D. R. K. College of Commerce (Autonomous), Kolhapur

Study Material For B. Com. I Sem. I (From 2023-24) VEC-I: 'OFFICE MANAGEMENT'

(Only For Classroom Discussion)

Course Objectives:

To impart the student's basic knowledge of Office Management and Office Correspondence.

Course Outcomes:

After completing the course, students will be able to-

- 1. Acquire basic knowledge of Office Management.
- 2. Understand about Office Automation.
- 3. Be familiar with Office Correspondence.

Syllabus

Unit I: Introduction to Office Management:

Meaning of Office & Management and Meaning and Definitions of Office Management, Principles of Office Management, Functions of Office.

Office Automation- Meaning, Need of Office Automation, Advantages and Disadvantages of Office Automation.

Unit II: Office Correspondence:

Meaning and Definitions of Office Correspondence, Importance of Office Correspondence, Types of Correspondence.

Letter Writing: Types of letters-Personal, Official, Confidential, Business. Characteristics of Ideal Letter- complete, clear, correct, concise, convincing, considerate, concrete, courteous, coherence, language etc, Structure and contents of Official Letter.

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VEC-I Office Management-I

Unit I: Introduction to Office Management

Contents

Meaning of Office & Management and Meaning and Definitions of Office Management, Principles of Office Management, Functions of Office.

Office Automation- Meaning, Need of Office Automation, Advantages and Disadvantages of Office Automation.

Meaning of Office & Management

Meaning of Office:

Management of modern business has become complex. This is due to business expansion and large scale operations. At present, there is tendency towards corporate form of organization. The management is separated from ownership. Management requires a place from where the affairs of the company can be run and controlled. Moreover, business activities are required to be planned properly to stay in the competition. For planning and control, past and future information is necessary along with the day to day information. All this requires paper work and records at a particular place called office. Office is considered to be the Heart of business organization. It information center of the business. Office is an integral part of business. With increasing complexities of business activities, need and importance of office is inevitable.

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Office is the term/period during which some position is held. It is a place where clerical work is performed and where all kinds of paper work (letters, correspondence, files, records etc..) are dealt with.

Definitions of Office:

- 1. **George R. Terry**: "And office may be regarded as a place where the control mechanism of an organisation are located "
- 2. **Mills and Standingford**: "the office is the administrative centre of a business.

 The purpose of an office is to provide service of communication and record "
- 3. **Edward Roche**: "office exists anywhere, where where certain kind of work is performed" James Stephenson: office is that part of business enterprise which is devoted to the direction and coordination of its various activities.
- 4. **Dicksee**: the essential feature of office is the work itself not who does it or where it is done.
- 5. **Denyer**: office can be conveniently said to be an information desk. Office work refers to information handling and office manager maybe called information officer.

To sum up all the definitions, one can say that office is aplace where business is carried on and where control mechanism of an organisation is located. It is the nerve centre and brain of business enterprise. It is an information desk where all types of information is received and handled. It is a seat from where a manager makes policies and executes these policies in a business enterprise and no business can function without office.

Meaning of Management:

Management is a universal process in all organized social and economic activities, wherever there is human activity, there is management. Wherever there is an organized group of people working towards a common goal, some kind of management becomes essential. No organization can run successfully unless there is

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someone to manage its activities. It is the management which makes people realize the objectives of the group and direct their efforts towards the achievement of goals. It is required to plan, organize, coordinate and control the affairs of any office.

Definitions of Management:

F. W. Taylor: "Management is an art of knowing exactly what you want your men to do and seeing that they do it in the best and cheapest way"

Henry Fayol: "To manage is to forecast to plan to organise to motivate to co-ordinate and to control the efforts of others"

Meaning of Office Management:

Office Management is the technique of planning, organizing, coordination and controlling office activities with a view to achieve business objectives and is concerned with efficient and effective performance of the office work. The success of business depends upon the efficiency of its office. Efficiency and effectiveness which are the key works in management are achieved only through proper planning and control of activities, reduction of office costs and coordination of all activities of business. Office Management consists of the functions such as Planning, organising, coordinating, motivating, directing, decision making and controlling.

Definitions of Office Management

- 1. **George R. Terry**: "Office Management can be defined as a task of planning, coordination, motivating the efforts of others towards the specific objectives in the office."
- 2. <u>Mills and Standingford</u>: "Office Management is the art of guiding the personnel of the office in the use of means appropriate to its environment in order to achieve its specified purpose."
- 3. **Leffingwell and Robinson**: Office Management, as a function, is that branch of the art and science of management which is concerned with efficient performance of office work, whenever and wherever that work is to be done."

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In simple words, office management is a distinct process of planning, organizing, staffing, directing, coordinating and controlling office work in order to facilitate achievement of objectives of any business enterprise.

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Principles of Office Management:

Principles of Office Management provide a set of guidelines and rules for effective organizing and carrying on the office work. The key principles are as follows-

- 1. **Vision, Objectives and Planning**: Every organisation must Develop clear goals, objectives, and strategies to achieve office tasks. Depending up on the goals and objectives suitable plans should be prepared for the execution.
- Time management: Time management is the key to success. Determining the
 priorities of tasks and setting deadlines are the important functions of office
 manager. Efforts should be taken to optimize utilization of time for maximum
 efficiency and productivity.
- 3. Parity of Authority and Responsibility: According to Henry Fayol 'Authority and Responsibility go hand in hand.' Therefore, there should be balance between authority and responsibility. The tasks should be assigned to appropriate personnel along with required authority. considering his/her skills and capabilities.
- 4. **Flexibility**: Flexibility is the ability to change according to the changing circumstances. In simple words adapting the varied situations. To be open to new ideas and technologies always leads to flexibility. It is observed that the rigid organisations fail during the crises.
- 5. **Quick Decision and Prompt Response:** Ability of the manager/head of the office plays an important role in the grabbing the opportunities. Wherever required, the quick decisions and prompt actions/responses are must. However, this does not

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mean arriving at the decisions abruptly. There should be logical thinking and calculations before taking a decision.

- 6. **Delegation:** To delegate means to assign/to give/to pass on the authority. The manager, while getting the work done, has to delegate some authority to the subordinates and focus on the important tasks and policy matters. Delegation of authority leads to democratic management and boosts confidence of the subordinates.
- 7. <u>Communication</u>: There should be two way communication in the office. The subordinates also have their opinions, suggestions. The manager should create such an environment that the subordinates would express their opinions and suggestions without any hesitation. Effective communication leads to coordination and team spirit in the office.
- 8. **Scope for Development**: There should be opportunities for the employees to develop their abilities, skills etc. The organisation should Invest in training and development to enhance the skills and knowledge of employees. This is in the interest of both employees and the organisation.
- **9.** Customer Satisfaction: The employees and manager should always try to provide quality service to the customer and enhance their satisfaction level. Satisfied customer is considered as an asset of the organization. The service provided by office is one of the key parameters in customer satisfaction.
- 10. **Budget Management**: Money is the crucial factor in any organisation. It is necessary for the management to monitor and control office expenses so as to ensure financial sustainability. Departmental and overall budgets should be prepared to estimate the inflow and outflow of funds.
- **11.** <u>Workplace</u>: Safety at the workplace is very important for smooth functioning of office. The organisation should provide safe and comfortable working conditions for all employees. This reduces the accidents, delays etc and enhances the efficiency and productivity of the employees.
- 12. Order
- 13. Direction
- 14. Control

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- 15. Division of Work
- **16.** Unity of Command

Students are requested to elaborate the points (12 to 16). **Books for Reference**:

- Organisation and Management- Dr. C.B. Gupta
- Business Organisation and Management –M.C.Shukla
- George Terry, Principles of Management

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Functions of Office

Functions of office may be divided into three categories viz.

- A. Basic/Primary Functions
- B. Administrative Functions
- C. Subsidiary Functions

A. Basic Functions/Primary Functions

The activities of collecting, recording, processing, presenting and preserving information are considered as the Basic and Primary Functions of office. According to George Terry, "The acts of collecting processing storing and distributing information comprise the basic functions of office."

The primary functions of an office are as given below..

1. <u>Collection and Receiving Information</u>: Collection and receiving- correct complete information is essential for any office work constitute a basic orally or writing. Written information of the enquiry, report, memo, orders etc. Oral information may be received on telephone, during discussion, meeting or conference etc. Such information may be available from internal or external sources. The internal sources include-letters, circulars, reports, noting, telephone calls, invoices, resolutions, minutes of meeting etc. External sources include customers, suppliers, sister organisations, head office, government, unions, newspapers, notifications etc. Information may be routine or special in nature. Information collected or received is required for day-to-day performance of work

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of an enterprise. It may be primary or secondary in nature. Primary information is collected for the first time through survey etc. and secondary information is taken from the already published sources like magazines, newspapers, reports etc.

- 2. **Recording Information:** Information received or collected is recorded in writing on papers, tapes, discs, files etc. Recording may be done manually or with the help of machines. Some information is required to be recorded under law and other information is recorded to facilitate executives to take decisions and actions. Recording day-to-day transactions in a cash book, recording attendance and payment of wages etc. in a register, recording minutes or proceedings of company meet- ings are required under law. On the other hand, daily production is recorded by a foreman in the factory to facilitate control. How and in what form information is to be recorded depends on the needs and requirements. Recorded information is required for processing and use by the management.
- 3. **Processing of Information**: Recorded information is then processed. Processing and analysis is done so as to present the information for use. Here useless or unimportant information is deleted or eliminated. Processing is done by special staff-expert and experienced in processing. For instance, recorded entries in cash book are posted in ledger and accounts in the ledger are balanced. In processing, information, machines like calculators, computers etc. be used. Activities like sorting, editing, totalling, making summaries etc, are included in processing.
- 4. **Presenting the Information**: Processed information is arranged in a logical way and in the form as required by law or as to facilitate its use. For instance, accounts of expenses and income are arranged in the form of financial statements as is acceptable to income-tax department or as required under Companies Act. Reports, pay-rolls, statements of sales etc are prepared in such a way so as to serve the purposes of the management Use of diagrams and graphs may be made while presenting the information.
- 5. <u>Supplying the Information for Use</u>: Arranged information is supplied to the management to enable them to use it for decision-making and control. Soch information may be routine or special and may be given verbally or in writing.

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After preparing reports, summaries, statements these are kept and maintained in files and supplied to the concerned executives as and when needed. For example, financial statements are processed and supplied by accounts department to enable the Executive to calculate and pay tax, Accounting statements are also used for interpreting the results to prepare future plants, Production reports are needed to calculate incentives for workers.

6. Maintenance of Records: Recorded and arranged information is maintained, preserved and retained in files for future reference. The efficiency of an office depends on the way records are maintained and supplied to the executives for use. Records maintenance is a distinct and vital function of an office.

B. Administrative Functions

Apart from Basic or Primary functions of an office, there are certain managerial or administrative functions which are to be performed. These functions are necessary to carry out the management process. Collected and recorded information forms the basis and raw material for these functions. These functions are:

1. Planning: It is putting down in black and white the actions which a manager intents to take, and deciding in advance when and how to take them. It is a thinking function before doing. Irrespective of the activity, the main factor in planning is that the action must be directed to achieve objectives. Planning implies coordination and ensures the most efficient use of resources. Control function in an office cannot be performed without planning. Planning is the conscious determination of future course of action to achieve the desired results. Planning helps in anticipating problems and offset uncertainty. It leads to economy of operations. It is a continuous function of office management and is performed at every level. At top level, strategic planning is done and main objective, strategies policies are laid down. In middle level administrative plans like procedures,

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methods, rules etc. are framed. Usually these are long-term in nature. At operative levels plans like budgets, schedules, programmes, standards etc. are and these are short-term in periodicity.

- 2. **Organising**. The plans and policies are executed through the media of organisation. Organisation is a group of persons or employees necessary to perform office work. The term organising implies creation of such organisation through assignment of tasks to employees and delegating them authority to perform the work. Before allocation of work to employees, work is divided or grouped in different parts called departments. In fact, organising is distributing work to employees and granting the authority to perform it well.
- 3. Staffing: The function of office management includes procuremen development, compensation and maintenance of persons necessary to do the jo Manager must be able to anticipate vacancies and ensure the means of filling these vacancies As success of any office depends on the persons who employed to perform it so this element in the process of office management has assumed importance in its own right. Right person is to be employed the right time and right place. Training needs have to be assessed and necessary arrangements for training have to be mode. Care for fair wages, health, safety and welfare are necessary to utilise the persons effectively and efficiently.
- 4. **Directing**: After planning, organising and staffing, the office manager has to guide and supervise his subordinates. The function of directing includes: (a) Leadership (b) Communication (c) Motivation (b) Supervision.
 - Leadership is an influencing relationship. It is a process through which a manager influences his subordinates-individually and in groups, towards the achievement of objectives. Communication is essential link between a manager and workers. It helps in increasing efficiency, getting cooperation, coordination, raising morale etc. Communication means conveying information Without flow of information, no function of management can be performed. Motivation is stimulating or encouraging an individual to action. A manager can motivate his employees by

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- giving incentives and satisfying their needs Supervision is also part and parcel of direction and means, ensuring compliance of order and performance of work.
- 5. Coordinating: Henry Fayol defines coordination "to unite and correlate all activities". It means performing tasks in harmony. It is a group effort for united action. A manager directs the organisation into action for the achievement of the plan. But a business enterprise has varieties of activities to be performed by different departments and different persons. All these have to be integrated and harmonised for achieving the common objectives. This is the task of coordination.
- 6. Controlling: Control is verifying whether everything occurs in conformity with the plans and policies. Planning is necessary for control process. Without planning a manager cannot exercise control. Control involves checking the performance against predetermined standards. It has four steps: (a) Setting standards, (b) Measuring actual performance, (e) Comparing actual with standards and finding deviations, (d) Correcting deviations.

C. Subsidiary Functions

Following are the subsidiary functions of office:

- 1. <u>Safeguarding Assets</u>: The office is responsible for safeguarding assets of the business. All assets-movable or immovable, documents, title deeds, other record must be guarded and protected from fire, theft, loss, damage, pilferage etc. Insurance policies should be taken for valuable assets to compensate the loss by fire, damage etc. Important documents should be kept in safe lockers to protect it from theft etc.
- 2. <u>Public Relations Functions</u>: An office is to maintain cordial relations with outsiders and general public through reception and liaison services Good public relations shall increase goodwill of the enterprise. Information must be supplied to outside agencies as and when demanded by them Such outside agencies are government departments, buyers or customers, researchers, general public etc.

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- 3. **Form Design and Control**: Forms of important tool in an office which facilitate communication, processing and filing of information. It is a function of every office to design, standardise, improve and control the forms which are used in the enterprise. Usually, it is a function and responsibility of office manager to control the forms.
- 4. **System Improvements**: Different activities in an office are termed as separate systems. For instance, purchase, filing, communication etc. are different systems. Each system consists of procedures, routines and methods which are to be analysed and improved continuously, so as to make them economical and efficient. These systems and routines must ensure smooth flow of work.
- 5. **Personnel Functions**: Office has to perform a number of functions in its personnel section in respect of employees in the organisation. These functions are performed from recruitment to retirement of employees. Preparing list of suppliers of manpower, conducting tests before selection, preparing for training, merit rating, keeping records of employees. calculating wages and incentives etc. are few functions which are per-formed by office.
- 6. **Stationery and Supplies**: Office has to purchase, record, issue and control the supplies needed in the enterprise. Keeping sufficient stock of stationery items is one of the important duty of an office. Calling quotations, making summaries, placing orders, receiving supplies, recording and sing it to different departments and protecting it from loss from fire, water, sun, white ants, theft pilferage etc. are few functions of office under this category.
- 7. Office Appliances: The office work also includes purchase, maintain, repair and replace furniture, equipment, machines, fixtures according to requirement and need of the office. Principles of suitability and utility have to be kept in mind while procuring office equipment and furniture

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Offices Automation

Meaning:

Automation means replacement of human labour by machine. It refers to mechanization of operations in the office or performance of office work with machines and minimum human participation. Automation is not only mechanization but much more than that. It is recording, processing, and controlling the information automatically by mechanical and electronic machines. The automation is frequently used for data processing, compiling reports, performing accounting work etc. by almost all the offices in developed countries.

Definition:

Automation has been defined as "the entire field of investigation, design, development, application, and methods of rendering or making processes or machines self-acting or self-moving". In the office automation refers to that self- regulated process in which work is completed with a minimum of human effort.

Scope of Office Automation:

Automation implies 'self-regulating processes'. The main object of automation is continuous flow of information without or minimum human intervention. The beginning is made by designing the various types of accounting equipment which facilitate sorting, recording, tabulating and printing information for billing and preparation of accounts purposes. The real breakthrough in office automation technology came after world war with the development of electronics. Computer technology is one form of automation which is employed in the offices. Modern innovation and improvements in the field of electronics have given boost to automation. Electronic data processing can be

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looked upon as a self-regulating process where information is handled and processed automatically.

Advantages of Office Automation:

The main advantages of office mechanisation are as follows:

- 1. **Greater Speed**: Mechanised work can be performed at a greater speed. Use of office machines saves time and thus give increased output in a given time. The information to the management may be made available quickly with the help of machines. Machines can produce number of copies within minutes.
- Greater Accuracy: Office mechanisation not only ensures speed but also
 promote greater accuracy. Human labour is subject to errors while performing
 their work. This limitation is overcome by use of machines. The use of machines
 brings accuracy especially in accounting work. The mechanisation prevents errors
 and omissions.
- 3. **Improved Efficiency**: Speed and accuracy improves efficiency of office employees. Improved efficiency increases productivity and profitability of concern. efficiency creates goodwill of the organisation.
- 4. **Improved Quality**: Machines help in improving quality of work and products. Machines perform neat and clean work with less errors.
- 5. Less Taxes on Profits: Machines are eligible for depreciation etc, under Tax Laws which can be treated as expense while calculating profit, and thus reduce tax burden.
- 6. **Reduced Costs**: Operating cost is reduced to a great extent due to speed and reduced physical efforts. In helps in reducing the need of more employees and thus save expenditure on salaries. Though installation of machines is costly but in the long run mechanization reduces costs in the office.
- 7. **Reduced Physical Labour**: Mechanization or machines are substitute of human labour. Though machines are operated by employees, yet it reduce physical efforts

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- on the part of employees. It increases their capacity to work. Mechanisation causes less physical fatigue.
- 8. **Reduced Chances of Errors**: Mistakes and errors are less on machines as compared to manual performance of work.
- 9. **Reduced Chances of Frauds**: The machines minimise chances of frauds. Machines like franking machine help in reducing pilferage of postal stamps in the mail room. Use of machines reduces chances of embezzlements by employees.
- 10. **Facilitates Standardisation**: Mechanisation and automation facilitate standardisation. It helps in introducing standard methods of work performance. It helps in establishment of standard routines. Standardisation ensures uniformity, consistency and continuity.
- 11. **Facilitates Control**: Mechanisation and automation facilitate control process by providing timely and accurate information to the management. Machines also put checks, For instance, time recording machines ensure presence of workers.
- 12. **Relieves Monotony and Boredom**: Repetitive and recurring kind of work can be mechanised to reduce boredom and monotony of employees. It helps in reducing mental decay and raises morale of employees.
- 13. **Brings Uniformity**: The office work can be performed uniformly with the help of machines. The office records become uniform. Standardised letters, proformas, statements etc. bring uniformity.

Disadvantages of Office Automation

Office mechanisation, however, suffers from certain limitations or drawbacks due to wrong selections, misuse and mismanagement. These disadvantages are outlined as follows:

1. **Huge Capital Investment**: Mechanisation involves huge capital investment. It increases financial burden on the management. It restricts and causes strains on finance available for other purposes.

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- 2. **Breakdown Causes Interruptions**: Misuse of machines or lack of maintenance causes breakdown and may cause disruptions and interruptions in smooth flow of work. Irregular supply of electricity also affects the automation.
- 3. **Problem in Training**: Use of automatic machines needs training on the part of employees. Training in operation of machines, use of software etc may take time and increase cost.
- 4. **Less Flexibility**: Mechanical operations are less flexible. It cannot be put to alternative use. In case of change in method or system, the existing machines, software become useless. It becomes difficult to change the existing method without change in machines.
- 5. **Physical Hazard**: Mechanization sometimes causes physical hazards like noise, obstruction, accidents etc. Machines occupy space and cause problem in layout.
- 6. **Resistance from Employees**: Mechanization substitutes labour. Employees resist the very idea of automation and mechanization especially computerization. However, small equipment and machines are now part and parcel of office and resistance is reducing with the passage of time.
- 7. **Risk of Obsolescence**: With the advancement in technology, old machines/technology may become out of date and whole investment becomes waste. This risk exists when there are fast technological changes.
- 8. <u>Increased Costs</u>: Normally, costs are reduced by Automation, but it may result in increased costs due to following reasons. If machines are not used to the fullest capacity it may result in increased costs. Absence of employees may keep the machine idle and thus increasing the costs. Mishandling of machine may require frequent repairs and tends to raise its operating costs.
- 9. **Kills Creativity**: Too much automation kills creativity and initiative on the part of employees. Machines reduce thinking power and employees are unable to adopt new methods.

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Unit II Office Correspondence:

Contents:

Meaning and Definitions of Office Correspondence, Importance of Office Correspondence, Types of Correspondence.

Letter Writing: Types of letters-Personal, Official, Confidential, Business. Characteristics of Ideal Letter- complete, clear, correct, concise, convincing, considerate concrete, courteous, coherence, language etc,

Structure and contents of Official Letter.

Meaning and Definitions of Office Correspondence

Introduction:

Correspondence is one of the primary activities in any office. It includes all types of written communication from one person to another or from one department to another department. Oral communication or face to face conversation or telephonic communication is not correspondence. This activity or function in an office may be centralised or decentralised. In a centralised set up, all kinds of correspondence are handled by a "Correspondence Department'. This department is responsible for receipt, production and despatch of correspondence/letters. The success of a business office depends on the efficiency of the Correspondence Department.

Every organisation may be big or small, Government or private, profit making or non-profit making, has to exchange information internally as well as externally in its day-to-day operations. Such exchange of information is necessary to start, conduct and progress of any business. Every business has to develop and maintain contacts with

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oral communication and personal contact is not possible in every case and everywhere. Correspondence is a necessity for a widely spread business. With the growth of trade and industry, its importance is further increasing. Careful and prompt handling of correspondence is essential for the success of any business.

Office correspondence is essentially concerned with letter writing in connection with business transactions and it also includes any written communication which is directly or indirectly connected with business. A businessman has to write and reply variety of letters concerning enquiries, orders, adjustments, payments. A manager has to issue notices, memos, circulars etc, in his daily work without which an organisation cannot function its business or office operations even for a single day.

Meaning And Definitions Correspondence

Correspondence means a "communication by letter". It also means 'A body of letters'. A person who writes letters is known as 'Correspondent'. The word 'correspond' means 'the act of writing letters to someone' to provide the information to someone who needs the same. Oral communication is not Correspondence. Written communications such as letters, applications, circulars, acknowledgements, notifications, quotations, complaints etc. are within the scope of the term correspondence.

Business correspondence or office correspondence deals with all kinds of letters that may be written or replied in conducting business transactions in any office. Following are few definitions of the term:

- "Office Correspondence is written communication on matters related to trade and industry between individuals or a group of individuals on matters of common interests".
- "It is a written communication relating to business of any interest to both the parties, between whom messages have been exchanged".

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Nature OR Features Office Correspondence:

- (1) It is a written communication.
- (2) It is between two persons.
- (3) Both parties share some common interests.
- (4) It may be internal or external to the organisation.
- (5) It is written or replied in a form and style which is prevalent or as desired under law, rules or customs.
- (6) It is concerned with business transactions.
- (7) It is sent or delivered by hand, through messenger, by post or through courier.
- (8) It may be handwritten, typed, duplicated or printed.

Need For Office Correspondence:

Commercial correspondence is indispensable and most important activity in any office. A business cannot be conducted and run without information and records. Correspondence provides the necessary information and records for day-to-day operations of a business enterprise. Oral communication is not desirable in every case. It is not considered as authentic. Moreover, in a widely spread business, oral communication may not facilitate developing and maintaining contacts. Correspondence is inexpensive and convenient mean of communication when the business is geographically scattered inside and outside the country. Need of Business correspondence may be explained as follows:

(1) <u>Limitations of oral communications</u>: Oral communication cannot replace written communication. It is difficult to establish, develop and maintain business relations through oral communication. Moreover, face to face talk or telephonic messages are expensive in terms of time and money. So correspondence is necessary for exchange of information as it is authentic, inexpensive and convenient mode of communication.

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- (2) <u>Increase in Trade Activities</u>: With the growth of trade and business activities, need for correspondence is inevitable. Due to increased business activities, number of customers, suppliers and dealers has gone up. In such a situation, correspondence is the only media through which business information can be sought and received.
- (3) <u>Legal requirements</u>: Correspondence is a communication in writing. It has an evidentiary value and can be furnished as a document in a Court of Law. Sometimes, correspondence of a particular type is required under law. For instance, notifications are always required under law and rules. Sometimes, Notices are legally necessary. A company meeting cannot be conducted without giving a valid notice to members. A person in any organisation cannot be retrenched or terminated without giving notice as required under law or rules.
- (4) <u>Smooth Functioning of an Organisation</u>: An organisation cannot function and perform its day to day operations without correspondence. Making enquiries, sending quotations, placing orders, making adjustments, disposal of complaints, informing dealers, customers, suppliers and general public is not possible without correspondence. Moreover, post correspondence serves as a record which can be used for future references.
- (5) Geographical Spread of Business: New business activities are not confined to a particular locality or a city or a state. They are spread throughout the country. In case of certain trades and industries, they have crossed the national boundaries. Today, a small scale trader has also engaged himself in exports and imports. So when business customers, suppliers and dealers are scattered geographically, one cannot run the business without effective correspondence. Hence, correspondence is necessary for a widely spread business.

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Importance of Office Correspondence:

Correspondence is an important activity in an office of any business enterprise. Correspondence constitutes an integral part of business routines. The place of correspondence is significant in the conduct and growth of a business. Its need was recognised due to limitations of oral communication. With the increase in trade activities and geographical distances between buyers and sellers, correspondence have assumed its importance. Day to day operations of a business cannot be performed without it.

Office correspondence is undertaken with an intention to establish, maintain and widen the area of operations. It is used as an instrument to influence the attitude of the reader and to build up the goodwill of the firm by creating lasting impressions. The main object of correspondence is to furnish evidence of business transactions and provide for a record for future references.

Following is the importance of office correspondence:

- 1) Convenient and Inexpensive Mode of Communication: Commercial correspondence provides for a written communication in business and this mode of communication is cheaper and convenient for all kinds of businesses The media is economical as compared to oral and other modes like telephones etc.
- 2) <u>Authentic Written Proof.</u> Correspondence serves as a written proof of oral talks between two parties. It is authoritative proof of what is said in it. It binds the parties. It has evidentiary value and can be produced as an evidence in court of law.
- 3) **Record for Future References**: Present and past records of correspondence help in determining strategy for future, planning and decision making. It can be preserved and serve as a record for future references.
- 4) **Establishment of contacts:** It helps in development and maintaining business relations and contacts with such traders, dealers and customers who are away and about whom there is no possibility of meeting personally. So it establishes contacts between two parties separated by long distances.

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- 5) Serves as a Link: Office correspondence serves as a link between a firm and its customers, between supplier and a buyer, between different departments within an organisation and between management and the general public.
- Representative: Business correspondence is business communication on a paper. A letter represents its firm. Letters are viewed as silent ambassadors or messengers of a business house and can create a positive impact on the reader. What is said in a letter is deemed to be said by a firm.
- 7) <u>Impression Creator</u>. It creates lasting impression on the reader. Letter writing should not only be a medium to convey information but it also impresses the reader. It helps to enhance goodwill of the firm.
- 8) Change in Attitude: It serves as an instrument to change the attitude and action of the reader. Usually complaints of the customers are satisfied through correspondence. Prospective customers can be persuaded to buy the products/services through letters.
- 9) **Business Expansion**: Correspondence helps in expansion and widening the areas of operations. A letter can find easy access to one and all.
- 10) **Sales Promotion**: Correspondence helps in promoting sales by bringing buyers and sellers together in local, national and international markets.
- 11) **Fixes Responsibility**. Correspondence is in writing and signed by writer. It helps in fixing up the responsibility. Oral communication fails to do so. It is for this reason that telephonic and telegraphed messages are followed by letters.
- 12) **Enhances Goodwill**: Correspondence is a messenger which helps in building up goodwill and reputation of the business house.

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Types of Office Correspondence:

Office Correspondence is classified as given below-

- A. <u>Inward Correspondence</u>: Inward correspondence refers to communication or correspondence that an organization or individual receives from external sources, such as letters, emails, faxes, or any form of communication initiated by someone else and directed towards the recipient. Inward correspondence is important for staying informed, addressing inquiries, or responding to requests. An organisation may receive letters from customers, suppliers, government departments, banks, insurance companies, employees etc.
- B. <u>Outward Correspondence</u>: On the other hand, pertains to communication or correspondence that an organization or individual initiates and sends to external parties. This can include letters, emails, reports, memos, or any communication sent from the sender to one or more recipients. Outward correspondence is a way to convey information, make requests, share updates, or respond to inquiries from others. An organisation may send letters to customers, suppliers, government departments, banks, insurance companies, employees etc.
- C. <u>Internal Correspondence</u>: Internal correspondence takes place within the organisation/firm/company. A firm may issue notices, memos, instructions, warnings etc. to its employees or the employees may correspond with the firm in the form of replies, reporting, complaints, recommendations (inward correspondence) etc. further, a department in an organisation may communicate with other department in the same organisation for different purposes (outward correspondence). The internal correspondence may be horizontal or vertical. e.g. when a manager of purchase department correspondence. On the other hand, when a subordinate communicates with his manager or senior it is vertical correspondence.

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D. <u>External Correspondence</u>: When our company/firm receives mail/letters or sends mail/letters from/to the outsiders, it is called External Correspondence. The External Correspondence may be in the form of inward or outward correspondence.

E. Other types of correspondence:

These are some common types of office correspondence, and the choice of communication method depends on the purpose, audience, and formality of the message.

- **Letters**: Formal written communication often used for official documents or external correspondence.
- **Emails**: The most common form of electronic communication for both internal and external communication.
- Notices: Formal announcements or notifications are often used for legal or compliance purposes.
- **Agendas**: Outlines of topics to be discussed during meetings or conferences.
- Meeting Proceedings: Summaries of discussions and decisions made during meetings.
- **Reports**: Formal documents presenting information, findings, or analysis on a particular topic or project.
- **Memos**: Used for internal communication within an organization to convey important information or directives.
- Thanking Letters: Expressing gratitude for favours, gifts, or opportunities.
- Fax: Although less common today, faxes are still used for sending documents and letters over long distances.
- Newsletters: Periodic publications used to update employees or clients about company news, events, or industry trends.
- **Contracts**: Legally binding agreements outlining terms and conditions between parties.
- Complaints and Grievances: Formal documents used to address concerns or disputes.

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• Postcards: Brief messages or updates, often used for marketing or informal

communication.

• Inter-office Notes: Informal written communication between colleagues within

the same organization.

• Text Messages: Informal electronic messages often used for quick

communication between colleagues.

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LETTER WRITING: BUSINESS LETTERS

Introduction:

Business letters are silent ambassadors of a business firm. A business letter represents

firm through a piece of paper. What is said in a letter is deemed to be said by a firm. It

creates lasting impression on the reader. It serves as an instrument to change the

attitude and action of the reader. Business letter helps in widening the business and

promoting sales by bringing buyers and sellers together in local, national and

international markets.

A business letter is to achieve certain objects. In order to achieve objectives and

realise its importance, it must be written well.

Meaning of Business Letter:

Dictionary meaning of a Letter' is "A written or printed message." It is a

communication in writing between two persons. A 'Business Letter' can be defined as

"A written communication on a piece of paper between two persons on matters related

directly or indirectly to business." A business letter may be internal or external to the

organisation.

Objectives of Letter:

The objectives of a letter differ from the objectives of another. But, in general the

common objectives of any letter are as follows:

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- <u>To be Read</u>: The main objective of any letter is that the receiver should read it.

 Letter should be attractive enough to be read. The reader should feel like reading it.
- <u>To be Understood</u>: A letter should be clear in conveying the message it carries. The basic purpose and essence of any communication is its ability to create understanding. For this, the letter should be clear, adequate and consistent.
- **Convincing**: A communication cannot be effective unless it is accepted by the reader. The message should be convincing in its tone. A business letter must be written to generate a positive response in a reader.
- To be Acted upon: A letter serves as an instrument to change the attitude and action of the reader. It must be able to achieve the results.
- <u>To Build Goodwill:</u> A business letter represents your firm just like personality of its salesmen and the quality of its goods or services do. So a letter should be able to make the best possible impression on those who receive and read it.

Characteristics of Ideal Business Letter

Introduction:

A good business letter is one which appears well, written well and communicates well. Appearance of a letter is as important as its contents. The character of a firm is often judged by the general appearance and physical aspects of its letters. Language of a letter in which it is written should be faultless. Knowledge and use of correct punctuation, spellings and grammar is essential. These characteristics (qualities) are as follows:

- **A.** 9 Cs **B.** Physical Characteristics
- **C.** Language, **D.** Other Characteristics

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A. 9 Cs

A good business letter must convey the message for which it is written. It must be able to communicate well. The essentials of a good letter or its qualities or characteristics can be stated in terms of "The nine-C Formula" which is as follows:

- 1) <u>Complete</u>: It is one of the main characteristics of a business letter. The letter should be complete in all respects. All questions must be answered. All queries must be replied. It should contain all facts and information. It should be properly dated and numbered. Incomplete explanation adds to confusion.
- 2) <u>Clear</u>: Clarity of thought is essential for clear expression. Use of clear and unambiguous language which a reader can understand is essential. The language must convey the meaning. Use of simple, short and meaningful sentence help in enhancing clarity in a letter.
- 3) **Correct**. All facts, figures and language must be checked and verified before signing a letter. Use of correct spelling and marks of punctuation should be made. An incorrect letter not only shows the inefficiency and carelessness but also damages the reputation of the firm.
- 4) <u>Concise</u>: Lengthy sentences and use of more words is undesirable. One should try to write more in few words. Briefness is an essential quality of a business letter. Repetition of ideas should be avoided. Meaningful words and phrases should not be written.
- 5) **Convincing**: Another characteristic of a business letter is its ability to convince about the quality and genuineness of goods and service. In general, a letter should be convincing as to the purpose of the letter. The argument should be supported by facts, figures and authenticity. For instance, in a sales letter claiming quality of a product, a reference of its ISI/ISO mark and number shall help in convincing the buyer.
- 6) **Considerate**: A letter should be a thoughtful expression for the feelings and interests of other. Interest of the reader should be focussed and emphasized.

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Reader should be placed first. Adopt the 'You attitude' rather than the 'we attitude'. Write a letter in a language familiar to the reader.

- 7) **Concrete**. A business letter should not be on nonconcrete composition. It should give details needed by the reader. Ambiguity should be avoided.
- 8) <u>Coherence</u>: It means consistency of thoughts. Logical arrangement of ideas help in understanding. In a letter one thought must flow from another. The arrangement of matter in a letter must be in proper sequence.
- 9) <u>Courteous</u>: Last but not least, a business letter should be polite and friendly. It should be written to win goodwill, cooperation and loyalty. Over-courtesy is not required. Tone of a letter should be pleasant and positive. The letter writer should use such words which may create personal touch and closeness with the reader.

B. Physical Characteristics

These characteristics reflect the personality of the firm which a letter represents. Physical aspects of a letter add to its general appearance. These characteristics or qualities are written below:

- 1. Quality Paper: Quality of paper on which the letter is written must be of good quality. It adds to the prestige of the firm and helps in making the appearance attractive. White paper is frequently used. Use of lightly coloured paper can be used to obtain a special effect.
- **2.** <u>Size of the paper</u>: Size of paper used for letter writing is the key feature. Normally, standard size papers are used in business correspondence. Most business firms use A4, 8" x 10" letter size papers for general correspondence. Small size of 5" x 8" is used for short communications or memos.
- **3.** Letterhead: A well designed and printed letterhead can be used for dignity and convenience. Paper used to make copies may be different. Letterheads should also be in different size.

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- **4.** <u>Matching Envelopes</u>: Usually, envelopes should match the letterhead in size, colour and quality. Standard size of envelope which is common in use may not be suitable every time. Name and address of the firm can be pre-printed on the envelopes.
- **5.** Neatly Typed: For neat and clean appearance of a letter, it should be typed. A typed letter is more attractive than that of a handwritten letter. Use of good font, colour of letter is necessary. The typist should be qualified and efficient. Letters should be free from smudges (marks), erasures and blots.
- **6. Spacing the Lines:** A business letter should be attractive. Attractiveness in letter writing is largely a matter of line spacing. Long letters are single spaced, with more/double spaces between paragraphs. Short letters may be double-spaced 1.5cm.
- **7. Reasonable Margins**: Adequate margins at the top, bottom and on both sides add to the attractiveness of the letter. Long letters have narrow margins and short letters have wide margins. All pages of a letter should have same width of margins.
- **8.** Written on One Side: Business letter should not be continued on the back of a sheet. It must be written on one side only.
- **9. Proper Folding**: Usually, a letter should be folded the long way into three equal parts. If size of the envelope is small then letter it should be folded properly. Careless folding gives poor impression.

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C. Grammar

Language has been described as a media of your thoughts and feelings. Its use should be correct, clear and meaningful. Careful punctuation, necessary capitalisation, correct spellings, simple language and natural expression helps in writing a quality letter.

These characteristics are:

- 1. Careful Punctuation: Use of correct signs of punctuation at correct place helps in making your sentences meaningful. Incorrect punctuation can change the entire meaning of a sentence. The most common steps or marks of punctuations are: The Full Stop (.), The Comma (.), The colon (:),The Question Mark (?),The Quotation Mark/Inverted commas (" "),The Exclamation Mark, The Dash, The Hyphen, The Parentheses, The Apostrophe (") etc.
- 2. <u>Use of Capitals</u>: A Capital Letter is used to begin every new sentence. It is also used while writing names of people, firms, cities, states, countries, months of the year and days of the week. The first word of a sentence put within inverted commas should also begin with capital letter.
- 3. **Correct Spelling**: Another character of a good business letter is use of correct spelling. Help of dictionary should be made while writing a letter.
- 4. <u>Sentences</u>: A good business letter contains short and simple sentences. Use of unnecessary words should be avoided. Letter should be written in a natural and conversational language. Old expressions and dead phrases should be avoided. Do not repeat the words that add nothing to the sense.

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D. Other Characteristics

- **Proper Formatting**: Follow a standard format for the type of letter you're writing (e.g., business letter, personal letter) with appropriate headings, salutations, and signatures.
- Addressing the Recipient: Use the recipient's name and title if known, and address them appropriately (e.g., "Dear Dr. Shinde").
- **Specific Details**: Include specific information such as dates, numbers, and references, to make the letter more informative.
- **Professional Appearance**: Use quality paper and formatting, especially for formal business letters.
- Call to Action or Follow-up: If necessary, include a clear call to action or indicate any follow-up steps required.
- **Polished Conclusion**: Summarize the main points and express gratitude or anticipation for a response.
- <u>Signature</u>: Sign the letter by hand if it's a physical document, or use a digital signature if it's an electronic letter.

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Types of letters:

- 1) **Personal /Individual letters:** These letters are written for non-professional or personal purposes such as communication between friends or family members. These letters are not related to a business. Still, they are also important for a businessman. The requirement of salutation and the language plays an important role in personal letters.
- 2) Official Letters: These letters are formal documents used in government or institutional contexts, often for official communication. They are typically written in a formal and professional tone. Official letters can include letters of appointment, notifications, and announcements. They often follow a standardized format and may include the sender's and recipient's addresses, date, salutation, body of the letter, and a formal closing.
- 3) **Business letters**: Business letters are a subset of official letters, specifically used for communication in a business context. They are written for professional purposes within a business or organizational setting, often used for correspondence with clients, partners, or employees. They serve various purposes, including making inquiries, submitting proposals, confirming orders, and addressing customer concerns. Business letters are typically concise, clear, and professional in tone. Common formats for business letters include block style and modified block style.
- 4) Confidential letters: Confidential Letters contain sensitive information and are typically intended for a limited, trusted audience to ensure the information remains private and secure. Each type of letter has its own format, tone, and purpose. These letters are usually marked as "confidential" and are intended only for specific recipients who have authorization to access the information. They may deal with topics such as employee performance reviews, legal matters, or sensitive financial data. Maintaining confidentiality and secure transmission is crucial for such letters.

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5) Other Types of Letters:

- Cover Letters: Accompany job applications and provide additional information about the applicant's qualifications and interest in the position.
- **Resignation Letters**: Used to formally announce one's resignation from a job.
- **Thanking Letters**: Sent to express gratitude and appreciation for a gift, favor, or interview opportunity.
- **Invitation Letters**: Used to invite someone to an event, such as weddings or parties.
- **Recommendation** Letters: Written to endorse someone's skills, character, or qualifications.
- **Complaint Letters**: Express dissatisfaction or raise issues with a product, service, or situation.
- Query Letters: Typically sent to publishers or agents to inquire about publishing opportunities for a book or manuscript.
- Condolence Letters: Sent to offer sympathy and support during times of loss or grief.
- Love Letters: Expressing romantic feelings and emotions to a loved one.
- **Apology Letters**: Used to express regret and make amends for a mistake or offense.
- Sales Letters: Promotional letters aimed at selling products or services.
- Circular Letters: Sent to a group of recipients with similar interests or needs.

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Structure of Letter

Senders Information:

- o Name
- Senders Title/Position
- o Senders Organization
- Senders Address
- o City, State, Zip Code
- o Date

Recipient's Information

- o Name
- o Recipient's Title/Position
- o Recipient's Organization
- Address
- o City, State, Zip Code

Salutation

Dear/Respected [Recipient's Name],

Opening Paragraph:

Begin with a formal salutation and introduce the purpose of the letter.

For Example: I am writing to formally request [mention the purpose of the letter, e.g., "additional budget allocation for our project" or "approval for vacation leave," etc. [briefly explain the reason for the request, providing any necessary context].

Body of the Letter: Elaborate on the request or provide relevant details in suitable paragraphs.

Closing Paragraph: Summarize the request and express gratitude.

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For Example; I kindly request your prompt attention to this matter and hope for a

favourable response at your earliest convenience. Thank you for considering my

request. Sincerely,

Senders Name

o Contact Information, if applicable

Enclosures: List any enclosed documents, if applicable

Optional:

o If applicable, provide additional information, facts, or reasons supporting your

request.

o Attach any relevant attachments or documents.

Post Script (PS):

PS is a short remark or message added to the bottom of a letter after signature. It may

be a matter forgotten while writing the letter.

For more Information, visit: https://ppt-online.org/461498

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Specimen of Official Letters







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Official Letter Sample - Appreciation Letter

Mr. Arvind Vice President of Marketing ABCD Company Hyderabad

Date: 21-01-2021

Mr. Sreevas Marketing Manager ABCD Company Hyderabad

Dear Mr. Sreevas,

Subject: Appreciation for your Excellent Performance.

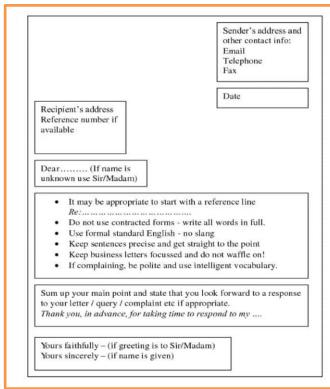
I would like to congratulate you on your excellent performance this quarter. You have single-handled brought us over a hundred crore worth of business.

Your hard work and dedication are awe-inspiring, and not to mention, your peers look up to you as their go-to role model. On behalf of the organization, I have granted you an additional bonus of *INR 100,000* for your efforts. We do hope that you will continue to grow with us for the foreseeable future.

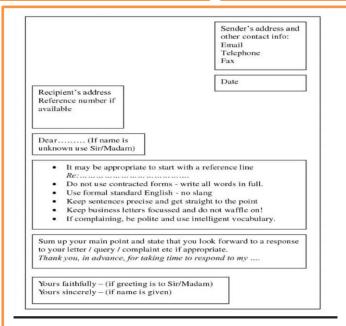
We soon expect to see you as a forerunner and a leader in the company's future prospects.

Your's Sincerely, Mr. Arvind Vice President of Marketing

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Contents of a Business Letter

The contents of letter may differ from person to person depending upon the sender, recipient, relation etc.

- **Sender's Information**: This includes your name, title, organization, address, phone number, and email address.
- **Date**: The date on which the letter is written and sent.
- **Recipient's Information**: The name, title, organization, and address of the person or entity you are addressing.
- Salutation: The formal greeting, such as "Respected Sir/Madam. Dear Sir/Madam," or "To Whom It May Concern" should be used as per requirement.
- Reference Line: Optional, but can be used to indicate a reference number or code associated with the letter.
- **Subject Line**: A brief, clear description of the purpose of letter.
- **Body of the Letter**: Body of the letter means the main content of the letter, organized into paragraphs. It should be concise and to the point, providing necessary details or information.
- Complimentary Close: A polite closing phrase is complimentary close. It may include phrases such as "Sincerely," "Yours faithfully," or "Regards," followed by a comma.
- **Signature**: Handwritten or Digital Signature of the writer/sender or authority.
- Enclosures or Attachments: If there are any documents or additional materials attached to the letter, they should be listed here/at last.
- Copy Recipients (CC): If you are sending copies of the letter to other individuals, list their names and addresses here. CC stands for 'Carbon Copy'

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Reference Books:

D. R. K. College of Commerce (Autonomous), Kolhapur

- 1. Dr. R. K. Chopra and Mrs. Ankita Bhatia, Office Management, Himalaya Publishing.
- 2. R. K. Sharma, Shashi K. Gupta and Sushil Nayyar, Office Management, Kalyani Publishers.
- 3. Denyer J. C., Office Management
- 4. Henri L. While, Office and Administrative Handbook
- 5. J. Baity, Development in Office Management.
- 6. Levin, H. S., Office Work and Automation.
- 7. Terry, George R. Office Automation; Office Systems and Procedures.
- 8. Terry George, Office Management and Control.
- 9. Earnest Dale: Management: Theory and Practice.
- 10. Henri Fayol, General and Industrial Management.

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Examination Pattern for Semester End Examination Nature of Question Paper

Total Marks – 40 **Duration – 2 Hours Instructions:** 1. All Questions are compulsory. 2. Figures to the right indicate marks. Q.1 Objective Type Questions. (MCQs) 08 Marks Q.2 Long Answer type Question 16 Marks OR Q. 2 (A) Short Answer type Question 08 Marks (B) Short Answer type Question 08 Marks Q.3 Long Answer type question 16 Marks

Continuous Internal Evaluation - Total 10 Marks

Home Assignments/ Problem Solving/ Role Play/ Oral/ Quiz/ Seminar/ Case Studies/ Group Discussion

Criteria for Passing:

- 1) Students should pass separately in Semester End Examination (SEE) and Continuous Internal Evaluation (CIE)
- 2) Semester End Examination (SEE): 16 Marks Out of 40
- 3) Continuous Internal Evaluation (CIE)- 4 Marks Out of 10
- 4) Minimum 20 Marks Out of 50.

OR Q. 3 (A) Short Answer type Question

(B) Short Answer type Question

08 Marks 08 Marks