



[Academic Script]

Business Communication

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Unit No. & Title:	Unit – 1 Introduction To Business Communication
Lecture No. & Title:	Lecture – 1 Introduction To Business Communication

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1. Introduction - TO BUSINESS COMMUNICATION

Good business communication is important for any business, and employers know that if they can improve communication in their organizations they can reap benefits including improved employee satisfaction, increased customer satisfaction, the generation of positive word-of-mouth and employees who serve as ambassadors in the community. A focus on ensuring good business communication can reap many benefits for employers. Thus, We can say "Communication" is the life blood of the business. No business can develop in the absence of effective communication system.

Now the question is what is communication?

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

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. The success of any business to a large extent depends on efficient and effective communication. It takes place among business entities, within organizations and between employees, owners, employers and employees, buyers and sellers, service providers and customers, sales persons and prospects and also between people within the organization. All such communication impacts business.

Communication is essence of management. Organizations these days are very large and involve a number of people with various levels of hierarchy. Greater the number of levels, the more difficult is the job of managing the organization. The basic functions of management i.e. Planning, Organizing, Staffing, Directing, Controlling cannot be performed well without effective communication. Business communication involves constant flow of information.

Communication is a dialogue, not a monologue. In fact, communication is more concerned with a dual listening process. For communication to be effective, the message must mean the same thing to both the sender and the receiver.

Communication may be intentional or unintentional; it may involve conventional or unconventional signals, may take linguistic or non-linguistic forms, and may occur through spoken or other modes or in simple words.

Effective communication is very important, as it addresses organizational concerns. Good communication may help to increase job satisfaction, safety, productivity, profits and decrease grievances and turnover.

2. Types of Business Communication

There are basically 3 types of **Business Communication**:

Downward ↓

Upward ↑

Horizontal →

Downward Communication

Downward communication is the flow of information from the top of the organizational management hierarchy to the employees, superior to subordinates. It is important for informing people in the organization about the aim, mission, policies and more.

Downward communication generally provides information which allows a subordinate to do something; for example, instructions on how to complete a task.

Objective of downward communication:

- Information transmission
- Give instructions
- Increase efficiency
- Receive feedback
- 2-way discussion
- Announce decisions
- Seek cooperation
- Provide motivation
- Boost morale

Upward Communication

Upward communication is the flow of information from employees to management; subordinates to superiors. Without upward communication, management works in a vacuum, not knowing if the messages have been received properly, or if other problems exist in the organization. For effective two-way organizational communication to occur, it must begin from the bottom.

Objective of Upward communication:

- Information exchange

- Share/ offer ideas
- Provide feedback
- Express enthusiasm
- Achieve job satisfaction

Both Downward & Upward Communications are collectively called "Vertical Communication"

Horizontal Communication

Horizontal communication basically involves coordination and allows people with the same hierarchy in an organization to cooperate or collaborate. Communication among the employees at the same level is crucial for the accomplishment of the assigned work.

Objective of horizontal communication:

- Resolve problems
- Create goodwill
- Accomplish task
- Improve teamwork
- Raise efficiency

3. Process of Communication

Communication is a continuous process of exchanging verbal and non verbal messages. This message must be conveyed through some medium to the recipient. It is necessary that the message must be understood by the recipient in the same way as intended by the sender and must be responded within a desired time frame. Thus, communication is a two way process and is

incomplete without a feedback from the recipient to the sender on how well the message is understood by him.

Image.

Let us discuss the main components of communication process:

1. **Context** - Communication is affected by the context in which it takes place. This context may be of four types - physical, social, chronological or cultural. We often hear of the importance of the word 'context'. Every communication proceeds with context wherein the sender chooses the message to communicate within that context.

2. **Sender / Encoder** - Sender or Encoder is a person who sends the message. A sender makes use of symbols which could be - words or graphic or visual aids to convey the message and produce the required response. Sender may be an individual or a group or an organization. The verbal and non verbal symbols chosen are essential in ascertaining interpretation of the message by the recipient in the same terms as intended by the sender.

3. **Message** - The key idea which a sender wants to communicate is called the message. It is a sign that elicits the response of recipient. Communication process begins with deciding what message needs to be conveyed. It must be ensured that the main objective of the message is clear.

4. **Medium** - Means to exchange or transmit a message is called the medium. The sender must choose an appropriate medium for transmitting the message or risk the possibility of it not being conveyed to the desired recipients. The choice of appropriate medium of communication is essential for making the message effective and correctly interpreted by the recipient. This choice of

communication medium varies depending upon the features of communication.

5. **Recipient / Decoder** - Recipient / Decoder is a person for whom the message is intended / aimed. The degree to which the decoder understands the message depends on various factors such as knowledge of recipient, responsiveness to the message, and the trust of encoder on decoder.

6. **Feedback** – One of the main components of communication process is feedback as it allows the sender to analyze the efficacy of the message. It helps the sender in confirming the correct interpretation of message by the decoder. Feedback may be verbal or non-verbal. It may take written form also in form of memos, reports, etc.

4. Corporate Communication

To share the information within the business, we need corporate communication. This can be done through 2 ways; Formal and Informal communication network.

Formal channel of communication

A formal channel of communication is normally controlled by people in positions of authority in the organisation. Hence, it is the 'main line of operational communication' in an organisation.

All kinds of records, reports and other forms that give working information to various parts of an organisation are part of the formal channel of communication. This kind of communication can be performed in 3 ways: Upward, Downward and Horizontal, as studied earlier.

Image.

Advantages of formal communication:

- **Increase overall efficiency**
- **Easy communication system**
- **Ease of delegation of authority**
- **More emphasis on work**
- **Distortion free**

Disadvantages of formal communication:

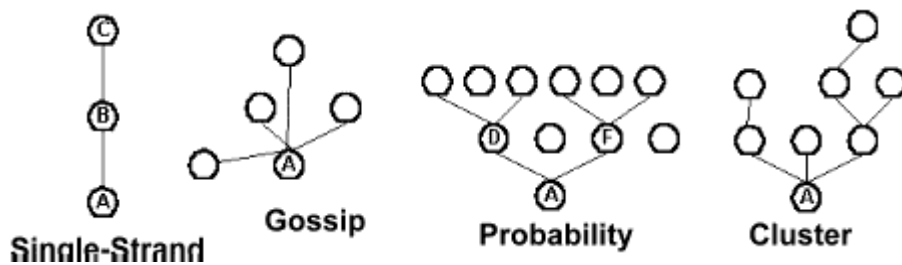
- Time Consuming
- Authoritarian
- Inflexibility
- Ignores social needs of employees

Informal Channel of Communication / Grapevine

The network of social and friendly groups in the organisation is called informal organisational structure. The informal organisational structure gets created automatically and the main purpose of such structure is getting psychological satisfaction. The informal channel of communication is often discouraged or looked down upon in an "organization, and is not officially sanctioned. It is popularly referred to as grapevine. This is because it stretches throughout the organisation in all the levels despite of the authority levels.

As people go about their work, they have casual conversation with their friends in the office. These conversations deal with both personal and business matters which results in grapevine.

Grapevine is classified into four categories:



Single strand

It flows like a chain i.e. A tells something to B, who tells it to C and so on. Most inaccuracies occur in this chain as, longer the chain more the distortion.

Gossip

Here one tells other people in the group. It is mostly unofficial in nature and considered slow in passing the information.

Probability

The information here moves randomly from anyone to anyone. It is found where there is interesting but insignificant information.

Cluster

Here some tell selected others on basis of the trust factor. It is the frequent grapevine pattern in any organisation.

Importance of Grapevine communication

1. Grapevine channels carry information rapidly. As soon as an employee gets to know some confidential information, he becomes inquisitive and quickly passes to others.
2. The managers get to know the reactions of their subordinates on their policies. Thus, the feedback is quickly obtained.

3. It fills in a gap where official information is missing at times.
4. It creates a sense of unity and social bond among the employees who share and discuss their views with each other. Thus, group cohesiveness is developed.
5. It is a supplement in those cases where formal communication does not work.

Disadvantages of Grapevine

1. It is not trustworthy as it involves the word of mouth.
2. It usually carries partial information and creates rumour.
3. At times, it hampers goodwill of the organisation.

5. Miscommunication or Barriers to Communication

“Miscommunication” can be defined as a failure to make information or your ideas and feelings clear to somebody, or to understand what somebody says to you.

There are certain causes of miscommunication.

Wrong Choice of Medium

It is very important to select the right medium for message to be conveyed and interpreted properly as intended. If a salesperson has to submit report of past 3 years, it might not be appropriate to write long paragraphs; instead use tables, graphs. A manager who wants to praise his subordinate will not send a peon to convey the message; he shall do it face to face.

Semantic Barrier

If the receiver is not able to comprehend the message the way sender intends, because of unsuitable words or improper sentence formation, it results in semantic barrier.

The sender has to take care that the receiver does not misconstrue his message, and gets the intended meaning. Quite often it does not happen in this way. It can be ensured only if we aim at clarity, simplicity and brevity.

Physical Barrier

The distracting elements which exist in the surrounding environmental, which does not allow the proper flow of information like noise, lighting, unclear writing, poor verbal skills result in physical barriers.

Socio Psychological Barrier

The emotion, attitudes and opinions, place in society and status-consciousness arising from one's position in the hierarchical structure, one's relations with peers, family background—all these deeply affect one's ability to communicate both as a sender and receiver. It leads to socio psychological barrier. Often it is seen that a man high up in an organisation builds up a wall around himself. This restricts participation of the less powerful in decision-making. In the same way one's family background formulates the attitude and communication skills.

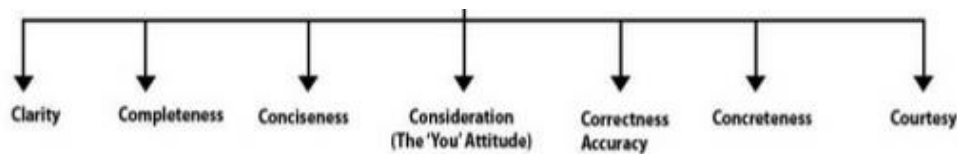
Different Comprehension of reality

The reality of an object, person or event is different to different people; it is infinite, complex and keeps changing. Everyone has unique mental filter and perception. No two persons perceive in

same manner, because of difference in inference, abstraction and evaluation.

6. Principles of Communication

There are 7 C's of principle of effective communication, which are:



ref.

Clarity

It means usage of simple language and easy sentence formation while composing a message. It also implies focusing on a specific goal or message at a time, rather than trying to achieve too much at once. It becomes easy for receiver to understand the message as intended if the idea is clearly presented.

Completeness

It means the message must have all the necessary information to get the desired response. The 5 W's, i.e. who, what, when, where and why must be answered in the message.

Conciseness

It means that the message must only have the information relevant to the topic and nothing irrelevant. It should be precise and to the point in order to save both time and effort of sender and receiver.

Correctness

It means, the message must be error free, i.e. the sentences must be proper in terms of grammar, punctuation and spelling. The sender must keep in mind the knowledge, status and educational background of the receiver to make it easy.

Consideration

It means taking the receiver into consideration while composing a message. It emphasise on the 'You attitude', referring to the desire, emotion, problem and response of the receiver.

Concreteness

It means being vivid, specific, explicit and definite in the message rather than vague, general or obscure. Sender must use specific facts and figures, denotative words in order to make the message concrete.

Courtesy

It not only means thinking about the receiver, but also valuing his emotions, feelings and attitude. Sender must be tactful, thoughtful, appreciative and respectful towards receiver, helping communicate better.

7. Summary

- Business communication sharing of information between people within an organization that is performed for the commercial benefit of the organization; it is of 3 types; Downward (information flow from top management to manager and below), Upward (information flow from lower hierarchy to

top management) and Horizontal (information shared between the people of same hierarchy).

- In the communication process, sender encodes the message which is transferred through a selected medium to the receiver, who then decode the same and responds with the feedback.
- Corporate communication network is of 2 types; Formal; where the information flow is through official channel and Informal; where information flow by passes official channel i.e. Grapevine.
- There are 5 major barriers to communication; Wrong Medium, Semantic, Physical, Socio Psychological and different comprehension of reality. A communicator must be aware of these barriers and try to reduce their impact by checking, understanding and by offering appropriate feedback.

7 C's in the principles of communication which makes it more better and effective are; Clarity, Completeness, Conciseness, Correctness, Consideration, Courtesy, Concreteness. If these points are considered in communication, there will be no scope of misinterpretation and ignorance.