

Business Communication in Financial Institutions (BCFI)

For JAIBB

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Syllabus

Module A: Theory and Process of Communication

Meaning and Importance of Communication, Business and Banking Communication. Principles of Business Communication, Process of Effective Communication (Model), Factors affecting Communication, Ethics in Communication.

Module B: Classification and Methods of Communication

Major types of communication: Verbal, Non-Verbal and Visual, Other types of Communication: Downward, Upward, Horizontal, External, Internal, Formal, Informal, Oral and Written, Spoken Communication and Listening.

Module C: Applications to Specific Letter Situations

Directness for Good-News and Neutral Messages (Inquiry, Order, Claim and Adjustments), Indirectness for Bad-News Message (Refused request, Adjustment Refusals, Credit Refusals), Persuasive Written Messages, Persuasion in sales, Collections, Strategies in the Job Search Process. Module.

Module D: Fundamentals of Business Letters and Report Writing

Application Letter, Effective CV writing, Thank You Letter, Complaint Letter, Inquiry Letter, Persuasive Letter, Formal Letter Formats for Official Authorities, Business Proposal, Short Report Structure and Long Formal Report Module.

Module E: Fundamentals of Presentations and Electronic Media

Structuring and Usage of Graphic Aids in Presentations and Conducting Presentation, Email Writing for Internal and External Communications, Dos and Don'ts of Using social media Professionally.

Module F: Standard and Physical Aspects of Communication

Effective Listening, Public Speaking Skills, Body Language, Spoken and Written English, Group Discussion, Conducting Meetings, Conducting Interview and Networking Etiquette, Communication in the non-bank Financial Institutions and Banks of Bangladesh.

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Module-A

Theory and Process of Communication

Q-01. What do you mean by the term Communication?

Or, what is communication? BPE-97th

Communication is the process of sharing information, ideas, feelings, and messages with others. It can happen in many ways, not just through talking. For example, we can communicate through writing, using gestures, facial expressions, and even through our actions.

At its core, communication involves at least two people: the sender and the receiver. The sender creates and sends the message, and the receiver gets the message and understands it. This process can also include feedback, where the receiver responds back to the sender, showing that the message has been understood or asking for more clarification.

Effective communication is crucial because it helps us express our needs, share our experiences, solve problems, and build relationships with others. It's an essential skill in every aspect of life, from personal interactions to professional settings.

Q-02. Describe the need/purpose/importance of communication in the present world.

Corporate Perspective: Effective communication is essential for success in the corporate world. It helps to eliminate confusion, save time and money, and maintain a company's reputation.

Personal Perspective: In personal and family life, communication plays a crucial role in building relationships and creating a harmonious environment. It's important to be observant, respectful, and mindful of one's tone and language when communicating.

National Perspective: For public servants and politicians, communication is their key function. They must craft their messages carefully and communicate them effectively to gain public trust and support. Miscommunication can have serious consequences and damage a leader's credibility.

Q-03. What is business communication? (June 20, Dec 15, Dec 10, BDE 94th BPE-98th.)

Business communication is the way people share information within and outside a company to achieve business goals. It includes exchanging ideas, making plans, solving problems, and making decisions. This type of communication can happen in many forms: emails, meetings, reports, presentations, and more.

Effective business communication is crucial because it helps a company operate smoothly. It ensures everyone understands their roles and responsibilities, which leads to better efficiency and productivity. It also helps build strong relationships between employees, managers, customers, and other stakeholders.

In business communication, clarity and professionalism are key. Messages should be clear and direct to avoid misunderstandings and maintain professional relationships. It's an essential skill that contributes to the overall success of a business.

Q-04. Explain the impact of Global pandemic COVID-19 in business communication. BPE-97th

The global COVID-19 pandemic significantly impacted business communication in several ways:

1. **Shift to Digital Platforms:** Physical meetings were replaced by virtual meetings on platforms like Zoom and Microsoft Teams. This led to a rapid adaptation of digital tools for communication.
2. **Increased Email and Messaging:** With remote working, reliance on emails and instant messaging apps for quick communication increased.
3. **Challenge in Building Relationships:** Virtual communication made it harder to build personal relationships and rapport that face-to-face interactions facilitate.
4. **Overcoming Time Zones:** Remote work allowed for more flexible communication across different time zones, benefiting global businesses.
5. **Emphasis on Clear Communication:** With the lack of physical cues, there was a greater focus on clear and concise communication to avoid misunderstandings.

Overall, COVID-19 accelerated the move towards digital communication, emphasizing the need for adaptability and clear communication in business.

Q-05. Describe the need/purpose/importance of Business communication in the present world. (June 20, Dec 13)

Or, How does business communication help pursue the organizational goal? BPE-98th.

Or, Do you think that effective business communication can play a crucial role for successful functioning and survival for a financial organization? Explain in your own language. BPE-97th.

1. **Achieve objective:** Effective communication can help the organization achieve its objectives, while poor communication can lead to misunderstandings, conflicts, and loss of business.
2. **Maintain relationship with Stakeholders:** Effective communication plays a critical role in building relationships between organizations and their stakeholders. For instance, clear communication with clients can help businesses understand their needs and offer products and services that meet their requirements.
3. **Maintain Transparency and Credibility:** Moreover, business communication helps organizations maintain transparency and credibility in their interactions with the public. Transparent communication allows businesses to demonstrate their accountability, which is essential for building trust and creating long-term relationships with customers and investors.
4. **Performance improvement:** Clear communication also helps businesses to avoid misunderstandings and conflicts that may arise due to miscommunication. For instance, unclear instructions can lead to errors, delays, and unnecessary costs. In contrast, clear instructions and feedback can help employees understand their roles and responsibilities, and improve their performance.
5. **Avoidance of Conflict:** Professional communication is crucial in any business setting, as it reflects the organization's values and standards. Professional communication helps businesses avoid misunderstandings and can prevent potential conflicts.

Q-06. What are the steps of effective business communication? Describe each step very briefly.

Or, Describe the process of effective business communication. BPE-98th.

1. **Know your audience:** Before starting any communication, it's important to understand the audience you're targeting. This includes knowing their interests, preferences, and level of expertise. By aligning your message with their interests and tailoring it to their level of expertise, you'll be able to communicate more effectively.
2. **Choose the right communication method:** There are numerous ways of communicating in a business setting including phone calls, emails, face-to-face meetings, chat, and video conferences. Choosing the correct method is imperative as it can directly impact the effectiveness of your message. For example, if you're communicating something complex, email may not be the best option as it can be easily misunderstood and cause confusion.
3. **Be clear and concise:** It's crucial to be clear and concise in your communication. This is especially important in business where every word matters. When communicating, there should be no room for misunderstandings or ambiguity. Using jargon or technical terms that are not familiar to the audience can lead to confusion and miscommunication.
4. **Listen actively:** Effective communication is not just about sending messages; it also includes listening. When listening actively.

Q-07. What are the tips for effective business communication?

1. **Give Useful Information:** Provide the recipients practical information so that the information may lead to solution of a particular problem, to pursuit of new business ideas and to actions that translate into profitability.
2. **Provide clear objectives:** Craft messages to create a specific and precise answer or response from the recipients. When doing so, make sure not to over-promise or under-deliver. You must clarify what you want, what you need and what the audience should expect from you.
3. **Do Not Waste Time:** Be concise with your message. Do not sugarcoat a bad message. Say what you have to say directly and to the point. This shows that you respect the recipient's time and the recipient is more likely to respond to your message positively.
4. **Do Not Obfuscate:** Use precise language, pertinent details, correct and ethical information. Do not try to confuse the recipient by including irrelevant and misleading information in the communication. This will immediately antagonize the recipient.
5. **Make Convincing Arguments and Suggestions:** Persuasion is a great skill for any employee. You need to explain to your audience how responding the way you want them to would be advantageous for them.

Q-08. What are the elements of professionalism? Describe each element briefly.

1. **Appearance:** dressing professionally and appropriately
2. **Positivity:** using a polite and positive tone in all communications
3. **Humbleness:** using formal and appropriate language
4. **Timeliness:** meeting deadlines and being punctual
5. **Ethics:** maintaining ethical standards in all communication
6. **Technology:** using appropriate communication channels and technology
7. **Cultural Sensitivity:** understanding and respecting cultural differences
8. **Team Spirit:** giving and receiving feedback professionally and constructively
9. **Integrity:** A professional person always protects his/her integrity.

Q-09. What is the importance of Communication in Banking? BPE-98th.

1. **Smooth operation:** Effective communication is essential for the smooth running of bank operations
2. **Effective Marketing:** Communication plays a key role in marketing products to potential customers
3. **Customer service:** Customer service relies heavily on effective communication to address customer inquiries and provide satisfactory responses
4. **Maintain relationship:** Client relationship management requires elite communication training to deal with high-profile clients in a professional manner
5. **Decision making:** Internal communication is crucial for the bank's day-to-day operations and decision-making processes
6. **Building Trust:** Effective communication builds trust and fosters strong customer relationships
7. **Protect from financial loss:** Miscommunication can lead to errors and financial losses.
8. **Regulatory Compliance:** Inadequate communication can also result in legal and regulatory issues

Q-10. What principal business follow in Business Communication?

Or, Write down the basic principles of business communication. BPE-97th.

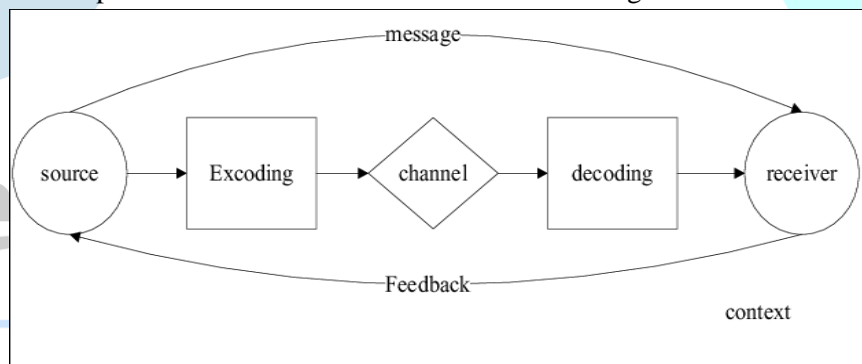
1. **Clarity and conciseness:** Communicate clearly and get to the point.
2. **Audience-centeredness:** Tailor your message to your audience's needs.
3. **Respectfulness:** Be polite and respectful at all times.
4. **Timing and relevance:** Choose the right time to communicate and make your message relevant.
5. **Adaptability:** Be open to change and adapt your communication style to fit different situations.
6. **Collaboration:** Work with others and communicate effectively to achieve common goals.
7. **Professionalism:** Maintain a professional tone and appearance in all communication.
8. **Feedback:** Encourage and use feedback to improve your communication skills.

Q-11. Discuss the communication process. (June 14)

Or, Discuss the Model of communication process.

Or, Describe the basic steps/elements in the model of communication process

- **Sender:** Has an idea, thought, or information to convey
- **Encoding:** The message is put into words, symbols, or other forms of expression
- **Channel:** The medium through which the message is conveyed (e.g., face-to-face, email, phone)
- **Receiver:** The person or group who receives the message
- **Decoding:** The process by which the receiver interprets the message
- **Feedback:** The response or reaction of the receiver to the message.



Q-12. Describe the factors affecting business communication.

Or, Discuss the factor that affect business communication in upward, downward and horizontal communication. (June 14, 13)

1. **Clarity of Message:** Communication can be affected if the sender cannot articulate the message clearly and precisely.
2. **Language Barriers:** Communication can be impeded if different parties speak different languages or have different levels of fluency in a common language.
3. **Distractions:** Noise, interruptions, and other distractions can impair the quality of communication.
4. **Technical Issues:** Poor connections, faulty equipment, and other technical issues can impede communication.
5. **Emotional State:** The mood, attitude, and emotional state of the sender or receiver can affect the quality of communication.
6. **Cultural Differences:** Misunderstandings can arise when people from different cultures have different expectations and assumptions about communication.
7. **Time Constraints:** Time pressures can lead to incomplete or rushed communication, which can impede understanding.
8. **Power and Status Differences:** Communication can be affected by power differentials, such as when a supervisor is speaking to a subordinate.

Q-12. How can you ensure ethical communication in your organization? Why it is significant for any organization? BPE-96th.

To ensure ethical communication in an organization, you can follow these steps:

1. **Establish Clear Policies:** Create guidelines that define what ethical communication means for your organization, including honesty, respect, and fairness in all messages.
2. **Training:** Provide regular training to employees about ethical communication practices and the importance of transparency and integrity.
3. **Lead by Example:** Leaders should model ethical communication, setting a standard for the rest of the organization.
4. **Encourage Open Dialogue:** Create a safe environment where employees feel comfortable sharing concerns and opinions honestly.
5. **Regular Monitoring and Feedback:** Monitor communication practices and provide constructive feedback, correcting unethical behavior promptly.

Ethical communication is significant for any organization as it builds trust and credibility, both internally among employees and externally with clients and stakeholders. It fosters a positive work environment, enhances reputation, and helps in making informed and fair decisions. Ethical communication is key to maintaining transparency and integrity in business operations.

Q-14. Short note: Ethics in Communication.

- Communication ethics refers to the principles of morality that guide communication practices
- It is essential to uphold ethical communication practices to maintain trust, transparency, and professionalism in business relationships
- Violations of communication ethics can result in legal implications, damage to reputation, and loss of credibility

Here are some generic steps to ensure ethical communication:

- Be sincere and truthful.
- Listen Actively

- Do not judge while conversing
- Speak from past experiences
- Be empathetic
- Do not use negative tone
- Do not interrupt others
- Respect Privacy & Confidentiality
- Accept Responsibilities

Q-15. Difference between business communication and personal communication. (Dec19, 13)

Aspect	Business Communication	Personal Communication
1. Definition	The exchange of information, ideas, or instructions within a commercial environment.	The sharing of information or feelings between individuals in a casual setting.
2. Tone & Language	Formal tone, specialized jargon, and structured format to maintain professionalism.	Informal tone, everyday language, and flexible structure.
3. Purpose	Primarily goal-oriented; focused on tasks, processes, and business objectives.	Centered around social interaction, relationship-building, or emotional support.
4. Channels Used	Often utilizes official channels such as company email, formal letters, and presentations.	Commonly uses informal channels like text messages, social media, or face-to-face talks.
5. Accountability & Record-Keeping	Documentation is key for accountability, legal purposes, or archival.	Rarely documented; lacks the necessity for formal record-keeping

Q-16. How many types of business message are there in business communication? (Dec-18)

- 1. Informational Messages:** These messages are used to provide facts, data, or updates about a particular topic or situation. They can include memos, reports, emails, or announcements.
- 2. Instructional Messages:** Instructional messages are used to give directions, guidelines, or step-by-step procedures. They can be in the form of manuals, training materials, or process documents.
- 3. Persuasive Messages:** Persuasive messages aim to influence or persuade the recipient to take a specific action, such as making a purchase, supporting an idea, or agreeing to a proposal. Examples include sales letters, advertisements, or marketing campaigns.
- 4. Request Messages:** These messages are used to make a request or seek information from someone. They can be in the form of emails, letters, or formal inquiries.
- 5. Confirmation Messages:** Confirmation messages are used to acknowledge or confirm a previous communication or agreement. They can be in the form of confirmation emails, order receipts, or appointment reminders.
- 6. Appreciation Messages:** Appreciation messages express gratitude or recognition to employees, clients, or business partners. They can be in the form of thank-you letters, certificates, or verbal expressions of appreciation.
- 7. Negative Messages:** Negative messages are used to deliver bad news, reject requests, or convey difficult information. Examples include rejection letters, termination notices, or customer complaint responses.

Q-16. Describe the important functions where communication plays an important role in an organization. BPE-98th.

Effective communication plays a crucial role in various functions within an organization. Here are some key areas where communication is vital:

1. **Growth and Innovation:** Clear communication fosters collaboration, idea sharing, and cross-functional dialogue. It paves the way for growth, innovation, and success by promoting understanding and productivity¹.
2. **Control:** Communication ensures that employees understand rules, processes, and expectations. It helps maintain order and equity within the system².
3. **Motivation:** Well-communicated goals and vision inspire employees, boosting morale and commitment.
4. **Information Sharing:** Communication disseminates organizational information, such as goals, results, and task directions.
5. **Emotional Expression:** Effective communication allows employees to express feelings, concerns, and feedback, contributing to a positive work environment³.

Remember, a cohesive and well-informed team leads to better outcomes and a stronger bottom line

Q-17. Describe some of the ways, communication can become unethical. BPE-98th.

Unethical communication can take various forms, leading to negative consequences. Here are some ways it can occur:

1. **Withholding Information:** Intentionally not sharing relevant details or concealing facts can be unethical. It undermines trust and transparency¹.
2. **Distorting Information:** Manipulating facts, exaggerating, or presenting a biased perspective can mislead others. This undermines honesty and integrity in communication.
3. **Plagiarizing:** Passing off someone else's work, ideas, or words as your own without proper attribution is unethical. It violates intellectual property rights and academic integrity¹.
4. **Omission of Context:** Providing information without the necessary context can lead to misunderstanding or misinterpretation, which is ethically problematic².

Remember, ethical communication is essential for maintaining trust, healthy relationships, and a positive organizational culture!

Case 1: Case Studies:

Case -1

Mr. Ashmark is one of 10 employees in the credit analysis department of Bank of Antarctica. He has strong leadership qualities, and all his colleagues go to him for guidance. He dominates their discussions and offers intense opinions on the majority of topics. Despite the fact that he does an excellent job, you have had issues with his aggressive nature. You have been named the department's new manager of credit risk. Today, you gave instructions to your colleagues to modify a certain customer credit score criterion. The new credit scoring criteria has increased accuracy of credit scoring and therefore, minimized the bank's exposure to credit risk. Soon after giving the order, you saw the workers talking in a group, with Mr. Ashmark. Soon he appeared in your office and told you, "We've thought it over. Your new credit scoring criteria is not going to work."

Explain what is happening. How will you handle the situation?

Ans:

Mr. Ashmark's behavior reflects a challenge to your authority and decision-making as the new manager in the credit analysis department. His dominant and aggressive nature, combined with his influence among colleagues, might make him resistant to changes that he did not initiate or influence.

To handle this situation effectively, it is crucial to maintain professionalism and assert your role as the manager. Here's how you could approach it:

1. **Acknowledge His Concerns:** Start by listening to Mr. Ashmark's reasons for opposing the new criteria. Understanding his perspective can help you address his concerns more effectively.
2. **Explain Your Decision:** Clearly articulate the rationale behind the change in credit scoring criteria, emphasizing how it reduces the bank's credit risk and benefits the department and the bank overall.
3. **Seek His Input:** Invite Mr. Ashmark to contribute his ideas on how to implement the change or improve it. This can help him feel valued and part of the process.
4. **Set Clear Expectations:** Communicate the importance of the new changes and your expectation for cooperation from everyone, including him. Make it clear that while his opinions are valued, the final decisions will align with the bank's objectives and your responsibilities as manager.
5. **Follow Up Privately:** Consider having a private meeting with Mr. Ashmark to discuss his role and how he can use his leadership qualities positively within the team.

Handling this situation with a balanced approach of firmness and openness can help you establish authority while leveraging Mr. Ashmark's strengths for the team's benefit.

Case-2

Times are hard for Credit XYZ Bank, a multinational bank that specializes in investment banking and commercial banking. Lately, the bank has been losing revenue due to the sheer amount of non-performing loans in its balance sheet. But some individual high net worth clients do receive the bank's financial services and do business with the bank. One of these clients, Mr. Sharp, president of a food processing company, has inquired about the possibility of taking a loan from the bank. The problem is that Mr. Sharp is known to favor working with males, and it's Sarah Barnes' time to attempt and get his business and the commission.

Do you, as head of corporate banking, send Sarah anyway, or do you send in one of your male salespeople to get Mr. Sharp's business, giving Sarah a shot at the next potential client?

How would you solve this communication-and ethics-problem?

Ans: As the head of corporate banking facing revenue challenges, it's crucial to handle this situation with sensitivity, ethics, and a focus on maximizing business opportunities while upholding the bank's values of equality and diversity.

1. **Decision on sending Sarah or a male salesperson:** I would prioritize professionalism and the potential for securing Mr. Sharp's business. However, I would not compromise on the bank's commitment to diversity and inclusion. Sending Sarah demonstrates the bank's dedication to equal opportunity and challenges Mr. Sharp's bias. It also allows Sarah the chance to showcase her skills and potentially secure the business. If Sarah doesn't succeed, I would ensure she receives support and training for future opportunities.

Solving the communication and ethics problem: Firstly, I would communicate with Sarah to understand her comfort level and willingness to pursue the opportunity despite Mr. Sharp's known bias. Providing support and guidance to Sarah, including role-playing scenarios and offering mentorship, can boost her confidence. Additionally, I would engage in a dialogue with Mr. Sharp, emphasizing the bank's commitment to diversity and the importance of merit-based decisions in business partnerships. Transparently addressing any concerns about bias while highlighting Sarah's qualifications and the benefits of working with her can mitigate potential issues.

Ultimately, fostering an environment of respect, equality, and professionalism is paramount in addressing this communication and ethics challenge.

MCQ Questions

1. Which of the following is not an element of professionalism?
 - a. Ethics
 - b. Team Spirit
 - c. Humbleness
 - d. Leadership
2. What is Brevity of Communications?
 - a. Conciseness
 - b. Correctness
 - c. Criticalness
 - d. Creativeness
3. Communication is key tool for which of the following departments of a bank?
 - a. Credit rating
 - b. Client Evaluation
 - c. Customer Service
 - d. Retail Trade
4. Which of the following is a factor effecting communication?
 - a. Group Think
 - b. Cultural Affinity
 - c. Biodiversity
 - d. Emotional Quotient
5. Which of the following is an example of effective business communication?
 - a. Providing superiors with a lot of information to make the report look informative and intelligent
 - b. Writing a physical letter to customers who has FAQs
 - c. Showing over optimistic sales report to uplift the motivation of employees
 - d. Talking to a High-Net-Worth Customer with respect and without wasting time

Ans:

- c. **Humbleness**
 - Humbleness is a positive personal trait but not typically considered a core element of professionalism in business settings.
- a. **Conciseness**
 - Brevity in communication means being concise, which entails expressing ideas in as few words as possible while maintaining clarity.
- c. **Customer Service**
 - Effective communication is critical in customer service to ensure clear, direct, and efficient interactions with clients.
- d. **Emotional Quotient**
 - Emotional Quotient affects communication by influencing how well someone can understand and manage emotions during interactions.
- d. **Talking to a High-Net-Worth Customer with respect and without wasting time**
 - Effective business communication is about respect and efficiency, especially important when dealing with high-value clients.

Chapter End

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