The Role and Impact of Business Communication on Employee Performances and Job Satisfactions: A Case Study on Karmasangsthan Bank Limited, Bangladesh

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Abstract

Since the dawn of civilization, evolution in communication has always been the cardinal factor of reformation towards building a courteous association of human race. Likewise, to ensure attainment of absolute expeditious outcome from a business organization, there is just no substitute of effective business communication. So it is of utmost significance that the employees maintain a meaningful communication not only with the top management but also with their coworkers and peers. The following is a self-conducted research study on the various roles and impacts of business communication on employee performance and job satisfaction. The study was conducted on a renowned bank of Bangladesh. The research was directed in the form of descriptive survey through questionnaire. The data were analyzed using different expository statistical analysis methods. In the end, the results obtained suggest strongly that effective business communication has an indisputable and obvious influence on employee’s overall performance and satisfaction.

Keywords: Communication; Employee participation; Job motivation; Job satisfaction; Employee performances; Organizational effectiveness; Productivity; Job commitment

Introduction

Background of the study

Communication or Business communication is a very crucial element in successful business organization. It is the mainstream of development or growth of the business organization. The business relationship is very important between management and employees. There is need for interaction and understanding of management-employee relations hence it will impact on the organizational performances and organizational outcomes. According to Bani hashemi, communication is a medium, a means to performance ends, or as constitutive, as the end in itself. Communication is a process of transmitting information from one person to another for supporting the organizational work. When the chain of command is very strong between management and the worker it will finally help in running the business organization. According to Stephen [1], communication is a critical factor in directing and mobilizing the workforce towards the accomplishment of the organizational goals or objectives. By creating understanding it enhances co-operation and promote effective performance. According to Williams [2] smart managers understand that the end effective, straight forward communication between managers and employees is essential for success. According to McKinney et al. [3] communication is essential to effective team performance and communications for any organization is like blood flow in the human body. According to Snively as cited by Robins, communication process is initiated through the following means the sender encoding the message, the channel decoding- the receiver noise and feedback. It is estimated that managers spend over 80% of their day communicating with others. Since most of the basic management process planning, organizing, leading and controlling cannot be performed without effective communication. Civilization is impossible without the information or communication. Very importantly, without the communication the business world will not be like the global village. The global village people are moving and sharing anything with the help of communication. So the communication bears the importance of job satisfaction and enhance the improves the job performances.

Statement of the problem

In the present age, Information technology has brought a great change in the era of industrial relationship between management and employee worker. Communication or Business communication is very important for the successful business in modern time. The organizations always seek to make the profit and carry on the business. The business is on the understanding of the workers. When the communication is gap between the employer and the employees, there creates a big problem of understandings in mind about the workers and employers. There are many stakeholders in the business organization like the employers, employee, suppliers, customers, trade union, regulatory agencies and government etc. When the communication is gap among the stakeholders, there creates a lot of problem because of miscommunication. Here we emphasize on the importance of communication and business communication. In our business arena, the factory owner or the owners of other industry are indifferent to the interest of the workers demand and interest. They are uncommunicative and they never share anything about you regarding the business and business activities. Many industrial disputes rise because of miscommunication between management and workers. When the communication is less it creates the problem of performance

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importance to stress that in communication, emotions, environment, psychological and technical characteristics of the medium is relevant to enhance the organizational performance. In the view of Okoye [4], psychologically transmission goes beyond reception of information but understanding and feedback. Most organizational conflict has been traced to breakage in communication as supported by Lee. According to Chudi-Oji [5], in spite of the laudable roles of effective communication in improving organizational performances. Ineffective communication is detrimental for managers, employees and organizations; it can lead to poor performance, strained interpersonal relations, poor service and dissatisfied customers. For an organization to be effective and gain a competitive advantage, managers at all levels need to be good communicators [6].

Significance of the study

Communication or Business communication is the essential part of modern business. The communication is important among the concerning parties transaction. Communication helps to pull the all hidden talents from the subordinates in the organization. Business communication is very important in the field of business organization. In organization, power flows through communication and applies through opportunities provided by the flow of communication, then develops and finally joins in organizational context and is preserved [7]. Effective communication is very important for the managers and the subordinates to achieve the desired goal of the organization. The success of the management depends on the utilization of organizational resources like man, machine, money, market materials and method. To achieve such an organizational goal planning, organizing, leading and controlling is very important, for effective implementation of the management process business communication is very important. In short, it is said that manager’s main task is communication. Communication is a very important skill and the need for efficient management; through which managers establish and maintain interactions between employees to perform necessary daily tasks properly. Organization Communication is a coordination of relationships that exist between organization bodies. In today’s organizations, information should be transferred faster than any other time. It is through communication that each organization becomes an open system, which has reciprocity with its environment. There a lot thing bears the significance of the study.

The study reveals the importance of communication and business communication on the performances of organizational employees.

It was aimed to determine whether the managerial communication skills have any effect on the job satisfaction and job commitment levels of the employees and whether there is any relation between the mentioned concepts.

The business communication helps the bank to make the interaction between top level management and employees of the organization.

Objectives of the study

The objectives of the study are to investigate the role and impact of business communication on employee performances and job satisfaction of the Karmosangthian Bank Limited. The specific objectives are given below:

1. To identify the impact of business communication between management and the employees.
of relationships that exist between organization bodies. In today’s organizations, information should be transferred faster than any other time. It is through communication that each organization becomes an open system, which has reciprocity with its environment. Dwyer [8] defined communication as “the process whereby people within an organization give and receive messages” Communication can occur through informal channels such as grapevines or formal channels such as procedures and official meetings [9,10]. Many researchers assert that communication in organization has significant effect on employee’s job satisfaction [11], in organization people communicate with each other in different ways. Messages may move downward and upward between hierarchical levels or horizontally among employees at equivalent level [12]. Beyerlein states it is management responsibility to align support systems in the strategic design so that employees can communicate their needs and frustrations, as this will keep an organization functioning effectively and make the most of people who are an organizations greatest resource.

Participation

Participation means the employee participation in the decision making, management etc. When the employees are participated in organizational matters they become very happy in context of their mind. This is the process of employee participation where the employee are encouraged to active participate in decision making, the decision become the decentralized. Although many researchers offer conceptual and operational definition for employee’s participation in many different ways [13,14], this concept is generally defined as “a process in which influence is shared among individuals who are otherwise hierarchically unequal” [15,16]. It is widely believed that the employee’s participation may affect their job satisfaction, which creates comparative advantage for the organizational and individual performance [17,18]. Several researches indicated that employee participation, increase flexibility and autonomy, and causally increase employee satisfaction [15,18,19]. By giving chance to employees to participate in decision making employee’s job satisfaction will increase.

Organizational effectiveness and productivity

Business communication is very important for the success of the business. The contribution of two persons is essential for the success of the business organization. When the upward or downward communication does not happening the business organization it creates the interpersonal problem. The organizational effectiveness is largely depends on the co-operation, concentration, communication among the subordinates. The business organization is depends on the production or productivity. When the production level is low, the organizational productivity is also low. In today’s organizations, due to changes in employee’s needs, environment should be provided that is stimulating and satisfying much more than just physiological and safety needs [20]. Performance when compared to goals and objectives. It is also a common practice in public sector performance management literature to talk about the three E’s: Economy, Efficiency, and Effectiveness [21]. According to Beirut [22], Performance is referred to as being about doing the work, as well as being about the results achieved. Jain et al. [23] defines performance as an act or process of carrying out actions and activities to accomplish an intended outcome. Performance measurement is the process of collecting, analyzing, and/or reporting information on the performance of an individual, group, organization, system, or component [24]. Bayle and Robinson [25] suggest there are three principles that performance depends upon: the system of governance; the quality of the organization’s network (affiliations, supporting bodies); and the positioning of the organization within its particular sport. Bayle and Robinson [25], study suggests there are three further performance issues that facilitate overall organizational performance: forms and levels of professionalization; the presence of a participatory organizational culture; and adopting a partnership approach. Performance means quality, condition, or function. According to Shafique et al. [26] Organizational performance was not only the outcome it was continuous process of different activities. Capabilities were the effort to do activities, which were the processes that lead to the organizational performance. Sink viewed performance measuring as a complex task, difficult, challenging, and important. Performance level is a function of the efficiency and effectiveness of enterprise operations. Therefore, measurement of performance is the process of quantifying the efficiency and effectiveness of an organization.

Job Motivation and satisfaction

Job satisfaction is very important to the organizational employees or the employer. Job satisfaction is nothing but the consideration of job fascination in regard of the job happiness. When the employees are satisfied towards with the job the ultimate impacts on the organizational goals or the objectives. The productivity is connectivity and connectivity is productivity. The employees are always trying to getting something from the organization. They try to contribute in the organization by making decision, empowering the power, job duties and responsibility. When the workers are getting the satisfied with the employment, they will not leave the organization. The absenteeism and turnover rate will reduce. Job satisfaction is defined as the extent to which employees have positive or favorable feelings towards work and the work environment [16,27,28]. Although a wide range of theories has been building to explain origin and dimensions of employee’s job satisfactions [10,16,29-31], it seems there is no single theory to explain this phenomenon completely. Several researchers offer different measurements tools for measuring job satisfaction. In this research, job satisfaction measured by instrument which designed by Smith et al. [32]. They define five facets for measuring job satisfaction. Based on their instrument, job satisfaction consists of several facets, including satisfaction with the supervisor, relationship with coworkers, present pay, nature of work, and opportunities for promotion. Fisher and Hanna (1939) consider job satisfaction as a psychological factor and define it as a kind of emotional adjustment to the job requirements, meaning that if the job provides ideal conditions, the person will be satisfied with the job. But if the job does not provide satisfaction and joy, the person starts reproaching job and will possibly leave the job.

Employee performances

Employee performances are largely depends on the organizational communication. When the communication system is favorable to workmen, they will more encourage contributing more in the organization. In our modern organization the employee involvement is very rarer hence they are not motivated to the organization and are unable to contribute to organization. Administration is the heart of the management. When the organizational hierarchy is not up to lower level management there creates the problem of understanding and mutual cooperation. More motivation creates the more production and the communication is the best medium of motivation towards the achieving the desired goal. From the perspective of the judges with Hersey and Blanchard [20] the level of achievement of business and social objectives to measure job performance and accountability. The output and yield of an organization is calculated in terms the
performance of its workforce [33]. It was originated that if an employee is showing better performance than it is due to level of job satisfaction has investigated the important employee performance indicators at the hiring stage. They concluded that the employee’s productivity is affected by level of job satisfaction and motivation and now it has become dilemma for the human resource experts to retain the performer. The employee commitment is adversely affected by the low level of employee satisfaction and sequentially it affects the achievement of organizational objectives and performance [34]. There is empirical support that intention to leave is negatively related to performance and job satisfaction. For example, Boschoff and Allen [35] found that the performance of recovery of valuable services of employees decreased their intention to leave the organization. Viator [36], reported that performance was negatively associated with the original intentions.

**Job commitment**

Job commitment is nothing but promise of doing the job. Job commitment is very crucial to accomplish the job or the organizational goal. The committed employees are the best assets of the organization. When the organizations are committed to the employees, the employees feel that this organization is mine and I will dedicate to the organization. In the literature, the concept of commitment is defined as a positive, satisfying and spiritual situation related to work which consists of vigor, dedication and concentration. Greenhaus defines commitment as a work’s importance in an individual’s life and internalization of the ideology of the work. Conceptually, it is not a momentary and peculiar situation; it is a more persistent and widespread emotional-cognitive situation that does not focus on a single object, person or behavior. A motivational factor that affects the performance of the organization and employees is generally seen as a part of internal motivation. It is that employees completely connect themselves to a role; put their “hands, mind, and heart” into action to bring out high work performance. Job commitment has an effect on the formation of an effective organizational structure by allowing the employee to approach the work with self-sacrifice. It was observed that employees with higher levels of job commitment had higher levels of job satisfaction, higher organizational commitment, and lower intention to leave the job. The high level of job satisfaction of individuals will increase the job satisfaction and will show itself as an effective factor in individual’s dedication to the job. Job commitment is not only a factor that leads to employee performance and organizational performance but also a concept that should be considered as a factor affecting employee attitudes at the individual level.

**Research Methodology and Data Analysis and Presentation**

**Research methodology**

Research methodology is the systematic, theoretical analysis of the methods applied to a field of study. A questionnaire was constructed based on the development of topic as in feasibility of effective business communication of some important aspects that controls the overall business prevalence. This questionnaire was used to collect data from the employees. They were allowed to answer freely regarding their perspectives of some of the factors which are directly and indirectly linked to the consequences of communication.

**Data collection instrument**

Primarily the personal information like their name, age, qualifications, experience etc. of the employee was collected in the personal information section of the questionnaire. There are some advantages of using these questionnaires. Firstly, respondents answer at their own convenience, moreover, there is no need to set up an interview query arrangement. Furthermore, there is no chance that they will get biased by the presence of an interviewer. On top of that, they can consult with each other on some points if they like. Their opinions were taken mostly on the factors considered interrelated to the main topic. The low-cost-per completion and less amount of time employed make it an economical instrument for surveying large sample.

**Sample size and target population**

Sampling is done to avoid working with the whole population or in this case employees which are quite expensive and time consuming process. So a bunch of selected population was targeted over five branches of the bank around the country. A set of 150 questionnaires was delivered and distributed among 150 selected employees. After a brief period of time they were taken back. About 120 employees managed to return the survey questionnaire in time. The data analysis was conducted on the retrieved data from the employees using descriptive statistical methods (Table 1).

**Data analysis and interpretation**

**Background information:** Sorting the personal information of the respondents, we see that among 120 employees, 65% i.e., 78 respondents are male and the rest 35% i.e. 42 respondents are female (Figure 1).

Sorting the age of the respondents, we see that, 27% i.e., 32 respondents are of age ranging from 21-30 years, while 41% i.e., 50 respondents are of age ranging from 31-40 years, 22% i.e., 26 respondent’s age ranges from 41-50 years and rest 10% i.e., 12 respondent’s age ranges from 51-60 years (Figure 2).

Sorting the experiment section, we find that 14% i.e., 17 of the respondents have served 0-4 years in this organization, while 42% i.e., 51 respondents have served 5-8 years, 31% i.e., 37 of the respondents have served for 9-12 years and 13% i.e., 15 respondents have served for over 12 years in the organization (Figure 3).

<table>
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<tr>
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Table 1: Sample size and target population.

![Gender](image_url)
Assortment of qualification section suggests that, 29% i.e., 35 respondents are post graduates and the rest 71% i.e., 85 respondents are university graduates (Figure 4).

Data analysis: We have considered the following 10 important factors that are directly or indirectly controlled by the effect of business communication and combinely contribute to employee performance and job satisfaction. The following chart shows level of agreement and disagreement of the respondent employees over these 10 factors on which we believe, effective business communication has significant impact (Table 2).

Graphical representation and descriptive analysis

Here, in case of effect of business communication on productivity of the organization, 75% respondents strongly agreed that effective business communication has positive effect on productivity of the organization; meanwhile, 12% agree with the fact, 8% are uncertain, 4% disagree and 1% strongly disagree (Figure 5).

Here, in case of effect of business communication on motivation for employee’s performance, 72% respondents strongly agreed that effective business communication has positive effect on employee performance; meanwhile, 14% agree with the fact, 10% are uncertain, 4% disagree and none strongly disagree (Figure 6).

Here, in case of effect of business communication on Employee’s Commitment to the Organization, 79% respondents strongly agreed that effective business communication has positive effect on Employee’s Commitment to the Organization; meanwhile, 10% agree with the fact, 7% are uncertain, 2% disagree and 2% strongly disagree (Figure 7).

Here, in case of effect of business communication on Employee’s Job Satisfaction, 66% respondents strongly agreed that effective business communication has positive effect on Employee’s Job Satisfaction; meanwhile, 17% agree with the fact, 11% are uncertain, 3% disagree and 3% strongly disagree (Figure 8).

Here, in case of effect of business communication on Job Security and Transparency, 52% respondents strongly agreed that effective business communication has positive effect on Job Security and Transparency; meanwhile, 23% agree with the fact, 20% are uncertain, 6% disagree and 9% strongly disagree (Figure 9).

Here, in case of effect of business communication on Improvement of Workplace Environment, 57% respondents strongly agreed that effective business communication has positive effect on Improvement of Workplace Environment.
of Workplace Environment; meanwhile, 24% agree with the fact, 7% are uncertain, 10% disagree and 2% strongly disagree (Figure 10).

Here, in case of effect of business communication on Recognition of Performance, 50% respondents strongly agreed that effective business communication has positive effect on Recognition of Performance; meanwhile, 17% agree with the fact, 13% are uncertain, 14% disagree and 6% strongly disagree (Figure 11).

Here, in case of effect of business communication on Feeling of Belonging to the Organization, 62% respondents strongly agreed that effective business communication has positive effect on Feeling of Belonging to the Organization; meanwhile, 20% agree with the fact, 4% are uncertain, 10% disagree and 4% strongly disagree (Figure 12).

Here, in case of effect of business communication on Relationship with Superior and Peers, 82% respondents strongly agreed that effective business communication has positive effect on Relationship with Superior and Peers; meanwhile, 9% agree with the fact, 5% are uncertain, 4% disagree and none strongly disagree (Figure 13).

Here, in case of effect of business communication on Stimulate to attain company’s Goals, 56% respondents strongly agreed that effective business communication has positive effect on Stimulate to attain company’s Goals; meanwhile, 16% agree with the fact, 10% are uncertain, 13% disagree and 5% strongly disagree (Figure 14).

Findings of the Study

From the study we can see the responses of the respondents about...
the effect of business communication on those ten important factors. It is evident from the analysis that, maximum of the respondents thinks that effective business communication has a positive drive over productivity, employee motivation, employee commitment, job satisfaction, job security and transparency, improvement of workplace, recognition of performance, feeling of belonging, relationship with superiors and peers and stimulation to attain company’s goals. According to the study, employees believe that a good business communication always helps to increase the productivity of the organization. It enables to run the organization to its full potential and efficiency. Also, it has ample amount of impact on employee motivation and drive. Employees tend get stimulated to attain organization’s goals if they can communicate accurately with the rest of the organization. It also makes them feel secure and comfortable while working. A good communication system brings self-satisfaction in employee as their performance is well recognized and appreciated. This also develops a feeling of belonging to the organization. It certainly improves workplace environment as transparency and integrity prevails in the organization. A sound communication also improves relationships not only with top level management, but also with coworkers and peers. It helps stimulating work energy of the employee to navigate towards organization’s destination.

Recommendation

The purpose of the study was purely to understand the current situation of intensity of communication in banking sectors, employee’s mentality and point of view towards disposition of communication and the extent up to which good communication has been able to meet employee’s expectation. The researchers believe that, the result of this particular study can certainly be used to improve communicative environments all around. The following recommendations can be made based on the result of the study:

1. To find out more convenient and alternate implications of business communication for the betterment of work environment.
2. To apply different communication technique for the betterment of working condition.
3. To find better ways to apply the upward, downward and lateral communication.
4. To implicate better managerial communication so that the employee’s working condition becomes more convenient and comfortable.

Future Study of the Research

The study was conducted on the banking sector. The researchers believe that this sort of studies should be conducted on the major sectors of the country like industrial sectors, business sectors, marketing sectors etc. If the existing problems in these sectors can be reduced by even a very small margin, the country’s economy will be vastly benefited. These types of studies are essential to identify those sorts of problems. They also create a communication bridge among the employees and top management of a particular organization. So there are much more scopes of conducting such studies especially in a country like Bangladesh and successful application of solution brought about by the study will certainly help to amplify country’s economic resources.

Summary

From the study above it undoubtedly evident that effective business communication has a massive impact on employee’s performance and job satisfaction and thus indirectly influences organization’s productivity and efficiency. The employee’s opinions and expectations are reflected smoothly through the data collected. The sampling was done in a way that it covers people from all areas and positions to have as accurate result as possible. The study conducted above not only brings out current level of communication as an improvement tool but also demonstrate the result of some of the problems occurring due to lack of communication or miscommunication. This study result can be
used to compare the level of communicative environment if there’s any study to be conducted in the future regarding this topic. It can also be used to improve economic condition of our country.

Conclusion

Effective communication is inevitable and binding activity of individual, group, organization and community in all human societies. In this study, four key indicators of effective communication such as: empathy, openness, support and social skills and its relation to indicators of job satisfaction and job motivation are discussed. In today’s organizations, due to changes in employee’s needs, environment should be provided that is stimulating and satisfying much more than just physiological and safety needs.

References