



EASTERN UNIVERSITY, SRI LANKA

FACULTY OF COMMERCE AND MANAGEMENT

SECOND YEAR SECOND SEMESTER EXAMINATION IN BUSINESS ADMINISTRATION /
COMMERCE – 2007/2008 [February 2009]
[PROPER & REPEAT]

ENG: 2213 : ENGLISH FOR COMMUNICATION

Index No:-

Time: 03 hours

Answer all questions on this paper itself. Write neatly and clearly.

For Examiner's use only

Question Number	Maximum Marks	Marks Obtained
I	12
II	10
III	10
IV	10
V	10
VI	15
VII	15
VIII	18
Total:	<u>100</u>	<u>.....</u>

Examiner's Name :

Examiner's Signature :

Date:

Question: I. Read this article and then fill each gap below with one word.

CO-OPERATION AND COMPETITION IN NEGOTIATION

Negotiations are complex because one is dealing with both facts and people. It is clear that negotiators must above all have a good understanding of the subject. They must also be aware of the general policies of the company or institution in relation to the issues and they must be familiar with the organizational structure and the decision-making process.

However, awareness of these facts may not necessarily suffice to reach a successful outcome. Personal human factors must be taken into account. The approach and strategy adopted in negotiating are influenced by attitude as well as by a cool, clear logical analysis of the facts and one's interests. The personal needs of the actors in negotiating must therefore be considered. These can include a need for friendship, goodwill, credibility, recognition of status and authority, a desire to be appreciated by one's own side and to be promoted and, finally, an occasional need to get home reasonably early on a Friday evening. It is a well-known fact that meetings scheduled on a Friday evening are shorter than those held at other times. Timing can pressure people into reaching a decision and personal factors can become part of the bargaining process.

Researchers who have studied the negotiating process recommend separating the people from the problem. An analysis of negotiating language shows that, for example, indirect and impersonal forms are used. This necessity to be hard on the facts and soft on the people can result in the sometimes complex, almost ritualistic, style of negotiating language.

Language varies according to the negotiating style. In negotiating you can use either a co-operative style or a competitive one. In the co-operative style the basic principle is that both parties can gain something from the negotiation without harming the interests of the other. Or in other words that both parties will benefit more in the long run in friendship and co-operation, even if they make some concessions. This type of negotiation is likely to take place in-house between colleagues and departments, or between companies when there is a longstanding relationship and common goals are being pursued.

Unfortunately co-operative style negotiations without a trace of competition are rare. In most negotiating situations there is something to be gained or lost. There can be a danger in adopting a cooperative mode, as unscrupulous people may take advantage of co-operative people.

The opposite mode to co-operative negotiating is competitive negotiating. Negotiators see each other as opponents. Knowledge of the other party's needs is used to develop strategies to exploit weaknesses rather than to seek a solution satisfactory to both sides. This type of negotiating may be appropriate in the case of one-off contracts where the aim is to get the best result possible without considering future relationships or the risk of a breakdown in negotiations. Needless to say, the language in this type of discussion may become hostile and threatening even if it remains formal.

In reality most negotiations are a complex blend of co-operative and competitive mode. Negotiating successfully implies dealing appropriately with the four main components of any negotiation: facts, people, competition, co-operation.

Skilled negotiators are sensitive to the linguistic signals, as well as the non-verbal ones of facial expressions, gesture and behaviour, which show the type of negotiating mode they are in.



Language reflects tactics and therefore a study of the language used in negotiating brings a greater awareness of the negotiating process.

- 01. Good negotiators must know their [1] well and they must know their company's [2]..... . But they must also consider [3] factors because they are dealing with [4]
- 02. Negotiations are affected by the participant's [5], as well as logic.
- 03. Research has shown that it can help to separate the [6] from the [7] This can be done by using special negotiating [8]
- 04. In a [9] style of negotiation, the participants try not to harm each other's [10] In order to maintain a good long-term [11] they both make [12]
- 05. In a [13] style of negotiation the parties are [14] This style may be suitable for a [15] contract. The language here can become [16] and [17]
- 06. Most negotiations are a [18] of the two styles. A good negotiator must be aware of the [19] and [20] signals which show the style being used.
- 07. The four main factors involved in a negotiation are [21], [22], [23] and [24]

[24 x 0.5 = 12 marks]

Question: II

Fill in the blanks with suitable words given below.

meeting, co-operation, companies, business,	work relations, telephone, share holders, employees	progressive interviews, business letters,
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01. _____ are a very important part of a country's economy.
02. A good _____ manner not only makes an impression in business, but it also helps to make money.
03. In _____, planning and writing reports are important skills.
04. Over two billion _____ are posted daily.
05. In very large firms the _____ have very little to do with the day – to – day running of the firm.
06. _____ with other people at the place of work include relationships with fellow employees, workers or colleagues.
07. In large firms, _____ join a trade union and ask the union to represent them to the management.
08. The larger the _____, the longer it may take to reach a decision.
09. _____ give the employees a chance to review the work they are doing and to set objectives for the future.
10. Diplomacy, friendliness and _____ are important in selling.

[10 x 1 = 10 marks]



Question: III

Match the following common commercial terms with their meanings.

Write the correct letter in the brackets.

- 01. Good will []
- 02. List price []
- 03. Discount []
- 04. Debt []
- 05. Date of maturity []
- 06. Cash discount []
- 07. Broker []
- 08. Back bill []
- 09. At the market []
- 10. Ad Valorem duty []

- a. Duty levied on the value of the article only.
- b. An order to a broker to sell immediately at the best price possible.
- c. A statement of unpaid charges.
- d. An agent or buyer or seller who works on commission basis.
- e. A discount allowed for payment of a debt in advance.
- f. Date on which a debt must be paid.
- g. Amount owed by one to another.
- h. A reduction of a principal amount.
- i. The price shown in the sales list of the seller.
- j. Value of a firm's reputation.

[10 x 1 = 10 marks]

Question: IV

Re-arrange the following jumbled words / phrases to make meaningful sentences.

01. / business / of modern day's / the success / depends on use / of business letters / . /

.....
.....

02. / I / Sri Lanka / undergraduate / am / Eastern / an / at / University / the / of / . /

.....
.....

03. / Good writing / of good / is the result / planning and / clear thinking / . /

.....
.....

04. /Business letters /in very plain /be written /should always /and simple language / . /

.....
.....

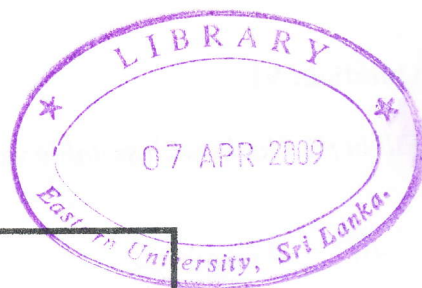
05. / people frequently use / verb forms for / the wrong / various tenses / . /

.....
.....

[5 x 2 = 10 marks]

Question: V

Read the following advertisement and answer the questions.



Wanted

Security Personnel

The Human Rights Commission of Sri Lanka invites offers from Security Firms who are willing to supply personnel for private security and cash escort for period from January to December 2009.

Quotations including conditions & charges should be sent to following address on or before 29th December of 2008.

Chairperson,
Human Rights Commission,
No. 36, Kynsey Road,
Colombo 08.

01. What is this advertisement about?

02. Who invites offers from Security Firms?

03. What is the period of supply of security personnel?

04. What is the deadline for sending quotations?

05. What is the address mentioned in the advertisement?

[5 x 2 =10 marks]

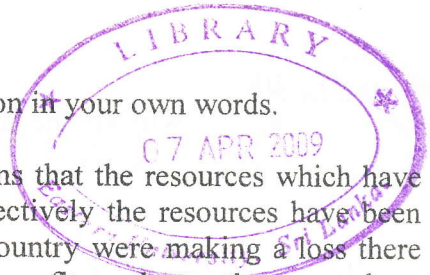
Question: VI

Fill in the blanks with suitable words from the list given below.

01. Banks your account when you use a Eurocheque abroad.
02. Few companies pay their shareholders a regular
03. can result if you have no more income to pay all your debts.
04. Our customers get reminders on payments.
05. People with large incomes or can always get credit from a bank.
06. Banks very high rates of interest on credit loans.
07. Suppliers expect their to be paid promptly.
08. A firm's costs include wages, interest and also
09. Although we have paid our bills regularly, we still have some outstanding
10. We hope to increase our profits for this year.
11. Our profits were very small despite a large
12. The increase in will not change our price policy.
13. Every year a company must allow for in the value of its machines and buildings.
14. A layout is important in a letter.
15. Valuable items can be sent by mail.

depreciation, inflation, turnover, financial, debts,
overheads, invoices, charge, assets, overdue,
bankruptcy, dividend, debit, clear, registered

[15 x 01 = 15 marks]



Question: VII.

Read the following passage and answer the question in your own words.

The purpose of any business is to make a profit. It simply means that the resources which have been entrusted to us have been used effectively. The more effectively the resources have been used, the more profit will be made. If all the businesses in a country were making a loss there would be an economic disaster. The government taxes business profits and uses the proceeds to pay for free education, the National Health Service, unemployment pay, old age pensions and national defence among other things, so one of the reasons the business managers need to keep a record of their transactions is to allow the Inspector of taxes to calculate how much tax is due. However, there are other reasons why the business managers want to keep financial records. They want to know whether the policies they are applying are proving to be successful or otherwise. They want to know whether modifications are called for. They also want to know who owes them money and to whom they own money. They want to make sure they are not suddenly confronted by a creditor they had forgotten about. Apart from retail business the majority of sales are for credit. When manufacturers sell goods to their retail customers, the retailers will not be expected to pay for them until they have had a chance to sell them to the public. That is the way business normally operates. By giving their customers, say, two months credit, the manufacturers are giving them ample time to raise the funds from the proceeds of the sale.

The manufacturer's suppliers – the people who provide them with the raw materials – will in turn give the manufacturers time to raise the funds. A considerable degree of interdependency is thus developed. The cash flow – payments in and out – are vital to a business. An adequate supply of working capital is essential if insolvency is to be avoided. A firm is said to be insolvent when it is unable to meet its financial commitments.

Since almost all of the business conducted between firms is on a credit basis, credit control becomes significant. Specific credit limits will be allocated to each customer. Thus a new customer, John Turner, might be allowed to have an outstanding account of Rs 50,000/= for three months, while Joseph Conrad, who has been a satisfactory customer for more than a year, has a limit of twice that amount.

Before any order is passed through to the Despatch Department in the factory, it will be checked against the customer and the credit rating. The sales people are not allowed to give customers credit when these limits would be exceeded, unless there is a special clearance from the sales manager.

The drive for increased sales will make the large influential customer particularly attractive and for this reason they are likely to receive preferential treatment where credit ratings are determined.

Firm may attempt to reduce the risk of loss through bad debts by a variety of devices. They usually offer cash discounts for prompt payment and often operate a credit control department to monitor the granting of credit and the collection of debts. It is also possible to resort to a practice known as factoring (or invoice discounting) whereby specialist companies are approached with a view to their purchasing the book debts at a discount. They will collect the debts and keep any accounting records required.

01.

a] Why are the tax authorities interested in the accounts of a business?

b] Who benefits when a business makes a profit?

c] Why is cash flow important to a business?

d] How are credit ratings determined?

e] What should a sales person do before selling goods on credit?

[5 x 1½ = 7.5]

02. Give a suitable title for the passage

[1 x 2.5 = 2.5]

03. Give the meanings of the following words from the context.

[a] disaster _____

[b] transactions _____

[c] modifications _____

[d] ample _____

[e] vital _____

[5 x 1 = 5]

[Total : 15 marks]

