

Lecture notes

B. Com Hons Sem III, Sub Code – BCH-3.3

Sub – Management Principles and Application

Topic – Communication – meaning, features, importance and process.

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Learning outcome from this lecture note

- Meaning of Communication
- Features of Communication
- 7 C's of Communication
- Importance of Communication
- Process of Communication
- Elements of Communication
- Distinction between formal and informal Communication
- Barriers of effective Communication

Communication

Meaning of Communication:

Communication can broadly be defined as exchange of ideas, messages and information between two or more persons, through a medium, in a manner that the sender and the receiver understand the message in the common sense, that is, they develop common understanding of the message.

The word communication is derived from the Latin word 'communicare', which means to share, impart, participate, exchange, transmit or to make common. It emphasises on sharing common information, ideas and messages. It is not merely issuing orders and instructions.

Definition: The **Communication** is a two-way process wherein the message in the form of ideas, thoughts, feelings, opinions is transmitted between two or more persons with the intent of creating a shared understanding.

- “Communication is the transfer of information from a sender to a receiver, with the information being understood by the receiver”. — Koontz and Weihrich
- “Communication is the art of developing and attaining understanding between people. It is the process of exchanging information and feelings between two or more people and it is essential to effective management.” — Terry and Franklin
- “Communication is the sum of all things one person does when he wants to create understanding in the mind of another. It is a bridge of meaning. It involves a systematic and continuous process of telling, listening and understanding.” — Allen Louis
- “Communication is the process by which people attempt to share meaning via the transmission of symbolic messages.” — Stoner and Wankel

Features of Communication:

Communication has the following features:

1. Two-way process:

Communication is a two-way process of understanding between two or more persons – sender and receiver. A person cannot communicate with himself.

2. Continuous process:

Exchange of ideas and opinion amongst people is an on-going process in business and non-business organisations. Continuous interaction promotes understanding and exchange of information relevant for decision-making.

3. Dynamic process:

Communication between sender and receiver takes different forms and medium depending upon their moods and behaviour. It is, thus, a dynamic process that keeps changing in different situations.

4. Pervasive:

Communication is a pervasive activity. It takes place at all levels (top, middle, low) in all functional areas (production, finance, personnel, sales) of a business organisation.

5. Two people:

A minimum of two persons — sender and receiver — must be present for communication to take place. It may be between superiors, subordinates and peer group, intra or inter se.

6. Exchange:

Communication involves exchange of ideas and opinions. People interact and develop understanding for each other.

7. Means of unifying organisational activities:

Communication unifies internal organisational environment with its external environment. It also integrates the human and physical resources and converts them into organisational output.

8. Verbal and non-verbal:

Though words are active carriers of information, gestures can sometimes be more powerful than words. Facial expressions, sounds, signs and symbols are the non-verbal forms of communication.

9. Mutual understanding:

Communication is effective when sender and receiver develop mutual understanding of the subject. Messages conveyed should be understood by the receiver in the desired sense.

10. Goal-oriented:

Communication is goal-oriented. Unless the receiver and sender know the purpose they intend to achieve through communication, it has little practical utility.

11. Foundation of management:

Though communication is a directing function, it is important for other managerial functions also. Designing plans and organisation structures,

motivating people to accomplish goals and controlling organisational activities; all require communication amongst managers at various levels.

12. A means, not an end:

Communication is not an end. Effective communication is a means towards achieving the end, that is, goal accomplishment. It smoothenes managerial operations by facilitating planning, organising, staffing, directing and controlling functions.

13. Human activity:

Since communication makes accomplishment of organisational goals possible, it is essential that people understand and like each other. If people do not understand each other's viewpoint, there cannot be effective communication.

14. Inter-disciplinary:

Communication is the art of how communicators use knowledge of different fields of study like anthropology, psychology and sociology. Making best use of these disciplines makes communication effective. It is, thus, an inter-disciplinary area of management.

7 C's of Communication

To have effective communication, one should keep the following 7 C's of communication in mind:



1. **Clear:** The message should be clear and easily understandable to the recipient. The purpose of the communication should be clear to sender then only the receiver will be sure about it. The message should emphasize on a single goal at a time and shall not cover several ideas in a single sentence.
2. **Correct:** The message should be correct, i.e. a correct language should be used, and the sender must ensure that there is no grammatical and spelling mistakes. Also, the message should be exact and well-timed. The correct messages have a greater impact on the receiver and at the same time, the morale of the sender increases with the accurate message.
3. **Complete:** The message should be complete, i.e. it must include all the relevant information as required by the intended audience. The complete information gives answers to all the questions of the receivers and helps in better decision-making by the recipient.
4. **Concrete:** The communication should be concrete, which means the message should be clear and particularly such that no room for mis-interpretation is left. All the facts and figures should be clearly mentioned in a message so as to substantiate to whatever the sender is saying.
5. **Concise:** The message should be precise and to the point. The sender should avoid the lengthy sentences and try to convey the subject matter in the least possible words. The short and brief message is more comprehensive and helps in retaining the receiver's attention.
6. **Consideration:** The sender must take into consideration the receiver's opinions, knowledge, mind-set, background, etc. in order to have an effective communication. In order to communicate, the sender must relate to the target recipient and be involved.
7. **Courteous:** It implies that the sender must take into consideration both the feelings and viewpoints of the receiver such that the message is positive and focused at the audience. The message should not be biased and must include the terms that show respect for the recipient.

Importance of Communication

The desire to socialize and get formed into organised groups necessitates the need for communication. In the fast changing world, managers communicate changes in technology, structure or people to the subordinates. If the communication system is well organised, it becomes easier for subordinates to understand and act upon the message. Communication plays important role in the lives of individuals and organisations.

The following points highlight the importance of communication:

1. Basis for planning:

Planning is the basic function of management. If plans are well designed and communicated for their implementation, it leads to organisational success. Planning requires extensive environmental scanning and information about internal and external organisation elements. An effective system of communication helps in obtaining this information. Implementing the plans requires communicating them to everybody in the organisation. Communication is, thus, the basis of planning.

2. Motivation to work:

Employees are motivated to work if their needs are satisfied. Communication helps managers know needs of their employees so that they can adopt suitable motivators and inspire them to develop positive attitude towards the work environment.

3. Job satisfaction:

Exchange of information develops trust, confidence and faith amongst managers and subordinates. They understand their job positions better and, thus, perform better. People are committed to organisational objectives which promotes job satisfaction.

4. Commitment to organisational objectives:

Managers who follow an effective system of communication understand employees' needs, adopt suitable motivators to satisfy them, appraise their performance and provide them regular feedback. The employees also work with commitment towards organisational objectives.

5. Coordination:

Communication coordinates organisational resources (human and non-human), individual goals with organisational goals and internal environment with external environment. Coordination is the key to organisational success and communication is an active contributor to coordination.

6. Adaptability to external environment:

In order to survive in the changing, dynamic environment, managers continuously interact with external parties like government, suppliers, customers, etc. This requires effective communication system in the organisation.

7. Internal functioning of an enterprise:

Managers interact with parties internal to business enterprises. They constantly obtain and provide information to them. More effective the communication system, more accurate will be the information.

8. Healthy industrial relations:

Satisfied workers contribute to healthy organisations. Communication brings managers and trade unions closer, develops mutual understanding and promotes industrial peace and harmony. This increases industrial production.

9. Helps in performing managerial roles:

According to Henry Mintzberg, managers perform three major roles – interpersonal, informational and decisional. Communication helps managers in performing these roles effectively. In interpersonal roles, managers interact with superiors, peers and subordinates; in informational roles they receive and give information to people inside and outside the organization and in decisional roles, they take important decisions and communicate them to organisational members for their effective implementation.

10. Facilitates leadership:

Effective leaders interact with followers, guide and inspire them to perform the individual and organisational goals. Effective communication process facilitates leaders to carry out the leadership functions.

11. Facilitates control:

Planning is effective if accompanied by an effective control system. Control is possible when managers assess subordinates' performance, correct and prevent deviations and provide them regular feedback of performance. Control function largely depends upon communication system of the organisation. How effectively managers control organisational activities depends upon how effective is the communication system.

12. Training and development:

Imparting training and development facilities to employees depends upon how well their superiors communicate with them. Trainers with good communication skills are better than those who have poor communication skills.

13. Substance to organisational existence:

Obtaining information to make plans, making members aware of authority-responsibility structure, position in the organisational hierarchy, coordinating their activities is the essence of organisational survival and growth. This is possible through effective communication.

Process of Communication

Communication process is a sequence of activities where message sent is understood by the receiver in its intended meaning. For example, execution of a purchase order or conversation through telephone shall be complete if the desired result is achieved, that is, supplier sends the desired goods and receiver of phone call acts as desired by the maker of the call.

Communication is a process that connects the sender with the receiver of the message. A process is "a systematic series of actions, operations or series of changes directed to some end." However, in real life situations, communication process is more complex than it sounds. It consists of a series of elements which results in sharing of meaning by sender and receiver.

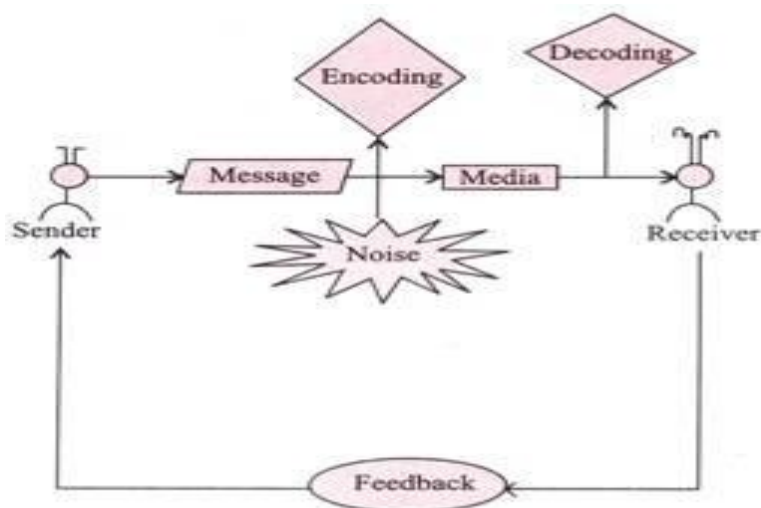
Communication process consists of following steps

- 1) The sender formulates the message that he wants to convey to the receiver.

- 2) He encodes or translates his message. He may take the help of symbols, words, actions, diagrams, pictures etc.
- 3) He selects an appropriate channel or medium through which the message is to be transmitted. It can be face to face communication, letters, radio, television, e-mail etc.
- 4) The message is received by the receiver.
- 5) Received message is decoded by the receiver so that the receiver can draw the meaning of the message.
- 6) The receiver sends his response to the sender. In case of any confusion, the same is conveyed and necessary clarification sought.

Elements of Communication Process

Communication process involves elements like sender, receiver, encoding, decoding, channel/ media, voice and feedback. These elements are explained below:



The different elements of communication are as under:

1. Sender:

He is the person who sends his ideas to another person. For example, if a manager wants to inform his subordinates about the introduction of a new product, he is the sender.

2. Message:

The idea, feeling, suggestion, guidelines, orders or any content which is intended to be communicated is message. For example, message is the introduction of new product.

3. Encoding:

It is the process of converting the idea, thinking or any other component of message into symbols, words, actions, diagram etc. For example, message is connected in words and actions.

4. Media:

It is the medium, passage or route through which encoded message is passed by the sender to the receiver. There can be various forms of media-face to face communication, letters, radio, television, e-mail etc. For example manager inform about the introduction of a new product in a meeting through presentation.

5. Decoding:

It means translating the encoded message into language understandable by the receiver.

6. Receiver:

He is the person to whom the message has been sent. For example, subordinates are receivers.

7. Feedback:

It is the response by the receiver. It marks the completion of the communication process.

8. Noise:

It is the hindrance in the process of communication. It can take place at any step in the entire process. It reduces the accuracy of communication e.g. 1)

Disturbance in the telephone lines, 2) An inattentive receiver 3) Improper Decoding of Message etc.

Distinction between Formal and Informal Communication Channels

The following table highlights the points of difference between formal and informal communication channels:

Formal Communication Channel	Informal Communication Channel
• It follows the official chain of command or organisational hierarchy.	• It cuts across the formal chain of command and does not follow organisational hierarchy.
• It is based on formal relationship amongst people.	• It is based on informal relationship.
• It is task – oriented.	• It is people – oriented.
• It is related to position of a person in the organisation.	• It is related to person rather than position in the organisation.
• It flows in vertical, horizontal and diagonal direction.	• It flows in every possible direction.
• It is deliberately created.	• It arises spontaneously along the with the formal channel.
• It is a slow means of communication.	• It is a fast means of communication.
• The information is authentic and accurate.	• Information distortions are likely to take place.
• It aims at organisational goals.	• It aims at personal goals.
• It is an impersonal form of communication.	• It is a personal form of communication.
• It is rigid.	• It is flexible.
• It can be oral and written.	• It can also be oral and written.

Importance of Communication

Communication is to the organization as blood is to the body. The success of all the functions of management depends upon the effective communication.

Significance or importance of communication can be understood from the following points:

1. Acts as Basis of Coordination:

Communication helps in coordinating the activities of various departments and persons in an organisation by providing complete information about organisational goals, ways of achieving them, interpersonal relationship among persons etc. Hence, communication acts as basis for coordination.

2. Helps in Smooth Working of an Enterprise:

Communication ensures smooth functioning of an enterprise. Existence of an organisation depends fully on communication. The activities of an organisation shall come to a standstill if communication stops.

3. Acts as Basis of Decision Making:

Communication helps in the process of decision making by providing all the necessary information. In the absence of communication of relevant information, one cannot take any meaningful decision.

4. Increases Managerial Efficiency:

The various functions of the manager involve:

- (a) Providing information regarding the goals and objectives of an enterprise.
- (b) Providing instructions
- (c) Allocating jobs and responsibilities
- (d) Overseeing the work of the workers.

All these functions involve communication. Thus, communication is essential for effective performance of managerial functions.

5. Promotes Cooperation and Industrial Peace:

To ensure smooth and efficient functioning of an organisation is the main aim of the management. This is possible only when there is peace and harmony between the management and the workers. The two way communication helps in establishing same.

6. Establishes Effective Leadership:

A good leader must possess efficient communication skills for influencing the behaviour of the subordinates. Thus, communication is the basis of leadership.

7. Boosts Morale and Provides Motivation:

An efficient communication system helps in motivating, inspiring and satisfying the subordinates. Moreover, it also helps in establishing participative and democratic type of management.

Barriers to Effective Communication

Barriers filter a part of it or distort its meaning due to which misunderstandings can be created. The various barriers have been grouped as semantic barriers, psychological barriers, organisational barriers and personal barriers.

1. Semantic Barriers:

Semantic barriers are related with the problem in the process of encoding and decoding of message. Such barriers usually arise on account of wrong words, faulty translation etc.

Following are some of the semantic barriers:

(a) Badly Expressed Message:

The use of wrong words, omission of needed words, inadequate vocabulary etc. leads to badly expressed message. Resultantly, the message reaching the recipient gets distorted & may be quite different from the intended message.

(b) Symbols with Different Meanings:

A word may have many meanings. The receiver is required to understand the meaning of the word used by the sender in the same sense for which latter has used it. In the absence of same, the intended message does not get interpreted by the receiver correctly.

(c) Faulty Translations:

Sometimes the message is in some another language, which is not understandable to the receiver & needs translation. For example, suppose a message is in English and there is a need to translate it to say Hindi which is easily understood by the workers. If the translator is not efficient in both the languages, there is a chance of giving different meaning to the message.

(d) Un-clarified Assumptions:

At times, there are certain assumptions attached with the communication and that need to be understood. Failure to do so makes the communication process ineffective. Let's say the boss has instructed his subordinate to look after some guest.

(e) Technical Jargon:

Generally, the specialists such as scientists, engineers use technical words while explaining something to the unspecialized people in the concerned field. Hence, these latter people fail to understand the meaning of such words.

(f) Body Language and Gesture Decoding:

The body movement and gestures of communication play a significant role in the communication process. The information can be misinterpreted if there is no harmony between spoken words and body language. For example, a sender may shake his head sideways while saying "Yes" and vice versa i.e. he may nod his head while uttering "No"

2. *Psychological Barriers:*

The psychological barriers have a great influence on the communication process. The communication process indicates the state of mind of both the receiver and the sender, e. g anger, worry, sadness etc.

Following are the main types of psychological barriers:

(a) Premature evaluation:

It refers to evaluating the message before the sender even completes it. This may lead to misunderstanding and thus acts as a barrier to effective communication.

(b) Lack of attention:

Non listening of message by the receiver because of latter's preoccupied mind acts as a great psychological barrier. For example, a boss was preoccupied by some paper work before him due to which he failed to even listen to the problem of a worker not to speak of solving it etc.

(c) Loss by transmission and poor retention:

The information contained in a message is lost partially or completely when the message has to pass through various levels. This is most common case in oral communication.

Poor retention is also an important barrier in communication process. If the people are not attentive or interested they cannot retain the information for a long time.

(d) Distrust:

If the receiver and the sender don't trust each other, they cannot understand the message in its original form.

3. Organisational Barriers:

The Organisational barriers are related to organization structure, authority, relationships, rules & regulations etc.

Following are the main organisational barriers:

(a) Organisational Policy:

If the organisational policy does not provide for free flow[^] of communication, the effectiveness of communication is affected. For example, people don't have free communication in a completely centralized organisation.

(b) Rules and Regulations:

Rigid rules and regulations may place many difficulties in the way of clear communication.

(c) Status:

Communication among people belonging to different status & position is rather difficult. They don't feel free to communicate with one another.

(d) Complexity in Organization Structure:

The communication in an organization with a number of managerial levels gets delayed and distorted due to many filtering points.

(e) Organizational Facilities:

Proper organisational facilities like complaint box, suggestion box, social and cultural gathering, frequent meetings etc. are very essential for free flow of

communication. Various problems can get created in the absence of these facilities.

4. *Personal Barriers:*

The personal factors of both sender and receiver also have a great impact on the flow of communication.

Some of the personal barriers are as follows:

(a) Fear of Challenge to Authority:

A superior may suppress such communication which according to him may affect his authority.

(b) Lack of Confidence by Superior in his Subordinates:

If a superior does not possess confidence in his subordinates' abilities, he may not seek their advice or opinions.

(c) Unwilling to Communicate:

Best of communicators cannot communicate with those who are just not open to same. Some by nature are simply not keen to communicate much anyway. Fear of rejection or any other likely adverse fall out may be other reasons for which people are unwilling to communicate e.g. sometimes the subordinates are not willing to communicate with their superior as they think it may affect their interest.

(d) Lack of Proper Incentives:

In the absence of any motivation or incentive, the workers may not initiate to communicate. For example, absence of reward or appreciation may resist the employees to come out with good suggestions.
