

# Answers

## ACTIVITY 5

These are some of the cost items that are likely to be incurred:

the cost of general clerical supplies

the salaries/wages of the personnel involved. Their National Insurance and superannuation (employer's contribution) and payment for holidays

travelling expenses

luncheon vouchers

fringe benefits

petty cash expenses

depreciation on machines and equipment owned by the firm

rental charges on leased equipment

hire purchase repayments on equipment

the cost of maintaining equipment

the cost of telephone calls

the cost of work contracted out of the firm (e.g. computing) or subject to interdepartmental charges where services are provided within the firm.

## ACTIVITY 7

Here are some of the points you may have included:

Staffing economies:

Fewer staff and supervisors

Lower levels of overtime

Fewer hours for temporary staff

Lower skill requirements, allowing a different and cheaper quality of staff to be recruited

Redeployment of staff to absorb growth in other areas, saving on recruitment costs

Related staffing costs

**Equipment:**

Certain types may no longer be needed and so will not be replaced. (NB: These savings should be valued in terms of replacement cost not the original cost.)

**Savings in space:**

This category has to be considered carefully since saving only arises if either the space vacated can be put to some alternative use, rented out to some other organisation or avoids the necessity to take on additional premises.

**Computerisation:**

If most of your procedures are going to be computerised then a whole range of control benefits will be possible. For example, more accurate and timely information about debtors can improve credit control by helping to reduce bad debts and the overall average age of debts.

This, in turn, can contribute to improved cash flow. Both of these savings are measurable. Purchasing, distribution and stock control can all be made more effective and the benefits quantified. (There will of course be benefits on the production side of the business, but this lies outside our present concern.)

**ACTIVITY 8**

Average Value = (initial cost-final value)

$$\frac{\quad}{2}$$

$$= \frac{8000-2000}{2} = 3000$$

Notice that its expected life does not offset the average value.

**ACTIVITY 9**

$$3480 \times 10 = 34800$$

**ACTIVITY 10**

The rate of return on B is given by

$$\frac{\text{Annual Savings}}{\text{Average Investment}} \times 100 = \frac{3480}{3000} \times 100 = 116\%$$

Since A gives a greater return than B we would choose machine A.

**ACTIVITY 12**

	WEEKS				
	1	2	3	4	5
1 Delivery	_____				
2 Installation			_____		
3 Training			_____		
4 Charts and forms			_____		

Fig. 19 Model answer for Activity 12

**ACTIVITY 13**

Perhaps some flattery in the first case will help - praising their experience; confirming how well they cope and enlisting that experience on your side; how much you have come to rely on them to help younger, less experienced workers in coping with procedures, skills, etc.

In the second case you must appeal to the person's innate sense of leadership and put it to work for you - a quiet word, indicating that you recognise his or her leadership abilities and are not threatened by them. Gauge that person's particular fears in the change situation and feed the appropriate facts that can allay their anxiety. Once they feel they have nothing to fear they will spread that attitude amongst the group as quickly and easily as they might otherwise spread the inaccurate rumour!

**ACTIVITY 16**

You may have included several methods for each case, and it is always better if you can reinforce one method with another. Let us look at each of the situations in turn:

- a *To ensure smooth installation* - you might have mentioned both briefing meetings and memoranda. Certainly it is best to provide the opportunity for verbal explanation and immediate feedback first, in order to clear up any misunderstandings or queries. But it is also a good idea to give a written reminder of what is to occur so that people can refer to it - everyone's memory for the spoken word is notoriously at fault!
- b *To support and amplify on-the-job training* - you might have included briefing, giving instruction or even an initial lecture, all oral methods; but you might have mentioned further written or visual methods of reinforcement for reference purposes - a helpful diagram, a set of written instructions or an operating manual.

In some cases, a cassette or film might have been helpful: the film to introduce the system and illustrate the lecture, the cassette to give clear instructions so that staff can learn in their own time and at their own pace.

Face-to-face discussion of problems arising during training might also have been mentioned here. In a sense, in any training situation, the more methods of communication used the better, since each 'reinforces' or strengthens the other.

Perhaps one of the most important things to mention here is that the manager should be accessible and approachable, either through being present to monitor and help, or by being available through an 'open-door' policy.

- c *To ensure the smooth running of the pilot scheme* approachability and availability are both necessary; again, oral instruction and discussion will be needed but written back-up in the shape of written instructions, diagrams and good operating manuals are equally important.

A weekly memo or newsletter giving details of progress is often encouraging and the information given helps staff to feel continually involved in the developments taking place as well as giving them recognition for their efforts.

### **ACTIVITY 17**

You may have thought of a number of different methods, but, again, in each case an oral method should be used first, supported by a confirmation in writing.

Oral methods - such as briefing meetings and discussions - always give the opportunity for a diplomatic approach and clarifying misunderstandings. However, it is essential to set down agreements and arrangements in writing for later reference; you might have listed memos or even charts and timetables in the case of the last example.

Perhaps you also considered sources of information - a document stating the various agreements which might be given by management but clearly ratified and signed by members of the union or staff association; the meeting or discussion at which this is circulated might also be conducted by both the supervisor and the representative concerned. Again, in this way, the staff will feel that their interests have been consulted and represented and that they have had the opportunity to question both sides.

### **ACTIVITY 19**

You may have thought of a number of different sources which would help. We have taken as an example the situation where word processors are to be introduced since it is probably easier to identify what some of the sources could be in that particular context; information might be obtained from any or all of the following:

- a an external or in-house short course for supervisors on word processors
- b expertise/manuals from the companies supplying the machines
- c other organisations which have implemented a similar system
- d existing sections within the organisation which have already had experience of word processors, or existing members of staff who have such experience.

### **ACTIVITY 24**

Here are a few errors which may arise during clerical procedures (you may have thought of many more):

- inaccuracy
- omission
- duplication
- misreading
- reading the wrong line
- inaccurate coding
- reversal of numbers
- insertion or extrapolation
- incorrect sequence in a procedure.