

Unit Code	Unit-6 TITLE: Business Correspondence			
	Duration: 7 lectures			
	Session 1: Meaning and Significance of Business Correspondence			
	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
	Meaning of Business Correspondence Relevance of Business correspondence in an organisation	Meaning of Business Correspondence Different forms of business communication Significance of Business Correspondence	What is business correspondence? What is business communication? What is the importance of business correspondence?	Interactive Lecture
	Session 2: Guidelines of Effective Business Communication			
	Guidelines for effective business communication	Prerequisites of effective business communication	What are the essential features of good business communication?	Interactive Lecture
	Session 3: Essentials of Business Correspondence			
	Features of business correspondence Forms of business correspondence	Different forms of business correspondence Important characteristics of business correspondence	What constitutes the effective parameters of a business correspondence? What are the different types of business correspondence?	Interactive Lecture
	Session 4: Forms and Types of Common Business Letters			
	Different types of business letters	Meaning of each type of business letter Format of each type of business letter	What are the different types of business letters? Explain in brief each type of business letter with an example.	Interactive lecture with exercises

Chapter -6

Business Correspondence

Key Agenda to be discussed:

Meaning & Significance of Business Correspondence

Guidelines for Good Business Communication

Essentials of Business Correspondence

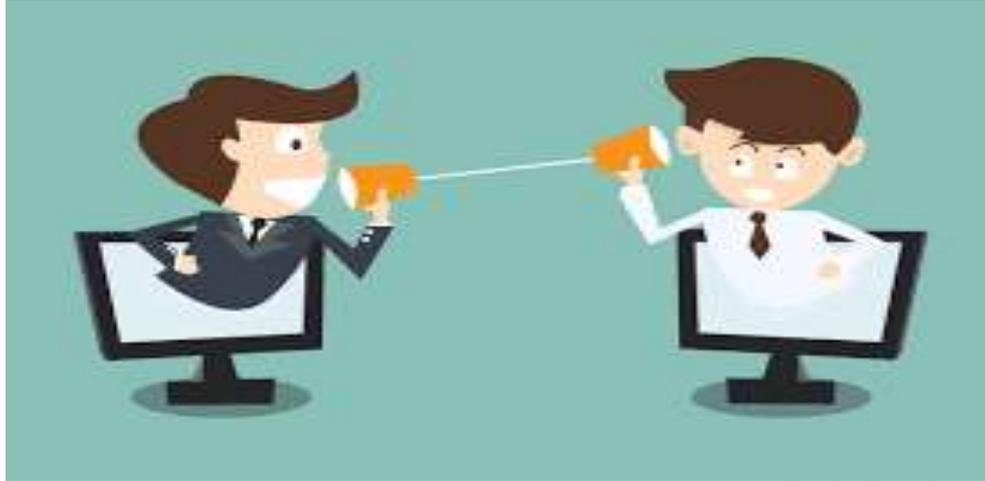
Forms and Types of Business Letters

Introduction

Have you ever pondered what it would be like if we had no way to communicate our thoughts and ideas? Man is a social animal. The society thrives on communication. It plays an essential role in daily life.

In the similar way, a business organisation also depends upon communication. Since the main motive of a business enterprise is to earn profits and goodwill, there should be effective communication.

The origin of the word “communication” is “communicare” or “communis” which means “to impart”, “to participate”, “to share” or “to make common.”



Following are the definitions given by some authors:-

“Communication is a process of passing information and understanding from one person to another.”
-Keith Davis

“Communication is an exchange of ideas, facts, opinions or emotions of two or more persons.”
- William Newman and Charles Summer

“Communication is the process by which information transmitted between individuals and/or organisation so that an understanding results response.”
-Peter Little

Communication in an organisation can be classified as follows: -

- Downward, Upward and Horizontal Communication
- Informal and Formal Communication
- Written and Oral Communication

Downward Communication is the process of information flowing from the upper levels of a hierarchy. It is initiated by the top management in to convey orders, instructions, warnings or responsibilities to the subordinates working in the organisation.

Upward Communication is the process of information flowing from the lower levels of a hierarchy to the upper levels in an organisation. Upward communication flows from subordinate to superior.

Horizontal Communication is the transfer of information between people, divisions or departments within the same level of organizational hierarchy.

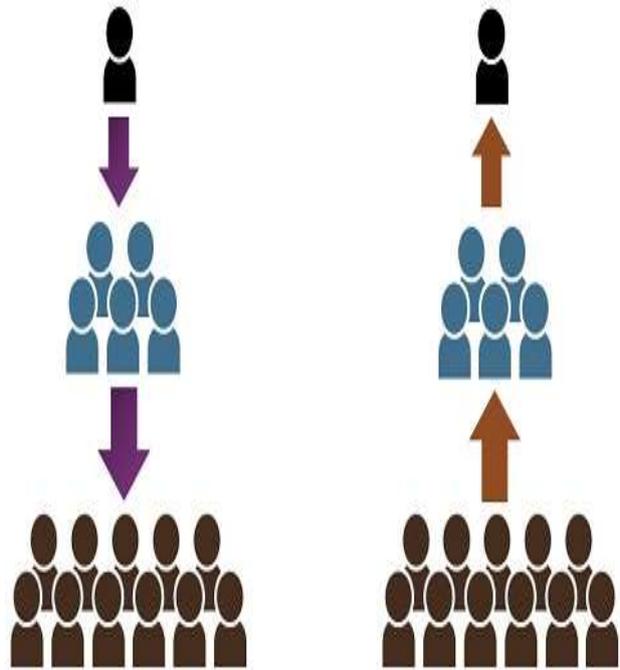


Figure 1: Communication- Downward and Upward

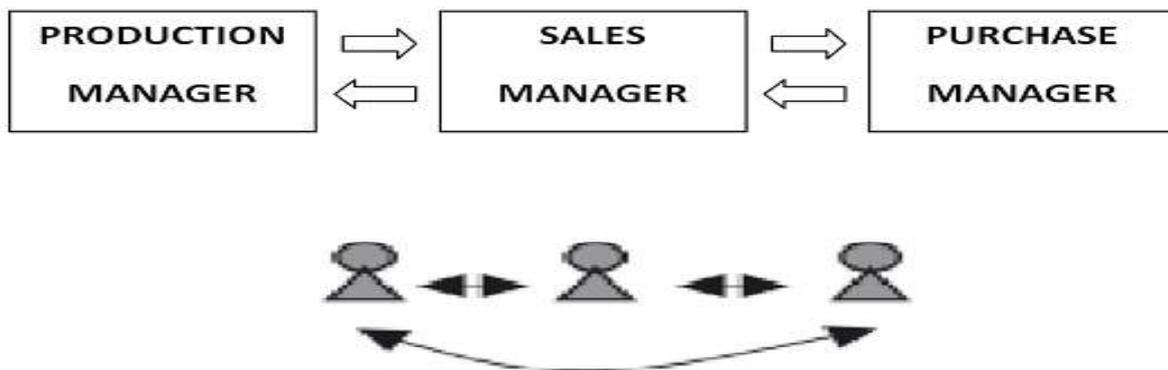


Figure 2: Horizontal Communication

Formal Communication is the communication which takes through hierarchical channels in an organisation. This type of communication takes place between managers or employees of same level or between superiors and subordinates and vice-versa.

Informal Communication does not follow any formal lines of communication. Such type of communication usually takes place among the workers to exchange their views and to satisfy their social needs.

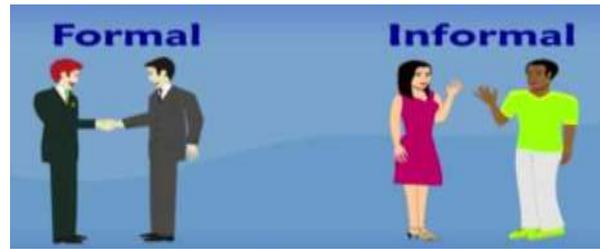


Figure 3: Communication-Formal & Informal

Oral Communication is the exchange of ideas, information and message through spoken words. For E.g. Telephone Conversations, Classroom Lectures, Presentations, etc.

Written Communication is the exchange of information and message between sender and receiver through written or printed form. For E.g. Letters, Memos, etc.



Figure 4: Communication- Oral and Written

Business correspondence is an indispensable part of any company. It helps people within an organization to transact and maintain cordial relationships with customers, and other business enterprises.

Business communication which can be in the form of letters, reports, etc.

Business communication is kept for future record purposes. Owing to the emergence of technology, the enterprises are highly dependent on Emails which is also a form of written communication. When it is used for business purposes, it becomes a part of business correspondence.

Significance of Business Correspondence

Let us understand the importance of business correspondence in detail.

- ✓ *Enables maintenance proper relationship*

There is a need to maintain proper relationship among the business enterprises and customers by using appropriate means of communication. The customers as well as business enterprises are not confined to one place. Therefore, business correspondence plays an important role. The customers seek information about various products and services from the companies and the companies in return can reply regarding the supply side of it. For example: - Ram placed an order of a book on Amazon's website and the company replied that it would be delivered in the next working days. This is a form of business correspondence.

✓ *Inexpensive and convenient mode*

This is considered as an economical and convenient mode of communication.

✓ *Create and maintain goodwill*

Businessmen at times send emails or letters to enquire about complaints and suggestions of their customers. This can be a form of feedback mechanism. They also send letters or emails to update the customers about the availability of a new products, clearance sale, discounts, etc. This results in cordial relations with the customers which enhances the goodwill of the business.

✓ *Serves as evidence*

Business enterprises cannot memorise all facts and figures in a conversation that normally takes place among with internal as well as external parties. Through written communication in the form letters or emails, he can keep a record of all the information. Thus, business correspondence can serve as evidence in case of dispute between two parties.

Guidelines of Good Business Communication

Francis J. Bergin propounded some guidelines or principles for effective communication.

They are known as Seven Cs of communication.

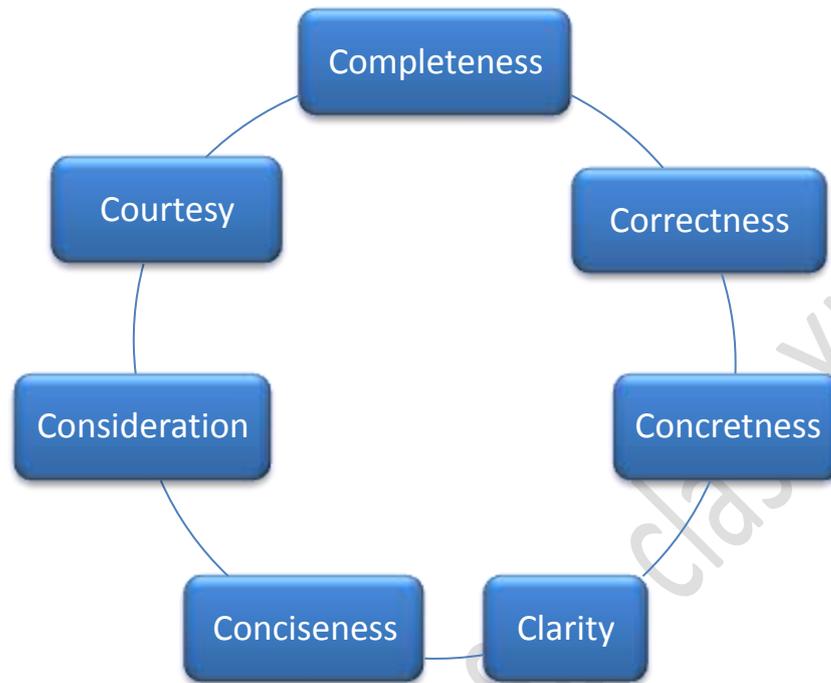


Figure 5: 7 Cs of Effective Communication

1. Clarity

Communication is a result of careful thought and planning.

There should be clarity in thoughts and clarity of expression.

By **clarity of thoughts**, the communicator should focus on the following

What to say (Subject Matter)

Why to say (Purpose)

When to say (Time)

Whom to say (The listener)

How to say (Language or Style)



Clarity of expression

The communicator must ensure that he should choose the words carefully and appropriately.

The person at the receiving end should be able to interpret the message correctly. This call for following suggestions: -

- ✓ Avoid technical jargon.
- ✓ Use short sentences.
- ✓ Use simple words instead of pompous words.

For example:-

Pompous words	Simple words
Terminate	End
Facilitate	Help

- ✓ Avoid long phrases and use single words

For example: -

Long phrases (Avoid)	Single words (Use)
At all times	Always
Will you be kind enough	Please
Despite the fact that	Although
In the event that	If

2. Completeness

The communication should be complete. It should aim at providing all the relevant information including all the facts, figures and all the details related to the message. If the message is incomplete, it is confused and the motive of communication will be incomplete. This will waste time, money and efforts. The communicator should check five W questions: Where, When and Why?



For example, the board announced a meeting for shareholders and they sent letters to them.

So the letter should include the following information: -

Who is to attend- Shareholders

What is to attend- Annual Board Meeting

Where- Company Headquarters

When- Thursday, 29.11.2018 at 11: 00 am

Why – To discuss about the quarterly results

If any of the above aspect is incomplete, the purpose of the communication will be rendered useless.

3. Conciseness

The term *conciseness* refers to speech or writing that is brief and to the point. In business writing, the communicator needs to be careful that the information sent to the receiver constitutes few words but not at the cost of appropriateness, clarity, correctness and completeness. He should value the time of the receiver.

The following suggestions should be considered while making the message concise.

- ✓ Include relevant facts
- ✓ Avoid repetition
- ✓ Do not use wordy expressions.

Wordy (Avoid)	Concise(Use)
At this point of time	Now
Due to the fact that	Because
In due course	Soon

- ✓ Construct short and simple sentences.

For example:

Verbose: We hereby wish to let you know that the management is delighted with the confidence you have reposed in us.

4. Correctness

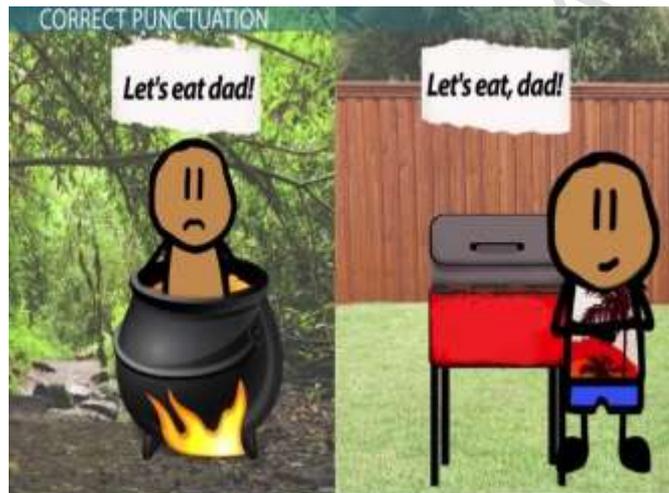
Business communication is meant to achieve certain objectives. Therefore, the message transmitted by the sender should be correct and authentic in every sense. This includes all the facts and figures. Decisions based on wrong information received can be unfavourable for the business enterprise. For instance, a trader inquired from the manufacturer regarding the availability of a particular good. The supply manager informed without verifying that the goods are not available. Here, the information given to the trader was incorrect. The result

was that the trader shifted to another manufacturer for buying those goods. In this situation, the company suffered loss in the form of revenues as well as the valued customer.

The information should be transmitted at the apt time. Outdated information is not useful. Besides this, the communication should be prompt. Say in the previous example, if the trader had queried on 10th October 2018 and he was replied back on 10th November 2018. In this case, the information is not of use at this moment.

The message should also be free from grammatical and punctuation errors.

Besides, this message can be customised as per the target receiver. If the receiver is layman, the communication should be simple. While if the receiver is expert in the given area, detailed information can be sent across.



Concreteness in communication suggests being specific, definite and vivid rather than vague and general. If the message is concrete, the receiver is able to understand the meaning of the message. Ways to make a message concrete: -

- ✓ Use specific facts and figures.
- ✓ Use active voice rather than passive voice.
- ✓ Prefer vivid and image building language.

For example: -

Vague & general	Concrete & Effective
Goods will be dispatched soon.	Goods will be dispatched on 1 st December.
This land area is expensive	This land area costs only ₹ 50 Lakh.
Passive	Active

The match was won by our team.	Our team won the match.
Your efforts are appreciated by the management.	The management appreciates your efforts.

6. Courtesy

Courtesy in business communication calls for being polite and sensitive to the listener or receiver. Thus, courtesy requires being considerate and friendly towards others. This helps in maintaining relationships with concerned parties.

This can be achieved in following manner: -

- ✓ Apologise sincerely
- ✓ Thank profusely
- ✓ Empathise with the listener
- ✓ Avoid using annoying expressions like “you failed”, you are irresponsible”
- ✓ Reply promptly

7. Consideration

For an effective communication, the message should be communicated from the receiver’s point of view. This can be referred to as putting yourself in other’s shoes or simply empathy. Everyone is interested in maximising his or her own benefits. There are certain approaches which should be used while showing consideration to the listener or receiver.

- ✓ Focus on “you” instead of “I” and “We”.
- ✓ Show interest in the receiver.
- ✓ Emphasise positive and pleasant facts.
- ✓ Use positive words instead of negative words.
- ✓ Avoid using words like mistake, disagree, wrong, damage in business communication. Rather use words like please, thank you, cheerful, welcome, etc.

Essentials of Business Correspondence

Now business correspondence is principally all the written communication between the organisation and its concerned parties. As discussed earlier, these parties are both external and internal to the organisation.



There are certain characteristics or features a business correspondence should possess. Before understanding these, let us first understand about the different types of business correspondence a business enterprise uses.

Business correspondence can be classified into following parts:

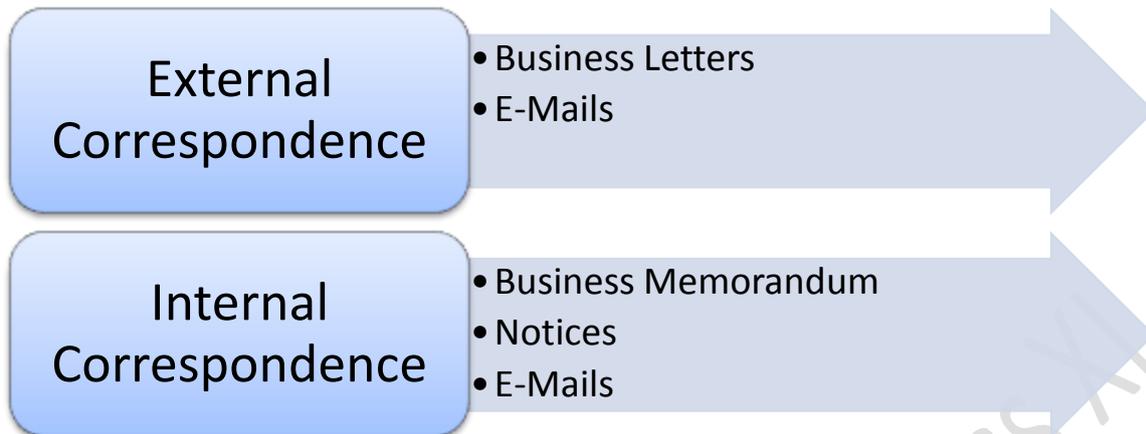


Figure 3: Types of Business Correspondence

External correspondence is with outsiders that include customers, suppliers, government agencies, other business houses and any other stakeholder.

- **Business Letter:** A business letter is a letter written in formal language, usually used when writing from one business organization to another, or for correspondence between such organizations and their customers, clients and other external parties.

Internal correspondence is with the internal parties of the organisation which is generally done with the employees.

Email has emerged as an important way of communication as it is quick, cheap and paperless.

- **Business Memorandum:** The term 'memorandum' is derived from Latin term 'memorale' which means 'to tell'. Business memos are a means of inter-organisational correspondence sent between employees in a company or between company subsidiary to convey ideas, decisions, requests or announcements. They are more private and more formal than emails but less formal than letters. They can also be compared to reports, but very short ones.
- **Notice:** A notice is a written statement that contains the particulars of holding any event in an organisation. It is a form of downward communication. The motive is to

convey information to the concerned persons by requesting them and never ordering them. The language is simple and instructions are understandable.

For all the above types of business correspondence, the sender should take care of the following features: -

- **Simple**

Business correspondence should be simple in language. Verbosity should be avoided.

Difficult Expression (Avoid)	Easy Expression (Prefer)
Respectfully yours...	Yours faithfully
We shall be glad if you....	Will you please

- **Clear**

There should be clarity in respect of thought and expression in business correspondence. He should inform about all the facts and figures to the receiver in simple language. There should not be any ambiguity.

- **Public relations aspect**

Business correspondence promotes in building the reputation of the firm. Business letters are kept for future reference. Therefore, the communication representatives of the company should be cautious in framing the business correspondence documents.

- **Consideration**

The business correspondence should adopt “You-attitude” instead of “I” or “We”. This means that there should be empathetic approach towards the listener or receiver. The reader feels that the sender of the message is sensitive to his needs.

For example:

We-attitude (Avoid)	I-attitude (Prefer)
We have received your letter.	Thank you for your letter.

I am happy to report.	You will be happy to hear.
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- **Courtesy**

It is very important to be courteous in business correspondence along with being considerate. It helps in building reputation of the company. For example, in the business letters to the customers, if the company shows gratitude as part of courtesy, it will help in increasing patronage and customer loyalty.

- **Coherence**

The term **coherence** refers to the smooth flow of ideas in a text. There are two main strategies that will make your writing coherent- organizing your ideas in a logical order and connecting them effectively by using transition words and phrases.

- **Care for culture**

In international business correspondence, the communication expert should take into consideration of the culture of the receiver (customer or company) situated abroad. This is due to differences in cultural background. One should avoid the use of slangs in international correspondence.

- **Positive language**

There should be an emphasis of usage of positive words instead of negative words in business correspondence. The motive of business correspondence is relationship development. Usage of negative words would hamper the relations. Words like mistake, damage etc should be refrained in business correspondence.

- **Tactful approach**

There are variations in communication situations and people to whom business correspondence is being addressed. So, the writer has to make his mind how he has to convey particular information. Sometimes, the writer may have bad news or information to be sent, so he has to handle it tactfully.

- **Persuasive**

Persuasion is the one of the most important components of any business communication. Generally, persuasion is required in business correspondence especially for the purposes of sales and marketing. While selling a product or the message should be persuasive so that the prospective consumer buys it. Thereby, it also requires usage of high-quality images and convincing language.

Forms and Types of Business Letters

There are various types of business letters circulated in and out of a business enterprise. The purpose is to communicate with different stakeholders on different occasions.

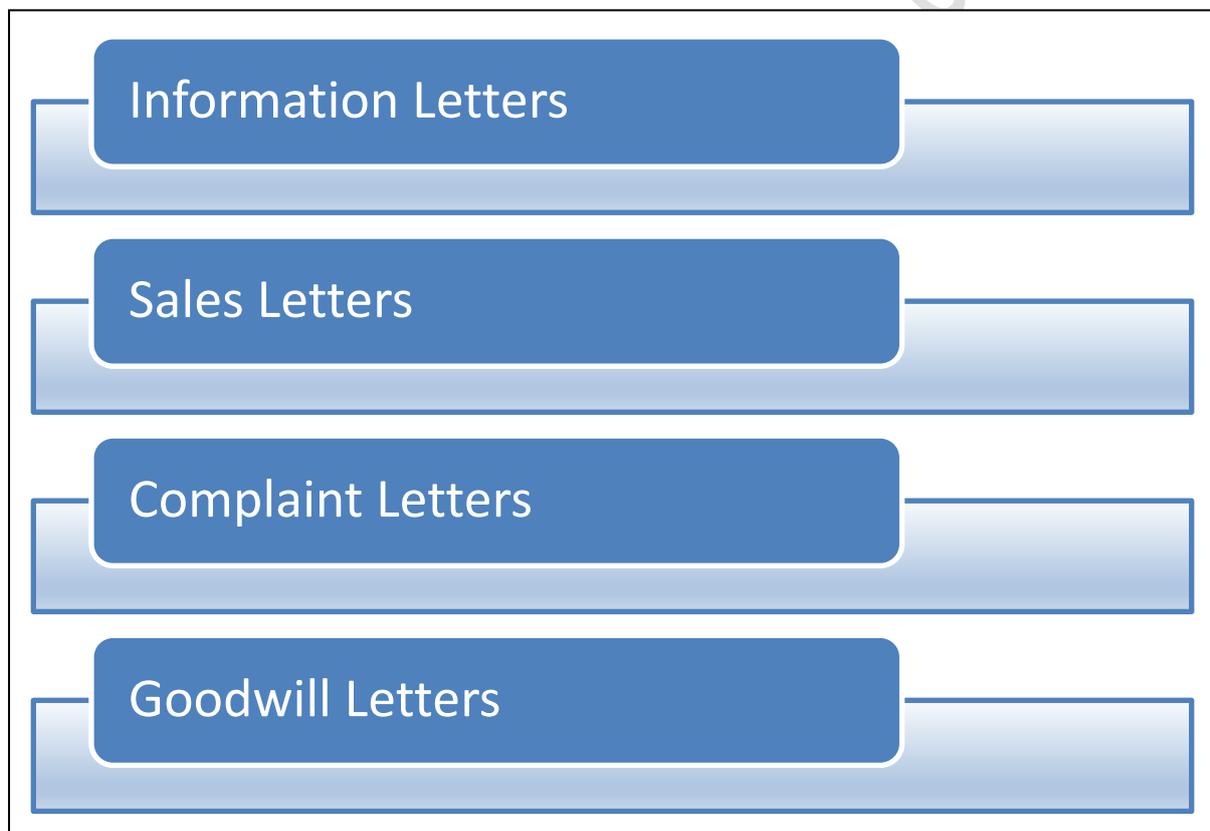


Figure 7: Types of Business Letters

Information letters can be further divided into routine and special purpose letters. The routine letters include correspondence regarding enquiries, orders, payments, collection letters etc. Circulars, personnel letters are included in special purpose letters.



Sales letter: A sales letter is a letter written to advertise and in due course sell a product or a service to the consumers. It is a type of business letter meant for generating business for the company. A letter from an organization to a supplier regarding the demand of the supply is also an example of a sales letter.



Complaint Letter: Business complaint letter is written by customers who are not satisfied by the levels of consumer services provided. This is generally to bring notice of the supplier any mistake, error, fault etc. in the products sent to the customer.

Let us understand some of the common



Goodwill Letters: Business enterprises as part of image development and to better connect with the stakeholders. For instance, firms send Thank you letters are send to the customers for their loyalty, Congratulatory letters to a particular employee for certain achievement. Sympathy letters and condolence letters are also a part of goodwill letters.

business letters by following examples:

Type of Information Letter

Example of an Enquiry Letter

Aggarwal Uniform Stores	
Model Town, Delhi	
RRG School Uniform	20 th December, 2018
Sadar Bazar, Delhi	
Dear Sirs,	
We are a leading distributor of school uniform in North Delhi area since last 30 years. We are interested in purchasing school socks from your firm.	
Kindly send us the catalogue and price list. Since we have got multiple schools in our portfolio, you will get a large and a regular order. Please quote your most favourable prices and terms.	
Yours faithfully,	

Reply to above letter

RRG School Uniform	
Sadar Bazar, Delhi	
Aggarwal School Uniform Stores	24 th December,
2018	
Model Town, Delhi	
Dear Sir	
We thank you for your enquiry of 20 th December, 2018 and are glad to know that you are interested in purchasing products from us.	
The catalogue of our prices and products are enclosed with this letter. Please note that we provide a 25% trade discount for an order of ₹ 1,00,000 or above. The order is dispatched within 30 days of the receipt of the order.	
We assure you of best services.	
Yours faithfully,	

Type of Sales Letter

Dear Ms. Seema

Are you worried about the huge pile up of laundry to be washed on every weekend? We can understand the pain you go through when you have to do the laundry work along with other household chores.

According to a survey, 76% of Indian men believe that laundry is women's work.

But why get tensed when Dhulaiman is here...

Dhulaiman is a company based in Gurugram providing laundry and dry cleaning facilities in Gurugram and rest of India

We also provide Dry Cleaning Solutions, Laundry Equipment and Commercial Laundry Machines for Colleges, University, Hotels, Hospitals and for Industries.

Our flexible and easy-to-use service gives you a satisfying laundry experience. We just take one hour to clean your load of clothes. We also provide pick and drop facility to Dry-clean & Laundry in Delhi NCR. Don't you think it's an ease to get cleaned your cloths at your doorstep.

We also offer self-help laundry services based on the concept of laundromats or laundrettes, the concept which is popular abroad.

Our prices are very economical. We have enclosed a brochure of our services and price quotations. Kindly go through that and revert back.

Yours faithfully,

Type of Complaint Letter

Dear Sir

Ref: Our order No.MS 280

Thank you for the prompt delivery. However, on opening the boxes we find that the supplies were not in conformity with our order.

We had ordered 100 chairs and 50 tables. But we received only 75 chairs and 35 tables.

We are sure that it is not your fault. Kindly let us know when you would be dispatching the remaining items.

We look forward to a timely action.

Yours faithfully

Reply to the above complaint

Dear Sir

Sub: Your letter dated...

Please accept our apologies for this lapse on our part. We do a physical verification of the supplies of our clients.

We regret that it was a clerical error on account of processing numerous orders.

We inform that your remaining items have been sent today as per your order No...of...

We once again regret the inconvenience caused to you.

Yours faithfully,

Type of Goodwill Letter

Dear Customer,

We wish to thank you for considering Dhulaiman for your laundry work. We are sure you would be happy and satisfied with our services. We will continue to provide you our services. As a token of our goodwill, we are offering selected customers like you for a free service of dry cleaning of 5 pieces of clothing.

Just present this coupon and avail this service in this month.

Name.....

Customer Code.....

Phone No.....

Address.....

Keywords:- Business correspondence, Business communication, Business Letters

Self-Test Questions

I. Choose the correct answer:

1. Communication is the task of imparting.....
 - a) Training
 - b) Information
 - c) Knowledge
 - d) Message
2. Informal communication is also called.....
 - a) Grapevine
 - b) Downward communication
 - c) Feedback
 - d) Decoding
3. Communication is aprocess of understanding between two or more persons-sender or receiver.
 - a) Two-way
 - b) Easy
 - c) Difficult
 - d) Motivational
4.is not one of the 7 Cs of communication.
 - a) Clarity
 - b) Conciseness
 - c) Correctness
 - d) Character

II. Fill in the blanks:

1. The person who conveys the message is called.....
2. serves as a record in case of dispute between two business parties.
3.communication deals with the information exchange among the employees of the same level.
4. refers to smooth flow of ideas in text while framing business correspondence.

III. True or False

1. Communication is a static process.
2. The business correspondence should avoid using pompous words.
3. The business letters should use negative words.
4. There should be courtesy in business communication.

IV. Answer the following briefly:

1. What is informal communication?
2. What is the difference between formal and informal communication?
3. What do you mean by external business correspondence?
4. What is a business memorandum?

V. Answer in detail:

1. What is the significance of business correspondence?

VI. Activity

1. Visit a business enterprise nearby your locality. Find in detail the different types of business correspondence used by the firm.

Study Material of CBSE - class XI