

Knockout.Economics by Kru P'Eve & Kru P'Da

IGCSE -Business studies

**Why effective communication is important
and the method used to achieve it**



- Executive summary IGCSE Business studies
- Series of exam questions each chapter
- Exam Strategies and exclusive tips to achieve A* from Knockout.Economics
- Exclusive Key Terms for IGCSE Business studies exam



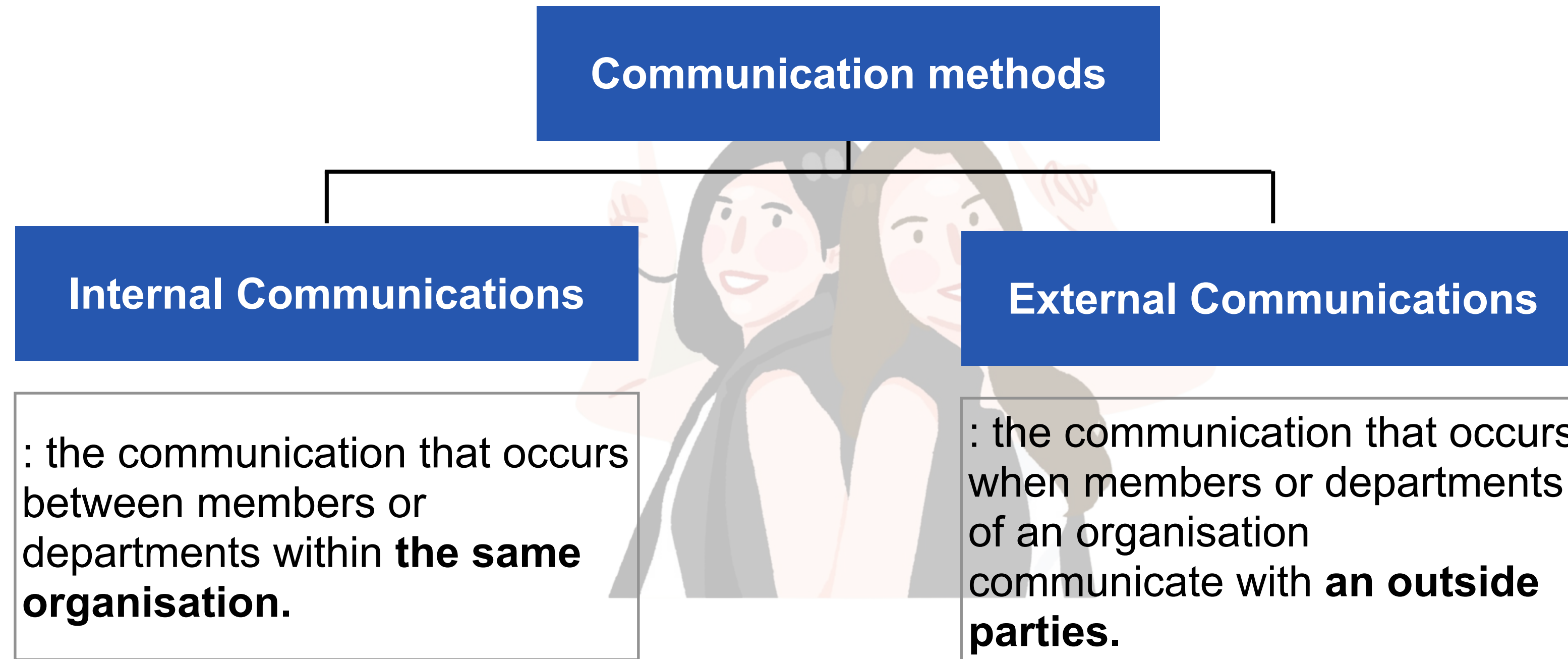
Overview

1. Effective communication and its importance to business
2. Communication methods, advantages and limitations
3. Recommend and justify which communication method to use in given circumstances



1. Effective communication and its importance to business

- **Communication** : means of sending information from senders to receivers such as telephone, letters etc.

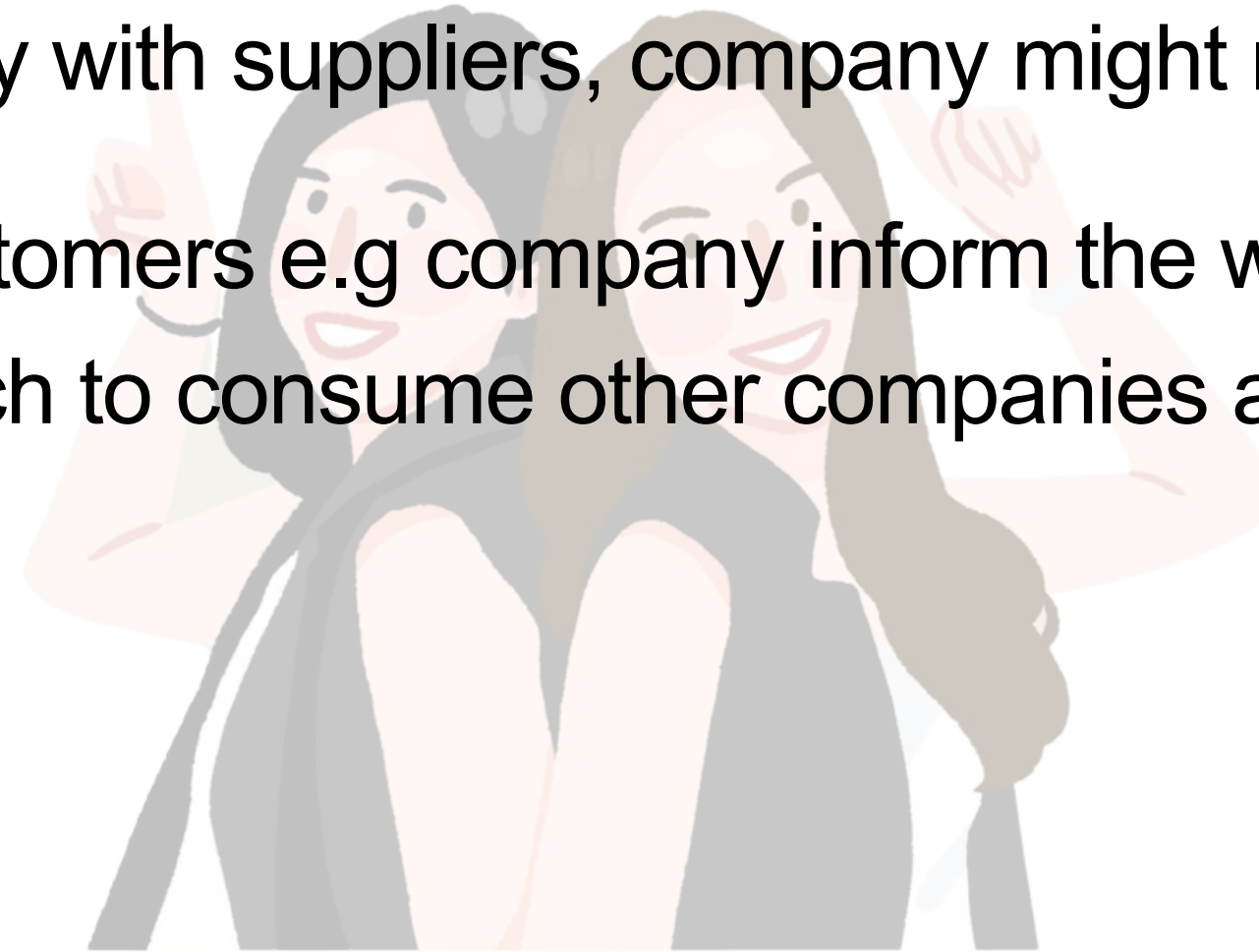


1. Effective communication and its importance to business

Why external communication has to work well ?

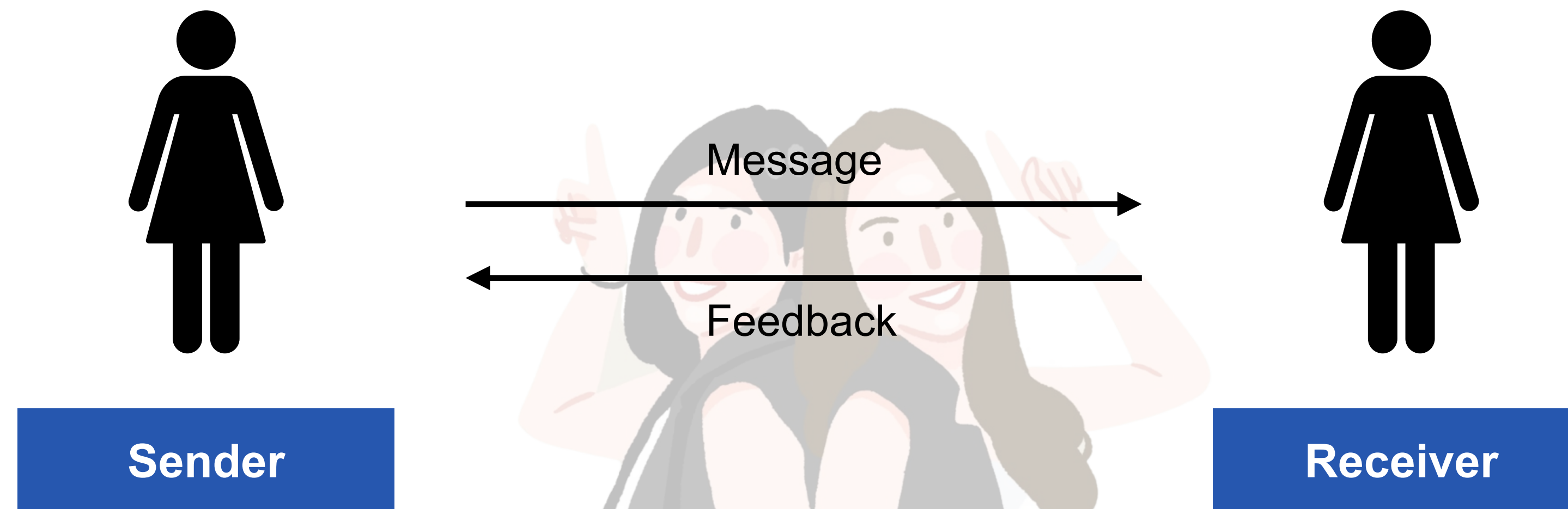
For example

- If company communicates ineffectively with suppliers, company might receive wrong materials.
- If company provide wrong data to customers e.g company inform the wrong price of products which are higher than competitors, customers may switch to consume other companies and therefore company will lose sales revenue.



1. Effective communication and its importance to business

The process of effective communication



- **Sender** : is an individual who initiates a message and would like pass information to another parties.
- **Medium of communication** : a method of sending message e.g. email, line etc.
- **Receiver** : an individual to whom the message should be sent
- **Feedback** : information about reaction to sender e.g. receiver might send message to sender that receiver already obtained data.

1. Effective communication and its importance to business

One-way and two-way communication

- **One-way communication:** an individual sends a message to another person and no questions, feedback to interaction follow.
- **Two-way communication :** when the receiver provides a response to the sender. Sender and receiver can discuss about it.



1. Effective communication and its importance to business

Advantages and disadvantages one-way communication

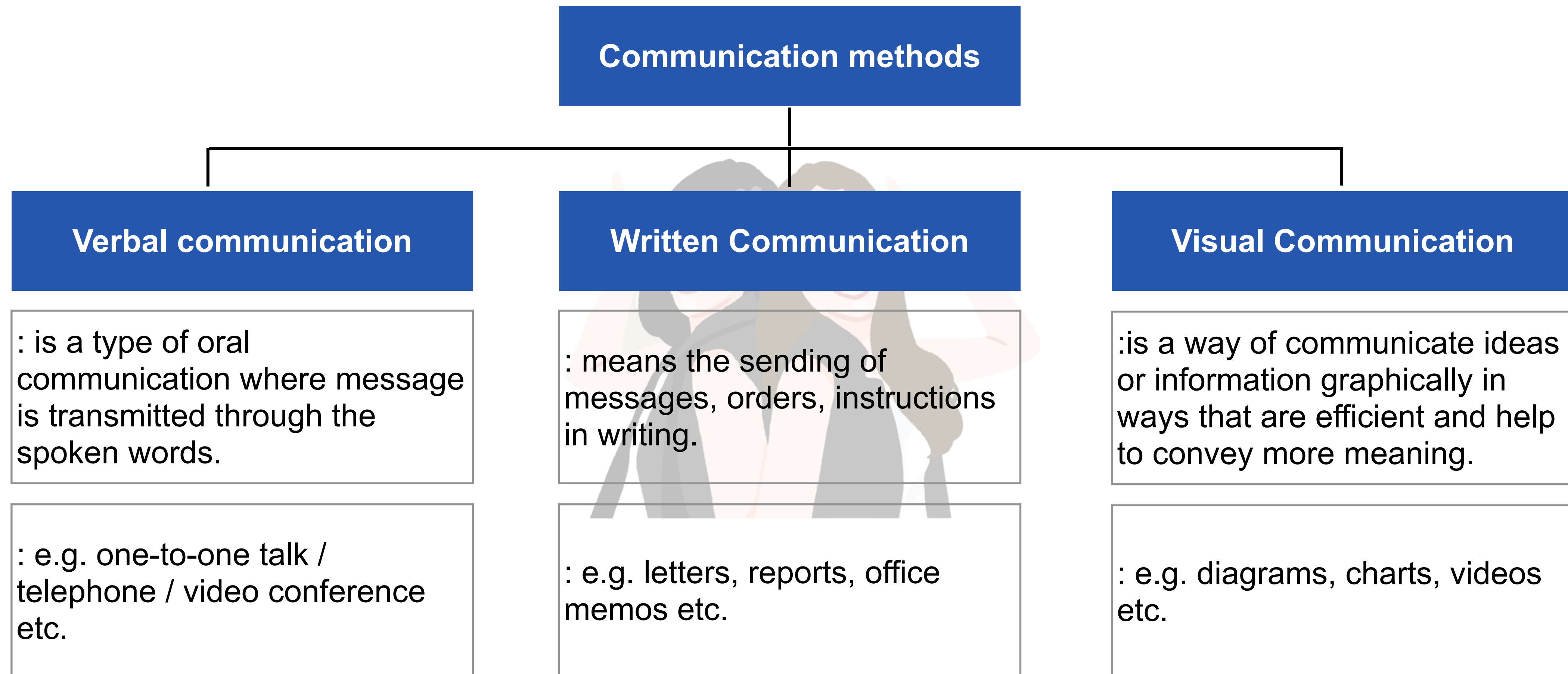
Advantages

1. It is faster to transfer messages from sender to receiver.
2. There will be less conflicts between sender and receiver. Since receiver cannot discuss or provide feedbacks to sender.

Disadvantages

1. There are no feedbacks.
: Receiver cannot provide opinion, this brings to less ideas or creativity to improve businesses.
2. Receiver cannot discuss or provide opinion.
: People feel that they cannot contribute ideas to company.
: This can bring to demotivate of workers.

2. Communication methods, advantages and limitations

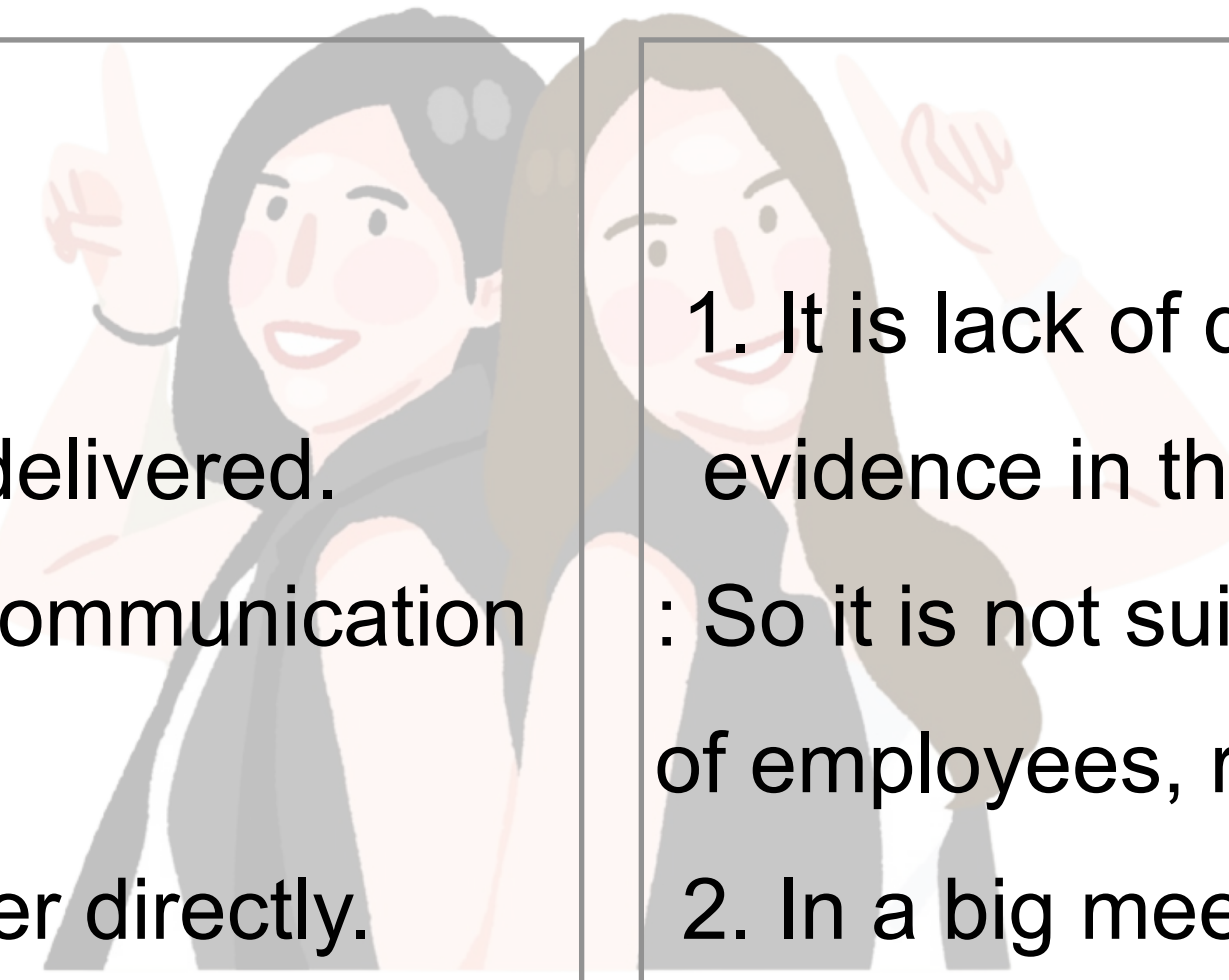


2. Communication methods, advantages and limitations

2.1 Verbal communication

Advantages

Disadvantages

- 
1. It saves time in communication.
 2. It is quick in obtaining feedbacks once delivered.
 3. It provides complete understanding of communication delivered
- : Since receiver can ask questions to sender directly.
- : Or there can include body languages and facial expressions. (However, this do not apply to telephone conversation.)

1. It is lack of documentations which are used for evidence in the future.
- : So it is not suitable for some issues e.g. inform benefits of employees, report performance of company etc.
2. In a big meeting, it is difficult to make all of audiences understand the message.
 3. It can take longer time to use verbal method when discussion or feedback occurs.

2. Communication methods, advantages and limitations

2.2 Written communication

Advantages

1. Permanent record can be saved and referred in the future.
: This can help to reduce conflict or disagreement among parties about information of the message.
2. Receiver has more time to analyse the message.
3. It is more efficient to communicate with many audiences.
: Since written communication allow sender make a copy and send to many people.
: Time can be saved when comparing with using telephone. Sender need to call and send message individually which is waste the time.

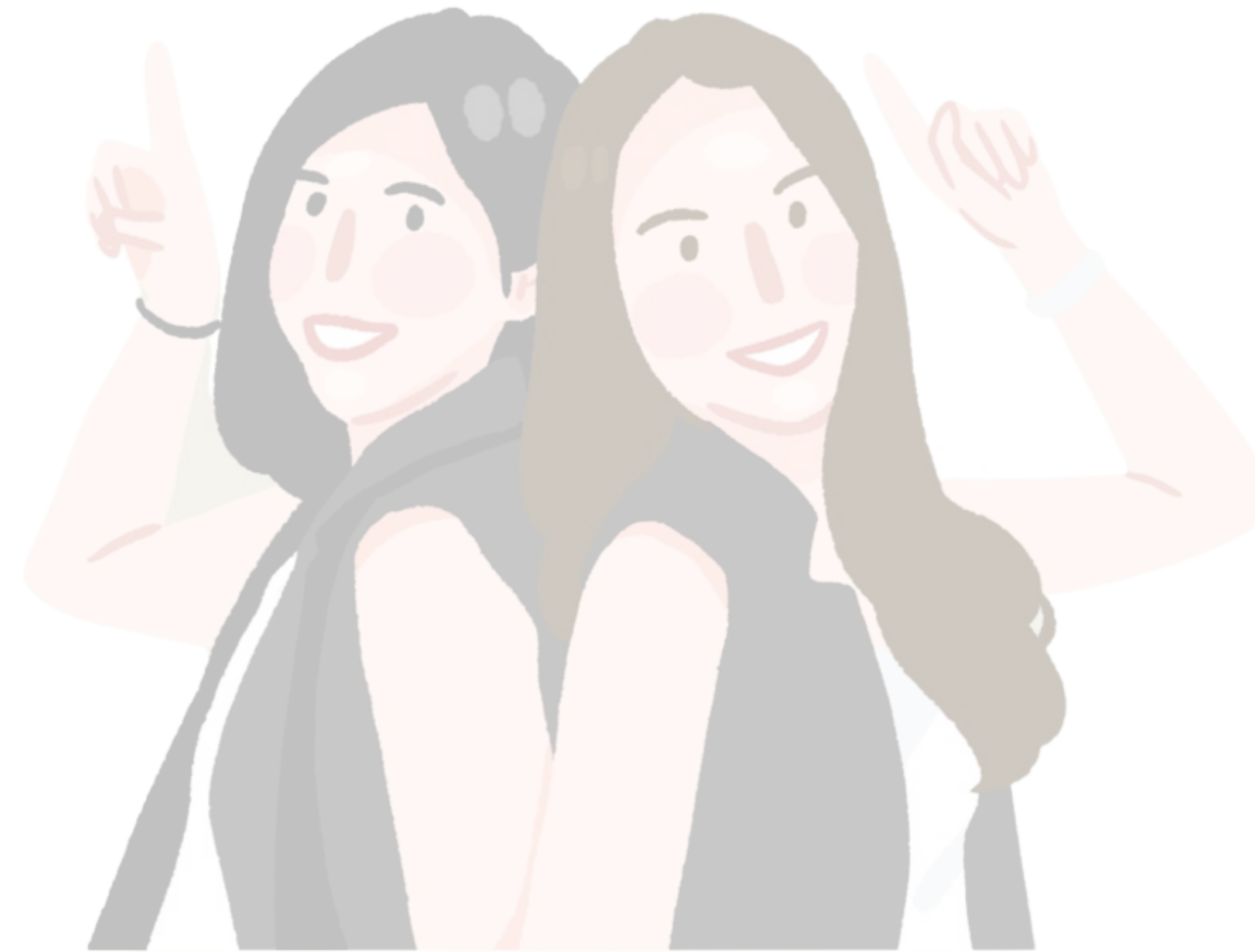
Disadvantages

1. It can take time to prepare documents and can be expensive.
2. Written communication does not provide instant feedback, unless electronic communication is used.
: However, electronic communication also need time to prepare and therefore there will be slower than verbal communication.
3. Some receivers cannot understand difficult languages. Or if the message is too long, receiver cannot get the main ideas what sender would like to present.
4. It is impossible to provide body languages to the receivers.

2. Communication methods, advantages and limitations

Example - Written communication

- Report
- Notice on boards
- Text message
- Emails / Social networking sites

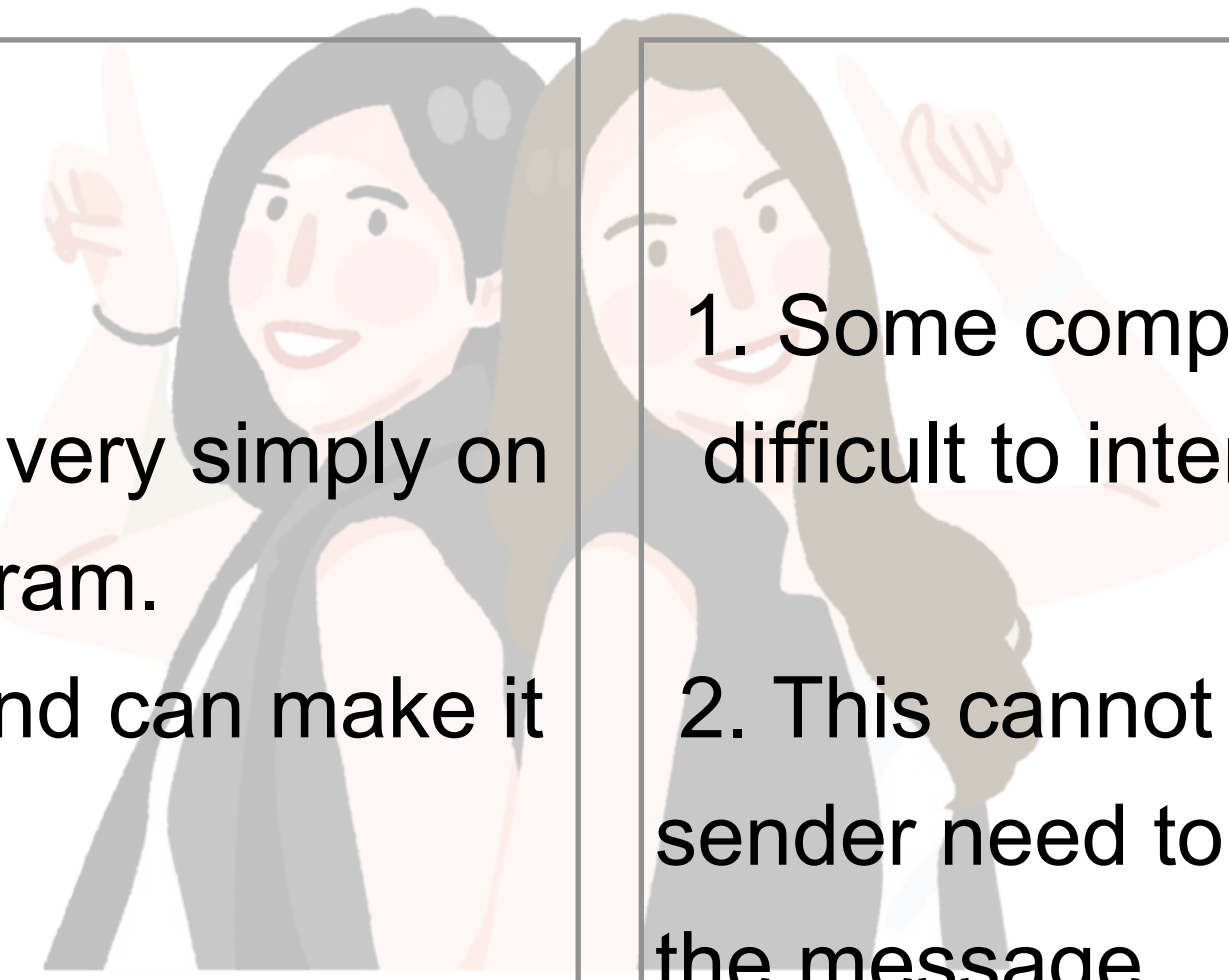


2. Communication methods, advantages and limitations

2.2 Visual communication

Advantages




Disadvantages

- 
1. It is easy explanation.
: Data and figures can be easily presented very simply on infographic such as graphs, picture or diagram.
: This can combine with written message and can make it clearer and easy to understanding.
 2. This can present information in the attractive way.
: Using movies, photo can make audience more interest than long written messages.

1. Some complicated infographic and diagrams are difficult to interpret.
2. This cannot get instantly feedback from receiver. The sender need to make sure that receiver can understand the message.
For example, covid instruction outside combine with photo and written instruction to ensure that users understand.

2. Communication methods, advantages and limitations

To combat COVID-19 and protect yourself,



Wearing mask **Hand washing** **Restriction of hospital visits**

Hsinchu MacKay Memorial Hospital: (03)6119595-2295

Credit : PeerJ

2. Communication methods, advantages and limitations

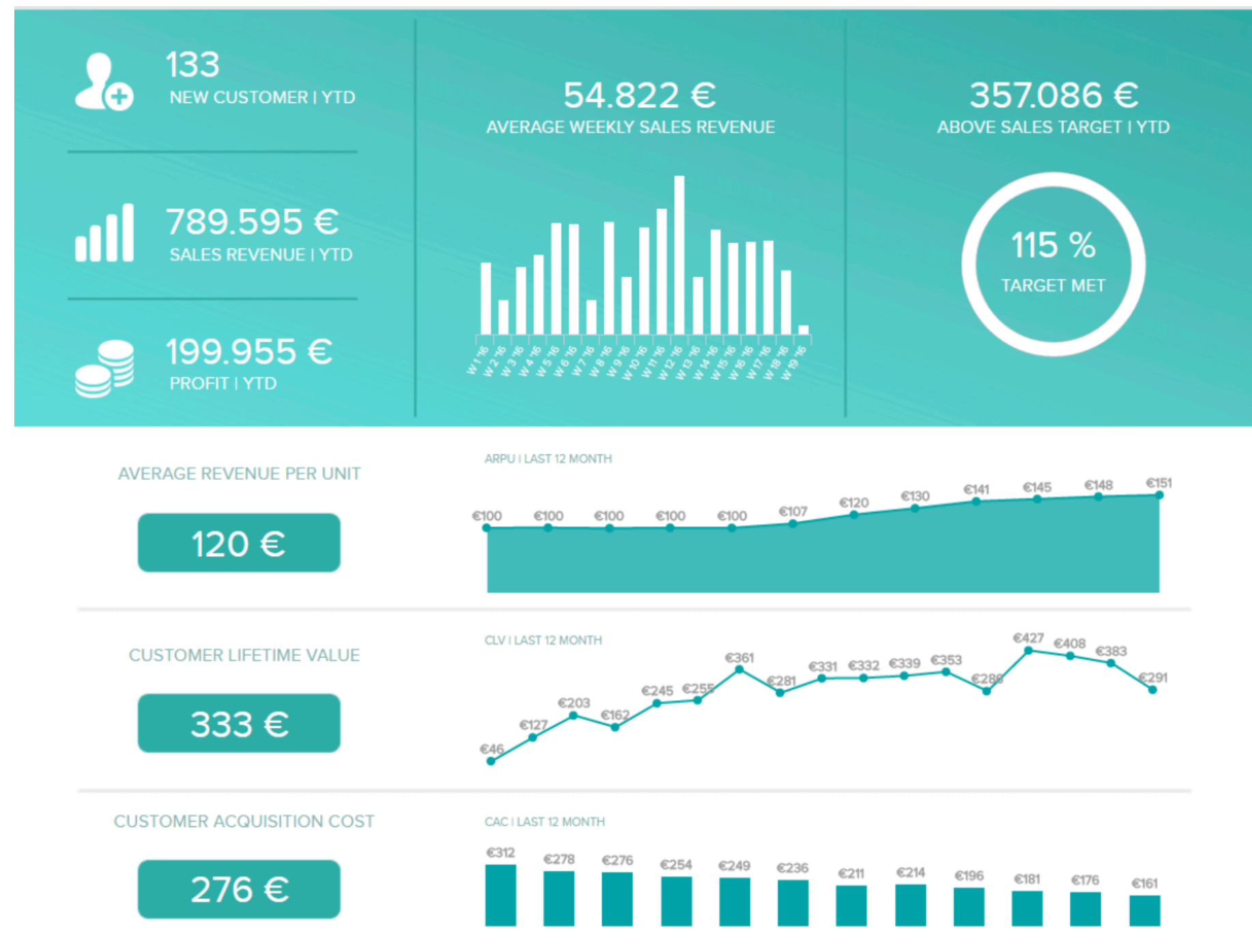
Example - Visual communication methods

- Films, videos
- Posters
- Chart, diagram
- Photograph



2. Communication methods, advantages and limitations

Example - Visual Communication



Chart, Diagram

Credit : datapine.com



Poster

Credit : store.central.co.th

3. Recommend and justify which communication method to use in given circumstances

1. It depends on type of information

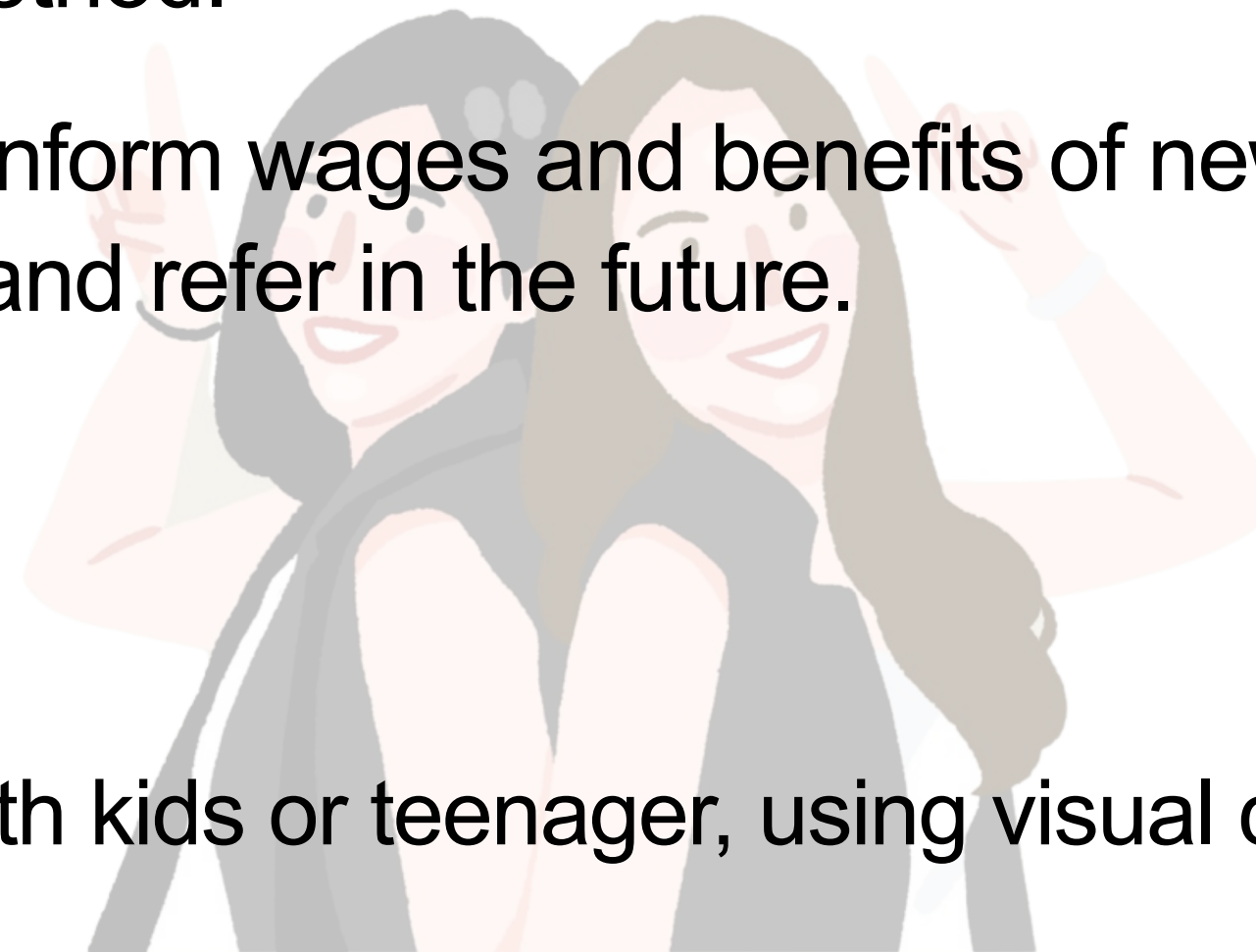
: If sender would like to communicate an important information which need to refer in the future, Sender should apply written communication method.

: For example, Employer would like to inform wages and benefits of new employee. This need to contain in written message which can be copied and refer in the future.

2. It depends on audience.

: If sender would like to communicate with kids or teenager, using visual communication would be better.

: Since visual communication (Cartoon, Movies) can attract kids and teenager and it is easier for them to understand.



Knockout Economics



Line :@ Knockout.Economics



FB Page : Knockout.Economics



IG : Knockout.Economics



Youtube : Knockout.Economics

Knockout.Economics by Kru P'Eve & Kru P'Da

IGCSE -Business studies

Demonstrate an awareness of communication barriers



- Executive summary IGCSE Business studies
- Series of exam questions each chapter
- Exam Strategies and exclusive tips to achieve A* from Knockout.Economics
- Exclusive Key Terms for IGCSE Business studies exam



Overview

1. How communication barriers arise and problems of ineffective communication; how communication barriers can be reduced or removed



1. How communication barriers arise and problems of ineffective communication; how communication barriers can be reduced or removed

Formal and informal communication

Formal communication : is a type of communication by using professional languages and send through established channels e.g. E-mails, letter etc.

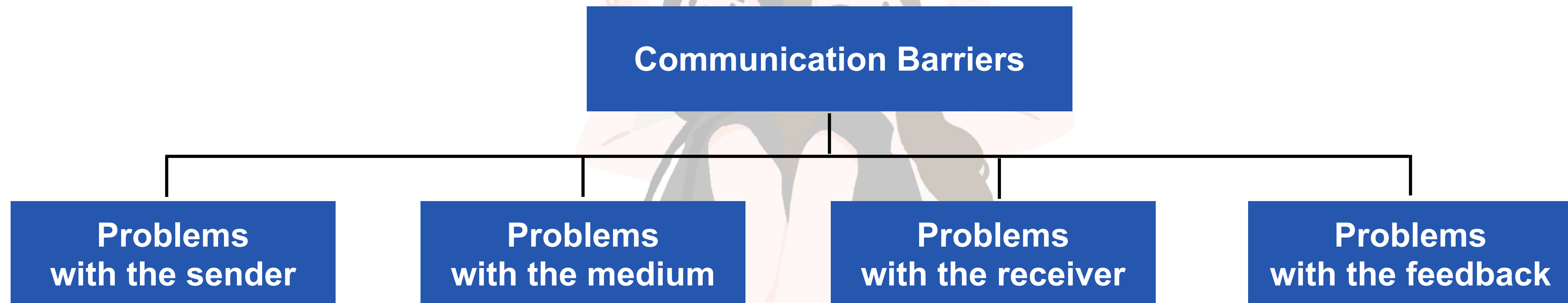
Informal communication : is a type of communication by using everyday languages or slang word. This is when sending message to friends, family etc.



1. How communication barriers arise and problems of ineffective communication; how communication barriers can be reduced or removed

Communication barriers

: include anythings that prevents or disables communicators to deliver the right message to the right person at the right time, or a receiver to get the right message at the right time.



1. How communication barriers arise and problems of ineffective communication; how communication barriers can be reduced or removed

Barrier	Description	How to overcome
Problems with the sender	1. Sender use difficult languages which are hard to understand.	1. Sender need to use simple languages. Sender need to make message easy to understand.
	2. Sender might speak too fast or unclear.	2. Sender should make message clearer. Sender should ask for feedback to ensure that receiver understand the message.
	3. Sender might send message to wrong receiver.	3. Sender should ask for feedback to ensure that the right person is receiving the right message.
	4. The sender send too long message which make receiver cannot get the main point and difficult to understand.	4. The sender need to shorten message or provide conclusion at the end of message.

**1. How communication barriers arise and problems of ineffective communication;
how communication barriers can be reduced or removed**

Barrier	Description	How to overcome
Problems with the medium	1. The message may be lost along the way.	1. The sender should ask for feedback to ensure that the receiver get the message.
	2. An inappropriate channel has been used.	2. The sender need to choose a suitable channel for each message sent.
	3. If the message has passed to many departments, receiver might receive inaccurate information.	3. The sender need to use the shortest possible channel. This can brings to more accurate information.
	4. The channel that used to send message has a problem. E.g. Poor internet connection	4. The sender can also send messages in other form of communication. For example, Sender may send message by using email and confirming by telephone again.

**1. How communication barriers arise and problems of ineffective communication;
how communication barriers can be reduced or removed**

Barrier	Description	How to overcome
<p>Problems with the receiver</p>	<p>1. The receiver might not listen or not concentrate on people who are sending the message.</p>	<p>1. Some importance of the message should be highlighted and receivers should send feedback to make sure that receivers understand all of the message.</p>
	<p>2. The receiver may not trust the sender.</p>	<p>2. Receiver should be trust the sender.</p>
<p>Problems with the feedback</p>	<p>1. There is no feedback or comment.</p>	<p>1. Feedback is requested after receiving information.</p>
	<p>2. Feedback arrives too slowly. This might because the feedback is passing though many people.</p>	<p>2. It is better to use direct communication between managers and subordinates.</p>

Knockout Economics



Line :@ Knockout.Economics



FB Page : Knockout.Economics



IG : Knockout.Economics



Youtube : Knockout.Economics

Knockout.Economics by Kru P'Eve & Kru P'Da

IGCSE -Business studies

Exercise-Internal and External communication 🔍

- Executive summary IGCSE Business studies
- Series of exam questions each chapter
- Exam Strategies and exclusive tips to achieve A* from Knockout.Economics
- Exclusive Key Terms for IGCSE Business studies exam



Exercise

1. ABC uses job production to make **clocks**. ABC buys all its raw materials locally and exports 60% of its products. The business has high fixed costs. ABC has **40 skilled employees**. Many of them work **5 part-time** and delegation is encouraged. All workers receive **an email** from management every day to keep them informed about production issues. The Human Resources Director said: 'I think it is more cost-effective to try to retain our existing workers rather than to recruit new employees.' The Director wants to **reduce barriers to communication, as he knows effective communication is important to help ABC meet its objectives**.

A. Identify two possible barriers to communication for ABC . For each barrier, explain how ABC could reduce or remove it. (6 marks)

Command word

Identify : Name, Select and recognise

Explain : Set out purposes or reasons /make the relationships between things clear / say why and /or how and support with relevant examples

Barrier 1: :

Explanation :

.....
.....
.....

Barrier 2 :

Explanation :

.....
.....
.....

Exercise

2. Company A employs **600 production workers to produce milk**. Company A has problems with many employees leaving. Following the **dismissal** of the Operations Manager, the Human Resources Director has to recruit a new manager. She said: 'The person must have **good communication skills to help solve the communication barriers** Company A has with employees.' The Human Resources Director has to decide whether to use **internal recruitment or external recruitment** for the new manager.

A. Outline two possible problems to company A of many employees leaving (4 marks)

Command word

Identify : Name, Select and recognise

Problem 1 :

.....

.....

.....

Problem 2 :

.....

.....

.....

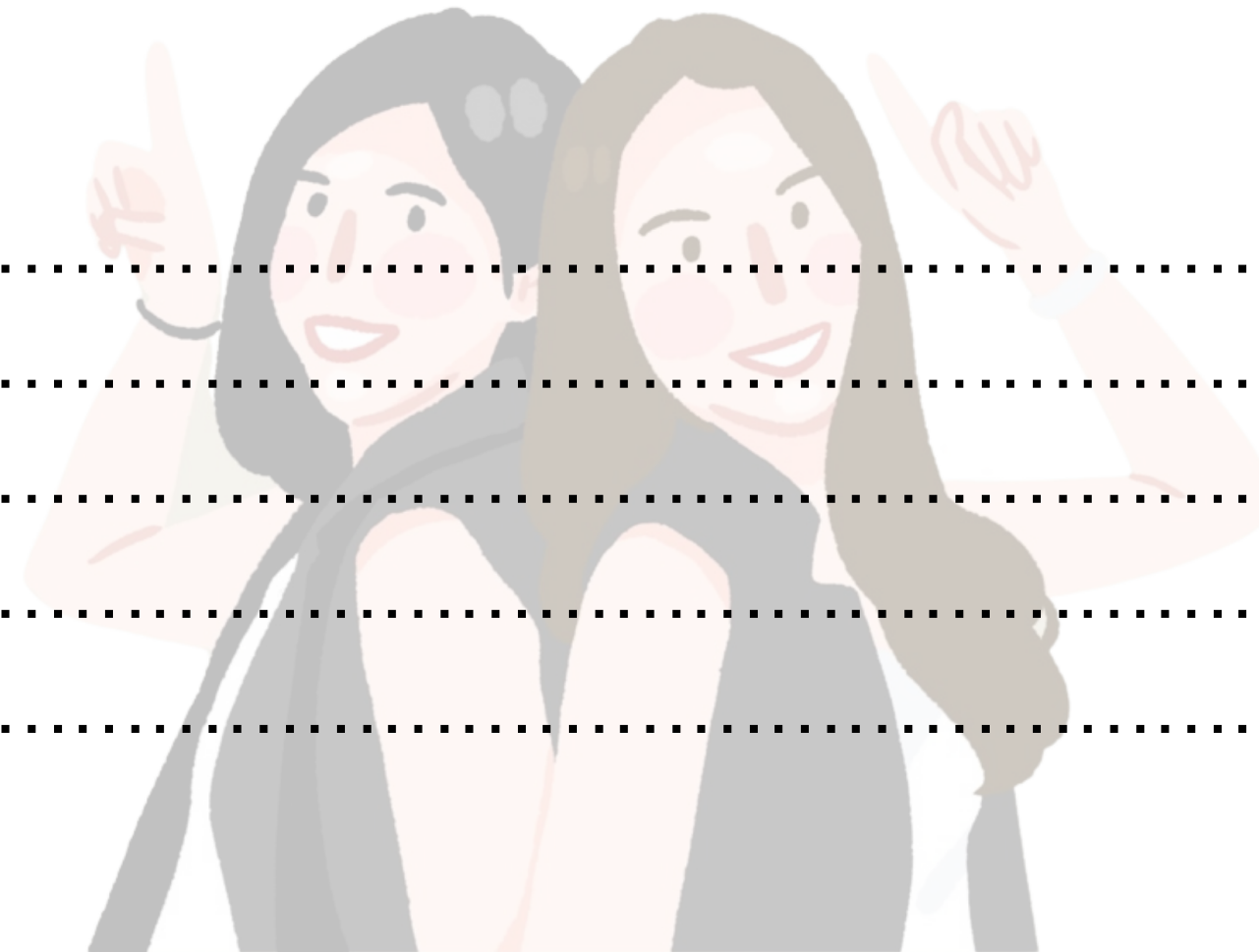
Exercise

(B) Explain how each of the following could cause communication barriers within Company A. (6 marks)

Command word

Explain : Set out purposes or reasons /make the relationships between things clear / say why and /or how and support with relevant examples

Language :



.....

.....

.....

.....

.....

Medium of communication :

.....

.....

.....

.....

.....

Knockout Economics



Line :@ Knockout.Economics



FB Page : Knockout.Economics



IG : Knockout.Economics



Youtube : Knockout.Economics