



The Waterfront Hotel story continues...

## What are the pros and cons of ICT to a business such as the Waterfront Hotel?



The Waterfront Hotel is considering upgrading its information and communication technology (ICT) systems. Specifically, Caroline Lawlor is examining if she should:

- Introduce a computer network for staff to share information between computers in different offices of the hotel.
- Install new broadband connections to speed up Internet access
- Launch a new on-line booking and reservations service for guests. Using the Internet, they will be able to view photos of rooms and book on-line using a credit card.

Before deciding to press ahead with any of these initiatives, Caroline must weigh up the pros and cons:

### *Advantages of ICT*

- **Speed** of communicating – large documents can be sent by email very quickly – especially if the user has a broadband, ISDN or similar high-speed connection to the Internet.
- **Cost of communicating** and sending information is much reduced.
- **Cost of advertising** reduced through use of Internet – hotel website.
- **Sales** and bookings and orders can be done automatically over the Internet, reducing staff time on the telephone.
- **Staff satisfaction** is improved through teleworking –being able to work from home or other locations other than workplace can improve employee satisfaction.
- **Travel time and expenses** can be reduced through use of email and video conferencing.

### *Disadvantages of ICT*

- **Security** – Internet systems are vulnerable to virus infections, hackers and other risks. High security systems require skilled staff and support to maintain them. This can increase costs significantly.
- **E-crime** – the incidence of on-line credit card fraud using fake websites or stolen credit cards is increasing for firms involved in e-commerce. This can undermine consumer confidence in e-commerce and reduce sales.
- **Risks** – ICT makes firm very dependent on technology working properly all the time. Depending on the business, a fault with the ICT system can bring a whole business to a standstill - for example, if the on-line booking system for a hotel or airline crashed.
- **Expensive** – rapid changes in technology can make expensive equipment obsolete quickly. Constantly upgrading equipment and staff skills is a growing business expense. Electronic junk mail ('spam') is also a major nuisance for many users of the Internet.



## Fourteen common barriers to effective communications...

1. Sending a badly-worded message
2. Sender chooses an inappropriate method of communications
3. Sending communications at the wrong time
4. Sending messages using inappropriate method
5. Receiver not listening
6. Receiver has no way of providing feedback
7. Receiver unable to concentrate or pay attention to the message
8. Receiver suffers from information overload
9. Receiver misinterprets the message
10. Receiver distracted by other information
11. Receiver cannot provide feedback to the sender if questions arise
12. Receiver cannot understand or interpret the message correctly
13. Technology used is unreliable and prone to breakdowns
14. Interfering noises at sender or receiver's end



### Summary - Fill in the gaps

Business is all about providing goods and services to other people. Central to the effective working of any organisation is the good communications of information between people and organisations. Business communications can be internal among staff and external with other stakeholders, such as investors, suppliers and customers.

\_\_\_\_\_ communications pass through the approved channels of communication, such as meetings, memos, notice boards, etc. Informal communications, also known as the organisation\_\_\_\_\_, refers to the informal network of communications that exists between staff in every organisation, and which operates mainly through informal conversations.

\_\_\_\_\_ are short written notes about one particular issue sent by a person named on the note, along with a date, recipient name and topic. Notices, on the other hand, are used to communicate some brief information to staff, normally using a notice board.

A meeting occurs whenever two or more people come together to exchange and discuss information. They often involve making business decisions and, as a result, they are extremely common in business. Students should be aware that only formal or very important business meetings, such as Board Meetings, AGMs and EGMs, require that specific rules be followed, such as having a quorum and a chairperson. For most other meetings, a chairperson is usually sufficient to keep the meeting focused on the issues to be discussed in the time available.

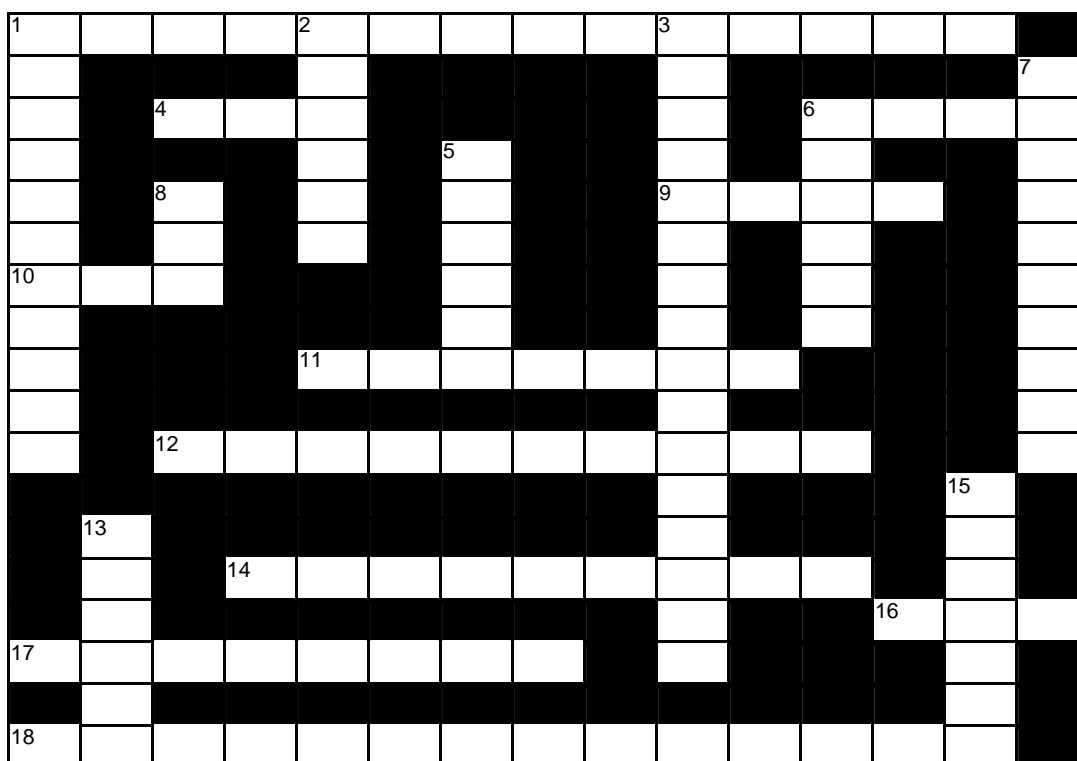
Information and communication technologies have increased the speed and reduced the cost of business communications. However, the use of ICT also has security implications for organisations.

To ensure effective communications, both senders and receivers need to take care that they do not create barriers that can cause misunderstandings or confusion.

**Score: \_\_\_\_\_ out of 3**



## Crossword 7 - Management Skills 2 Communications



### CLUES

#### Across

1. The transfer of information between people and organisations (14)
4. The global directory of addresses and information "sites" which can be accessed on the Internet (3)
6. Caroline Lawlor prepared one of these to compliment staff at the hotel on their work (4)
9. What computer programs are written in (4)
10. A meeting that is called to discuss important matters that cannot wait until the next 8 down (3)
11. The route used for 1 across (7)
12. Groups given responsibility for some task necessary for the running of an organisation (10)
14. Managers of a business use these types of meetings to discuss issues for decision (9)
16. A type of chart and a dessert (3)
17. A communication sent down the chain of command from managers to employees (8)
18. The agreed rules for running a meeting (8, 6)

#### Down

1. Caroline Lawlor holds this position at the Waterfront Hotel's management meetings (11)
2. Communication from staff reporting up the chain of command to their supervisors (6)
3. A type of virtual meeting with people connected by phone at the same time (16)
5. A summary list of all the items to be dealt with at a meeting (6)
6. The method used to send data and communications (6)
7. Communication between people of the same rank and authority (10)
8. Yearly meetings open to all shareholders of a company or members of a society (3)
13. Ed Lyons is to prepare one of these on a new marketing strategy for the Waterfront Hotel (6)
15. A type of communication used to transfer brief information to staff (7)