

QUESTION NO. 1

- (i) **Dunning Letter:** A dunning letter is a notification sent to a customer, stating that the customer is overdue in paying an account receivable to the sender.
- (ii) **Solicited Job Application:** A solicited job application is one which is written in response to an advertisement from the employer. The major advantage of such an application is that the applicant becomes sure of the existence of such a vacancy with the employer.
- (iii) **ADCA:** ADCA stands for:
- (a) Attract Attention
 - (b) Created Desire
 - (c) Show Care
 - (d) Stimulate Action
- (iv) **Memorandum:** A usually brief written message or report from one person or department in a company or organization to another.
- (v) **Endorsements:** An Endorsement is a short, forwarding note that is added at the bottom of the original letter received by an office. It is properly numbered, dated and signed with designation, by the issuing authority.
- (vi) **Invoice:** A statement which gives full particulars of quantity, quality and prices of goods sold.
- (vii) **Encoding:** An encoder is a device, circuit, software programme, or a person that converts information from one format or code to another, for the purposes of standardization, speed, secrecy or security.
- (viii) **Proxemics:** Proxemics is a type of non-verbal communication. It is the study of how we communicate with the space around us.
- (ix) **Non-verbal Communication:** Nonverbal communication means to convey the message without words. Sometimes the nonverbal message contradicts the verbal message.
- (x) **Decoding:** Decoding is the opposite process the conversion of an encoded format back into the original sequence of characters.

QUESTION NO. 2

COMMUNICATION

The term 'communication' is derived from the Latin word '*Communis*' that means 'Common'.

The Oxford Dictionary defines 'communication' as the action of exchanging information or ideas.

According to George Terry, "Communication is an exchange of facts, ideas, opinions or emotions by two or more persons."

We can say that communication is a process of giving or exchanging information, signals, or messages as by talk, gestures, or writing. It is a bridge of meaning between people. By using this bridge, a person can safely cross the river of misunderstanding.

PROBLEMS / BARRIERS IN EFFECTIVE COMMUNICATION

The people in the world are different from each other mentally, physically and emotionally. This difference causes a number of problems. Such problems create miscommunication. Miscommunication means the difference between the sender meaning and the receiver meaning. Each person's mind is a unique filter. Problems with communication are more likely to occur when the communicator's filters are sharply different. The message, sender's meanings and the receiver's response are affected by numerous factors such as:

(1) CONVENTIONS OF MEANING:

A fundamental principle of communication is that the symbols, the sender-uses to communicate messages must have the same meaning in both the sender's and receiver's minds. Otherwise the process of communication will fail. For example "Bull" and "Bear" etc. are the market terms used widely in market reports. Obviously a market operator is well aware of all such terms. However, for a common man these are the words used merely for the animals. Thus, when the sender and receiver attribute different meaning to same words, miscommunication takes place. In order to avoid such a miscommunication, we should be sure that our words convey the same meaning which our reader has in his mind. Miscommunication occurs because the words have both denotative and connotative meaning.

Denotations:

The dictionary definition of a word is called denotation. Denotations do not indicate negative or positive qualities. The word like pen, chair, college, book, etc. only have denotative meaning. The receiver always gets the same idea what the sender wants to convey.

Connotations:

Some words have some additional or secondary meaning other than their dictionary definitions. These secondary meaning are known as connotations. These meaning arise due to personal feelings or reactions for example the word man is denotative whereas father, prophet, brother are connotative.

Euphemism:

Euphemism is an art of saying direct, serious and unpleasant things in a pleasant and gentle way. For example, "perhaps you have forgotten" is a euphemism for "you are a liar". Similarly pass away is a euphemism for dead or died.

How to Overcome this Barrier?

The remedy to the above problems is that the sender should use simple words keeping in view the mental and educational level of the receiver.

(2) PERCEPTIONS OF REALITY:

Every person has his own perceptions of reality. What is a special reality for one person may not be the same for the other. Like the conventions of meaning, perceptions of reality also vary from person to person. We make abstractions and inferences to comprehend reality.

Abstracting:

When we receive a message, we usually concentrate on some details and neglect others. This process of looking for relevant information and omitting less important things is called, abstracting.

Inferring:

The process of making conclusions on the basis of assumption and observation is called inferring.

How to Overcome this Barrier?

The remedy to this problem is that the receiver should never make abstractions and inferences. He should pay attention to the message patiently.

(3) VALUES, ATTITUDES AND OPINIONS:

Our response to a message is often influenced by our attitude, opinion and emotions. If a message is according to our hopes, we react to it favourably, whereas we tend to reject disagreeable messages. Similarly emotions of anger, fear, or hatred affect the meaning of a message. Following are some of the elements based on values attitudes and opinions which are responsible for miscommunication.

Closed Minds:

Some people make up their minds on certain facts and refuse to change it. It is never easy to communicate with such people.

Sender's Credibility:

In order to get favorable reaction the credibility in sender is very important. An effective sender builds credibility by writing and speaking in a Just manner.

Slanted Statements:

It is a statement that is not exact rather it is dipped into the colour of one's own likes and dislikes. One should never include one's biased ideas into any particular fact.

How to Overcome these Barriers?

The above barriers may be overcome by the policy of honesty and understanding. People should state what is truthful and they should not feel any hesitation in accepting other people's opinion.

(4) LACK OF KNOWLEDGE:

It is very difficult to communicate with a person whose knowledge is less than yours. So lack of knowledge on the part of the receiver causes problem in communication.

How to Overcome this Barrier?

This type of barrier can be overcome if the sender keeps in view the educational level of the receiver.

(5) LACK OF INTEREST:

Lack of interest on the part of the receiver is also a barrier to communication.

How to Overcome this Barrier?

This type of barrier can be overcome if the speaker creates interest in his speech.

(6) PERSONALITY CLASH:

No two persons can be of the same temperament and intelligence. That is why the clash of personalities can be a barrier to communication.

How to Overcome this Barrier?

We cannot change the personalities of others. For the purpose of smooth flow of communication we should change ourselves and respect others' point of view.

(7) EMOTIONALISM:

Emotionalism leads to irrationalism. Nobody is ready to listen to our irrational talk. Therefore, emotionalism is another barrier to communication.

How to Overcome this Barrier?

The remedy to this problem is that communication should be suspended when the communicator or the receiver is in the height of emotions.

(OR)

BUFFER:

It is a pleasant, neutral and friendly statement. It prepares the reader for the favourable or bad news.

ORGANIZATION PLAN FOR WRITING BAD NEWS MESSAGES

The organization uses/applies indirect/inductive approach for bad news and persuasive request plans.

Indirect / Inductive Approach:

Indirect Approach is also called Inductive Approach. It is used when the reader is expected to resist to the message i.e. when the writer thinks that the reader may probably react unfavourably or negatively to the request or information communicated to him. Begin your message with pleasant and neutral statement expressing your consideration for the receiver. This is called 'buffer'. After that explain the reasons supporting the negative decision. It would be followed by the decision itself. In the end give a friendly note and courteously close the message.

One way to organize persuasive message is the 'AIDA' plan, which is of four stages:

- | | |
|------------------------|-----------------------|
| (i) Attract attention | (ii) Create interest |
| (iii) Stimulate desire | (iv) Stimulate action |

QUESTION NO. 3**ADJUSTMENT LETTER:**

The letter which is written by a business house in response to the buyer's claim or complaint to satisfy him is termed as an 'Adjustment Letter'.

PRINCIPLES OF WRITING AN ADJUSTMENT LETTER

Writing of adjustment letters is not very easy. It requires great skill and tact. It also asks for qualities or diplomacy and the sense of fair-play. The writer of an adjustment letter has to achieve the double purpose of satisfying the customer and safeguarding the interest and reputation of the company.

Following points should be kept in mind while drafting an adjustment letter:

Take Each Complaint Seriously:

The writer of the adjustment letter must take each complaint seriously. Nothing should be ignored or underestimated. What may apparently look to be of little importance to the company, may matter a lot to the customer. A customer must not ever get the impression that the company does not give any importance to his view and problems.

Answer the Complaint Promptly:

Delay in sending a reply may annoy the customer. It is, therefore, always desirable that the recipient should respond to the complainant immediately. A prompt reply shall be helpful in calming down the customer.

Show an Understanding of Human Nature:

In writing replies to complaints/claims, the company should show an understanding of human nature. It should know how an aggrieved party may react in a particular situation. The company must not show any anger or bitterness even if it thinks that the complaint/claim made by the customer is unjustified. Instead of calling the complaint a lie or turning it down rudely, the company should express some sympathy with the customer, and should then explain carefully and discreetly the facts of the situation.

Show an Understanding of the Customer's Problem:

This is like following the 'You Attitude'. The customer should not feel that the seller of goods is indifferent to his problem. He must be assured that the seller is aware of his problems. For this purpose, the writer of the adjustment letter may use such expression as may show his urge to cooperate with the customer.

Tell the Customer About Your Decision:

After having expressed his understanding of the customer's problem, the writer of the adjustment letter should tell him exactly what he is going to do about his claim. If the complaint is correct and valid he should offer apologies and briefly state how the mistake was committed. Then he should offer suitable adjustment to remove this cause of grievance to compensate his loss. If the complaint is due to some misunderstanding on the part of the customer and the seller cannot accept it, it should not directly refute or blame the customer. Instead, he should state the facts with utmost courtesy, friendliness and good nature.

Avoid Being Negative:

The writer of an adjustment letter should never use negative words or accusing style. Negative expressions are strictly forbidden in all types of business letters. The writer of the adjustment letter should remember that a warm, pleasant and personalized approach not only promotes goodwill but also helps win the confidence of the addressee.

(OR)

Ferozsons Ltd.

120, X.Y. Road,

Karachi.

July 15, 2016

Ahmad and Company,

110, The Mall,

Lahore.

Dear Sir,

We regret to learn from your letter about the inconvenience you are undergoing on account of our supply of damaged books for into a new worker in the shop. We are sorry that the supplies has proved so very disappointing.

We are sending you today, through special courier service, the same quantity of books to replace the damaged consignment which may please be forwarded to us on our expense.

We are once again sorry for the inconvenience caused to you and request you to accept our apologies for the same. We hold our business relationship with you in great esteem and hope this regrettable incident will not deprive us of your patronage.

Yours truly,

Abdul Rehman

(Sales Department)

QUESTION NO. 4

- (i) **Blue Chip:** This term is used for the shares of well-established and sound companies enjoying good reputation in the market. Investment is considered so safe that there is a little risk of losing either capital or income.
- (ii) **Haggling:** Haggling means bargaining. It is a normal practice in which every buyer tries his best to bring the price down and every seller makes an effort for high profit. It is a prominent element of the retail market.
- (iii) **Tariff:** It is a list of charges or prices charged by an organization.
- (iv) **Glut:** It means excessive supply of goods for sale in the market. Excess of goods in the market reduces the profit margin. Glut indicates more supply than demand for goods.
- (v) **Bull:** A bull is a speculator who buys the goods or securities at low price with the intention of making heavy profit by selling them at high price. He always expects that price will rise in future. The difference between the new price and the old price creates his profit. In American market, a bull is known as 'long'. A bull is just opposite to a bear.
- (vi) **Speculation:** Selling of goods or securities in the hope of making profit from the changing of prices is called speculation.
- (vii) **Dumping:** A sale of goods to a foreign market at a price much lower than the current market price is called dumping. This is done to capture the foreign market. This is a world of competition where every one tries to excel the next party. Dumping is the best technique to be prominent in the market.

(OR)

MARKET REPORT:

A market report describes the condition of a commodity in the market during a specific period of time.

[ADVANTAGES OF A MARKET REPORT]

- (1) A market report measures the progress of a market.
- (2) It provides the detail of prices of different commodities in the market.
- (3) It provides valuable information to investors regarding the investment opportunity in different fields of business.
- (4) It forecasts the future trend of the market.
- (5) It provides valuable commercial literature to commerce students and traders.

QUESTION NO. 5

LISTENING:

Listening is a complex and selective process of receiving, focusing, accepting and storing. It is an activity of great importance, as it demands high-class seriousness. It shows a person's attitude towards other people. According to Kevin Murphy "The better you listen, the luckier you will get."

BARRIERS OF LISTENING

Listening is an important as the other three skills, i.e., speaking reading and writing. Good listening skill can be hampered because of some elements.

(1) Prejudice:

We hamper our power of listening because of our own prejudice against the speaker. We do not concentrate as to what is being told. We always concentrate on who is talking. In order to develop a good listening skill we must only pay attention to the words.

(2) External Distraction:

External distraction also plays an important role in misunderstanding the real words of the speaker. There are so many external distractions such as noisy fans, poor lights, music from outside etc.

(3) Pre-thinking:

Normally 80 — 160 words are spoken in a minute. Usually, people have the capacity to think at the rate of 800 words per minute. This is the main reason that pre-thinking is the major element among the faults of listening. The listeners should not jump at the conclusions as it mars the beauty of good listening.

(4) Semantic Barrier:

Semantic barrier is created because of the negative meanings which a listener willingly attach to the words of the speaker. This can be avoided if we analyze the speech impartially and patiently.

(5) Importance of Good Delivery:

If the speech is delivered in a good style it will help the listeners in understanding not only the gist but also the contents of it. Otherwise, a badly delivered speech will make a mess of the meanings.

WAYS TO IMPROVE YOUR LISTENING SKILL

Following steps can be helpful in improving the listening skill:

- (1) We should talk less and listen much as God has blessed us with one tongue and two ears.
- (2) Listen carefully with patience and concentration.
- (3) While listening, do not show casual attitude by looking sideways or leaving your seat. This will create bad impression.
- (4) Always listen to learn something. Try to understand the points.
- (5) While listening, make the notes if possible. It will help you a lot.
- (6) Always show positive attitude and never mix your personal feelings about the speaker.

(OR)

See Paper 2015 Question No. 5