

BUSINESS COMMUNICATION: AN INTRODUCTION

- 1.1 INTRODUCTION**
- 1.2 ROLE OF COMMUNICATION IN BUSINESS**
- 1.3 DEFINITIONS OF COMMUNICATION**
- 1.4 PURPOSE OF COMMUNICATION**
- 1.5 THE COMMUNICATION SITUATION**
- 1.6 THE COMMUNICATION PROCESS/CYCLE**

1.1 INTRODUCTION

The word “communication” derived from the Latin word ‘communicare’ that means to impart, to participate, to share or to make common. It is a process of exchange of facts, ideas, opinions and as a means that individual or organization share meaning and understanding with one another. In other words, it is a transmission and interacting the facts, ideas, opinion, feeling and attitudes.

It is the ability of mankind to communicate across barriers and beyond boundaries that has ushered the progress of mankind. It is the ability of fostering speedy and effective communication around the world that has shrunk the world and made ‘globalization’ a reality. Communication had a vital role to play in ensuring that people belonging to a particular country or a culture or linguistic group interact with and relate to people belonging to other countries or culture or linguistic group. Communication adds meaning to human life. It helps to build relationship and fosters love and understanding. It enriches our knowledge of the universe and makes living worthwhile.

1.2 ROLE OF COMMUNICATION IN BUSINESS

The term business communication is used for all messages that we send and receive for official purpose like running a business, managing an organization, conducting the formal affairs of a voluntary organization and so on. Business communication is marked by formality as against personal and social communication.

The success of any business to a large extent depends on efficient and effective communication. It takes place among business entities, in market and market places, within organizations and between various group of employees, owners and employees, buyers and sellers, service providers and customers, sales persons and prospects and also between people within the organization and the press

persons. All such communication impacts business. Done with care, such communication can promote business interests. Otherwise, it will portray the organization in poor light and may adversely affect the business interest.

Communication is the life blood of any organization and its main purpose is to effect change to influence action. In any organization the main problem is of maintaining effective communication process. The management problem generally results in poor communication. Serious mistakes are made because orders are misunderstood. The basic problem in communication is that the meaning which is actually understood may not be what the other intended to send. It must be realised that the speaker and the listener are two separate individuals having their own limitations and number of things may happen to distort the message that pass between them.

When people within the organization communicate with each other, it is internal communication. They do so to work as a team and realise the common goals. It could be official or unofficial. Modes of internal communication include face-to-face and written communication. Memos, reports, office order, circular, fax, video conferencing, meeting etc. are the examples of internal communication.

When people in the organization communicate with anyone outside the organization it is called external communication. These people may be clients or customers, dealers or distributors, media, government, general public etc. are the examples of external communication.

- Communication is the life blood of the business. No business can develop in the absence of effective communication system.
- Communication is the mortar that holds an organization together, whatever its business or its size.
- When people within the organization communicate with each other, it is internal communication and when people in the organization communicate with anyone outside the organization it is called external communication.
- Ability to work well in teams, to manage your subordinates and your relationship with seniors, customers and colleagues depends on your communication skill.

Exhibit: 1

1.3 DEFINITIONS OF COMMUNICATION

Communication may be defined as interchange of thought or information between two or more persons to bring about mutual understanding and desired action. It is the information exchange by words or symbols. It is the exchange of facts, ideas and viewpoints which bring about commonness of interest, purpose and efforts.

American Management Association defines, 'Communication is any behaviour that results in an exchange of meaning'.

Peter Little defines communication as, 'Communication is the process by which information is transmitted between individuals and/or organizations so that an understanding response result'.

Newman and Summer Jr. state that, 'Communication is an exchange of facts, ideas, opinions or emotions by two or more persons'.

According to *Keith Davis*, 'The process of passing the information and understanding from one person to another. It is essentially a bridge of meaning between the people. By using the bridge a person can safely across the river of misunderstanding'.

Louis A. Allen defines, 'Communication is the sum total of all the things that a person does, when he wants to create an understanding in the mind of another. It involves a systematic and continuous process of telling, listening and understanding'.

Therefore, the main purpose of communication is to inform, or to bring around to a certain point of view or to elicit action.

1.4 PURPOSE OF COMMUNICATION

- 1. For instruction:** The instructive function unvarying and importantly deals with the commanding nature. It is more or less of directive nature. Under this, the communicator transmits with necessary directives and guidance to the next level, so as to enable them to accomplish his particular tasks. In this, instructions basically flow from top to the lower level.
- 2. For integration:** It is consolidated function under which integration of activities is endeavoured. The integration function of communication mainly involves to bring about inter-relationship among the various functions of the business organization. It helps in the unification of different management functions.
- 3. For information:** The purposes or function of communication in an organization is to inform the individual or group about the particular task or company policies and procedures etc. Top management informs policies to the lower level through the middle level. In turn, the lower level informs the top level the reaction through the middle level. Information can flow vertically, horizontally and diagonally across the organization. Becoming informed or inform others is the main purpose of communication.
- 4. For evaluation:** Examination of activities to form an idea or judgement of the worth of task is achieved through communication. Communication is a tool to appraise the individual or team, their contribution to the organization. Evaluating one's own inputs or other's outputs or some ideological scheme demands an adequate and effective communication process.
- 5. For direction:** Communication is necessary to issue directions by the top management or manager to the lower level. Employee can perform better when he is directed by his senior. Directing others may be communicated either orally or in writing. An order may be common order, request order or implied order.
- 6. For teaching:** The importance of personal safety on the job has been greatly recognized. A complete communication process is required to teach and educate workers about personal safety on the jobs. This communication helps the workers to avert accidents, risk etc. and avoid cost, procedures etc.
- 7. For influencing:** A complete communication process is necessary in influencing others or being influenced. The individual having potential to influence others can easily persuade others. It implies the provision of feedback which tells the effect of communication.
- 8. For image building:** A business enterprise cannot isolate from the rest of the society. There is interrelationship and interdependence between the society and an enterprise operating in the society. Goodwill and confidence are necessarily created among the public. It can be done by the communication with the different media, which has to project the image of the

firm in the society. Through an effective external communication system, an enterprise has to inform the society about its goals, activities, progress and social responsibility.

- 9. For employees orientation:** When a new employee enter into the organization at that time he or she will be unknown to the organization programs, policies, culture etc. Communication helps to make people acquainted with the co-employees, superior and with the policies, objectives, rules and regulations of the organization.

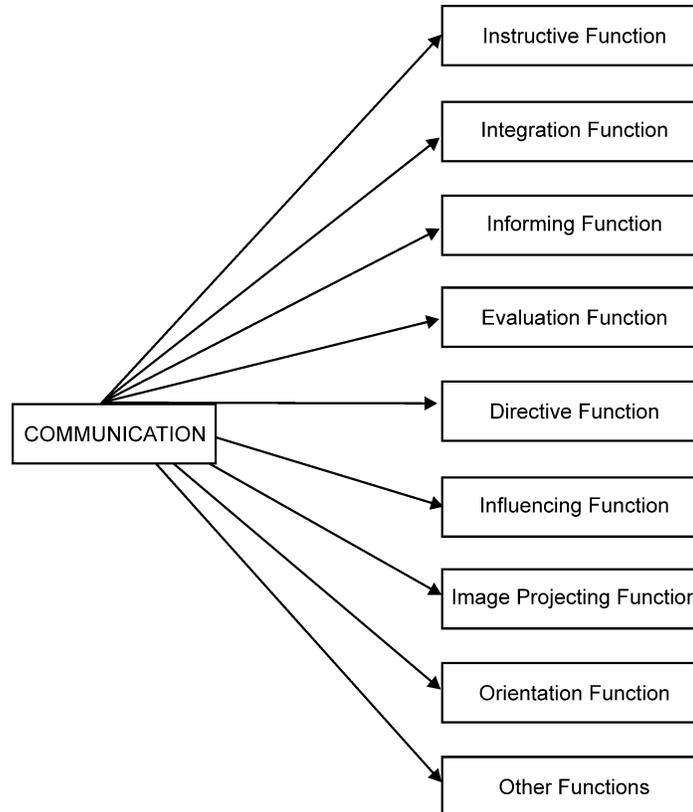


Fig. 1.1: Purpose of Communication

- 10. Other:** Effective decision-making is possible when required and adequate information is supplied to the decision-maker. Effective communication helps the process of decision-making. In general, everyone in the organization has to provide with necessary information so as to enable to discharge tasks effectively and efficiently.

1.5 THE COMMUNICATION SITUATION

The communication situation is said to exist when

- There is a person (sender/transmitter) who wants to pass some information;
- There is another person (receiver) to whom the information is to be passed on;

- The receiver partly or wholly understands the message or information passed on to him;
- The receiver responds to the message or gives feedback.

These four components are essential for communication.

1.6 THE COMMUNICATION PROCESS/CYCLE

The transmission of sender's ideas to the receiver and the receiver's feedback or reaction to the sender constitute the communication cycle. The process of communication begins when one person (the sender) wants to transmit a fact, idea, opinion or other information to someone else (the receiver). This fact, idea or opinion has meaning to the sender. The next step is translating or converting the message into a language which reflects the idea. That is the message must be encoded. The encoding process is influenced by content of the message, the familiarity of sender and receiver and other situation of factors.

After the message has been encoded, it is transmitted through the appropriate channel or medium. Common channel in organization includes meetings, reports, memorandums, letters, e-mail, fax and telephone calls. When the message is received, it is decoded, by the receiver and gives feedback to the sender as the conformation about the particular message has been carefully understand or not.

ELEMENTS OF COMMUNICATION

The process of communication involves the following elements:

1. **Sender or transmitter:** The person who desires to convey the message is known as sender. Sender initiates the message and changes the behaviour of the receiver.
2. **Message:** It is a subject matter of any communication. It may involve any fact, idea, opinion or information. It must exist in the mind of the sender if communication is to take place.
3. **Encoding:** The communicator of the information organises his idea into series of symbols (words, signs, etc.) which, he feels will communicate to the intended receiver or receivers.
4. **Communication channel:** The sender has to select the channel for sending the information. Communication channel is the media through which the message passes. It is the link that connects the sender and the receiver.
5. **Receiver:** The person who receives the message is called receiver or receiver is the person to whom the particular message is sent by the transmitter. The communication process is incomplete without the existence of receiver of the message. It is a receiver who receives and tries to understand the message.

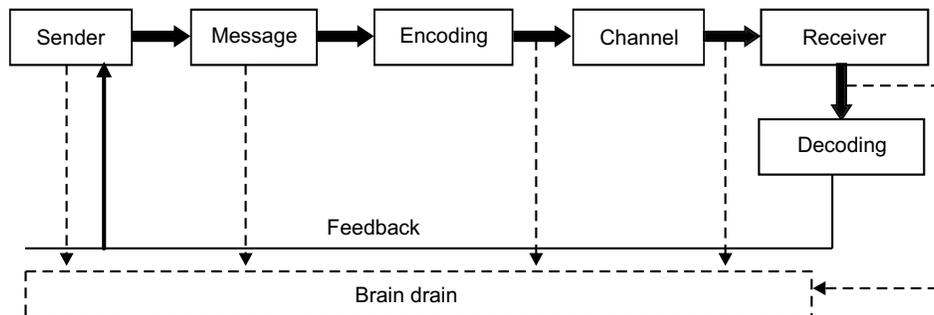


Fig. 1.2: The Communication Process

6. **Decoding:** Decoding is the process of interpretation of an encoded message into the understandable meaning. Decoding helps the receiver to derive meaning from the message.
7. **Feedback:** Communication is an exchange process. For the exchange to be complete the information must go back to whom from where it started (or sender), so that he can know the reaction of the receiver. The reaction or response of the receiver is known as feedback.
8. **Brain drain:** On whole process there is a possibility of misunderstandings at any level and is called brain drain. It may arise on sender side if they do not choose the adequate medium for delivery of message, by using default channel and it may also arise when receiver does not properly decode the message. In other words, we can say that it is breakdown of cycle at any level.

Exercise-1

1. How do you define communication?
2. What is the role of communication in management of business?
3. What are the different purposes of communication? Briefly explain any five of them.
4. Discuss the different situations when the communication exists.
5. “Communication is an exchange of facts, ideas, opinions and emotions by two or more persons.” Explain the statement and discuss the role of feedback in communication.
6. “Communication is the two way process.” Explain.
7. Discuss the elements of communication process.
8. Give three examples of brain drain in communication process.