

**DP05**

# **Business Communication**

**14 OCTOBER 2005**

1. Time allowed : Three (3) hours
2. Total number of questions : Six (6) questions
3. Number of questions to be answered : All six (6) questions
4. Begin each answer to a new question on a fresh page.
5. A blank page is provided at the end of the question paper for rough work.

## ANSWER ALL SIX (6) QUESTIONS

1. Read the passage below and answer the questions that follow in **full sentences**:

More and more Malaysian families are finding themselves deeper and deeper in debt. The national household debt is now about 60 percent of GDP, a level still considered “manageable” and “prudent” for the nation as a whole. However, as the statistics show, an increasing number of Malaysians with tight budgets and tiny disposable incomes are finding it hard to prevent household debt from spiralling out of control.

Not too long ago, many still subscribed to the adage, “Neither a borrower nor a lender be”. Not only have such attitudes to debt changed, looser lending policies have made it much easier to get credit. Banks increasingly target the household sector for their lending. Mortgages and consumer loans for cars and consumer durables, and the use of credit cards have doubled over the last seven years.

While reckless spending binges regardless of their personal financial standing is partly responsible for the inability to service their debts, not all bankrupts are spendthrifts. This is particularly true of those who went bust because they stood as guarantors for education scholarships. Malaysians just have to improve the management of their personal finances. Financial planning is essential to make the right consumption, savings and investment decisions. There is also a need for a greater understanding of legal matters. If they had paid more attention to the bankruptcy notice and had been more aware of the options, some of those declared insolvent could have worked out other ways to pay their debts.

While the debtors have to take personal responsibility for falling into bankruptcy, the creditors should also share some of the blame because of their lending practices and **seductive marketing**. This is especially true of the credit card issuers. While they claim that existing regulations are adequate, the alarming numbers of young people who went bankrupt for defaulting on payment suggest a need for a review of the age limit and other eligibility requirements. It should be more difficult for people with bad credit records to get a card. Steps should be taken to curb abuses by both debtors and creditors.

*Adapted from “The New Straits Times”, 12 April 2005*

- (a) What does “neither a borrower nor a lender be” mean? [1]
- (b) What do Malaysian households borrow money for? [2]
- (c) Apart from reckless spending, why are people unable to service their debts? [2]
- (d) How can creditors, for example credit card issuers, help to reduce the number of bankruptcies? [3]
- (e) What does “**seductive marketing**” in paragraph 4 line 2 mean? [2]
- (f) Summarise the passage in 120 words using your own words. [10]

(Total:20 marks)

2. (a) Read the letter below and answer the questions that follow:

8/9/05

The Credit Card Manager  
Paragon Bank  
88 Jalan Mewah  
50000 Kuala Lumpur

Dear Sir

**Re: Disgusting!**

I am Simon Siau, a loyal customer of your bank for the last twenty years. Some time back, I called your bank to complain about a charge of RM2,888 from Crystal Jewellers in my credit card statement for July.

I explained to Ms Kim, the Customer Service Officer, that I hadn't made any purchase at all from Crystal Jewellers. Ms Kim promised to do something about it. It's been two months and Ms Kim hasn't called me. To add insult to injury, when I received my credit card statement for August, I found that I was again billed for RM2,888. I nearly hit the roof!

What on earth is going on? What must I do before your bank decides to refer me to the National Credit Bureau? Is this how you treat a loyal customer? By the way, my credit card number is 0045 5432 0987 2031 and mind you, it's a platinum one!

So, please buck up before I write to Bank Negara Malaysia!

Yours sincerely,

Simon Siau

Simon Siau  
22 Jalan Indah  
Taman Bunga  
40400 Petaling Jaya

- (i) Analyse the letter above by listing and describing **four** different aspects of poor communication. [10]
- (ii) Rewrite the letter using effective communication principles. [10]
- (b) Clichés are overused words or phrases that have lost meaning and impact in writing.
- Replace each cliché below with a more appropriate word/phrase:
- (i) Terminate [1]
- (ii) At this point in time [1]
- (iii) Finalise [1]
- (iv) Utilisation of [1]
- (v) Commence [1]
- (Total:25 marks)
3. (a) State **two** reasons why feedback is an essential part of effective interpersonal communication. [4]
- (b) Briefly describe **three** causes of barriers in communication. [6]

- (c) (i) Give **three** reasons why visual or audio-visual aids are used in a presentation. [3]
- (ii) Non-verbal behaviours can modify or change your spoken presentation.  
Give **two** examples of non-verbal behaviours in public speaking. [2]  
(Total:15 marks)
4. (a) List **four** administrative duties of a Secretary in a meeting. [4]
- (b) Describe **three** strategies which could help participants to perform well at meetings. [6]  
(Total:10 marks)
5. (a) (i) List **two** types of good news letters. [2]
- (ii) What is **one** way of creating a reader's desire for a product or service when writing a sales letter? [2]
- (b) You are the Sales Manager of a store selling household appliances. A customer wrote in to ask you to replace a faulty appliance which is no longer under warranty.  
Write a letter of refusal using the correct strategy to keep the customer's goodwill. [10]
- (c) Describe **three** ways in which technology assists in the presentation and distribution of a report. [6]  
(Total:20 marks)
6. (a) Justified customer complaints should be acknowledged and resolved promptly.  
Briefly explain the PAIR approval strategy which can be used to handle complaints. [4]
- (b) For each of the following, write a new response for the staff member that centres on the customer's need:
- (i) *Customer:* I would like to open an account with your bank.  
*Staff member:* We only open accounts for major customers. [1]
- (ii) *Customer:* I want to complain to the manager.  
*Staff member:* The manager is too busy to see you now. [1]
- (c) The telephone is a direct communication link between an organisation and its customers.  
State **four** strategies one can use when answering a customer's telephone enquiry. [4]  
(Total:10 marks)

## OUTLINE ANSWERS

The comments given in the boxes below indicate the areas of weaknesses the examiners have identified and their advice to future candidates.

### Question 1

- Answers were mainly lifted word for word from the text, especially in the summary question. Candidates should try to use own words in answering the questions.
- Some of the candidates' answers carried points not found in the passage.

1. (a) It means “do not borrow or lend money”.
- (b) Malaysian households borrow money for mortgages, cars and consumer durables.
- (c) People who are unable to service their debts are those who have stood as guarantors for education scholarships.
- (d) Credit card issuers need to review the age limit and other eligibility requirements of applicants. They must also make it difficult for people with bad credit records to get credit cards.
- (e) ‘Seductive marketing’ means advertising and promoting goods and services in such an attractive way that make people want to have them.
- (f) Increasing numbers of Malaysians with limited means are inadvertently getting into debt. With easier lending policies and increased marketing by banks, more households are taking out mortgages and loans for consumer durables. Credit card use has also increased significantly. Many have been spending recklessly and are unable to service their debts. However, not all bankrupts are spendthrifts. Some have become insolvent after being guarantors for education loans. Therefore, Malaysians must learn to manage their personal finances and understand legal matters pertaining to bankruptcy. Debtors aside, creditors must take the flak for their lending practices and marketing ploys. Credit card issuers must review the age limit and other eligibility requirements of applicants, weeding out those with poor credit records. (118 words)

### Question 2

- The rewritten letters were too long. Candidates should write letters that are concise and to the point.
- Candidates lacked language proficiency with no control of structure and grammar.
- Do not use contractions (hasn't, didn't)
- Arrange points in a logical sequence using clear expressions.
- Keep sentence short and simple to reduce grammatical errors.

2. (a) (i) Aspects of poor communication in letter (choose any **four**):
- Date is not written in full.
  - Inappropriate subject line.
  - Inappropriate opening paragraph – does not need to introduce himself; no definite date of call to bank.
  - Tone of letter – condescending (and mind you, it's a platinum one); veiled threat (before I report to Bank Negara Malaysia).
  - Sender's address – should be at top left hand corner.
  - Wrong complimentary close – does not match salutation.

- Inappropriate language – (I nearly hit the roof, what on earth...?).
- Use of contractions – hasn't, it's.

(ii)

22 Jalan Indah  
Taman Bunga  
40404 Petaling Jaya

8 September 2005

The Credit Card Manager  
Paragon Bank  
88 Jalan Mewah  
50000 Kuala Lumpur

Dear Sir

**Error in Billing: Credit Card No. 0045 5432 0987 2031**

On 7 August, I called your bank to complain about a charge of RM2,888 from Crystal Jewellers in my July credit card statement.

I explained to Ms Kim, the Customer Service Officer that I had not made any purchase from Crystal Jewellers. Ms Kim promised to look into the matter. It has been two months and I have not heard from your bank. Worse, when I received my credit card statement for August, I found that I was again billed for RM2,888.

As a loyal customer of your bank for the past twenty years, I am disappointed with your standard of customer service and inefficient billing system.

I hope you will look into the above matter promptly.

Yours faithfully

**Simon Siau**

(b) Replacing clichés with appropriate words:

- (i) End
- (ii) Now
- (iii) Finish
- (iv) Use
- (v) Start

### **Question 3**

- Candidates' answers were too brief, vague and incoherent.
- Candidates listed the causes of barriers in communication in point form without any elaboration.

3. (a) Reasons why feedback is an essential part of effective communication (choose any **two**):
- gives the communication continuity.
  - indicates understanding or misunderstanding of the message.
  - stimulates further communication and discussion.
- (b) Causes of barriers of communication (choose any **three**):
- Inappropriate choice of words.
  - Inappropriate channel.
  - Inappropriate message.
  - Receiver inattention.
  - Different cultural backgrounds.
  - Poor layout and presentation.
  - Lack of courtesy by sender/receiver.
  - Non-verbal behaviours that do not support the words.
  - Inappropriate timing.
  - Inadequate feedback.
- (c) (i) Reasons why visual or audio-visual aids are used in a presentation (choose any **two**):
- Keep the listener alert.
  - Aid the listener's memory.
  - Enhance the learning and understanding with variety.
  - Increase interest of audience.
  - Support or clarify points.
  - Keep focus on the topic.
  - Emphasise connections.
  - Help the presenter to arrange the content in a logical manner.
- (ii) Examples of non-verbal behaviours in public speaking (Choose any **two**):
- Posture.
  - Volume.
  - Articulation.
  - Variation in the rate of speech.
  - Facial expressions.
  - Voice quality.
  - Appearance and dress.
  - Hand, arm, shoulder and head gestures.

### **Question 4**

Candidates did not understand the terms for meetings (minutes, quorum, etc.) and confused the duties of a Secretary with that of a Chairperson.

4. (a) Administrative duties of the secretary for a meeting (choose any **four**):
- Convenes the meeting and prepares the agenda in consultation with the chairperson.
  - Deals with the paperwork including preparing enough copies of documents for all members.
  - Deals with all incoming and outgoing correspondence.
  - Keeps clear and accurate minutes.
  - Answers inquiries from members.
  - Records names of those present at meeting.

- (b) Strategies to help participants to perform well at meetings (choose any **three**):
- Practise courtesy and good meeting manners.
  - Express ideas and give feedback.
  - Ask questions.
  - Listen.
  - Match the non-verbal message to the spoken.
  - Follow up.

**Question 5**

- The AIDA (Attention-Interest-Desire-Action) formula was spelt out instead of naming a way to create a reader's desire for product or service when writing a sales letter.
- The letter of refusal was badly written. Candidates should acknowledge a customer's request and then give concrete reasons for the refusal. Do not start the letter with a sales talk, trying to get the customer to buy alternative.
- The description of the ways technology assist in report presentation and distribution were vague and badly expressed.

5. (a) (i) Types of good news letters (choose any **two**):
- Letter of enquiry.
  - Letter of request.
  - Letter of acknowledgement.
  - Letter of introduction.
- (ii) Creating reader's desire for product or service (choose any **one**):
- Emphasise the benefits of the product directly to the reader.
  - Provide free samples.
  - Offer a money-back guarantee.
  - Have an unusual opening statement, gimmicks to attract.

(b) Letter of refusal

ELT Electronics Sdn Bhd  
2 Jalan Usaha, Subang Jaya, 47630 Petaling Jaya  
Tel: 03- 56782 8888 Fax: 03- 56782 8889

6 October 2005

Ms Saroja Matthews  
11 Jalan 21/37  
Taman Ros  
47600 Petaling Jaya

Dear Ms Matthews

**ELT Washing Machine Model LG 686A**

Thank you for your letter of 29 September explaining the problems you are having with your washing machine.

We wish to bring to your attention the fact that your washing machine is no longer under warranty. We are therefore unable to undertake any replacements or repairs under the terms of the guarantee.

However, we are prepared to carry out repairs and charge only for parts changed. Our technician, Bryan Lim, will be happy to investigate the problem and rectify the fault. Please call him on extension 323 to make an appointment.

We hope the matter will be resolved to your satisfaction and we look forward to providing better service to you in the future.

Yours sincerely

**Akhbar Ali**

Akhbar Ali  
Store Manager

- (c) Ways in which technology assists in the presentation and distribution of a report (choose any **three**):
- Word processing features help in structuring, formatting and writing reports.
  - Intranet can be used for faster distribution of the report.
  - Fax and Internet can be used for distribution to outside organisations.
  - Powerpoint can be used for better visual presentation.

**Question 6**

- Rote learning of the PAIR concept was observed in the lack of understanding of words like “placate” and “empathise”.
- Candidates’ rewritten responses to the customers’ enquiry/complaints were just as discourteous and unhelpful.
- Instead of stating the strategies one could use when answering a customer’s telephone enquiry, the answers given were more suited for answering a customer’s call in general.

6. (a) PAIR approval strategy
- Placate: listen, empathise, respond with concern.
  - Attend to the complaint.
  - Investigate: circumstances, details of the incident.
  - Resolve: decide on action to take.
- (b) (i) I’m pleased to help you. Could you tell me what type of account you are interested in?
- (ii) I’m afraid the manager is busy at the moment. Can I help you in any way?
- (c) Strategies when answering a customer inquiry (choose any **four**):
- Open the call with a greeting, the organisation’s name and your name.
  - Listen to the inquiry.
  - Provide the relevant information.
  - Sound interested in the customer’s needs.
  - Explain how the organisation can help to satisfy them.
  - Suggest what actions customers can take to satisfy their needs.
  - Conclude courteously.