

CAMBRIDGE INTERNATIONAL EXAMINATIONS
Cambridge Career Award in Business
Standard Level

EFFECTIVE BUSINESS COMMUNICATION

Core Module

5162/01

October 2003

2 hours 15 minutes

Additional Materials: Answer Booklet/Paper

READ THESE INSTRUCTIONS FIRST

The time allocated for this examination includes 15 minutes reading time.
Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
You may use a soft pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, highlighters, glue or correction fluid.
You may use a calculator.

Attempt **all** tasks.
Write your answers on the separate Answer Booklet/Paper provided.
At the end of the examination, fasten all your work securely together.
The number of marks is given in brackets [] at the end of each question or part question.

This document consists of **5** printed pages and **3** blank pages.



You must read the case study below and answer all the tasks which follow.

(The following case study is fictitious).

Hanleys Plc

Hanleys Plc is an organisation which focuses on the retail toy trade. The main outlet is a high quality toy store in the city of Pretoria, South Africa. However, it also has a number of smaller stores in other parts of the world – which are called ‘The Pet Factory’. There is also an on-line website, which is in English, where toys can be ordered by people all over the world.

The Hanley store is a traditional retail outlet which has a vast range of products for sale. There was a recent refit of the store, followed by a re-launch which attracted favourable publicity. The new store now allows better circulation of customers with the installation of faster lifts and the reorganisation of the escalators. There is now increased space for the products, with wider aisles and raised ceilings, making it a much more airy and comfortable environment for shopping with children. There is now a clear and logical layout, making products easier to find. There is entertainment on every floor of the store, making the atmosphere exciting. The feedback has been positive and there is evidence that the local customers are increasing their loyalty to the store. All transactions are recorded and a database of customers has now been created from the past two years.

Hanleys launched a number of complementary services recently. It now offers a VIP shopping service, a home delivery service on items purchased in the Pretoria store and a lifetime guarantee on the majority of products which, once the customer has registered, will provide an immediate replacement if a product is faulty.

Most shops, stores and supermarkets in Pretoria are open for trading from 08:30 to 17:00 on weekdays and 08:30 to 13:00 on Saturdays. In the city centre, a large number of stores stay open until late during the week and on Saturday afternoons and Sunday mornings. Hanleys opens at these times too. However, it is also open until 21:00 on a Friday and it opens on Sundays from 10:00 until 13:00. Most of the shop floor staff are not happy having to work these extra unsociable hours and morale is very low.

‘The Pet Factory’ is an exciting and innovative way to sell soft toys to customers of all ages. It enables customers to create their own soft toy or ‘pet’ (e.g. a bear, dog, cat, or monkey). Each store is designed as “Trevor the Tailor’s Workshop” where customers can experience the creation of their own personalised toy. Customers can choose to give the toy a pre-recorded voice and choose some clothes for it to wear from a vast range available. A birth certificate is also given to the customer with the personalised name of the toy and it is packaged in its own personal ‘pet carrier’ to take it home.

There is also a website for the Pet Factory part of the organisation, where customers can choose the type of ‘pet’, its ‘voice’ and clothing, and order these products on-line. Therefore, this allows the organisation to become even more international.

Collins Yebila is the Sales Director for Hanley Plc and he has just recruited three new sales assistants for the Pretoria store and a new Marketing Assistant for the organisation. Collins knows that it is important that the assistants are all integrated well within the organisation.

At a recent Directors’ meeting, the figures in Table 1 opposite, were presented to the Board of Directors by Marjorie Njai, the Financial Director, for the preparation of the Annual Company Report, which has to be published to all shareholders.

Table 1 – Financial Figures

	Hanley Store, Pretoria 2001 (\$'000)	Hanley Store, Pretoria 2002 (\$'000)	The Pet Factories 2001 (\$'000)	The Pet Factories 2002 (\$'000)
Turnover	28,891	31,354	12,234	13,456
Gross Profit	14,789	15,334	6,821	7,345

You must attempt ALL of the following tasks.

- 1 Collins has asked you to prepare a paper which addresses the following issues to be sent to the new members of staff.
- (a) Explain **three** important issues which need to be considered when deciding the best methods of communication to internal employees. **[6]**
 - (b) Explain **two** methods of one-way communication and **two** methods of two-way communications which could be used to ensure that new staff know all about the Hanley organisation. **[8]**
 - (c) Identify and explain **three** different methods of evaluating the effectiveness of communications. **[6]**
- [Total: 20]**
- 2 Collins Yebila has been asked to respond to a number of the current communications issues.
- (a) Write a promotional letter to customers who have previously visited the Pretoria store, telling them about 'The Pet Factory' stores and website. You can 'create' any details that you think are necessary. **[8]**
 - (b) Write a report on the current state of the company for circulation to the internal staff to help increase motivation. You can 'create' any details you think are necessary. **[12]**
- [Total: 20]**
- 3 Collins has now set up the internal staff group to investigate the negative attitude of the sales floor staff towards working extra hours on Fridays and Sunday mornings.
- (a) Identify **two** methods of communication which Collins could use to discuss this issue with the staff group. Give reasons for your choice. **[4]**
 - (b) Collins has decided to run weekly briefing meetings with staff to monitor the situation. Write a checklist to help ensure that these meetings are successful. **[10]**
 - (c) Collins decides to give a presentation to inform the sales staff in the Pretoria store about the new 'The Pet Factories' and website so that they can pass on this information to customers. Identify **three** verbal issues and **three** non-verbal issues which Collins will need to consider when planning the presentation. **[6]**
- [Total: 20]**

- 4 Collins has decided that two of the Sales staff in the Pretoria store will carry out some market research in the form of a personal interview with customers who enter the store and are willing to be interviewed.
- (a) This is the first time these members of staff have done market research interviews. Write a checklist to plan for these interviews with the customers. [10]
 - (b) Identify and explain **two** potential problems which could occur if the interviews are not conducted correctly. [4]
 - (c) List **three** other types of business interviews which could be conducted with internal staff. [6]
[Total: 20]
- 5 Collins has decided that the information about the turnover and gross profit margin for the Hanley Store and 'The Pet Factory' should be included as an appendix to the report for staff.
- (a) Collins has asked you to use the data in Table 1, and draw a bar chart for 2002 only. [10]
 - (b) List **two** issues which you need to consider when producing data as a visual aid. [4]
 - (c) Explain the following:
 - (i) pie charts
 - (ii) line graphs
- [6]
[Total: 20]

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