

Auditing Communication Satisfaction Among Banking Professionals: An Approach to Managing Workplace Communication

Sweta Saurabh*, Tuhin Chattopadhyay**

ABSTRACT

Communication plays a crucial role in the transfer of information in any organisation. In order to perform effectively, members of an organisation need to be satisfied with the communication activities in their organisation. The present research helps to understand and assess the impact of communication credibility on the communication satisfaction. The sector chosen for the study are the private banks of India. A total of 150 bank professionals participated in the study. Both the communication satisfaction and communication credibility are measured using Likert type scale. Regression was used to assess the impact of communication credibility on communication satisfaction. The results revealed a significant impact of communication credibility on communication satisfaction. Thus the study emphasizes the importance of information accuracy and subsequent credibility in generating communication satisfaction in the organisation.

Keywords: Communication satisfaction, Communication credibility, Banking professionals.

INTRODUCTION

Communication plays a prominent role in the transfer of right information to the right person in the modern organisation. Communication is the lifeline of any organisation and the success of a business enterprise to a great extent depends upon the efficient and effective communication (Bisen & Priya, 2008). In the context of globalisation and free trade, organisations communicate across national and cultural boundaries. Lack of communication can create havoc within an organisation. If the workplace suffers from employee informal communication, high turnover rates, low production and undefined priorities, the organisation may have unresolved communication issues. Even when these impacts are not obvious, the communication issues still disrupt the workplace and negatively affect the bottom line of the organisation. Thus, it is of utmost important for an organisation to cultivate effective communication among the employees.

Hynes (2004) opined that in the 21st century, management communication is both challenging and exciting as managers communicated with subordinates in quite different ways in the past than they do today. Organisations are becoming much more complex, and many new forces confront the managers which makes communication challenging. A vital mean of attending to company concerns is through effective internal communication i.e. downward, upward and horizontal communication. In an organisation, communication is a dynamic process. It comprises complex communication techniques and channels. The employees focus more on communication satisfaction rather than only sending and receiving messages. Ahmad (2004) pointed out that communication satisfaction plays an important and direct role in the organisational commitment of the employees. Hence, members of any organisation need to be satisfied with the communication activities in their organisation in order to perform well.

* Assistant Professor, Galgotias Business School, Greater Noida, India. Email-id: swetasaurabh@gmail.com

** Associate Professor, Fortune Institute of International Business, New Delhi, India. Email-id: dr.tuhin.chattopadhyay@gmail.com

As the employees nowadays are more involved in customer centric jobs, they require certain unique skill sets and effective communication strategies to perform better in an organisation. The changing business patterns in the organisation make the employees feel that they need information about their environment so as to feel comfortable and confident in the workplace. Mignerey (1991) viewed that information provided to the employees results in their effectiveness in the organisation. The communication of information is in several forms including verbal and written methods. It is very important that the method used to convey the information is quite understandable by its intended audience. Chen, Silverthorne & Hung (2006) suggested that if companies improve their communication channels, it will have a positive impact on both the employees and the organisation.

We see that the amount of information available in the organisation is exponentially high. Everyday people come across with such information which may not be useful for them. Quite a lot of information may not be trustworthy also. The problem that most of the employees face then is to judge the credibility of information. The present research would address the issue of communication credibility in an organisation as it will help us to understand the essence of communication in a more specific way. Putti, Aryee and Phua (1990) opined that employees assess their satisfaction with the communication process in the organisation with that of supervisors and peers and also with top management.

The sector chosen for the present study is private banks in India because we witness that the banking industry in India has foreseen a number of changes in terms of services, products and technology. A little has been studied on the communication satisfaction of the employees of the banks in India. Keeping in view that the banking industry in India has evolved drastically and there is a form of interaction on the basis of communication either directly or indirectly between employees and customers, the importance of receiving or sending credible information becomes paramount. Thus, the attempt has been made to study the impact of communication credibility on the communication satisfaction of the employees.

The study would help to understand and assess the impact of communication credibility on the communication satisfaction of the bank employees. Employees in

the banking industry are customer-centric, so the communication satisfaction of the employees would naturally reflect their interaction with the customers. Goodwin & Gremler (1996) claimed that the banking industry requires employees that are both satisfied as well as motivated which would actually affect the customer satisfaction levels. This study would be useful for today's banking industry especially in India because it has been recognized that with the advent of privatisation and with the increasing number of foreign banks, the level of customer service has gone up, and it heavily depends upon the employees who interact with them. Therefore, the orientation of the study is to assess the communication satisfaction from the credibility perspective.

The objective of the research paper is to assess the impact of the credibility of communication on the satisfaction generated through the communication in Indian banks.

LITERATURE REVIEW

Communication Satisfaction

Communication in an organisation forms an integral part of the organisational processes. Duncan and Moriarty (1998) reveal that communication is an activity that links employees together and generates satisfaction. The concept of communication satisfaction as said by Thayer, 1968 was "the personal satisfaction a person experiences when communicating successfully" and was understood to be a unidimensional construct having communication effectiveness as its important dimension. Later, Redding, 1972 concluded that the communication satisfaction might be multidimensional in nature. Wiio, 1976 reconfirmed the multidimensionality of communication by proposing the dimensions like message content, improvements in communication, and channel efficiency. Gordon (1979) observed supervisory communication as an important aspect for employees having administrative responsibility. Later, the other factors like media quality, horizontal communication, and subordinate communication also came into light. Nicholson (1980) found that administrators were quite satisfied with media quality, supervisory communication and communication climate factors. Further, Jones (1981) came up with the view that the subordinate communication and horizontal communication dimensions proved greatest satisfaction. Research were continued in this aspect and Nakra

(2006) opined that the communication satisfaction in an organisation occur if there is a proper information flow.

Communication Credibility

Credibility is a perception that people have on the believability of information. If the audience has a high value about the communicator and respects the information given, the communication is said to be having high credibility. Hovland & Weiss (1951) opined that the source from which the message is transmitted has a strong influence upon the believability of a message. Credibility is closely associated with trust, a crucial element in personal and professional relationships.

Hovland, Janis and Kelley (1953) connoted credibility as a degree to which a person is considered of being trustworthy as well as competent. Self (1996) defined credibility as a term used for believability, trust, reliability, fairness, objectivity, and a combination of all these things. Tseng & Fogg (1999) were of the opinion that credible people are believable people and credible information is likely to be believable information. Some scholars in management have focused on various elements of credibility. Giffin (1967) examines the source of information and the role it plays in the formation of trust in the communication process. Mayer, Davis and Schoorman (1995), explored that the credibility of manager is positively related to their relations with their employees. Employees are always eager to listen to the truth from their workplace. They normally understand the straight forward language that is easier to follow. Schumann (2004) argued that employees are interested in plain and simple talk which is easier for them to comprehend. However, very less has been talked about the impact of communication credibility on communication satisfaction. So the present study proposed communication credibility as the predictor of communication satisfaction and to examine the relationship among the two variables, we test the following hypothesis:

Hypothesis

There is a significant positive relationship between communication credibility and communication satisfaction.

Research Design

Sampling Design

The research was carried out in the banking industry in India. The study of communication satisfaction in the banking organisation is important because ideally the employees need to be satisfied while working so that they can efficiently perform their job. As Ghaziri (1998) pointed out that the growth of high speed networks and explosion of technology is changing the banking industry from paper and branch banks to digitized and networked banking services, it was interesting to choose this sector because of the changes the sector has witnessed in the last decade. We have taken the sample of bank professionals by stratified random sampling. The sampling frame comprises the five leading private banks in India. From each of the five banks, 30 respondents were randomly selected from their branches in Delhi, resulting in the total sample of 150. Respondents were sent the questionnaire over electronic-mail and were required to rate the questions on a seven-point Likert scale. 30 questionnaires were sent to each of the respondents. Liang & Back (2011) also used the sample size of 190 in the study to assess the relationship among communication satisfaction, job satisfaction, and organisational commitment in the hospitality industry. The study by Clampitt and Downs (1993) to explore the relationship between communication and productivity used 175 as the sample size.

Data Collection Design

We used the Communication Satisfaction Questionnaire (CSQ) developed by Downs and Hazen (1977). The CSQ helps us to express the degree of satisfaction about organisational communication. The eight dimensions of communication satisfaction comprising communication climate, supervisory communication, organisational integration, media quality, co-worker communication, corporate information, personal feedback, and subordinate communication were measured using Likert type scale ranging from very satisfied (7) to very dissatisfied (1). Communication climate assesses the perceived communication competence of employees and the extent to which information flow assists the working process in the organisation. The dimension of relationship to superiors includes the components of upward and

Table 1: Profile Statistics

Parameters	Values
Mean Age	38.76
Percent Female	48
Percent Graduate	100
Percent Married	74

Table 2: Descriptive Statistics

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>	<i>Std. Deviation</i>
Organisational Communication Satisfaction	150	3.925	6.963	5.595	.579
Communication Credibility	150	3.50	6.833	5.581	.6

Table 3: Tests of Normality

	<i>Kolmogorov-Smirnova</i>			<i>Shapiro-Wilk</i>		
	<i>Statistic</i>	<i>Df</i>	<i>Sig.</i>	<i>Statistic</i>	<i>Df</i>	<i>Sig.</i>
Organisational Communication Satisfaction	.066	150	.200*	.992	150	.532

a. Lilliefors Significance Correction

*. This is a lower bound of the true significance.

downward communication and measures the openness and the listening skills of superiors. Organisational integration on the other hand revolves around the information employees receive about their job and other related items. Through this kind of information, employees feel they have been integrated. The other factor is media quality which talks about the several channels of communication (e.g., publications, memos, and meetings). It is important for the employees to know whether meetings are well organised and whether written communications are clear. Co-worker communication concerns the horizontal and informal communication in an organisation. It also includes the employees' perceptions of grapevine. Corporate information refers to the information given out concerning the corporation. It also encompasses knowledge about external events such as new government policies, which impact the organisation. The personal feedback dimension contains questions about superiors' understanding of problems faced by the subordinates. The other factor like subordinate communication is completed by those in supervisory or managerial positions. It taps receptivity of employees to downward communication and their willingness and capability to send valuable information upward. Each factor has five items, which

are averaged for a factor score. The 40 items were used to measure communication satisfaction.

The previous researchers have also used the Communication Satisfaction Questionnaire (CSQ) to collect the data for their studies. Ticehurst & Downs (1998) assessed the relationship between dimensions of professional communication and other aspects of organisational communication and used the CSQ (Downs, 1988) to collect the data. Later, Ahmad (2006) also used CSQ to conduct a research to assess the communication practices among the academic staff of two Public Universities in Malaysia. Liang & Back (2011) assess the relationship among communication satisfaction, job satisfaction, and organisational commitment in the hospitality industry used the communication satisfaction questionnaire (Downs & Hazen, 2004) with a seven point Likert scale. In the present paper, the reliability of each of the eight dimensions of communication satisfaction were assessed through Cronbach's Alpha viz. communication climate (.73), supervisory communication (.76), organisational integration (.81), media quality (.78), co-worker communication (.83), corporate information (.76), personal feedback (.74) and subordinate communication

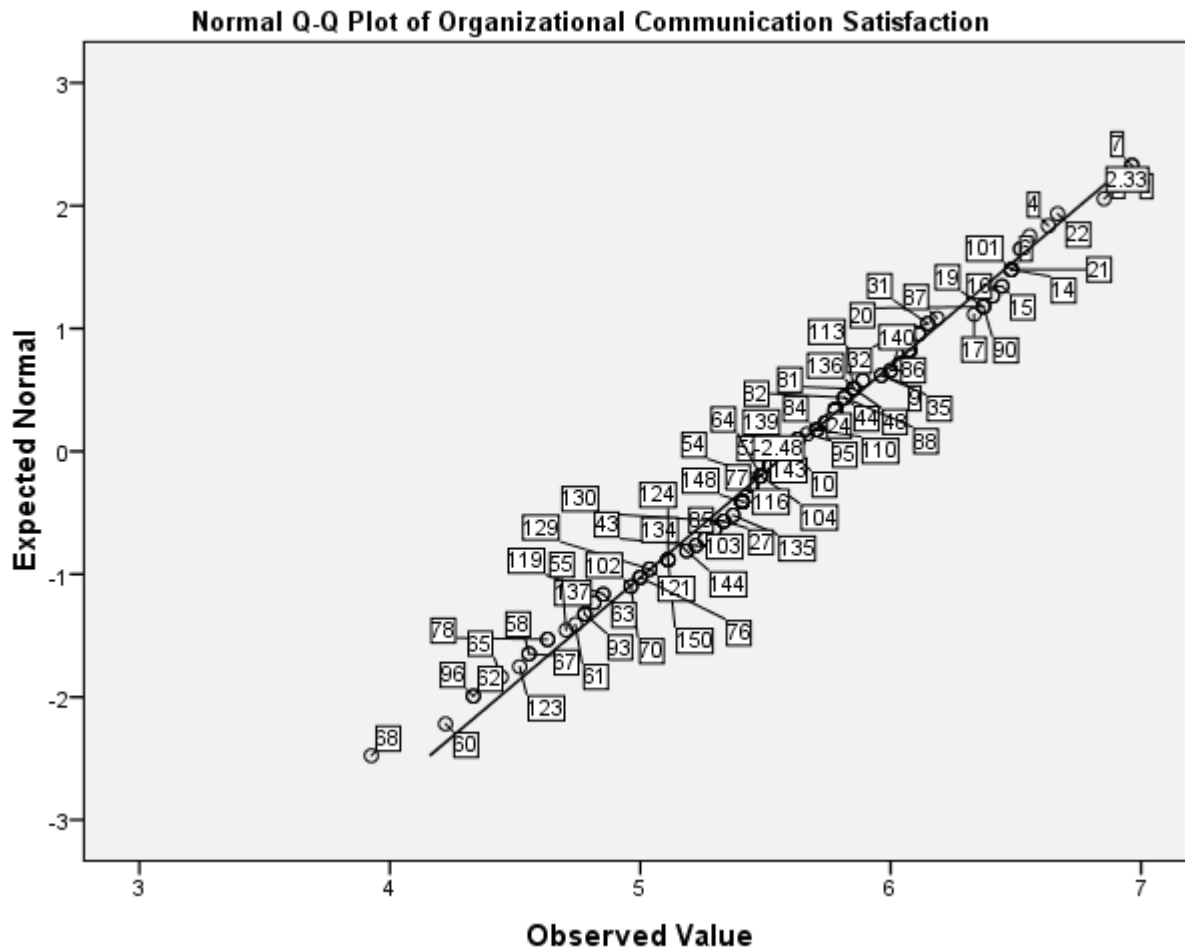


Figure 1

(.73) along with communication credibility (.82) and it is found that the scales used are highly reliable.

Statistical Design

Bivariate regression was used to assess the impact of communication credibility on communication satisfaction, where communication satisfaction is the dependent variable and communication credibility is the independent variable. Previous researchers have also used regression in their study of communication satisfaction. Liang & Back (2011) used multiple regression analyses to assess the hypothesized relationship among Communication Satisfaction, Job Satisfaction and OC. Ahmad (2004) also used regression to assess the relationship between communication satisfaction and organisational commitment.

Model

The following model is used for testing hypotheses:

$$\text{Organisational Communication Satisfaction} = \beta_0 + \beta_1 \text{Communication Credibility}$$

Results

Descriptive Statistic

The details of the characteristics of the 150 respondents are presented in Table 1. The average age of the respondents are 38.76 (ranging from 25 to 47) while 48 percent of the respondents are female. All the respondents were graduates and 74 percent of them are married.

Table 4: Correlations

		<i>Organisational Communication Satisfaction</i>	<i>Communication Credibility</i>
Organisational Communication Satisfaction	Pearson Correlation	1	.916**
	Sig. (2-tailed)		.000
	N	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

Descriptive statistic only portrays variables distribution and does not give information as to the relationships between variables. Research descriptive statistic is shown in Table 2.

Tests of Normality

Kolmogorov–Smirnov test and Shapiro Wilk tests are performed to test the normality of research variables

which is shown in Table 3.

The non-significant value ($p > .05$) of both Kolmogorov–Smirnov test and Shapiro Wilk test reveal that the distribution of the variable, “Organisational Communication Satisfaction” is normal. The normal Q-Q Plot of Organisational Communication Satisfaction is further produced in Figure 1.

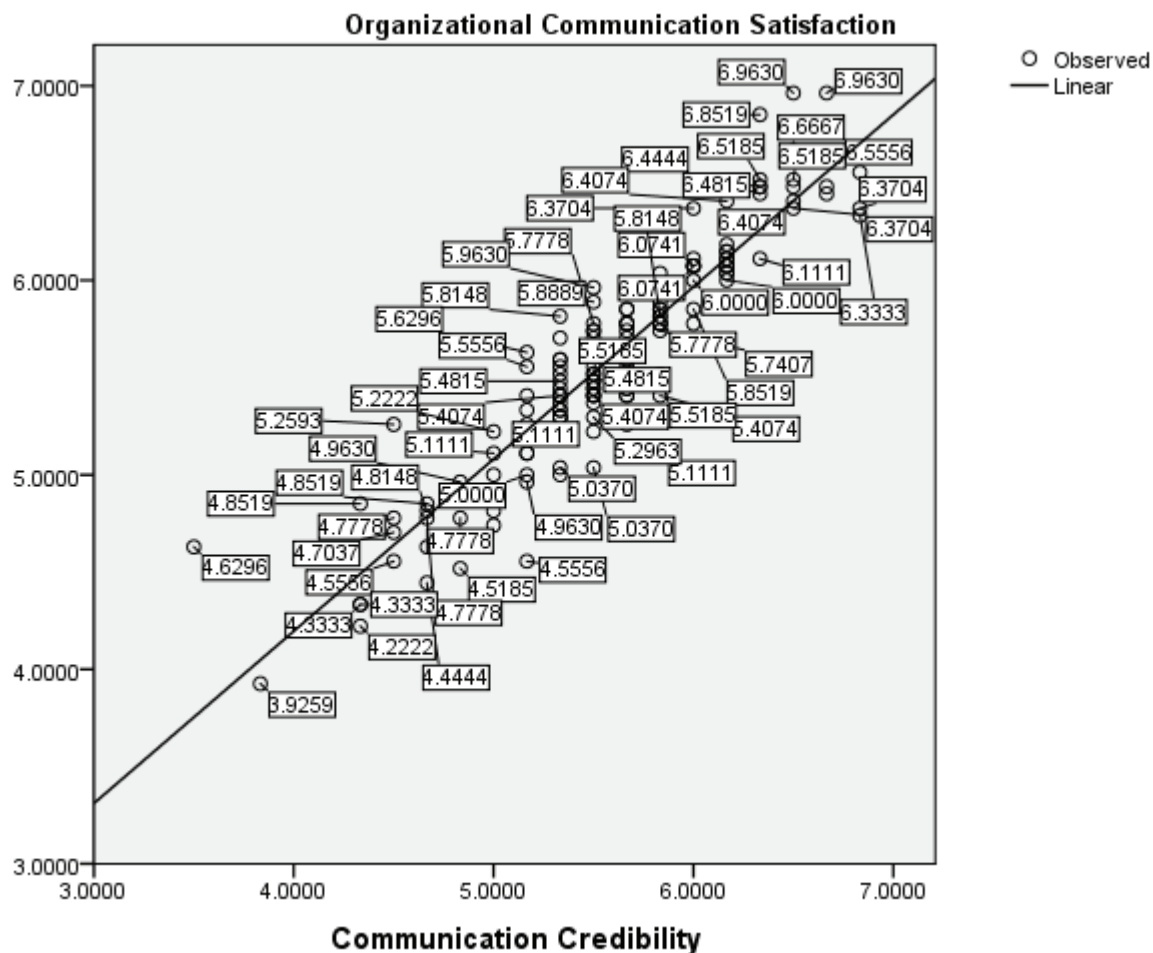
**Figure 2**

Table 5: Coefficients^a

<i>Model</i>		<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig.</i>
		<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
1	(Constant)	.656	.179		3.666	.000
	Communication Credibility	.885	.032	.916	27.784	.000

a. Dependent Variable: Organisational Communication Satisfaction

Table 6: Model Summary^b

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.916 ^a	.839	.838	.2333464

a. Predictors: (Constant), Communication Credibility

b. Dependent Variable: Organisational Communication Satisfaction

Since the normality of dependent variable leads to the normality of independent variable, we can simply conclude that the model is normal.

Correlation Matrix

The correlation between two variables indicates the extent to which the two variables are associated to each other and is measured between -1 to +1. Table 4 reveals that the correlation between two variables is high (.916) which indicates that we have chosen a good independent variable for the regression.

The results provided in Table 3, reveal that the correlation coefficient between Organisational Communication Satisfaction and Communication Credibility is .916 and the correlation is significant.

The linearity of the relationship between Organisational Communication Satisfaction and Communication Credibility is further checked and presented in Figure 2.

Figure 2, reveals that Organisational Communication Satisfaction and Communication Credibility share a linear relationship and a straight line can be fit to the observed data. Thus the observed data were deemed fit to apply linear regression.

The result of the linear regression is produced in Table 5 given below. It was found that the coefficient of communication credibility is significantly different from zero ($t = 27.78$, $p < .05$).

Table 5, further reveals the relationship between organisational communication satisfaction and communication credibility which is as follows:

$$\text{Organisational Communication Satisfaction} = .656 + .885 \text{ Communication Credibility}$$

Table 6, reveals that a significant regression was achieved with R^2 of 84% which shows that the relationship between communication satisfaction and communication credibility is almost linear and 84% of the variation of communication satisfaction is explained by communication credibility.

DISCUSSION

The present research calibrated the impact of communication credibility on the employees' communication satisfaction. It was found that credibility has a significant impact on communication satisfaction. This satisfaction regarding communication can come only when the employees would feel that the information given to them is true and that they can rely upon. Wall (1998) opined that employees need to be convinced that employers are a credible source of information. Zand (1972) studied that credibility or trust has a greater impact on the employees overall behaviour in an organisation like group accomplishment and efficient problem solving. It has also been found that trust in institutions promote cooperation (La Porta et al., 1997). And as we know that nowhere is credibility more crucial than in business where decisions must be made confidently, people must be trusted completely and work must be done correctly.

Managerial Implication

The findings of this study provide several managerial implications for banking industry. Credible information plays a significant role in the banking industry. There was a time when the information was restricted to the top management of the banks only. Thus there was chance of misrepresentation of the information to the lower rungs of the hierarchy in the banks. However, with the advent of technology there is scope of credible information to reach all the employees. The flow of communication up and down the organisational hierarchy has its effects on efficiency, decision-making and morale of organisations. A study on the impact of credible communication on the overall communication satisfaction therefore is essential for improving employee performance and for positive organisational outcomes. O'Reilly & Roberts (1976) were also of the opinion that employees emphasize on information accuracy and communication openness in the organisation. For enhancing the communication satisfaction, managers should pay serious attention on accurate information.

CONCLUSION

Communication credibility in the workplace affects the way the employees interact with the clients and potential customers. The employees feel confident passing along the information to clients confidently. The result of this study suggests that it is in the interest of the organisation that concrete measures should be taken to enhance the level of credibility of information of their employees since communication credibility showed a significant positive relationship with communication satisfaction.

LIMITATIONS

The findings of this study are limited by the sector-specific nature of the sample. This study is geographically restricted to New Delhi, India. The study has ignored the role of other aspects which leads to communication satisfaction as it was beyond the scope of study. The third limitation is the collection of limited sample size. Fourthly, the study did not consider another important factor "culture" which may play an important role in employees' communication satisfaction. Lastly, the employees working in banks may have different perception from those from other segments.

DIRECTIONS FOR FUTURE RESEARCH

However, the results of this study provide a basic idea about the effect of communication credibility on the communication satisfaction studies and encourages for further research. The findings of this study are limited by the company-specific nature of the sample. The study can be replicated in other sectors like hospital industry, academic and retail sector. Communication satisfaction does not depend on communication credibility alone. Further research can explore the variables which lead significantly to communication satisfaction. The research can further be extended to access the impact of communication satisfaction on job satisfaction, job performance, productivity and profit of the organisation.

Note: The names of the banks are kept confidential on their request.

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