the right perspective. The research has shown that receptivity is a function of message, audience (i.e. receiver), source, situational and channel characteristics. The combined effect of all these factors determines how receptive a recipient is to a particular to communication.

2. Decoding of the Message: Decoding is the opposite of encoding, i.e. the encoded message is reconverted with a readable/understandable message. Communication is more effective if decoding matches clearly with encoding. For example, a business enterprise gives a visual advertisement of its product on TV. There are some actions in the advertisement intended to give some specific impressions on the viewer (Receiver). The advertisement will be successful only if the viewer is able to understand (decode) the message intended to give through these actions. Sometimes, the recipient may receive in different way from what the encoder was trying to communicate. This is called distortion and it occurs when there is lack of equivalence between the two sides.

3. Understanding of the Message: After the message has been received and decoded, it should be understandable by the receiver. As discussed above, the message should be framed in such a manner that it serves its purpose, i.e. it generates the impression on the receiver that it was intended for.

As mentioned, above status of the receiver depends on the status of the sender and nature of the message. Thus, receiver may be a manager or a group leader or a subordinate employee in the organization. Outside the organisation, the receiver may be a supplier or a vendor or a retailer or a person in the government department.

6. Feedback: After the receiver has received the message, he/she sends the response. The analysis of the response in terms of the information sought by the sender is called feedback. For example, the management/ sender sends a message to the marketing in charge (Receiver) seeking about the performance of their new product in the market. The marketing officer after collecting sales data of their product and also of the other competitor's products, prepares a report and makes some suggestions (e.g. decreasing the price or giving some offer, such as buy one get two, etc.) and sends to the management (response).

Thus, the response or reaction of the receiver sent to the sender is the feedback of the whole process.

Feedback is extremely important for making business communication effective. The progress of the business depends on useful feedbacks.

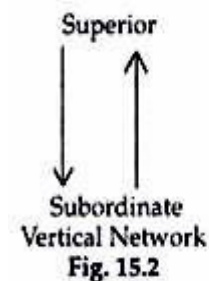
1.7 Communication networks

Communication network is a collection of terminals, links and nodes which connect together to enable telecommunication between users of the terminals. The network may use multiple technologies to transmit the message from one point to the other. The communication between terminals is possible through the use of wire, radio, satellite and wireless technologies. These may manifest through application technologies like radio, television transmission, computer networks, and the Internet

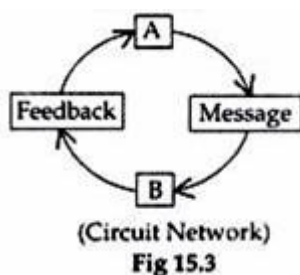
In an organization, members contact each other and the pattern of contacts or flow of information is the communication network. Contacts are created with different pattern and this helps the management to contact the employees. Through the network, the resources can share their data and applications. The network is divided based on the number of people involved in the communication, organizational size and nature of the communication network. The common network patterns are Vertical Network, Circuit network, Chain network, Wheel network, and Star network. Transmission and reception of information is the basis of communication.

1. Vertical Network

The communication which passes from one person or process to another person or process in a vertical pattern is called Vertical Network. It can happen either in the top to bottom or bottom to top format. This communication provides an immediate response as the receiver receives the information faster than any other network. We can call this network as a formal network. The best example is the communication between top level and bottom level employees. Miscommunication does not happen in this network as this is a type of direct communication.



2. Circuit Network:



Under this network two persons communicate with each other. Say Mr. 'A' sends message to Mr. 'B'. After receiving message Mr. 'B' communicates the feedback message to Mr. 'A'. So communication takes the form of a circuit. Therefore, it

is known as circuit network. It is similar to vertical network but in circuit network 'A' and 'B' are not necessarily superior and subordinates.

3. Chain Network:

This network of communication follows the organisational hierarchy and chain of command. All subordinates receive commands or instructions from their superior. B, C, D and E, F, G are the subordinates to A in the organisational hierarchy and receive commands from 'A' which follows the way shown in the diagram.

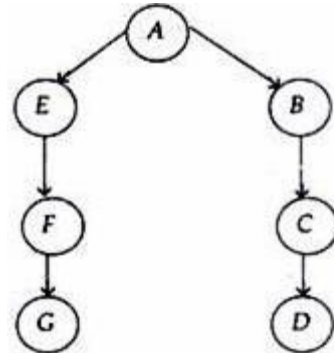


Fig. 15.4 Chain of Command

4. Wheel Network:

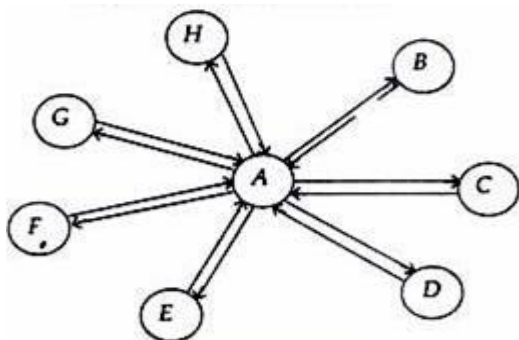


Fig. 15.5 Wheel of Network

Here all subordinates receive commands from one superior. This is highly centralized type of communication network where each subordinate receives commands or instructions from a single authority or superior 'A' and wants the immediate feedback.

5. Star Network:

Under star communication network all members of the group communicate with each other and exchange information. This network is a must for group communication or where teamwork is involved. This network channel of communication is open to all members of the group. The members communicate with each other without hesitation.

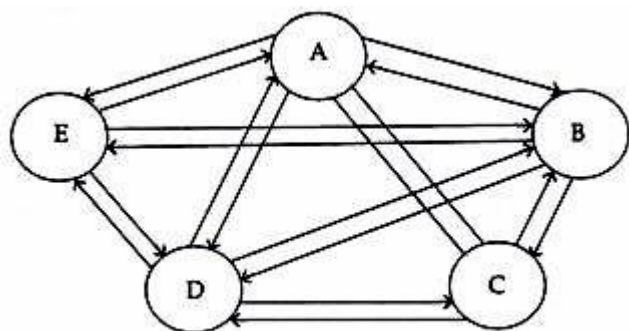


Fig. 15.6 Star Channel

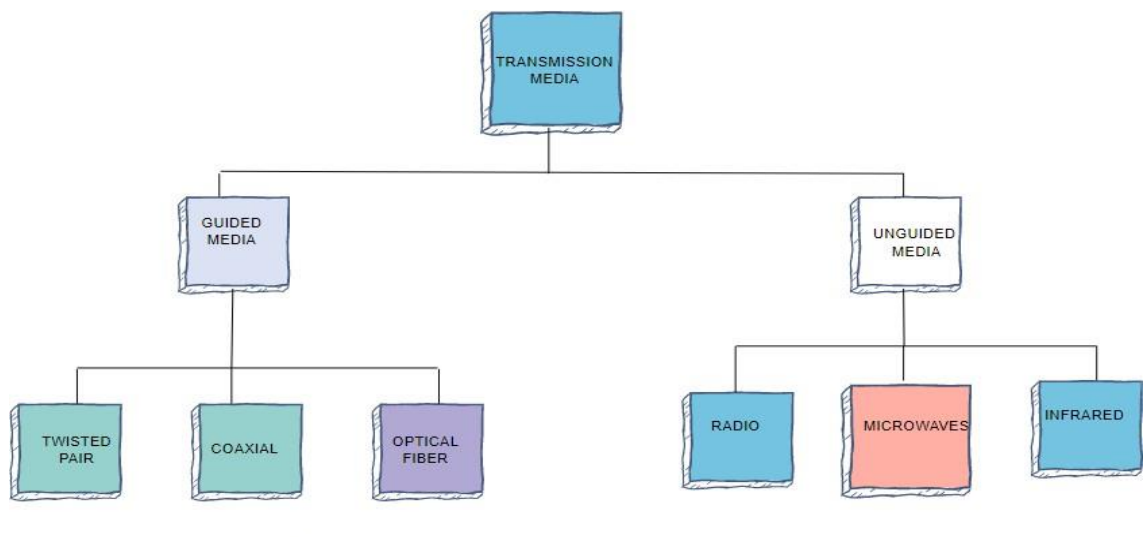
1.8 Media of communication:

In communication, media are the communication outlets or tools used to store and deliver content. The term generally refers to components of the mass media communications industry, such as print media, publishing, the news media, photography, cinema, broadcasting (radio and television), digital media, and advertising.

A **transmission medium** in communication is the path travelled by the communication signal from the transmitter to receiver. Transmission of communication signals are done through different mediums. Communication signals could be carried through copper wires, as well as through satellite channels. When travelling signal waves are superposed on each other, they are called a **linear medium**.

Transmission media can be classified broadly as:

- Guided
- Unguided



A) Guided transmission medium

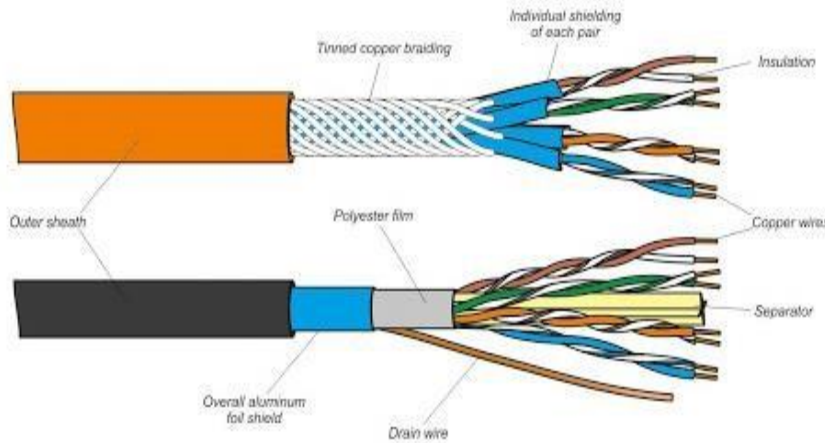
A **guided transmission medium** is also known as bounded transmission. This means that signal transmission is done through a narrow path with the use of physical links.

Some examples of the guided means of communication are given below:

a) Twisted pair

A **twisted pair cable** is mostly used in the transmission of telephone signal and signals in Ethernet networks.

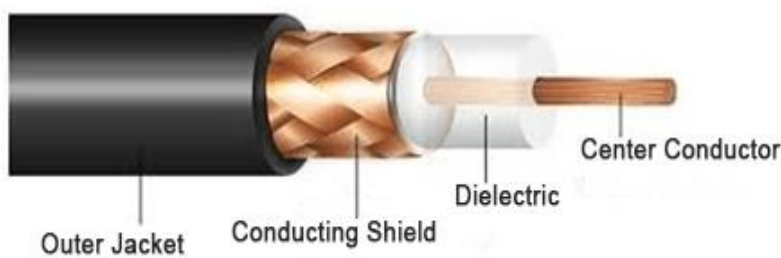
A twisted pair cable is comprised of two distinct insulated copper wires which are twisted together.



b) Coaxial cable

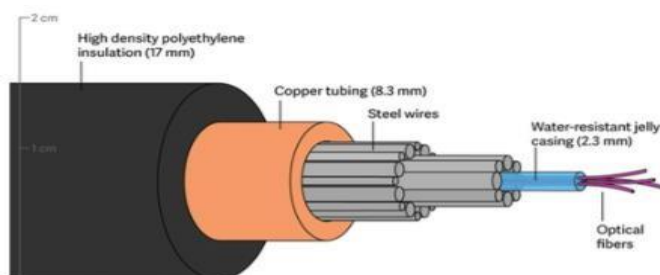
Coaxial cable is mostly used in the transfer of radio frequency in transverse electromagnetic waves. It is made up of copper cable and can be used in the transfer of high-frequency signals

at low loss. It's an example of a guided means of signal transmission.



c) Optical Fiber: **Fiber optics** are made of glass or plastic and are comprised of small

diameters bundled together to make a fiber-optic cable, they transmit signals as light pulses and can travel over long distances. It applies well for communication signal transmission.



B) Unguided transmission medium

An **unguided transmission** is where electromagnetic waves travel in an unguided form. They could travel through air, vacuum or seawater. In unguided transmission there is no involvement of a physical medium for the transmission of the signal. Some examples of unguided transmission are given below

a) Microwave transmission

Microwave signals are electromagnetic waves with frequencies ranging from 1Ghz to 300Ghz. Microwave signals are clearly unguided and unidirectional in nature, meaning the sender and receiver end of the signal has to be aligned for signal propagation to be complete.

b) Radio wave transmission

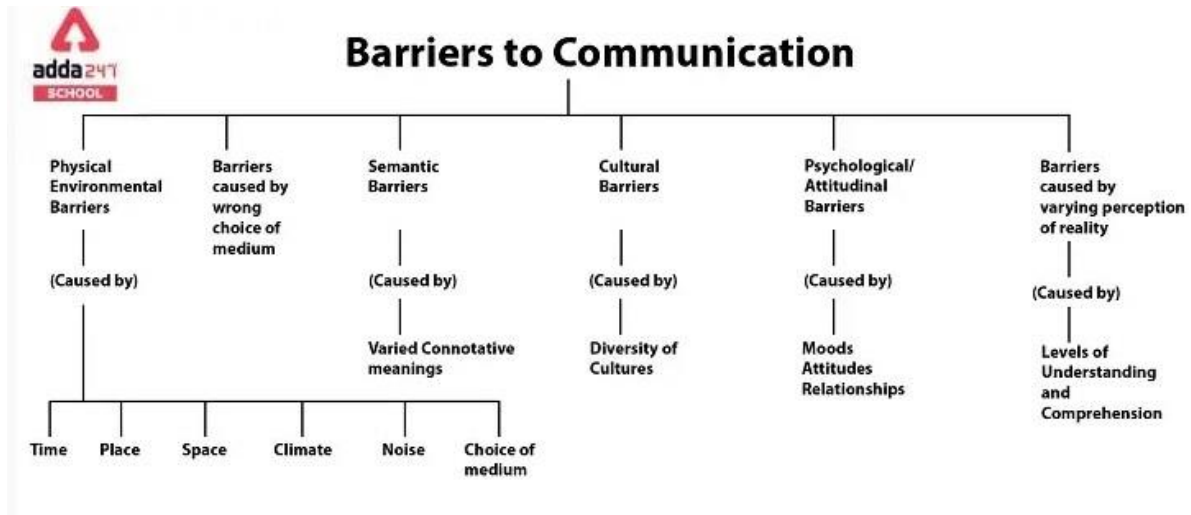
Radio wave signals are electromagnetic waves with frequencies ranging from 3KHZ and 1GHZ, they are omnidirectional in nature, meaning the receiver and transmitter end of the signal has no need of alignment for a perfect signal transmission. We apply this transmission in our AM and FM radio stations, where signals can be received at any location within frequency range without the need to align the devices.

c) Infrared transmission

Infrared signal transmission has been in use for such a long time that it is seen in the operation of TV remotes as well as other device connections at a close range. It uses the light spectrum to send a focused light beam to a receiver. In infrared transmission, a focused lens is used by the device transmitting the signal while a collective lens is used by the device receiving the signal. It is a kind of unguided means of transmission with very short distance of operation.

1.9 Barriers to Communication

The term barrier means hurdle, hindrance or obstacle. Thus, barriers to communication imply hurdles or obstacles on the way of transmission of message from the sender to the receiver. In practice, there exist several barriers in communication which render it ineffective. They generate confusion, conflict and misunderstanding in the organization by creating bottlenecks, delays and distortions of information.



A. Physical Barriers of communication

The most evident impediments to successful communication, and they usually easily removed in concept at least, such as noise, closed doors, malfunctioning communication equipment, closed cabins, and so on. For example, in a large office, physical separation between employees, combined with faulty equipment, can create significant communication barriers.

B. Language Barriers of communication

The language is most often used medium of communication; it is one of the most significant hurdles to efficient communication. Each major region has its own language, and dialects between regions can differ by a few kilometres, and even a thick dialect can make communication difficult. Diverse employees will have different linguistic skills even in the same workplace, and as a result, communication channels that transcend the corporation will be affected. Even when communicating in the same language, a message's terminology can be a barrier if it is not fully understood by the receiver(s), who is unfamiliar with the terminology.

C. Attitude Barriers of communication

Communication is also hampered by prejudice, distrust, emotional aggression, or discrimination based on gender, ethnicity, or religion. They arise as a result of a lack of drive or a refusal to adapt. Effective listening, criticism, problem-solving, and being open to change can all help you break down communication barriers.

Certain people, such as introverts or persons who are not very sociable, prefer to be left alone, whilst others want to be social or occasionally overly clinging. Some people have attitude problems, such as a large ego and disrespectful behaviour, which can be a communication obstacle.

D. Perception Barriers of communication

The different people view the same things in different ways, which is something we must keep in mind when communicating. Effective communication requires an understanding of the audience's perception levels, and all messages or communications must be simple and straightforward. There should be no place for a diverse set of interpretations.

E. Hierarchical Barriers of communication

An Organizational hierarchy can be a difficult communication barrier, and it can also exist inside a family, where there may be a power hierarchy, resulting in a lack of transparency or a communication barrier. Establishing a transparent discussion with the appropriate persons is the solution.

F. Psychological Barriers of communication

It is variety of mental and psychological issues that can obstruct effective communication, such as stage fright, speech disorders, phobias, depression, and so on. Anger, fear, jealousy, insecurity, shyness, and close-mindedness are all psychological barriers that can obstruct communication. All of these conditions are difficult to manage at times and will obstruct communication.

However, it is possible that some people have a propensity of initiating an argument when someone disagrees with them, which can have a negative impact on both personal and professional relationships.

G. Cultural Barriers of communication

As the world becomes more globalised, any major office may contain people from many corners of the globe, and different cultures have varied interpretations of some core

societal norms. From one culture to the next, clothing, religions (or lack thereof), food, drinks, pets, and general behaviour will differ dramatically.

As a result, we must take into account these various cultures while communicating and cultivating cross-cultural sensitivity in order to overcome such cultural obstacles. This is referred to as being culturally acceptable, as people and businesses frequently miss out on these chances owing to cultural obstacles.

1.10 Characteristics for successful communication:

7 C's of Communication

In the business world effective communication is the key to success. An effective communication is applicable to both oral as well as written communication. It is therefore very important to understand 7C 's of communication which help in conveying important messages effectively in turn increasing employee engagement and productivity. The 7C 's of communication is:

- 1) Clarity 2) Correctness 3) Conciseness 4) Courtesy 5) Concreteness 6) Consideration 7) Completeness We will discuss each one of them one by one,

1)Clarity: This means that a specific message has been sent instead of trying to send too many messages at one particular time. This involves use of simple and precise services. The following are the features of clarity.

- Clear understanding
- Clarity of thoughts and ideas
- Use of simple, appropriate and precise words

2) Correctness: Use of correct language, grammar, data etc. is very important to communicate the message clearly. The features of correctness are:

- Timely, exact and correct message
- Confidence Booster
- Greater impact on the audience

3) Conciseness: This means communicating using minimum but appropriate words. It has the following features:

- Time saving
- Avoids excessive usage of unnecessary words
- Short and limited

- Appealing and comprehensible
- Non- repeatable

4) **Courtesy:** This is one of the important C 's of communication as it shows the respect, politeness, judicious behaviour to the other party in turn creating goodwill. It has the following features:

- Consideration of the feelings of the audience
- Positive and focused
- Unbiased

5) **Concreteness:** As the term suggests it is specific, meaningful and clear and avoids ambiguity and double-meaning. This has the following features:

- Supports facts and figures
- Clear and precise
- Avoids misinterpretation

6) **Consideration:** This implies that the audience is taken into consideration in terms of his/her view points, culture, mind-set, values etc. The features of this are:

- Stresses on 'you' approach
- Empathetic
- Optimistic

7) **Completeness:** The last C of communication is completeness. As the term suggests it means that any communication be it personal or professional should be complete. It should deliver all the facts and information required to send the message to the receiver. It has the following features:

- Builds reputation of the organisation
- Cost saving
 - Removes the barriers of vague information
 - Helps in better decision-making.

We have learnt 7 C 's of communication and it is quite clear that communication is one of the most initial skills that should be practiced.

Check Your Progress:

Q.No	Short Questions	LOCF Mapping		
1.	Define communication and state its main objectives.	K1	CO1	PO1
2.	List and briefly explain the elements of the communication process.	K2	CO1	PO1
3.	What are communication networks? Mention any two types.	K1	CO1	PO2
4.	Identify the common barriers to effective communication in organizations.	K2	CO1	PO2
5.	What are the characteristics of successful communication?	K2	CO1	PO1
Q.No	Essay Type Questions	LOCF Mapping		
1.	Explain the meaning, definition, and objectives of communication in detail.	K2	CO1	PO1
2.	Describe the communication process and discuss its major elements with suitable examples.	K3	CO1	PO2
3.	Discuss the role of communication in organizational effectiveness and decision-making.	K4	CO1	PO3
4.	Explain the different types of communication networks and media used in organizations.	K3	CO1	PO2
5.	Examine the barriers to communication and suggest measures to ensure successful communication.	K4	CO1	PO3

Unit II

Communication in management

2.1 Meaning

Communication Management, as the term implies means systematic supervision of communication related activities with the aim of bringing about a systematic change and an achievement of the stated objectives of the development or an extension agency. The management of communication programme implies a systematic approach to the utilization of communication resources and community assets (know-how), time management in terms of scheduling communication and media activities, and managing human resources through communication skills' training and manpower deployment to achieve maximum output. This 360-degree approach to communication programmes will ensure implementation and monitoring of the programme for on the spot correction and revision in the overall programme and communication plan. Most of the programmes in the development sector have to work with limited resources, lack of skilled and trained manpower, limited infrastructure and access to technology. In such conditions, the use of communication resources can have limited success unless a strategic management plan is used. In order to maximize gains by bringing about an improvement in the KAP (Knowledge Attitude Practice), strategic use of communication resources can overcome internal limitations and external challenges.

For tackling above this, the management **needs** following communication are,

1. Basis of Decision-Making and Planning:

Communication is essential for decision-making and planning. It enables the management to secure information without which it may not be possible to take any decision. The quality of managerial decisions depends upon the quality of communication. Further, the decisions and plans of the management need to be communicated to the subordinates. Without effective communication, it may not be possible to issue instructions to others. Effective communication helps in proper implementation of plans and policies of the management.

2. Smooth and Efficient Working of an Organisation:

In the words of George R. Terry, "It serves as the lubricant, fostering for the smooth operations of management process." Communication makes possible the smooth and efficient working of an enterprise. It is only through communication that the management changes and regulates the actions of the subordinates in the desired direction.

3. Facilitates Co-Ordination:

Management is the art of getting things done through others and this objective of management cannot be achieved unless there is unity of purpose and harmony of effort. Communication through exchange of ideas and information helps to bring about unity of action in the pursuit of common purpose. It binds the people together and facilitates co-ordination.

4. Increases Managerial Efficiency:

Effective communication increases managerial efficiency. It is rightly said that nothing happens in management until communication takes place. The efficiency of manager depends upon his ability to communicate effectively with the members of his organisation. It is only through communication that management conveys its goals and desires, issues instructions and orders, allocates jobs and responsibility and evaluates performance of subordinates.

5. Promotes Co-operation and Industrial Peace:

Effective communication creates mutual understanding and trust among the members of the organisation. It promotes co-operation between the employer and the employees. Without communication, there cannot be sound industrial relations and industrial peace. It is only through communication that workers can put in their grievances, problems and suggestions to the management.

6. Helps in Establishing Effective Leadership:

Communication is the basis of effective leadership. There cannot be any leadership action without the effective communication between the leader and the led. Communication is absolutely necessary for maintaining man to man relationship in leadership. It brings the manager (leader) and the subordinates (led) in close contact with each other and helps in establishing effective leadership.

7. Motivation and Morale

Communication is the means by which the behaviour of the subordinates is modified and change is effected in their actions. Through communication workers are motivated to achieve the goals of the enterprise and their morale is boosted. Although motivation comes from within

yet the manager can also motivate people by effective communication, e.g., proper drafting of message, proper timing of communication and the way of communication, etc.

8. Increases Managerial Capacity:

Effective communication increases managerial capacity too. A manager is a human being and has limitations as to time and energy that he can devote to his activities. He has to assign duties and responsibilities to his subordinates. Through communication, a manager can effectively delegate his authority and responsibility to others and thus, increases his managerial capacity.

9. Effective Control:

Managerial function of control implies the measurement of actual performance, comparing it with standards set by plans and taking corrective actions of deviations, if any, to ensure attainment of enterprise objectives according to preconceived and planned acts. Communication acts as a tool of effective control. The plans have to be communicated to the subordinates, the actual performance has to be measured and communicated to the top management and a corrective action has to be taken or communicated so as to achieve the desired goals. All this may not be possible without an efficient system of communication.

10. Job Satisfaction:

Effective communication creates job satisfaction among employees as it increases mutual trust and confidence between management and the employees. The gap between management and the employees is reduced through the efficient means of communication and a sense of belongingness is created among employees. They work with zeal and enthusiasm.

11. Democratic Management:

Communication is also essential for democratic management. It helps to achieve worker's participation in management by involving workers in the process of decision-making. In the absence of an efficient system of communication, there cannot be any delegation and decentralization of authority.

12. Increases Productivity and Reduces Cost:

Effective communication saves time and effort. It increases productivity and reduces cost. Large-scale production involves a large number of people in the organisation. Without communication, it may not be possible to work together in a group and achieve the benefits of large-scale production.

13. Public Relations:

In the present business world, every business enterprise has to create and maintain a good corporate image in the society. It is only through communication that management can present a good corporate image to the outside world. Effective communication helps management in maintaining good relations with workers, customers, suppliers, shareholders, government and community at large.

2.2 Corporate communication:

Corporate communication is a set of all communications that are sent to both internal and external stakeholders. Internal stakeholders include executives and employees. External stakeholders include media members, the general public, and customers. For any business to operate successfully, effective corporate communication is important for building and maintaining relationships with stakeholders. It also enhances the reputation of the organization.

2.3 Types of Corporate Communications

The following are the different types of corporate communications including:

- **Crisis communications:** This is a communication department in the company that develops comprehensive strategies for managing problems. The aim of this division is to manage crises in the company to ensure that the organization is functioning smoothly.
- **Public relations:** It refers to the process of curating a public image by conveying messages to the media and the general public. The aim is to positively influence the perception of the public. Public relations include individuals gaining exposure to the audience using topics of public interest that do not require direct payment.
- **Internal communications:** It is the function that is responsible for effective communications between participants within the organizations. Internal communication is the facilitation, creation and operation of communication within the organization.

- **Customer communication:** It is the way in which a business interacts with customers using communication channels and strategies. With effective communication, customers can build relationships with target audiences and promote customer retention.

2.4 Methods of Corporate Communication

The following are the components of corporate communication:

1. Management communication

It is a component that helps managers in communicating with other employees in the organization. Through managerial communication, a smooth flow of information among managers is formed so that they can achieve a common goal.

There are two types of managerial communication, including interpersonal communication and organizational communication.

I. Interpersonal communication takes place between two or multiple employees at the workplace.

ii. Organizational communication takes place at every level in the organization. It can occur through verbal and written communication as well as through body language.

2. Organizational Communication

Organizational communication is the form and channel of communication among the members of the organization. This component helps in building a level of communication in an organization and job performance. Organizational communication can occur formally and informally.

3. Marketing communication

It is the component of corporate communication that focuses on how businesses communicate messages to their desired market. Different tools, such as personal selling, direct marketing, communication, social media marketing, etc. are used as tools in marketing communication.

It is made up of a marketing mix that consists of 4Ps, including **Price, Promotion, Place, and Product**. Through marketing communication, the public understands what the brand wants to communicate.

2.5 Skills Required for Effective Corporate Communication

For effective corporate communication, it is important to have the following skills:

- **Writing skills:** One of the important mediums of corporate-level communication is having impactful writing skills. Through good written communication, you can clearly help others understand the message.
- **Public speaking:** It is an add-on if you have the skills to communicate with the public. Those who can communicate well with the public have the ability to establish the brand identity on a mass level in a more impactful and positive manner. One of the biggest barriers of communication is often fear of public speaking.
- **Data:** Those who have access to relevant data can get extremely successful at effective communication. With facts, your words carry relevance and significance and people take you seriously since you have data to prove.

2.6 Communication training for managers

The role of managers is to oversee others who are doing the work of the organization. Their goal is to ensure that employees are performing their responsibilities effectively and productively. That requires a commitment to effective communication to ensure teams are productive, satisfied, motivated, and operating at their full potential.

Managers also need to communicate effectively with their own leaders and those above them in the corporate hierarchy, as well as with customers, vendors, and other. He/she ability to achieve success through others requires strong verbal and written communication, including the ability to listen well and understand others' needs

1. Active Listening

Listening is easy—*active* listening requires more effort and focus. Active listening involves maintaining eye contact, listening to understand and asking clarifying questions if something is not clear, reflecting, summarizing, and remaining attentive while resisting the urge to be judgmental or to interrupt.

2. Conflict Resolution

Conflict resolution is important, but often avoided aspect of management. Conflict will always exist in any organization. Effective managers understand that conflict is a given and

that they play an important role in managing conflict, and setting a good example through their own actions. It is important to allow those involved in the conflict to have an opportunity to share their perspectives, to listen objectively, and to work together to come up with a mutually satisfying resolution to the conflict.

3. Motivation and Influence

Through their motivation and influence managers are able to guide employees to effective action, even when employee commitment may be low. Communication plays a key role here—one wrong message can demotivate staff members. Effective motivation requires a clear focus on expected outcomes and communicating those desired outcomes to employees objectively.

4. Body Language

Body language is an important part of communication. We convey our emotions and feelings through our physical responses—from eye contact, to how we sit or stand, to the gestures we make. Managers need to be alert to the signals they are sending and to ensure that their body language signals that they are approachable and warm. Body language also extends to how managers carry themselves and how they project confidence.

5. Transparency

Transparency reflects the ability to be open and honest in communications—openly sharing information with employees. Managers need to be comfortable showing their human side, honest about the feedback they provide and consistently delivering clear and concise messages whenever they interact with others.

6. Empathy

Empathy involves understanding. Managers convey empathy by listening well, asking clarifying questions, and reflecting back on what they have heard. Through communications and actions, effective managers let employees know that they understand their needs, concerns, and ambitions. Doing so is critical for building relationships, trust, and a strong culture.

7. Praise & Recognition

Employees need feedback to understand how they're doing. That involves both positive and constructive feedback. Praise and recognition, though, are especially important when managing others. Acknowledging outstanding performance through written and verbal praise and recognition—even something as simple as a “thank you”—can go a long way toward motivating employees to meet their goals.

2.7 The communication structure in an organization

The communication structure in an organization refers to the formal and informal channels of communication that exist between different levels of employees and departments. In general, a communication structure should be designed to facilitate the efficient and effective exchange of information between employees, departments, and teams.



A. Internal Communication

There is a large volume of communication within the organization. The flow of communication within an organization forms a complicated pattern. The volume & the

direction is usually determined by the pattern of the **hierarchy the level of authority** & also by the requirements of tasks. It consists formal and informal communications.

Formal Channels Formal channels are those which carry the official messages of the organization. The efficiency of an organization depends on the regular flow of messages. The flow of messages needs to be organized into a well-ordered network to ensure that communication flows easily & reaches the persons who need the information.

- **Vertical communication**

This includes all the messages that move between subordinates & their supervisors. Messages sent from **superiors to subordinates are downward communication** messages sent from **subordinates to superiors are upward communication**. Vertical communication is classified into two types

Downward Communication: Messages going from the higher authority levels to the lower level may be written, or oral. Written messages are notes, circulars, notices, and emails. Oral messages may be face-to-face or by telecom or telephone.

The common purpose of downward communication is as follows

1. **Instruction** about a **specific task**
2. Information about the **practices& Procedures** followed by an organization
3. The information creates **an understanding of the task in relation to other tasks of the organization**
4. **Feedback** about subordinates' performance
5. **Information** about the ideology **& the goals of the organization** would help them to **develop a sense of belonging to the organization**

Upward communication

Messages which go from **subordinates to supervisors** & to higher levels of authority are upward communication. These may be written or oral. Written messages are in the form of **reports, letters, presentations, notes & email** messages. Oral messages may be face to face or by **intercom or telephone**.

The common purposes of upward communication are

1. Give information to the management
 2. Enable the management to learn & understand the concerns of the subordinates
 3. To enable all the employees to contribute ideas & make suggestions
- **Horizontal or Lateral Channel:** Messages that flow between persons of equal status or the **same level** of authority in the organization are called horizontal or lateral communication. A large amount of communication flows laterally in an organization. **Horizontal communication can be oral or written.** Written communication may be in **form of letters, memoranda, notes, or reports. copies of the document, oral communication** may be in the form of face-to-face talk, intercom, meetings, committee work or conferences. Horizontal communication is needed for several purposes in an organization. It includes both **information & persuasion** & even for discussion, **plans, solving problems, resolving conflicts, negotiation** & coordination of work .it serves an important function of providing emotional & social support to one another

Informal Channels

The members of groups that work together construct their own communication networks. The following are types of informal communication.

Single Strand Chain: The single-strand chain involves the passing of information through a line of persons to the recipient. For Eg, person A tells B, who tells C, who tells D, and so on, till the information has reached most of the persons involved or concerned.

Gossip Chain: In the gossip chain, one person receives and tells the information to others. In the following figure, A is at the center and passes the information to others staying on the rim of the wheel.

Probability Chain: The probability chain is a random process in which someone transmits the information to others and then these to others in a similar way. This chain may also be called a random process.

Cluster Chain: In the cluster chain, a person tells the information to the selected persons who may in turn relay (pass) the information to other selected persons. Most of the information communication follows this chain.

B. External Communication

In the organization, there will be a continuous flow of communication. There will be continuous communication with the **surroundings outside the organization** i.e with Customers, Suppliers, Bankers, etc. An organization has office procedures & system for handling external communication, both the incoming & the outgoing messages are recorded & filled. External communication is divided into the following two types

- 1) **Outward:** Messages are sent out to **organization customers, suppliers, banks, insurance companies, government departments, the mass media & general public they may be in the form of letters, faxes, telephone calls telegrams, reports advertisement**, press handouts speeches visit & so on. The style format & tone of companies' outgoing communication affect goodwill & public relations. Therefore, most organizations have a policy about the style & appearance of the companies' messages that go out. Copies of outgoing written documents are filed for reference.

- 2) **Inward:** An organization receives letters, telegrams, **fax, telex messages, reports, brochure circulars, journal magazines, telephonic calls, and personal visits** these may be formed **customers, suppliers, other organization government departments** & so on. These inward communication messages are filed for a record for reference. A written note or summary of visits meetings and telephonic talks may also be filled.

Check Your Progress:

Q.No	Short Questions	LOCF Mapping		
1.	What is meant by communication in management?	K1	CO2	PO1
2.	State the need for communication in management.	K2	CO2	PO1
3.	Define corporate communication.	K1	CO2	PO2
4.	Why is communication training important for managers?	K2	CO2	PO3
5.	What is meant by communication structure in an organization?	K1	CO2	PO2
Q.No	Essay Type Questions	LOCF Mapping		
1.	Explain the need and importance of communication in management.	K2	CO2	PO1
2.	Discuss the concept and significance of corporate communication in modern organizations.	K3	CO2	PO2
3.	Explain the importance of communication training for managers and its impact on managerial effectiveness.	K3	CO2	PO3
4.	Describe the communication structure in an organization and its role in effective management.	K2	CO2	PO2
5.	Analyse how effective communication contributes to coordination and decision-making in management.	K4	CO2	PO3

UNIT- III

BUSINESS LETTERS

3.1 Business Letter

A business letter is a written communication between two or more parties, typically used in a professional or business setting. It is a formal document used to convey important information, such as requests, proposals, or other business related matters. Business letters can be used to communicate with clients, customers, suppliers, employees, and other stakeholders. Business letters can be used for a variety of purposes, such as requesting information or clarification, making a complaint, placing an order, or expressing gratitude. They can be sent through various channels, including email, mail, or fax. When writing a business letter, it is important to use proper grammar, spelling, and punctuation, and to maintain a professional tone throughout the document.

3.2 Need of Business letters

A business letters are necessary for a variety of reasons in the business world. Here are some common reasons why businesses may need to send a business letter:

Formal Communication: Business letters are a formal way to communicate with clients, customers, suppliers, and other business associates. They convey a sense of professionalism and show that the sender takes the communication seriously.

Legal Documentation: Some business letters, such as contracts, agreements, and proposals, can serve as legal documentation. These letters can help to establish legal obligations and protect both parties in the event of a dispute.

Request Information: Business letters can be used to request information from other businesses, organizations, or individuals. For example, a company may need to request a price quote from a supplier, or ask for clarification on a product or service.

Complaints: Business letters can be used to make complaints about products or services, or to report issues with orders or deliveries. These letters can help to resolve issues and prevent future problems.

Sales and Marketing: Business letters can be used for sales and marketing purposes, such as to introduce new products or services, or to promote a special offer or sale.

3.3 Functions of business letter

Business letters serve several functions in the business world. Here are some of the key functions of a business letter:

Communication: The primary function of a business letter is to communicate important information between businesses or individuals. This information may include requests, proposals, inquiries, or other types of information that need to be exchanged.

Documentation: Business letters serve as documentation of business transactions, agreements, or other important information. These letters can be used as evidence in legal proceedings or to verify business transactions.

Professionalism: Business letters help to convey a sense of professionalism and formality in business communication. They are typically more formal than other forms of communication, such as emails or text messages, and are often used when a high degree of professionalism is required.

Relationship Building: Business letters can be used to build and maintain relationships between businesses or individuals. For example, a thankyou letter can help to build goodwill and strengthen relationships with customers or clients.

Marketing and Sales: Business letters can be used to promote products or services, or to generate sales leads. For example, a sales letter can be used to introduce a new product or service to potential customers.

Legal Protection: Business letters can provide legal protection for businesses by documenting important transactions, agreements, or other information. This documentation can be used in legal proceedings or to prevent disputes.

Kinds of business letter

There are several types of business letters that are commonly used in the business world. Here are some of the most common types are,

Inquiry letters: These letters are used to request information about a product, service, or company. They can be used to gather information for business research, to inquire about job opportunities, or to request product or service information.

Sales letters: These letters are used to promote products or services to potential customers. They are typically used in direct mail campaigns, but can also be used in email or online marketing.

Order letters: These letters are used to place an order for products or services. They include information such as the quantity, price, and delivery date.

Complaint letters: These letters are used to express dissatisfaction with a product or service. They can be used to request a refund, replacement, or other resolution to the issue.

Adjustment letters: These letters are used to respond to a complaint letter or request for adjustment. They can offer an apology, explanation, or other resolution to the issue.

Follow up letters: These letters are used to follow up on a previous conversation, meeting, or agreement. They can be used to confirm a meeting or appointment, to provide additional information, or to follow up on a previous request.

Thankyou letters: These letters are used to express gratitude or appreciation for a product, service, or business relationship. They can be used to build goodwill and strengthen business relationships.

3.4 Basic principles of business letter

To convey any message effectively, business letter writing needs the application of certain communication principles. They provide guidelines for the content and style of presentation. A business letter should be written keeping in view the following basic principles of business correspondence.

1)Clarity and Coherence: In order to be effective, a good business letter should be concise, precise, relevant, concrete and consistent. Be clear about what you want to say and then say it clearly. Difficult words requiring the use of dictionary, flowery expression and poetic language should be always avoided. The words used should not be vague or ambiguous. The letter must convey to the recipient the exact meaning which the writer wants to communicate. The clarity of a letter, to a great extent, depends upon its unity or coherence. Therefore, a letter should be written in a logical manner and reflect consistence of thought. One thought should follow another in a proper sequence. An orderly arrangement of the subject is necessary and the same

should be expressed in appropriate words. It is better to use short sentences and short paragraphs that are easier to read. "Send telegrams, not essays."

2) Consideration: The writer of the letter should place himself in the position of the reader and give a consideration as to what does he need. Emphasise on "you-attitude" instead of "I-attitude".

3) Brevity: A good business letter should be concise and exact. Economy of words is possible only if the writer of letter has extensive vocabulary at his command. A long letter containing irrelevant matter gives a poor impression of the writer and also of the business house. But for the sake of conciseness, completeness or clarity should not be sacrificed. The letter must explain in full what it all desires. "Be conscious that the reader does not have much time".

4) Courtesy and Friendliness: The tone of the business letter should always be courteous and polite. While drafting a business letter bluntness should never be regarded as a sign of strength. On the contrary, a poor image is bound to result from an offensive attitude conveyed through the letter. Courtesy is like the oil which removes friction and creates goodwill. Courtesy should not be restricted to obligatory words like "Thank you" or "please". There must be politeness even in declining a proposal. Words like "please" and "kindly" always bring positive response. However, such words ought to be used without sacrificing one's self-respect and dignity.

5) Conciseness: A business letter should be concise and direct, written in simple language with a natural flow of words. Wordy phrases and high flow expressions should be avoided. The letter should not contain quotations, or words which are pedantic (bookish) and which sound artificial. Business people are very busy and may be irritated by unnecessary lengthy letters. Therefore, one must focus directly on the message.

6) Correctness: A business letter should be grammatically correct and factually accurate. Incorrect information and inaccurate facts conveyed through a letter are bound to make the position of the writer vulnerable. The addressee, may stop further dealings with the writer of the letter. In letters of enquiry, orders, complaints, references, etc. information given should always be correct and exact. If, for some reason, it is not possible to communicate the necessary information, the reason may be clearly stated in a polite language.

7) **Completeness:** A business letter should include all the necessary facts and background information that supports the message being sent. An enquiry which does not contain necessary particulars, or explanation which is partial, is never appreciated. An incomplete letter may compel the receiver to make further correspondence on the subject involving waste of time or prompt him to act according to his own judgement which way lead to disputes.

8) **Originality:** Originality of form, expression and style are often necessary to make business letters more appealing, particularly for sales promotion, and on special occasion, such as introduction of a new product. Indeed, with changing times, old and stereo-typed forms and expressions have been replaced by more appealing forms, expression and style of presentation of matters in business letters. For instance, the layout of the contents of a letter is often intended to mark-out significant lines. New phrases are used in place of old ones, and a conscious attempt is made to give a personal touch where necessary.

9) **Neatness:** A neat and tidy letter, clearly typed or written on a reasonably good paper with proper paragraphing makes a letter attractive to the reader. Any overwriting, rubbing or cutting of expressions, improper spacing between paragraphs etc. do not create a favourable impression. So the appearance of a business letter should be impressive, neat and tidy to the maximum extent possible.

10) **Effectiveness:** The ultimate goal of a business letter is the desired response in a positive manner within a reasonable time. Obviously, delayed or negative response shows the ineffectiveness of the letter. The time and stationery used in writing such letters involve wasteful expenditure. Thus, effectiveness may be regarded as the most essential feature for a business letter.

3.4 Language and layout of business letter

Note about Format and Font

3.4.1 Block Format

When writing business letters, you must pay special attention to the format and font used. The most common layout of a business letter is known as block format. Using this format, the entire letter is left justified and single spaced except for a double space between paragraphs.

3.4.2 Modified Block

Another widely utilized format is known as modified block format. In this type, the body of the letter and the sender's and recipient's addresses are left justified and single-spaced. However, for the date and closing, tab to the center point and begin to type.

3.4.3 Semi-Block

The final, and least used, style is semi-block. It is much like the modified block style except that each paragraph is indented instead of left justified. Keep in mind that different organizations have different format requirements for their professional communication.

3.4.5 Font

Another important factor in the readability of a letter is the font. The generally accepted font is Times New Roman, size 12, although other fonts such as Arial may be used. When choosing a font, always consider your audience. If you are writing to a conservative company, you may want to use Times New Roman. However, if you are writing to a more liberal company, you have a little more freedom when choosing fonts.

3.4.6 Punctuation

Punctuation after the salutation and closing - use a colon (:) after the salutation (never a comma) and a comma (,) after the closing. In some circumstances, you may also use a less common format, known as open punctuation. For this style, punctuation is excluded after the salutation and the closing.

3.4.7 The Letter of Enquiry

The letter of inquiry should include the following sections: The introduction serves as the executive summary. It includes the name of your organization, the amount needed or requested, and a description of the project.

3.4.8 Reply Letters to Enquiry:

A response letter provides the answers or information requested in a letter of inquiry. The objective is to satisfy the reader with an action that fulfills their request. If you have neither

the information requested nor the authority to reply, forward the inquiry on to the correct person.

3.4.9 Sales Letter

This is the most common form of a business letter that is used in almost every field. The sales letter serves as an introduction for the customer about the product and/or the company. A typical Sales letter starts off with a line or statement which captures the interest of the reader who is more often than not a target customer or a prospect. The purpose of a sales letter is to ensure that the reader takes an action and that is why strong calls to action are included in it. The call to action includes a website link, phone number, social media handles, etc. which would connect the customer with the company for further info.

3.4.10 Order Letters

As the name suggests, these are types of Business letters that are sent solely for the purpose of placing orders and they may be sent to wholesalers, retailers, or a manufacturer. The order letter includes all the relevant details related to the order such as invoice or receipt number, product details along with specifications, quantity of the order, Sales tax number and other details related to the manufacturer and a figure indicating the total amount of the order. Depending on the agreed payment terms the payment amount may or may not be included in with the Order letter.

3.4.11 Circular or notice Letters

These types of business letters are sent to a closed group or selected people with the purpose of being circulated widely. The purpose of circular letters is to either convey customers about the sale or news or intimate about important information about newly launched or built facilities. This can also be used to deliver news about new product launches. Circular letters are also used to reach new and prospect customers to let them know about the new information and new developments

3.4.12 Complaint Letter

Complaint letter written by one party to another party or entity to convey dismay about a certain issue. Complaints are indicators that something has went wrong and that has been indicated by a formal business letter. A customer may issue a product complaint letter to address something that is wrong with the product or to highlight a deficiency in services leading

to dissatisfaction. The complaint letters are short and usually direct in nature, addressed to the company or person or department in charge. Sometimes complaint letters may also contain steps to rectify the problem or expected compensation. A complaint letter is followed by an acknowledgment letter and then an apology letter, if applicable.

3.4.13 Appointment letter

A letter of appointment is a formal document that appoints someone to a position within a company, organization, or agency. It is most commonly used in the business world to designate a new employee, but it can also be used to appoint someone to a board, commission, or other group.

Check Your Progress:

Q.No	Short Questions	LOCF Mapping		
1.	What is a business letter? State its need in business communication.	K1	CO3	PO1
2.	List the essential elements of an effective business letter.	K2	CO3	PO2
3.	What are enquiry letters?	K1	CO3	PO2
4.	What is meant by a sales letter?	K1	CO3	PO3
5.	Write a short note on complaint letters.	K2	CO3	PO2
Q.No	Essay Type Questions	LOCF Mapping		
1.	Explain the need and functions of business letters in modern business communication.	K2	CO3	PO1
2.	Discuss the essentials of an effective business letter with reference to language and layout.	K3	CO3	PO2
3.	Explain the process of planning a business letter and describe enquiry and reply letters with examples.	K3	CO3	PO3
4.	Describe the different kinds of business letters such as sales letters, order letters, and tender notices.	K2	CO3	PO2
5.	Draft a letter of complaint or a letter of appointment and explain its important features.	K4	CO3	PO3

UNIT-IV

Correspondence

4.1 Bank correspondence

Any letter which is exchanged between at least two parties (banks and clients) or any other letter which is written to provide information regarding banking services to different banks or parties” is known as banking correspondence.

Banking Correspondence can also be considered a type of business communication. Banks are also business houses and play a crucial role in these fields. There are many similarities between banks and businesses. Every bank(public/private/foreign) faces tough competition like other business firms.

One needs to be very careful while penning banking letters as they deal with finance and should maintain confidentiality. Also, the 7C's of Communication need to be kept in mind (Clear, Complete, Consistency, Courteous, Consideration, Concise, Confidential).

Banking Correspondence has three types of Letters

- Letters of inquiry like Requests for Loans/Overdrafts etc.
- Letters of claim/complaints like Complaint Letter, Claiming the loan amount, etc.
- Letters of approval/dismissal like a letter for Approval of loans etc

4.2 Insurance correspondence

Quite often you have seen some advertisement for different insurance companies. They promise to be different and better from another. They guarantee different risk covers. In the business world also, we need some kind of protection. There are many risks in the business world. The risk of theft, loss due to fire, natural calamities are the most common. Sometimes the risks covering company gives you this information in written form. Also, you get notification regarding the policy, premiums, and schemes. All these are the insurance correspondence.

4.2.1 Types of Insurance Correspondence

Policy Renewal

As the name suggests, it is the renewal or the continuation of the policy. In it, some changes can be made in the existing scheme also.

Null and Void Policies

The policies which are no longer active due to the non-payment of premiums are the null and void policies. If the insured doesn't pay the premium rates for a certain amount of time, the legally existing policy becomes void. It is very important for a policy to be active at the time of the mishap.

Reporting Loss

It is a written report of the occurred loss. In it, the insured asks for the compensation under the taken protection scheme. One must clearly state the happening, the reason for it (if possible), estimated amount to be compensated, etc.

4.2.2 Characteristics of Insurance Correspondence

- The content of the letter must be clear and concise.
- The tone of the letter must not be rude.
- One should not use slang, abbreviation, or abusive words.
- One should clearly state the details. The details are the policy number, date of issue, amount of payment etc.

4.3 Agency correspondence

Agency correspondence is the correspondence between the principal and the agent. The application for an agency, the appointment of an agency, its tenure and renewal, facilities provided by the agent, the support he receives from the principal, etc., form the subject matter of agency correspondence.

4.4 The import-export trade correspondence

The import-export trade correspondence runs almost on the same lines as the inland trade correspondence. However, the procedure and the formalities involved are somewhat special and require a little special study. An importer can either import directly from a foreign producer or import through an indent house.

Exporting refers to the selling of goods and services from the home country to a foreign nation. Whereas, importing refers to the purchase of foreign products and bringing them into one's home country. Further, it is divided in two ways, which are, Direct.

Check Your Progress:

Q.No	Short Questions	LOCF Mapping		
1.	What is meant by bank correspondence?	K1	CO4	PO1
2.	Write a short note on insurance correspondence.	K2	CO4	PO2
3.	What is agency correspondence in business communication?	K1	CO4	PO2
4.	List any two objectives of import–export correspondence.	K1	CO4	PO1
5.	Why is correspondence important in banking and insurance sectors?	K2	CO4	PO3
Q.No	Essay Type Questions	LOCF Mapping		
1.	Explain the meaning and importance of bank correspondence in business transactions.	K2	CO4	PO1
2.	Discuss the features and types of insurance correspondence with suitable examples.	K3	CO4	PO2
3.	Describe agency correspondence and explain its role in maintaining business relationships.	K2	CO4	PO3
4.	Explain the procedures and key elements involved in import–export correspondence.	K3	CO4	PO2
5.	Analyse the role of correspondence in facilitating effective communication in banking, insurance, and international trade.	K4	CO4	PO3

UNIT-V

Report Writing

5.1 The importance of business reporting

Business reports provide useful insights for management such as information on spending, profits and growth. Reports will provide important detail that can be used to help develop future forecasts, marketing plans, guide budget planning and improve decision-making.

Managers also use business reports to track progress and growth, identify trends or any irregularities that may need further investigation. In addition to helping guide important decisions, business reports help to build an audit trail of business activities including reports that document annual budgets, sales, meetings and planning initiatives.

Business reporting promotes transparency and for many public companies, an annual report is a legal requirement to provide shareholders, the government and others with financial data and ownership information about the business. Additionally, regular reporting throughout the business year enables businesses within the same sector to measure and compare their performances against others.

5.2 The purpose of business reporting

The aim of a business report is to provide critical analysis of how the business is tracking in all areas of the organisation. Business reports are important tools to guide decision-making and to allow business owners and senior managers the opportunity to investigate and solve any identified issues.

Reporting is done through the process of compiling and reviewing the information within a specific functional area such as finance, sales, operations, inventory control or any area of the business where performance is monitored and measured.

Once information is gathered and reviewed, conclusions can then be drawn, and recommendations made.

The outcome of the report may explain why an issue has occurred or may identify performance problems and generally will recommend a course of action.

5.3 The various types of business reports

Different reports will provide distinct value for all functional areas of an organisation. Examples of some common reports include market analysis, trend analysis and financial analysis as well as operational and performance reports.

I. Inventory reports

Inventory stock records – typically generated with inventory management software – report on the movement of inventory into and out of the warehouse.

They help a business identify any problems affecting performance such as product loss, obsolescence or dead stock.

II. Market analysis reports

They help business owners decide how to allocate their resources. For example, when an analysis of the market concludes that the ensuing business year will see accelerated growth, companies can increase their marketing budget to take advantage of this.

III. Trend analysis reports

These reports support long-term business development by examining statistical trends such as consumer preferences and the demographic groups that are experiencing the quickest growth rate. The objective of a trend analysis report is to identify growth opportunities to enable businesses to build market share ahead of competitors.

IV. Financial reports

Financial reports are generally prepared on a regular basis by most companies and help to keep them on track toward achieving revenue and profit objectives. These reports highlight any variances in the financial results compared to forecasts in the annual business plan and will explain the reason for any significant negative variance.

V. Operational analysis reports

These reports show how efficiently a company is operating and will recommend ways to further improve productivity. An analysis of inventory control might indicate that the company

experiences periodic shortages of key raw materials that prevent timely order fulfilment. The report may recommend that the company look for back-up suppliers of essential items to ensure availability when needed

VI. Performance reports

Performance reporting allows the business to compare performance over different timeframes and report objectives should always align with KPIs to demonstrate if these have been met or even exceeded.

5.4 Characteristics of a good Report

A good report is a comprehensive and well-structured document that conveys information, analysis, and recommendations in a clear and effective manner. A well-written report has the following most important characteristics:

1/Clarity: The foremost characteristic of an effective report is that it should be written in clear and concise language, avoiding unnecessary jargon or complex terms. The ideas presented should be easy to understand for the intended audience.

2/ Purposeful Content: The report should have a clear purpose, and all the information presented should directly relate to that purpose. Irrelevant details should be avoided.

3/ Well-Organized Structure: A good report has a logical and organized structure, with a well-defined introduction, body, and conclusion. Each section should flow smoothly, guiding the reader through the information.

4/ Appropriate Length: For both long and short reports the length should be appropriate for the depth and complexity of the subject matter. It should be sufficient to cover the necessary information but not excessively lengthy.

5/ Data and Evidence: A good report is supported by relevant data, evidence, and examples. These should be properly cited and used to strengthen the arguments or conclusions.

6/ Professional Tone: The report should maintain a professional tone throughout, incorporating element of both formal and informal writing.

7/ Grammar and Language: One of the essential qualities of a good report is that the report should have no grammatical errors and spelling mistakes. Proper punctuation and language usage are essential for maintaining credibility.

8/ Concise and Focused: Unnecessary repetition or lengthy descriptions should be avoided. The report should stay focused on its main points and objectives.

9/ Actionable Recommendations: If applicable, the last feature of a good report is that it should provide actionable recommendations based on the analysis presented. The recommendations should be practical and achievable for implementation.

Overall, the specific requirements for a report can vary depending on its purpose, audience, and the subject matter it covers. Nevertheless, these general features of a report form a strong foundation for creating an effective and impactful report

5.5 Report preparation

A report is a structured document, usually prepared for more than one reader, presenting factual information in a concise format. Reports are usually used for decision making but may be for presenting information. Here are some steps to follow when writing a report:

Decide on terms of reference

Many formal reports include a section that details the document's "terms of reference" (or ToR). These terms include:

- What the report is about

- Why it's necessary

- When it was written

- What its purpose is

Setting these terms helps both the writer and their readers to understand why the report is important and what it hopes to accomplish. The terms of reference are usually explained in the first paragraph so that the reader can determine their relevance without having to read the entire document.

Conduct your research

Most reports will require you to collect a store of data that directly relates to your topic. You may already have access to this information if, e.g., a doctor who has copies of a patient's medical charts. However, if you're tasked with analyzing an issue and/or investigating an event, you'll likely need to spend some time requesting, finding and organizing data.

Interpreting data and formatting

It is in a way your readers will understand and follow is an important part of writing a report. For your report, you may need to create charts, graphs or timelines that make your raw information easier to comprehend. You'll also need to carefully cite your sources and keep track of where and how you found your report's data to present it professionally.

Create a report outline

The next step in writing a report is to construct your report's outline. This typically looks like a bulleted or numbered list of all the different sections in the document. Your report's outline might look similar to this:

Title page	Analysis
Table of contents	Findings
Introduction	Conclusion
Terms of reference	References or bibliography
Summary of procedure	

The order of these sections—and whether you decide to include them all—depends on the specific type of report, how long it is and how formal it needs to be. The most important thing to do when writing your outline is to include all the necessary sections and eliminate anything that does not directly contribute to the report's purpose.

Write the first draft

Writing the first draft of your report is one of the most important stages of constructing a successful one. The purpose of the first draft is not to write a perfect document, but rather to get all the main points of your information out of your head and onto the page. You'll have time to add to and edit this first attempt, so your primary goal is just to organize your data and analysis into a rough draft that will eventually become a final product. While writing your report's first draft, you'll likely find gaps in your data or holes in your analysis. Make note of these issues, but don't try addressing them as you write. Instead, finish the draft and save problem-solving for when you begin the editing process.

Analyse data and record findings

The focus of every report is the "findings" section, i.e., the part where you present your interpretation of the data. For an accountant, for example, the findings could involve an explanation as to why a company's stock dropped the previous quarter. For an environmental

scientist, the report's findings could include a summary of an experiment on biodegradable plastics and how the results could affect waste management methods.

The findings section should always provide valuable information related to the topic or issue you're addressing, even if the results are less than ideal. If you conclude that the data was insufficient or the research method was flawed, you'll need to explain this professionally and accurately.

Recommend a course of action

The final section of your report's body is your recommendation(s). After examining the data and analyzing any outcomes, you're qualified to present an idea as to what actions should be taken in response to your findings. For example, after reviewing the number of overtime hours their team's been working, a project manager may recommend adding another member

Edit and distribute the report

The final stage of writing a report is editing it thoroughly and distributing it to your audience. You'll need to edit for grammar mistakes, spelling errors and typing mistakes. You'll also need to double-check your data, make sure your citations are correct and read over the entire document to ensure it presents a cohesive narrative. If the report is going to be read by a wide(r) audience, you might decide to ask someone else to proofread it or give you their opinion on the readability of the content. Distributing the report can take different forms depending on your particular occupation. You might email it to your supervisor, present it verbally during a staff meeting or publish it in a journal. Regardless of how or where it's read, your goal is always to create a concise, informative and effective document that will contribute to increased productivity in your workplace.

5.6 Report by individual and committee

A. Report by Individual

Individual Report: An individual report is a written document that provides a comprehensive analysis or evaluation of a specific topic or subject. It is typically prepared by an individual and presents their findings, observations, or recommendations based on their research, analysis, or personal experiences. Individual reports are commonly used in academic, professional, and business settings to communicate information effectively.

Components of an Individual Report:

- 1. Title:** The report should have a clear and concise title that reflects the main focus or purpose of the document.
- 2. Introduction:** The introduction provides background information on the topic, states the objectives or purpose of the report, and outlines the scope of the study.
- 3. Methodology:** This section describes the methods used to gather information, such as data collection techniques, research sources, or experimental procedures.
- 4. Findings/Analysis:** Here, the individual presents the main findings or results of their research or analysis. This may include statistical data, qualitative observations, or other relevant information.
- 5. Discussion:** The discussion section interprets the findings and provides insight into their significance. It may include comparisons to existing theories or previous research, as well as explanations of any limitations or constraints encountered.
- 6. Conclusion:** The conclusion summarizes the main points presented in the report and may offer recommendations or suggestions for further investigation.
- 7. References:** A list of sources used and cited in the report should be included in a standardized format, such as APA or MLA.
- 8. Appendices:** Additional supporting materials, such as charts, graphs, or raw data, can be included in the appendices to provide further detail or evidence

B. Report by committee:

A committee report is a written document that summarizes the activities, decisions, or recommendations of a committee. It is typically prepared by a group of individuals who have been assigned specific tasks or responsibilities within the committee. Committee reports are commonly used in organizations, government bodies, or academic institutions to communicate the outcomes of committee meetings or projects.

Components of a Committee Report:

- 1. Title:** The report should have a clear title that reflects the purpose or subject matter of the committee's work.
- 2. Introduction:** The introduction provides background information on the committee's mandate, objectives, or scope of work.
- 3. Committee Membership:** This section lists the names and affiliations of the committee members.

4. Activities/Progress: The report outlines the activities, tasks, or projects undertaken by the committee since the last report. It may include deadlines, milestones, or achievements.

5. Decisions/Recommendations: This section summarizes the decisions made or recommendations put forward by the committee. It should clearly state the rationale behind each decision or recommendation.

6. Challenges/Obstacles: If the committee faced any challenges, obstacles, or limitations during its work, they should be mentioned in this section.

7. Conclusion: The conclusion provides a summary of the committee's overall progress, achievements, or future plans.

8. Attachments: Any supporting documents, such as meeting minutes, research papers, or additional reports, can be included as attachments.

5.7 Meaning of agenda

A meeting agenda is an outline of what will occur during a meeting. This might include topics, goals, a timeline, designated speakers, supporting documents, and talking points. A meeting agenda is usually shared with participants before the meeting so they can prepare.

Here are some benefits of using a meeting agenda:

- It gives the meeting a clear purpose.
- It helps you stay on track.
- It defines responsibilities.
- Its structure allows you to manage your time efficiently.
- It ensures essential topics are covered.
- Creating one clarifies expectations and responsibilities.
- It reduces wasted time.
- Sending the agenda in advance prepares participants.

5.8 Minutes of the Meeting:

Minutes of the meeting are the official record of discussions and decisions at the meeting. The minutes of the meeting are generally written by the secretary in consultation with the Chairperson. It is always good for a company to keep a record of minutes of meeting. In certain cases, it is mandatory under the law to maintain minutes of meeting. The minutes mention the main points of discussion and decision taken thereof. The person drafting minutes of meeting should doubly check the facts and decisions before making it public. It is

advisable to circulate a pre final draft of the minutes among the concerned members for their observations. Minutes become effective only when they have been read at the next meeting. For creation of minutes of meeting document, a standard format is followed. It includes items in a particular sequence. These items are:

- | | |
|--|---|
| a. Name of the department/ unit/ chapter | f. Agenda Item #2. Discussion held. Action taken. |
| b. Date, time and venue of Meeting | g. Announcements (if any) |
| c. Members Present and Members Apologies | h. Future Agenda Items |
| d. Reading and Approval of Minutes of previous meeting | i. Next Meeting |
| e. Agenda Item #1. Discussion held. Action taken. | j. Signatures of secretary and Chairperson |

Once finalised, these minutes should be circulated to all the members for review within seven days of meeting.

Check Your Progress:

Q.No	Short Questions	LOCF Mapping		
1.	What is a business report?	K1	CO5	PO1
2.	State the importance of report writing in business communication.	K2	CO5	PO1
3.	List the characteristics of a good report.	K1	CO5	PO2
4.	What is meant by agenda in a meeting?	K1	CO5	PO2
5.	Define minutes of a meeting.	K1	CO5	PO2
Q.No	Essay Type Questions	LOCF Mapping		
1.	Explain the meaning, purpose, and importance of report writing in business organizations.	K2	CO5	PO1
2.	Discuss the different types of business reports with suitable examples.	K2	CO5	PO2
3.	Describe the characteristics of a good report and explain the steps involved in report preparation.	K3	CO5	PO3
4.	Differentiate between reports prepared by individuals and committees.	K4	CO5	PO2
5.	Explain the concept of agenda and minutes of meetings and their role in effective organizational communication.	K3	CO5	PO3

Textbooks	
1.	Korlahalli, J. S., & Pal, R. (1979) Essentials of Business Communication. S. Chand, New Delhi.
2.	Kaul A, (2015) Effective Business Communication. Second Edition Prentice Hall India Learning Private Limited.
3.	Raymond Lesikar and John Pettit, Jr.(2016) Report Writing for Business Mc Graw Hill Education
4.	Scott Mclean, “Business Communication for Success”, Flat World Knowledge, 2010
5.	Virander K. Jain, “Business Communication”, S. Chand Limited, 2008
Reference Books	
1.	Kumar, R. (2010). Basic Business Communication. Excel Books India.
2.	Bovee, C. L. (2008). Business Communication today. Pearson Education India.
3.	Lesikar, R. V., & Pettit, J. D. (1989). Business communication: Theory and application. Irwin Professional Publishing.
4.	Mary Ellen Guffy and Dana Loewy (2012) Essentials of Business Communication Cengage Learning
5.	C.B.Gupta(2019), Essentials of Business Communication Cengage Learning India Pvt. Ltd
Web Resources	
1.	https://www.managementstudyguide.com/business_communication.htm
2.	https://studiousguy.com/business-communication/
3.	https://www.indeed.com/career-advice/resumes-cover-letters/business-communication-skills
4.	https://www.softskillsaha.com/what-is-meaning-of-business-communication-skills.php
5.	https://www.mindtools.com/page8.html

Mapping with Programme Outcomes:

	PO 1	PO 2	PO 3	PO 4	PO 5	PO 6	PO 7	PO 8
CO 1	3	3	3	3	3	3	3	3
CO 2	3	3	3	3	3	3	3	3
CO 3	3	3	3	3	3	3	3	3
CO 4	3	3	3	3	2	3	2	3
CO 5	3	3	3	2	3	2	3	3
Weightage	15	14	15	14	14	15	14	15
Weighted percentage of course contribution to POS	3.00	3.00	2.8	2.8	2.8	2.8	2.8	3.00

S-Strong-3 M-Medium-2 L-Low-1Level of Correlation between PSO's and CO's

CO /PO	PSO1	PSO2	PSO3	PSO4	PSO5
CO1	2	3	2	3	3
CO2	2	2	3	3	3
CO3	3	2	2	3	3
CO4	2	2	3	2	2
CO5	2	2	3	3	3
Weightage	11	11	13	14	14
Weighted percentage of Course Contribution to PSOs	2.2	2.2	2.6	2.8	2.8

Strong-3 M-Medium-2 L-Low-1

Level of Correlation between PSO's and CO's

(Suggested by UGC as per Six Sigma Tool – Cause and Effect Matrix)

Assign the value 1 – Low, 2 – Medium, 3 – High, 0 – No Correlation

.....

Compiled by

Mr. M. Karuppasamy

Assistant Professor of Economics

Manonmaniam Sundaranar University

Tirunelveli – 627 012.