



The Institute of Chartered Accountants of Pakistan

Business Communication and Behavioural Studies

Intermediate Examination
Spring 2012
Module C

6 March 2012
100 marks - 3 hours
Additional reading time - 15 minutes

Instructions to candidates:

- (i) *All the Questions from Section-A are compulsory.*
- (ii) *Attempt any FOUR out of the SIX Questions from Section-B.*

Section – A

Q.1 Group Conflicts are accepted as inevitable part of organisational interactions and bring to mind connotations of antagonism and undesirable state of affairs. Identify and explain any **six** factors which are responsible for creating group-conflicts in business organisations. **(09 marks)**

Q.2 Fashion Planet was established as a one-person ladies dress boutique in 1995. Its founder, Ms. Humaira Haq, had a master's degree in fashion designing which meshed well with a deep passion to be a 'leader of fashion and trend-setter' whose unique designs would be emulated by the followers. Over the years, the business has grown considerably and it now has 50 employees on its payroll.

Ms. Haq involved herself increasingly with her staff and a conducive work environment promoted both commitment and efficiency in the organisation. She was well aware of her employees' personal and professional needs and was always available with support and advice.

However, during the preceding year some innovative fashion designs, introduced after mutual consensus of the key employees, failed to gain acceptance in the niche market and has left the company in a real fix. Fashion Planet has depleted a large proportion of its cash resources as it had purchased materials, most of which had to be sold at a substantial loss.

Last Friday, Ms. Haq called a meeting of her staff and told them, either they would have to accept a cut in salaries by 30 per cent from the next month or Fashion Planet may have to wind-up its operations. Although ample employment opportunities were available in the area for the trained staff, the news left them in a state of complete shock. They never thought of Ms. Haq as a boss but as their mentor and family member. Almost 90 per cent of the employees expressed their willingness to accept the salary cuts until such time that the affairs of the company are stabilised once again.

In order to bring the affairs of the business back on track, Ms. Haq has approached two ex-college friends who have adequate experience in fashion designing. They have agreed to make equity investment and participate actively in the affairs of the business. This would involve introduction of a more formal organizational structure in Fashion Planet and adoption of a workable business plan for future growth.

Required:

- (a) Identify **six** key elements of organizational culture presently prevailing in Fashion Planet. **(03 marks)**
- (b) Identify and explain the changes in the organisation structure that Ms. Haq and her incoming partners would have to introduce to achieve the business objectives and also retain the characteristics of the existing culture of the organisation. **(09 marks)**

Q.3 The concepts of **Concreteness** and **Correctness** are important ingredients of the Seven C's of Effective Communication. Explain these concepts and state why they are significant in the communication process. *(06 marks)*

Q.4 The Selection Committee of Atlas University of Engineering reviewed 35 applications for the position of Head of Metallurgy Department. After two rounds of eliminations, the top three candidates were invited for the final interviews in which the Committee met with each candidate for one hour. The top three candidates were then invited to the campus to meet and exchange views with the key faculty members and the students' representatives.

The Committee finally recommended the selection of Dr. Jamil Ahmed who has a doctorate in metallurgy from a prestigious university.

As Secretary of the Selection Committee you are required to write a letter of approximately 150 words to the candidates who were eliminated in the first two rounds, advising them that they will not be receiving offers of employment. This letter should be addressed to:

*Mr. XYZ
Plot No. F- 4000
North Nazimabad, Block 5
Karachi - 12345*

Note:

- (i) Identical letters will be sent to the applicants who were eliminated in the preliminary rounds at their respective addresses.
- (ii) Assume your name is Khalid Khan. *(10 marks)*

Q.5 (a) List **five** attributes which would make a Resume distinctive and stand apart from the large influx of resumes and attract the interest of an astute Human Resources Manager. *(05 marks)*

(b) What rules of etiquette should be followed in sending e-mail messages? *(05 marks)*

Q.6 Explain briefly the Participative and Authoritarian Styles of Leadership.

State the different situations in which each of these Leadership Styles would be most effective in achieving optimal results. *(07 marks)*

Q.7 Meetings at various levels are a common feature in any business organisation. Yet complaints are often heard that meetings are a waste of time and effort and prevent people from attending to their normal work. Identify the important factors responsible for the widespread complaints about the unsatisfactory outcomes from meetings. *(06 marks)*

Section – B

Q.8 Distributive Bargaining and Integrative Bargaining are the two types of approaches which are usually adopted in the process of Negotiations. These approaches are different in their bargaining characteristics which include goals, motivation, focus, interests, information sharing and duration of relationship.

Identify the basic differences between Distributive Bargaining Approach and Integrative Bargaining Approach in the context of their respective bargaining characteristics mentioned above. *(10 marks)*

- Q.9 (a) Identify **six** traits which are commonly observed in Ineffective Listeners. **(06 marks)**
- (b) Self-actualisation is a concept which has gained wide recognition in psychological and motivational theories after its enunciation in Maslow's Theory of Hierarchy of Needs. Explain the concept of self-actualisation. **(04 marks)**

Q.10 Two months ago, The Environment Protection Board had ordered the closure of your Paper and Board manufacturing plant because it was discharging untreated effluent in the river causing pollution and adversely affecting the agricultural lands in the area and damaging the marine life in the river. This unit is one of the largest paper and board mill in the country. The company has since taken necessary measures to rectify the problem. As the Chief Executive Officer of the mill you are required to write a letter to the Director, Environment Protection Board requesting that the factory may be re-opened to enable it to resume its manufacturing operations.

You should emphasise that all necessary measures have been taken to resolve the problem. You may make assumptions of any details/information that you may consider relevant to substantiate your case for the re-opening of the mill.

Assume that the name of your Company is Sterling Paper and Board Mill Limited, Lahore and you are Khalil Ahmed. **(10 marks)**

- Q.11 (a) Re-write the following messages to remove any negative perceptions and elicit a positive and favourable response from the recipients.
- (i) You should not use this type of paper in the photocopying machine.
 - (ii) We have wasted an amount of Rs 500,000 by advertising in that new Health Magazine.
 - (iii) We regret to inform you that we must deny your request for sale of furniture on credit.
 - (iv) Decline in sales from Rs 80 billion to Rs 50 million is due to the very poor performance of the previous management and this new management certainly cannot be held responsible for this downslide.
 - (v) You have been sitting on our order for supply of cement for the past two months. We want the delivery of the consignment now as we cannot wait any longer. **(05 marks)**
- (b) You have to make an Oral Presentation to a knowledgeable audience which would be followed by a question and answer session. List **five** important considerations which you should keep in perspective while making your Presentation. **(05 marks)**

Q.12 Briefly explain any **four** of the following concepts:

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|------------------------------|------------------------------|
| (a) Information Overload | (b) Horizontal Communication |
| (c) Filtering of Information | (d) Selective Perception |
| (e) Semantic Noise | |
- (10 marks)**

Q.13 (a) The following types of Buffers are generally used in Business Communications while conveying 'bad news' messages:

- (i) Agreement
- (ii) Appreciation
- (iii) Understanding
- (iv) Fairness
- (v) Cooperation

Required:

Briefly describe each of the above types of buffers used in conveying 'bad news' messages.

(05 marks)

- (b) Identify and describe briefly the advantages of Oral Communications. **(05 marks)**

(THE END)