

3.3 Communication

What is it?

Communication is about sending and receiving messages. Good communication is essential to business. Different ways of communicating are appropriate for different kinds of businesses and for what needs to be communicated. Developments in digital technology have improved the speed and effectiveness of communications in business which have helped to reduce business costs and increase competition.

The importance of communication

Marketing communication

- Research needs to be done to find out what customers want.
- Communication is important for telling customers about the goods and services.
- The sales team may need to communicate with each other about selling the product.

Communications about human resources

- Workers need to be recruited.
- Workers need to be appraised.
- Problems between workers need to be resolved

Communications with government

Business will need to know the government's rules and regulations about safety and environmental regulations, for example. Business may ask the government for help with money or to change rules and regulations to help it.

Importance of communication

Communications about finance

- The business may need to communicate with the bank to arrange a loan.
- Bills need to be sent out and payment recorded.
- The accounts department need information about sales and purchases to keep accurate accounts.

Business operations communications

- The production team will need to know how many goods to make.
- They will need to discuss problems about quality.

Pros and Cons of different methods

Letter	+ Good for discussion + It is immediate	- No record taken - Don't always get through first time
Email	+ Good way to share ideas + Minutes (record) taken	- Can be expensive - If formal, can take time to set up
Text	+ Opportunity to prepare what to be said + Possible to ask question	- If many people, difficult to check understanding of all - Can take time to set up
Social media	+ Provides a record + You can take time to write	- It takes time (writing and delivery) - Unable to check understanding
Website	+ Very fast method + Good for short messages	- A person may not check emails regularly - Emails are often ignored/lost
	+ Fast method + Receiver can save message	- Only limited info can be sent - Not good for discussion
	+ Selected groups can be targeted cheaply + Pictures can be included	- Someone needs to manage communication - Not easy to judge impact
	+ Saves money as info can be posted here + Customers can order online	- Customers cannot ask questions easily - Customers cannot view the goods

Communication Methods

Non-verbal write

Key Words

- Communication**
Is the transmission of a message from a sender to a receiver through means of communication
- Digital communication**
Is the exchange of information electronically
- Vertical communication**
Is communication up or down the hierarchy
- Horizontal communication**
Is communication between people of the same level of the hierarchy in an organisation
- External communication**
Is communication between people in an organisation and others outside that organisation
- Internal communication**
Is communication between people employed in the same organisation

Test yourself!

Quizlet

Exam Style Question

Video Links

Extended Reading