

1. Details of Module and its structure

Module Detail	
Subject Name	Business Studies
Course Name	Business Studies 03 (Class XII, Semester - 1)
Module Name/Title	Directing: Part – 6
Module Id	lebs_10706
Pre-requisites	Knowledge of about Communication
Objectives	After going through this lesson, the learners will be able to understand the following: <ul style="list-style-type: none">• Formal and informal communication• Barriers to communication• Improving communication effectiveness• Importance
Keywords	Communication – Meaning, Process, Importance, Formal and informal communication, Barriers to communication, Improving communication effectiveness

2. Development team

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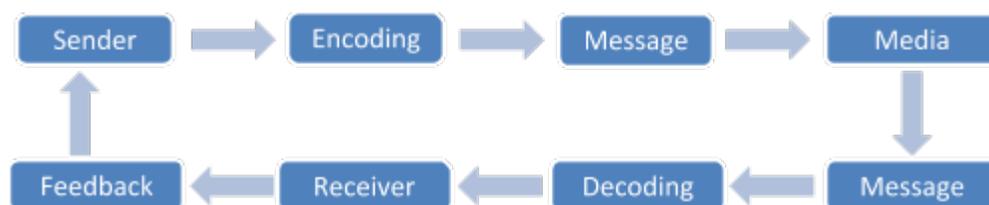
1. Communication – meaning
2. Elements/process
3. Importance
4. Formal and informal communication
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Communication plays key role in the success of a manager. How much professional knowledge and intelligence a manager possesses becomes immaterial if he is not able to communicate effectively with his subordinates and create understanding in them. Directing abilities of a manager mainly depend upon his communication skills. That is why organisation always emphasise on improving communication skills of managers as well as employees.

The word communication has been derived from the Latin word ‘communis’ which means ‘common’ which consequently implies common understanding. Communication is defined in different ways. Generally, it is understood as a process of exchange of ideas, views, facts, feelings etc., between or among people to create common understanding. Some of the definitions given by management experts are presented in the box. A close examination of above definitions reveals that communication is the process of exchange of information between two or more persons to reach common understanding.

It refers to an art of transferring facts, ideas, feeling, etc. from one person to another and making him understand them. A manager has to continuously tell his subordinates about what to do, how to do, and when to do various things.

Also, it is very essential to know their reactions. To do all this it becomes essential to develop effective telecommunication facilities. Communication by developing mutual understanding inculcates a sense of cooperation which builds an environment of coordination in the organisation.



Elements of Communication Process

Communication has been defined as a process. This process involves elements like source, encoding, media/channel, receiver, decoding, noise and feedback. The process is represented in the figure.

The elements involved in communication process are explained below:

(i) Sender: Sender means person who conveys his thoughts or ideas to the receiver. The sender represents source of communication.

(ii) Message: It is the content of ideas, feelings, suggestions, order etc., intended to be communicated.

(iii) Encoding: It is the process of converting the message into communication symbols such as words, pictures, gestures etc.,

(iv) Media: It is the path through which encoded message is transmitted to receiver. The channel may be in written form, face to face, phone call, internet etc.,

(v) Decoding: It is the process of converting encoded symbols of the sender.

(vi) Receiver: The person who receives communication of the sender.

(vii) Feedback: It includes all those actions of receiver indicating that he has received and understood message of sender.

Noise: Noise means some obstruction or hindrance to communication. This hindrance may be caused to sender, message or receiver. Some examples of noise are:

- (a) Ambiguous symbols that lead to faulty encoding.
- (b) A poor telephone connection.
- (c) An inattentive receiver.
- (d) Faulty decoding (attaching wrong meanings to message).
- (e) Prejudices obstructing the poor understanding of message.
- (f) Gestures and postures that may distort the message.

Importance of Communication

Communication is one of the most central aspects of managerial activities. It has been estimated that a manager spends 90 percent of his time in communicating-reading, writing, listening, guiding, instructing, approving, reprimanding, etc. Effectiveness of a manager depends significantly on his ability to communicate effectively with his superiors, subordinates and external agencies such as bankers, suppliers, union and government.

An ex-president of American Management Association once observed that number one management problem today is communication. Bernard has called it the foundation of all group activities. Communication serves as the lubricant fostering for the smooth operations of the management process. The importance of communication in management can be judged from the following:

(i) Acts as basis of coordination: Communication acts as basis of coordination. It provides coordination among departments, activities and persons in the organisation. Such coordination is provided by explaining about organisational goals, the mode of their achievement and inter relationships between different individuals etc.

(ii) Helps in smooth working of an enterprise: Communication makes possible for the smooth and unrestricted working of the enterprise. All organisational interactions depend on communications.

The job of a manager is to coordinate the human and physical elements of an organisation into an efficient and active working unit that achieves common objectives. It is only communication which makes smooth working of an enterprise possible. Communication is basic to an organisation's existence right from its birth through its continuing life. When communication stops, organised activity ceases to exist.

(iii) Acts as basis of decision making: Communication provides needed information for decision making. In its absence, it may not be possible for the managers to take any meaningful decision. Only on the basis of communication of relevant information one can take right decision.

(iv) Increases managerial efficiency: Communication is essential for quick and effective performance of managerial functions. The management conveys the goals and targets, issues instructions, allocates jobs and responsibilities and looks after the performance of subordinates. Communication is involved in all these aspects. Thus, communication lubricates the entire organisation and keeps the organisation at work with efficiency.

(v) Promotes cooperation and industrial peace: Efficient operation is the aim of all prudent management. It may be possible only when there is industrial peace in the factory and mutual cooperation between management and workers. The two way communication promotes cooperation and mutual understanding between the management and workers.

(vi) Establishes effective leadership: Communication is the basis of leadership. Effective communication helps to influence subordinates. While influencing people, leader should possess good communication skills.

(vii) Boosts morale and provides motivation: An efficient system of communication enables management to motivate, influence and satisfy the subordinates. Good communication assists the workers in their adjustment with the physical and social aspect of work. It improves good human relations in industry. Communication is the basis of participative and democratic pattern of management. Communication helps to boost morale of employees and managers.

Formal and Informal communication: Communication taking place within an organisation may be broadly classified as formal and informal communication.

Formal Communication: Formal communication flows through official channels designed in the organisation chart. This communication may take place between a superior and subordinate, a subordinate and superior or among same cadre employees or managers.

The communications may be **oral or written** but generally recorded and filed in the office.

Formal communication may be further classified as:

a) Vertical communication flows vertically i.e., upwards or downwards through formal channels. Upward communications refer to flow of communication from subordinate to superior

whereas downward communication indicates communication from a superior to subordinate. The examples of upward communication are – application for grant of leave, submission of progress report, request for grants etc. Similarly, the examples of downward communication include – sending notice to employees to attend a meeting, ordering subordinates to complete an assigned work, passing on guidelines framed by top management to the subordinates etc.

b) Horizontal or lateral communication takes place between one division and another. For example, a production manager may contact marketing manager to discuss about schedule of product delivery, product design, quality etc.

The pattern through which communication flows within the organisation is generally indicated through communication network. Different types of communication networks may operate in formal organisation. Some of the popular communication networks are presented and discussed in given figure.

(i) Single chain: This network exists between a supervisor and his subordinates. Since many levels exist in an organisation structure, communication flows from every superior to his subordinate through single chain.

(ii) Wheel: In wheel network, all subordinates under one superior communicate through him only as he acts as a hub of the wheel. The subordinates are not allowed to talk among themselves.

(iii) Circular: In circular network, the communication moves in a circle. Each person can communicate with his adjoining two persons. In this network, communication flow is slow.

(iv) Free flow: In this network, each person can communicate with others freely. The flow of communication is fast in this network.

(v) Inverted V: In this network, a subordinate is allowed to communicate with his immediate superior as well as his superiors superior. However, in later case, only prescribed communication takes place.

Informal Communication

Communication that takes place without following the formal lines of communication is said to be informal communication. Informal system of communication is generally referred to as the 'grapevine' because it spreads throughout the organisation with its branches going out in all directions in utter disregard to the levels of authority. The informal communication arises out of needs of employees to exchange their views, which cannot be done through formal channels.

Workers chit chatting in a canteen about the behaviour of the superior, discussing about rumours that some employees are likely to be transferred are some examples of informal communications. The grapevine/ informal communication spreads rapidly and sometimes gets distorted.

It is very difficult to detect the source of such communication. It also leads to generate rumours which are not authentic. People's behaviour is affected by rumours and informal discussions and sometimes may hamper work environment. Sometimes, grapevine channels may be helpful as they carry information rapidly and, therefore, may be useful to the manager at times. Informal channels are used by the managers to transmit information so as to know the reactions of his/her subordinates. An intelligent manager should make use of positive aspects of informal channels and minimise negative aspects of this channel of communication.

Grapevine Network

Grapevine communication may follow different types of network.

In single strand network, each person communicates to the other in sequence. In gossip network, each person communicates with all on non selective basis. In probability network, the individual communicates randomly with other individual. In cluster, the individual communicates with only those people whom he trusts. Of these four types of networks, cluster is the most popular in organisations.

Barriers to Communication

It is generally observed that managers face several problems due to communication breakdowns or barriers. These barriers may prevent a communication or filter part of it or carry incorrect meaning due to which misunderstandings may be created. Therefore, it is important for a manager to identify such barriers and take measures to overcome them.

The barriers to communication in the organisations can be broadly grouped as: semantic barriers, psychological barriers, organisational barriers, and personal barriers. These are briefly discussed below:

a) Semantic barriers: Semantics is the branch of linguistics dealing with the meaning of words and sentences. Semantic barriers are concerned with problems and obstructions in the process of encoding and decoding of message into words or impressions. Normally, such barriers result on account of use of wrong words, faulty translations, different interpretations etc. These are discussed below:

(i) Badly expressed message: Some times intended meaning may not be conveyed by a manager to his subordinates. These badly expressed messages may be an account of inadequate vocabulary, usage of wrong words, omission of needed words etc.

(ii) Symbols with different meanings: A word may have several meanings. Receiver has to perceive one such meaning for the word used by communicator. For example, consider these three sentences where the work 'value' is used:

(a) What is the value of this ring?

(b) I value our friendship.

(c) What is the value of learning computer skills?

You will find that the 'value' gives different meaning in different contexts. Wrong perception leads to communication problems.

(iii) Faulty translations: Sometimes the communications originally drafted in one language (e.g., English) need to be translated to the language understandable to workers (e.g., Hindi). If the translator is not proficient with both the languages, mistakes may creep in causing different meanings to the communication.

(iv) Unclarified assumptions: Some communications may have certain assumptions which are subject to different interpretations. For example, a boss may instruct his subordinate, "Take care of our guest". Boss may mean that subordinate should take care of transport, food, accommodation of the guest until he leaves the place. The subordinate may interpret that guest should be taken to hotel with care. Actually, the guest suffers due to these unclarified assumptions.

(v) Technical jargon: It is usually found that specialists use technical jargon while explaining to persons who are not specialists in the concerned field. Therefore, they may not understand the actual meaning of many such words.

(vi) Body language and gesture decoding: Every movement of body communicates some meaning. The body movement and gestures of communicator matters so much in conveying the message. If there is no match between what is said and what is expressed in body movements, communications may be wrongly perceived.

b) Psychological barriers: Emotional or psychological factors acts as barriers to communicators. For example, a worried person cannot communicate properly and an angry receiver cannot understand the real meaning of message. The state of mind of both sender and receiver of communication reflects in the effective communication. Some of the psychological barriers are:

(i) Premature evaluation: Some times people evaluate the meaning of message before the sender completes his message. Such premature evaluation may be due to pre-conceived notions or prejudices against the communication.

(ii) Lack of attention: The preoccupied mind of receiver and the resultant non-listening of message acts as a major psychological barrier. For instance, an employee explains about his problems to the boss who is pre-occupied with an important file before him. The boss does not grasp the message and the employee is disappointed.

(iii) Loss by transmission and poor retention: When communication passes through various levels, successive transmissions of the message results in loss of, or transmission of inaccurate information. This is more so in case of oral communication. Poor retention is another problem. Usually people cannot retain the information for a long time if they are inattentive or not interested.

(iv) Distrust: Distrust between communicator and communicate acts as a barrier. If the parties do not believe each other, they can not understand each others message in its original sense.

c) Organisational barriers: The factors related to organisation structure, authority relationships, rules and regulations may, sometimes, act as barriers to effective communication. Some of these barriers are:

(i) Organisational policy: If the organisational policy, explicit or implicit, is not supportive to free flow of communication, it may hamper effectiveness of communications. For example, in an organisation with highly centralised pattern, people may not be encouraged to have free communication.

(ii) Rules and regulations: Rigid rules and cumbersome procedures may be a hurdle to communication. Similarly, communications through prescribed channel may result in delays.

(iii) Status: Status of superior may create psychological distance between him and his subordinates. A status conscious manager also may not allow his subordinates to express their feelings freely.

(iv) Complexity in organisation structure: In an organisation where there are number of managerial levels, communication gets delayed and distorted as number of filtering points are more.

(v) Organisational facilities: If facilities for smooth, clear and timely communications are not provided communications may be hampered. Facilities like frequent meetings, suggestion box, complaint box, social and cultural gathering, transparency in operations etc., will encourage free flow of communication. Lack of these facilities may create communication problems.

d) Personal barriers: The personal factors of both sender and receiver may exert influence on effective communication. Some of the personal barriers of superiors and subordinates are mentioned below:

(i) Fear of challenge to authority: If a superior perceives that a particular communication may adversely affect his authority, he or she may withhold or suppress such communication.

(ii) Lack of confidence of superior on his subordinates: If superiors do not have confidence on the competency of their subordinates, they may not seek their advice or opinions.

(iii) Unwillingness to communicate: Sometimes, subordinates may not be prepared to communicate with their superiors, if they perceive that it may adversely affect their interests.

(iv) Lack of proper incentives: If there is no motivation or incentive for communication, subordinates may not take initiative to communicate. For example, if there is no reward or appreciation for a good suggestion, the subordinates may not be willing to offer useful suggestions.

Improving Communication Effectiveness

The barriers to effective communication exists in all organisations to a greater or lesser degree. Organisations keen on developing effective communication should adopt suitable measures to overcome the barriers and improve communication effectiveness. Some such measures are indicated below:

(i) Clarify the ideas before communication: The problem to be communicated to subordinates should be clear in all its perspective to the executive himself. The entire problem should be studied in depth, analysed and stated in such a manner that is clearly conveyed to subordinates.

(ii) Communicate according to the needs of receiver: The level of understanding of receiver should be crystal clear to the communicator. Manager should adjust his communication according to the education and understanding levels of subordinates.

(iii) Consult others before communicating: Before actually communicating the message, it is better to involve others in developing a plan for communication. Participation and involvement of subordinates may help to gain ready acceptance and willing cooperation of subordinates.

(iv) Be aware of languages, tone and content of message: The contents of the message, tone, language used, manner in which the message is to be communicated are the important aspects of effective communication. The language used should be understandable to the receiver and should

not offend the sentiments of listeners. The message should be stimulating to evoke response from the listeners.

v) Convey things of help and value to listeners: While conveying message to others, it is better to know the interests and needs of the people with whom you are communicating. If the message relates directly or indirectly to such interests and needs it certainly evokes response from communicatee.

(vi) Ensure proper feedback: The communicator may ensure the success of communication by asking questions regarding the message conveyed. The receiver of communication may also be encouraged to respond to communication. The communication process may be improved by the feedback received to make it more responsive.

(vii) Communicate for present as well as future: Generally, communication is needed to meet the existing commitments to maintain consistency, the communication should aim at future goals of the enterprise also.

(viii) Follow up communications: There should be regular follow up and review on the instructions given to subordinates. Such follow up measures help in removing hurdles if any in implementing the instructions.

(ix) Be a good listener: Manager should be a good listener. Patient and attentive listening solves half of the problems. Managers should also give indications of their interest in listening to their subordinates.

Summary

Communication: Communication refers to process of exchange of ideas between or among persons and create understanding.

Communication **process** involves the elements of source, encoding, channel, receiver, decoding and feedback.

In organisations, both **formal and informal communications** simultaneously takes place.

Formal communications refers to all official communications in the form of orders, memos, appeals, notes, circulars, agenda, minutes etc. Apart from formal communications, informal or grapevine communications also exist. Informal communications are usually in the form of rumours, whispers etc. They are unofficial, spontaneous, unrecorded, spread very fast and usually distorted. A manager should learn to manage with informal communication also.

In most of the organisations, **several barriers** may exist for effective communications. Some of these barriers include – semantic barriers, organisational barriers, language barriers, transmission barriers, psychological barriers and personal barriers.

Managers should take appropriate **measures to overcome** these barriers and promote effective communication in the organisation.