



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

EFFECTIVE BUSINESS COMMUNICATION

5162/01

Core Module

October 2008

2 hours plus 15 minutes reading time

Additional Materials: Answer Booklet/Paper

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

You may use a soft pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, highlighters, glue or correction fluid.

Attempt all tasks.

Start each task on a new piece of paper.

Please leave a margin on the right and left hand side of each new page.

At the end of the examination, fasten all your work securely together, in the correct order.

The number of marks is given in brackets [] at the end of each question or part question.

This document consists of **4** printed pages.



You must read the case study and attempt ALL the tasks which follow.

(The case study is fictitious.)

GENERAL MEDICAL CARE SERVICES (GMCS)

GMCS is an international medical equipment company based in India, China, Singapore, Malaysia and Indonesia. It produces and sells medical equipment including baby monitoring equipment, scanners, heart monitors and a range of other ultrasound medical care products.

In addition to its core business of supplying medical equipment, GMCS has other business activities associated with medical care including: 5

Analytics	GMCS analyses business data to help customers improve their business performance in the future	
e-learning	For training medical staff to use the new equipment and technologies	
Remote Marketing	To help the business communicate with its customers and with potential new markets	10
IT Services	GMCS designs, develops, implements and manages computer-based information systems for other businesses	
Software	GMCS writes computer programs for customers	

GMCS is currently exploring the possibility of offering different (complementary) health care services based on therapies such as acupuncture, herbs and massage. This would enable the company to supply medical drugs (pharmaceuticals), biomedical technologies and biomedical tools to key suppliers of health care on a global basis. 15

GMCS has an opportunity to expand into this market through the purchase of a company called Biomedical Global Ltd, an international company supplying biomedical tools. The Managing Director of GMCS needs to hold a preliminary meeting with the Chairman and Managing Director of Biomedical Global Ltd. The meeting will discuss potential business interests and GMCS will also give a presentation on their current business performance. 20

Biomedical Global Ltd has asked to see GMCS's sales figures for the past five years. 25

Total Sales	2004 \$ Millions	2005 \$ Millions	2006 \$ Millions	2007 \$ Millions	2008 \$ Millions
Medical Support Equipment	9.3	9.6	10.5	14.3	16.3
Analytics	2.1	2.4	2.2	2.9	3.2
e-learning and Remote Marketing	1.4	1.9	2.2	5.2	5.3
IT Services	6.7	7.6	7.9	8.9	9.5
Software	8.5	6.7	9.7	8.9	9.2

Table 1 – Sales of GMCS Products and Services 2004-2008 (expressed in US dollars)

This is a significant move forward for GMCS and it has been suggested that all of the Regional Business Unit Directors should also meet the Directors of Biomedical Global Ltd. It is hoped that the meeting will be in Singapore in the next three weeks. 35

The Managing Director of GMCS is very concerned that as the purchase moves forward, key stakeholders are informed of the progress. Key stakeholders in this instance include employees of GMCS, shareholders, lawyers and accountants. 40

You must attempt ALL of the following tasks.

- 1 (a) Explain **four** reasons why it is important for GMCS to communicate with its key stakeholders, if the purchase of Biomedical Global Ltd is agreed. [4 x 2 = 8]
- (b) Explain **three** reasons why it is important for GMCS and Biomedical Global Ltd to use two-way communication during the purchase of Biomedical Global Ltd. [3 x 2 = 6]
- (c) Identify **three** ways in which GMCS could evaluate the effectiveness of its communication processes between it and its stakeholders. [3 x 2 = 6]
[Total: 20]
- 2 You have been asked by the Managing Director of GMCS to arrange a preliminary meeting with Biomedical Global Ltd to discuss GMCS's proposal to buy the company.
- (a) Write a letter to Biomedical Global Ltd inviting the Managing Director and the Chairman to a preliminary meeting to discuss the proposed purchase of their company. You can invent the date, time and venue. [12]
- (b) Write a memo to GMCS's Regional Directors, who manage the different business units, advising them that Biomedical Global Ltd have agreed to a preliminary meeting, and asking the Regional Directors to be available to meet the visitors. Use the same time, date and venue arrangements you invented for the letter. [8]
[Total: 20]
- 3 (a) Explain **four** positive **non-verbal** behaviour traits that the Regional Directors should display to give a positive view of GMCS as an organisation. [4 x 2 = 8]
- (b) The Regional Directors are based in different countries in the East Asia region but also work together as a team. Explain the following channels of communication they could use to keep in touch and work with each other:
- (i) formal channels [4]
- (ii) informal channels [4]
- (iii) virtual channels [4]
[Total: 20]
- 4 The meeting between the two businesses is very important.
- (a) Explain **four** characteristics of a successful meeting. [4 x 2 = 8]
- (b) During the meeting, a variety of questions will be asked in order for both organisations to gain a greater understanding of the business they are in. Explain **each** of the following types of question and give an example of **each** one:
- (i) open question [3]
- (ii) leading question [3]
- (iii) hypothetical question [3]

(iv) scenario based question

[3]
[Total: 20]

- 5 (a) Use the data in **Table 1** to prepare a **bar chart** representing the sales of GMCS products and services for the period 2004 to 2008. [10]
- (b) Explain **two** other methods, excluding the bar chart, that could be used to present GMCS's sales information to Biomedical Global Ltd. [2 x 5 = 10]
[Total: 20]

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