

Business Letters

The term “business letters” refers to any written communication that begins with a salutation, ends with a signature and whose contents are professional in nature. Historically, business letters were sent via postal mail or courier, although the internet is rapidly changing the way businesses communicate. There are many standard types of business letters, and each of them has a specific focus.

Types of Business Letters

Sales Letters

Typical sales letters start off with a very strong statement to capture the interest of the reader. Since the purpose is to get the reader to do something, these letters include strong calls to action, detail the benefit to the reader of taking the action and include information to help the reader to act, such as including a telephone number or website link.

Order Letters

Order letters are sent by consumers or businesses to a manufacturer, retailer or wholesaler to order goods or services. These letters must contain specific information such as model number, name of the product, the quantity desired and expected price. Payment is sometimes included with the letter.

Complaint Letters

The words and tone you choose to use in a letter complaining to a business may be the deciding factor on whether your complaint is satisfied. Be direct but tactful and always use a professional tone if you want the company to listen to you.

Adjustment Letters

An adjustment letter is normally sent in response to a claim or complaint. If the adjustment is in the customer's favor, begin the letter with that news. If not, keep your tone factual and let the customer know that you understand the complaint.

Inquiry Letters

Inquiry letters ask a question or elicit information from the recipient. When composing this type of letter, keep it clear and succinct and list exactly what information you need. Be sure to include your contact information so that it is easy for the reader to respond.

Follow-Up Letters

Follow-up letters are usually sent after some type of initial communication. This could be a sales department thanking a customer for an order, a businessman reviewing the outcome of a meeting or a job seeker inquiring about the status of his application. In many cases, these letters are a combination thank-you note and sales letter.

Letters of Recommendation

Prospective employers often ask job applicants for letters of recommendation before they hire them. This type of letter is usually from a previous employer or professor, and it describes the sender's relationship with and opinion of the job seeker.

Acknowledgment Letters

Acknowledgment letters act as simple receipts. Businesses send them to let others know that they have received a prior communication, but action may or may not have taken place.

Cover Letters

Cover letters usually accompany a package, report or other merchandise. They are used to describe what is enclosed, why it is being sent and what the recipient should do with it, if there is any action that needs to be taken. These types of letters are generally very short and succinct.

Letters of Resignation

When an employee plans to leave his job, a letter of resignation is usually sent to his immediate manager giving him notice and letting him know when the last day of employment will be. In many cases, the employee also will detail his reason for leaving the company.

Parts of a Business Letter

A **business letter** is more formal than a personal letter. It should have a margin of at least one inch on all four edges. It is always written on 8½"x11" (or metric equivalent) unlined stationery. The Parts of a Business Letter may be grouped into major parts and minor (supplementary) parts. Knowledge of business letter is essential for anyone in or entering the workplace. Professional types of correspondence such as letters of application, sales letters and letters of reference differ from friendly letters in that they must follow a specific format and should never include informal or slang language.

The Seven Major (Essential) Parts of a Business letter include:

1. **Letterhead or Heading.** Most professional business correspondence is printed on a letterhead template. A letterhead contains the company name, address and contact information. An individual may also create a letterhead that contains his name and personal contact information. While some individuals may choose not to create a formal letterhead, it is always necessary to include a header with the sender's information.
2. **Date.** Simply put, the date is the day the letter is sent. The most commonly used date format is: August 6, 2018. Do not abbreviate the month and always include all four digits of the year.
3. **Inside Address.** This is the address of the recipient. If applicable, the first line in the address block should include the recipient's name and title, and the second line should state the recipient's company or business. The third and fourth lines are designated for the actual address.
4. **Greetings or Salutation.** Different circumstances determine which salutation or greeting is most appropriate. Use "*Dear*" when the recipient's name or title is known. Examples include "*Dear Mr. Doe*" or "*Dear Sales Director.*" When the name or title is unknown, use

“To Whom It May Concern.” Always punctuate the salutation of a business letter with a colon (:) instead of a comma.

5. **Body.** The body is the longest part of a letter and is usually divided into three subcategories: introduction, main content and summary. The introductory paragraph states the purpose of the letter. The main content conveys all necessary detailed information and has no set length requirements. The last paragraph summarizes the information provided, restates the letter intent and offers either instructions or an inquiry regarding follow-up correspondence.
6. **Complimentary Close.** The complimentary close is a word or short phrase that basically means “goodbye.” “*Sincerely*” is the most common closing remark. Others include “*cordially*,” “*best wishes*,” and “*best regards*.” The complimentary close can vary in degrees of formality and is dependent upon the relationship between the sender and recipient.
7. **Signature.** In letters that are sent via email, the signature is simply the sender’s name and title typed immediately below the complimentary close. When a letter is mailed, faxed or hand-delivered, however, there should be a large enough space below the closing and above the typed name and title for the sender to provide her written signature.

The Minor (Supplemental) Parts of a Business Letter are as follows:

1. **Attention Line.** This part directs letter to a specific person or position who will read and pay attention to the letter. It is often written using the format: *Attention:* <Name> <Position>
2. **Subject Line.** This part identifies main topic/business/purpose why the letter was written. It is often written using the format: *Subject:* <Adjustment Letter> or with the use of *Re:* <Letter of Inquiry>
3. **Identification initials.** This part contains the initials of whoever typed the business letter. For example, the initials, /SSA identifies that Salirick S. Andres typed the letter.
4. **Enclosure or attachment notation.** This part contains any attached documents or any additional material in the mail or envelope. For example, the enclosure notation, *Encl* (5) identifies that there are five enclosed or attached documents in the letter.

5. **Copy notation.** This part identifies other persons or parties receiving the letter whether as a *Carbon Copy (CC)* where all recipients know who else received the letter or a *Blind Carbon Copy (BCC)* where each recipient is unaware who else received the letter.
6. **Postscript.** This part, normally written as *Post Script or PS* adds personal comment or emphasis or any additional message the writer wants to include but not able to include it in the body of the letter.

Memorandum

Suppose you are the head boy or head girl of your school. You are given the responsibility of organizing an exhibition. What is the first thing that you do? You will first try to note down all the tasks that need to be done. You will note down the details of the task and the person given respective responsibility. Also, you use formal communication to the principal, teachers and other people in position. Similarly, in business also we need to note down details and communicate to other individuals in the organization. This way of communication in business is memorandum. In this section, we will study memorandum.

Memorandum Definition

A memorandum is a note or a record for future use. For an organization, it is very important to have an efficient way of communication. It is an interoffice tool. It has a number of purposes.

In simple words, a memorandum is a written message or information from one person or department to another in the same business. It is less formal than a letter.

A memorandum is often abbreviated as a memo. Effective memos clearly state the objective in the first sentence.

Purpose of Memorandum

A person writes a memo with some purposes in mind. It is used

- To inform.
- To inquire.
- One can use it to report.
- To give suggestions.
- To remind.
- One can use it to instruct.
- One can promote goodwill using a memo.
- To communicate the ideas.

Advantages of Memos

Using memos has a number of advantages. Memos are

- Memorandum is quick.
- It is a convenient mean of communication.
- It is inexpensive. Memos are used within an organization so one can use low-quality paper.
- It helps in maintaining written records.

Parts of Memorandum

There are mainly five parts of a memorandum. They are

Heading Segment

The heading segment of a memo has four basic sections.

TO: Reader's names and job titles

FROM: sender's name and job title

DATE: Complete date

SUBJECT: Reason for writing a memo

Opening Segment

In this segment, one can find the purpose of the memo. The opening paragraph includes the reason or the motive of writing a memo. It gives a brief overview of the memo.

Context

It is the event or circumstance of the problem the writer is solving. One should clearly mention the context.

Task Segment

It is the segment one must include to mention the steps for solving the problem. One must only include the needed information. Do proper planning before writing a memo.

Summary Segment

If a memo is more than a page, one must include a separate summary segment. It is not necessary for a short memo. It helps the reader to understand the main idea of the memo. Also, it helps to take the required steps.

Discussion Segment

It is the longest part of a memo. It includes all the details supporting the ideas. Remember to start with general information and then go for more specific one. It includes supporting ideas, facts, and research.

Closing Segment

Always end your memo with courteous words. Make sure you make the completion of the task in an efficient and easy way. Try to lure the reader to make the positive action.

Necessary Attachments

One can also attach lists, graphs, tables etc. at the end of a memo. Make a reference for your attachments and add a notation for them.

The format of a Memo

The image shows a light blue rectangular box with a dark blue border, representing a memorandum form. At the top center, the word "Memorandum" is written in bold dark blue text. Below this, there are four lines of text, each followed by a colon and a horizontal line for input: "To :", "From :", "Date :", and "Subject:". Below these fields, the text "Body of the Memo containing the details" is followed by a horizontal line, and then two more horizontal lines are provided for the body of the memo.

Important Points to Remember

- Always use a clear and specific subject line.
- Do not waste the reader's time by using lengthy memos. Be clear and concise.
- Use the active voice.

- Use the first person.
- Be formal.
- Avoids slangs and friendly words.
- One should use a careful and logical arrangement of information.
- Keep the paragraphs short.
- One can use enumerations for the paragraphs.
- One can use solid capitals and center indentation for important details.
- Use of bullets to make points.
- Always end the memo in courteous words.
- Use text fonts and color to attract attention.
- Avoid rude and thoughtless memos.
- It does not need a complimentary close or a signature.
- Proofread the content before sending.

Electronic-Mail

Electronic mail (email or e-mail) is a method of exchanging messages ("mail") between people using electronic devices. Email first entered limited use in the 1960s, but users could only send to others who used the same computer, and some early email systems even required the author and the recipient to both be online at the same time, similar to instant messaging.

Email operates across computer networks, which today is primarily the Internet. Today's email systems are based on a forward model. Email servers accept, forward, deliver, and store messages. Neither the users nor their computers are required to be online simultaneously; they need to connect only briefly, typically to a mail server or a webmail interface for as long as it takes to send or receive messages or to download it.

Advantages and disadvantages of using email for business

Email is an important method of business communication that is fast, cheap, accessible and easily replicated. Using email can greatly benefit businesses as it provides efficient and effective ways to transmit all kinds of electronic data.

Advantages of using email

Email can increase efficiency, productivity and your business readiness. Using email in business is:

- **cheap** - sending an email costs the same regardless of distance and the number of people you send it to
- **fast** - an email should reach its recipient in minutes, or at the most within a few hours
- **convenient** - your message will be stored until the recipient is ready to read it, and you can easily send the same message to a large number of people
- **permanent** - you can keep a record of messages and replies, including details of when a message was received.

One of the main **advantages of email** is that you can quickly and easily send electronic files such as text documents, photos and data sheets to several contacts simultaneously by attaching the file to an email. Check with your internet service provider if there is a limit to the size of email attachment you can send. Some businesses may also limit the type and size of attachments that they are willing to receive.

You can gain further advantages and increase your efficiency by setting up your email software to:

- automatically create entries in your address book for every message you send or receive
- respond to incoming emails automatically, eg to confirm receipt of an order, or to let people know that you are on leave or out of the office

Disadvantages of using email

Despite the benefits, there are certain weaknesses of email that you should be aware of, such as:

- **Spam** - unsolicited email can overwhelm your email system unless you install a firewall and anti-spam software. Other internet and email security issues may arise, especially if you're using the cloud or remote access.
- **Viruses** - easily spread through email attachments.
- **Sending emails by mistake** - at a click of a button, an email can go to the wrong person accidentally, potentially leaking confidential data and sensitive business information. You should take care to minimize the likelihood of business data breach and theft.
- **Data storage** - electronic storing space can become a problem, particularly where emails with large attachments are widely distributed.

Verbal Communication

Verbal communication is perhaps the most obvious and understood mode of communication, and it is certainly a powerful tool in your communication toolbox. Put simply, verbal communication is the sharing of information between two individuals using words.

Spoken versus Written Communication

While we typically focus on speech while talking about verbal communication, it's important to remember that writing is also a form of verbal communication. After all, writing uses words too!

Imagine for a moment that you're a college student who is struggling with material in a class. Rather than simply giving up, you decide that you're going to ask your instructor for the guidance you need to make it through the end of the semester. Now, you have a few choices for using verbal communication to do this. You might choose to call your instructor, if they've provided contact information, or talk to them in person after class or during office hours. You may take a different approach and send them an email. You can probably identify your own list of pros and cons for each of these approaches. But really, what's the difference between writing and talking in these situations? Let's look at four of the major differences between the two:

1. **Formal versus Informal:** We generally use spoken communication informally while we use written communication formally.

2. **Synchronous versus Asynchronous:** Synchronous communication is communication that takes place in real time, such as a conversation with a friend. In contrast, asynchronous communication is communication that is not immediate and occurs over longer periods of time, such as letters, email, or even text messages.
3. **Recorded versus Unrecorded:** Written communication is generally archived and recorded for later retrieval while spoken communication is generally not recorded.

Benefits of Spoken Communication

Spoken communication can be a conversation, a meeting, or even a speech. Spoken communication is powerful in that it allows for input from every part of the social communication model. You encode your thoughts into the spoken word and look to your audience to decode and take the message in. You can ask for feedback directly to confirm understanding of your message.

In a world where we do most of our talking by email and text, spoken communication is a breath of fresh air. Leverage the power of spoken communication to create relationships—you can establish a rapport and a sense of trust with your audience when you speak with them. Spoken communication allows you to bond on a more emotional level with your listeners.

Spoken communication also makes it easier to ensure understanding by addressing objections and clearing up misunderstandings: you can adjust your message as you communicate it, based on the feedback you're getting from your audience. Spoken communication allows you to walk away from a conversation with a higher degree of certainty that your message was received.

Verbal communication is a powerful tool, and it's made even more powerful when paired with listening and nonverbal communication.

Nonverbal Communication

We've already employed a little bit of nonverbal communication with the active listening skills we've previously discussed: nodding, facial expressions, leaning toward the speaker to show

interest—all of those are forms of nonverbal communication. Body language can reinforce your spoken message or it can contradict it entirely.

There's a myth that says that when you speak, only 35 percent of your communication is verbal and 65 percent of it is nonverbal. That's not entirely true (or else foreign languages would be much easier to understand!). But it's absolutely true that nonverbal communication can make or break your message. Here are some types of nonverbal communication and the effects they can have on the success of your communication:

- **Facial expressions:** Your teenage cousin we referred to at the beginning of this section might have told you he was happy, but his apathetic facial expression may have communicated different information. Facial expressions—happy, sad, angry—help you convey your message. Be aware of your facial expression when you talk and particularly when you listen, which is when it's easy to forget.
- **Gestures:** When you speak, a gesture can make your message stronger. Pointing out something you want your listener to look at more closely is an example of nonverbal communication that makes your message understood. Motioning warmly toward a coworker who deserves special recognition, making a fist to show frustration or anger, such gestures help further engage your audience when you speak.
- **Proximity:** How close you are to your audience when you speak sends a nonverbal message. If your size is imposing and you leave a very small distance between you and your listener, it's likely your nonverbal communication will be a bit threatening. On the other hand, giving someone too much space is an awkward nonverbal communication that might confuse your listener.
- **Touch:** Shaking an audience member's hand, putting your hand on his shoulder: these are nonverbal cues that can affect the success of your message. Touch communicates affection, but it also communicates power. In fact, when women touch a listener, it's often assumed that they're being affectionate or conveying empathy, but when a man touches a listener, it can be taken as a sign of communicating power or even dominance.
- **Eye contact:** Making and maintaining eye contact with an audience when you're verbally communicating or listening communicates to the other party that you're interested and

engaged in the conversation. Good eye contact often conveys the trait of honesty to the other party.

- **Appearance:** Your clothing, hair, and jewelry are also a part of nonverbal communication. If you put a dachshund pin on your lapel each morning (because you have a pet dachshund), that says something about you as a person. Similarly, the quality and condition of your clothing, how it fits, if it's appropriate for the season—all of these things speak nonverbally about you as a communicator.

Nonverbal communication reveals a lot about you as a communicator and how you relate to other people. It pays to be aware of the elements of your nonverbal communication so you can maximize the impact of your message.

What is active listening?

Active listening is the ability to focus completely on a speaker, understand their message, comprehend the information and respond thoughtfully. Unlike passive listening, which is the act of hearing a speaker without retaining their message, this highly valued interpersonal communication skill ensures you're able to engage and later recall specific details without needing information repeated.

Active listeners use verbal and non-verbal techniques to show and keep their attention on the speaker. This not only supports your ability to focus, but also helps ensure the speaker can see that you are focused and engaged. Instead of thinking about and mentally rehearsing what you might say when the speaker is done, an active listener carefully considers the speaker's words and commits the information to memory.

Why is active listening important in the workplace?

Whether you're seeking a new job opportunity, striving to earn a promotion or working to improve in your current role, improving your active listening skills will help you succeed. Much like critical thinking and conflict resolution, this soft skill will help increase your value as an employee.

Here are several benefits of being an active listener:

It helps you build connections.

Active listening helps others feel comfortable sharing information with you. When you demonstrate your ability to sincerely listen to what others have to say, people will be more interested in communicating with you on a regular basis. This can help open up opportunities to collaborate with others, get work done quickly or start new projects. All of these things can help lead you to success in your career.

It helps you build trust.

When people know they can speak freely to you without interruptions, judgment or unwelcome interjections, they'll be more likely to confide in you. This is especially helpful when meeting a new customer or business contact with whom you want to develop a long-term working relationship.

It helps you identify and solve problems.

Actively listening to others will help you detect challenges and difficulties others are facing, or problems within projects. The more quickly you're able to spot these issues, the sooner you can find a solution or create a plan to address it.

It helps you increase your knowledge and understanding of various topics.

Great employees are always striving to learn something new and grow their knowledge base. Because active listening helps you retain information, it will also help you better understand new topics and remember what you've learned so you can apply it in the future.

It helps you avoid missing critical information.

Because active listeners are highly engaged with the speaker, they're able to recall specific details. This is especially important when the speaker is providing instructions, training you on a new process or delivering a message you're responsible for passing along to others.

Active listening skills examples

Here are a variety of active listening exercises you can use to help improve your interpersonal communication skills.

Verbal active listening skills

- **Paraphrase.** Summarize the main point(s) of the message the speaker shared to show you fully understand their meaning. This will also give the speaker an opportunity to clarify vague information or expand their message.

Example: *“So what you’re saying is, your current content management system no longer meets your teams’ technical needs because it doesn’t support large video files.”*

- **Ask open-ended questions.** Ask questions that show you’ve gathered the essence of what they’ve shared, and guides them into sharing additional information. Make sure these questions cannot be answered with a simple “yes” or “no.”

Example: *“You’re right—the onboarding procedure could use some updating. What changes would you want to make to the process over the next six months?”*

- **Ask specific probing questions.** Ask direct questions that guide the reader to provide more details about the information they’ve shared or narrow down a broad subject or topic.

Example: *“Tell me more about your current workload. Which of these projects is the most time consuming?”*

- **Use short verbal affirmations.** Short, positive statements will help the speaker feel more comfortable and show you’re engaged and able to process the information they’re providing. Small verbal affirmations help you continue the conversation without interrupting the speaker or disrupting their flow.

Example: *“I understand.” “I see.” “Yes, that makes sense.” “I agree.”*

- **Display empathy.** Make sure the speaker understands you're able to recognize their emotions and share their feelings. By showing compassion, rather than just feeling it, you're able to connect with the speaker and begin establishing a sense of mutual trust.

Example: *"I'm so sorry you're dealing with this problem. Let's figure out some ways I can help."*

- **Share similar experiences.** Discussing comparable situations will not only show the speaker you've successfully interpreted their message, but it can also assist in building relationships. If the speaker has shared a problem, providing input from how you solved similar challenges is valuable to others.

Example: *"I had a tough time getting started with this program, too. But it gets much easier. After just a few weeks, I felt completely comfortable using all the features."*

- **Recall previously shared information.** Try to remember key concepts, ideas or other critical points the speaker has shared with you in the past. This demonstrates you're not only listening to what they're saying currently, but you're able to retain information and recall specific details.

Example: *"Last week you mentioned adding a more senior coordinator to help with this account, and I think that's a great idea."*

Non-verbal active listening skills

- **Nod.** Offering the speaker a few simple nods shows you understand what they're saying. A nod is a helpful, supportive cue, and doesn't necessarily communicate that you agree with the speaker—only that you're able to process the meaning of their message.
- **Smile.** Like a nod, a small smile encourages a speaker to continue. However, unlike a nod, it communicates you agree with their message or you're happy about what they have to say. A smile can take the place of a short verbal affirmation in helping to diffuse any tension and ensure the speaker feels comfortable.
- **Avoid distracted movements.** Being still can communicate focus. To do this, try and avoid movements like glancing at your watch or phone, audibly sighing, doodling or

tapping a pen. You should also avoid exchanging verbal or non-verbal communications with others listening to the speaker. This can make the speaker feel frustrated and uncomfortable.

- **Maintain eye contact.** Always keep your eyes on the speaker and avoid looking at other people or objects in the room. Just be sure to keep your gaze natural, using nods and smiles to ensure you're encouraging them rather than making the speaker feel intimidated or uneasy.