

# **GOVERNMENT ARTS COLLEGE FOR WOMEN SALEM-8**

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Affiliated to Periyar University, Salem-11  
Yercaud Main Road, Gorimedu, Salem – 636 008



## **Study Material**

Paper Name : BUSINESS COMMUNICATION

Paper Code : 17UCM02

Batch : 2019-2022

Class & Semester : I B.COM & I SEM

## **BUSINESS COMMUNICATION**

### **SYLLABUS**

#### **UNIT - I**

Business Communication: Meaning – Objectives – Media – Barriers - Importance of Effective Business Communication- Modern Communication Methods - Business Letters: Need - Functions - Kinds - Essentials of Effective Business Letters - Layout.

#### **UNIT - II**

Enquiries - Replies - offers and quotations - Orders and their Execution - Credit and Status Enquiries -Meaning - Trade and bank references - Complaints and Adjustments - Collection Letters - How to write effective Collection letters? - Sales Letters - Circular Letters.

#### **UNIT - III**

Banking Correspondence - Introduction - Correspondence with customers & Head office – Insurance Correspondence – Life insurance- Fire insurance - Marine insurance - Agency Correspondence.

#### **UNIT - IV**

Company Secretarial Correspondence - Agenda, Minutes and Report Writing- Types- Characteristics of good Report- Report of individuals.

#### **UNIT - V**

Application for Jobs: Preparation of resume- Interviews- Meaning- types of Interview- Candidates preparing for an Interview- Guidelines to be observed during an interview- Business Report Presentations. E-mail Slide or Visual Presentation - Internet - Video conferencing - Group Discussion.

**TEXT BOOKS:**

1. **Essentials of Business Communication** - Rajendra pal, J.S. korahilli, Sultan Chand & Sons, New Delhi.
2. **Business Communication** – K. Sundar & Kumararaja, Vijay Nicole Imprints Pvt Ltd, Chennai-91
3. **Business Communication** - N.S.Raghunathan & B.Santhanam, Margham Publications, Chennai.
4. **Business Communication** –V.R. Palanivelu &N. Subburaj, Himalaya Publishing Pvt Ltd,Mumbai.

**REFERENCE BOOKS:**

1. **Effective Business English and Correspondence**-M.S. Ramesh and Pattenshetty-R S.Chand&Co,Publishers, New Delhi-2.
2. **Commercial Correspondence** –R.S.N.Pillai and Bhagavathi.S. Chand Publications, New Delhi.
3. **Business Communication** - Sathya Swaroop Debasish, Bhagaban Das, PHI Learning Pvt. Ltd., New Delhi 2010 Edition
4. **Communication conquer:** A Handbook of group discussion and Job Interview. - Pushpalatha & Kumar, PHI Learning Publisher .

**QUESTION PAPER PATTERN**  
**BUSINESS COMMUNICATION**

Time: 3 Hours

Max. Marks: 75

**PART – A (15 x 1 = 15 Marks)**

Answer All Questions

Multiple Choice Questions

**PART – B (2 x 5 = 10 Marks)**

Answer Any 2 Questions

(One Question from each Unit – Open Choice)

**PART – C (5 x 10 = 50 Marks)**

Answer all Questions

(One Question from each unit- Internal Choice)

## UNIT-I

### BUSINESS COMMUNICATION

#### INTRODUCTION

Communication is a skill to exchange messages, facts, ideas, opinions, and to express emotions. The word “Communication” is derived from the Latin word “Communico” which means “To Share”. It is the act of sharing or imparting a share of anything.

#### MEANING AND DEFINITION OF COMMUNICATION.

Communication is the process by which information is transmitted between individuals and / or organizations, so that an understanding response results.

Communication is an exchange of facts, ideas, opinions, or emotions by two or more persons.

#### DEFINITION :

**According to peter little**, “communication is the process by which information is transmitted between individuals and/or organizations so that an understanding response results.”

#### NEED / IMPORTANCE FOR COMMUNICATION

##### 1. Technological improvements:-

We must persuade employees to accept new technology. Regular training of staff becomes necessary to improve their knowledge and to provide them the skills needed to apply new technology.

##### 2. Human relations:-

Effective communication between management and employee can be developed by, Participation of employees in the decision making process and other means of communication

##### 3. Increase in size:

A large business firm has factories or offices in different parts of the world. The head office of the company must always be in close touch with branch offices. An efficient system of communication is required for this purpose.

##### 4. Growing specialization:

Sound communication is essential for ensuring mutual co-operation and understanding between different departments. Otherwise the organization cannot function smoothly.

##### 5. Cut-throat competition:-

Liberalization and globalization have resulted in severe competition between public sector, private sector and foreign banks. Persuasive communication in the form of advertisements, personal contacts and publicity becomes essential to survive in the race of competition.

### **6. Public Relations:-**

Society expects more and more from managers. Business has to keep Government, distributors, suppliers, investors and other sections of society well informed about its contribution to the society.

### **7. Trade union movement:-**

Management must consult union leaders on several matters. Regular exchange of information and ideas between managers and union helps to maintain good relations between them.

### **8. Personal asset:**

Communication skill is essential for success in every job. Manager is required to give speeches, write documents and conduct interviews. Teachers, advocates, journalists, receptionists need high degree of communication skill.

## **OBJECTIVES OF COMMUNICATION**

Communication can be used for any or more of the following objectives:

### **Information**

One of the most important objectives of communication is passing or receiving information about a particular fact or circumstance. It can be done through spoken or written language.

Manager needs complete, accurate and precise information to plan and organize. Employees need it to translate planning into reality.

### **External Information**

It is the information about its products, credit, raw material, government rules and regulations, advertising media, latest developments in the field of science and technology.

### **Internal information**

- Information on job assignments and precedence governing them;
- Information on status and decision making powers;
- General information on the policies and activities of the organization.

### **Advice**

Advice involves personal opinions, is likely to be subjective. Advice is given to him either to influence his opinion or his behavior.

Business man may not have special knowledge of all branches like finance, tax, publicity, engineering, public relations etc. If he wants to run his business successfully, he has to seek expert advice frequently.

### **Counselling**

Counselling is very similar to giving advice. Counsel is objective and impersonal. Companies which are concerned with employee's welfare have counseling centres for their employees.

Services of specialists are engaged for the purpose and employees receive free medical advice, legal advice and guidance. Counseling can be successful if there is a two way communication.

### **Order**

Order is an authoritative communication. It is a directive to somebody, normally a subordinate, to do something to alter the course of something he has already done, or not to do something.

**Persuasion**

Inducing, compelling or providing a person to act mostly in a positive way is known as persuasion. Persuasion is an important objective of communication.

Management tries to persuade their workers to put in their best effort; sellers persuade their customers to buy etc. It takes place through some kind of communication.

**Education And Training**

Education means imparting instruction, character building, enriching mental faculties, giving training to human beings etc. Communication is vital in education.

**Motivation**

Inspiring the interest in their job in the minds of the employees is known as motivation. If the people are motivated, they will have high morale and this will be low if the level of motivation is low. Motivation determines the behavior of a person.

**Suggestion**

Suggestions coming from employees are upward communication. The employees involved in the work have a better understanding of the short comings and can make useful suggestions which are collected at regular intervals by means of a suggestion or ideas.

Subordinates normally give suggestions for improvement.

**Warning**

Warning is a forceful means of communication. It may be given orally or in writing. Very often, we come across notices like “No Smoking” “Beware of dogs”, “Danger” etc. There are some warnings or cautions in office and factories, higher officials give warnings to their subordinates, by issuing memos.

**Morale Boosting**

Morale refers to team spirit and co-operation of people for a common purpose. The management feels that if the morale is high, production would be higher and on the other hand if it is low, the production would be low.

**Appreciation**

Praising of initiative, good effort and work by employees is known as appreciation. It is very useful for creating a good attitude. It may be conveyed orally or in writing. If given publicly it will have better effect.

**ELEMENTS OF COMMUNICATION****1. Sender (or) communicator:**

Sender is a person who sends a message. He may be a writer, speaker or actor.

**2. Receiver (or) communicator:**

Receiver is a person who receives a message. The receiver may be a reader, listener or observer.

**3. Message:**

Message is the subject matter of communication. It is in the form of a verbal or non verbal language. Verbal language means spoken or written words or numbers. Non verbal language can take the form of facial or body gestures or expressions.

**4. Channels of communication:**

Channel is the media by which the message is flown from the communicator to the communicatee. It acts as a connecting link between them.

## 5. Feedback:

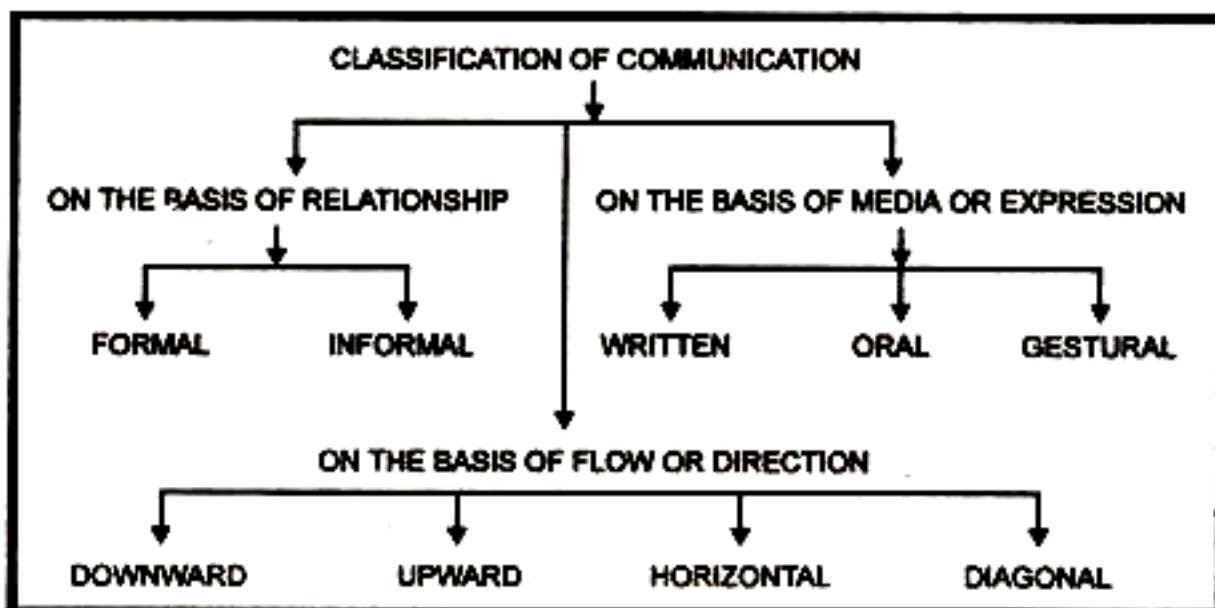
The last stage in the communication process is feedback; the receiver makes it known to the sender that he understood the message. Feedback is the response, reaction or reply made by the communicatee.

## TYPES / CHANNELS OF COMMUNICATION

Types of communication can be classified into:

On the basis of organizational structure.

1. Formal communication
2. Informal communication.



### 1. FORMAL COMMUNICATION:-

In a Formal communication system, matters with regard to who should communicate, what, when and how to be communicated and whom to be communicated are all clearly defined.

Formal communication takes place by formal channels of the organizational structure established by the management.

#### Merits of a Formal communication

- It is useful for reaching out easily to the branches and offices of an organization spread far and wide.
- Allows flow of information in an orderly and authentic manner
- Satisfies the people in managerial positions and helps them in controlling the subordinates. It enables managers consolidate the organization.

#### Demerits of a Formal Communication

- Slow and rigid and time consuming.
- Free flow of information is not there as messages have to pass through the prescribed routes.
- Expensive as the message is generally in writing.



## **Forms of formal Communication**

### **Downward communication:-**

Communication is said to be downward when it moves from the top to the bottom. Downward channels are used for passing managerial decisions, plans, policies and programmes to subordinates down the line for their understanding and implementation. Downward communications are used by the superiors to convey their orders, instructions and directions to their subordinates.

### **Upward communication:-**

Communication is said to be upward when it flows from the subordinates to the top management.

Upward communication is used by subordinates for transmitting information, ideas, views and requests to their superiors on matters relating to their jobs, responsibilities, suggestions, progress of work and response, grievances and problems of subordinates to their superiors.

Upward communication may be oral or written.

It also enables the management to know the extent to which the subordinates understand the policies and programmes of the organization.

### **Horizontal communication:-**

Communication is horizontal when it flows between individuals at the same operational level (i.e) between two departmental heads.

The purpose of the horizontal communication is to enable managers and others of the same rank to interact on important matters, to exchange information and co-ordinate their activities without referring all matters to the top level management.

## **2. INFORMAL COMMUNICATION (OR) GRAPEVINE COMMUNICATION:-**

It is based on the informal relationship among the members of the organization. Usually it will be in oral and may be conveyed by a simple gesture, glance, nod or smile. The informal relationship that supplements the formal organizational relationship is referred to as the "grapevine". Deals on the matters of task related and non-task related.

### **Merits of the Informal (or) Grapevine communication:-**

- **Speedy transmission:-** transmits information very fast and secretly..
- **Useful feedback:-** Manager can obtain useful feedback much faster than the formal channels.
- **Satisfaction:-** Makes employees closer to each other and creates in them sense of belonging. It strengthens their team spirit.
- **Support to formal channels:-** It serves as a supplementary channel of communication. Grapevine can be used to transmit information which is unsuitable for the formal channels.

### **Demerits of the Informal (or) Grapevine Communication:-**

- **Misunderstanding:-** Grapevine often carries incomplete information and may create misunderstanding.
- **Incredible:-** Information spreads through the word of mouth it can not always be taken seriously.
- **Damage to the organization:-** Gossip and rumour are part of grapevine it may distort the true picture.

## **MEDIA USED FOR COMMUNICATION:-**

### **1. ORAL COMMUNICATION:-**

Oral communication refers to face to face communication.

The sender and receiver of the message are in direct contact.

If the listener does not understand the message, he can ask for a clarification or raise questions and get the answers and it is the cheapest method of communication.

#### **Merits of oral Communication.**

1. It is economical
2. It is more flexible and combined with gesture and expressions.
3. It is more effective as there is direct contact between the communicator and communicatee.
4. It leads to better understanding because doubts are clarified.
5. It is faster and saves time.

#### **Demerits of oral Communication:-**

1. It is not suitable where the message is long and complicated and when the audience is large.
2. It does not provide any record for future reference.
3. It is time consuming and costly.
4. It can be irritating and wasteful when the persons involved are poor in communication skills.

#### **Forms of oral communication:-**

##### **Face to Face Communication:-**

In a face to face communication, communication take place face to face between two individuals or among a small group of persons. Ex: Meeting, Interview etc.

##### **Mechanical Devices for oral communication:-**

- (a) **Telephones:-**It is used for oral communication with persons both inside and outside the organization.
- (b) **Signal:-** (call, Bell, Buzzer, Coloured bulbs) Signals are cheap and simple devices for calling a person. The signal only indicates that a particular person is wanted and the actual communication takes place only when the person arrives.
- (c) **Speaking Tubes:-** Speaking tubes though for the most part displaced by the telephone, means of internal communication with less cost.
- (d) **Intercom system:-** This system has been invented by the Indian Telephone Industries, Bangalore, provides quick verbal communication. In an organization, various individuals can be equipped with the speaking-talking unit.
- (e) **Electric paging system:** Another method of internal communication. In big organization like departmental stores, super bazaars, Insurance companies and manufacturing plants, the executives some times go around from one department to another. When some urgent matter arises it is very difficult to find out or search out the executive by telephone device.

## 2. Written communication:-

Written communication is very wide in its scope and covers entire paper work relating to all kinds of transactions, agreement, proposals etc.

The main work of any office is written communication. This helps in conveying messages to the external world. It may be sent by different kinds of postal services or by hand delivery.

### Merits of written communication:-

1. Can be kept as a legal record.
2. Can be retained for purpose of future reference.
3. Formulated more carefully than oral communication.
4. Can save money and time.
5. Used for all practical purpose in every organization.

### Demerits of written communication:-

- a. Complicated or difficult matters cannot be handled through written communication.
- b. Confidential matters cannot be in writing.
- c. Instructions to be subordinate can be best given orally than in writing
- d. The reaction of the receiver can be best assessed only in a face to face communication.
- e. **For Expressing the feelings**

### Forms of written communication are as follow:

- ◆ **Telex:-** Telex is a telegraphic device. It has the facility to type out message simultaneously on the sender's machine and the receiver's machine. Telex connections are obtained through the post office. Each subscriber has a number for getting connections. The machine is fitted with a roll of paper, and message is typed out continuously.
- ◆ **Reports:-** A report may be defined as an orderly and objective presentation of information.  
Assists in decision-making and problem solving. For example status reports, minutes of meetings.
- ◆ **Memo:-** A memo is an informal message between members of a company and generally relates to daily work. It may used for giving information, instructions, or reminder
- ◆ **Telegram:-** A telegram is used for external communication and for contacting traveling salesman, branches or workers in another town. It is used when urgent action is require.
- ◆ **Notice:-** A notice is required when many people within the company have to be informed. It is the best method of mass communication within a company.  
Notice boards have to be placed at proper location, kept up-to-date and attractively laid out. The drafting of the notice is even more important.  
Notices need simple wording and a direct style so that they may be easily understood.  
The message should be short, and contain only the information meant for everyone.
- ◆ **E-Mail:-** (Electronic Mail) E-mail is a message transmitted electronically over a computer network.  
For the purpose of such an electronic transmission of a message, cable, telephone lines or satellites should connect the computer.  
The receiver's computer receives the message in a fraction of a minute and stores the same.

### **3. Non-Verbal Communication:-**

All the communication that occurs in between the people in an organization may not be spoken, heard written or read. Some may be non-verbal i.e. unwritten and unspoken. The most important aspect in communication is “to hear what isn’t being said”. Eg. Smiling while greeting your colleague.

#### **Forms of Non-verbal communication:-**

##### **Space and Territory:-**

Different types of communication occur at different distances. Competent communication determines their own personal space needs and those of others.

##### **Body movement:-**

(1) Facial expression – successful communicators use facial expression as a very effective media of communication. The most expressive part of human body is face – especially eyes.

(2) Gestures- Gesture is a motion of the body or limbs. It is an action intended to express the idea of feeling or to enforce an argument. Gesture includes hand and upper body movement. And

(3) Body stance –It includes posture of standing, placement of arms and legs, distribution of weight etc. by seeing the standing position of a person, one can understand whether he is interested in the talk or feel bore etc.

##### **Physical Appearance:-**

Physical appearance of a person is important for creating a good impression. This is because attractive people tend to be seen as more intelligent and more likeable.

##### **Voice qualities:-**

No one speaks in single tone i.e in an unvaried pitch of the voice. Voice qualities include volume, speed, pitch, tone, and accent. They carry both intentional as well as unintentional messages. Based on the pitch of the voice, the circumstance when it was conveyed etc., same sentence might carry different meanings.

**4. Audio-Visual Communication:-** Audio-visual communication is the combination of sight and sound. It makes use of short films, slides, videotapes, telecasts etc. Examples are small advertisement films, or documentary films related to social issues etc. screened just before the main picture.

It is most suitable for mass publicity, propaganda and mass education and lasts longer in the minds of listener.

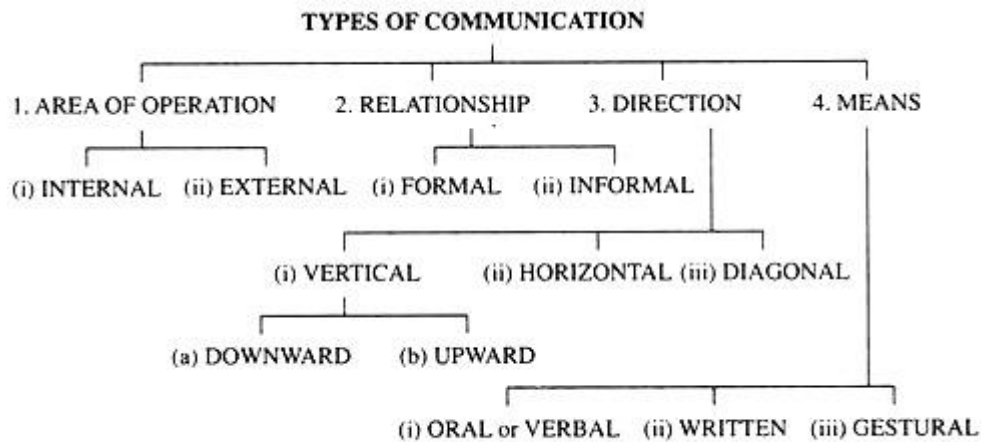
Some of the other types of communication are :

**1. According to Area of Operation**

**2. According to Relationship**

**3. According to Direction**

**4. According to Means.**



**Fig. 3.1:** Types of Communication.

### **1. According to Area of Operation:**

#### **(i) Internal Communication:**

‘Internal Communication’ is a process of communication made within the organisation between the superiors and subordinates or between peer persons or between two or more groups. It may be formal or informal, oral or written. It may flow upward, downward or horizontal as per requirement.

#### **ADVERTISEMENTS:**

The oral means of internal communication are face-to-face discussion, verbal instruction, message, telephone, intercom, meeting, conference or seminar, speech, etc. The written methods include notice, circular, memo, report, chart or graph, bulletin, e-mail, fax, etc.

#### **(ii) External Communication:**

A business organisation needs to communicate with the external agencies like customers, suppliers, investors, other business houses, banks, insurance companies, government offices, etc. Such communication may be called ‘External Communication’ as its area of operation is with the people outside the organisation.

International business organisations need to communicate with foreign individuals, government agencies/organisations, etc. Oral external communication is made through face-to-face discussion, meeting, conference, seminar, telephone, speech, etc. The written process includes notice, letter, telegram, report, e-mail, advertisement, fax, press release, etc.

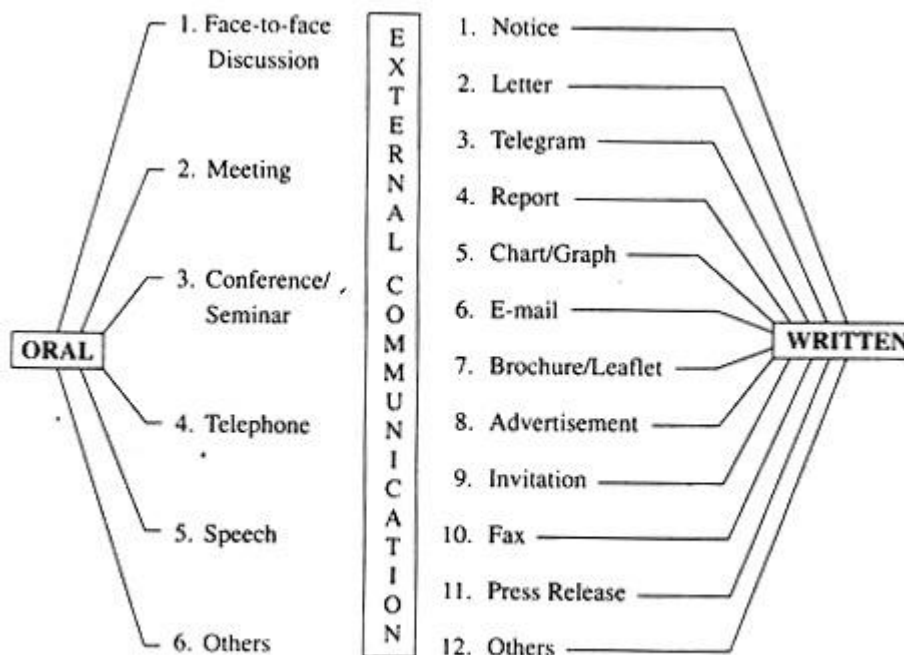


Fig. 3.3: Methods of External Communication.

## 2. According to Relationship:

### (i) Formal Communication:

‘Formal Communication’ is the transmission of information or direction in formal organisation structure. Formal communication maintains superior-subordinate relationship. When a manager directs his deputy manager to carry out some task, it is an instance of formal communication. Formal communication directs the employees in a definite manner to know what the managers intend them to do and is generally codified and expressed in writing in manuals, handbooks, bulletins, annual reports, etc. So, it is rigid and thus lacks the quality of flexibility.

### (ii) Informal Communication:

‘Informal Communication’ is the communication between the members of a group or more than one group—not on the basis of formal relationships in the organisational structure but on the basis of informal relations and understanding among the people at the same or different levels. It is referred to as the ‘grapevine’ which indicates informal means of circulating information or gossip. It does not follow any structural route or process. It moves towards any direction. It is direct, spontaneous, flexible, unplanned, and fast-flowing.

## 3. According to Direction:

### (i) Vertical Communication:

Upward and downward flows of communication constitute ‘Vertical Communication’. In such type of communication message or information is transmitted from the higher authority to the subordinates, and vice versa.

**(a) Downward Communication:**

Downward communication means the flow of information or understanding from the persons occupying higher positions to those at lower levels. It usually passes through written orders, reports and manuals and is the most common feature of all business organisations. In the organisation, people at lower levels have a high degree of fear and respect towards such communication which leads to high degree of its acceptance.



**Fig. 3.4:** Downward Communication.

**(b) Upward Communication:**

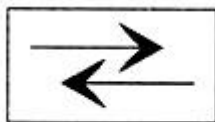
Communication is said to be upward when it moves from the subordinates to the superior managers. Submission of reports and suggestions, opinions and attitudes, complaints and grievances belong to this category. 'Upward Communication' is less common because it is less favoured by the top managers due to its troublesome and perplexing nature.

**ADVERTISEMENTS:**

**Fig. 3.5:** Upward Communication.

**(ii) Horizontal Communication:**

'Horizontal or Sideways Communication' takes place between two subordinates or managers at the same level and under the same superior. It is specially important in large or decentralized organisations. Staff people help to transmit information among the positions and units at the same level.

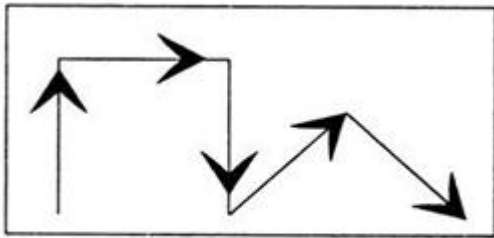


**Fig. 3.6:** Horizontal Communication.

**(iii) Diagonal Communication:**

Communication among the executives or employees of different departments is called 'Diagonal Communication.' No definite direction is followed—upward, downward and horizontal communication takes place in it. Both oral and written means of communication are used. It is mainly informal. A good relation between the subordinates and superiors is built up. It is very useful in solving the problems and avoiding conflict, but the chances of spreading rumors are high.

## ADVERTISEMENTS:

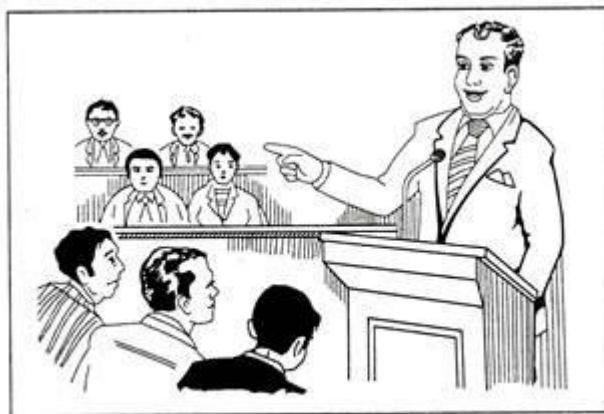


**Fig. 3.7: Diagonal Communication.**

### 4. According to Means:

#### (i) Verbal Communication:

‘Verbal or Oral Communication’ implies the transmission of orders, messages or suggestions through spoken words. It may be face-to-face or through a speaking instrument like telephone.



**Fig. 3.8: Verbal Communication.**

Verbal communication may pass directly between one person and another or group or indirectly through meetings and conferences. Whatever tool is used, it saves much time and permits personal contact. This fosters a friendly and co-operative spirit, ensures quick understanding and proper explanation, encourages questions and answers, and stimulates interest.

#### (ii) Written Communication:

A ‘Written Communication’ means the sending of message, order or instruction in writing through a letter, circular, manual, report, telegram, office memo, bulletin, etc. It is a formal method of communication and is suitable for long distance communication and repetitive standing orders. It creates the records of evidence and future reference, and can be sent to many persons at a time.





Fig. 3.9: Written Communication.

### (iii) Gestural Communication:

Communication can be made through movement of body, facial expression, smile, modulation of voice, sign, handshake, rubbing of hands, eye- to-eye contact, style of walking, etc. As communication is made through bodily gestures it is called ‘Gestural Communication.’

It should be kept in mind that, though the methods of communication are different, no one method can be used exclusively. So, different methods may be used in combination to suit the purpose of the communication.



Fig. 3.10: Gestural Communication.

## BARRIERS OF COMMUNICATION

### 1. Semantic or Language Barriers:-

Language serves as the basis for the communication. Sender should select the words and construct the sentences carefully otherwise leads to faulty communication.

### 2. Perception:-

An individual’s view of reality is known as perception. People differ greatly in the way they perceive things and events. Even a single individual has different perceptual styles depending on time and circumstances.

### **3. Perfunctory Attention:-**

If receiver pays very little or no attention to the message, communication and understanding will fail. Employee should be keep away his problem and listen to the message.

### **4. Resistance to change:-**

Generally, people resist changes. Resistance to change will be strong when the proposed change is great. One method of overcoming resistance is explaining the subordinates as to how they will be benefited by such changes.

### **5. Status:-**

Arises due to status difference that exists in every organization and there is no free flow of communication. For example any communication received from the management is viewed as troublesome by trade unions; any message from workers will be discounted by management etc.

### **6. Organizational Structure:-**

If the organizational structure has several layers of management, it may result in delay and distortion in communication, and message may be altered at every layers of management.

### **7. Premature Evaluation:-**

Refers to a tendency of forming a judgment before listening to the messages fully. Premature evaluation misrepresents the message and acts as a barrier to effective communication.

### **8. Failure to communicate:-**

Failure arises due to laziness, embarrassment, status difference and assuming that it is known to everybody.

### **9. Emotional attitude:-**

Emotional attitude of the parties involved in the exchange of information is another barrier to effective communication. When an individual is emotional, he may not able to know the frame of mind of other person.

### **10. Distance and time:**

Distance between the sender and the receiver of the message is more and is not clear than communication fails. Delayed messages which is not sent in time creates confusion and misunderstanding.

### **11. Lack of common knowledge:**

Common knowledge is essential to communicate. Many people use words which is not easily understandable by others as to impress others, due to this clear communication is not possible.

## **GUIDELINES TO OVERCOME BARRIERS OF COMMUNICATION:**

### **1. Principle of clarity:-**

Communication should have clarity and should be clear and easily understandable by the receiver of communication. The superior has to do a lot of follow up work and should have feed back.

### **2. Using simple language:-**

The language used in communication should be simple and easy to understand the message fully. The language used should match the level of understanding of the receiver.

### **3. Orientation of employees:-**

Employees should be oriented in such a manner to understand the goals, plans, rules, policies, procedures, authority relations and operations of the organization. This will avoid misunderstanding and conflicts.

### **4. Sound organizational structure:-**

The organizational structure should be sound and simple with few layers of management. The organizational policies, rules and procedures must be stated in clear terms. So that free flow of communication can be ensured. Status differences should be minimized superiors should have personal contacts with the subordinates. All these things will make the communication effective.

### **5. Informal communication channels:-**

In addition to the use of formal communication channels, managers should use informal communication channels to make communication effective. Use of informal organization enables the superiors to convey the message quickly and transmitting supplementary information.

### **6. Cross – wise Communication:-**

Cross-wise communication at all levels is needed to speed up and improve the understanding of communication. It is essential in all levels of management. Top level management should encourage cross-wise communication.

### **7. Communication channels:-**

Communication channels should be short and straight forward so that delays and distortions of information can be reduced.

### **8. Feedback:-**

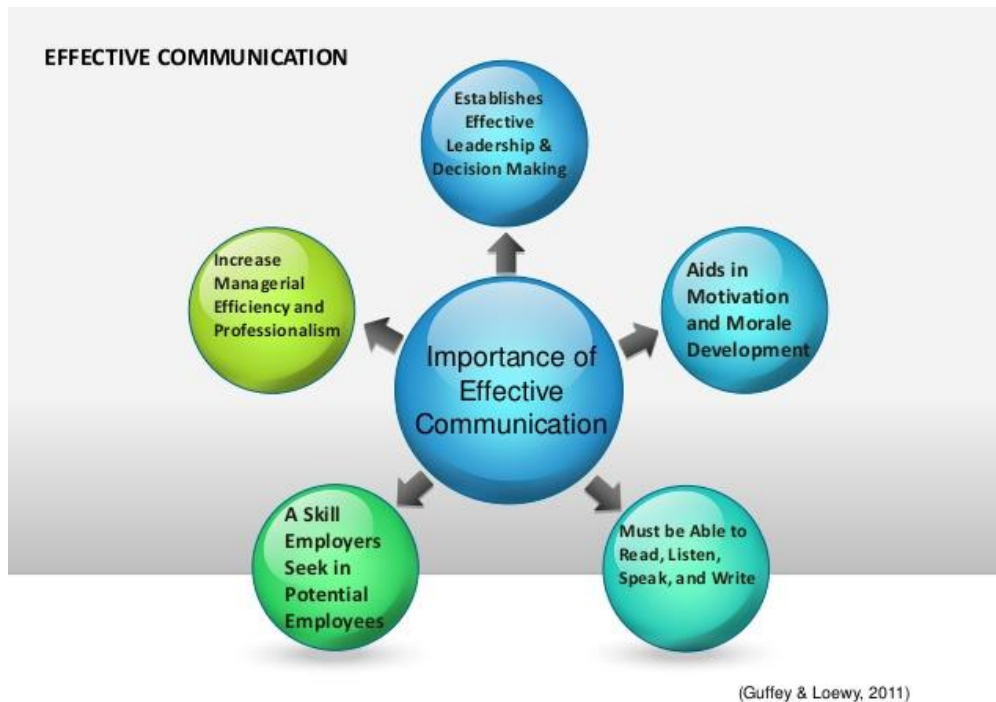
Feedback is receiver's response and is important feature of communication. It can be ensured through a two way communication system viz., upward and downwards.

### **9. Flexibility of communication system:-**

The communication system should be flexible to absorb additional loads of information, to adapt with the changed organizational requirements and to use new techniques of information transmission etc.,

### 10. Perceptive listening:-

Effective communication can be made possible only if the receiver has the skill of patient and perceptive listening. So the superiors have to develop the habit of patient listening.



### The importance of effective business communication in an organization:

1. Communication **promotes motivation** by informing and clarifying the employees about the task to be done, the manner they are performing the task, and how to improve their performance if it is not up to the mark.
2. Communication is a **source of information** to the organizational members for decision-making process as it helps identifying and assessing alternative course of actions.
3. Communication also plays a crucial role in **altering individual's attitudes**, i.e., a well informed individual will have better attitude than a less-informed individual. Organizational magazines, journals, meetings and various other forms of oral and written communication help in moulding employee's attitudes.
4. Communication also **helps in socializing**. In today's life the only presence of another individual fosters communication. It is also said that one cannot survive without communication.
5. As discussed earlier, communication also assists in **controlling process**. It helps controlling organizational member's behaviour in various ways. There are various levels of hierarchy and certain principles and guidelines that employees must follow in an organization. They must comply with organizational policies, perform their job role efficiently and communicate any work problem and grievance to their superiors. Thus, communication helps in controlling function of management.

## **MODERN BUSINESS COMMUNICATION METHODS**

### **1. Dedicated Support Hashtags on Social Channels**

If you receive a high volume of social media communication from fans and customers, offering suggested hashtags is a great way to sort messages for response. If you have a recurring support question, ask users to flag it with a specific hashtag.

### **2. Auto Call Back Option During Long Hold Times**

People absolutely despise waiting on hold on the phone, and it's easy to make sure they never have to at your business. Automated callback features allow customers to hang up the phone and go about their days instead of wandering around all day with a phone on their ear listening to infuriating music on a loop.

### **3. Live Chat on Website**

Pop-up chat boxes on your website are the perfect tool for marketing complex products and services. Consumers visit your website because they want quick information about prices and features, but complex services are hard to capture in a static webpage. That's why cell service providers, for example, all rely on live chat.

### **4. Live Video Call Option**

Video chat is a great opportunity to build relationships with your customers because it offers a sense of what communication experts call "immediacy." It's easy to tune out a radio ad or a phone call because your eyes are picking up information unrelated to the sound you're hearing.

### **5. Opt-In Text Messaging Notifications**

Over-texting customers, like sending spam email, is a good way to get people mad at you. Used sparingly, however, texts can be a great way to break big news to your customer base. Have a limited supply of an exciting new product? That's the perfect situation for a mass text to your biggest fans. They'll appreciate hearing the scoop first, and they won't feel like you're abusing their phone number.

### **6. Mobile-Friendly Account Access/Management**

Since more than half of all Americans now carry smartphones, mobile apps can be a great way to reach your customers. Push notifications allow you to get important messages out and keep your customers engaged and informed. The trick is that the app has to offer some real value or no one will download it.

### **7. 24-Hour Customer/Tech Support**

Giving your customers a 24-hour number they can call to reach an actual human being is a huge value differentiator in today's market. It shows an extreme dedication to customer service for a shockingly low cost. You don't need to have a salesperson or a tech support worker on call at AM to make this work.

### **8. Post-Sale Follow-Up Emails**

Even if you're selling gumballs at two cents a piece, technology has made it cost effective to follow up with customers after every single sale. The follow-up doesn't have to be much. The goal is just to show the customer that you care and open an avenue for future dialog. For big ticket items like cars or appliances, a personal phone call is best.

### **9. Social Media Personality**

Virtually every company in the world now understands the importance of a social media presence, but few take advantage of the huge opportunity platforms like Twitter and Facebook present. These platforms aren't the place for sanitized corporate language and official legal language — they're a place to express your company's personality.

## **10. Hand Written Greeting Cards**

The greeting card might be one of the oldest business-to-customer communication techniques, but it's also one of the best. With bills and bank statements all moving through online channels, a handwritten note in the mail stands out more than ever. Christmas and birthday cards are easy to send. They take only a moment to sign and seal, but they make a lasting impact on customers. If you want them to remember your name, signing it to a card is the way to go.

## **NEED AND FUNCTIONS OF BUSINESS LETTER**

### **Meaning of Business Letter :**

The term correspondence refers to written communication between individuals or groups on matters of common interest. The expression, "Business Correspondence" refers to the written communication between two businessmen connected with their business.

### **Need or Importance of Business Correspondence :**

As L.Gartside puts it, there are four main reasons for writing business letters. They are as follows :

1. To provide a convenient and inexpensive means of communication, without personal contact.
2. To seek or give information
3. To furnish evidence of transactions entered into and
4. To provide a record for future reference.

## **FUNCTIONS OF BUSINESS CORRESPONDENCE :**

### **Reference function :**

- Letter is valid records for ready reference in the routine of administration.
- They are highly useful in all business transactions.
- Business is a continuous process, and administrative policies have to be shaped not only according to the current trends and past experience.
- Reference to previous correspondence becomes necessary.

### **Legal function:**

Letters containing offers and undertakings should be legally binding. In case of any dispute, the business letters concerned with that transaction could be produced as evidence

### **Sales function :**

Promotion of sales is considered as the primary function of business correspondence. Letters can play the role of salesmen in creating, maintaining and expanding the market for goods and service. In fact, every business letter is a sales letter.

### **Goodwill function :**

Goodwill is essentially a concept of friendliness with the community of customers. Polite tone in business letter creates goodwill and reputation to the firm.

## STRUCTURE OF A BUSINESS LETTER

The structure of a business letter refers to the proper arrangement of the various parts or the different elements of a business letter. In order to ensure clarity and convenience, a business letter should consist of the following parts:-

### 1. The Heading: (Letter-head)

Every business house should have note paper with printed letter-head, giving the name of the firm, address, telephone number, telegraphic address, reference number, names of branches if any, the nature of the business carried on ( unless the name itself is indicative of the nature of the business) etc.

To give a balanced appearance to the letter, nearly one fifth of the total space should normally be used for the heading.

### 2. The Date:

It gives the day, the month and the year. It is very necessary to mention the date in all letters because:

- a). to identify a particular letter referred to in subsequent correspondence.
- b). It proves useful when a legal action is made

### 3. The inside address:

. The inside address consists of the name and address of the person or firm, to whom the letter is written. This is written just above the greeting or salutation (left side).

*Methods of writing inside address:* The inside address may be written either in blocked form or indented form with open or closed punctuations.

### 4. Attention Line:

When a letter addressed to a firm or company should reach a particular officer by name or designation or particular department, then an attention line is typed on the letter below the inside address, mentioning details.

### 5. Salutation:

Salutation is also known as greeting. It is the term of politeness, respect or affection, with which you introduce a letter. It is written about three spaces below the inside address.

The form of salutation depends on the personal relation between the writer and the addressee as well as upon the letter rank or position.

### 6. Subject -Reference:

In some letters, the subject, namely the main theme of the letter is written just below the salutation, before starting the body of the letter. By seeing this, the reader can understand at a glance, what the letter is about.

### 7. Body or substance:

This is the exact communication. It usually begins under the end of the salutation. A blank margin should always be kept on the left- hand side of each page. The body of the letter contains the principal message to be conveyed to the other party. Other parts are only subordinates to the body of the letter.

The writer should take utmost care to set the matter clearly. Write simply, clearly, politely, grammatically and to the point. Paragraphs may be opening, main and closing.

### 8. Complimentary close:

This is the phrase of courtesy, respect or endearment written in a separate line at the foot of the letter, on the right hand side above the signature. Some of the common forms of

complimentary close are “Yours faithfully”, “Yours truly”, “Yours respectively”, “Your sincerely”, etc.

### **9. Signature:**

After completing the letter, writer must put his signature below the complimentary close and more to the right. The signature must be in ink. It is distinguishing mark and must be in his handwriting.

### **10. Enclosures:**

If anything is to be attached to a letter, it is usual to indicate the fact at the bottom (left) of the letter. Cheques, drafts or document, if sent may be shown in the enclosure reference. It draws the attention of the despatching section and the reader. Enclosure reference is made at left- hand side parallel to the signature.

## **KINDS OF BUSINESS LETTERS**

1. Letters of inquiry seeking information about the required grades and replies.
2. Offers and acceptance.
3. Orders and their execution.
4. Credit and status enquiry.
5. Claims and adjustments.
6. Collection letters & Circular letters.
7. Sales letters.
8. Banking correspondence & Insurance correspondence.
9. Export and import correspondence.
10. Agency correspondence & Transport Correspondence.
11. Secretarial Correspondence.
12. Correspondence with the government.
13. Public relations letters.

## **LAY-OUT AND DESIGN OF A BUSINESS LETTER**

The over-all arrangement and appearance of the different parts of a letter is called its lay-out.

It refers to the arrangement of the various parts of a finished letter, neatness and spacing of the written matter.

There are seven letter styles followed by the business firms. Two major forms are known as 1. Indented Form and 2. Blocked form.

### **1) Fully indented form of layout:**

This is the traditional form of layout and is very popular in England as well as in our country. Under this method, the inside address, opening salutation, body of the letter etc are all indented five space form the previous lines.

1. 1 ½ “Margins are generally given on both side and the date is so placed that the last figure saves as a guide for the right hand margin.
2. Every line of address has a comma at the end &the last line end with a full stop.
3. The first line of each paragraph begins away from the margin or indented.

The complimentary close begins at the centre of the typing line.



**2) Fully Blocked form of layout:**

This is another important form of layout more commonly used in the United States. Under this method, the different parts of the letter and even the paragraph of the body of the letter begin from the left-hand margin. Only essential punctuation marks are typed. No comma is put after every line of the inside address salutation and complementary close. The date line is stated at the left-hand margin.

**3) Semi indented form of layout:**

This is another method of layout, more or less similar to the traditional indented form with few modifications. The inside address is typed in block form with comma at the end of each line.

1. The body of the letter and each paragraph are indented in the same way like indented form of layout.
2. The complementary close and the signature are typed at the centre of the typing line.
3. As regards the Punctuation mark, colour is put after the salutation in countries like U.S.A.

**4) Modified block form of layout:**

This style is similar to the fully blocked form of layout differing only in the positioning of the date, the subject heading and the complementary close.

1. The date line is typed from the centre of the typing line and the terminal figure ends at the right hand margin.
2. The inside address is typed in block form without comma.
3. The body of the letter and each paragraph are also typed in full block form.
4. The attention line or subject heading is centered over the body of the letter.
5. The complimentary close and the signature are placed at the centre of the typing line.

**5) Hanging Paragraph form of layout-**

This form of layout is a most unusual one. In this form, the first line of each paragraph of the body of the letter begins at the left hand margin and all the other line are indented three to five spaces away form the margin.

1. The date is given in its normal position on the right hand side. Some times it is also centered.
2. The inside address should be in block form with Punctuations.

The complementary close and signature are centered.

**6) NOMA Simplified form of layout-**

The NOMA form of letter style in of recent origin. The national office management association of America recommends it for business letter.

1. The salutation and complementary close are omitted.
2. The inside address, date line and all typing lines begins at the left hand margin.
3. The Subject heading or the attention line is given in capitals with at least three spaces below the inside address.
4. The writer's name and designation are also typed in capitals both on the same line.

**7) Semi Blocked form of layout:**

This type of layout is a combination of the block and indented form of layout.

1. The inside address is written in block form and the punctuation marks are omitted.

2. The body of the letter, however, is typed in the indicated form. First line of every paragraph is indented with 5 spaces.
3. The complementary close and the signature comes at the right hand corner below the body of the letter.

## **ESSENTIALS OF EFFECTIVE BUSINESS LETTER:**

### **1. Letter Heading:**

The name of the firm, its postal address, its telephone number and the Fax number (and also the nature of its business) should be in the letter-head. Mostly it is printed.

In the heading, room is left for the reference number and the date of the issue of the letter which should be invariably quoted in the reply and in subsequent correspondence. The name of the place and the date are written on the left top of the letter.

### **2. Name and Address of Addressee:**

This should be types close to the left hand margin. The addressee's name and address should be given in the manner it is types on the envelope. It is better to avoid use of the word 'Messrs' for a limited company, unless it forms a part of the registered name of the firm.

### **3. Salutations:**

This should come immediately beneath the recipient's address, close to the left-hand margin. 'Sir' should be used to all Government correspondence, and for very formal business letters. However, 'Dear Sir' is the most widely used salutation in commercial correspondence.

### **4. Introductory Paragraph:**

In case the current letter is reply to a previous letter, the reference number should be mentioned. In case of new correspondence, the brief introduction about the subject matter of the letter should be written.

### **5. Body of the letter:**

A business letter should be brief and precise. If it deals with one fact or item, one paragraph should suffice.

### **6. Closing Paragraph:**

It should be worded in a forceful and convincing style, because it is in this paragraph that the whole argument is summed up. Ordinarily, the letters should end with a courteous phrase expressing hope for a formal reply or assuring the addressee of the best of attention.

### **7. Subscription:**

The salutation and subscription must always agree in style. You can not start a letter formally and end it informally. The most popular subscription in business letters is 'yours faithfully'. The other subscription.

## **HINTS FOR UNIT-I**

### **NEED/IMPORTANCE FOR COMMUNICATION**

1. Technological improvements
2. Human relations
3. Increase in size
4. Growing specialization
5. Cut-throat competition
6. Public Relations
7. Trade union movement
8. Personal asset

### **OBJECTIVES OF COMMUNICATION**

1. Information
2. External Information
3. Internal information
4. Advice
5. Counselling
6. Order
7. Persuasion
8. Education And Training
9. Motivation
10. Suggestion
11. Warning
12. Morale Boosting
13. Appreciation

### **PRINCIPLES OF COMMUNICATION.**

1. Clarity
2. Integrity
3. Uses of informal organization

### **ELEMENTS OF COMMUNICATION**

1. Sender (or) communicator
2. Receiver (or) communicator
3. Message
4. Channels of communication
5. Feedback

### **TYPES / CHANNELS OF COMMUNICATION**

1. Formal communication
  - a. Downward communication:-
  - b. Upward communication:-
  - c. Horizontal communication:-
2. Informal communication.

**MEDIA USED FOR COMMUNICATION:-**

1. Oral communication
2. Written communication
3. Non-Verbal Communication
4. Audio-Visual Communication

**BARRIERS OF COMMUNICATION**

1. Semantic or Language Barriers
2. Perception
3. Perfunctory Attention
4. Resistance to change
5. Status
6. Organizational Structure
7. Premature Evaluation
8. Failure to communicate:
9. Emotional attitude
10. Distance and time
11. Lack of common knowledge
12. Distrust

**GUIDELINES TO OVERCOME BARRIERS OF COMMUNICATION**

1. Principle of clarity
2. Using simple language
3. Orientation of employees
4. Sound organizational structure
5. Informal communication channels
6. Cross – wise Communication
7. Communication channels
8. Feedback
9. Flexibility of communication system
10. Perceptive listening

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2. Auto Call Back Option During Long Hold Times
3. Live Chat on Website
4. Live Video Call Option
5. Opt-In Text Messaging Notifications
6. Mobile-Friendly Account Access/Management
7. 24-Hour Customer/Tech Support
8. Post-Sale Follow-Up Emails
9. Social Media Personality
10. Hand Written Greeting Cards

**FUNCTIONS OF BUSINESS CORRESPONDENCE**

1. Reference function
2. Legal function
3. Sales function
4. Goodwill function

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- f. Collection letters & Circular letters.
- g. Sales letters.
- h. Banking correspondence & Insurance correspondence.
- i. Export and import correspondence.
- j. Agency correspondence & Transport Correspondence.
- k. Secretarial Correspondence.
- l. Correspondence with the government.
- m. Public relations letters.

## UNIT- II

### LETTER OF ENQUIRY

When a buyer wishes to get some information about the quality, price, availability, etc. of good to be purchased, or about the terms of sale, etc., he writes a letter of enquiry to the seller. Enquiries may be solicited, unsolicited for some favour, or a routine enquiry.

Traders usually send letters of enquiry in the following circumstance.

1. When the good required by them is of a kind, which they do not regularly buy, and therefore they do not know the current prices.
2. When they want to ensure that the present suppliers are supplying at competitive rates.
3. When they want to discover better source of supply.
4. When they want to tap new lines of business.

### TYPES OF ENQUIRY LETTER

Enquiry letters may originate on the writer's own initiative or as a response to appeals and offers made by the sellers. They can be classified as follows:

#### 1. Solicited letter of enquiry:

These are written in response to advertisements and general offers made by the seller. It should be very brief and usually not longer than one or two sentences and should state definitely what is wanted.

#### 2. Unsolicited letter of Enquiry:

These are written by prospective buyers on their own initiative to different firms to get more particulars about the quality, price and other term of sale. This type of letter is more complex and detailed.

To give the reader sufficient information, enquiry letter should contain the following:

- i. What is wanted?
- ii. Who want it?
- iii. Why it is wanted?
- b. A tabulation of questions or an enclosed questionnaire. This is preferable when the enquiry is lengthy.
- c. An expression of appreciation.

#### 3. Routine enquiry:

A letter of enquiry should be by an old buyer in the usual course of business. A letter of enquiry should be

- Straight forward, compact and courteous;
- Positive and confident in tone;
- Brief and to the point, yet clear, complete and correct.

#### 4. Enquiries asking for a favour:

Such letters contain requests for the favour of information with no immediate possibilities for placing an order. The letter should be courteous, confident and definite. They should refer to the following points:

1. The purpose in view
2. Raising relevant questions.
3. Indication as to have the material collected will be used.

### **HINTS / GENERAL POINTS TO BE REMEMBERED WHILE WRITING A LETTER OF ENQUIRY:**

- Language must be courteous.
- Describe carefully the kind and quality of the order.
- State clearly the special form of packing etc. desired if any.
- State how the name of the supplier was obtained, details of your business, whether the Probable purchase should be for cash or on credit
- Refer to the advertisement, if it is a first enquiry made in response to an advertisement.
- Request for lowest quotations together with an assurance of business.
- Enquire regarding the time required for delivery, terms of payment, discounts etc. and find out whether insurance and delivery charges are to be included in the quotations if the enquiry is made from a foreign supplier.
- Give an idea about the size and frequency of future orders, if the enquiry is made to get a concessional price for large or regular orders or to obtain sole-selling agency for a region or country.

### **REPLIES TO ENQUIRY :**

#### **Meaning-**

Enquiries must be replied promptly. Even when the seller does not stock the goods asked for or even if he cannot agree to the term mentioned in the letter, prompt reply, thanking the inquires, must be sent.

A prompt reply suggests that the seller has a genuine respect for the buyer and his interest.

Robert L. Shurter suggests two conditional principles for drafting replies to trade enquiries. They are:

1. Answer inquiries promptly.
2. Take special care addressing, posting and enclosing the material.

### **KINDS OF REPLIES TO ENQUIRY:**

- i) A letter answering the inquiry & referring to the catalogue, or samples.
- ii) A letter containing a quotation.
- iii) A letter enclosing a quotation or a separate paper or form.

The nature of the reply will, therefore, vary depending upon the circumstances. No hard & fast rule can be prescribed in this regard.

### **HINTS FOR DRAFTING A 'REPLY TO ENQUIRY':**

1. Refer to the date and number of the letter.
2. Thank the party for his letter and show appreciation for his interest in your company, its products or service.
3. Answer, in a cheerful tone to all the questions.
4. Add relevant information of goods, prices advantages, favourable terms etc.
5. State the terms clearly and concisely; time required to execute the order, if placed; place & mode of delivery; terms of payment; discount (trade and cash) Packaging etc.,
6. State the time for which the offer is open.
7. State that the price list, catalogue samples etc., are enclosed or sent separately.
8. Use some sales talk to stimulate the interest of the buyer.

9. Show your willingness to serve or help the customer in the form of additional information etc.,

# INQUIRY LETTER PRODUCT SAMPLE

ADB Computers, PTE. LTD.  
Brown world Rd  
Vegas 48119

(Date.....)  
The Circulation Manager  
Business Media  
Nathan Road  
Hongkong

Dear Sir,  
We are manufacturers of computer floppy discs and are under a market expansion programme conducting more exploration of East European block countries.

Hearing a lot about your popular magazine, we feel interested to advertise our product and to subscribe to it regularly. Could you send us a sample copy for approval?

Yours sincerely,  
for ADB Computers (Pte) Ltd

(signed)  
Manager Public Relations



**OFFER****MEANING:**

It is meant for the general public (prospective customers) including the existing customers. The business house making voluntary offers of boosting sales to clear old stock or expand the existing market.

**DISTINCTION BETWEEN OFFER AND QUOTATION.**

<b>OFFER</b>	<b>QUOTATION</b>
1. An offer is made voluntarily to potential buyer.	1. A quotation is made in response to an enquiry.
2. An offer is sent to all prospects.	2. A quotation is sent to specific persons or parties.
3. An offer is followed by an acceptance or rejection	3. Quotation is followed by selection
4. An offer with acceptance becomes a contract.	4. Quotation is an invitation to a contract
5. An offer can be made either through a letter or an advertisement in newspapers.	5. A quotation is directly sent to the enquiries by post but not advertised.

**KINDS OF OFFER:****1. Firm Offer:**

A firm offer is a quotation, which will remain open for acceptance within a specified time. The terms mentioned in the offer are valid up to a specified date.

If the order is placed within the time limit specified, then the seller is bound to abide by the terms of the offer or else he can alter the terms of the quotation.

**2. Offer without Engagement:**

If an offer is made without engagement, the seller does not bind himself to accept an order at the prices stipulated without further negotiations.

The trader making such an offer receives the right of making subsequent quotations and putting new conditions before accepting an order placed in terms of an offer without engagement.

**QUOTATION****MEANING:**

A Quotation is a specific offer for sale in response to an inquiry from a particular person or business house. A quotation is sent after receipt of an inquiry from the existing market.

A quotation (i.e., a specific offer) includes quotation of the price for the specific goods desired, terms of payment, conditions of delivery and other details.

**VARIOUS TERMS USED IN QUOTATIONS:**

Traders use certain terms or abbreviations, while answering enquiries, which refer to the Price and terms and conditions under which the goods are sold. The following are the terms generally used in quotations.

**1. LOCO :** It means that all the charges of conveying them to the buyer's place must be borne by the buyer may or may not include packing charges.

Eg : Loco Madras factory, Packing Extra.

**2. At Station:** This price includes the cost of goods and transport charges to the station named. All subsequent charges such as loading them into wagons and the railway freight must be paid by the buyer.

While giving this quotation, the seller should mention the name of the station.

**3. Free on Rail (F.O.R):** The loading charges are payable by the seller and are included in the quotation.

**4. Free on Board (F.O.B.):** This includes the price of the goods charges or placing the goods on board. The carriages, dock dues, loading charges are covered in F.O.B. Price.

But unloading charges, insurance carriage to the importer's warehouse etc., are to be paid by the buyer i.e., the importer.

**5. Cost, Insurance and Freight (C.I.F):** This quotation means that the price covers the cost of goods, insurance and freight. In other words the seller has to undertake all the expenses till the goods reach the destination station or port and the subsequent charges like unloading the goods and carriage at the destination are to be met by the buyer.

**6. Franco** In other words, all the expenses till the goods reach the godown of the buyer is met by seller himself.

**7. Ex – Warehouse:** This means the price of the goods at the warehouse of the seller.

**8. Cash with order:** This means that cash should accompany the order; otherwise the order will not be executed.

**9. Cash on Delivery:** This indicates that payment must be made when the goods are delivered to the buyer. When the order is to be executed through post, it is termed as V.P.P.

**10. Documents against Payment (D.P):** This means that documents to take delivery of the goods from the transport company will be handled over to the buyer only on payment of the bill.

**11. Documents through Bank:** Documents of consignment are sent to a banker at the buyer's place and the buyer should pay the price to the banker and can get the documents and take delivery of the goods. Documents here mean Lorry Receipt, Railway Receipt, Etc.,

**12. Trade discount:** Trade discount is an allowance granted to the dealers like wholesalers and retailers as a reduction in the catalogue price of the goods offered for sale. A trade discount is generally given when the retail price is fixed and the retailers have no option to sell the goods at a price more than the specified price.

**13. Cash discount:** It is an allowance given to the buyers who settle their account within a specified time. It is a deduction in the total dues payable by the purchasers when they make early payment. It is an inducement to the buyers to be prompt in their payment.

**14. Prices current:** It means that prices quoted are those ruling on the date when the price list is issued and hence are subjected to change.

### **HINTS ON DRAFTING OFFERS AND QUOTATION:**

1. In all correspondence relating to offers and quotation, great care must be taken to draft letters and to maintain a strict code of honesty.

2. The nature of the goods should be described clearly in such a way as to leave no doubt in the mind of the prospective customers as to the quality.

3. The following items should be clearly stated

- ✓ The exact measure of weight or quantity of the goods offered or quoted.
- ✓ The terms of payment (Cash or Credit)
- ✓ The mode of transport (Road or Rail)
- ✓ Place of delivery ( Ex. Warehouse or F.O.R. Destination)
- ✓ The time of delivery.
- ✓ Parking and forwarding charges.

## **ORDER**

### **Meaning:**

An offer that is accepted is followed by an order. The letter accepting a seller's offer is called a Letter of Acceptance. Many times, the letter of acceptance itself constitute an order, and are sufficient to complete the transaction.

However, a formal order may also be sent. An order may also be placed, without any previous enquiry or offer, i.e., on the basis of Printed catalogues or advertisement.

### **MERITS OF PRINTED ORDER FORMS:**

- ❖ They save time & labour of the correspondent or his typist.
- ❖ They can be conveniently kept in a file and for easy reference.
- ❖ They remind the buyer all the points on which he should give information in his order.

### **EXECUTION OF AN ORDER**

The receipt of every order must be promptly acknowledged either by a ready-printed post card or by a special letter. Every order is an opportunity for the seller to build a profitable relationship with the customer. So the acknowledgement of an order must express the seller's pleasure and gratitude, must appreciate the customer's interest in the goods and must be a medium of mentioning the favourable aspects of the goods, terms and service. When goods are despatched, a letter advising the execution of the order is usually sent to the buyer. The letter should contain the following:

- Convey your thanks for the order placed ;
- Refer to the number & date of the order letter; and
- Information about the date of despatch of the goods and mode of transport (Rail, Road, Ship etc.,)
- A statement of the total amount of the invoice and the manner in which the seller is willing to recover the amount of the invoice.
- A solicitation for further orders.
- Intimation about its execution.

### **DELAY IN EXECUTION**

In some cases, the seller may find it difficult to execute the orders promptly or within the agreed period due to various reasons. Under such cases, the seller must write a letter to the buyers informing him of the circumstances or reasons due to which delay is inevitable. Drafting this type of letter needs greater care and extraordinary skill.

The following hints should be noted while drafting a letter of this type.

- ✓ First of all, the seller should specify the events, which made him unable to execute the order in time.
- ✓ The probable date within which the goods can be despatched.
- ✓ A request to the customer to condone the delay and to wait till the circumstance takes a better turn.
- ✓ An assurance to the buyer that his order will receive prompt attention on the date mentioned.
- ✓ Finally the letter should be closed with a reference to the inconvenience the buyer might be put to and a hope that he would not mind it.

## **CANCELLATION OF AN ORDER**

An order placed already may have to be cancelled under certain unforeseen circumstances, due to

- i) The order is a recent one;
- ii) The manufacture of goods has not been taken in hand; or
- iii) The dealer has not yet despatched the goods.

Cancellation of an order is not possible in all cases. For example, if an order was placed long ago and the goods are already despatched, it is not possible to cancel the order.

Similarly if the order is placed subject to a condition that it should be executed within a specified time and the seller fails to execute the order within the stipulated time the buyer can cancel the order.

After deciding to cancel and while drafting a letter of cancellation of an order the businessman must-

- Communicate the decision immediately to the supplier, preferably by a telegram followed by a letter and
- Point out clearly the actual reason for cancellation particularly when the decision was taken owing to inordinate delay in its execution.
- The letter should hold out an assurance to make good the loss of the order cancelled by future orders.

## **MEANING OF BANK REFERENCE AND TRADE REFERENCE**

### **Trade Reference**

A Trade Reference is provided by an existing customer of yours, nominated by you. They are asked to supply information about their business dealings with your company. In particular, whether you pay your bills on time. The information asked would vary from company to company and country to country. This is an example from the United Kingdom (The Better Payment Practice Campaign).

### **Trade Reference**

A reference given by one company to another regarding the creditworthiness of another company whom it supplies with goods. It is usual for two or more trade references together with a bank reference to be requested by companies prior to supplying goods or services on credit.

### **Bank Reference**

A Bank Reference is a written statement by your bank on their opinion as to whether you would be able to meet a certain credit commitment. In other words, pay the debt when the payment becomes due. The terms of the statement and procedure would vary from bank to bank and country to country. This is an example from the United Kingdom (The Better Payment Practice Campaign).

### **Banker's reference**

A reference sought from a bank by a company or individual regarding the creditworthiness of another company or individual in order to assess whether or not credit trading terms should be offered.

## **COMPLAINTS AND SETTLEMENTS**

### **INTRODUCTION**

Errors very frequently occur in every business house, because to err is human. The moment any mistake is discovered by any trader, he must immediately bring it to the notice of the supplier by writing a letter of complaint or claim. Instead of entering into a dispute, the supplier should try his best to settle the matter, if the defects are proved.

**MEANING OF COMPLAINT:**

From the time the order is received till the goods reach the customer, many persons are involved, and there is possibility of mistakes being committed by someone. This may inconvenience the customer and even cause him financial loss. He has, therefore, every reason to complain to the seller.

***Sources of mistakes giving rise to complaints***

- ☞ Incomplete or defective order.
- ☞ Wrong directions to the despatch section.
- ☞ Mistakes by the accounts section in preparing the invoice.
- ☞ Despatch section carelessly despatches (a) Goods of wrong quality, size, brand, pattern, colour etc. (b) defective pieces.
- ☞ The article supplied may have some manufacturing defect
- ☞ Defective packing leads to damage in transit.
- ☞ Abnormal delay in sending the consignment etc.

**PURPOSE OF A GOOD LETTER OF COMPLAINT:**

- (i) Describing the error;
- (ii) Getting the error corrected;
- (iii) Securing compensation from the seller for the loss and inconvenience results from the observed defects;
- (iv) Maintain goodwill and future business relations.

**ACCORDING TO ROBERT L.SHURTER, A COMPLAINT LETTER SHOULD CONTAIN THE FOLLOWING FOUR ELEMENTS:**

- 1) An explanation of what is wrong and should give exact dates, amounts, model number, sizes, colours
- 2) A statement of loss or inconvenience
- 3) An attempt to motivate action by appealing to the reader
- 4) A statement of what adjustment is considered fair

**HINTS ON DRAFTING THE LETTER OF COMPLAINTS:**

- ☞ Give exact and clear reference of the order of the complaints.
- ☞ Make a clear, definite statement of the mistake committed by the seller .The complaint should not be vague.
- ☞ Clearly identify whether the fault lies with the goods supplied or services rendered.
- ☞ Explain the nature and extent of inconvenience or damage caused, in terms of money, sales, service or goodwill.
- ☞ Specify the steps necessary to rectify the defect.
- ☞ Make a polite but firm request that the matter should be attended promptly.
- ☞ Express the hope of continued business relations with the seller, if the error is rectified.

**ADJUSTMENT LETTER (OR) REPLIES TO COMPLAINT LETTER****MEANING OF “ADJUSTMENT LETTER” OR REPLIES TO COMPLAINT LETTER:**

It is wrong to think that complaints are a nuisance. The businessman should welcome any reasonable expression of dissatisfaction with his goods or his service. Actual claim and

complaint letters offer an excellent check on the quality of service or products, and many business concerns maintain a continuous record of the letter.

Replies to complaints are called “Adjustment” letters. They require the most delicate and skillful handling, as they have not only to satisfy the customer but also safeguard the business interests and reputation of the writer.

Hence while drafting such letters the businessman should

- ☞ Be very careful and tactful
- ☞ Fully investigate the matter and appreciate the feelings of the complainant before giving any reply either admitting or refusing
- ☞ Plan the letter in a way as to retain the goodwill.

### **KINDS/CLASSIFICATION OF ADJUSTMENT POLICIES:**

a) **The customer is always right:** All claims are granted. Such a policy is not considered to be healthy. So it encourages unscrupulous customers to make false complaints.

b) **Fair claim, fair adjustment:** Widely followed policy. Genuine claims are granted. It offers the advantage of each case be decided on its merit and it avoids committing the company to a single policy regarding adjustments.

c) **Buyer beware! “Caveat emptor”:** The buyer bought the goods and he should assume the responsibility. No claims are granted. No firm adopts this unfair policy.

The second policy above is the most effective one.

### **CLASSIFICATION OF ADJUSTMENT LETTERS:**

#### **1. Letter granting the adjustment:**

The letter granting an adjustment is usually easy to write. It should make the adjustment cheerfully and should admit the error frankly. Its aim is not just to grant the adjustment but to retain the goodwill.

1. An express of regret for the inconvenience caused
2. An explanation for the cause of the error
3. A statement of what adjustment is to be made
4. An attempt to build goodwill.

#### **2. Letter refusing the adjustment:**

Refusal of an adjustment is much more difficult than admitting a claim. A partial adjustment can be made, that is, it does not comply with the request, and it is still a refusal of adjustment.

1. An attempt to be made in agreeing with him.
2. A clear explanation of the situation from his (seller’s) point of view.
3. An attempt to get the reader to accept the seller’s opinion about the situation.

### **GENERAL HINTS ON DRAFTING ADJUSTMENT LETTERS:**

1. Deal with the complaint and reply promptly.
2. Never give an offence to the customer
3. Show courtesy even though the complaint is unjust.
4. Think that “the buyer is always right”.
5. Give importance to the customer’s feelings, to retain his good will
6. Never treat any complaint indifferently
7. Begin your reply to the complainant by thanking him for his letter and apologizing for the trouble caused to him.

8. Offer adequate compensation and make suitable amends for it
9. Do not suggest that the customer was wrong even if it discovered that complaint is due to misunderstanding on the part of the customer.
10. Avoid using words or expressions that hurts customer.
11. Do not sacrifice your sense of dignity or justice and fair play by simply agreeing whatever claim is made by the customer.
12. Do not pay back your customer even his letter is abusive.
13. Close the letter with a hope that the customer will be pleased with the adjustment and have good business in future.

## **COLLECTION LETTERS**

### **MEANING OF “COLLECTION LETTERS”:**

The collection letter is written to collect the debts, or the amount due in the accounts. A collection letter is also called a ‘DUN’.

A DUN is a special notice sent to draw the immediate and special attention of the debtor. The word “DUN” is derived from the Middle English word “Dunnen”, which means to make a loud noise, i.e., each successive collection letters has greater force and pressure than the previous one. Dunning letters refer to a series of letters written again and again asking for settlement of account.

### **GUIDING PRINCIPLES FOR COLLECTION:**

- i. Collect the amount and keep the customers
- ii. Bill promptly and properly and post collection letters regularly
- iii. The men in the credit and collection department should be diplomatic and should have a good knowledge of human nature

### **CLASSIFICATION OF COLLECTION LETTERS:**

The customers can be broadly classified into four categories and different treatment is needed for different customers.

#### **1.Prompt payers -**

Haste and hurry should be avoided in case of prompt payers. A simple statement of accounts may be sent on due dates without any expression for quick payment.

#### **2.Good but slow payers-**

This category of debtors should be handled with greater skill. Polite, positive and firm approach is needed to collect from this customer. They are solvent, reputed and responsible businessmen. But they may be careless in payment without any motive. Reminders requesting for early settlement have to be sent to them.

#### **3.Good but continuing defaulters-**

This type of customers is good and failed to pay due to unavoidable circumstances. They must be handled sympathetically or an arrangement may be made to solve their problems. This preserves his goodwill and facilitate larger business soon.

#### **4.Fraudulent or Reckless customers:**

Firmness and legal action may be taken on these types of debtors to make payment. Even other outside pressures can also be made on them to secure payment.

## **HOW TO WRITE EFFECTIVE COLLECTION LETTERS/HINTS ON DRAFTING A COLLECTION LETTER:**

1. Body of the letter and ink shade may be different and other remains the same.
2. Be sincere.
3. Do not hurt customer or call him by names
4. Avoid self-pity that you are suffering because of his non payment.
5. Avoid giving choice to the customer.

The last paragraph of a collection letter should result in “Action”, so a clear cut date should be mentioned for receiving the amount due.

## **DIFFERENT STAGES IN COLLECTION LETTERS:**

### **Stage I – Sending statement of Account:**

A statement of account is a copy of the customer’s account in the seller’s ledger showing the balance to be paid as on a particular date is sent by the creditor as it his duty.

It serves as a simple reminder to the debtor. It does not make any request for payment. If the first letter remains unreplied, a reminder is sent again.

### **Stage II – Sending Reminders:**

If the first two letters remain unanswered a third reminder becomes necessary. In this letter, the creditor asks for payment of the amount politely, but not firmly. There is nothing to be gained at this stage by firmness. The debtor’s failure to pay may be accidental.

### **Stage III – Stronger Reminders:**

Even if the third letter fails to bring the desired response, a stronger reminder is needed. In this letter, the debtor should be asked to pay the amount by a particular date.

However in this letter also, do not express any doubt on him or do not use any threatening words.

### **Stage IV – Inquiry & Discussion:**

If the reminders do not bring any response from the customer, the creditor has to take up a different course. The creditor wants to know the reason for the delay. Therefore, he should write to the debtor asking him why the payment is not made.

In this case, efforts should be made to get a reply from him or the debtor may be invited to his place for discussions to solve the problem.

### **Stage V – Appeal and Urgency:**

This letter depends upon the debtor’s response to the previous letter. His silence indicates that the debtor wants to avoid payment and an urgent-action is necessary to get the dues.

A strongly worded letter is to be sent at this stage. The letter should be an appeal to the debtor’s sense of fairness. This approach is effective and is called as ‘Golden Rule Approach’.

### **Stage VI – Demand and Warning:**

The correspondence now reaches the final stage. Now it is more important to collect the money rather than to retain the customer. The letter should indicate that if the payment is not made within 5 or 10 days, legal action will be taken against him.



## **SALES LETTER**

A sales letter is a piece of direct mail which is designed to persuade the reader to purchase a particular product or service in the absence of a salesman. It has been defined as "A form of direct mail in which an advertiser sends a letter to a potential customer."

It is distinct from other direct mail techniques, such as the distribution of leaflets and catalogues, as the sales letter typically sells a single product or product line, and further tends to be mainly textual as opposed to graphics-based. It is typically used for products or services which, due to their price, are a considered purchase at medium or high value (typically tens to thousands of dollars).

A sales letter is often, but not exclusively, the last stage of the sales process before the customer places an order, and is designed to ensure that the prospect is committed to becoming a customer.

### **Development of sales letters**

Because of the direct response nature of sales letters, they can be carefully tested on an ongoing basis to determine which version performs best in terms of converting readers to customers. Sales letters are typically developed incrementally, with split testing of various elements.

This allows the marketer or copywriter to confirm which headline, body text or graphic design converts best. On the internet, it is possible to track additional variables, such as the open rate of emails, the bounce rate, clickthrough to the checkout, etc

## **CIRCULAR LETTERS**

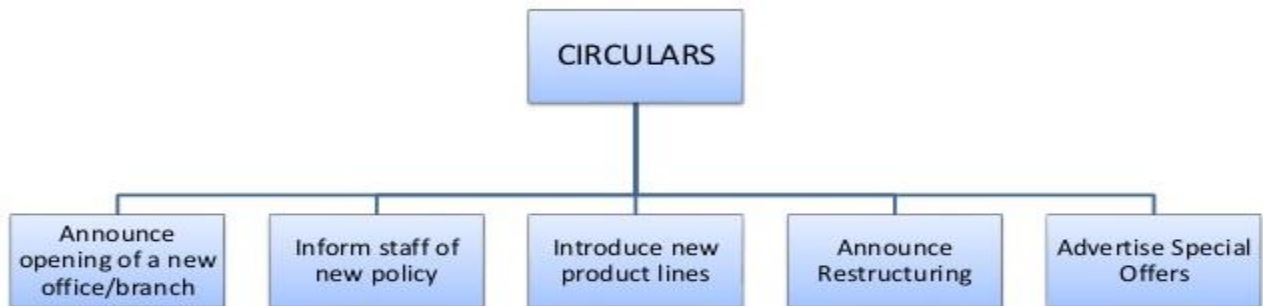
### **MEANING OF CIRCULAR LETTERS**

A circular letter is a communication to notify Or convey all customers, business friends, share holders and debenture holders, employees of a business house. Many copies are prepared and sent to all.

# CIRCULAR LETTERS

Circular letter is one that is sent out to many people at the same time.

Circular letters may be sent for many reasons



## DEFINITION:

“A letter containing a formal message addressed to a large number of customers”

## OBJECTIVES OF A CIRCULAR LETTER:

- To obtain publicity for the reason of sales or new product is introduced.
- ☞ To make the reader interested
- ☞ To impress the reader with facts and information about the firm, its policy etc.,
- ☞ To gain the confidence of the reader.

## SITUATIONS FOR WRITING CIRCULAR LETTER:

1. establishment of a new business
2. admission of new partner
3. change in the address of the place of business
4. death or retirement of a partner
5. purchase of a business
6. obtaining an agency
7. price reduction and clearance sale
8. conversion of partnership into a company
9. introduction or arrival of new products or new schemes.

## HINTS ON DRAFTING A CIRCULAR LETTER:

1. The letter must have a personal touch
2. The letter must be complete in all respect
3. Avoid promises which you cannot keep
4. The language must be polite and attractive
5. It should be free from errors
6. The opening para should arrest the attention of the reader

7. Body of the letter should arouse and sustain his interest
8. The letter must have a beautiful get-up
9. A warm and friendly tone may be used

### **HINTS FOR UNIT-II**

#### **TYPES OF ENQUIRY LETTER**

1. Solicited letter of enquiry
2. Unsolicited letter of Enquiry
3. Routine enquiry
4. Enquiries asking for a favour

#### **KINDS OF OFFER**

1. Firm Offer
2. Offer without Engagement

#### **CONTENT OF AN ORDER LETTER**

1. Acknowledgement of the Quotation
2. Types of the goods
3. Price of the goods
4. Quantity of the goods
5. Mode of Transport
6. Time and Place of Delivery
7. Mode of Payment

#### **CAUSES OF COMPLAINTS**

*Sources of mistakes giving rise to complaints*

- ☞ Incomplete or defective order.
- ☞ Wrong directions to the despatch section.
- ☞ Mistakes by the accounts section in preparing the invoice.
- ☞ Despatch section carelessly despatches (a) Goods of wrong quality, size, brand, pattern, colour etc. (b) defective pieces.
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2. Good but slow payers
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**DIFFERENT STAGES IN COLLECTION LETTERS:**

- Stage I – Sending statement of Account
- Stage II – Sending Reminders
- Stage III – Stronger Reminders
- Stage IV – Inquiry & Discussion
- Stage V – Appeal and Urgency
- Stage VI – Demand and Warning

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**UNIT-III****BANKING CORRESPONDENCE****INTRODUCTION:**

A bank plays a very important role in the business life of any community. The main function of the banking system are accepting deposits and granting loans. In these days, different types of services are rendered by commercial banks which are integrated with general business activities.

**BANKING LETTERS:**

A bank has to correspond with the customers, the head office, and other banks in doing their functions. Most of this correspondence is of a routine nature and on some occasions special skills are required for drafting letters.

To save time and energy, form letters are prepared in advance with some space left blank in them. Then on different occasions of routine nature, relevant particulars are filled in blank spaces and the letters sent to the concerned parties.

**FUNCTIONS OF A MODERN BANKER:****Primary functions:**

- (i) Accepting deposits (current, savings, fixed, recurring or cumulative deposits etc).
- (ii) Provisions of credit in the form of cash credits, overdrafts, loans, discounting bills.

**Secondary functions:****1) Services provided for depositors and borrowers:**

- i. Collection of cheques, demand drafts, bills
- ii. Purchase of local and foreign currency
- iii Carrying out the standing instructions for the payment of subscriptions, taxes, insurance premia

**2) Ancillary services:**

- (i) Provision of Safe deposit vault, preparing income tax, sales tax, wealth tax returns, Credit transfers, Credit cards, Travelers cheques and gift cheques.
- (ii) Financial guarantees
- (iii) Accepting deeds, securities and valuables for safe custody
- (iv) Purchase and sale of securities
- (v) Remittance of funds
- (vi) Collection of interest and dividend
- (vii) Acting as trustees
- (viii) Advising on investment

**ESSENTIAL ELEMENTS OF A GOOD BANKING CORRESPONDENCE:****Style:**

Conciseness and brevity is essential to save the time of the customers. It should be clear, complete, and precise, so that anyone can quickly understand.

**Clarity:**

The matter should contain all the details. Accurate in contents (i.e., figures, dates, names of parties etc)

**Secrecy:**

Secrecy is the first thing a customer expects from banker. Even when an enquiry is made by another bank, the reply should be brief and should not reveal client's account.

**Tact and courtesy:**

Tactics and courtesy is required when,

- a. Writing about overdrawn accounts
- b. Replying to their complaints
- c. Expressing inability to grant loans and advances etc
- d. Asking for further security and
- e. Suggesting a reduction of the overdraft limit.

**TYPES OF BANKING CORRESPONDENCE****I. Form letters:**

Bankers usually use a number of form letters with a set text of the matter. They are printed with some blanks left to be filled in by the customers or by bank officials at the time of transacting any deal. For example, account opening forms, loan applications, credit reports etc are all standardized in their contents.

**II. Individual letters:**

Individual letters refers to each letter which is individually written in each case depending on the subject concerned and sent to others. They are:

**1. Letter between the banker and the customers:****a. Letters from banker to customers:**

This includes answering inquiries by customers, complying with the standing instructions of the customers, handling complaints of the customers regarding dishonour of their cheques, wrong statement of accounts, debits of bank charges etc. Besides answering requests for overdrafts, bank loans etc.

**b. Letters from the customers to the banker:**

This consists of requests for opening accounts, enquires about the interest rates, status enquires, application for loans and overdrafts, standing instructions for making payments etc.

**2. Letters between one bankers to another:**

These relate to status enquiries, negotiations of bill exchange, clearance of cheques etc. Here technical terms can be used freely but should not be used in letters to the customer.

**3. Letters between head office and branch office:****a) Letters from head office to branch office:**

These include letters from the head office to the branch, which deals with administration matters and the decisions and policy of the head office to its branches.

**b) Letters from the branch office to the head office:**

Letters from branches to the head office generally consist of:

- i. Various monthly, quarterly, half-yearly or annual reports submitted by the branch manager.
- ii. Suggestions for further development of business in the branch
- iii. Recommendation letters for appointment of staff, promotion and transfer
- iv. Letters containing the date of advances granted to the customers
- v. Letters of unconventional decisions

## **CORRESPONDENCE WITH CUSTOMERS:**

Each correspondence is often a part of a bigger story which means that other information needs to be gathered along the way before tasks and decisions can be made. In reality, some correspondence are more relevant and important than others. Discovering the importance of each correspondence takes time and effort and requires the benefit of experience. Here are some examples of basic letter guidelines from “The Business Writer’s Handbook”:

- Company letterhead appears on all correspondence
- Company mission appears on correspondence where appropriate
- Spelling, punctuation and grammar are correct
- Signature and contact information are provided
- Envelopes are typed and carry the logo with a return address
- Letter is centered vertically and horizontally
- Letter is personalized and custom-ized where possible

## **INSURANCE CORRESPONDENCE**

### **INTRODUCTION:**

Business is full of risks. The risks of accident, theft etc., cannot be completely avoided. Hence the next best protection is insurance. Production and marketing problems can be solved only if some insurance coverage is made and to have full concentration in their business affairs.

Insurance contracts can be broadly classified as Life Assurance and General Insurance. General Insurance relates to fire, marine, accident, fidelity Insurance etc.

### **MEANING:**

Insurance is a contract by which the insurer (insurance company) in consideration of the payment of a sum of money called premium, agrees to pay a specified sum to the insured on the happening of a certain event. The insurer undertakes to indemnify the assured for the consideration in the form of money (premium)

## **PRINCIPLES OF INSURANCE**

### **Utmost good faith:**

Insurance is a contract based on utmost good faith. It implies that the parties should exchange information accurately on all aspects relating to the risks to be covered.

### **Indemnity:**

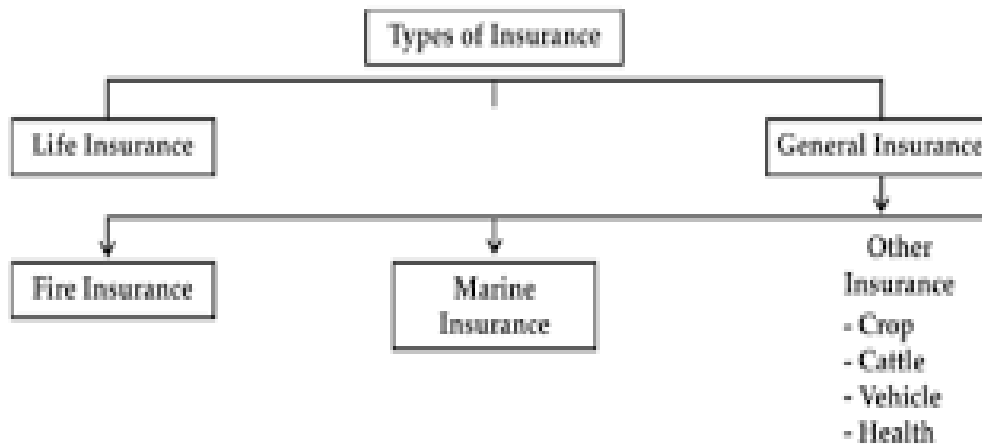
Indemnity means security against damage or loss. The insurer undertake to indemnify or compensate the insured for losses occurring due to the risk covered. If the risk doesn’t occur, the insurer need not pay anything to the insured.

### **Insurable interest:**

It is also necessary that the insured must have an insurable interest in the subject matter of the insurance. Insurable interest means monetary interest in the subject-matter of the insurance.

## THE DIFFERENT TYPES OF INSURANCE

### Types of Insurance



### **Life insurance (Assurance):**

It is a contract where the insurer (insurance company), in consideration of a premium paid either in a lump sum or in instalments, undertakes to pay an annuity or a certain sum of money, either on the death of the insured or on the expiry of a certain number of years.

### **Fire insurance:**

It is a contract under which an insurer makes good of the loss suffered by the insured due to fire or lightning during a specific period and up to the amount of contract in return of the premium paid.

### **Marine insurance:**

It is an arrangement by which the insurance company or underwriter agrees to indemnify the owner of a ship or cargo against risks due to destruction at sea in consideration of a premium paid by the insured. The risk is called "perils of sea" such as storm, accidents, tsunami, damage of cargo etc.

## **KINDS OF LIFE INSURANCE POLICY:**

### **1. Endowment policy:**

Under this type of policy, the amount is to be paid to the assured on his reaching a specified age or if he dies earlier, the amount is to be paid to his heirs or his nominees.

The premiums on such policies are to be paid until the assured reaches the specified age or until his death. The rate of premium on this policy is however, higher than whole time policies.

### **2. Whole life policy:**

Under this policy, the amount becomes due for payment only after the death of the assured.

The premiums on such a policy may be spread over one's whole life or they may be made payable for a fixed number of years.

### **3. Joint life policy:**

A policy covering more than one life is called Joint Life Assurance policy. The assured amount becomes payable on the death of any of the insured. This policy is usually



taken on the lives of husband and wife and the partners of a firm. The surviving partners usually receive the amount.

### **PROCEDURE TO TAKE A LIFE POLICY**

1. Get a proposal from the corporation or its agent on request and submit after filling it.
2. Important question in the form is age and should submit age proof.
3. After receiving the filled form, corporation will arrange for medical checked up by approved doctor.
4. After studying filled in form and medical check up the corporation will decide to accept the proposal.
5. If accepted corporation will inform the assured to pay first premium.
6. After paying the first premium, corporation will issue the policy, sometimes the first premium is paid by the insurance company or the agent.

### **TECHNICAL TERMS USED IN INSURANCE**

#### **Specific terms used in insurance correspondence assignment:**

A life insurance policy can be assigned with or without consideration to someone else. Once the policy is assigned no payments will be made to the assignor by the company provided it has been informed of the assignment.

#### **Nomination:**

In life insurance the insurer can nominate someone to receive the proceeds in the event of his death.

But nomination can be changed by the insurer under change of circumstances.

#### **Premium:**

Premium is the amount paid by the person who insures his life in consideration of the risk covered by the policy. It is paid regularly at periodic intervals.

#### **Lapse:**

If the insurer does not pay the premium, the policy lapses and the risk will not be covered.

#### **Maturity:**

When an insured person completes all the payments towards his policy, the policy matures. The insured amount with profits will be paid to him.

#### **Surrender value:**

This is the value which an insurance company assess and what it is prepared to pay to the assured who desires to surrender his policy.

#### **Valued policy:**

The insurance company undertakes to pay the value declared in the policy, although this is not a popular form from the insurer's viewpoint.

#### **Specific policy:**

The insurance company undertakes to make good to the insured loss or damage by fire upto a specified amount.

#### **Floating policy:**

The policy covers goods lying at different places in different lots under one premium.

#### **Comprehensive policy:**

The policy covers in addition to risk of fire, loss by other means such as explosion, lightning, strikes etc.

**Consequential loss policy:**

The insurance company undertakes to indemnify the insured against losses consequential on fire such as payment of standing charges, loss of net profit etc.

**FIRE INSURANCE :****MEANING OF “FIRE INSURANCE”**

It is a contract whereby the insurer, in consideration of payment, under takes to indemnify the insured against loss of damage to property due to fire during a certain period – generally a year-agreed upon. The contract can be renewed at the end of the specified period.

**KINDS OF FIRE POLICIES****1. Specific policy:**

Under this policy, the insurance company under takes to pay or indemnify the insured any loss or damage caused by fire to his property upto an amount insured under the policy.

The value of the property is not the criterion to decide the indemnity. The loss suffered or the amount insured, whichever is less is payable to the insured.

**2. Average policy:**

In an average policy, the property should be insured to its full value. The amount payable under the policy will be determined on the basis of the ratio between the sum assured and the value of the property.

**3. Floating policy:**

A floating policy is taken to cover the goods belonging to the same person but stored at different places. Traders generally take out this type of policy to cover risks in respect of goods lying in various places, docks, warehouses etc. This policy always contains the average

**4. Valued policy:**

Under this policy, the insurance company undertakes to pay the insured an agreed value for his goods in the event of the loss.

**PROCEDURE FOR TAKING OUT A POLICY**

Duly filled in proposal form acquired from the agent shall be submitted to the insurance company.

- ☞ Insurance company may issue a policy on acceptance after quoting the premium when the risk of the proposal is simple.
- ☞ Property to be insured is inspected.
- ☞ After inspection, a report is submitted to the insurance company.
- ☞ On receipt of the report, either accepts the risk and fix the premium or not accept the risk.
- ☞ If the company accepts the risk, it will issue a cover note to the proposal. ( It is an undertaking issued by the company to cover the risk between the time of acceptance of the proposal and the issue of the policy).
- ☞ Then, the actual policy is prepared and issued to the insured.

**PROCEDURE FOR MAKING A CLAIM AND SETTLEMENT**

1. When a loss by fire occurs, the insured must give a notice to the company immediately and should also forward his claim within 15 days from the date of fire. The claim should contain full particulars of the property damaged or destroyed.

2. The insurance company will send its representative for purpose of ascertaining the damage.
3. The representative of the insurance company is usually a specialist known as Assessor or Surveyor. He will assess the claim.
4. Disputes regarding the settlement of a claim may be referred to the decision of arbitrators as provided in the conditions of the policy.

#### **DISTINCTION BETWEEN NOMINATION VS ASSIGNMENT**

<b>NOMINATION</b>	<b>ASSIGNMENT</b>
1. No title is acquired over the policy till the death of the assured.	1. The title over the policy is immediately transferred to the assignee.
2. Nominee can claim the amount, only when the assured dies before the maturity of the policy.	2. In case of assignment, the assignee is legally entitled to receive the payment though the assured does not die, even after maturity of the policy.
3. Generally absolute.	3. Either conditional or absolute.

#### **DISTINCTION BETWEEN LIFE INSURANCE AND GENERAL INSURANCE**

<b>LIFE INSURANCE</b>	<b>GENERAL INSURANCE</b>
1. The LIC pays the sum assured at the death of the assured or policy period is over.	1. If the risk does not occur, the insurance company need not pay anything.
2. The premium should be paid for a specified period or for the whole life time.	2. The period covered is usually one year and pays a single premium.
3. There is no under insurance.	3. The property should be insured for its full value.
4. In a life insurance, the insurance company shall pay the full amount of the policy.	4. The company shall get only the actual loss incurred.

#### **MARINE INSURANCE**

It is a contract where by the insurer (underwriter) in consideration of the premium agrees to compensate the owner of a ship or cargo against destruction at sea.

Marine insurance is of very great importance in the international trade. The shipper of goods as well as the ship-owner has risk of losses while the goods are in transit, against the perils of the sea. This is the main aim of marine insurance.

#### **KINDS OF MARINE POLICIES**

##### **1. Voyage policy:**

Under this, the goods are insured for a particular voyage, say Bombay or America. If any losses occur they are to be made good.

##### **2. Time policy:**

This system insures goods for a particular period say 20<sup>th</sup> January 2008 to 11<sup>th</sup> April 2008. The period generally does not exceed 12 months.

**3. Mixed policy:**

This covers the risk for a specified voyage and for a specific period. It is issued on the understanding that the goods will be transported only from a certain place to another fixed place and the voyage will be completed within a period specified in the policy.

**4. Floating policy:** A regular shipper of goods, instead of taking policy every time a shipment is made, would take a floating policy for a large amount. Under this policy, no particular ship is mentioned as it is applied to any ship for a voyage.

**5. Valued policy:**

Under this policy, an agreed value of the property insured is stated. This value need not be the actual value of the goods insured. Therefore, there is no argument about what was the actual worth of the lost goods.

**6. Unvalued policy:**

It is issued without determining the value of the goods insured whenever a loss occurs; the value of the goods is assessed by the insurance company with the help of experts.

**7. Open policy:**

This is a kind of policy to insure a certain class or classes of goods to be shipped to specified destinations during a period of time, usually twelve months.

**KINDS OF MARINE LOSSES****1. Total loss is of two kinds.**

- i. Actual total loss
- ii. Constructive total loss

**i. Actual total loss:**

Actual total loss occurs when the subject matter of the insurance is totally destroyed or is so damaged that it ceases to be the thing insured or where it cannot be retained without unreasonable expenses.

For example, when a ship after leaving the port disappears completely or when the hides are so badly damaged by the sea water that they become valueless.

**ii. Constructive total loss:**

If the goods are partly damaged and repairs is more costly than the worth of the goods. It is better to throw away the goods. It is cheaper to bear the total loss.

**2. Partial loss or Average loss:**

Partial loss occurs when the subject-matter of insurance is partially lost. Partial loss may be either a

**i) Particular average loss:**

Goods may be lost in during voyage by accident. It is may be partial loss to a ship or part of its cargo due to accident or due to perils of the sea. The loss should have occurred by accidents caused by a peril insured against and only a part of the subject have been lost or damaged.

**ii) General average:**

It is defined as any loss or damage which results from actions taken by the captain or any other officer of the ship to protect or preserve the ship itself or the passenger, crew and the cargo in general.

It is an extraordinary loss or damage.

**MARINE INSURANCE BUSINESS IN INDIA AND ABROAD**

Marine insurance business is transacted mainly by

1. Lloyd's underwriters in London and
2. Marine insurance companies.

### **PROCEDURE FOR TAKING OUT A MARINE POLICY:**

The insurance company immediately issues a policy after the rate is agreed to and the risks are accepted.

If the preparation of the policy requires some more time, a cover note is issued as in the case of fire insurance.

#### **Procedure for settlement of claims:**

1. The client in case of loss or damage to the goods should notify the fact to the company.
2. After the survey has been completed and the report is made, the relevant papers are submitted.
3. The setting agent may be either from the company's own branch office or an agent appointed for this purpose.
4. The setting agent generally has power to settle claims.
5. The documents required in connection with the settlement of claim.

### **IMPORTANT CLAUSES USED IN MARINE INSURANCE POLICIES**

1. **Free of all average** – This exempts the insurer from the liability of both particular and general averages.
2. **Free of particular average** – It exempts the insurer from the liability for particular average only.
3. **With particular average** – It means that particular average is covered by the policy and the underwriter is liable for it.
4. **With general average** – It means that the insurer who is paying a general average loss agrees to be bound by the calculation.

### **AGENCY CORRESPONDENCE**

#### **AGENT:**

An agent is a person appointed to act for another. The person who appoints an agent to act for him is called the principal of that agent. The agreement between them is called Agency agreement.

#### **KINDS/FORMS OF AGENT**

##### **1. Commission agent:**

He is an agent, who buys or sells on behalf of his principal.

He tries to buy or dispose of goods at best possible rates and terms and receives a commission at fixed rate. The principal meets all the expenses connected with the purchase or sale of the goods.

##### **2. Del credere agent:**

Agent is authorized to sell on credit and to bear the risk of bad debts for some extra commission.

##### **3. Broker:**

Agent serves to bring the buyers and sellers together for commission (brokerage). He obtains neither the possession on nor the ownership of the goods.

##### **4. Commercial trader:**

As a representative of a principal, he takes orders, makes contracts of sale, collects debts from customers and knows their requirements and attitudes of customers. He gets an allowance in addition to salary.

**5. Local agent:**

He represents one or more firms in a particular region, maintains close and regular contact with the customers, secures orders and passes them to the principals, who send goods direct to customers, and make collections also directly.

**6. Factor:**

He is a agent who had possession of the goods and sells them in his own name without disclosing the name of the principal to the third party.

**7. Auctioneer:**

He is a person employed by a principal to sell his goods or property publicly, i.e., by asking the public to bid for it. For his services, he gets a commission.

**8. Clearing and forwarding agent:**

A clearing agent is one who clears the goods for the importer. The clearing agent assists the importer for a commission.

A forwarding agent, on the other hand, forwards goods to foreign countries for the exporter. These agents are also employed in internal trade.

**9. Underwriter:**

An underwriter is generally appointed for underwriting an issue of shares and debentures.

He undertakes the shares or debentures to the extent underwritten by him, if the public do not subscribe for them. His commission is called under-writing commission.

**10. Warehouse keeper:**

A warehouse keeper helps trade and commerce by storing goods in his godown or warehouse.

His function is to take care of the goods kept in his warehouse. He issues receipt known as warehouse keeper's receipt for the goods stored. He may even sell the goods on behalf of his clients.

## **DIFFERENT STAGES OF AGENCY CORRESPONDENCE PROCEDURES INVOLVED IN AGENCY CORRESPONDENCE.**

In the selection of an agent care must be taken. Similarly, an agent shall only want to represent a reputed and reliable principal.

**(1) Letter offering the agency**

The principal himself may offer agency to some other persons. This situation shall occur only when the product of the manufacturer is not popular in that area or the agent is a reputed businessman. The writer should note the following points.

- (i) A reference to the potential market
- (ii) The merits of the article
- (iii) Special advantages
- (iv) Terms and conditions
- (v) An expression of hope that it will be mutually beneficial.

**(2). Letter applying for an agency:**

Usually, the agent will apply for agency to the principal, particularly in case of popular goods, obtaining an agency is a difficult. The person who wants to obtain the agency should apply to the manufacturer. In the letters, he should specify his ability, reputation, popularity in the area etc.

The following points are to be noted while drafting an application for agency.

**I. The opening paragraph:**

1. Application with reference to an advertisement

2. Application based on the information from others
3. Applications on the own initiative

## **II. The main communication:**

- (i) How long you have been in the line of business and the reputation you have built up
- (ii) The business contacts established by you
- (iii) Your ability, experience, and knowledge about the business trends, market conditions etc Your arrangement for storage, distribution, advertisement, display, showrooms and window displaying etc.
- (iv) The terms of agency applicable to you and means of settlement.
- (v) One or two references that you know better and furnish valuable information about you.

## **III. Concluding paragraph:**

Conclude your letter with a hope of getting a favourable reply from the producer.

### **(3) Letter of the manufacturer in reply to the application:**

A reply from the manufacturer may be either the grant of the agency or refusal of the agency. The following points should be noted.

1. Acknowledge with thanks,
2. Appreciate his interest
3. Inform whether you grant the agency or politely refuse it.
4. If the agency is granted, mention the terms of agency.

### **(4) Other letters from the principal:**

Letter asking for the reasons of low sales if the agent fails to reach the target sales.

A circular letter to his customers and other parties expressing the termination of the agency with a request not to deal with him in future.

### **(5) Other letters from the agent:**

Letters suggesting improvements in the product if a complaint is received from the customer

Letter explaining the reasons for poor sales.

A circular letter to all the customer and other parties about the appointment as an agent for the manufacturer.

## **TERMS OF AGENCY**

### **1) Allowance or commission:**

The rate of commission or allowance is fixed with reference to the capacity of the agent to boost up the sales.

In deciding the reasonable rate, the facilities provided by the agent in the shape of his contacts, showrooms, travels etc should be taken into account.

### **2) Duration of the agency:**

The period for which the agent should act as an agent for the manufacturer should be settled.

If the product is new to the market, the duration should be reasonably long, and if the product is already popular in the market, a shorter period may be specified.

### **3) Area under the agent:**

The area allotted to the agent should be neither too small nor too large.

If it is too small, the agent will not be able to earn adequate commission and so he will show less interest in his work. If it is unduly large, he will not be able to cover the whole area properly.

**4) Terms of payment:**

It refers to the mode of payment by the agent to the principal and the period within which the amount is to be settled.

If any amount is to be deposited with the principal as security deposit, the amount of such deposit should also be stated.

**Hints for Unit-III****FUNCTIONS OF A MODERN BANKER**

1. Primary functions
2. Secondary functions
  - 1) Services provided for depositors and borrowers:
  - 2) Ancillary services:

**ESSENTIAL ELEMENTS OF A GOOD BANKING CORRESPONDENCE:**

1. Style
2. Clarity
3. Secrecy
4. Tact and courtesy
- 5.

**TYPES OF BANKING CORRESPONDENCE**

- I. Form letters
- II. Individual letters

**PRINCIPLES OF INSURANCE**

1. Utmost good faith:
2. Indemnity:
3. Insurable interest:

**THE DIFFERENT TYPES OF INSURANCE**

1. Life insurance (Assurance)
2. Fire insurance
3. Marine insurance

**KINDS OF LIFE INSURANCE POLICY:**

1. Endowment policy
2. Whole life policy
3. Joint life policy

**KINDS OF FIRE POLICIES**

1. Specific policy
2. Average policy
3. Floating policy
4. Valued policy

**KINDS OF MARINE POLICIES**

1. Voyage policy
2. Time policy



3. Mixed policy
4. Floating policy
5. Valued policy
6. Unvalued policy
7. Open policy

#### **KINDS/FORMS OF AGENT**

1. Commission agent
2. Del credere agent
3. Broker
4. Commercial trader
5. Local agent
6. Factor
7. Auctioneer
8. Clearing and forwarding agent
9. Underwriter
10. Warehouse keeper

#### **Question Bank**

##### **Part-B (5-marks)**

1. What are the functions of a modern banker? (APR-19)
2. Discuss kinds of life insurance policy? (NOV-17)
3. What are technical terms used in insurance?
4. Write procedure for making a claim and settlement?(NOV-18)
5. Write about the distinction between nomination vs assignment?(APR-19)

##### **Part-C (10-marks)**

1. Explain the types of banking correspondence(APR-19)
2. What are essential elements of a good banking correspondence? (NOV-17)
3. Discuss distinction between life insurance and general insurance?(NOV-18)

## UNIT-IV

### COMPANY CORRESPONDENCE

#### COMPANY SECRETARY:

The secretary is the principal of a company as well as the servant of the board of directors and shareholders of the firm.

The largest and the most important group of secretaries in the business world comprise of secretaries appointed by joint stock companies. With the growth and expansion of corporate sector, there has been growing appreciation of the secretary in the company administration. He, in fact, occupies a unique position in the company hierarchy.

#### DUTIES OF THE SECRETARY:

##### 1. STATUTORY DUTIES:

The statutory duties of the secretary arise out of his position as mentioned in different status e.g., Companies Act, Income Tax Act, Stamp Act etc.

**I) Specific duties:** The companies act specifically imposes the following duties on the secretary to be performed either by himself or as the alternate by some other officer. E.g.: Directors.

1. To sign any document of proceedings requiring authentication
2. To sign copies of annual returns to be filed with the registrar of companies
3. To authenticate the Balance Sheet and the Profit & Loss account on behalf of the Board
4. To sign copies of the balance sheet and Profit & Loss account filed with the registrar
5. To sign the statutory declaration at the time of incorporation.
6. To verify the statutory declaration of the commencement of business
7. To verify and to submit the statement of affairs at the time of winding up.

##### II) Secretarial duties:

The secretary, besides the duties mentioned above, should perform certain duties under the companies act. The secretary himself should perform these duties. Some of the secretarial duties are given below:

1. To publish the name of the company outside the place of its business
2. To deliver a return of allotment
3. To cause registration of charges with the registrar
4. To issue share certificates and debentures
5. To send out the members copies of Annual balance sheet and the Profit & Loss account
6. To maintain statutory registers

##### 2. GENERAL DUTIES:

###### I) Duties to the directors:

1. To deal with all correspondence of the directors
2. To issue notice and agenda
3. To act as a liaison between the Board, shareholders and the staff etc

4. To ensure submission of statutory returns
5. To keep calendars of the due dates or checklist of meetings.

### **II) Duties to the shareholders:**

The secretary is the connecting link between the directors and the shareholders.

1. To do all necessary things connected with the issue of shares
2. To maintain several non-statutory books
3. To arrange for funds and pay interest on loans received
4. To arrange for funds and issue dividend warrants within the specified time
5. To issue notices and agenda for the general meetings, class meetings
6. To attend and maintain minutes books of such meetings.

### **III) Duties to the organization and staff:**

The secretary is the executive head of the office.

Communicate the instructions of the board and also to co-ordinate the activities of all the departments. Sometimes, he may also be asked to assist the personnel department in recruiting and training the office staff.

### **IV) Duties to outsiders:**

The secretary communicates to general public. The general public consists of the company's creditors, bankers, solicitors, debenture holders and the prospective investors. He has to be in constant touch with them. He should always be careful that no confidential secret information or trade secrets are leaked out.

## **CLASSIFICATION OF SECRETARIAL CORRESPONDENCE**

### **1. Correspondence with the share holders:-**

1. Complaints relating to low or unsatisfactory dividend.
2. Late or non-issue of notices relating to the meetings, issue of a fresh share certificate, lodgement of transfer deeds, transfer and transmission.
3. Notice and circulars relating to the change of address of the company or schemes of reconstruction reorganization etc.
4. Request for inspection of books and registers etc.
5. Letters in response to complaints and special request made in writing by the share holders.

### **2. Correspondence with the Directors:-**

1. The notice of the Board meeting is to be sent,
2. A particular information is to be conveyed under the instructions of the chairman or in response to an enquiry from a director.
3. A director, who is absent from a board meeting, asks for a report of its proceedings.
4. A director proposes in writing that a particular matter should be included in the agenda and the chairman asks the secretary to write a letter.

### **Precautions to be taken by the secretary:-**

1. Maintain a polite and impartial attitude so as to influence the director to take the right line.
2. Word them very carefully and tactfully without forgetting that he is their subordinates.
3. Avoid giving any offence to the directors.

### **3. Correspondence with the Registrar and Company Law Board:**

As a responsible official, the secretary must see that all the provisions of the Companies Act, 1956 as amended up-to-date are duly complied with. As such he should

- (i) Submit periodical statement, returns etc to the Registrar of companies and

- (ii) Correspond with the department of company law administration, the controller of capital issues etc

#### 4) Correspondence with the office staff:

The correspondence with them must be characterized by a note of authority and firmness, sympathy and regard for their welfare.

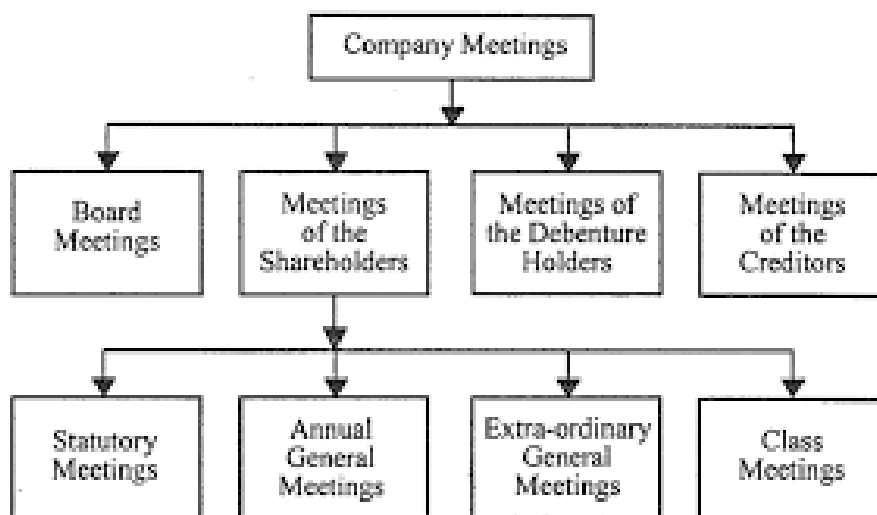
He should maintain discipline amongst them not by mere threats and warnings but by winning their hearts through proper guidance and dynamic leadership. He can secure their cooperation and have proper coordination in their work by tactful but effective oral and written instructions.

#### 5) Correspondence with the Government, Public bodies like stock exchanges, Banks, Insurance companies etc and the general public.

The secretary will have to write on several occasions to many public bodies, and general public having contact with the company.

He must not disclose the company secrets. He should be very cautious and tactful while conveying with any important issue. However, he will not have much problem while writing letters on routine matters.

### KINDS OF COMPANY MEETINGS:



### 1. MEETINGS OF THE SHAREHOLDERS

#### a) Statutory meetings:

Statutory meeting is conducted within a period of not less than one month and not more than six months from the date of commencement of business.

The statutory meeting is held to give the share holders an opportunity to know the financial position of the company and to discuss its prospects. It is conducted only once in the life time of the company.

#### b) Annual general meeting:

General meeting is conducted once in a year. The ordinary business transacted at an annual general meeting includes

- (a) Consideration of accounts
- (b) Declaration of dividend,
- (c) Election of directors
- (d) Appointment of auditors.

This meeting is to be conducted by every company whether public or private limited by shares or guarantee, having or not having a share capital.

**c) Extra ordinary general meeting:**

Matters requiring urgent attention and decision have to be finalized only in an extraordinary general meeting. Matters pertaining to

- a) Increase or decrease in share capital
- b) Alteration of objective clause in memorandum
- c) Appointment of directors
- d) Shifting of registered office etc are some of the reasons for calling for an extra ordinary general body meeting.

**d) Class meetings:**

Class meetings are those meetings, which are held by the shareholders of a particular class of shares. Eg: Preference shareholders.

Class meetings are generally conducted when it is proposed to alter, vary or affect the rights of a particular class of shareholders.

**2. MEETINGS OF THE BOARD OF DIRECTORS:**

The term Board is the association of directors. The meeting is conducted by directors to frame the rules and regulations.

The directors of most companies frame rules concerning how, where and when they shall meet and how their meetings would be regulated. These rules are commonly known as standing orders.

**DUTIES OF THE SECRETARY IN THE BOARD MEETINGS AND OTHER MEETINGS:**

**1. General duties of the secretary before meeting:**

- a) Must ensure that a suitable date convenient to all the directors
- b) To issue notice of the meeting to the directors
- c) Must prepare the agenda in consultation with the chairman of the board
- d) Draft resolution of the board must be prepared.
- e) Must keep ready all the relevant registers for the approval and signatures
- f) To have in readiness the company's seal and copies of the memorandum and the articles for reference.

**2. At the meeting:**

- a) Obtain the signature of the directors in the attendance register
- b) Ensure the quorum
- c) Read the minutes of the previous meeting
- d) Ensure that all the required documents, papers etc are on the table for ready reference.
- e) Read the minutes of previous meeting
- f) Produce the banker's pass book
- g) Take down notes for preparing minutes

**3. After the meeting:**

- a) Must record the proceedings in minutes book
- b) He should carry out the orders of the board and execute them
- c) File the copies of the board's resolution with the registrar of companies duly signed by the chairman.

**NOTICE OF THE MEETING:**

A meeting cannot be held unless a proper notice of it is served to all the members of the company. In other words, the notice should be given to all those who are concerned with the business of the meeting and are entitled to attend it. The companies act contains elaborate provisions regarding the notice of the meetings particularly for general meetings.

**AGENDA:**

Agenda means things to be done. But in a meeting, it indicates the issues to be discussed, information to be passed on, problems to be sorted out and resolutions to be adopted.

In normal circumstances, the chairperson should take care to see that the order and the items on the agenda are not altered. A successful meeting is one which adheres to the agenda and completes it.

**Hints for preparing Agenda:**

- ❖ By referring to the business very briefly by writing just one line about each item. For example. (i) to read the minutes. (ii) to pass the transfers and (iii) to produce financial statement.
- ❖ By giving more details about each item.

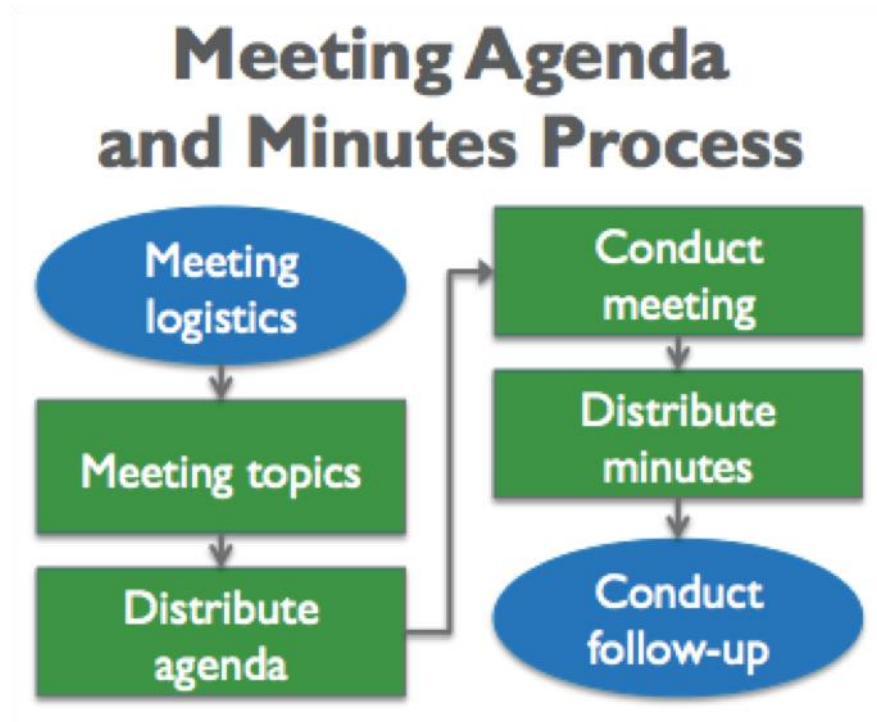
**MINUTES****Meaning of Minutes**

Minutes can be defined as the written record of the business done at a meeting.

But speeches and arguments are not recorded in the minutes. Only resolutions and decision are recorded in the minutes.

**Hints for writing Minutes:**

- ❖ Nature of the meeting, place, date and time.
- ❖ Serial number of meeting.
- ❖ Names and status of members who attended.
- ❖ Letter discussed in the meeting should present in minutes.
- ❖ Must be as short as possible.
- ❖ Rough copy is written to avoid corrections in the minutes book.
- ❖ Main points of discussion and resolutions should be clearly recorded.



### REPORT WRITING:

#### DEFINITION OF REPORT:

**Definition of Philip S. Atkinson**, “A formal report represent in organized form the information that has been requested by an authorized person”.

#### MEANING OF REPORT:

The term ‘Report’ is used to mean a sum total of ascertained facts. A report, therefore is a description of an event carried back to someone who was not present on the scene.

#### ELEMENTS OF A REPORT:

- ☞ A report is a formal statement of facts or information or an account of something
- ☞ It is presented in a conventional form
- ☞ It is written for specific audience
- ☞ It includes information about the procedure of collecting data and the significance of such data
- ☞ It contains conclusions reached by the writer
- ☞ It often includes recommendations.

#### STEPS IN THE PREPARATION OF THE REPORT

##### 1. Defining the purpose and scope:

The problem or the situation to be taken up for reporting should be precisely defined.

##### 2. Determining the audience:

Then the writer, i.e., investigation should find out to whom the report is to be submitted. If the audience are at large appropriate style is used. This is, of course, a difficult task

### 3. Collection of data:

The next step is the collection of data relevant to the study

#### Methods of collecting the data:

- a. Personal observations
- b. Telephone interview
- c. Personal interview
- d. Questionnaire

#### (ii) Sources of data:

- a. Internal records
- b. External records, published materials, research works, private records, government documents, directories, encyclopedia etc.

### 4) Analysis of the data:

The mass of data collected should be sorted to appraise accurately the position and evaluate the subject matter under report.

To establish casual links between the various facts and figures collected, it is necessary to arrange the data systematically through tabulation, charts, graphs, diagrams etc

### 5) Making the outline:

Now the report writer is ready for the next crucial step viz., the organization of the materials he proposes to include in his report. It is essential to prepare the outline of the report before he actually starts writing it.

The outline will provide a framework into which the writer can fit in an orderly manner, various bits and pieces of information he has collected and his own conclusions.

### PRINCIPLES FOR CONSTRUCTING THE OUTLINE:

While constructing the outline of the report, the report writer should always keep the audience in mind. All unnecessary materials should be rejected. The following principles shall make the report writer to decide what to include, what to reject and how to organize the selected material into the form of an outline.

#### 1. Logical ordering:

There are several methods for arranging the materials.

#### 2) Co-ordination:

Topics or sub topics should be assigned; therefore, they receive the same degree of importance and the extent of coverage.

#### 3) Subordinating:

Then he should clearly determine which ideas can be grouped together under one topic or sub-topic and in what order.

#### 4) Numbering:

To establish a suitable relationship among topics and sub-topics, a single numbering scheme should be used throughout the outline and the same should be followed in the report.

#### 5) Phrasing:

The words, phrases or sentences used for indicating the topics should have parallel grammatical construction.

#### 6) Dividing:

The report writer should then check whether any single sub-topic is left into outline. If he finds any one, it should be eliminated because splitting a topic logically presumes more than one sub-topic.



After framing the outline, the report writer gets ready to start writing the first draft of his report. The outline is only a tool, a framework to help the writer to organize his final report.

### 7) **Writing of the Report:**

The first draft should be written. It is always a rough draft and is a trail of the report. Careful writing helps in getting good final draft.

#### **Hints on writing the first draft:**

- (i) Visualize the entire report before writing.
- (ii) Follow the outline closely.
- (iii) Start writing immediately
- (iv) Write rapidly without interruption
- (v) Concentrate on subject matter
- (vi) Double space and leave sufficient margin on all the four sides
- (vii) Number the pages as you would do in the final draft.

### **ORDER OF THE CONTENTS IN REPORT:**

#### **1) Cover –**

A cover is made of white or some soft coloured card. It protects the manuscript from damage and gives the report a neat appearance.

#### **2) Frontispiece –**

A frontispiece appears generally in bound reports which are meant for wide circulation. It is a sort of window display that increases the curiosity of the reader. The forms most often used for the purpose are photographs, maps etc.

#### **3) The Title page –**

The title page is usually the right hand side of the report. It may contain the following information.

- ☞ Sub title
- ☞ Author or the report writer's name
- ☞ Name of the authority for whom the report was written.

#### **4) Copyright notice –**

If the report is published, copy right notice is given on the inside of the title page.

#### **5) Forwarding letter –**

There are two types of forwarding letters.

- i) Covering
- ii) Introductory

The first type is a record of transmission of the report. It does not contain any important information, whereas the introductory letter performs almost the same function which a preface or an introduction does for a book and its characteristics are those of a good business letters.

#### **6) Preface –**

The preface introduces the report and offers it to the reader. It contains the information which are given in the introductory type.

#### **7) Acknowledgement –**

The name of persons and organizations that have helped the writer in the production of the report must be mentioned.

**8) Table of contents –**

If the report is long, the table of contents is very important. Its function is to give the reader an overall view of the report and help him to locate a particular topic or sub topic easily.

**9) List of illustrations –**

A separate list of illustrations gives immediately after the table of contents. If the number of illustrations is very large, it can be divided into two parts namely 1. List of figures and 2. List of tables.

**10) Abstract and summary:**

An abstract is a concentrated form of the report, whereas a summary is the substances of the report. An abstract is shorter than a summary. There are no fixed rules about the length.

**Hints for writing a report:**

- 1. Objectivity:-** The report should conform to the objectives in the terms of reference.
- 2. Focus:-** The report should always on the main issue without straying.
- 3. Precise and concise:-** The report should be precise and concise.
- 4. Completeness:-** The report should be complete and conclusive. It should save, time and energy.
- 5. Clarity:-** The report should state its findings and recommendations without any doubts.
- 6. Time factor:-** The report should be prepared and submitted within the time. Delays should be avoided.
- 7. Unbiased reporting:-** The report should be free from prejudices, bias. It should be neutral in tone and language.

**Characteristics of a good report:**

- 1. Clear:** Information has to be understood at the first reading. The report has to be easy to read with legible writing and a clear message.
- 2. Concise:** Your report should be as long as you need to include the necessary information. Use short and simple sentences.
- 3. Complete:** Ensure all required information is in the report.
- 4. Correct:** Every piece of information must be accurate.
- 5. Simple style:** The language used should be very simple. High sounding words and phrases should not be used.
- 6. Recommendations:** If recommendations are made, they should be impartial and objective. They should be based on the logical analysis of the facts and circumstances.

**TYPES (or) CLASSIFICATIONS OF REPORT:****I).ON THE BASIS OF THE LEGAL FORMALITIES**

**1. Formal reports:** It is a report which is to be submitted for some statute, order or to an official or authority having formal status. Formal reports are of two types:

**a) Statutory reports:** Required to be prepared and submitted as per some specific statute(s). A report prepared and presented according to the form and procedure laid down by law is called a statutory report. Report submitted at the statutory meeting of shareholders, director's report to the annual general meeting, annual return, auditor's report are statutory reports.

**b) Non-statutory reports:** Formal reports which are not required under any law but which are prepared to help the management in framing policies or taking other important decisions are called non-statutory reports.

**2. Informal reports** are not prepared in a formal procedure.

## **II) ON THE BASIS OF PERSONS PREPARING:**

### **1) Reports by individuals:**

Reports submitted by the branch manager, personnel manager, marketing manager, the company secretary, the auditor, the solicitor etc are reports by individuals. These reports are naturally related to the work in their own departments. The report submitted by individual officers is known as report by individuals.

### **2) Reports by committees:**

Sometimes reports are needed on subjects that concern more than one department or they are so important that it is thought advisable to associate more than one person with them. In such cases, committees or sub-committees are formed to prepare reports. Such reports are called reports by committees.

## **III ON THE BASIS OF THE METHODOLOGY:**

**1. Periodic report:** It is a record of activity most of which is of routine nature. Hence it is also called routine report. This type of report records events as they occur and may be submitted annually, semi-annually, quarterly, monthly or weekly.

**Example:** Annual reports of companies to share holders, auditor's report. Administrative reports of government departments, municipal bodies, semi-government undertakings, autonomous bodies like universities, chambers of commerce, trade association etc.

### **Details covered:**

The periodic reports of trading concerns will generally reveal the following details:

- (i) A short summary of the important events of a particular period
- (ii) Important changes in the administrative or managerial set up
- (iii) Summary of the turnover
- (iv) A summarized account of the account of the production and the conditions of plant, machinery and equipment.
- (v) A comparative analysis of the achievements of the current period with those of the previous periods.

### **2. Progress reports:**

Progress report aims at establishing comparisons in such a way as to show the progress made during the period covered. It may cover a stated period or may be submitted on special request.

**Example:** Progress report relating to the construction of a road, factory building, bridge or dam, water supply scheme, erection of a plant, research project etc.

### **Details covered:**

The progress report is expected to include the following details:

- (i) Introduction – With a special stress on the nature of the project.
- (ii) A brief account of the progress up-to-date.
- (iii) A summary of the work done in an earlier period which has already been reported
- (iv) Analysis of the work done during the subsequent periods
- (v) Important aspects of the total work yet to be completed.
- (vi) Problems pertaining to the completion of the entire project.

The facts stated in the report must be illustrated by appropriate maps, charts, tables, diagrams, photographs etc, in order to emphasize certain important findings.

### **3. Examination report:**

It analyses the past and present conditions, to make recommendations on what has to be done next. It is the data collected after thorough investigation. The examination report may take several forms:

- (i) Experimental report – based on some new theory or device which is now being tried or tested.
- (ii) Interpretation report – meant for establishing a cause-effect relationship relating to problems like increasing cost of production, declining sales, fire accident causing heavy damage to a factory, congestion in an office, heavy losses in an establishment etc.
- (iii) Credit report – submitted by the manager of a branch of a bank to the head office to enable the latter to take a decision on a loan application.

**Details covered** – The examination report in expected the following details:

- (i) Aim and scope of the report
- (ii) Method adopted for the collection of the data – whether survey, interview, experiment, observation or questionnaire.
- (iii) Analysis of the data so collected.
- (iv) Findings and concluding remarks.

### **4. Recommendation report:**

Also called Analytical report – is a kind of examination report with the specific difference that the results of such a report will invariably lead to specific recommendations.

#### **Example:**

- ☞ Rationalization of an industry
- ☞ Expansion of a factory
- ☞ Opening of a new branch

**Details covered** – The recommendation report will generally cover the following details.

- (i) The problem(s) covered
- (ii) Issues involved in tackling the same
- (iii) Data collected
- (iv) A critical analysis of each issues and its careful consideration
- (v) Findings and conclusions
- (vi) Recommendations for a definite programme of action.

### **5. Statistical report:**

It is made up largely of financial data, mathematical charts, tubular columns of figures etc.

**Example:** Reports submitted by costing department of a business unit, report on the possible exploitation of a new technique of production etc.

## Hints for Unit-IV

### **DUTIES OF THE SECRETARY**

- 1) STATUTORY DUTIES
  - a) Specific duties
  - b) Secretarial duties
- 2) GENERAL DUTIES

- a) Duties to the directors:
- b) Duties to the shareholders:
- c) Duties to the organization and staff:
- d) Duties to outsiders:

### **CLASSIFICATION OF SECRETARIAL CORRESPONDENCE**

- 1. Correspondence with the share holders
- 2. Correspondence with the Directors
- 3. Correspondence with the Registrar and Company Law Board
- 4) Correspondence with the office staff

### **KINDS OF COMPANY MEETINGS**

#### **1. MEETINGS OF THE SHAREHOLDERS**

- a) Statutory meetings:
- b) Annual general meeting:
- c) Extra ordinary general meeting
- d) lass meetings:

#### **2. MEETINGS OF THE BOARD OF DIRECTORS:**

#### **3. DUTIES OF THE SECRETARY IN THE BOARD MEETINGS AND OTHER MEETINGS:**

A. General duties of the secretary before meeting:

B. At the meeting:

C. After the meeting:

### **STEPS IN THE PREPARATION OF THE REPORT**

- 1. Defining the purpose and scope
- 2. Determining the audience
- 3. Collection of data
- 4) Analysis of the data
- 5) Making the outline

### **PRINCIPLES FOR CONSTRUCTING THE OUTLINE**

- 1. Logical ordering
- 2) Co-ordination
- 3) Subordinating
- 4) Numbering
- 5) Phrasing
- 6) Dividing
- 7) Writing of the Report

### **Question Bank**

#### **Part-B (5-marks)**

- 1. What are the duties of company secretary?(NOV-18)
- 2. Explain the kinds of company meeting?
- 3. What are duties of the secretary in the board meetings and other meetings:
- 4. Explain principles for constructing the outline: (NOV-17) (APR-19)
- 5. Discuss Steps In The Preparation Of The Report.(APR-17)

**Part-C (10-marks)**

1. What are classification of secretarial correspondence? (APR-19)
2. Discuss about the classifications of report.
3. Explain about kinds of company meetings? (NOV-17)
4. What are the order of the contents in report.(NOV-18)

## UNIT-V

### APPLICATION FOR JOBS

#### MEANING OF APPLICATION FOR A JOB

Letters of application for a situation or employment are very important for unemployed person seeking some jobs. An application for a situation is a type of sales letter by which the applicant tries to sell his services.

#### OBJECT OF AN APPLICATION, APPOINTMENT OR INTERVIEW

- ☞ The foremost objective is not to get an appointment but to get an interview.
- ☞ The application letter is the opening step.
- ☞ After interview, there are other steps like investigation of references, scrutiny of qualification.
- ☞ If the letter is weak, the campaign ends there itself.
- ☞ Thus, the success of the letter can be measured solely by whether the interview is granted or not.

#### VARIOUS SOURCES OF INFORMATION

##### 1. Advertisement in a Newspaper:

Newspaper advertisement is a direct source of information. The employers usually advertise the number of vacancies, the salary and other benefits, qualifications required etc in the classified advertisement column of the newspapers.

A letter of application written in answer to an advertisement is called a solicited letter of application.

##### 2. Information through some indirect source:

The second is when he gets information of a vacancy through an indirect source.

Eg: friend or valid information from the known person.

##### 3. Application suo-motto-(Unsolicited):

The third is when the job seeker on his own applies whether they have a vacancy or not.

Such a letter of application is called unsolicited letter of application. There are two types of unsolicited letter:

1. A detailed letter giving all the points like qualification, experience etc.,
1. Short covering letter as reference to the advertisement and the Resume, a sheet that lists details about the applicant and his qualification.

#### PRINCIPLES OF A SALES LETTER CAN BE USED IN AN APPLICATION

Robert L.Shunter says that the following general principles of sales letter may be translated into terms useful to the applicant.

##### 1. Attention:

The best way to attract the employer's attention is by a general statement of the service that the applicant can render. Catchy lines and humorous stories shall not be used to attract his attention.

##### 2. Desire:

A more detailed statement of qualities referred to in the opening paragraph, phrased in terms of how they may be of specific use of the prospective employer, constitutes the most effective method of creating a desire.

**3. Conviction:**

References are the usual ways by which conviction is granted in the application letter. They are in effect, the external evidence brought into vouch for the truth of the applicants' statements.

**4. Action:**

Action is usually an interview at the employer's convenience. Make it easy for him to grant the request by enclosing a self addressed post card and telephone number.

**MATTERS INCLUDED IN THE APPLICATION****1. Heading or opening section:**

- i. Your name, full address, e-mails ID, fax number, telephone number.
- ii. Your career goal or objective in a brief sentence or phrase.

**2. Educational qualification section:**

- i. College attended – duration - degrees/diplomas
- ii. Major courses – grades/honours achieved
- iii. Relevant extracurricular, co-curriculum activities (Relevance to the job applied)

**3. Section on experience:**

- i. Employer's name, address, position held and duration
- ii. Special contribution in a sentence/phrase with an active verb on specific role or contribution.

**4. Achievements/awards:**

- i. Languages, service organizations etc.,

**5. Personal data (Optional):**

- i. Marital status/health/hobbies/interests.

**6. Reference (Provided or to be provided on requisition).****FORM AND CONTENTS OF THE LETTER OF APPLICATION**

Drafting an application for employment is important. A letter of application is like a sales letter, because through letters, the applicant tries to sell his services.

**a) The writer's address and date:**

Generally, the writer's address is written at the right hand top corner of the letter or if it is written at the left hand top corner start with 'From' and 'To'.

**b) The inside address:**

This depends upon whether the application is in response to an advertisement or is an unsolicited application.

- i. **If it is in response to an advertisement:** The advertisement may contain the name (i.e, the position and not the personal name) of the officer to whom the letter is to be addressed.
- ii. **If it is unsolicited,** the letter should be addressed to the appropriate officer:

**c) Salutation:**

In almost all types of application letters, "Dear sir" is the common salutations used.

**d) The opening paragraph:**

It should contain a statement of the applicant's desire to be considered for the post.

A few examples of good opening paragraphs are given below:

- i. Your advertisement in The Hindu, dated .....for the position of a Senior Accountant suits my qualification and experience.
- ii. In response to your advertisement .....etc.
- iii. Referring to your advertisement in .....etc.



- iv. With reference to your advertisement in the Free press journal of 4<sup>th</sup> October, I wish to apply for the post of .....

**e) The middle paragraph:**

The middle paragraph should give basic information about the applicant:

- i. Education, with grades, classes, ranks and scholarships obtained
- ii. Physical and health details: Date of birth and age; height and weight and general health condition.
- iii. Marital status.
- iv. Experience
- v. Languages known
- vi. Nationality
- vii. Testimonials
- viii. Reference: It is always preferable to mention at least two person's names and

**f) The concluding paragraph:**

- \* I hope to hear from you soon.
- \* I look forward to an opportunity to be with you for an interview.
- \* May I look forward to an interview with you at your convenience?
- \* I hope that my qualifications will merit your consideration.

**g) Complimentary Close and signature-**

The most commonly used complimentary close is 'Yours Faithfully'. Below the signature is generally written, in brackets, the name of the applicant.

**h) Enclosure-**

It is good to mention the number papers enclosed with the application letter.

**i) Testimonials-**

**j) References-**

**TESTIMONIALS:**

A testimonial is a certificate of character, qualifications etc. granted to a person usually by his employer or by the head of the institution where he has last studied.

**1. Testimonial from the head of the educational institutions-**

A testimonial from the head of an institution is a statement of the number of years the person has studied and the course etc. It also contains his opinion about the character and conduct of the candidate.

**2. Testimonial from the employers-**

A testimonial from the employer may be an –

**a. Open testimonial**

An open or general testimonial is one, which is not addressed to any particular person but addressed 'To whom it may concern'.

An open testimonial is not generally regarded as a very valuable document because the employer's know that even if the previous employer is not satisfied with the performance of the applicant, he would not generally say in an open testimonial.

**b. A testimonial addressed to a particular person or firm.**

A testimonial addressed to a particular person is generally issued by an employer to an employee who wants to give up his present position as way to improve his prospects elsewhere.

**REFERENCES:**

Under references the names of those persons with whom the applicant has been associated are given. Generally, the names of the head of the institution where the applicant last studied & the name of the employers under whom he worked are given.

The reference is the confidential remarks about the applicant's character, conduct & job suitability. Such remarks are considered more reliable.

**RESUME:**

Formal presentation of the job applicant's education, skills, and work experience.

**PREPARING YOUR RESUME:**

Most applications for jobs require a resume at a minimum. A resume is a description of your education, paid employment, volunteer activities (including school activities), general interests and personal strengths. It should outline your technical, transferable and personal skills relevant to the position you are applying for.

There are many different styles of resume, however, there are some basic things that you definitely need to include and these are outlined below.

Profile – personal summary or statement about yourself

Personal details – name, address, phone number and email

Key skills – technical, transferable and personal skills list

Key achievements – list of achievements

Educational qualifications – list from secondary school to university

Employment history – list jobs with significant times and date ranges

Professional memberships/community involvements – activities you do outside of work such as hobbies

Referees – two people whom you have worked for previously who can provide a character reference on your behalf

**INTERVIEW**

An interview is a conversation where questions are asked and answers are given. In common parlance, the word "interview" refers to a one-on-one conversation with one person acting in the role of the interviewer and the other in the role of the interviewee.

The interviewer asks questions, the interviewee responds, with participants taking turns talking. Interviews usually involve a transfer of information from interviewee to interviewer, which is usually the primary purpose of the interview, although information transfers can happen in both directions simultaneously.

**DIFFERENT TYPES OF INTERVIEWS****The Telephone Interview**

Often companies request an initial telephone interview before inviting you in for a face to face meeting in order to get a better understanding of the type of candidate you are.

Some people are better meeting in person than on the phone, so make sure that you speak confidently, with good pace and try to answer all the questions that are asked.

**The Face-to-Face Interview**

This can be a meeting between you and one member of staff or even two members.

**The Panel Interview**

These interviews involve a number of people sitting as a panel with one as chairperson. This type of interview is popular within the public sector.

### **The Group Interview**

Several candidates are present at this type of interview. You will be asked to interact with each other by usually a group discussion. You might even be given a task to do as a team, so make sure you speak up and give your opinion.

### **The Sequential Interview**

These are several interviews in turn with a different interviewer each time. Usually, each interviewer asks questions to test different sets of competencies. However, if you are asked the same questions, just make sure you answer each one as fully as the previous time.

### **The Lunch / Dinner Interview**

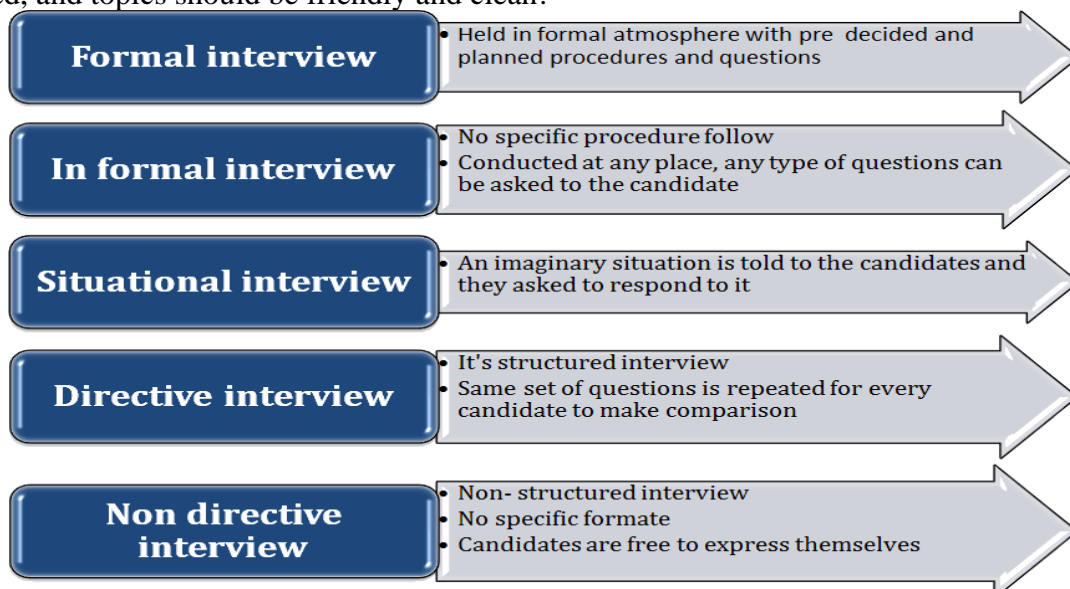
This type of interview gives the employer a chance to assess your communication and interpersonal skills as well as your table manners! So make sure you order wisely (no spaghetti Bolognese) and make sure you don't spill your drink (non-alcoholic of course!).

### **Competency Based Interviews**

These are structured to reflect the competencies the employer is seeking for the particular job. These will usually be detailed in the job spec so make sure you read it through, and have your answers ready for questions such as "Give me an example of a time you worked as a team to achieve a common goal." For more examples of competency based questions click [here](#).

### **Formal / Informal Interviews**

Some interviews may be very formal, others may be very informal and seem like just a chat about your interests. However, it is important to remember that you are still being assessed, and topics should be friendly and clean!



### **Portfolio Based Interviews**

In the design / digital or communications industry it is likely that you will be asked to take your portfolio along or show it online. Make sure all your work is up to date without too little or too much. Make sure that your images if in print are big enough for the interviewer to see properly, and always test your online portfolio on all Internet browsers before turning up.

## **The Second Interview**

You've past the first interview and you've had the call to arrange the second. Congratulations! But what else is there to prepare for? You did as much as you could for the first interview! Now is the time to look back and review.

### **PREPARING FOR INTERVIEW**

- Interviews require much research and planning. Generally, you should do the following when preparing for interview:
- Anticipate potential questions and prepare answers accordingly.
- Consider how you'll explain problematic aspects of your CV, such as leaving an employer.
- Contact your references, alerting them that you'll be interviewing and that they may receive a call.
- Fully understand the role that you're applying for by revisiting the job description, identifying what skills, interests and experiences the employer is looking for.
- Prepare questions to ask the interviewer.
- Read the organisation's website, social media profiles and key literature (e.g. business plan, financial reports and corporate social responsibility strategy), ensuring that you're prepared to share your views and ideas.
- Research the news, trends, competitors, history and opportunities of the organisation and its job sector.
- Review your CV and application form.

### **GUIDELINES TO BE OBSERVED DURING AN INTERVIEW**

#### **Planning the Interview:**

Choose a topic for your interview. Keep your topic in mind while you are drafting your interview questions to make sure your interview questions are relevant to it. Also, check your audio/video equipment to make sure it works properly. Choose a location for the interview that is quiet & won't be over-heard or interrupted.

#### **Drafting your Interview Questions:**

Some guidelines for interview questions:

Start with a brief introduction: Briefly introduce your topic & who you are, but avoid overly directing your subjects' answers. You may ask demographic questions (gender, age, etc.) at this time.

#### **Your questions should be clear, understandable, & inoffensive:**

Make sure your interview questions are clear, that they ask what you mean them to ask, & are unlikely to be misunderstood. Also, ensure that they are unbiased & not offensive in their language, & are understandable (not too technical, difficult, or unfamiliar).

#### **Ask follow-up or probing questions:**

Be prepared to follow up on vague or incomplete answers with further probing questions like "Can you tell me more about that?" However, avoid overly specific follow up questions that might tell the participant what you are looking for (for example, you could ask: "Could you tell me more about the changes you mentioned in arguments in the family?" rather than "Have you found the arguments with your adolescent have increased & become more distressing?")

**Don't be too obvious:**

Carefully word your questions to be as innocuous & unthreatening as possible, & try not to "lead" your subjects to the answers you are looking for. This is particularly important when your topic is a sensitive one, which subjects may find embarrassing, or one which they are likely to be dishonest about.

**Check the order of your questions:**

It is often a good idea to ask the most important & interesting questions first (before the subject gets too bored or impatient with the interview). However, you might instead wish to lead the participant to sensitive or important questions more gradually; if so, begin with background questions.

**Keep the interview fairly brief:**

For the lab assignments, I have requested about 45 minutes. Some topics, however, will need more time - if you are interviewing parents or children about their moral reasoning, for example, you may need to take longer.

Pretest your interview questions: After you've constructed a draft of the interview questions, it's often a good idea to pretest the questions with a willing participant, & ask for his/her feedback about their understanding of the questions, etc.

**During your interview:**

The participant doesn't want to be taped, take very good notes as you go. Even if you are also audio/video recording the interview, always take notes in any case, as equipment does fail or break down. These notes can be expanded on after the interview, while your memory is still fresh.

**Analyzing the Interview:**

Once you have your completed interviews, you will have to make some sense of your data, & present a summary of your results in the Results section of your Research Report. The actual interview transcript (or notes) would not be given in the Results section; you should attach the transcript of the interview to the report as an Appendix.

**Presenting & Discussing your Interview Results:**

In the Results section of the report, present your 2-4 page summary of the interview findings, as noted above. No citations would occur here, since you are describing your results.

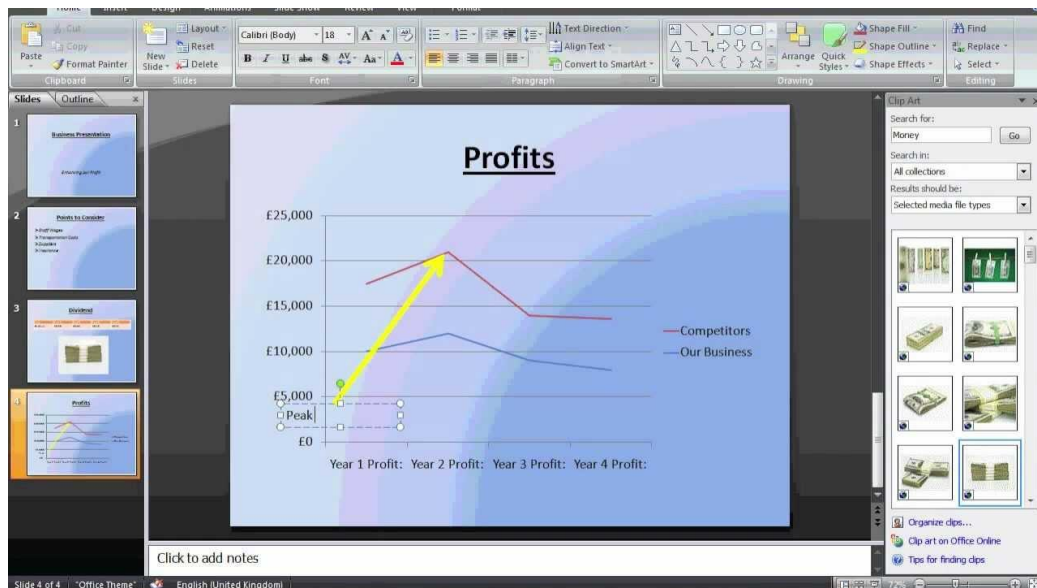
Finally, in the Discussion section, integrate your interview findings to theory & past research findings in your topic. Relate your interview findings to what you have learned from the text about that topic. For example, you could compare your adolescent participants' reports about the frequency & content of their arguments with their parents, to what research in the text found.

**BUSINESS REPORT PRESENTATIONS****E-Mail**

Messages distributed by electronic means from one computer user to one or more recipients via a network.

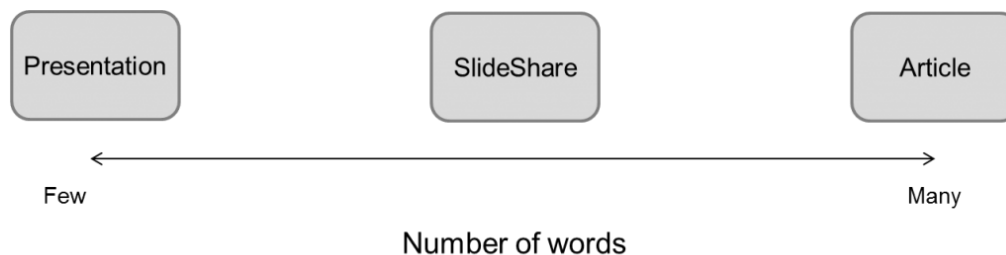
**POWERPOINT PRESENTATION**

A PowerPoint presentation is a presentation created using Microsoft PowerPoint software. The presentation is a collection of individual slides that contain information on a topic. PowerPoint presentations are commonly used in business meetings and for training and educational purposes.



## VISUAL PRESENTATIONS

Visual aids are often used to help audiences of informative and persuasive speeches understand the topic being presented. Visual aids can play a large role in how the audience understands and takes in information that is presented. There are many different types of visual aids that range from handouts to PowerPoints.



## INTERNET

A global computer network providing a variety of information and communication facilities, consisting of interconnected networks using standardized communication protocols. "the guide is also available on the Internet"

## USAGE OF INTERNET

The Internet allows greater flexibility in working hours and location, especially with the spread of unmetered high-speed connections. The Internet can be accessed almost anywhere by numerous means, including through mobile Internet devices. Mobile phones, datacards, handheld game consoles and cellular routers allow users to connect to the Internet wirelessly.

Within the limitations imposed by small screens and other limited facilities of such pocket-sized devices, the services of the Internet, including email and the web, may be available.

Educational material at all levels from pre-school to post-doctoral is available from websites. Examples range from CBeebies, through school and high-school revision guides and virtual universities, to access to top-end scholarly literature through the likes of Google Scholar.

The low cost and nearly instantaneous sharing of ideas, knowledge, and skills have made collaborative work dramatically easier, with the help of collaborative software.

Messages can be exchanged even more quickly and conveniently than via email. These systems may allow files to be exchanged, drawings and images to be shared, or voice and video contact between team members.

### **VIDEO CONFERENCE (VIDEO CONFERENCING):**

A video conference is a live, visual connection between two or more people residing in separate locations for the purpose of communication. At its simplest, video conferencing provides transmission of static images and text between two locations.

### **GROUP DISCUSSION (DISGUISED GROUP)**

A discussion group is a group of individuals with similar interest who gather either formally or informally to bring up ideas, solve problems or give comments. The major approaches are in person, via conference call or website. People respond comments and post forum in established mailing list, news group or IRC. Other group members could choose to respond by posting text or image.

**The skills that are usually assessed in a Group Discussion are:**

- Communication Skills
- Interpersonal Skills
- Leadership Skills
- Motivational Skills
- Team Building Skills
- Tolerance to Ambiguity
- Divergent Thinking
- Listening skills
- Presentation Skills
- Analytical / Logical skills

### **Hints for Unit-V**

#### **VARIOUS SOURCES OF INFORMATION**

1. Advertisement in a Newspaper
2. Information through some indirect source
3. Application suo-motto-(Unsolicited)

#### **PRINCIPLES OF A SALES LETTER CAN BE USED IN AN APPLICATION**

1. Attention
2. Desire
3. Conviction
4. Action

#### **MATTERS INCLUDED IN THE APPLICATION**

1. Heading or opening section
2. Educational qualification section
3. Section on experience
4. Achievements/awards
5. Personal data (Optional)
6. Reference (Provided or to be provided on requisition)

**DIFFERENT TYPES OF INTERVIEWS**

1. The Telephone Interview
2. The Face-to-Face Interview
3. The Panel Interview
4. The Group Interview
5. The Sequential Interview
6. The Lunch / Dinner Interview
7. Competency Based Interviews
8. Formal / Informal Interviews
9. Portfolio Based Interviews
10. The Second Interview

**BUSINESS REPORT PRESENTATIONS**

1. e-mail
2. PowerPoint presentation
3. visual presentations

The skills that are usually assessed in a Group Discussion are:

- Communication Skills
- Interpersonal Skills
- Leadership Skills
- Motivational Skills
- Team Building Skills
- Tolerance to Ambiguity
- Divergent Thinking
- Listening skills
- Presentation Skills



## Question Bank

### Part-B (5-marks)

1. How to prepare for interview?
2. What are the matters included in the application? (NOV-17) (APR-18)
3. Briefly explain about different types of interviews?
4. What do you meant by testimonial Explain.? (APR-19)
5. What are the various sources of information? (NOV-17) (NOV-18)

### Part-C (10-marks)

1. Explain about business report presentation? (APR-19)
2. What are the guidelines to be observed during an interview? (NOV-17)
3. Explain principles of a sales letter can be used in an application?(NOV-18)