

7 Management skills II: Communicating

Learning objectives

In this chapter you will learn about:

- 1 Communicating in business
- 2 Barriers to effective communication
- 3 Visual presentation of information
- 4 Written communication
- 5 Meetings
- 6 ICT (Information and communications technology)
- 7 The Data Protection Acts 1988 and 2003

Communicating

Communication is an interaction or exchange between people that results in the transfer of a message or information.

Features of effective communication

- Accurate
- Clear
- Concise
- Cost-effective
- Creates a record
- On time
- Uses the correct medium

Benefits of effective communication in business

- All staff know what they have to do.

- Staff have information they need to make decisions.
- Conflict can be resolved quickly.
- A good industrial relations climate is created.
- All records are properly kept.
- Necessary technology is used.

Necessary communication skills

- **Speak** clearly.
- **Write** accurately.
- **Listen** carefully.
- **Read** and understand.
- Use and interpret **body language**.
- Choose a suitable **medium**.
- Use **communications technology** properly.

Channels of communication

- Downward communication
- Upward communication
- Horizontal communication

Factors affecting the choice of communication method

- **Cost**
- **Speed**
- **Reliability:** Use a method that will deliver the message without fail
- **Nature of the message** or information
- **Confidentiality**

- **Record:** Sometimes having a copy of the communication and proof that it was sent and received is important.
- **Destination:** Some forms of communication are suited mainly to local destinations, while others can service almost any part of the globe.

Barriers to effective communication

- No feedback
- Interference
- Not listening
- Technology breakdown
- Bad timing
- Unclear message
- Wrong medium

Methods of communication used in a business

Internal communication		
Oral	Written	Electronic
Intercom	Email	Email
Meetings	Graphs/charts	Intranet
Telephone	Letters	Text messages
Conversations	Memos	
	Noticeboards	
	Reports	

External communication		
Oral	Written	Electronic
Conference	Advertisements	EDI
Interviews	Documents	Email
Meetings	Email	Internet
Telephone	Fax	Video conference
Trade fairs	Letters	Website
	Press releases	Social media

Remember

You do not need to be able to list every method of communication used in business, but you should be able to refer to a selection of them within the context of a question.

Visual presentation of information

- Pie charts
- Line graphs
- Pictograms
- Bar charts

Pie chart

Beef Exporters Ltd

Sales for 2017 by market	
Country	% Sales
France	20
Germany	25
Italy	10
Spain	5
UK	40



Pictogram

Chez Nous Builders Production Data

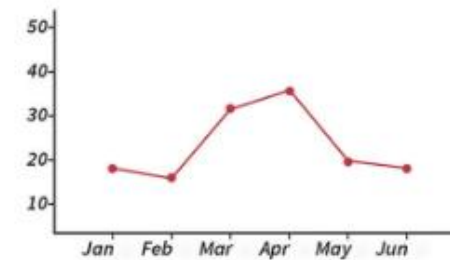
Houses Built 2010 to 2013				
Year	2010	2011	2012	2013
Houses	300	700	600	600



Line graph

Model Bakery Ltd

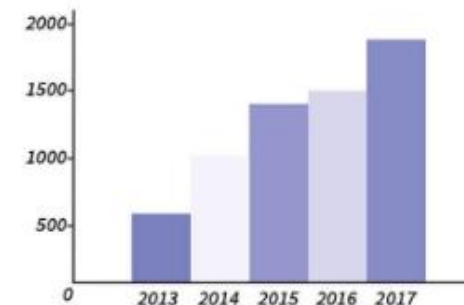
Production hours lost due to factory breakdowns						
Month	Jan	Feb	Mar	Apr	May	Jun
Hours	18	16	32	36	20	18



Bar chart

Garden Tools Ltd

Units Sold					
Year	2013	2014	2015	2016	2017
Units	600	1000	1400	1500	1800



Top Tip!

You may be asked to draw a line graph or a bar chart. You may also be asked to interpret the information shown on any type of chart.

Written communication

Memos

A memo is a brief written or typed message sent internally to one or more individuals. A copy is kept on file, creating a record.

Sample Memorandum (Memo)

Draft a memo to all heads of departments requesting them to attend a meeting next week to discuss staff safety issues.

MEMO

To Peter Mooney, Head of Production

From James Parker, CEO

Date 17/04/16 Time 9.30am

Re Meeting to discuss staff safety

All department heads will meet on Monday next at 10am in the boardroom to discuss staff safety issues. Please prepare a report for your department.

Signed James Parker

Title CEO

Business letters

A letter may be used for internal or external situations. Usually a letter will be used to communicate on important issues, particularly when a record of the communication is required.

Sample business letter

Draft a business letter to the managing director of a business outlining the methods that can be used to present numerical information in a visual format.

Jones and Barry Ltd
Communications Consultants
6 Main Square
Dublin 52
Tel: 01 999 9999
Email: jandbconsult.ie

6 August 2016

Ms Cora Lacey
Managing Director
CL Distributors Ltd
Charleville Industrial Park
Co. Cork

Dear Ms Lacey,

I am writing in response to your recent request for advice on methods of visual presentation of numerical data.

I set out below four different methods of visual presentation which are effective. The method you choose would depend on the numerical information you wish to communicate.

Pie chart

A pie chart is a circular diagram divided into sections. The size of each section represents a piece of numerical information and makes it easy to visually compare the different numerical values. This method could be used to show a geographic breakdown of sales.

Pictogram

A pictogram is a diagram using simple shapes to represent numbers of people or objects. This could be used to show the breakdown of your workforce between men and women.

Line graph

A line graph plots two variables against a vertical and a horizontal axis to represent a set of figures and show up trends. This method is frequently used to represent figures over a period of time.

Bar chart

A bar chart shows numerical information in vertical or horizontal rectangles (bars), which represent quantities and allow amounts to be compared. This form of chart can be used in many situations and is understood by most people.

I have enclosed practical examples of each of the methods described for you to study. If you have any queries, you can make contact with me.

I hope that this information will be useful to you in presenting numerical information in the future.

Yours sincerely,

J. Barry
John Barry, Director

Reports

A report is a document that is written on a specific event, issue or problem. A report presents relevant information, analysis and recommendations to the people who requested it.

Good reports are

- Accurate
- Brief
- Clear
- Impartial
- Relevant
- Timely.

Good reports include

- Title
- Author's details
- Terms of reference (the brief or instructions to the authors stating what they are required to do)

- Contents page
- Introduction
- Methods (where necessary, the authors will explain the methods used to gather the information required to write the report, e.g. interviews, questionnaires or tests)
- Body of the report
- Recommendations
- Summary
- Appendices.

Sample report

Draft a report to the Managing Director of a limited company, about the four main barriers to effective communication.

Report

To: Mr John Kenna, CEO of Kenna Technologies Ltd, Wilton, Cork
From: Mary Caffrey, Communications Consultant, Mallow, Co. Cork

Terms of Reference

To outline the barriers to effective communication in Kenna Technologies Ltd and to recommend actions for improvement.

Methods employed

All members of staff were surveyed anonymously and responses were summarised for presentation in this report. Fifty-five completed surveys are on file.

Body of report

The following barriers to communication are commonly reported by staff:

1. Interference: Background noise and distractions of various kinds, which make it difficult to receive the message clearly.
2. Language used: Staff members find that too much technical jargon is used; it is often not needed.

3. Media used: Staff members often find that the wrong medium is used by others when communicating, e.g. using the telephone to communicate a lot of detailed information that cannot be remembered.
4. Lack of feedback: Staff members often complain that no proper opportunity to give feedback or to discuss issues is provided for.
5. Record: Many staff members would prefer to have a copy of the communications so that they can refer back to it. This is not always provided by other staff members.

Recommendations

1. All staff should attend a half-day training session on improving their use of communications.
2. A set of company guidelines/standards for communication should be drawn up and adopted by all staff members.

Appendices

Copies of questionnaires

Signed: *Mary Caffrey*

Mary Caffrey, Communications Consultant

Meetings

Purpose of meetings

- Exchange information
- Hear reports from certain individuals
- Consult and get feedback on issues
- Discuss issues that need to be decided upon
- Make decisions by voting
- Plan strategies needed to achieve objectives

- Gain co-operation and support for a plan
- Fulfil a legal requirement, e.g. the annual general meeting (AGM) of a limited company.

Types of meetings

- Ad hoc
- Formal
- Annual general meeting (AGM)
- Extraordinary general meeting (EGM)
- Virtual meeting

Role of the secretary for a meeting

- Send a **notice** in advance of the meeting to all individuals who should attend.
- Send a copy of the **agenda** (the list of items to be discussed) with the notice.
- Ensure all necessary **documentation** is provided to all participants.
- Ensure all **facilities** are arranged at the venue for the meeting, e.g. the room, visual display equipment, refreshments.
- Read out the **minutes** (the record) of the previous meeting.
- Read out to the meeting any **correspondence** which is relevant to this meeting.
- Take **notes** of what is discussed and decided at the meeting.
- **Write up** the minutes of the meeting from these notes.
- **Liaise** with the chairperson to ensure the meeting is well organised.

Remember

You should be able to draft a memo, business letter, report, notice or an agenda of a meeting based on specific information or with some details supplied by you.

Role of the chairperson of a meeting

- Check that the meeting has been properly convened.
- Check that there is a **quorum**, i.e. that the minimum number of people required under the rules of the meeting are present.
- Have the minutes, i.e. the record, of the previous meeting read out by the secretary.
- Ensure that the meeting follows the set agenda.
- Run the meeting in an orderly fashion and according to the rules of the meeting (**standing orders**).
- Allow everyone to participate and ensure that contributions are relevant.
- Make sure that voting on proposals is carried out properly so that decisions of the meeting are valid.
- The chairperson has a casting vote, which may be used if a vote taken at the meeting results in a tie.
- Summarise what has been agreed and bring the meeting to a close.

Sample notice for business meeting

Car Sales Ireland Ltd – Notice of Meeting

To: Regional Sales Managers

Date: 22 July 2017

Time: 9.00am to 4.00pm

Location: Excelsior Hotel, Athlone, Co. Westmeath

- 1 Prepare a report on sales in your region
- 2 Profile new competitors in your region
- 3 Outline training requirements for your staff members

Signed:

Noel Ryan, Managing Director

Sample agenda for business meeting

Car Sales Ireland Ltd – Agenda

Sales meeting 22 July 2017

Excelsior Hotel, Athlone, Co. Westmeath

- 1 Minutes of last meeting and matters arising
- 2 Future sales – address by Mr Noel Ryan, Managing Director
- 3 Regional sales reports by regional managers
- 4 Discussion – new competitors in the market
- 5 Marketing training plans
- 6 Any other business

Sample minutes of a meeting

Car Sales Ireland Ltd – Minutes

These are the minutes of the national sales meeting which took place at the Excelsior Hotel, Athlone from 9.00am to 4.00pm on 22 July 2017

- 1 Minutes of previous meeting were read, approved and signed by the chairman.
- 2 Future sales targets by region were presented, discussed and agreed region by region.
- 3 Regional sales reports were presented. Difficulties with competitors cutting prices in southern region were discussed and retaliatory actions were agreed.
- 4 Managers agreed to monitor new competitors and to give detailed reports at next month's meeting.
- 5 Marketing training requirements were discussed and quantified. Training courses to be arranged by managing director as soon as possible.
- 6 The chairman concluded the meeting at 3.30pm having completed the agenda.

Information and communications technology (ICT)

ICT is an area of rapid change and it includes:

- Computer databases
- Spreadsheets
- Word-processing programmes
- Desktop publishing
- Internal computer networks (intranets)
- Integrated services digital network (ISDN)
- Internet
- Email
- World Wide Web (www) and ecommerce
- Electronic data interchange (EDI).

Benefits of ICT

- The speed of communication is increased, e.g. files may be sent by email rather than through the post.
- The cost of communication is reduced.
- Firms can advertise worldwide more cheaply using a website.
- A firm can conduct market research through its website.
- A firm can reduce its workforce and its wages bill.
- A firm can do technical research worldwide on the internet.
- A firm can automate frequent transactions such as ordering, invoicing and paying wages using EDI.
- Staff can work away from the office through teleworking.
- Travel time and expense can be saved using video conferencing.

Electronic Data Interchange (EDI)

A computerised system of doing business automatically between firms that have frequent transactions between them. Both firms have compatible computer software allowing them to place orders, submit invoices and make payments electronically.

Benefits of EDI

- Transaction time reduced
- Wage costs reduced
- Administrative costs reduced
- Stock levels reduced
- Human error reduced

Video conferencing

This allows a meeting to take place with participants in more than one location. The people taking part can see each other onscreen and talk to each other as if they are in the same room. Video technology and the internet make these meetings possible.

Benefits of video conferencing

- Travel time to meetings eliminated
- Travel costs reduced
- Regular meetings facilitated more easily
- Technology easy to set up

World Wide Web/internet

This is a global network connecting computers so that individuals and businesses can communicate with each other. Users can access the Web via an internet service provider. Users can use a search engine to allow them access information worldwide. Users can communicate with each other by email. Users can set up websites to provide

information and do business with their customers online.

Benefits of the World Wide Web

- Fast global communication via computer
- Business done electronically (ecommerce)
- Websites advertise goods and services
- Business and market research conducted online
- Employees work from home (eworking)

Top Tip!

You should be able to discuss the importance of new ICT for the success of a firm.

Data Protection Acts 1988 and 2003

The Data Protection Acts 1988 and 2003 were passed to protect individuals when information is kept on file about them.

Terms used in the Acts

Data subject: An individual whose personal information is kept on computer files

Data controller: A person/organisation who controls the use of personal information held about individuals on computer

Data processor: A person/organisation that processes personal information held on computer for a data controller.

Rights of data subjects

Several rights are available to individuals whose personal information is kept on file.

- **Access:** They can request, in writing, a copy of the information that is kept on computer. This must be supplied within 40 days of a request.
- **Correction of errors:** They can have any errors in the information corrected.
- **Name removed:** They can have their name removed from any direct marketing list.
- They have the right to know the **identity of the data controller**.
- They have the right to **block the use of personal data** for certain purposes such as direct marketing.
- They are protected from **automated decisions** made by a data controller based on data held.
- **Complain:** They can complain to the Data Protection Commissioner about anyone who is not complying with the Act.
- **Claim compensation:** They can claim compensation in the courts for any damage suffered as a result of someone wrongly using information held on computer about them.

Duties of data controllers

- Allow data subjects to access information about themselves
- Correct or delete any incorrect information held on computer
- Only obtain personal information in a way that is fair and open
- Use information only for the purpose for which it was given to them
- Secure the information from being seen or taken by others
- Ensure the information is accurate and up to date
- Retain the information only for as long as is necessary

Role of the Data Protection Commissioner

- Provide **advice and information** to people about the Act.
- **Investigate complaints** from data subjects about data controllers who break the law.
- **Registration:** Ensure that data controllers who are required to do so register with the Data Commissioner.
- **Issue enforcement notices** to make data controllers comply with the Act.
- **Codes of practice:** With trade associations and other bodies, develop codes of practice to help their members to operate within the Act.
- **Prosecute** data controllers who do not follow the Data Protection Act.

Exam question

- 1 Illustrate the factors that a business needs to consider when communicating with its various stakeholders. (2012, Section 3, Question 4(A), 20 marks)

Sample answer

Appropriate language/clarity – Stakeholder: the consumer

If the language is too technical or too difficult for the customers to understand, then the message may be misinterpreted. The business needs to choose language appropriate for its audience. In the case of customers, short clear sentences and visual supports may be suitable for product assembly, e.g. flat packs.

Confidentiality/safety – Stakeholder: the employee

The medium chosen must be appropriate to the message being given. If the message is sensitive for the stakeholder (e.g. terminating the employment contract of an employee), a meeting would be more appropriate than a letter or an email.

Cost – Stakeholder: the manager

The expense of the communication process is a very important factor. A CEO communicating with his managers worldwide may choose to hold a virtual meeting to cut down on travel and subsistence costs.

Urgency/speed/destination – Stakeholder: the supplier

If a crucial piece of information has to be communicated instantly to a supplier, then a phone call, a text or email may be appropriate, e.g. to arrange a change in delivery times.

Feedback/accuracy/record – Stakeholder: the government

The business may be looking for feedback in order to take further action. Communication with the Revenue Commissioners may require regular correspondence and written records, and in this case business letters and email can provide formal evidence of the feedback process, eliminating misunderstandings.

Other relevant factors include legal requirements, availability of technology, etc.

Marking scheme

- Four factors in communications: 4 x 5 marks (5 = 2 + 2 + 1)

Questions

Higher Level long questions

- 1 Discuss the provisions of the Data Protection Act 1988 in relation to:
 - (i) The rights of data subjects
 - (ii) The obligations of data controllers.

(2009, 20 marks)

2 Illustrate how the following developments in information and communications technology (ICT) have impacted on business:

(i) Electronic Data Interchange (EDI)

(ii) The internet and the World Wide Web

(iii) Video conferencing. *(2009, 20 marks)*

3 Draft a typical agenda for, and the minutes of, the AGM of a limited company. *(2004, 25 marks)*

4 Discuss the importance of good communication between the levels in an organisation. *(2007, 20 marks)*

Key-points!

- Benefits of effective communication
- Barriers to effective communication
- Draft a memo, business letter, report, notice and agenda of a meeting
- Role of the secretary and role of the chairperson at a meeting
- Benefits of ICT
- Provisions of the Data Protection Acts 1988 and 2003.

Key-definitions!

agenda: The list of items to be discussed at a meeting.

annual general meeting (AGM): A meeting of all the shareholders of a limited company which takes place once a year to make important decisions.

ebusiness: When a firm uses the internet to do business with another firm.

electronic data interchange (EDI): An automated way of carrying out routine transactions between firms using computer technology and software.

internet: The worldwide network of computers through which people and businesses can communicate with each other.

teleworking (ework): Employees work from home using technology to communicate with the office.