



NATIONAL OPEN UNIVERSITY OF NIGERIA

FACULTY OF EDUCATION

COURSE CODE: BED114

COURSE TITLE: BUSINESS METHODS

THE COURSE GUIDE**BED114 BUSINESS METHODS**

COURSE DEVELOPER: Prof. Inegbedion, Juliet O
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

COURSE WRITER: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja.

COURSE EDITOR: Prof. Inegbedion, Juliet O
Faculty of Education
National Open University of Nigeria
Jabi, Abuja.

PROGRAMME LEADER: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

COURSE COORDINATOR: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

COURSE REVIEWER: Dr. Adamu Ibrahim
Faculty of Education
Abubakar Tafa Balewa University,
Bauchi.

COURSE REPROCESSOR: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

FIRST PUBLISHED 2015
REVIEWED 2020
REPROCESSED BY 2023

CONTENTS

- 1.0 Introduction
- 2.0 Learning Outcomes
- 3.0 Main Content
 - 3.1 Introduction to the Course Guide
 - 3.2 A Guide through the Course
 - 3.3 Course Aims and Objectives
 - 3.3.1. Course Materials and Structure
 - 3.3.2. How to Get the Most from the Course
 - 3.4 Course Delivery
 - 3.4.1. Tutorials
 - 3.4.2. Facilitation
 - 3.4.3. Counselling
 - 3.5. Assessment
 - 3.5.1 Self-Assessment Exercises
 - 3.5.2 Tutor-Marked Assignments
 - 3.5.3 Final Examination
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Welcome to BED114 Business Methods, which is a two-credit unit course offered in the First year to students of the undergraduate degree programme in B.Sc. (Ed) Business Education

2.0 LEARNING OUTCOMES

3.0 MAINCONTENT

3.1 Introduction to the Course Guide

This course guide is for distance learners enrolled in the B.Sc. (Ed) Business Education programme of the National Open University of Nigeria. This guide is one of the several resource tools available to you to help you successfully complete this course and ultimately your programme. There are fifteen study units in this course. There are no prerequisites for studying this course. It has been developed with appropriate local examples suitable for training prospective teachers of Business Education in Nigeria. In this guide, you will find very useful information about the course aims, objectives, what the course is about, what course materials you will be using,

I strongly recommend that you go through this course guide and complete the feedback form at the end before you begin your study of the course. The feedback form must be submitted to your tutorial facilitator along with your first assignment. This guide also provides answers to several of your questions. However, do not hesitate to contact your study centre if you have further questions.

I wish you the best in your learning experiences and successful completion of this course.

3.1 A Guide through the Course

3.2 Course Aims and Objectives.

This course is designed to expose you not only to general knowledge but to expose you to the basic concept of business and the basis of business process management as well as modeling business processes. You will learn the concept of a business Plan, which will assist you to acquire the communication skills needed to excel in any business endeavour to embark on. You will also learn the business correspondence that will avail your opportunities to understand business documents available both local and international.

3..2.1.1 LEARNING OUTCOMES

There are learning outcomes to be achieved in each study unit of the course. You should read them before studying each unit. On completion of this course, you should be able to:

- Explain the relationship of businesses profit and entrepreneur;
- Describe the meaning of business plan;
- Enumerate the component of business plan;
- Enumerate and explains the important features of a sole proprietorship;
- Explain the meaning of Joint Venture in a business environment;
- Identify and explain the advantages and disadvantages of Joint Venture;
- Give meaning of Partnership;
- Enumerate advantages of forming a partnership over a sole proprietorship;
- Describe the document needed to start Sole proprietorship Business;
- Give meaning of communication;
- Explain the different viewpoint of communication;
- Describe the different pattern of communication;
- State the meaning of Business Correspondence;
- Explain the Importance of Business Correspondence;
- Give the different types of letters used in business;
- Identify point to remember while writing the order letter;
- Explain report writing;
- Demonstrate how to write a report;
- explained meaning of trade document; and
- state the importance of trade document

3.2.1 Course Materials and Structure

Course Summary

Module 1 introduces you to the major approaches to Business Plan, Business Structure and management and Control of Business. Module 2 deals with the communication process, forms and media of communication, Pattern of communication flow in the office, while Module 3 deals with concept of business correspondence, and report writing. Module 4 also deals with the meaning and types of business document. There are fifteen study units in this course. Each study unit consists of one week's work and should take you about three hours to complete. It includes specific objectives, guidance for study, reading material and self-assessment exercises. Together with the tutor-marked assignments, these exercises will assist you in achieving the stated learning objectives of the individual study units.

Study Plan

This table is a presentation of the course and how long it should take you to complete each study unit and the accompanying assignments.

Unit	Title of Study Unit	Weeks/Activity	Assignment
	Course Guide	1	Course Guide Form
MODULE 1	BUSINESS ENVIRONMENT		
1	Business Plan	2	Assignment
2	Business Structure 1	3	Assignment
3	Business Structure 11	4	Assignment
4	Management and Control of Business Structure	5	Assignment TMA 1 to be submitted
MODULE 2	COMMUNICATION SKILLS		
1	Introduction to communication	6	Assignment
2	Communication process	7	Assignment
3	Forms and media of communication	8	Assignment
4	Pattern of communication flow in the office/ organization	9	Assignment TMA 2 to be submitted
MODULE 3	BUSINESS CORRESPONDENCE		
1	Meaning of Business Correspondence	10	Assignment

Unit	Title of Study Unit	Weeks/Activity	Assignment
2	Type of business correspondence	11	Assignment
3	Report Writing	12	TMA 3 to be submitted
MODULE 4	DOCUMENT OF TRADE AND POSTAL SERVICE		
1	Meaning of business document	13	Assignment
2	Types of business document	14	Assignment
3	Postal Service- NIPOST, Courier Service	15	Assignment
4	Telegraphic Service (Telegram)	16	TMA 4 to be submitted
	Revision	17	
	Examination	18	
	Total	19	

Now use this overview to plan your personal time table.

Your course material is the main text for this course. However, you are encouraged to consult other sources as provided for you in the list of references and further reading below.

3.3.2 How to get the most from your Course

In distance learning, the Study Units replace the university lecturer. The advantage is that you can read and work through the course materials at your own pace, and at a time and place that suit you best. Think of it as reading the lecture instead of listening to a lecture. Just as a lecturer might give you in-class exercise, your Study Units provide exercises for you to do at appropriate times. These are called Self-Assessment Exercises (SAEs).

Each of the Study Units has common features, which are designed to aid your learning. The first feature is an introduction to the subject matter of the unit and how a particular unit is integrated with other units and the course as a whole. Next is a set of learning objectives. These objectives let you know what you should be able to do by the time you have completed the unit. You should use these objectives to guide your study.

When you have finished the unit, you should go back and check whether you have achieved the objectives. Self-assessment exercises are interspersed throughout each Study Unit and answers are given at the end. These exercises are designed to help you recall what you have studied and to evaluate your learning by yourself. You should do each self-assessment exercise as you come to it in the Study Unit. Working on these exercises will help you to achieve the objectives of the unit and prepare you for the assignments, which you will submit and the final examination. The summary at the end of each unit also helps you to recall all the main points discussed in the content of each unit.

It should take you about three hours to read the contents of a Study Unit, do the exercises and assignments. When you have completed the first study unit, take note of how long it took you and use this information to draw up a timetable to guide your study for the rest of your course. The wide margins on the pages of your course book are meant for you to make notes of main ideas or key points which you can use when revising the course. If you make use of all these features, you will significantly increase your chances of passing the course.

3.4 Course Delivery

As an open and distance learner, you learn when you interact with the content in your course material in the same way as a student interacts with the teacher in a conventional institution. You also learn when you are guided through the course, however you are not taught by a human being. Instead, your course material is your teacher, and as such you will not be able to get answers to any questions, which may arise from your study of the material. It is for this reason that, in addition to the course

material which you have received, the delivery of this course is supported by online class facilitation, tutorials, and counselling through support services. Although these services are not compulsory, you are encouraged to take maximum advantage of them.

3.4.1 Tutorials

The total number of tutorial hours for this course is 8 hours for the semester. Tutorial sessions form a part of your learning process as you have an opportunity to receive face-to-face contact with your tutorial facilitator and to receive answers to questions or clarifications, which you may have. Also, you may contact your tutorial Facilitator by phone or e-mail. Tutorials also provide opportunity for you to discuss with classmates.

On your part, you will be expected to prepare ahead of time by studying the relevant Study Units, write your questions so as to gain maximum benefit from tutorial sessions. Information about the location and time schedule for facilitation will be available at your study centre. Tutorial sessions are optional. However, the benefits of participating in them provide you a forum for interaction and peer group discussions, which will minimize the isolation you may experience as a distance learner.

3.4.2 Facilitation

Online class facilitation is learning that takes place both during and outside of tutorial sessions. Your tutorial Facilitator guides your learning by doing the following:

- provide answers to your questions during online facilitation sessions via zoom, phone or by e- mail;
- coordinate group discussions;
- provide feedback on your assignments;
- pose questions to confirm learning outcomes;
- coordinate, mark and record your assignment/examination score, and
- monitor your progress.

The content of this course material is available in print or CD formats, and also on the university website. Information about the location and time schedule for facilitation will be available at your study centre. Time of facilitation is flexible arrangement between you and your tutorial Facilitator. You should contact your tutorial Facilitator if:

- you do not understand any part of the Study Unit;
- you have a question or a problem with an assignment, with your tutorial Facilitator's comments on an assignment or with the grading of an assignment.

3.4.3 Counseling

Counselling forms a part of your learning because it is provided to make your learning experience easier. Counselling is available to you at two levels, academic and personal counselling. Student Counsellors are available at the study centre to provide guidance for personal issues that may affect your studies. Your Study Centre Manager/director and tutorial Facilitators can assist you with questions on academic matters such as: course materials, facilitation, grades and so on. Make sure that you have the telephone numbers and e-mail addresses of the staff at the faculty in which your programme is housed.

3.5 Assessment

There are three components of assessment for this course, namely: Self- Assessment Exercises and assignments at the end of each study unit, the Tutor- Marked Assignment and a written examination at the end of the semester. In doing these assignments, you are expected to use the information gathered during your study of the course. Below are detailed explanations on how to do each assignment.

3.5.1 Self-Assessment Exercises (SAEs)

There are Self-Assessment Exercises spread throughout your course material. You should attempt each exercise immediately after reading the section that precedes it. Possible answers to the exercises are provided at the end of the course book; however, you should check the answers only after you must have attempted the exercises. The exercises are for you to evaluate your learning; they are not to be submitted.

3.5.2 Tutor-Marked Assignments (TMAs)

There are three Tutor-Marked Assignments for this course. These assignments are designed to cover all areas treated in the course. You will be given your assignments and the dates for submission at your study centre. You are required to do all the three Tutor-Marked Assignments.

Each assignment carries 10 percent and together will count for 30 percent of your total score for the course. The assignments must be submitted to your tutorial Facilitator for formal assessment on or before the stipulated dates for submission.

Guidelines for Writing Tutor-Marked Assignment

1. On the cover page of your assignment, write the course code and title, assignment number (TMA 1, TMA 2), and date of submission, your name and matriculation number. It should look like this:

- Course Code:
- Course Title:
- Tutor-Marked Assignment: TMA1
- Date of Submission:
- Faculty and Programme:
- Matriculation Number:

1. You should endeavour to be concise and to the point in your answers and adhere to word limit where given. Your answer should be based on your course material, further readings and experiences. However, do not copy from any of these materials. If you do, you will be penalized. Remember to give relevant examples and illustrations to support your answers.
2. Make and keep a copy of your assignments.
3. Your answers should be hand-written by you.
4. When you have completed each assignment, make sure that it reaches your tutorial Facilitator on or before the deadline. If for any reason you cannot complete your work on time, contact your Study Centre Manager and tutorial Facilitator for the possibility of an extension. Extensions will not be granted after the due date unless under exceptional circumstances.

3.5.3 Final Examination and Grading

The final examination for BED114: Business Methods will be for two hours duration, and will carry 70 percent of the total course grade. The examination will consist of questions, which reflect the kinds of Self-Assessment Exercises, and questions in the Tutor-Marked Assignment, which you have previously encountered.

All areas of the course will be assessed. You should use the time between finishing the last unit and taking the examination to revise the entire course. You will find it useful to review your answers to Self-Assessment Exercises and Tutor-Marked Assignments before the examination. For you to be eligible to sit for the final examinations, you must have done the following:

1. You should have submitted all the three Tutor-Marked Assignments for the course;
2. You should have registered to sit for the examination. The deadline for examination registration will be available at your study centre. Failure to submit your assignments or to register for the examination means that you will not have a score for the course.

Course Marking Scheme

The following table lays out the marks that constitute the total course score.

Assessment	Marks
Assignments 1 – 3	Three assignments each marked over 10%, totaling 30%
Final Examination	70% of overall course score
Total	100% of course score

4.0 CONCLUSION

In conclusion, all the features of this course guide have been designed to facilitate your learning in order that you achieve the aims and objectives of the course. They include the aims and objectives, course summary, course overview, Self-Assessment Exercises and study questions. You should ensure that you make maximum use of them in your study to achieve maximum results.

5.0 SUMMARY

BED114: Business Methods provides you with an overview of the approaches to the Business environment and equips you with the saleable skills and set standards for control of business activities and increase your likelihood of business success. Upon completing the course, you should be able to choose suitable approaches to Business Plan, Business Structure and management, and Control of Business. As regard the communication process, you should be able to explain the forms and media of communication, Pattern of communication flow in the office. For business correspondence, and business documents: you should be able to discuss the meaning of business correspondence: types, and report writing. You will also be able to discuss business documents, and types of business documents. You will equally be able to explain postal service, and telegraphic Service (Telegram).

7.0. References

Amit J. ShahI (2009). Introduction to Business. Boston: McGraw-Hill Higher Education

D.H.J. (1995) The Business Planning Guide: (reaching a plan for success in your own business. (7th ed). Chicago, IL: Upstart publishing company. Inc. sample of business letter

Mancuso. I.R. (1983) How to prepare and present a business plan Englewood cliff, N.J: Prentice-Hall.

<https://www.sba.gov/content/what-business-plan-and-why-do-i-need-on>

Company & Allied Matters Act (CAMA 2020) with Amendments

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

Mancuso. I.R. (1983) How to prepare and present a business plan Englewood cliff, N.J: Prentice-Hall.

Massachusetts office of business development (no date) guide to writing a business plan. Boston, MA.

Ode, James and Sola O. (1996) Introduction to communication for business and organisations, Ibadan: Spectrum Books Ltd.
Soola, O (1998) Modern Business Communication, Ibadan: Kraft Book

Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

Bhatia R.C. (2003) Office Management and Business Correspondence India: Sterling Publisher put limited.

Sharma R.C (2002) Business Report Writing. India: McGraw Hill

COURSE DEVELOPER: Prof. Inegbedion, Juliet O
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

COURSE WRITER: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

COURSE EDITOR: Prof. Inegbedion, Juliet O
Faculty of Education
National Open University of Nigeria
Jabi, Abu

PROGRAMME LEADER: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

COURSE COORDINATOR: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

COURSE REVIEWER: Dr. Adamu Ibrahim
Faculty of Education
Abubakar Tafa Balewa University,
Bauchi.

COURSE REPROCESSOR: Dr. Hakeem Olaniyi LIADI
Faculty of Education
National Open University of Nigeria
Jabi, Abuja

MODULE 1: BUSINESS ENVIRONMENT

- Unit 1: Business Plan
- Unit 2: Business Structure 1
- Unit 3: Business Structure 2
- Unit 4: Management and Control of Business

MODULE 2: COMMUNICATION SKILLS

- Unit 1: Introduction to communication
- Unit 2: Communication process
- Unit 3: Forms and media of communication
- Unit 4: Pattern of communication flow in the office/ organization

MODULE3: BUSINESS CORRESPONDENCE

- Unit 1: Meaning of Business Correspondence
- Unit 2: Type of business correspondence
- Unit 3: Report Writing

MODULE4: DOCUMENT OF TRADE AND POSTAL SERVICE

- Unit 1: Meaning of business document
- Unit 2: Types of business document
- Unit 3: Postal Service- NIPOST, Courier Service
- Unit 4: Telegraphic Service (Telegram)

Module 1: BUSINESS ENVIRONMENT

- Unit 1: Business Plan
- Unit 2: Business Structure 1
- Unit 3: Business Structure 2
- Unit 4: Management and Control of Business

Unit 1: BUSINESS PLAN

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 An overview of business environment
 - 3.1 Business Activities
 - 3.2 Concept of Business Plan
 - 3.3 Component/Content of a Business Plan
 - 3.4 Written Business Plan
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to Module 1, Unit 1 of this course BED114: Business Methods. Could you believe that starting business involve risk and decision about going into business, going into business should depends upon what funding you need, what you have on hand, what funding options are available to you and what prospects for success are in each case. Therefore, to guide against risk and to plan for your overall financial sustainability require and overall financial plan, and if business operations are parts of what sustains you, then you will also need a business plan. Recall, that we have earlier discussed stage involve in startup a business. In this unit we are going to look briefly at concept of business plan, Component/Content of a Business Plan, as well as written Business Plan



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Explain the relationship of businesses profit and entrepreneur
- Describe the meaning of business plan
- Enumerate the component of business plan



3.0 An overview of business environment

3.1 Business Activities

- A business is any activity that seeks to provide good and services to others while operating at a profit.
- Profit is the amount of money a business earns above and beyond what it spends for salaries and other expenses.
- It is not all business make a profit, starting a business can be risky. Thus,
- Entrepreneur is a person who risks time and money to start and manage a business

Product and Services

Business provides all of us with necessities such as food, clothing, housing, medical care and transportation as well as other goods and services that make our life easy and better. Business can still be important to your work. Even non-profit organization needs resources to sustain their work. Thus, business operation can be a good way to acquire those necessary resources. Business operation usually involves things you sell. Those “things” can be products-actual goods-or they can be services.

Example of product and services

PRODUCT	SERVICES
Greeting cards	Housing or space rentals
T-shirts	Recreational programmes/camp
Books or booklets	Child care
Crafts (homemade)	Food delivery (from Supermarket)
Flower seeds or flower	Gardening/land scalping, yard work

3.2 Concept of Business Plan

- A business plan is a formal statement of a set of business goals, the reasons they are believed attainable, and the plans for reaching those goals. It may also contain background information about the organization or team attempting to risk those goals. Also
- A business plan is a written document that portray in detail how a business usually a startup, defines its objectives and how it is to go about achieving.
- It can also be a writing document that describes in detail what kind of business you intend to operate, how you intend to operate it and why you believe it would succeed. It is back with logical, factual and financial documentation



Need for a Business Plan

- A business plan will clarify your own thinking, setting your thoughts down on paper and forming a plan
- Business plan will raise confidence in your business ventures among member of your own group among potential outside backers.
- A business plan will increase your likelihood of business success
- Lots of situation/circumstances can call for a business plan for instance.
- When you are seriously thinking of about embarking on a particular business venture
- When you need clarity details

- When you want expert feedback or advice on the specifics of your ideas.
- When you need to attract outside grants, gifts, loans, supplies. Other materials or moral support



Self Assessment Exercise 1

1. Differentiate between profit and entrepreneur.
2. A written document that describes in details what kind of business you intend to operate, and how you intend to operate it is known as

3.3. Component/Content of a Business Plan

Successful business plans vary in format, but all contain some basic components or element

- **Title Page:** The title page is there to attract the reader to the report and assist them in finding the report at a later date. This should include a title, your organization name and accessible contact information, any reference number, degree of confidentiality and date.
- **Table of contents:** A table of contents is a list of all the sections that are included in the report. List each section of your plan, with appropriate page number.
- **Executive summary:** The benefit of including an executive summary is that for senior people with little time it is the one section they will read. The most important section of your plan. It should not be more than two pages long. Executive summary if effectively written, it will:
 - Communicate your organization's vision of the future
 - Establish your organization's credibility
 - Describe your product or service and how it will be sold
 - Explain and document the need for your product or services
 - Inform the reader of key steps you plan to take
 - Make the reader want to read the entire plan

- If money is being asked for: Request an appropriate amount of money, and present a defensible case for such a request
- Description of your organization or in other words, “who are you”.
- **Description of your management:** Potential supporters will be investing in your organization’s management and its ability to perform.
- **Description of your service:** Describe the product or service you want to sell. What exactly is it? i.e. product specification.
- **Information about your market:** Here your reader wants to know what your market is, research carried out to determine that market and how you plan to reach that market.
- Information about your competition.
- **Details of your operating plan:** Whether manufactured acquired or rendering services, operating plan describe how this will be done.
- **Financial information:** This is where you present the actual financial information to show how you will make profit selling your product or service.
- **Timeline:** Creating a timeline is an excellent planning discipline and can be persuasive to potential supporters.
- **Appendixes:** Other supporting information to present which strengthens your business plan, but which does not fit easily into the main text.

3.4 Written Business Plan

Business plan should be written simply, clearly, persuasively, honestly and to the point

Most Common Writing Mistake Adapted from “Guide to Writing a Business Plan”

- The writing is unclear, if it’s difficult to understand.
- The plan is too long. The writer does not get to the point, support it with facts, and move on.
- The layout is poor, and/or illogical. Illustrations, product descriptions, and graphs are missing.
- An executive summary is omitted
- There is too much technical jargon. The writer does not would want to use the product or service.

- There is insufficient detail on the qualifications of the proposers to implement the plan.
- The market is not defined. And/or market research is not cited. And/or a market plan is missing.
- No mention, or sketch mention, is made of the market competition
- The financial information given is not straightforward.
- The reader is given no compelling reason to invest in the plan, or to otherwise support it. All these pitfalls should be considered before putting your plan on to paper



4.0 Self-Assessment Exercise(s)

Self-Assessment Exercises 2

1. The excess of money a business earn over expenses is known as

2. Enumerate and explain five **components of Business Plan**



5.0 Summary

This unit discussed an overview of business environment, Concept of Business Plan, Business Activities, Component/Content of a Business Plan, and common writing mistake in business Plan. The unit also reflects that a business plan is a formal statement of a set of business goals. Starting up a business is not an easy venture even where a substantial amount of money is available at one's disposal to start. It entails the science of creation and art of management. Therefore, to guide against risk and plan for your overall financial sustainability requires an overall financial plan,



6.0 Glossary

1. **Goals:** an objective or target that someone is trying to reach or achieve
2. **Risk:** Expose to danger, harm, or loss ((someone or something valued)



7.0 References/Further Readings

Amit J. ShahI (2009). Introduction to Business. Boston: McGraw-Hill Higher Education

D.H.J. (1995) The Business Planning Guide: (reaching a plan for success in your own business. (7th ed). Chicago, IL: Upstart publishing company. Inc. sample of business letter

Mancuso. I.R. (1983) How to prepare and present a business plan Englewood cliff, N.J: Prentice-Hall.

Massachusetts office of business development (no dale) guide to writing a business plan. Boston, MA.

<https://www.sba.gov/content/what-business-plan-and-why-do-i-need-on>



Possible Answers to SAEs

Answers to SAEs 1

1. The excess of money a business earn over expenses is known as ____
2. A written document that describes in details what kind of business you intend to operate, and how you intend to operate it is known as_____

Answer to the Self -Assessment Exercise

1. Profit is the amount of money a business earns above and beyond what is spends for salaries and other expenses. Therefore, business provides people with the opportunity to become wealthy. While, Entrepreneur is a person who risks time and money to start and manage a business.
2. Business plan

Answers to SAEs 2

1. The excess of money a business earn over expenses is known as ____
2. Enumerate and explain five components of Business Plan

Answer to the Self -Assessment Exercise

1. Profit
2. components of Business Plan
 - **Information about your market:** Here your reader wants to know what your market is, research carried out to determine that market and how you plan to reach that market.
 - Information about your competition.
 - **Details of your operating plan:** Whether manufactured acquired or rendering services, operating plan describe how this will be done.
 - **Financial information:** This is where you present the actual financial information to show how you will make profit selling your product or service.
 - **Timeline:** Creating a timeline is an excellent planning discipline and can be persuasive to potential supporters.
 - **Appendixes:** Other supporting information to present which strengthens your business plan, but which does not fit easily into the main text.

Unit 2: Business Structure 1

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Definitions of Business
 - 3.1 Types of Business Entity
 - 3.2 Sole Proprietorship
 - 3.3 Joint Venture
- 5.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to Module 1, Unit 2 of this course BED114: Business Methods. Could you imagine Business includes all profit-oriented economic or commercial activities carried out by an individual or a group of persons as a means of livelihood? Conversely, could you believe in a money economy, production and distribution are in the hand of very large number of business enterprises which vary hugely in their scale and organization? Recall, that we have earlier discussed the business environment together with concept of Business Plan. Yet, the reason for this variety of business organization as some activities can be carried out only by large firms while others are best initiated by small ones cannot be over emphasised. In this unit, we will examine types of Business Structure, Sole Proprietorship, and Joint Venture. partnership, and corporation.



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Enumerate and explains the important features of a sole proprietorship
- Explain the meaning of Joint Venture in a business environment.
- Identify and explain the advantages and disadvantages of Joint Venture.



3.0 Definitions of Business

Business can be defined as a social and lawful human activity, the primary aim of which is to make profit. We can rightfully say that a business is the organized effort, or activities of persons utilizing resources within an organizational context to produce and distribute goods and services for the purpose of profit making.

3.1 Types of Business Entity

- Sole Proprietorship
- Joint Venture
- Partnership
- Corporation

3.2 Sole proprietorship

- The business of a sole proprietor is owned by one person and usually managed by that person. Any individual, who sets up in business on his/her own, without creating a company, is a sole proprietor.
- Sole proprietor businesses are usually small operations, but the owner might employ a number of employees who work for the business to earn a wage or salary, but do not have any share in the ownership of the business. Thus,
- A Sole proprietorship is an enterprise owned exclusively by one person and in which there is no legal distinction between the owner and the business entity.
- A Sole Proprietorship indeed is one individual or married couple in business alone, it is the most common form of business structure. However, the business owner is personally liable for all the debt incurred by the business.



Sole proprietorship or One Man Business



Important features

Important features of a sole proprietorship are as follows:

- Unlimited liability. The owner of the business is personally liable for the unpaid debts and other obligations of the business. For example, if the business owes a supplier ₦2,000 for goods it has purchased, but does not have the money to make the payment, the owner of the business can be made personally liable to make the payment out of his/her 'non-business' assets.
- The profits of a sole proprietor business are treated as income of the owner, for the purpose of calculating the amount of tax payable on income
- As senior manager of the business, a sole proprietor personally takes the major decisions for the business, such as commercial decisions.
- Sole proprietors may borrow some money to help finance the business, typically by borrowing from a bank. However, losses from business operations are effectively personal losses for the business owner. The owner takes the decisions, and also bears the risk that the decisions may turn out badly.

Advantages

- a. Easy Formation: These are little or no legal requirement to form it except registration of business name and obtained of license.
- b. Complete control over the business
- c. All profits are the property of the owner
- d. Enjoys maximum secrecy
- e. There is flexibility in decision making
- f. Smallness of the business makes its management easy
- g. Easy Dissolution: The business can always wind up at the owner instance.
- h. Freedom to establish and run any number of types of business at the same time

Disadvantage

- a. Inadequate Financial Resources
- b. It involves high person risks
- c. Unlimited liability: This is the biggest disadvantage of the sole proprietor because of his personal liability for business debts, in case of business failure

- d. Limited Life Span: The death of the single proprietor most often brings the enterprises to an end
- e. He is unable to retain professionals.



Self Assessment Exercise 1

State four each advantage and disadvantages of One-man Business

3.3 Joint Venture

A joint venture is a business entity created by two or more parties. It is typified by mutual ownership, returns, risks and governance.



(a) **Reasons for entering into joint venture arrangement:**

- Access to a new or an emerging market;
- Improved efficiencies occasioned by combining assets and operations;
- Opportunity to share business risk; and
- Access to competence and skills.

(b) **Advantages of a joint venture**

- Provides opportunity to gain new insights and expertise
- Enables access to specialised technology, staff and other resources
- It is of a limited lifespan and short-term commitment in the event that the project fails, risks and costs are jointly shared
- Eradicates the risk of discrimination

(c) **Disadvantages of a joint venture**

- Flexibility can be restricted
- Degree of partners' involvement may not be equal
- Clash of cultures and management styles may impair the success of the venture
- It has unclear and unrealistic objectives



4.0 Self-Assessment Exercise(s)

Self-Assessment Exercises 2

1. What are the reason reasons for entering into joint venture arrangement?
2. Enumerate three (3) Demerits of joint venture



5.0 Summary

This unit discussed an overview of business Structure. Definition of Sole Proprietorship, Importance feature of sole proprietorship as well as advantages and disadvantages. The unit also reflects that a joint venture is a business entity created by two or more parties. It is typified by mutual ownership, returns, risks and governance. Similarly, reasons for entering into joint venture arrangement, advantages and disadvantages of joint venture also discussed.



6.0 Glossary

1. Mutual: Feeling or experienced or done held in common by each of two or more parties towards the other or others.
2. Risk: Risk implies future uncertainty about deviation from expected earnings or expected outcome.



7.0 References/Further Readings

Amit J. ShahI (2009). Introduction to Business. Boston: McGraw-Hill Higher Education

D.H.J. (1995) The Business Planning Guide: (reaching a plan for success in your own business. (7th ed). Chicago, IL: Upstart publishing company. Inc. sample of business letter

Company & Allied Matters Act (CAMA 2020) with Amendments

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

Mancuso. I.R. (1983) How to prepare and present a business plan Englewood cliff, N.J: Prentice-Hall.

Massachusetts office of business development (no date) guide to writing a business plan. Boston, MA.

<https://www.sba.gov/content/what-business-plan-and-why-do-i-need-on>



Possible Answers to SAEs

Answers to SAEs 1

Answer to the Self -Assessment Exercise

Advantages

1. Easy Formation: These are little or no legal requirement to form it except registration of business name and obtained of license.
2. Complete control over the business
3. All profits are the property of the owner
4. Enjoys maximum secrecy
5. There is flexibility in decision making

Disadvantage

1. Inadequate Financial Resources
2. It involves high person risks
3. Unlimited liability: This is the biggest disadvantage of the sole proprietor because of his personal liability for business debts, in case of business failure
4. Limited Life Span: The death of the single proprietor most often brings the enterprises to an end

Answers to SAEs 2**Answer to the Self -Assessment Exercise****1. Reasons for entering into joint venture arrangement:**

- Access to a new or an emerging market;
- Improved efficiencies occasioned by combining assets and operations
- Opportunity to share business risk; and
- Access to competence and skills

2. Demerits of Joint ventures

- Flexibility can be restricted
- Degree of partners' involvement may not be equal
- Clash of cultures and management styles may impair the success of the venture
- It has unclear and unrealistic objectives.

Unit 3: Business Structure 2

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Meaning of Partnership
 - 3.1 Advantages and disadvantages of Partnership
 - 3.2 Partnership Deed
 - 3.3 Corporation
- 6.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Give meaning of Partnership
- Enumerate advantages of forming a partnership over a sole proprietorship
- Identify and explains the dead of partnership
- Explained reason why someone want to form a corporation rather than a partnership

3.0 Partnership

A partnership is defined as a legal business with two or more owner. There are several types of partnerships: (1) General Partnerships (2) Limited Partnerships, and (3) Master Limited Partnerships.

A general partnership is a partnership in which all owners share business and Financial Obligation (dept, for example) of the business. This form of 'business ownership is mainly found in professional practice such as accounting firms, legal firms, doctor clinic, consultancy services. minor. e.g., registration of business and obtaining a license or permit, the rights and Liabilities of partners are spelt out.

3.1 Advantages of Partnership

- a. Adequate Financial Resource
- b. Provision of Variety of expertise to the firm
- c. Ease of formation
- d. Greater Continuity
- e. Partnership offers opportunity to individuals to combine their professional know-how and managerial skills for a common profitable purpose
- f. Limited member enjoys limited liability in limited partnership

Disadvantages of Partnership

- a. Misconduct of a partner can ruin the firm
- b. Unlimited Liability: each partner, like the single proprietor, is liable to the debt of the business
- c. Inter-personal Quarrels among partners: there are occasional misunderstandings that can affect the partnerships because they are human beings
- d. Limited Life: The withdrawal or death of a major partner may impose difficulties on the remaining partners.

3.2 The Partnership Deed

- The name of the Business
- The name and address of all partners
- The purpose of the business, the location of the Principal Office and any other locations where business will be conducted
- The duties of each partner
- The salaries and drawing account of each partner
- Provision for sharing of profits or losses
- Provision for accounting procedure
- The requirement for taking in new partner s
- Any special restrictions, rights, or duties of any partner
- Provision for a retiring partner
- Provision for how grievances will be handled
- Provision for how to dissolve the partnership

Dissolution of a Partnership

A partnership can be dissolved for any of the following reasons:

- Court order
- Technical insolvency
- Mutual agreement
- Completion of the assignment or task for which the partnership was established.
- Death of a partner

**Self-Assessment Exercise 1**

1. Outlines five Advantages of Partnership
2. What are deeds of partnership?

3.4 Corporation

A corporation has been described as a “Legal Entity” having a separate life from its owners. Unlike the other two forms of business organizations, the ownership of a corporation is represented by shares in the company. Any one owns shares in a corporation become a part-owner of the business; these shares are after bought can sold at open market. The liabilities of the owners of a corporation are limited to the amount of money they invested in the business.

Another feature is that this ownership investment is also transferable from one individual to the other. A corporation is a more complex business structure. A corporation has certain rights, privilege, and liabilities beyond those of an individual. Doing business as a corporation may yield tax or financial benefits, but these can be offset by other considerations, such as increased licensing fees or decrease personal control.

Corporation may be formed for profit or Non-profit purposes. Filling with the corporate affairs commission is required.

Advantages

- a. Greater Capital: Corporation have greater financial capability since capital can always be raised by selling shares.
- b. Limited Liability: The liability of members is limited to the amount of money they put into the business. Total corporate liability is the assts provided in the balance sheet.
- c. Continuous Life: Unlike the other forms of business organizations which are most often dissolved by the death of partners, the corporations’ life is not affected by the death of a member Stockholder. It has a continuous existence.
- d. Ease of Transfer of Ownership: The shares are transferable from one person to the other. Formal transfer of share certificate titles is normally handled by a fiduciary agent e.g., banks.

- e. The authority and power of a corporation is centralized and delegated according to necessity.
- f. Management Ability: Corporation is known to employ the best executives to man their affairs.
- g. Application to both big and small firms: While Large Corporation issues share worth Millions of Naira, Small Scale Corporations can be formed with as little as N5,000.00

Disadvantages

- a. Double Taxation: The owners of a corporation are subjected to double taxation. The corporation pays on its income and when the dividend is paid to its owners, it is considered a personal income which is subject to another tax payment.
- b. Difficulty in Establishment: Corporations face many legal restrictions. These are also expensive to establish
- c. The owners are separated from the control of the business.



Types of Companies:
Companies can be classified into different types based on different criteria.

Based on Liability:

Company Limited by Shares

Unlimited Company

Company Limited by Guarantee

Private Company/
Private Limited Company

Public Company/
Public Limited Company

Based on the Number of Members

Types of Companies



4.0 Self-Assessment Exercise 2

Enumerate four reasons for dissolution of partnership



5.0 Summary

We have come to the end of unit 3. This unit discussed Business, Types of Business Structure. Also, we discussed Sole Proprietorship, Partnership, and a corporation has been described as a “legal entity”, having a separate life from its owner. Unlike the other two forms of business organizations, the ownership of a corporation is represented by shares of stock in the company. In the next unit which is unit 4, we will be looking at the management and control of business structure



6.0 Glossary

1. **Legal entity:** a person or organization that can enter into contracts, and take part in legal action
2. **Deed:** a legal document that is signed and delivered, especially one regarding the ownership of property or legal rights



7.0 References/Further Readings

REFERENCE/FURTHERS READING

Amit J. ShahI (2009). Introduction to Business. Boston: McGraw-Hill Higher Education

Company & Allied Matters Act (CAMA 2020) with Amendments

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

1. Advantages of Partnership

- Adequate Financial Resource
- Provision of Variety of expertise to the firm
- Ease of formation
- Greater Continuity
- Partnership offers opportunity to individuals to combine their professional know-how and managerial skills for a common profitable purpose
- Limited member enjoys limited liability in limited part

2. The followings are deed of partnership

- The name of the Business
- The name and address of all partners
- The purpose and of the business, the location of the Principal Office and any other locations where business will be conducted
- The duties of each partner
- The salaries and drawing account of each partner
- Provision for sharing of profits or losses
- Provision for accounting procedure

Answers to SAEs 2

Suggested Answer

A partnership can be dissolved for any of the following reasons:

- Court order
- Technical insolvency
- Mutual agreement
- Completion of the assignment or task for which the partnership was established.
- Death of a partner

Unit 4: Management and Control of Business Structure

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Types of Business Structured Compared
 - 3.2 Importance of business environment
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

The company differs from a partnership, sole proprietorship in different way. This unit focuses on the comparison of types of Business, and importance of business environment.



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Differentiate between the corporation, partnership and sole proprietorship
- Describe the document needed to start Sole proprietorship Business



3.0 Main Content

3.1 Types of Business Structured Compared

SOLE PROPRIETORSHIP, PARTNERSHIPS, AND CORPORATION

	Sole proprietorship	General Partnership	Limited Partnership	Conventional Corporation	Limited Liability Company
Documents Needed to Start business	None: may need permit or license	Partnership agreement (oral or written)	Written agreement; must file certificate of limited partnership	Articles of incorporation, by laws	Article of organization and operating agreement; no eligibility requirements
Ease of termination	Easy terminate: just pay debts and quit	May be hard to terminate, depending on partnership agreement	Same as general partnership	Hard and expensive to terminate	May be difficult, depending upon operating agreement
Length of life	Terminates on the death of owner	Terminates on the death or withdrawal of partner	Same as general partnership	Perpetual life	Varies according to dissolution dates in articles of organization
Transfer of ownership	Business can be sold to qualified buyer	Must have other partners(s) agreement	Same as general partnership	Easy to change owners; just sell stock	Can't sell stock
Financial resource	Limited to owner's capital and loans	Limited to partners' capital and loans	Same as general partnership	More money to start and operate; may sell stocks and bonds	Same as partnership
Risk of losses	Unlimited liability	Unlimited liability	Limited liability	Limited liability	Limited liability
Taxes	Taxed as personal income	Taxed as personal income	Same as general partnership	Corporate, double taxation	Varies
Management responsibility	Owners manages all areas of the business	Partners share management	Can't participate in management	Separate management from management	Varies
Employee benefits	Usually, fewer benefits and lower wages	Often fewer benefits and lower wages; promising employee could become a partner	Same as general partnership	Usually better benefits and wages, advancement opportunities	Varies, but are not tax deductible



Self-Assessment Exercise 1

1. Differentiate between corporation and partnership
2. Compare the length of life: Sole Proprietorship, Partnership and Corporation

3.2 Importance of business environment

A business depends on its environment for the supply of all its input and at the same time absorbs the output of the business enterprise. The following are therefore, the importance of business environment

- Determining opportunities and threats: The interaction between the business and its environment gives the advantage of identifying opportunities for and threats against the business. The business manager can then strategise to maximise the opportunities and minimise the threats.
- Gives directional clarity The interaction will lead to opening up of new frontiers for growth and sustainability of the business.
- Serves as a continuous learning process Managers are motivated to continuously update their knowledge, understanding and skills to meet the challenges of business.
- Image building Business interaction with the environment helps the business organisations to improve their image by being socially responsible.
- Identification of firm's strength and weakness Business environment helps to identify strengths and weaknesses of the business organisation for immediate response of the management.



4.0 Self-Assessment Exercise (s) 2

1. Differentiate between Profit and Non-profit organisation



5.0 Summary

The business structure differs in terms of document needed to start Business, Ease of Termination, Length of Life, Transfer of Ownership, Financial Resources, Risk of Losses, Management responsibilities as well as employee Benefits. We have come to the end of unit 3. I hope you found it interesting. In this unit, we compare the types of business structure. We also discussed the Importance of business environment.



6.0 Glossary

1. **Termination:** the fact of being terminated or the termination of a contract
2. **Liability:** A liability is a present obligation of the entity to transfer an economic resource as a result of past events.



7.0 References/Further Readings

Amit J. ShahI (2009) Introduction to Business. Boston: McGraw-Hill Higher Education

Company & Allied Matters Act (CAMA 2020) with Amendments

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer			
	Sole proprietorship	General	Limited
Documents Needed to Start business	None: may need permit or license	Partnership agreement (oral or written)	Written agreement; must file certificate of limited partnership
Ease of termination	Easy terminate: just pay debts and quit	May be hard to terminate, depending on partnership agreement	Same as general partnership
Length of life	Terminates on the death of owner	Terminates on the death or withdrawal of partner	Same as general partnership
Transfer of ownership	Business can be sold to qualified buyer	Must have other partners(s) agreement	Same as general partnership
Financial resource	Limited to owner's capital and loans	Limited to partners' capital and loans	Same as general partnership
Risk of losses	Unlimited liability	Unlimited liability	Limited liability
Taxes	Taxed as personal income	Taxed as personal income	Same as general partnership

Answers to SAEs 2

Suggested Answer

A business or profit-oriented organization is generally created to generate profit for its shareholders. While

The not-for-profit organization is not designed to generate profit for its owners. Examples of not-for-profit organization are the Red Cross, National Agency for Food and Drug Administration and Control (NAFDAC), etc.

Module 2: COMMUNICATION SKILLS

- Unit 1: Introduction to communication
- Unit 2: Communication process
- Unit 3: Forms and media of communication
- Unit 4: Pattern of communication flow in the office/ organization

Unit 1: Introduction to communication

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Meaning of Communication
 - 3.2 Various viewpoints/ Perspectives of communication
 - 3.3 Goals of Organization Communication
- 4.0 Self-Assessment Exercise(s)
- 5.0 Conclusion
- 6.0 Summary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to Module 2, Unit 1 of this course BED114: Business Methods. Could you believe that communication is sharing our feelings, ideas and options with others. It can simply be described as the interchange of information between or amongst two or more persons, through a common system or symbols. It is the transmission of the information from a source to a destination. Communication is fundamental to daily living and existence on earth. Recall, that we have earlier discussed the Business environment, Business plan, Business Structure, and managements and control of business in the previous module. In this unit we are going to focuses on meaning of Communication, Various viewpoints/ Perspectives of communication, as well as Goals of Organization Communication Goals of Organization Communication



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Give meaning of communication
- Explain the different viewpoint of communication
- Explain the goal of communication



3.0 Main Content

3.1 Meaning of Communication

The word “**Communication**” is derived from the Latin word “communis” which means “**Common**”, i.e., to share, exchange, send, transmit, write, relate and communicate. Other source mentions that ‘communication is derived from Latin term ‘**communicare**’, which means to impart or participate.

Individuals involved in communication by this definition attempt to ensure a common basis for understanding the message that is communicated between them.

- Communication can be one way or two ways. A one- way communication system is the one in which communication flows from the originator to the receiver only, such as radio and television broadcast.
- A two- way communication system is one in which communication flows from the originator to the receiver with the existence of a feedback system from the receiver to the originator. Communication is a two a two-way process and is not complete without feedback.
- Feedback ensures that communication is more effective because it also confirms receipt and adequate understanding of the intended message

Therefore, Business communication refers to internal within the organization to maintain the internal interaction as well as external communication that is interaction with the others in the field, public sector, clients and customers. Business communication is somewhat different and unique rather from other type of communication since the purpose of business is to get profit. Thus, to make good way for profit the communicator should develop good communication skill.

3.2 Various viewpoints/ Perspectives of communication.

There various definitions of communication by scholars in various fields. Some of the recent definitions of communication are:

- Church (1999) perceived communication as the transfer of information and understanding from one person to another.
- Boo her (1994) perceived communication as a process of helping organizations to motivate and direct employees, transforming attitudes, influencing behavior, persuading, seeking cooperation and orientating people towards their physical and social environment.
- Megginson (1983) described communication as the chain of understanding that links the members of various unit of an organization at different levels and in different areas. He was of the opinion that the concept of communication has three elements, namely, an adoption of a system for communicating among individuals; the recognition and usage of a channel for passing or transmitting information between two or more people, and the act of making oneself understood.
- Davis (1981) perceived communication as the transfer of information and understanding from one person to another. It is seen therefore as a way of reaching other with ideas, facts, values and thought.
- American society of Trading Directors, assert that good communication is “the interchange of thought or information to bring mutual understanding and confidence or good human relation.
- Being (1993) Stated that communication could be perceived as the life wire of organizations.
- Stoner (1978) Stated that a good definition of communication should however, consist of three essential points. These are:
 - That communication as the term is being used involved people, and that understanding communication therefore involves trying to understand how people relate to each other.
 - That communication involves share meeting, which suggests that in other for people to communicate, they must agree on the definitions of the term they are using; and

- That communication is symbolic, that is, gestures, sounds, letters numbers, and words can only represent or approximate the ideals they are meant to be communicate

Likewise, it could be said that communication is an essential element required in all organizations and that a lack of or inadequacy of it, can impede the attainment of organizational goals. Communication forms the foundation of all interpersonal relationships within any organization. It thus suggests that people must embrace communication and relate with one another in the pursuance of the organization's goals and objectives.



Self-Assessment Exercise 1

1. In communication_____ confirms receipt of the message.
2. List and explain any four (4) goals of communication

3.3. Goals of Organization Communication

Communication has been described as a very vital tool in the process of managing. It is a daily occurrence at the work. place and in our daily lives.

Broadly speaking, the four major goals of communication are to:

- Improve recipient's level of understanding;
- Elicit receiver's response.
- Create good relations; and
- Create organizational goodwill.

- 1) To improve recipient's level of understanding of the message communicated: When the sender sends a message, it is obvious to him what meaning the message is intended to convey. What is not clear, however, whether the receiver would understand the message as the sender intends it to be. The expected receiver's understanding of a message is the most critical goal or objective of the communication process. A message that is unable to elicit the appropriate receiver's understanding may be ambiguous because it could be interpreted anyhow by various parties if they were the recipients.

- 2) To Elicit Receiver's Response: Once a message is received, the receiver will respond by one of several actions, depending on his understanding of the message. In direct conversation, the receiver has the benefit of seeking clarification on the import of the message and the sender could also take advantage of the face-to-face interaction to explain any ambiguities in his message. In written communication, however, this is not possible and the message may thus elicit varying interpretation.
- 3) To create good relations: Another goal of communication is the creation of good relations between the parties. The sender of a message must ensure that the message does not cause strains in relations primary responsibility for creating and maintaining good relations would be assumed by the sender and this can be done by ensuring that the wording of the message looks good, positive and encouraging. Composing messages whose contents stress the interests of the receiver is critical.
- 4) To create organizational goodwill: Goodwill is a critical success factor in business and communication that must be used to enhance the creation of organizational goodwill. The goodwill of all stakeholders that the organization deals with such as clients, suppliers, customers, government, the community, etc., is necessary for the continued successful operation of business. Similarly, when individuals communicate, the receiver of the message must enjoy his or her confidence and trust as this is likely to facilitate receivers' appreciation and response.



4.0 Self-Assessment Exercise(s) 2

What are the Seven Cs of effective communication?



5.0 Summary

In this unit, the meaning of communication have been examined. Also discussed were the different viewpoint of communication, as well as the goal of communication.



6.0 Glossary

1. **Goodwill:** friendly, helpful, or cooperative feelings or attitude.
2. **Symbolic:** involving the use of symbols



7.0 References/Further Readings

Eyre EC, 1979, Effective communication made simple London: W.H. Allen.

Michael S, Hanna, Gerald L. Wilson (1998) Communicating in business and professional setting, New York: McGraw Hill

Company & Allied Matters Act (CAMA 2020) with Amendments

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

1. Receiver
2. The four major goals of communication are to:
 - Improve recipient's level of understanding;
 - Elicit receiver's response.
 - Create good relations; and
 - Create organizational goodwill

Answers to SAEs 2**Suggested Answer**

The Seven Cs of effective communication are:

- completeness,
- conciseness,
- consideration,
- clarity,
- concreteness,
- courtesy and
- correctness

Unit 2: Communication process

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Communication Stage
 - 3.2 The Principle of Effective Communication
 - 3.3 Importance of communication
 - 3.4 Roles of Effective Communication in business
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Communication improves recipient's understanding, creates good relations and improves organizational goodwill. These goals may be achieved only when the communication is a two-way process and involves a 'sender' and a 'receiver'. Communication is not complete until the original sender knows that the receiver understands the message. This unit focus on Communication Stage, the principle of effective communication Importance of communication, and roles of effective communication in



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Enumerate the stages of the communication process
- Discuss the principles of effective communication
- Explain the importance of communication
- Explain the role of effective communication
- Identify the factors that contribute a barrier to effective communication



3.0 Main Content

3.1 Communication Stage

Scholars all over the world have been concerned with the identity of the main elements of communication process. The following are generally accepted as the key elements of communication process

- The origin and source of information
- The message or information to be transmitted
- An encoder: which is the commonly used and understandable language or symbol by which the message is transmitted or sent
- The channel through which the transmission process takes place, medium of transmission
- A Decoder: This is the tool by which the receiver deciphers the transmitted message-understanding the message
- Destination/audience-the receiver(s) at whom the message is directed and which constitute the destination of the transmitted message
- Noise: This is anything that distorts the meaning or makes it imperceptible to the audience or receiver of the message. This is a major disturbance or hindrance to effective communication. In electronic transmission, such hindrances are generally referred to as impedance. Their occurrences either hinder or distort the message. It may lead to poor reaction.
- Feedback: This is the response or reaction of the receiver of the message when it has been properly received and understood. It may be directly or indirectly communicated to the sender

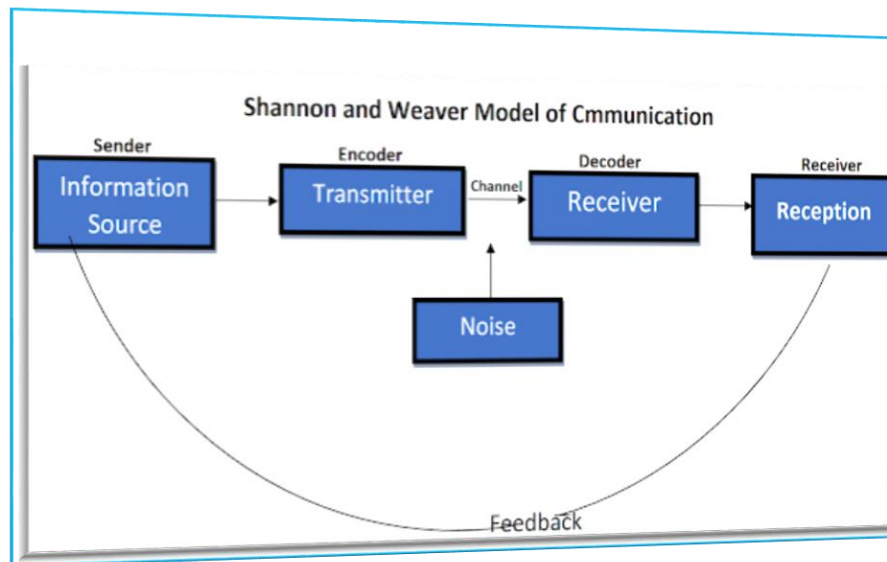


Figure 1:1 Shannon and weaver's model of communication process showing feedback

The Shannon – Weaver Model

The model above indicates that the source, channel and the receiver are the major determinants of communication process. This explains why they are inside the box. However, the encode and decode variables, being a part of the process are subject to source and receiver respectively. In other words, they are the contents of the message. Thus, a pentagon is used to denote the function. The ideas or information that are composed by the source or sender in a chosen language or expression are interpreted by the receiver in such a way that they cannot exactly what the sender intends in the message so as to give the appropriate feedback.

3.2 The Principle of Effective Communication

Bad communication skills in any form could, in the long run, be costly to us as individuals in terms of image and perception. In business, poor communication could greatly damage the organization's reputation and possibly put off potential clients.

Communication experts have advocated the following principles to improve the effectiveness of communication situations

- a. **Choice of words:** The sender must choose words that the receiver will understand to ensure effective decoding of the message. This could be effectively done when we understand the recipients' interests, attitudes, emotions and knowledge level as these variables could have an impact on message decoding

b. Clarity of purpose: The sender should be clear, concise, and to the point and thus avoid any irrelevant matter. Once this is done, no room is left for ambiguities, which could possibly lead to the message failing to convey the intended meaning.

c. Listen intelligently: Listening is just as important as speaking in order that the process is able to achieve the desired results the receiver may do a disservice to the process if adequate attention is not paid when the message is being communicated. One approach to addressing this problem of inadequate attention is for the sender to try to read to himself the written message whilst pretending to be the recipient. In this way, the sender is in a position to consider whether listening would be effective and thus deliver the desired results.

d. Selection of suitable media; the method for delivery of the message could have an impact on the expected results. This impact could be favorable or unfavorable depending on the suitability of the medium in a particular circumstance. For optimum results, therefore it is imperative that the encoded message would elicit the right response. Choice of media should be considered in relation to distance, time, sense of urgency and cost.

e. Appropriate timing of the communication: Depending on the nature of the message a particular time may not be suitable. It is important to decide when to send a particular message.

f. Obtaining feedback: obtaining feedback will ensure that the communication has been effective. As stated earlier, a message may not be understood as a result of the inadequacies of the receiver but also because the sender may not have made the right decisions in relation to what likely impression could have been created by language and expressions used, suitability of the timing of delivery, nature of tone and appropriateness of the manner of delivery.

g. Standard: the quality of response obtained from the communication process is as good as the standard set for all aspects of the process is as good as the standard set for all aspects of the process. High standards in choice of media, methods used both in relation to language and presentation are suitable for the purpose and objective of the message being communicated.



Self-Assessment Exercise 1

1. Explain Five (5) principles which you consider critical to the effectiveness of the communication process.
2. Enumerate four (4) importance of communication

3.3 Importance of communication

- a. Communication skills are essential not only for the efficient discharge of one's duties in the formal work place setting, but also to the individual and society at large. Communication is a key to the achievement of organizational goals and objectives.
- b. Good communication skills are required not only for presentations but more importantly to keep up the interest of the audience in the subject matter being discussed whether in a meeting, seminar, workshop or forum situation.
- c. Communication serves as an intermediary between two parties where the sender sends a message intended to elicit some specific response and the receiver reacts by providing that response.
- d. Communication helps job seekers to obtain the jobs they want. Communication assists in the design of personal profiles, composition of the application letter and discharging oneself creditably at the job interview with confidence.
- e. Communication helps to promote positive relation with other through enhanced ethical communication, concern, compassion, and empathy.
- f. Communication helps in the provision of good and efficient leadership. Good communication skills can lead to clear, unambiguous directives and instruction but also serve the purpose of motivating subordinates at the work place.
- g. Individuals may use the information obtained from the media for a number of purposes including weather forecast, determination of dress code, means of transport, as well as to update themselves on the happening around the globe.
- h. Integrated marketing communication is widely used for promotional purpose and for crafting strategy that delivers competitive advantage in today's increasingly business environment.

Hoyt (2000) highlighted the importance of communication in administration as follows:

- It assists in development of plans for their achievement
- It organizes human and other resources in the most effective way.
- It aids the establishment and attainment of organizational goals.
- It leads, directs, motivates and creates a climate in which people want to cooperate and contribute their quotas.
- It is of great importance in controlling performance.

Communication in the words of Stoner (1978) is extremely important for managers for two reasons.

(a) Communication is the necessary process by which the management accomplishes the functions of planning, organizing, leading and controlling the organization.

(b) Communication is the activity to which managers devote an overwhelming proportion of their time. Communication skills are essential for managers for their success at every managerial level. The managerial responsibility, the more time and ability are needed for effective communication.

3.4 Roles of Effective Communication in Business

- ❖ communication helps in all the functions of a business industry, planning, organising, leading and controlling
- ❖ Communication helps in promoting motivation in a group or team within an organization.
- ❖ Communication acts as a fundamental asset in organizations. In the same way, organizing and delegating jobs also needs effective communication routines to be set-up to achieve team goals.
- ❖ It is impossible for an individual to survive in the business industry without proper communication.
- ❖ Business Industries depend heavily on major management functions like planning, organizing, leading and controlling. These kinds of functions require the managers to practice expert communication methods. Thus, to achieve all these steps of managerial functions, a managed and proper communication process flow along with details have to be established



4.0 Self-Assessment Exercise(s) 2

Outline four roles of effective communication



5.0 Summary

This unit examined the communication stage, the generally accepted as the key element of communication process spanning origin and source of information, information to be transmitted, an encoder, the channels through which the transmission process take place, a decoder, Destination; Noise and feedback for communication, also discussed the principle of effective Communication, and importance of communication. The final aspect of this unit discussed the role of effective communication in business. In the next Unit which is Unit 3, we will be looking at the forms and media of communication.



6.0 Glossary

1. **An encoder:** the commonly used and understandable language or symbol by which the message is transmitted or sent
2. **A Decoder:** tool by which the receiver deciphers the transmitted message understanding the message



7.0 References/Further Readings

Erasmus - Kritzinger, LE, Bowler, A & Goliath D (2001): Effective Communication. Western Cape: Afritech. Little, Peter: Communication in Business. London: Longman

Michael S, Hanna, Gerald L. & Wilson (1998) Communicating in business and professional setting, New York: McGraw Hill

Company & Allied Matters Act (CAMA 2020) with Amendments

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

1. Principles to improve the effectiveness of communication are:
 - Choice of words
 - Clarity of purpose
 - Listen intelligently
 - Selection of suitable media
 - Appropriate timing of the communication
- 2). Importance of Communication
 - Communication serves as an intermediary between two parties where the sender sends a message intended to elicit some specific response and the receiver reacts by providing that response.
 - Communication helps job seekers to obtain the jobs they want. Communication assists in the design of personal profiles, composition of the application letter and discharging oneself creditably at the job interview with confidence.
 - Communication helps to promote positive relation with other through enhanced ethical communication, concern, compassion, and empathy.
 - Communication helps in the provision of good and efficient leadership. Good communication skills can lead to clear, unambiguous directives and instruction but also serve the purpose of motivating subordinates at the work place.

Answers to SAEs 2**Suggested Answer**

Roles of effective communication entails:

- Communication helps in promoting motivation in a group or team within an organization.
- Communication acts as a fundamental asset in organizations. In the same way, organizing and delegating jobs also needs effective communication routines to be set-up to achieve team goals.
- It is impossible for an individual to survive in the business industry without proper communication.

Unit 3: Forms and media of communication

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Written Communication
 - 3.2 Oral Communication
 - 3.3 Non-Verbal Communication
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

In this unit, the forms and media of communicating a message are considered. Communication is the essence of living. Human being can hardly co exist peacefully on earth without some forms of communication. Different forms of communication are used to convey message in civil society such as between individuals with organization and between the government and citizens in their large society. The most common forms of communication discussed, in this Unit are verbal or oral communication, written communication as well as Non-verbal organization. This unit is going to be an interactive lesson, kindly pay attention to the contents of this topic.



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Identify the media of communication
- Differentiate between various media of communication



3.0 Main Content

3.1 Written Communication

This is the application of a group of alphabetical symbols of the language chose to convey the message or information to the receiver. The problem with this form of communication is that written language is a form of static chains of observed symbols and the reader is free to and usually does interpret these symbols the way he likes and such interpretation may sometime be contrary to what the writer intends. It is the only forms of communication that depend largely on the formal channels of transmitting message to the receiver.

Merits of Written Communication

- It removes the necessity of personal contact expect where it becomes imperative to do so.
- Written communication provides permanent records that cannot be dined of anytime.
- Written communication gives the receiver the opportunity to read the message as often as he wants. This will eventually enhance the correct understanding of the message received.
- Since more time is spent in thinking, planning and eventual communication is likely to be more accurate and more reliable than oral communication.
- Written Communication provides recorded precedents, which could be used in law courts for prosecution and defense.

Demerits of Written Communication

- It can be very expensive to produce written message
- Security is not guaranteed in written communication as the written document can get into the hands of the in desired audience.
- The sender of a written message is not always sure whether his message has been received or not
- Written communication creates maintenance problem in terms of space as bulky files and piles of papers are used.
- It takes time to prepare written document

3.2 Oral Communication

This is the types of communication that involves the use of words. It is also referred to as verbal communication. In this instance, it occurs when people communicate in spoken language, face-to-face or over electronic medium. Oral communication is a key element in our daily living. It is accessible to anyone whether educated or not. It allows for opportunity for immediate translation of one language of communication to another. Effective verbal communication requires communicators to possess good pronunciation skills, good articulation of words or syllables as well as competence in sentence structure.



Benefits of Oral Communication

- It is the most reliable method of bringing about a good interpersonal relationship.
- It is fast and provides immediate feedback in most cases.
- It costs little or no money, except when it involves a telephone exchange.
- It makes it possible for a communicator to convince his receiver on the spot.
- It is easier to maintain secrecy in oral communication if it is well controlled than in written communication.

Shortcomings of Oral Communication

- Face-to-face meetings can consume precious time
- It lacks an aid to human memory, consequently, issue or facts communicated can be forgotten.
- Oral communication can easily be distorted and misrepresented.
- Oral communication is difficult to control especially when communicators are many.
- Communicators could make unintended and regrettable statements because they do not have enough time to think properly before speaking.



Self-Assessment Exercise 1

1. Communication may be verbal or _____
2. E-mail is a form of _____ communication
3. Explain briefly advantage of verbal communication over non-verbal Communication

3.3 Non-Verbal Communication

Non-verbal communication describes the conveyance of a message without using words or symbols. It may be completely independent of any verbal message. This is a method of passing information without any vocal pronouncement of the intended message. This form of communication employs the use of symbols, facial expression, pictures, gesticulation and other form of body expression apart from speaking. Traffic signs along the highway, the control of movement of vehicles at crossroads through traffic lights or traffic officials, and the Braille method of teaching deaf and dumb, all concentrate on the use of non-verbal communication. Also, among office workers, a smile from a colleague in the office, a clap of hands to call attention, are also forms of non – verbal expressions which can be employed in passing urgent information that preserve the confidentiality of the intended message.

Types of Non-Verbal Communication



Forms of Non-Verbal Communication

- Facial expressions
- Body posture
- Gestures with hands, arms, head and so on
- Interpersonal distance (Proxemics)
- Touch or body contact
- Eye contact
- Clothing, cosmetics, hairstyle, jewelry
- Colour symbolism
- Paralanguage (voice pitch and inflections, rate of speech, and silence)
- Food symbolism and social use of meals
- Attitude towards time and the use of time in business and social interaction.

Merits of Non-Verbal Communication

- It makes verbal communication more effective by supporting with visual stimuli.
- It provides further information concerning the transmitter. This can be normally understood through gestures, actions and tones of the voice.
- Non-verbal communication save time since little is spent in transmitting messages.
- It solves the problem of linguistic differences encountered in verbal communication.

Demerits of Non-Verbal Communication

- Non – verbal communication a times requires the receiver to have extra skills of interpretation and understanding to be able to decode correctly the meaning of the message conveyed.
- It is expensive when photographic, films and enlarged pictures are used.
- Only simple and limited messages can be sent through the medium of non - verbal communication.
- It can easily be misunderstood

**4.0 Self-Assessment Exercise(s) 2**

- | |
|--|
| 1. Enumerate Three (3) Demerits of Written Communication |
|--|

**5.0 Summary**

A properly communicated message cannot but has effect on the receiver, whether positive or negative. This unit examined written communication, oral communication, The final aspect of this unit discussed the Non-Verbal Communication. In the next Unit which is Unit 4, we will be looking at the pattern of communication flow in the office/ organization



6.0 Glossary

1. **Electronic mail (e-mail):** is a computer-based application for the exchange of messages between users.
- 2 **Convey:** communicate it to someone directly or indirectly through your words



7.0 References/Further Readings

Company & Allied Matters Act (CAMA 2020) with Amendments

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology
Little Peter: Communication on Business, London: Longman.

Michael S, Hanna, Gerald L. Wilson (1998) Communicating in business and professional setting, New York: McGraw Hill



Possible Answers to SAEs

Answers to SAEs 1

1. non-verbal
2. written
3. Advantage of verbal communication over non-verbal communication
 - ✓ It is fast and provides immediate feedback in most cases.
 - ✓ It costs little or no money, except when it involves a telephone exchange.
 - ✓ It makes it possible for a communicator to convince his receiver on the spot.
 - ✓ It is easier to maintain secrecy in oral communication if it is well controlled than in written communication.

Answers to SAEs 2**Demerit of Written Communication**

- The sender of a written message is not always sure whether his message has been received or not
- Written communication creates maintenance problem in terms of space as bulky files and piles of papers are used.
- It takes time to prepare written document

Unit 4: Pattern of communication flow in the office/ organization

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Pattern of communication flow in an organization
 - 3.2 Barriers to effective communication
 - 3.3 Overcoming barriers to effective communication
- 4.0 Self-Assessment Exercise(s)
- 5.0 Conclusion
- 6.0 Summary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to Module 2, Unit 4 of this course BED114: Business Methods. Could you believe that communication is sharing our feelings, ideas and options with others. Community in well-developed organizations, may bring into play various forms and patterns. In a goal-oriented organization, communication flows in three main dimensions. These are downwards, upwards and horizontally. In this unit, the various patterns that may be at play in any standard organization systems are discussed. In addition, the very essence of information, and how that available information should reach those who need it at the appropriate time and in the form, they need it



2.0 Learning Outcomes (ILOs)

By the end of this unit, you will be able to:

- Describe the different pattern of communication
- Explain the way to checkmate rumor / grapevine.



3.0 Main Content

3.1 Pattern of communication flow in an organization

A pattern of communication is the direction and frequency of information. Who sends out information and how frequently? And who receives the information?

In a teaching group of eight students, the pattern of communication may be described as:

- a lecturer providing information to students for 70% of the time
- students asking questions for 30% of the time
- of the eight students, one asking twice as many questions as two other students, and the other five students saying nothing at all. Within a work team, one of the tasks of the leader should be to make sure that everyone in the team communicates as they should, and that communications are not dominated by a relatively small number of individuals in the group. Pattern of communication flow in an organization can be:

- Formal system
- Downward Communication
- Upward communication
- Vertical system
- Horizontal system and
- Informal system

➤ **Formal System:** In an organization setting, formal systems of communication are the types of communication which pass through the official channels established by the organisation. In this instance, the flow of communication is always backed by some degree of authority. Chief Executive officer originates a written memorandum for his department heads conveying a crisis meeting or given directive this may be referred to as formal communication. Therefore, through formal communication system, the organization disseminates all forms of policies, directives and instructions and guide lines for implementation.

➤ **Downward Communication:** Downward communication is information or a command given by the boss to one or more subordinates. These are the flow of information from superiors to superior to subordinate. The downward flow of communication is the most common flow of communication in organizations.

However, when the leader is autocratic, most communication is downward. It may take the following forms:

- i. **Job Instructions:** These about what to do and how to do it.

ii. **Procedures and practices:** These are information about rules, regulations policies and benefits. For instance, “do not try to argue with unhappy customers. If you cannot handle them yourself, call the manager.

iii. **Identify problems that need attention:** e.g., manager raising an issue about the non-performance of particular accounting software in the organization database system.

iv. **Feedback:** The manager can also provide information about how effective a subordinate is performing.

- **Upward communication** - Information flowing from subordinates to superiors is referred to as upward communication that is upward communication is information moving from subordinates to the boss. Upward communication is as important as downward communication to the organization. Upward flow of communication may take the following forms:
 - (a) Information relates to subordinate about himself, his performance, his problems and grievances.
 - (b) Information about other subordinates and their problems
 - (c) Suggestion about what needs to be done and how it could be done
 - (d) Report on what has been done
 - (e) Feedback about the subordinate Managers rely on upward communication for ideas and how things can be improved. Both superiors and subordinate are involved in the transmission of vertical communication downward and upward communication.
- **The Vertical System:** Vertical communication is communication down the scalar chain or chain of command. A boss communicates with subordinates. The principal channel for routing directives and policies from top decision makers down through the organizational structure to the people who, at various levels will be required to implement them refers to vertical systems of communication in an organization. All forms of ideals, suggestion, queries, criticisms that originate from superior levels in the organization may be referred to as vertical communication and may be classified as either downward or upward directions.

- **Horizontal Communication:** - is a communication that takes place between peers at the same organizational level, that is occurs between people who operate at the same or similar levels in the organization: communication between and among members of office workers in the same department. Thus, Lateral or horizontal communication is communication between people at a similar level in the organisation's management hierarchy. It is communication between individuals in the same work group, and also between individuals in different work groups

According to draft (1988), horizontal communication may be divided into three principal categories.

- (a) Interdepartmental problem solving
- (b) Interdepartmental coordination
- (c) Staff advice to the departments

- **Horizontal communication or lateral communication:** It saves times and facilitates coordination in the organization. It serves the following **benefits:**

- (a) Task coordination – It promotes task coordination between departments or teams by encouraging departments to exchange information on the project
- (b) Problem solving – It facilitates problem solving by bringing people together to resolve issues
- (c) Sharing information that will enhance employee performance across different work group
- (d) Conflict resolution– It affords a means of resolving conflicts by bringing staff of various departments together at formal meetings for amicable resolution of conflicts.
- (e) Strengthening rapport among employee– It enhances morale by making available similar experiences of the different departments within the organization on the problem at hand despite the importance of good horizontal communication system.

Horizontal communication does have **loopholes**, some of which are:

- (a) **Rivalry:** people who feel threatened by one another are not likely to be cooperative. This threat can come from competition for promotion, praise or other scarce resources.

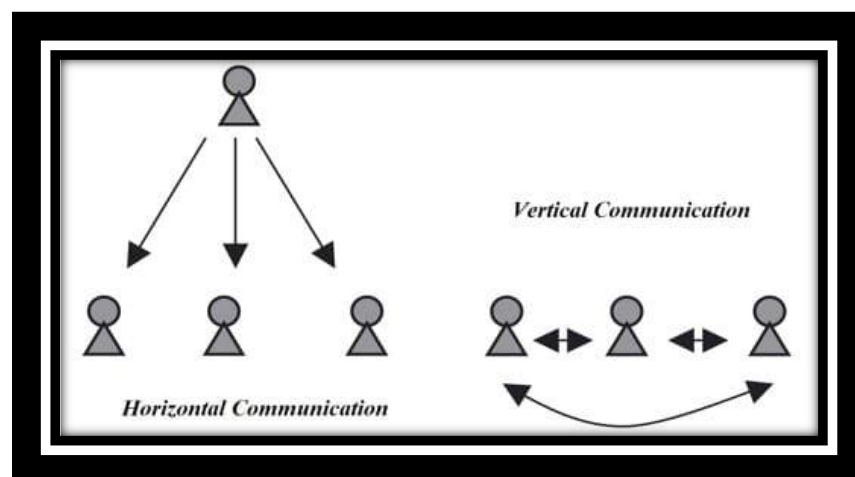
(b) **Information overload:** This can also discourage employees from reaching out to others in different areas.

(c) **Motivation:** Lack of motivation may prevent co-workers from having effective lateral communication in the organization.

(d) **Specialization:** Here people with different technical specialties may find it difficult to understand one another

Vertical Communication and Horizontal communication Compared

Purpose of Vertical Communication	Purpose of Horizontal communication
To give instructions/direction	To co-ordinate the activities of different individuals and groups
To delegate responsibilities	To develop and maintain social relationships at work
To control activities of subordinates	



- **Informal communication Systems:** Informal communication is communication between individuals in an organisation that does not pass through an official channel. Instead, the information is passed by individuals in general conversation, sometimes as gossip or as rumour. Often informal communication passes as unofficial e- mails between colleagues. Information is passed on by word of mouth among interested colleagues who have received it from various sources. Briefings memoranda, visits, report etc. it has now been established that a significant amount of communicating is done in organizations informally even when it is official.

It should, however be noted that informal communication might be malicious and full of half – baked truths and if not monitored regularly and correctly, it could lead to mistrust and confusion in the organization. Some aspects of informal communication are discussed below:

- **Grapevine** - The grapevine is one major route for informal communication. The grapevine referred to as common talk or hear say. They are news which have not factual basis as well as something which carry a preparative connotation. It has been established that the basis for grapevine is rumors and gossips. Grapevine flourishes more particularly in organizations in which communication channels are more closed than open.

Characteristics of the Grapevine

The major characteristics of the grapevine are as follows:

- (i) Management has absolutely no control over this form of communication
- (ii) It is perceived by most employees as being more believable and reliable than formal communiqués issue by top management
- (iii) It is largely use to serve the interest of the people within

Sources of the grapevine

Users and distributors of grapevine sources of information find their material in the form of confidential letters left unattended on desks, accidental and careless remarks made by superiors in an organisation, loud voices coming from behind closed doors or system changes in established routines and practices. Grapevine flourishes more particularly in organisations in which official communication channels are more closed than open.

- **Rumors** Rumor is defined as “talk” or opinion widely disseminated with no discernable source or a current statement or report without known authority for its truth (Webster, 1992). Rumors are similar to gossip. However, it usually extends beyond a small group, conveys information that is neither authenticated nor able to be authenticated and relate to the larger group.

Rumor is the product of ambiguous situation, rumor resolves contradictions, rumor explain not only misfortune but good fortune rumor can thrive on conspiratorial basis e.g., the incorrect information may be spread in an attempt to divide staff, or to discredit and demoralize an individual or group of staff.

Rumor could be embarrassing, Rumor could course chaos in business, it could terminate appointment, it could aggravate tension, induce riot and black mail the innocent. Effective information or communication is the only reliable means of controlling rumor mongering. Therefore, business organizations must be open and accessible. Leaders of business organizations must not hoard information that deserves to be made known or public. Business leaders must be pro-active in information management. They should learn how to feel-forward. They should anticipate the desire of their employees and provide information.



Self-Assessment Exercise 1

1. State four patterns of communication
2. Discuss the ways you can checkmate rumor/grapevine

3.2 Barriers to effective communication

Barriers to effective organizational communication refer to all forms of impediments that may hinder the successful flow of communication in the organization. Also, it is anything that stops information from: getting to its intended recipient, being understood by the recipients, and being acted on in the way intended.

A number of barriers can retard or distort effective communication. Some of these barriers are discussed below.

(a) **Language:** The sender of the message and the recipient of the message might speak different languages.

(b) **Selective Perception:** The sender of the message and the recipient might have different perceptions of what the information is for. This refers to a situation where people selectively interpret what they see or hear on the basis of their interest, background, experience and altitude. Selective perception allows people to “speed read” others, but not without the risk of drawing in accurate conclusion.

(c) **Information Overload:** The recipient of information might be given so much information that he cannot take it all in, and so does not understand any of it. Information overload is a condition by which information flow exceeds an individual's processing capacity. When there is too much information, the result is less effective communication. Simply result in individuals select out, ignore, pass over or forget information.

(d) **Emotion:** Emotion refers to how a person feels at the time of receipt of a piece of information. One's understanding of a message is strongly influenced by emotional factors such as anger, defensiveness, love, hate, fear, embarrassment, and jealousy. The way a person feels will influence how information is interpreted. Extreme emotions such as jubilation or depression are most likely to hinder effective communication.

(e) **Noise:** Noise is anything that distracts the attention of the sender or receiver from receiving information. Physical, psychological, technical or social noise is any form of noise that can be created in the communication process which impedes the effective transmission communication. One cause of 'noise' may be that the person receiving a message does not understand it properly, or understands it but does not give it much attention and so forgets about it and lead to redundancy.

(f) **Screening and information filtering:** Screening is the act of guarding against certain types of information. Screening may be subconscious - a defense mechanism that automatically tunes out unpleasant criticism or other unwanted information. Screening may be a conscious act by which information is deliberately suppressed

(g) **Lack of knowledge:** A person cannot give what he does not have. When the sender has inadequate or inappropriate knowledge of the needs of the audience, his communication cannot be effective.

(h) **Misunderstanding:** The recipient of the information might misunderstand the message. This could be that the message is not well decoded

(i) **Time:** Time can be a barrier to effective communication in a number of ways.

- i. When a person is asked to assimilate and act on information in a very short period of time. The resulting time pressure prevents efficient, reception, decoding and response behaviors communication.

- ii. Activities accomplished under undue time constraint are usually not effective.

(j) **Lack of Feedback:** Most communicators find it difficult to communicate their responses back to the original sender of information. When this occurs, then communication ineffectiveness will emerge because the sender might not know whether the message has been received and fully understood. It is of great importance to note that for communication to achieve the desired result, the sender or receiver has to ensure these barriers to effective communication are considerably reduced or totally eliminated if possible.

Others Barriers include

- The sender of the message might think and express his ideas in a different way from the recipient. For example, people of different generations often find it difficult to communicate with each other and understand each other
- Personal dislike or antagonism between individuals, and a lack of trust between individuals, will make it difficult for them to communicate effectively.
- The recipient of the information may be biased, and may interpret the message so that the information 'means' what he would like it to mean.
- Personal barriers, caused by interpersonal matters and the inability of the sender and/or recipient to communicate properly, or
- technical barriers, such as faults in the transmission system, information overload, and the geographical distance between the sender and recipient.

3.3 Overcoming barriers to effective communication

The under listed steps will be of immense help in reducing, if not eliminating, the barriers to effective communication.

- ❖ Expanding the basis of communication to include feedback: Effective communication requires the receiver to send feedback to the sender.
- ❖ Proper use of language: communicators should use language that will be understood by those involved in the communication process.

- ❖ Improving Listening skills: Pays close attention to what the other is saying in order to improve the communication process.
- ❖ Practicing Empathy: Empathy is an important ingredient for the efficient functioning of the organizational communication system. Effective communication therefore requires that the listener understands exactly what others means and the perspective from which they speak.
- ❖ Following Basis Communication Guidelines: Some standard guidelines include:
 - i. Eliminating ambiguities: Senders make their communication as precise and straight to the point as possible so as to minimise the number of possible misinterpretations.
 - ii. Using proper follow up: Follow-up is necessary in some cases when communication takes place.
 - iii. Timing of message: schedules such communication, so as to avoid noise in the communication channel and the environment.

Meanwhile, when there are significant barriers to communication, it is important to:

- identify what those barriers are, and
- consider ways of dealing with the problem.
- The solution to a communication problem depends on the nature of the barrier.



4.0 Self-Assessment Exercise(s) 2

What is the difference between vertical communication and horizontal communication?



5.0 Summary

We have come to the end module 2, unit 4. In this unit, you learnt about various communication patterns in organisations. Also, this unit explained that formal system of communication is the official means and procedures employed in communicating in organisations. In addition, this unit explained that communication in general is always hindered by certain factors that do not facilitate the process.

Among others, the following barriers of communication have been discussed; also, for the process to be effective these barriers must be managed and a number of measures have been suggested in the unit for this purpose.



6.0 Glossary

1. **Redundancy:** Redundant information is information that is repeated.
2. **Technical ‘noise’:** a breakdown in the communication system itself.



7.0 References/Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology
Little Peter: Communication on Business, London: Longman.

Michael S, Hanna, Gerald L. Wilson (1998) Communicating in business and professional setting, New York: McGraw Hill

Miller K. 1995 Organizational communication; Approach and Strategies

Ode, James S. and O. Soola 1996; Introduction to communication for Business and Organizations, Ibadan: Spectrum Books Ltd.



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

1. Patterns of communication
 - Formal system
 - Vertical system
 - Horizontal system and
 - Informal system
2. Ways you can checkmate rumor/grapevine
 - Effective information or communication is the only reliable means of controlling rumor mongering.
 - Business organizations must be open and accessible.
 - Leaders of business organizations must not hoard information that deserves to be made known or public.
 - Business leaders must be pro-active in information management.
 - They should learn how to feel-forward.
 - Communication must be used to clear all ambiguity or areas that are contentious.

Answers to SAEs 2

Suggested Answer

Differences between Vertical Communication and Horizontal communication

Purpose of Vertical Communication	Purpose of Horizontal communication
To give instructions/direction	To co-ordinate the activities of different individuals and groups
To delegate responsibilities	To develop and maintain social relationships at work
To control activities of subordinates	

Module 3: BUSINESS CORRESPONDENCE

- Unit 1: Meaning of Business Correspondence
- Unit 2: Type of business correspondence
- Unit 3: Report Writing

Unit 1: Meaning of Business Correspondence

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Concept of business correspondence
 - 3.2 Essential features/characteristic of a good business letter
 - 3.3 Importance of business correspondence
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

I welcome you to Module 3, Unit 1 of this course BED114: Business Methods. You will recall that in the last Module, communication stage, principle of effective communication, important of communication, and the role of effective communication in Business are fully discussed. In our day-to-day life we exchange information, ideas and thoughts with our friends and other people. At times we directly talk to them and sometimes we write letters to them, and also express our feelings in a few words through a letter. In this unit, we will examine concept of business Correspondence, essential features of Business letters and importance of business correspondence.



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- State the meaning of Business Correspondence
- Explain the Importance of Business Correspondence
- Identify essential features of Business letters



3.0 Main Content

3.1 Concept of Business Correspondence

- Business Correspondence is the communication or exchange of information in a written format for the process of business activities.
- Business Correspondence can take place between organizations, within organizations or between the customers and the organization. Our feeling, thoughts is communicated to our friends and relatives through letters that may otherwise called Personal Correspondence.
- A businessman can also write and receives letters in his day- today transactions, which may be called business correspondence.
- Therefore, business correspondence or business letter is a written communication between two parties. Business may write letter to supplier of goods and also received letters from the suppliers.
- Customers may also write letters to businessman seeking information about availability of goods, price, quality and sample e. t. c. or place order for purchase of goods.
- Thus, business letters may be defined as a media or means through which views are expressed and ideas or information is communicated in writing in the process of business activities.

3.2 Essential features/characteristic of a good business letter

A correspondence should serve the purpose for which it is intended/writing.

If a businessman writes a letter to the supplier for purchase of goods, the letter should contain all the relevant information relating to the products mode of payment, packaging, transportation of goods Clarity of purpose:

The essentials characteristics of a good business letter are thus given below

- **Neatness and correctness:** A neat letter are always impressive. A letter either handwritten or typed should be neat and attractive in appearance. Overwriting and cuttings should be avoided
- **Conciseness:** No unnecessary fact information should be mentioned in a letter. This can make the letter unnecessary lengthy. Hence, necessary facts or then clarity should not be inseparable quality of a letter. Selection of suitable media.
- **Simplicity:** The letter should be written in a simple and easy language so that the addressee can understand its meaning without refers to the dictionary.
- **Clarity:** The language of the letter should be very clear as well as self-explanatory, so that the receiver will understand the message immediately, easily and correctly.
- **Courtesy:** A letter is a written conversation; therefore, it should be modest well-worded and courteous as far as possible. Courtesy wins the reader. Therefore, in business letter courtesy can be shown by using words like please, thank you etc..
- **Accuracy:** The statements written in the letter should be accurate to the best of the sender's knowledge. Accuracy demands that there are no errors in the usage of language, in grammar, spellings, punctuations etc. an accurate letter is always appreciated.
- **Concreteness:** The letter must have the capacity to impress the addressee directly. Moreover, only those words should be used which can leave an impressive image on the mind of the addressee. More so, the letter should be solid and concrete in itself.

- **Completeness:** A letter should be complete in all aspects. A complete letter is one that provides all necessary information to the users. For instance, while sending an order we should mention the desirable features of the goods i.e., their qualities, shape, colour, design, quantity, date of delivery, mode of transportation etc. In short, incomplete letters create the problem of unnecessary correspondence in the future.



Self-Assessment Exercise 1

1. What is meant by Business Correspondence
2. Explain the importance of writing a business letter

3.3. Importance of business correspondence

Globally business operations are carried out and not limited to any locality, state or nation. Production takes place in one area but consumption takes place everywhere. There arises the need to contact each other personally. The importance of letters has increased because of vast expansion of business, increase in demand as well as supply of goods. Let us learn about the importance of business letters.

- **Aid in maintaining Proper Relationship:** Globally, business activities are not confined to any area or locality. Businessman as well as customers are scattered throughout the country. Thus, bring into play the need to maintain proper relationship among them by using appropriate means of communication. Here, business letters play an important role.
- **Economical Medium:** Business information can be provided and obtained economically and conveniently through letters compare to other modes of communication like Telephone, Telex Fax etc
- **Create and maintain Goodwill:** Businessman at times send letters to enquire about complaints and suggestions of their customers. They also send letters to inform the customers about the availability of a new Product, Clearance, sales etc. All this results in cordial relations with the customers, which enhances the goodwill of the business

- **Serve as evidence:** In the case of dispute, between two parties letter serve as evidence. Letter serves as a record of all facts. Once something agreed upon is expressed in a letter writing, it is not possible to negate it.
- **Help is Expansion of Business:** Business requires information regarding competing products, prevailing price, promotion, market activities etc. For a trader to run from place to place to obtain information, he will end up doing nothing and result in loss of time. But through business letters, he can make all enquiries about the products and the markets.



4.0 Self-Assessment Exercise(s) 2

Enumerate Four (4) essential features of a good business letter



5.0 Summary

We have come to the end module 3, unit 1. In this unit, we have discussed the Business Correspondence, essential features/characteristic of a good business letter as well as the importance of writing a business letter. You will be able to ascertained that correspondence has an important place in the life of every person, and believe that there is no doubt that business correspondence plays a major role in the day to day running of an organization.



6.0 Glossary

1. **Correspondence:** communication by exchanging letters, emails, or other messages.
2. **Overwriting:** the action or process of writing too elaborately



7.0 References/Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology
Little Peter: Communication on Business, London: Longman.

Sharma KrishmaMohon (2002) Business Report Writing. India: McGraw Hill

Ode, James S. and O. Soola 1996; Introduction to communication for Business and Organizations, Ibadan: Spectrum Books Ltd.



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

1. Meaning of Business Correspondence

- Business correspondence is the communication or exchange of information in a written format for the process of business activities.
- Business correspondence can take place between organizations, within organizations or between the customers and the organization.
- Business correspondence or business letter is a written communication between two parties.
- Business may write letter to supplier of goods and also received letters from the suppliers.
- Customers may also write letters to businessman seeking information about availability of goods, price, quality and sample e. t. c. or place order for purchase of goods.

2. Importance of Writing Business Letter

- Aid in maintaining Proper Relationship
- Economical Medium
- Create and maintain Goodwill
- Serve as evidence
- Help is Expansion of Business

Answers to SAEs 2**Suggested Answer**

Essential features of a good business letter

- Conciseness
- Simplicity
- Courtesy
- Concreteness
- Clarity
- Simplicity

Unit 2: Type of business correspondence

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Types of business letters
 - 3.2. Business Enquiry Letter
 - 3.3 Quotation Letter
 - 3.4 Order Letter
 - 3.5 Complaint Letter
 - 3.6 Recovery Letter
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to module 3, unit 2 of this Course BED114: Business methods. In this unit, we will examine different types of business correspondence. You will recall that in the last unit, concept of business Correspondence, essential features of Business letters and importance of business correspondence are fully discussed. Business Letter is written for the fulfillment of several purposes. The purpose may be extensive enquiry about a product to know its price and quantity, availability. In this class/video, we will examine types of business letter



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Give the different types of letters used in business
- Identify point to remember while writing the order letter



3.0 Main Content

3.1 Types of Business Letter

- Business Enquiry Letter
- Quotation Letter
- Order Letter
- Complaint Letter
- Recovery Letter

3.3 Business Enquiry Letter

At times prospective buyers want to know the details of the goods which they intend to buy, like quality, quantity, price, mode of delivery and payment etc. they may also ask for a sample. The letters written for the goods and conditions of the business are known as enquiry letter. It is usually written by buyer to the seller.

Specimen of Business Enquiry Letter

Tel: 08127777217 Polargen Engineering Ltd.
 Fax: If Any 30 Ogbunike Street,
 Lekki Peninsula Phase I,
 Eti Osa Lagos.

E-mail: polarengr.ng.com
 Website: <http://www.polargenltd.com>

Ref. PR/F/2022/22

Dated: August 27, 2022

M/s ABC Electrical Company Ltd.
 Port-Harcourt
 River State.

Dear Sir,

Subject: Enquiry about the price of Solar lighting and inverter.

We are dealing in retail trade of electrical appliances; we would be interested in selling your product Solar lighting system and inverter through our retail show room. Could you therefore, send us your quotations and let us know the terms and conditions of payment.
 Thank you.

Yours faithfully,

For M/s Polargen Engineering Ltd.
 (M. I. Capol)
 Partner

The enquiry letter made by a prospective customer is the mother of a business relation. Therefore, while writing these letters, the following point should be kept/ borne in mind.

- ❖ Letter of enquiry should clearly state the information required, which may be asking for a price list or a sample
- ❖ The period or the date till which information is required, may also be stated.
- ❖ If you required some special rebate in connection with the purchase, it should be mentioned
- ❖ State specifically about the decision, size, quantity, quality etc. about the product or service in which the buyer is interested
- ❖ The present and future demand should be mentioned in the letter. This makes it convenient for deciding the terms and conditions of the business

3.4 Quotation Letter

After receiving letter from a probable buyer, the seller supplies the relevant information by writing a letter to the possible purchaser replying to his query. This letter is called the reply to enquiry or the quotation letter. Quotation letter are written keeping in view the information asked for like price list, mode of payment, discount to be allowed etc. Businessman should reply to the inquiries carefully and promptly. In short, we can conclude that a letter of quotation is a specific offer of sale, made in response to an enquiry.

Specimen of Quotation Letter

Tel: 08135818989, M/s ABC Electrical Company Ltd
 Fax: If Any Port-Harcourt
 River State

E-mail: abc_electic@yahoo.com
 Website: http://www.abcelectric_ng.com

Ref-SL/F/2022/14

Dated: September 10, 2022

Polargen Engineering Ltd.
 30 Ogbunike Street,
 Lekki Peninsula Phase I,
 Eti Osa Lagos.

Dear Sir,

Thank you for your letter of enquiry. We would be glad to meet your requirements of selling our Solar lighting System and inverter in your retail showroom. Our quotations are given in the price list enclosed. We offer 10% discount on order above N50,000.00. Besides, we allow a grace period of 45 days for payment of dues to our regular customers. We are confident that you will find our prices competitive and our terms and conditions reasonable. We look forward to meeting your requirements. Thanking you.

Yours faithfully,

For M/s ABC Electrical Company Ltd.
 (A. I. Beti)
 Sales Manager

End: Price List and terms and conditions

3.4. Order letter

- If the purchaser approves the quoted price and terms quite reasonable.
- The prospective buyer after receiving the reply to his enquiry letter may decide to place an order with that business house which offers goods at minimum price and at favourable terms and conditions.
- Letters written by a buyer to the seller giving the order to purchase the goods is called order letter.

Point to be kept in mind at the time of writing the Order

The order letter is a very important do business document. Therefore, the following points must be remembered while writing it.

- Detailed description of the goods for which the order is to be placed should be mentioned. Size, kind, number of the commodity should be clearly mentioned. Every item/commodity should be written separately in the order. If the serial number of the goods is indicated in the booklet, that serial number should be written.

- The price of that item given in the price list should also be quoted.
- The place and time of delivery of the goods should also be stated in the letter.
- If the order is being sent / placed under some terms and conditions, they should also be incorporated clearly.

Specimen of Order Letter

Tel: 08127777217 Polargen Engineering Ltd.
Fax: If Any 30 Ogbunike Street,
Lekki Peninsula Phase I,
Eti Osa Lagos.

E-mail: polarengr.ng.com
Website: <http://www.polargenltd.com>

Ref. PR/F/2022/32

Dated: September 22, 2022.

M/s ABC Electrical Company Ltd.
Port-Harcourt
River State.

Dear Sir,

Subject: Your letter of quotation NO-SL/F/2022/14 dated September 10, 2022.

Many thanks for your prompt reply to our enquiry letter of August 27, 2022. As we find your prices and terms quite reasonable. We wish to place a trial order as per the list enclosed. As pointed out in our enquiry letter, quality is important. Should the goods meet our expectations substantial orders will follow. Payment will be made within the time limit prescribe in your quotation letter.

Thanking you.

Yours faithfully,

For M/s Polargen Engineering Ltd.
(M. I. Capol)
Partner



Self-Assessment Exercise 1

- (i) Letter of Complaint usually sent by _____ to the _____
- (ii) Recovery letter draws the attention of the buyer towards _____
- (iii) The buyer writes _____ to the seller, on receipt of defective goods
- (iv) Motive of recovery letter is to _____ from the buyer
- (v) On finding that the goods have been damaged in transit, the buyer writes complaint letter to _____
- (2) (a) What is meant by business correspondence?
- (b) State the important points one should keep in mind while writing a complaint letter

3.5. Complaint Letter

A letter of complaint is written, on receiving the goods, and the goods are not according to the order placed. Therefore, a complaint letter is written when the purchaser does not find the goods up to his satisfaction. It is normally written by the purchaser when he received wrong, defective or damaged goods or received incorrect quantity of goods. It can also be written directly to the transit authority particularly when the goods are damaged in transit. Thus, we may define a letter of complaint as the letter that draws the attention of the supplier or any other party on account of supply of defective or damaged goods.

Points to considered while writing a complaint letter

- Complaint letters should be written immediately after receiving the defective goods.
- Proposed to correct the mistake should be made
- Mistakes as well as difficult due to mistake should be mentioned clearly
- Suggestions on how the complaint should be dealt with that is mention of compensation, replacement, discount, cancellation etc should be made.
- Mention period in which the corrective action should be taken
- Request to be careful in future

Specimen of Complaint Letter

Tel: 08127777217 Polargen Engineering Ltd.
 Fax: If Any 30 Ogbunike Street,
 Lekki Peninsula Phase I,
 Eti Osa Lagos.

E-mail: polarengr.ng.com
 Website: <http://www.polargenltd.com>

Ref. PR/F/2022/32

Dated: October 7, 2022.

M/s ABC Electrical Company Ltd.
 Port-Harcourt
 River State.

Dear Sir,

Subject: Complaint regarding Solar Lighting and Inverter

I would like to draw your attention to the fact that some Solar lighting and Inverter are found missing in the parcel dispatched by you, which I received today. It appears that the following items were not included. Solar lighting standard 2 (Two) Inverter Standard 3 (Three) We will appreciate if the above solar lighting and inverters are sent to us or the amount credited to our account.

Yours faithfully,

For M/s Polargen Engineering Ltd.
 (M. I. Capol)
 Partner

3.6 Recovery Letter:

- The Letter written by the seller for the collection of money for the goods supplied to the buyer is called recovery letter. The motive of recovery letter is to collect money without annoying the customers.
- The letter should include information regarding the amount of arrears argument for payment, and last date for payment.
- The language of recovery letter should be polite, so that the customer is not offended and future transaction with him are not adversely affected.

Specimen of Recovery Letter

Tel: 08135818989, M/s ABC Electrical Company Ltd,
Fax: If Any Port-Harcourt,
River State.

E-mail: abc_electic@yahoo.com
Website: http://www.abcelectric_ng.com

Ref-SL/F/2022/14

Dated: October 7, 2022

Polargen Engineering Ltd.
30 Ogbunike Street,
Lekki Peninsula Phase I,
Eti Osa Lagos.

Dear Sir,

Subject: Recovery of Dues

We believe that payment of our bill No 4325 dated October 7, 2022 must have escaped your attention. As the payment is due since long. We would appreciate if you sent us your cheque immediately. Please let us know whether payment is being withheld for some special reasons.

Thanking you.

Yours faithfully,

For M/s ABC Electrical Company Ltd.
(A, I. Beti)
Sales Manager



4.0 Self-Assessment Exercise 2

Enumerate 3 Point to keep in mind while writing the Order



5.0 Summary

We have come to the end of unit 2. This unit covered types of business letter. Its also discussed the points to considered while writing a business correspondence



6.0 Glossary

1. **Defective Goods:** goods which are found to contain a manufacturing fault or otherwise not meeting the requirements detailed in contract.
2. **Place an order:** to order something; to submit an order for a product.



7.0 References/Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology
Little Peter: Communication on Business, London: Longman.

Sharma KrishmaMohon (2002) Business Report Writing. India: McGraw Hill

Ode, James S. and O. Soola 1996; Introduction to communication for Business and Organizations, Ibadan: Spectrum Books Ltd.



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

- i. Buyer, Seller
- ii. Payment of Outstanding amount
- iii. Letter of Complaint
- iv. Collect Money
- v. Transit Authority

(2) (a) Business Correspondents is the communication or exchange of information in a written format for the process of business activities. It can take place between customers and the organization. The correspondence is generally of widely accepted formats that are followed globally.

(b) Points to be considered while writing a complaint letter

- Complaint letters should be written immediately after receiving the defective goods
- Mistake as well as a difficult due to mistake should be mentioned clearly.
- Proposal to correct the mistake should be made
- Mention period in which the corrective action should be taken
- Request to be careful in future

Answers to SAEs 2

Points to be considered while writing an **Order**

- The price of that item given in the price list should also be quoted.
- The place and time of delivery of the goods should also be stated in the letter.
- If the order is being sent / placed under some terms and conditions, they should also be incorporated clearly
- Detailed description of the goods for which the order is to be placed should be mentioned.

Unit 3: Report writing

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.1 Main Content
 - 3.1 Meaning of report writing, Report classification and contexts
 - 3.2 How to write reports, and features of a good report
 - 3.3 Memorandum
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

I welcome you to module 3, unit 3 of this course BED114: Business Methods. Recalled that in the last Unit, the types of Business Letter such as Business Enquiry letter, Quotation letter, Order letter, Complaint letter, and Recovery Letter are fully discussed. Meanwhile, Business, professional and organizational activities take place within a realm of interaction as we communicate daily and regularly. In this unit, we will examine the report writing that may be at play in any standard organization systems.



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Explain report writing
- Demonstrate how to write a report
- Identify different attributes of a good report
- Differentiate between report and Memorandum



3.0 Main Content

3.1 The Oxford English dictionary defines a report as a statement of results of an investigation or any matter on which definite information is required.

- Reports are often referred to as internal written communication.

- An account given of a particular matter, especially in the form of an official document, after thorough investigation or consideration by an appointed person.
- A report can be defined as a factual, objective, planned and systematic written account in which a given problem is examined, findings are presented and recommendations are made with a view to facilitating rational decision making.
- Reports are essential tools for effective and efficient business and organizational performance.
- Report could be an account prepared for the benefit of others especially one that provides information obtained through investigation and published in a newspaper or broadcast. Similarly, it is a specialized professional or academic writing, structured and presented to aid the decision-making process of the authorizing body. For instance, issue of an allegation of fraud and financial mismanagement in a company, an investigative panel may be raised to probe the allegation. After completing its assignment, the investigative panel is expected to write its report of findings. Such a report will state clearly the role played by erring employees and recommend appropriate sanctions.
- It could also be added that a report may be an account of something witnessed, an interview conducted, an allegation investigated, an assignment executed or a proposal for consideration, by a commissioning agency, all depending on the complexity of the subject matter. Report has to do with situations, events, issue, task, problems, progress, and outcomes, complaints, orders, proposals etc. they are designed to provide information and suggest ideas with a view to enabling the receivers to understand and appreciate important business situations, executive decisions, operational or technical directives, plans policies and procedures.
- However, Reports are essential tools for effective and efficient business and organizational performance. As a Chief Executive, Board Members, Manager, Supervisor, Clerk Cashier or Salesperson; one will sometimes have to write, read or act on reports.

Reports Classification and Contexts

Reports can be classified into three broad groups:

1. **Occasional Reports:** Disciplinary Report, and Situation report
2. **Regular and routine reports:** Routine reports contain information communicated on a regular basis for example a project progress report, or a monthly set of management accounts, Sales report, Periodic report. These often follow a pre-defined layout with standard headings and are therefore typically easier to collate than special reports.
3. **Commissioned (special) Reports:** Special reports target a specific problem or specific facts for example a due diligence report, Policy formulation/change report, Consumer-research report, Feasibility study report, Investigative report, Product promotion report, and Proposal report. Special reports are prepared once for each individual task. These provide much more flexibility due to their individuality.

3.2. How to write reports, and features of a good report

Report writing is in stages. The first step

- **Material Gathering:** This stage involves investigation. This could be done through conducting interviews, and that it must be rooted on verifiable data and source of information could include memorandum and short proposals.
- **Sort analyze and interpreted data information you gather:** You may need to arrange, code and manually or computer analyze your data and present your findings in tables, charts diagrams and figures.
- **Preparing the drafts and final copy:** In line with the process approach to communicative writing, your final copy will emerge as a product of a recursive process of pre-planning, planning, drafting, re drafting, and editing.

Features of a Good Report

- **Conciseness and clarity:** A good report is clear in language and expression and concise in scope. That is free of ambiguity.
- **Factual and objective:** A good report is furnished facts and figures, not just facts, but incontrovertible facts. It is objective and devoid of any sentiment.

- A good report **provides direction** to the authorizing body, to take a decision based on its recommendations.
- A good report summarizes problem and provides solution.

Reports are such important tools in management because they can assist in policy formulation.



Self-Assessment Exercise 1

1. What is report writing?
2. Identify and state TWO example of each classification of report.

3.3 Memorandum/ Memoranda

- Memorandums are most important form of business correspondence used to record and send message within an organization. Thus, they are used for communicating policies, decision, directives, orders, and so on.
- They are also used to send queries for which feedback is expected.
- Report can be in memo form, and is usually meant for conveying any vital information or instructions.
- A memo is an informal document, which may be presented in written or oral form and it should be brief.
- Memorandum can otherwise call Memo.
- Memo can be used for special types of correspondence that takes place within an organization.

A memo has a rigid format made up of heading: sender, subjects and date- all stated at the head of the paper.

FORMAT

MEMO	
FROM: DIRECTOR	TO: All Staff
SUBJECT: Lateness to Work	DATE: 27th September, 2022.
As directed at the congregation meeting, Supervisor has been informed of the decision to turn back all late comers' workers at the gate which effect from tomorrow morning.	



4.0 Self-Assessment Exercise(s) 2

What are the features of a good report?



5.0 Summary

This unit explains a report as a factual, objective, planned and systematic written account in which a given problem is examined, finding are presented and recommendations are made with a view to facilitating rational decision making' three classifications of report were identified: Occasional reports, Regular and routine reports and commissioned report. Finally, identified the features of good report



6.0 Glossary

1. The **Due Diligence Report:** includes a systematic examination of a business, ahead of an event such as a merger or acquisition, partnership, investment.
2. **Routine Report:** is prepared and presented as a routine work and at a regular period of time.



7.0 References/Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology Little Peter: Communication on Business, London: Longman.

McLean Scott (2010) Business Communication for Success. Nyack NY: Flat World Knowledge. ISBN978. 0-98236.8-56

Thomas L. Baugh Mandell Fryat: David A. (1996). How to write first class business correspondence: the handbook for Business writing (1996 Printing et) Lincoln wood Int: NTC Public Group ISBN 0-8442- 3405-2



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

1. A report is a specialized professional or academic writing, structured and presented to aid the decision-making process of the authorizing body. For instance, issue of an allegation of fraud and financial mismanagement in a company, an investigative panel may be raised to probe the allegation. After completing its assignment, the investigative panel is expected to write its report of findings
2. Classification of report

Regular and routine reports such as:

 - Sales report
 - Periodic report

Occasional Reports:

 - Disciplinary Report
 - Situation report

Commissioned (special) Reports:

 - Policy formulation/change report
 - Consumer-research report

Answers to SAEs 2**Suggested Answer****Features**

- Conciseness and clarity
- Factual and objective
- A good report provides direction to the authorizing body
- A good report summarizes problem and provides solution.

Module 4: DOCUMENT OF TRADE AND POSTAL SERVICE

- Unit 1: Meaning of business document
Unit 2: Types of business document
Unit 3: Postal Service- NIPOST, Courier Service
Unit 4: Telegraphic Service (Telegram)

Unit 1: Meaning of business document

Contents

- 1.0 Introduction
- 2.0 Learning Outcomes (LOs)
- 3.0 Main Content
 - 3.1 Meaning of business document
 - 3.2 Needs of business document
 - 3.3 Content of business document
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to Module 4, Unit 1 of this course BED114: Business Methods. This unit covers meaning of business document, Needs of business document, and content of business document. A business or company uses documents to communicate, transact business and analyze its productivity. Since documents provide proof of an organization or enterprise dealings and may be referred to for year to come. It is important that they be well written. In this unit, we will examine the meaning of business document.



2.0 Learning Outcomes (ILOs)

By the end of this unit, you will be able to:

- explained meaning of trade document
- state the importance of trade document



3.0 Main Content

3.1 Meaning of Business Document

- Business documents are also known as trade document. However, the business documents are written records that provide the details of the transaction between the buyer and the seller.
- Business documents are documents (be it paper or electronic document) that represent you in relation to external parties such as letters invoices, order sheets, credit notes and bills.
- It could be noted that envelopes, advertising materials and business cards are not deemed to be business document.

3.2 Needs of Business Document

Business documents provide information needed for the business to function efficiently. Thus:

- It provides written record of transactions that have taken place
- It helps to maintain books of account. Information required for accounting purpose to ascertain whether profits or losses are being made.
- It helps to assess the rate of tax and revenue
- It also needed as evidence for example order placed for goods and payment made.
- It also provides information on commodities in stock and prices.
- It helps the government to publish statistics regarding the business activities.



Self-Assessment Exercise 1

- | |
|---|
| <ol style="list-style-type: none">1. What is a business document?2. Enumerate four importance of business document |
|---|

3.3 Content of Business Document

A business document may have the following characteristic or information.

- Date of issues.
- Date of transaction
- Nature of transactions (goods)
- Amount of transactions
- Terms and conditions of transaction.
- Serial number.



4.0 Self-Assessment Exercise(s) 2

Outline four major characteristics of business document.



5.0 Summary

The unit discussed business document and why documentation is necessary in business transaction. Finally, the contents of business document also examined.



6.0 Glossary

1. **External Parties:** An external party can be an individual or organization that is a legal entity.
2. **Evidence:** the available body of facts or information indicating whether a belief or proposition is true or valid.



7.0 References/Further Readings

Bhatia R.C. (2003) Offices Management and commercial corresponding India:

sterling publisher Pvt Ltd. Sharma R.C (2002) Business Report Writing. India:
McGraw Hill

**Possible Answers to SAEs****Answers to SAEs 1****Suggested Answer**

1. Business document are otherwise known as trade documents. These are written document records that provide the details of the transaction between the buyer and the seller or document that represent you in relation to external parties.
2. Importance of business document.
 - It provides written record of transactions.
 - It helps to maintain book of account.
 - It helps the government to publish statistic regarding the business activities
 - It helps to assess the rate of tax and revenue

Answers to SAEs 2**Suggested Answer**

A business document may have the following characteristic or information.

- Date of issues.
- Date of transaction
- Nature of transactions (goods)
- Amount of transactions
- Terms and conditions of transaction.
- Serial number

Unit 2: Types of business document

Contents

- 1.0 Introduction
- 2.0 Intended Learning Outcomes (ILOs)
- 3.0 Main Content
 - 3.1 Documents used in home trade
 - 3.2 Business documents used in international trade
 - 3.3 Cash Discount and trade discount
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to Module 4, Unit 2 of this course BED114: Business Methods. You will remember that in the last Unit, the meaning of business document, needs of business document, and content of business document are fully discussed. However, there are business documents that relate to sales of goods and services which are called sales document, there are some that accompany goods delivery to customer as well as those use to inform the buyer and seller when the invoice has been overcharged. In this unit, we will consider business document used in home trade and international trade, also trade discount and cash discount would be considered



2.0 Learning Outcomes (ILOs)

By the end of this unit, you will be able to:

- Identify business document used in home trade.
- Identify and explain business document used in international trade
- Differentiate between cash discount and trade discount



3.0 Main Content

3.1 Documents used in home trade

The following are the business document for various purpose in domestic trade

1. **Letter of Enquiry:** is a document sent by person who which to be informed of what goods and services. It is usually sent by the buyer to the seller to find about goods required, their availability, the price, quantity and the terms of payment.
2. **Quotation:** It is sent by the seller to the buyer in reply of the letter of enquiry. It list all the goods on stocks along with their price
3. **Catalogue:** A catalogue is a booklet with a brief description and pictures of articles for sale. It is similar to quotation but prices are not quoted there in. it can be used as an advertisement medium
4. **Order:** If there is an interest to purchase an item in the catalogue. Then an order letter is sent requesting goods to be supplied. Purchase orders is sent by the buyer to the seller to place an order for buying the goods regarding the quotation.
5. **Invoice:** An invoice is a bill sent with good delivered. It is sent by the seller to the buyer to inform the buyer about the amount due on the goods supplied, stating also the type, quantity, price and terms of payment. It is used for the goods sold on credit. It is very important document used for accounting entries.
6. **Advice Note:** It is sent by the seller to the buyer to inform the buyer that the goods have been dispatched. It shows the quantity of the goods and the dates of dispatch.
- 7 **Delivery Note:** It is usually sent by the seller to the buyer along with the goods to confirm the delivery of goods. It is sent through the delivery van driver and the buyer has to sign on it after the goods are received in good condition
8. **Consignment Note:** It is similar to the delivery note. It is sent by the seller to the buyer when the goods are delivered through the lighted vehicles. It is a formal instruction to the transfer firm to ensuring the right delivery of goods.
9. **The Credit Note:** The credit note is issued to a customer when there has been an overcharge on an invoice due to faulty arithmetic, when goods have been returned because of damage or refunds requested for goods not received. It is prepared by the seller and sent to the buyer to deduct the overcharged amount in the invoice. A credit note is printed in red.

Reason for Issuing a Credit Note

- If there has been an overcharge on an invoice
- If the goods are short delivered to the buyer
- If damage goods have been returned by the buyer
- If the buyer has returned gift vouchers or coupons to the seller

10. **The Debit Note:** The debit note is sent to a customer whenever there is an undercharged or omission on the invoice. It is prepared by the seller and sent to the buyer who has been undercharged on an invoice. It is an additional invoice sent to the buyer to pay the short amount. It informs the buyer that its account is debited, increasing the amount that he owes.

Reasons for Issuing a Debit Note

- If there has been an undercharge on an invoice
- If some charge like delivery, packing loading etc. have not been included in the invoice.

11. **Statement of account:** is a document from a supplier to a customer outlining all the transaction carried out over a particular time. A statement is usually sent monthly.

12. **Stock cards:** Stock cards are used to keep a record of all stocks, entering and leaving the stockroom. This procedure ensures that stock levels do not fall below a minimum resulting in the depletion of stocks.

13. **Receipt:** A receipt is given for cash payment.

14. **Cheque/draft (mode of payment):** The cheque or draft should be sent by the buyer to the seller in the given period to settle the due mentioned in the invoice. Online payment using cash cards is replacing the traditional mode of payment nowadays.

3.2 Business documents used in international trade

The following are the business documents for various purposes in international trade.

1. **Indent or Order:** The order for the goods placed by the importer to the exporter or his agent is known as indent. It shows the nature of products, quantity, shipping mark.

2. **Airway bill (Air Consignment Note):** Airway bill is similar to bill of lading but it is used only when the goods are sent by the air. It is used by the aircraft authority as evidence of the contract of the carriage between the exporter and the carrier. It is not a document of title to the goods.

3. **Bill of lading:** This is an important document used in foreign trade when the goods are sent through the ships. It contains the details of the goods, details of the consignor and the ship which carries the goods. Bill of lading is a document of title to the goods. This means that the holder is entitled to claim the goods from the shipping authority when the ship reaches its destination.

4. **Consular Invoice:** Consular invoice is used by the consul (foreign ambassador) or the importing country resident in the exporting country. It is issued for the purpose of reducing the falsification on the price of goods with the intention of evading the duty.

5. **Certificate of Insurance:** This is usually issued by an insurance company. In order to reduce the chance of risk, the goods must be insured with the insurance company. This certificate is enclosed with the goods if the goods have been insured properly.

6. **Letter of credit:** Letter of credit is a document issued by the importer's bank to the exporter giving a guarantee of payment to the exporter. It can also be the source of repayment of the transaction meaning that the exporter will get paid with redemption of the letter of credit.

7. **Custom declaration form:** This is the document issued by the customs authority in order to examine the concerned goods easily for calculating duties therein. It is to be filled by both the exporter and the importer respectively and furnishes the details of the goods



Self-Assessment Exercise 1

1. Enumerate five (5) documents used in international trade.
2. State two (2) similarities and three (3) differences of cash discount and trade

3.3. Cash Discount and Trade Discount

Trade Discount- is discount allowed to the buyers who make bulk purchases from the seller. It is also known as quantity discount. e.g.; if the buyer purchases more than 100 units, he will be given a 5% discount on price.

Cash Discount: Cash discount is a discount allowed to the buyers those who make payment on time for their purchases. It is allowed by the seller to motivate or encourage the buyers to pay the due in the given credit period of time. e.g., if the buyer pays within 10 days, he will be given 6% discount.

Difference between cash discount and trade discount

CASH DISCOUNT		TRADE DISCOUNT	
1.	This is a deduction off the invoice price of goods purchase on credit	1	This is a deduction off the list price of goods purchase
2	This is given to encourage prompt payment	2	This is given to encourage bulk purchases
3	The rate of cash discount depends on the period of credit allowed	3	The rate of cash discount depends on the quantity purchased
4	The buyer loses the cash discount if he fails to pay within the given periods	4	Buyer entitled to the trade discount even if he fails to pay within the given period.
5	It is treated as an expense in the ledger account	5	It does not appear in the ledger account.

E & OE (Errors and Omissions Excepted)

E & OE stands for Errors and Omissions Excepted it tells that if an error is made or something is omitted from the trade document, the seller reserves the right to correct the mistake.

**4.0 Self-Assessment Exercise(s) 2**

Explain the following terms:

1. Indent or Order
2. Letter of Enquiry

**5.0 Summary**

This unit has done a detailed discussion of document used in home trade and business document used in international trade. This type of document includes letter of enquiry, Quotation, catalogue, order, invoice, advice note, delivery note and the debt note.



6.0 Glossary

1. **Catalogue:** a complete list of items, typically one in alphabetical or other systematic order.
2. **Indent:** an official order or requisition for goods



7.0 References/Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology
Little Peter: Communication on Business, London: Longman.

Bhatia R. C. (2019) Principle of Office management and commercial correspondence, India: Sterling Publishers, Pvt Ltd

Ode, James and Sola O. (1996) Introduction to communication for business and organisations, Ibadan: Spectrum Books Ltd.

Soola, O (1998) Modern Business Communication, Ibadan: Kraft Book



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

- Bill of lading
 - Airway bill
 - Letter of credit
 - Certificate of insurance
 - custom declaration form
2. a. Similarities (Trade discount and cash discount)
- Both are discount allowed to the buyer
 - Both are computes in percentage
- b. Difference between cash discount and Trade Discount
- Trade Discount is given to encourage bulk purchase.
 - The rate of cash discount depends on the period of credit allowed whereas the rate of trade discount depends on the quantity purchased.
 - Cash Discount treated as an expense in the ledger account while Trade Discount does not appear in the ledger account.

Answers to SAEs 2**Suggested Answer**

- **Indent or Order:** The order for the goods placed by the importer to the exporter or his agent is known as indent. It shows the nature of products, quantity, shipping mark.
- **Letter of Enquiry:** is a document sent by person who which to be informed of what goods and services required, their availability, the price, quantity and the terms of payment.

Unit 3: Postal Service- NIPOST, Courier Service

Contents

- 1.0 Introduction
- 2.0 Intended Learning Outcomes (ILOs)
- 3.0 Main Content
 - 3.1 NIPOST, and Service of Post office
 - 3.2. Modern means of Communication
 - 3.3 Courier service
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to Module 4, Unit 3 of this course BED114: Business Methods. You will recall that in the last Unit we examined business document used in home trade, business document used in international trade as well as cash discount and trade discount. Meanwhile, the need for prompt handling of outwards mails arises because delay in sending out letters sometime, may result in loss of business. In this Unit, we will examine NIPOST, service rendered by the post office, and courier service.



2.0 Learning Outcomes (LOs)

By the end of this unit, you will be able to:

- Explain service rendered by the post office.
- identify modern means of Communication
- State advantages of Courier services



3.0 Main Content

3.1 Nigeria Postal Service (NIPOST)

The Nigerians postal service abbreviated as NIPOST is a government owned and the Nigeria postal administration responsible for providing postal service in Nigeria. Nigeria postal services also have the following business ventures, EMS, Bulk post venture, NIPOST central workshop. Philatelic Services, Courier Regulatory Services, Parcel Post Venture and NIPOST post cash. Nigeria is a member of the West Africa Postal Conference.

The mandate of NIPOST is essentially in the business of:

- providing postal and allied services to individuals and corporate bodies within and outside the country;
- Facilitating and maintaining both business and social contact and transactions;



Modern Post Office

The Services of Post office

The services rendered by the post Office are many, among are:

1. **Mail (letters) delivery.** It delivers letters, parcels etc. from one destination to other, such as ordinary, registered, and expressed letters. Different countries charge different rated for carrying mails by registered.

2. **Postal parcels:** It registers letter and parcel for customers. Parcels of specified size weighing up to twenty kilograms can be sent by parcel post. Rate of transferring are made on the documents sent and the post office issue certificate of posting to the sender. The recipient or the receiver of the documents at the other end signs after receiving the documents. The signature serves as a surety that the documents have been safely delivered to the recipient.

3. **Post restante:** This is a service for individuals travelling out of their base, who expect important letters. Interested customers could call for such letters by applying for "Post Restante" or "To be called for". Traveler who are not certain about their address in a particular city which they are touring, can received their letters through the post office.

The travelers arrange with the post office to keep his mails or parcels until such a time when he will be available in the town. The post office charges an amount of money for discharging that service for the tourist

4. **Private boxes and private mail bags:** NIPOST provides boxes to its customers. This is very common in Africa and particularly in urban areas and cities. A certain amount of money is charged annually for using the mails bags and boxes.

5. **Monetary services:** The post office assists in transferring money inform of the postal orders or money ordered, cash on delivery services and telegram services

6. **Franking machines: NIPOST** Provide franking machine for organizations that post large volume of letters daily. This is mostly used in large firms of industrial concerns that post a large number of mails. On payment of an amount of money charged by the post office, the firms are issued with the franking machines. The machine when pressed on an envelope prints a postage impression usually in red colour. It saves firms the problems, that can be associated with buying large number of stamps at the post office.

3.2. Modern means of Communication

- **Letters:** A written communication sent through the post. It serves both national and international purposes.
- **Memorandum:** It is an internal form of communication used in the office. It is less formal than business letters

- **Telephone:** It is an oral form of communication it is a fast means of getting information to the receiver. Nowadays, a lot of mobile operators available around the world, for commercial purpose
- **Satellite:** It facilitates the transmission of message in different towns throughout the world
- **E-mail:** This is another recent development in telecommunication. It uses computers and is less expensive than a posted letter.
- **Television:** This is an electronic audio-visual means of communication which combines sight and sound together in giving information to people.
- **Radio:** It is also an electronic means of giving information to the public. It only uses sound to reach its audience



Self-Assessment Exercise 1

State and discuss five different communication services rendered by the post office to the society

3.3 Courier service

- These are services organized by private establishment which collect, transport and deliver goods inform of parcels, letter, mail and at times run errands safely from one town or city to the other even between countries.
- This system is becoming very popular all over the world. There are popular courier firms like IMNL, DHL, UPS, ABX international which operate efficiently all over the world.

Merits of Courier Services

- They deliver goods personally (Door to door service)
- They are more reliable than most postal services.
- They deliver safely and fast too.
- Courier services deliver goods to clients in the interior parts of the country.
- Providing employment opportunities for people
- Misplacement of goods and parcels are minimized.
- The services last for twenty-four hours of the day



4.0 Self-Assessment Exercise(s) 1

Explain the following terms:

1. Letters
2. Memorandum
3. Telephone
4. Satellite



5.0 Summary

This unit discussed the services of the post office, range from mail delivery, parcel post, post restante, private boxes and private mail bags, franking machine and monetary services, also this unit examined the modern means of communication such, as letter, Memorandum, telephone, satellite, e-mail, television and radio. The final part of the discussion in this unit centered on courier services, that is the service organized by private establishment which collect, transport and deliver goods in form of parcels, letter, mails and at time run errands safely from one town or city to the other even between countries, also the advantages of courier services are also explained



6.0 Glossary

1. **DHL:** - **Dalsey Hillblom Lynn.** It is a German logistic company providing international shipping and courier services.
2. **UPS:** United Parcel Service is an American multinational shipping & receiving and supply chain management company



7.0 References/Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology Little Peter: Communication on Business, London: Longman.

Bhatia R. C. (2003) Office management and commercial correspondence, India: Sterling Publishers, Pvt Ltd

Sharma R.C (2002) Business Report Writing. India: McGraw Hill



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

The five communication services rendered by the post office to the society are:

1. Mail (letters) delivery. It delivers letters, parcels etc. from one destination to other, such as ordinary, registered, and expressed letters.

2. Postal parcels: It registers letter and parcel for customers.

3. Post restante: This is a service for individuals travelling out of their base, who expect important letters. Interested customers could call for such letters by applying for "Post Restante" or "To be called for".

4. Private boxes and private mail bags: NIPOST provides boxes to its customers

5. Monetary services: The post office assists in transferring money inform of the postal orders or money ordered, cash on delivery services and telegram services

6. Franking machines: NIPOST Provide franking machine for organizations that post large volume of letters daily.

Answers to SAEs 2

Suggested Answer

- **Letters:** A written communication sent through the post. It serves both national and international purposes.
- **Memorandum:** It is an internal form of communication used in the office. It is less formal than business letters
- **Telephone:** It is an oral form of communication it is a fast means of getting information to the receiver. Nowadays, a lot of mobile operators available around the world, for commercial purpose
- **Satellite:** It facilitates the transmission of message in different towns throughout the world.

Unit 4: Telegraphic Service (Telegram)

Contents

- 1.0 Introduction
- 2.0 Intended Learning Outcomes (ILOs)
- 3.0 Main Content
 - 3.1 Telegraphic Services
 - 3.2 Telegraphic Address
 - 3.3 Types of Telegraphic Service
- 4.0 Self-Assessment Exercise(s)
- 5.0 Summary
- 6.0 Glossary
- 7.0 References/Further Readings



1.0 Introduction

Welcome to the module 4, unit 4 of this course BED114: Business Methods. In the last unit, the service rendered by the post office, modern means of Communication and Courier services are fully discussed. However, When the message is to be conveyed quickly and urgently, telegram can be sent to draw the full attention of the recipient to achieved quick action. In this unit, we will examine the Telegraphic Services, Telegraphic Address and Types of Telegraphic Service



2.0 Intended Learning Outcomes (ILOs)

By the end of this unit, you will be able to:

- Describe Telegraphic service or telegram
- Explain telegraphic address
- Identify types of Telegraphic service



3.0 Main Content

3.1 Telegraphic Service (telegrams)

- Telegram is a method of fast transmission of written message.
- It is one of the means of sending messages quickly over relatively long distance.
- This service is fast and reliable and therefore, extensively used.
- Telegrams secure better attention of the receiver
- Telegraphic message may be in plain or coded language known to the parties concerned. Since the charges are made on the basis of the number of words, it is better to write the message as briefly as possible or to use coded language. For the sake of brevity, the legibility of the message should not be sacrificed. When figures appear in the messages, they should be either repeated or preferably stated in words.
- Block letters should be used to avoid erroneous transmission of a message.



Images for Telegraphic Service

3.2. Telegraphic Address

- A telegraphic address or cable address was a unique identifier code for a recipient of telegraph messages.
- The telegraphic address is a code word instead of the name of the company
- Telegraphic address, reduced into a code word, reduce the cost of a telegram.



Self-Assessment Exercise 1

1. What do you understand by the term “Telegram Address”?
2. State Five (5) types of Telegraphic service you know.

3.3 Types of Telegraphic Service

The following types of telegraphic services are available:

Ordinary Telegram: The post office will accept the telegrams and make delivery of them during office hours; from 8:00am to each additional words, cost extra charges.

Local Telegram: This is sent and received in the same city. The cost is the same as that for an ordinary telegram.

Express Telegram: The rate for the telegram is double the rate of ordinary telegrams, such types of telegrams is delivered at the other end, when the message is received. During night time also such telegrams are delivered to the addressee.

Greeting Telegram: These are in the nature of greeting messages or congratulatory message. Generally, such greetings have code numbers. One who wants to send out such a telegram selects the phrase and writes the appropriate code number on the telegraphic form

Reply- Paid Telegram: When the sender desires to pay in advance, for the reply from the receiver of the telegram, a prepayment should be made at the post office, for a minimum of words



4.0 Self-Assessment Exercise(s) 2

Explain the following terms

1. Ordinary Telegram
2. Local Telegram
3. Express Telegram



5.0 Summary

This unit has done a detailed note on Telegraphic message as it may be in plain or coded language known to the parties involved. The charges are made on the basis of the number of words. It is better to write the message as brief as possible or to use coded language. Telegraphic address is a code word instead of the company address, ordinary telegram, expressed telegram, local, greeting, phonogram and reply-paid telegram were also discussed in this unit.



6.0 Glossary

1. **Coded:** converted into a code to convey a secret meaning
2. **Courier:** A courier is a person or organisation that delivers a message, package or letter from one place or person to another place or person.



7.0 References/Further Readings

ICAN (2021) Business, Management and Finance. © Emile Woolf International: The Institute of Chartered Accountants of Nigeria

ICAN Study Pack on Business Communication and Research Methodology Little Peter: Communication on Business, London: Longman.

Bhatia R.C. (2003) Office Management and Business Correspondence India: Sterling Publisher put limited.

Sharma R.C (2002) Business Report Writing. India: McGraw Hill



Possible Answers to SAEs

Answers to SAEs 1

Suggested Answer

1. "Telegram Address"?
 - A telegraphic address or cable address was a unique identifier code for a recipient of telegraph messages.
 - The telegraphic address is a code word instead of the name of the company
 - Telegraphic address, reduced into a code word, reduce the cost of a telegram
2. Types of Telegraphic service
 - Greeting Telegram
 - Reply paid Telegram
 - Local Telegram
 - Express Telegram
 - Ordinary Telegram
 - Phonogram

Answers to SAEs 2

Suggested Answer

- **Ordinary Telegram:** The post office will accept the telegrams and make delivery of them during office hours; from 8:00am to each additional words, cost extra charges.
- **Local Telegram:** This is sent and received in the same city. The cost is the same as that for an ordinary telegram.
- **Express Telegram:** The rate for the telegram is double the rate of ordinary telegrams, such types of telegrams is delivered at the other end, when the message is received. During night time also such telegrams are delivered to the addressee.