



## ROLE OF COMMUNICATION IN BUSINESS

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### ABSTRACT

Effective communication is an importance factor that manages the relationship of the administration and employees. Communication problems may harm relationships within the business, which in turn can cost money and hurt reputation. Effective communication may be the deciding factor between a high-morale, high-performing team and a low-morale, low-performing one. It helps individuals feel more connected to the company and provides them with the tools they need to make an impact. On the other hand, bad communication in business can result in huge loss along with low productivity and low morale of the workers. This paper aimed to review past literature for understanding the role and importance of communication in business.

Keywords: Communication, Business Communication, Work Productivity, Team Building.

### 1. INTRODUCTION

In order to effectively explain your business's strategy, customer service, and branding messages, you need to use clear, concise language. Building a brand requires constant communication that is specific to the target market. Employees and supervisors may work better together thanks to open lines of communication.

A company's reputation and public perception are directly tied to the quality of its communicators. Employees that are able to clearly and convincingly explain the company's vision are essential to the organization's success. The benefits of effective communication to an organization and its employees are many, including [1]:

#### 1. "Building better teams"

With open lines of communication, teams are able to grow and succeed. When there is open and constructive dialogue among team members, everyone benefits. Good communicators make everyone's workdays more pleasant and less stressful. Effective communicators are proactive in addressing workplace difficulties and friction in search of resolutions.

#### 2. "Preventing misunderstandings and conflicts"

Listening is a kind of communication that helps you get a comprehensive understanding of a topic. People who are good at communicating are more likely to discover answers without becoming defensive, simply because they listen more carefully and respond more sensibly. Good communicators are quick to address issues and listen to the other side when disagreements emerge. [2]

#### 3. Improving customer service

In order to provide for its consumers, businesses must first understand what their customers want and need. Companies may increase consumer loyalty and confidence in their brand by fostering connections with those customers. Keeping in constant and cordial contact with consumers is essential to preserving a solid reputation in the customer service industry.

Reputation may be boosted via customer service that responds quickly to problems and offers helpful answers. Building trust and loyalty via effective telephone, social media, and electronic mail communication is a certain way to grow your business. When companies and their consumers communicate in writing, it helps when the tone is consistent with the brand's voice.

#### 4. Meeting goals and earning success



A company can only achieve its objectives if its short- and long-term plans are crystal clear. Employees are more likely to work towards the company's objectives and ambitions if they are aware of what those are.

Motivate and inspire your staff by sharing your vision with them and reminding them of your shared or individual objectives on a frequent basis. It may also boost employee loyalty and decrease recruiting churn by making workers feel like their contributions matter to the company's success. [3]

### **5. Promoting creativity and innovation**

Effective communicators tend to listen to others' points of view without passing judgment. In order to foster innovation within a team, trust must be established via open and honest communication.

Those who are able to convey their thoughts clearly to others are also more likely to work together to generate novel answers. When workers are encouraged to speak out, businesses may innovate their methods and develop new techniques to meeting the needs of their clientele.

### **6. “Advancing individual career prospects”**

Good communication skills prevent misunderstandings and reaffirm your will to find solutions to challenges and provide necessary assistance for the organization. Whether you're looking to progress your career inside your present employer or seek out new chances outside, this may assist.

#### **1.1. Improving business communication skills**

Improving one's communication abilities requires some deliberate effort. For improving the business communication skills, following steps can be implemented [4]:

#### **Practice listening**

Use active listening skills and silence your inner critic to pay attention to what is being said. To demonstrate your understanding, you may either ask clarifying questions or restate the idea in your own words. In addition to words, you may show interest via your body language and emotions.

#### **Improve your memory for faces and names**

Remembering people's names might help you form stronger bonds with your coworkers, superiors, and customers. Put forth the effort to remember people's names and faces.

Find out something interesting about everyone, like where they're from or what they eat. Keep track of ideas in your head or on paper. Mnemonic devices, such as "Brian is fond of bagels" or "Margaret resides in Madison," might be helpful, too.

#### **Take a course**

Think about enrolling in a course on effective communication at a nearby college or university. Also, depending on the school, you may choose from a variety of communication-focused courses and study at your own pace with online classes. Get a colleague involved so you can both hone your abilities.

All the employees, including managerial individuals, should participate in a communication training or organize a team-building activity that emphasizes these abilities. Taking this action might demonstrate their commitment towards developing their own and their team's abilities to resolve conflicts and work together more effectively on the job. [5]

#### **Attend motivational seminars**

Go to a conference and take notes on how often and how positively the speakers use positive language. Take note of how they include images, how they maintain consistency, and how often they repeat themselves. Then, put those methods to use. [6]

Rehearse your own inspirational monologue in front of a mirror. You may also try to include these strategies into your next client meeting or presentation.

#### **Use technology**



The tools available to us now allow for instant and efficient communication. Think about adopting a workplace intranet or other common platforms for rapid, organized communication. Add in collaboration software that can update workers on the status of the project and provide direction as needed.

Learning the best practices for digital communication through “IM, email, and specialized collaboration tools” can ensure that you and your team can effectively interact in any medium. [7]

## **1.2. Types of Business Communication**

There are primarily four forms of business communications used by most companies, i.e. “Internal (upward & downward), External and Horizontal/Lateral.” [8]

### **1.2.1. Internal Business Communications**

“Internal business communication” is the dialogue that takes place amongst the workers of a company. It embraces both formally and informally presented discourse. Internal communication refers to the process through which different parts of an organization disseminate information to one another. Productivity and employee happiness may be greatly boosted by strong internal communication. Internal company communication often falls into two categories [9]:

#### **1. Internal Upward Communication**

It's the method through which workers convey their opinions and suggestions to the company's upper echelons. This might come in the shape of anything from radical new ideas to worries about processes to warnings about shifts in the marketplace.

**For Instance:** The human resources department of a company has written a report on a certain subject and sent it to the department's manager. This exemplifies the upward flow of information in a company.

#### **2. Internal Downward Communication**

It's a kind of communication through which high-level instructions are sent to lower-level workers. Oftentimes, the CEO or another C-suite executive will be the one to initiate a downward business communication.

**For Instance:** The CEO of a company has issued new regulations in light of the COVID-19 scenario, and they have been disseminated to all of the staff. According to the internal downward business communication model, this is how information would flow inside an organization.

#### **3. Horizontal/ Lateral Business Communication**

Horizontal or lateral business communication refers to interactions between employees at the same company or organization. Communication occurs mostly via speech and writing. Among the many varieties of business communication, this one involves the exchange of communications among members of the same department, across departments, or among employees at comparable levels within an organization. This method of sharing information is restricted to employees of the same level. Communication at equal hierarchical levels is crucial for achieving functional performance and mutual collaboration.

**For Instance:** When a company's marketing director has to update the production director on the newest marketing trends, product demand, or client demands, she or he contacts the production director using the same form. The message will be disseminated efficiently thanks to open lines of contact amongst department heads.

### **1.2.2. External Business Communication**

The term "external business communication" is used to describe the dissemination of company information to third parties outside of the company's immediate industry. Companies often network with one another to expand their market reach. Unlike other forms of business communication, external business communication often takes the form of written or spoken word.

Formal and informal modes of business interaction with the outside world exist.

Business letters, reports, presentations, memoranda, etc. fall under the category of “formal external business communication, whereas informal external business communication may take many forms” and is often outside the purview of an organization. [10]

**For Instance:** Companies employ external communication channels like various forms of “advertising, radio channels, social media advertisements”, etc. to promote their goods and services, and you may have come across numerous bargains or offers accessible at an online platform by a certain firm or business.

**“Some More Types of Business Communication”**

On the basis of	Types
“Structure”	“Formal Informal”
“Medium of Communication”	“Verbal Non-Verbal”
“Responses”	“One way Two ways”

**1.3. Benefits of effective communication**

There are several benefits to consider, and they all work together to provide the hoped-for results. Here are some of the ways in which good communication may help you succeed [9]:

1. **It promotes trust.** Leaders that model effective company-wide communication are an inspiration to their teams. Collaboration, cooperation, and trust are fostered through these instances. When people at work are comfortable enough to talk to one another, they build trust.
2. **It promotes team member loyalty.** Leaders in business may improve morale and output simply by engaging in meaningful dialogue with their employees. Increased work satisfaction and dedication are common outcomes of this emotion.
3. **It enhances team member engagement.** The value of simple, day-to-day communication is often overlooked, even though many companies adopt innovative strategies to stimulate employee involvement. Any tactics deemed useful by management are fair game for a business. However, these methods are more likely to fail if leadership does not have an open line of communication with team members.
4. **“It improves teamwork”.** Effective communication is the cornerstone of cohesive teams. Leaders should set the standard for direct, honest, timely, and polite communication in order to strengthen teams and personal bonds.
5. **It improves productivity.** Engaged team members, who know what they're supposed to be doing and care about the outcome, are more likely to succeed than those who aren't involved in the project. Team members that are dissatisfied or uncertain of themselves because they don't know their duties may be helped. When information is easily accessible and well-organized, team members can focus on getting their jobs done.
6. **Communication fuels innovation.** Cooperation is bolstered through well-executed lines of communication. An environment where employees are free to share their ideas with management is conducive to innovation.



7. **Resolves issues.** Open channels of communication that promote attentive listening and courteous responses may help teams settle (or prevent) disagreements. Teams that consistently achieve their goals understand the importance of resolving conflicts constructively.
8. **It creates better client relationships.** Companies that encourage their employees to communicate effectively and positively typically find that their relationships with consumers improve as a result. Customers like honest and open dialogue because it fosters trust between the two sides. [11]

## 2. LITERATURE REVIEWS

The development of communication has been a cornerstone of social transformation and humankind's ability to create associations from the earliest days of education. The only way to obtain what you want out of a corporation is to communicate with them clearly and concisely. Appointed personnel should never stop keeping in touch with upper management, team leaders, and the rest of the team. An organization's performance and its ability to make decisions in service of its goals and purpose are both enhanced by the free flow of information and communication among its members. The research goes into great detail on how adult learners may enhance their communication skills and strategy to gain the greatest clients. [12]

When employees are motivated to fulfill their assignments, the organization is that much closer to attaining its objectives. Only major organizations were included in the study. To fill this void, researchers in Bangladesh used a journalist-based questionnaire to survey the workforce of a project firm. The results of the poll showed that the opinions of experts, the CEO, and the top executives were all but identical. Employees value open lines of communication as a key component of their jobs, as this helps to strengthen the Human and Technology Network inside the Organization and, in turn, the Policy, which in turn allows the Organization to be more effective. They provide appropriate responses to the survey's development of difficulties, albeit they sometimes use a continuum scale in their responses. The study's findings show that efficient methods of communication are crucial for any business to succeed. [13]

This study examines the role of communication in the strategic management of corporate growth and development. Effective communication is essential in management. For the good of the business as a whole, workers share their knowledge, expertise, insights, and opinions with one another. To communicate effectively with employees, managers must be attentive listeners and articulate speakers. This research tries to demonstrate that successful businesspeople share a commitment to open and honest communication. For a company to thrive and grow, effective communication is crucial. Effective communication is a key to every successful company. It's like the management system's lifeblood. [14]

This research aims to shed light on why and how effective communication is crucial for company expansion management. Staff motivation to create and execute change plans is another advantage highlighted as a result of improved communication. In addition to outlining the goals and communication needs for each stage of the change process, this article also defines each stage. In addition to outlining the many reasons for and benefits of effective business communication, this article delves into the impact of business communication, the role of communication in corporate structure, and the many forms of business communication. Trust in a firm is built via open lines of communication. Prospects for this research include raising awareness about the value of good communication and its potential to foster the growth of a wide range of businesses. [15]

When it comes to building and leading effective teams, communication is one of the most important management tools. Communication and management are the two strong market-based dimensions of success that compliment each other. A manager's ability to communicate effectively is critical to the





success and growth of any firm. Two communication models are analyzed, as well as corporate engagement, customer communication, written and electronic business communications, visual business communications, oral communication, and barriers to effective human communication. [16]

In this article, "business communication" is seen as a complex economic phenomena of the international business world's corporate society. There are a number of different definitions of "business communication" that are used in different academic disciplines and in different industries. After contrasting several definitions of "business communication," we use real-world examples of corporations incorporating "business communication" into their organizational framework to illustrate the multiple tiers of "business communication" in the modern business world. [17]

Effective communication is a cornerstone of every successful business. Any group's success is tied to how well its leaders can convey their vision to their constituents. This article is a literature study in the field of communication meant to educate businesses on the value of good communication and its potential as a management tool. [18]

The purpose of this study is to throw doubt on how well we comprehend pragmatics and how it impacts our ability to communicate effectively. Data was gathered by questionnaires in this qualitative study. Employees from a variety of categories in Jizan's hospitality business responded to an online survey. [19]

Nowadays, effective communication is the lifeblood of every successful business. The success of a company depends in large part on its ability to maintain an open line of communication with both its employees and its customers. The research sheds light on the role that clear and concise communication plays in the success of businesses. Effective corporate communication is crucial to a company's success because it fosters efficient teams, increases cooperation, and fosters a positive work environment. The success of a company is based on its ability to communicate effectively and efficiently, since it affects every facet of operations. [20]

### 3. CONCLUSION

The coordination mechanism in a company is a powerful management resource that represents a unique aspect of the overarching complexity of the management framework. As a management tool, communication serves to strengthen ties between employees and create an environment that fosters the development of the company from within. Strategic management relies heavily on the tools at their disposal, one of which is effective communication. Low productivity, lost customers, "low turnover, conflict, and absenteeism" may all be traced back to ineffective and inefficient communication. Therefore, it is essential for firms to appreciate the importance of effective communication and use it as a strategic management tool.

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