

# The Impact of Organisational Communication Satisfaction on Employee Productivity

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## Abstract

An employee's perception about various aspects of organisational communication is very important as it directly affects his performance. The objective of this paper is to examine the impact of organisational communication satisfaction on employee productivity in different organisations. The paper tries to explore the importance of employee perceptions about organisational communication and its correlation with employee productivity. A survey of 300 employees from ten different companies in India with diverse portfolio was conducted for this study. The Downs and Hazens' (1977) Communication Satisfaction questionnaire (CSQ) was used to understand the importance of communication satisfaction in organisations and also to test the Communication Satisfaction Index of the particular organisation. A separate questionnaire for rating employee productivity was used through which a Productivity Index (PI) was derived. Pearson's correlation and regression were used to determine the actual correlation between the two variables. The results indicate that the organisational communication satisfaction has a positive correlation with the employee productivity. If employees feel that the organisational communication is effective, it leads to increased productivity. It is also seen that when communication satisfaction is low, managerial evaluation of productivity in terms of quality, efficiency, punctuality, and planning is low. The study results through an independent test endorse the fact that communication satisfaction is a very important factor in organisational setup and has a significant impact on employee productivity in all types of organisations.

**Keywords:** Communication Satisfaction, Employee Productivity, Organisational Communication

## Introduction

Communication is one of the most crucial factors in organisational functioning and it is known that employees devote a considerable portion of their workday in collecting and disseminating information concerning

crucial matters such as company policy, performance feedback, role expectations, and task instructions (Frone & Major, 1988). Organisational communication, in today's organisations has not only become far more complex and varied but has become an important factor for overall organisational performance and success. The way the organisation communicates with its employees is reflected in morale, motivation, and performance of the employees. Studies indicate that employees are at least two times as likely to go to the extra mile for an organisation and almost four times as likely to recommend their company if they are satisfied with the ways in which their company communicates on different occasions (Rajhans, 2012).

Among all the factors of production, i.e. people, machinery and materials, the human resource poses the biggest challenge because unlike other factors, employee management demands skilful handling of employees' thoughts and emotions. Since organisational communication is an important channel to manage that, it plays a significant role in managing human resources. Management of production processes requires greater collaboration and teamwork among employees across different functional groups. Effective management of communication network in all ladders of the organisation facilitates this process. Employees' communication satisfaction while working in a particular organisation is also very important to foster good collaboration, team work, trust, job satisfaction and commitment towards the organisation. It thus plays a crucial role in the overall organisational setup.

The review of literature in the area of organisational communication and employee productivity reveals that though individually these concepts are much studied, not much research work is available in the area of organisational communication satisfaction and its relationship with the employee productivity. Especially in the context of a developing country like India, no such

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study exploring the communication satisfaction in context of employee productivity is available. Therefore, the present paper attempts to make a significant contribution to the area of organisational communication by exploring the impact of communication satisfaction on employee productivity.

Communication in the workplace occurs through different modes, namely, written, verbal, and nonverbal (that is, through gestures and/or facial expressions). In order to communicate effectively, managers develop a system of information exchange that is understood by and accessible to their employees. Richardson, Wang, and Hall (2012) have stated that “effective workplace communication is based on interpersonal, professional relationships that are developed through a keen awareness of courtesy, attentive listening, active participation and situation appropriate body language”.

Good communication fosters trust, develops an understanding, creates an inspiration, and inspires employees to effectively follow (Barrett, 2006). Leadership is not limited to those who hold managerial or supervisory positions. Leaders include employees who go above and beyond their responsibilities to advance the organisation (Barrett, 2006). Therefore, it is necessary for managers and employees alike to understand the principles of communication, the potential barriers to communication, and the importance of communication satisfaction in the workplace. This ultimately would increase the overall communication satisfaction in the organisation and boost employee productivity.

## Literature Review

### Communication Satisfaction

Communication satisfaction in the organisational setting has been an important factor in research studies. Communication satisfaction is studied in the workplace because employers want employees to be effective and efficient resources for their organisations so that they can perform their jobs in a better way. Apart from that, communication satisfaction is a very important element in providing a boost to employee motivation and job satisfaction. The studies conducted in the late 1970s to early 1980s in this area, highlighted this implication of communication satisfaction in the organisational context (Faicione, McCroskey, & Daly, 1977; Goldhaber, Porter, Yates, & Lesniak, 1978; Richmond & McCroskey, 1979).

The term “communication satisfaction” first appeared in Dale Level’s (1959) thesis that investigated communication in urban banks. The concept was then developed by authors like, Clampitt and Downs (1987) and Thayer (1968) who defined communication satisfaction as “the personal satisfaction inherent in successfully communicating with someone or in successfully being communicated with”. It involves all areas of social interactions that keep people together, and help to perfect organisational communication. In organisational settings, communication satisfaction has been broadly defined as an individual’s satisfaction with various aspects of communication in interpersonal, group, and organisational contexts (Crino & White, 1981; Downs & Hazen, 1977). An employee satisfaction with the amount of information available to them may enhance their positive attitudes towards an organisation.

In his study of group communication and leadership relationship, Pavitt (1999) has mentioned that communication satisfaction in all types of organisations is a result of effective organisational communication. Pavitt further states that effective communication due to this reason is a major part of supervisors’ strategy to get the tasks in hand successfully implemented. The effective organisational communication helps supervisors to share data and information with subordinates in a smooth way. It also helps the management to build and improve the confidence as well as strengthens the trust and interpersonal relationships.

According to Goldhaber *et al.* (1978) employees’ attitudes or perceptions about the issues in the organisation affect their performance. They state that an individual’s cognitive and affective perceptions of the organisation will influence that individual’s behaviour in the organisation. The factors involved with perceptual/attitudinal research by Goldhaber *et al.* (1978) include the perceptions of climate, information adequacy and satisfaction. Organisational communication actually plays a vital role in shaping every employee’s attitudes and perceptions about the organisation.

The term communication satisfaction was studied in some research works in context of employee satisfaction. Downs and Hazen (1977) carried out an elaborate study on the term communication satisfaction in their work, “A Factor Analytic Study of Communication Satisfaction”. They developed the Communication Satisfaction Questionnaire

(CSQ) which was later used in many studies as a basis to measure communication satisfaction. The instrument prepared by Downs and Hazen enumerated on eight important dimensions of communication satisfaction, i.e., general organisational perspective, organisational integration, communication climate, personal feedback, media quality, communication with superiors, communication with subordinates, and horizontal and informal communication.

Further to this research on communication satisfaction, Clampitt & Downs (1993, 1987) have stated that there are definite areas of greatest and least communication satisfaction. According to them, the 'Supervisory Communication' and the 'Subordinate Communication' are the areas of greatest employee satisfaction. The 'Personal Feedback' is, as per their research, an area of least communication satisfaction. They have also indicated in this research that employees in managerial roles are more satisfied with communication than the employees in other roles. All these factors reveal an important trend in organisational communication and assert the point that there is a need to pay attention and improve the organisational communication satisfaction.

The communication satisfaction questionnaire has been endorsed and used by many researchers in their studies as it covers almost all parameters of organisational communication. Crino and White (1981) in their study, "Satisfaction in Communication: An Examination of the Downs-Hazen Measure," have proved that this instrument provides a sound empirical method for analysing satisfaction in communication within an organisation.

The Communication Satisfaction Questionnaire has been used in some research works to study the relationship between communication satisfaction and job satisfaction and other variables. For example, Pincus (1986) studied the impact of communication satisfaction on job satisfaction and job performance using CSQ. He states that the CSQ is one of 'the most frequently used measures of communication satisfaction'. Gregson (1987) has examined the relationships between communication satisfaction, job satisfaction, turnover and performance using CSQ. The instrument has been used in many types of organisations, in many nations and culture (Downs, 1988) for various purposes.

In this paper, Downs and Hazen's CSQ (Communication Satisfaction Questionnaire) is used to apply a

multidimensional approach to communication satisfaction. The impact of communication satisfaction on employee productivity is examined here in context of the study of employees of different Indian organisations as no research work so far has been undertaken specifically, in Indian context in this area. Communication Satisfaction in itself is a broad term, and one cannot be merely satisfied or merely dissatisfied with it, but can express varying degrees of satisfaction for different categories or types of communication.

In the research work carried out by Downs and Hazen (1977), "A Factor Analytic Study of Communication Satisfaction", they proposed eight stable dimensions of communication satisfaction. The same were used for this study as a base to study the communication satisfaction of employees working in Indian companies. These eight communication satisfaction constructs as defined by Downs and Hazen are explained below in brief:

1. **Communication Climate:** Communication Climate in a particular organisation refers to the communication at the organisation and personal level. The communication climate encompasses the extent to which communication in the organisation motivates and stimulates workers to meet organisational goals and the extent to which it makes them relate themselves to the organisation. The communication climate also helps in understanding whether the attitude of people towards organisational communication is healthy or not.
2. **Supervisory Communication:** It includes both upward and downward communication in the organisation, i.e. communication with the superiors and with the subordinates. It more importantly includes the extent to which a superior is open to the ideas, the extent to which the supervisor listens and pays attention, and the extent to which guidance is provided for solving job-related issues, career problems etc.
3. **Organisational Integration:** Organisational integration relates to the degree or scale of information which every individual in an organisation receives about the immediate work environment. This factor explains an employee's extent of satisfaction with the information about departmental plans, the requirements of their jobs, and personnel news.
4. **Media Quality:** Media quality is about the quality of the various types of communication from the

management to the employees. It examines whether the meetings are well organised, written directives given are short and clear etc. It also explains the degree to which the amount of communication is right.

5. **Co-worker Communication:** Co-worker communication is the communication with the peers in formal and informal way. In context of organisational communication, co-worker communication is important to find out the extent to which horizontal and informal communication is accurate and free flowing. It also explains the satisfaction of the employees with the activeness of the grapevine.
6. **Corporate Information:** This factor is concerned with the broad information about the organisation as a whole. It comprises of information about the overall policies and goals of the organisation, notification about changes, information about the organisation's financial standing etc. and all such related matters.
7. **Personal Feedback:** Personal feedback, a crucial factor in communication satisfaction, deals with the workers' need to know how they perform and how their performance is being appraised. Communication satisfaction in the area of personal feedback is very crucial for every employee's job satisfaction and performance.
8. **Subordinate Communication:** This construct includes the downward communication, i.e. communication with the subordinates in the organisation. It explains the communication of the employees in the supervisory cadre. Subordinate communication focuses on subordinate responsiveness to downward communication and also the subordinates' initiation of better upward communication.

These eight constructs of communication satisfaction are quite comprehensive and include all important areas of organisational communication. If an organisation concentrates on developing all these factors, it would definitely go a long way in developing employee motivation and job satisfaction. The aim of this study is to understand the implications of communication satisfaction on employee productivity. Hence, the review of literature about the concept of employee productivity and its significance in organisational context is explained further.

## Employee Productivity

The measurement of employee productivity is important for every organisation as it deeply affects the performance of the entire organisation. Work productivity, in its simplest definition, is the output per unit of input, for example, production output per labour hours. At a workplace level, work productivity is influenced by many factors (e.g., technology, market forces) including the input of the individual worker (Beaton *et al.*, 2009). The worker productivity and its measurement is a crucial factor not only from organisational perspective but also from several other perspectives. For a society or an industry, worker productivity is one of the many factors that contribute to indicators of the success of the workplace or the well-being of that business or society (Beaton *et al.*, 2009). As Krugman (1997) has said in his famous work, 'The age of Diminished Expectations' that productivity isn't everything, but in the long run it is almost everything. A country's ability to improve its standard of living over the time depends almost entirely on its ability to raise its output per worker.

Many research works have focused on the general relationship between communication and productivity. Lull, Frank and Piersol (1955) in their study of presidents of the largest hundred U.S. corporations have stated that 96 percent presidents believed in 'a definite relationship' between communication and productivity. Tubbs and Hain (1979) report that, "Taken together they provide consistent and strong support for the assumption that management communication behaviours do play a significant part in contributing to or detracting from total organisational effectiveness".

Some research studies have investigated the possible effects of communication on employee performance. Jain (1973) has studied the relationship between the communicative effectiveness of hospital supervisory personnel and their performance as reported by subordinate workers. The communication effectiveness measured included communication behaviour, communication frequency and amount of communication between supervisors and subordinates, and the use of formal channels of communication by non-supervisory workers. Performance ratings included the human relations qualities and the administrative and technical skills of supervisors. Jain surveyed a mix of service, technical, and professional employees within two hospitals. Significant correlations were found between perceived communication behaviour

and ratings of supervisory performance. Kim (1975) examined various types of feedback and performance in four manufacturing plants and found a correlation between the two variables. He also used four groups of service employees to find out that both intrinsic and extrinsic feedback had a greater impact upon worker performance than either type of feedback alone.

Sims and Szilagi (1975) tested the relationship between communication climate and individual performance in a hospital environment. They conducted surveys at three different points in time (after nine months, after eighteen months, and after twenty-seven months) and analysed the results. Performance was measured with items dealing with quantity of work, quality of work, dependability, ability to get along with others, attendance and punctuality, knowledge of work, planning ability, initiative on the job, and overall performance. The researchers concluded that top management receptiveness and adequacy of communication were related to performance. They also found that high performers were often seen as valuable sources of information by top management.

Hawkins and Penley (1983) tested the relationship between job performance and communication in a financial organisation. Their findings suggested that organisational communication directly affected employee motivation, which in turn affects performance. These results were derived through the incorporation of both supervisory communication (described as the degree to which the supervisor evidenced an understanding of subordinate problems) and managerial communication (described as the degree to which top management communicated with the employees of the organisation) in the analysis. Job performance was measured by assessing each individual's subordinate dependability, organisational ability application of job knowledge, and overall work performance.

To demonstrate the link between the dimensions of organisational communication and productivity, O'Reilly and Roberts (1977) in their research, used two sample populations of military personnel. A significant relationship between the communication of information and individual and sub-unit performance was observed. It was also observed that personnel who pass information more openly are rated as high performers and those rated with lower ratings are associated with perceptions of information overload, redundancy, and gate keeping.

Research on communication within the workplace has produced an extremely large and diverse body of work and has taken into account multiple parameters for analysis. The researchers working on organisational communication have tried to discover the origins of communication satisfaction because communication has the potential to affect all aspects of an organisation from team building, team functioning till the efficiency and job satisfaction of all sorts of employees. Communication satisfaction in the organisational context often relies on the mode of communication and the quality and consistency of communication from top management as well as from all stakeholders involved at all stages of organisational communication network. Not only is it important for managers and employees to understand the importance of communication, but also to develop a key understanding of strategies that foster quality communication, which impacts the success of any organisation.

Most of the research work done so far has explored the relationship between communication satisfaction and job satisfaction. In fact, the relationship has been shown to be strong (Downs, 1988). Some have studied communication and its effect on performance. But not much research is done in the area of study which may have serious implications for business organisations, that is, the relationship between communication satisfaction and employee productivity. Hence it is considered for the study in the present paper.

## **Research Methodology**

### **Sample Selection**

In order to find out the impact of communication satisfaction on employee productivity, a questionnaire survey was conducted with employees from ten different companies in India. The companies sampled belonged to different areas, namely power, technology, IT, food, construction etc. and different sectors, i.e. the manufacturing and service sectors. To effectively understand the relation between communication satisfaction and employee productivity, small firms were chosen. As Hanna (1998) has said, available evidence indicates that small firms differ from large and mid-sized firms in important ways that might affect job performance. The larger the firm is, the more difficult it gets to analyse the effect of one variable on another since many other independent and dependent variables come into effect. Hence, ten medium and small scale companies were chosen as sample for

this study. The questionnaire was circulated to around 500 employees in different firms, out of which 300 valid responses were received resulting into 60 percent turnout for the survey. Rest of the employees either did not respond or the data provided was incomplete. The details of the three companies out of the ten where the sample survey was conducted are as follows:

### **Company 1**

Rahimafrooz Batteries Limited (RBL) is one of the largest lead acid batteries manufacturing companies in South East Asia. It is based in Bangladesh, but it exports to over 42 countries. Its Indian subsidiary (RBL India) is a home to more than 500 employees inclusive of factory labour. In the Indian market, it sells batteries in different ranges like automotive, inverter, commercial, AGM and SMF. The flagship brand Volta, has already established itself as a reputed brand in Indian battery market and the all new Globatt Range of MF batteries, which is a huge international success, made its entry to the Indian market earlier this year, with an extensive range of products suitable to the Indian consumer's needs. The people who were surveyed were part of the manufacturing unit. Out of the total 300 response sheets that were distributed, 25 percent of them were complete and could be used for the purpose of this study.

### **Company 2**

The next firm whose sample set was studied, is a technology service oriented firm called MediaTech, a start-up firm based in Noida, Uttar Pradesh, India. It has employed around 75 engineers and 30 supporting staff members. The company provides IT solutions to companies in the media market, namely advertising or marketing agencies and media entertainment companies. It supports clients with web technologies like PHP, PL/SQL, JavaScript, Photoshop, PageMaker, After Effects, Final cut pro etc. The survey was conducted among the engineers only and we received 40 percent valid response sheets from them.

### **Company 3**

The third firm that was surveyed for the purpose of this research work was, Capricorn Food Products India Ltd. It is a premier export oriented food processing company. Capriocrn manufactures various fruit pulps or purees, concentrates, frozen bulk, IQF fruits, vegetables and fruit

Juices according to the customer requirements. It is one of the first companies to explore the potential of the fruit and vegetable processing industry in India. The Sales Headquarters is based in Gurgaon, India. The company has over 6000 employees all over India. However, the sales and marketing unit in Gurgaon has around 200 employees. The survey was done in its Gurgaon unit. The survey resulted in 21 percent turnout.

### **Other Companies**

The rest seven were small to medium scale companies from IT, power, construction, services, and manufacturing sector. The responses of the rest of the companies are clubbed together and the compiled analysis is reported here, as the employees of these companies preferred to keep their identity anonymous. A total sample size of 300 valid responses from employees of ten different firms was received and analysed.

### **Method of Analysis**

Communication satisfaction is a broad term, and could mean differently to different people, hence the standard Communication Satisfaction Questionnaire proposed by Downs and Hazen was used. Downs and Hazen's CSQ is a standard instrument which has 40 items or statements related to organisational communication satisfaction. Here for the analysis purpose, those statements were divided into eight main constructs of organisational communication satisfaction as quoted in the literature review. As the aim was to analyse the impact of employee perceptions about organisational communication satisfaction on employee productivity, the employees were asked to rank the eight main constructs based on the statements provided on the scale of one to seven. After compiling the ratings received from each respondent for all those communication satisfaction constructs, the numerical average of all communication constructs was calculated for the particular company's sample set to measure the overall communication satisfaction. Cronbach Alpha test was applied on overall communication satisfaction to the complete set of responses for each company. If the Cronbach Alpha coefficient was found to be greater than 0.7, the whole set was considered for analysis. The average for the particular company's dataset was called as the Communication Satisfaction Index (CSI).

Along with the communication satisfaction, the other objective was to measure the employee productivity.

Productivity is the amount of units of a product or service that an employee handles in a defined time frame. Productivity is a measurement or calculation between inputs and outputs. Inputs are the amount of time and effort spent working, while outputs are the results. If the outputs are proportional to the inputs, the worker is considered to be productive. The productivity is also measured in terms of quality, efficiency, punctuality, and planning. These are some important aspects of productivity apart from the quantity of output generated; as output cannot always be measured or quantified in all cases. The questionnaire for this study included all these factors in evaluations of employee productivity. The employees from ten companies were surveyed for this research. As the sample size was varied and complex, productivity was calculated for each employee taking the survey as the hundred point average of productivity as rated by his supervisor, his subordinates and by himself. Thus, the productivity was measured in three distinct ways. All employees rated their own productivity and their supervisor's and subordinate's productivity. In addition, the supervisors rated the productivity of all other employees. Each employee's productivity rated by himself, his supervisors and his subordinates was measured on a scale of 0 to 100 (where 0 represented least productivity, 50 an average productivity and 100 as maximum productivity) to gain more precision in the responses. Productivity here was rated relatively. After receiving the survey ratings, a Productivity Index (PI) for each company was calculated which showed the numerical average of the productivity ratings of all respondents in the sample set.

Then the findings for all ten firms were compiled together to derive the correlation between the communication satisfaction and the productivity. The entire data related to communication satisfaction was represented by one representative index which was named as Communication Satisfaction Index (CSI). The CSI was the numerical average of the overall communication satisfaction ratings obtained from all respondents. The Productivity Index (PI) was studied along with the CSI in an attempt to find a correlation between the two. Pearson's correlation and regression analysis were used to determine the actual correlation between the two variables.

There was one more section in the questionnaire circulated to all employees, in which they were asked to rank the importance of eight communication constructs in terms of their performance in the respective organisations on the five point Likert scale. The responses received are

analysed separately by conducting a T- test for the entire sample of 300 employees.

## Results and Analysis

The analysis of the responses of the employees of all firms indicate that if employees feel that communication from the management is effective, it leads to increased productivity. It was also seen that when communication satisfaction was low, managerial evaluations of productivity in terms of quality, efficiency, punctuality, and planning was low. This implies that communication satisfaction within the organisation greatly affects the employee productivity. It was observed that maximum numbers of employees, in spite of the varied nature of their industry, have rated organisational communication satisfaction as an important factor which crucially affects their work performance.

The communication satisfaction survey, apart from the standard questions in Downs and Hazen's instrument, had a section in which all surveyed employees were asked to rank the importance of eight communication satisfaction constructs on the Likert scale of 1-5 (5- Extremely important, 4- Very important, 3- Moderately important, 2- Slightly important, and 1- Low importance). A one sample T- test was conducted in SPSS to compare the means of eight communication constructs. The test results are presented in Table 2 and 3. The results of the survey show that employees of all ten companies surveyed, have rated the eight important communication satisfaction constructs i.e. Communication Climate, Supervisory Communication, Organisational Integration, Media Quality, Co-worker Communication, Corporate Information, Personal Feedback, and Subordinate Communication above average. Though the portfolio of the companies surveyed differed from each other, in all organisations, the employees have given high rankings to all eight communication satisfaction constructs. It proves the fact that the organisational communication satisfaction is a crucial factor in employee productivity and various aspects related to that affect the employee's overall productivity in the organisation. The communication satisfaction constructs, 'Personal Feedback' and 'Subordinate Communication' received highest mean scores, i.e. 4.5967 and 4.5867 respectively. The constructs, 'Communication Climate', 'Supervisory Communication', and 'Co-worker Communication' were also found to be very important by the respondents. Their mean scores are: 4.1667, 4.3500, and 4.5400 respectively. The constructs, 'Organisational Integration', 'Media

Quality', and 'Corporate Information' were perceived to be of a moderate importance with the mean scores, 3.5333, 3.6767, and 3.6033. The mean differences were found to be significant (Sig. - .000) with 95% confidence interval.

Further, the evaluations of communication satisfaction and productivity of the same 300 employees from ten small scale firms were conducted. For the first company in the sample set, Rahimafrooz Batteries Limited (RBL), Cronbach Alpha coefficient calculated for overall communication satisfaction for all respondents was found to be 0.82. The CSI for this data set was found to be 84.1. The Productivity Index (PI) for this set was found to be 77. For the second company, MediaTech, the Cronbach Alpha coefficient for overall communication satisfaction was found to be 0.77. The CSI for this sample set was calculated as 64.5. The Productivity Index for this set was calculated as 56.3. For the third firm, Capricorn Food Products India Ltd., the Cronbach Alpha coefficient for the response set was calculated to be 0.91. The CSI for this set was 89. The Productivity Index for this set was found to be 80.2. For the rest seven companies surveyed, it was ensured that the Cronbach Alpha coefficient for the whole data set was above 0.7. The results were compiled together for deriving the correlation between the two variables. The Communication Satisfaction Index (CSI) and Productivity Index (PI) were calculated for all these firms. Table 1 lists the CSI and PI indexes for each of the ten firms.

**Table 1: CSI and PI Index for Ten Firms**

Firm No.	CSI	PI
1	84.1	77
2	64.5	56.3
3	89	80.2
4	75.6	72.2
5	78.7	61.6
6	84.8	72.7
7	71.8	79.5
8	51.9	47.1
9	56.3	59
10	85.1	89.4

A correlation test was conducted in the SPSS for the above dataset. As shown in Table 4, The Pearson Correlation Coefficient (r) for the above set of values was found to be 0.823. The correlation was found to be significant at the 0.01 level. This is a strong positive correlation, which

means there is a tendency of high variable CSI scores to go with high variable PI scores and vice versa. This implies that the communication satisfaction among the employees affects the productivity of the employees to a great extent. We can say from the correlation results that if the communication satisfaction among the employees of a particular organisation is low, the employee productivity for that organisation would be low and vice versa.

After this, the Regression analysis was done for the observation set in SPSS. As represented in Table 5, the Coefficient of Determination ( $r^2$ ) for this data was found to be 0.678. This shows the strong correlation between the two variables, i.e. communication satisfaction and productivity.

## Inferences and Implications

From the obtained information and with the help of statistical tools, following inferences could be drawn:

- i. For small-size firms there is a high degree of cross correlation among the eight dimensions of communication construct. This allowed us to regard communication satisfaction as a unitary construct which could be derived by summing up individual communication satisfaction impacts.
- ii. The responses collected were reliable enough to be represented by a single index since Cronbach Alpha coefficients for each of the sample cases were greater than 0.7.
- iii. The equation of the regression for the observation set was found to be  $PI = 7.524 + 0.835(CSI)$ . The extent of correlation as per the analysis is 0.835. This shows that there is a positive correlation between the Communication Satisfaction Index and the Productivity Index. This implies that greater communication satisfaction at the workplace could be associated with higher productivity and better performance, and vice versa.
- iv. From regression analysis, it was found that the coefficient of determination to be 0.835. This implied that 83 percent of all global outcomes were expected to fit into or around the regression line.
- v. The firms with higher CSI show a higher productivity ratio, e.g. firms 1, 3, 6 and 10. On the other hand, firms with lower CSI have lower productivity ratio, e.g. firm no. 2, 8 and 9. This again proves the point that communication satisfaction amongst employees affects the employee productivity.

- vi. The firms with similar kind of CSI did not essentially have similar PI, as could be observed from the CSI and PI indexes of firms 1, 6, and 10. These minor variations could be due to some external factors or employee perceptions about communication satisfaction. Though, in spite of the variations, the trend clearly shows that the organisational communication satisfaction affects the employee productivity.
- vii. The companies in India surveyed for this study had a diverse portfolio. Though the nature of the companies differed to a great extent, the survey results for all of them showed a positive correlation between the CSI, i.e. Communication Satisfaction Index and PI, i.e. Productivity Index. This implies that in all types of organisations, communication satisfaction has a substantial impact on employee productivity.
- viii. All eight communication constructs were rated as of high importance by maximum number of employees in all companies. This proves the fact that the communication is a crucial concept in organisational context and various aspects related to organisational communication satisfaction affect the employee productivity.
- ix. The overall analysis endorses the fact that the employees perceive communication satisfaction as an important factor which directly affects their productivity. It was also found that when the communication satisfaction was low, the evaluations of productivity in terms of quality, efficiency, punctuality, planning and overall output were low. On the other side, where the communication satisfaction was high, the managerial evaluations of productivity happened to be high. It is clear from the analysis that most of the employees believe that the

organisational communication satisfaction has an impact on their perceptions about the organisation and it affects their work productivity.

### Conclusion

The study endorses the fact that communication satisfaction has a significant impact on employee productivity in all types of organisations. The study was carried out by conducting a survey at different types of organisations in India with diverse portfolio. The CSI (Communication Satisfaction Index) had a strong positive correlation with PI (Productivity Index). The study found a direct correlation between low productivity and poor communication between management, supervisors, and employees. Most of the employees surveyed ranked all eight constructs of communication satisfaction above average implying that all aspects of organisational communication were important and affected their job performance. It implies that communication satisfaction in organisations is a very significant factor which affects the employee productivity. The results indicated an important aspect that when the communication satisfaction was low, evaluations of productivity were low and where communication satisfaction was more, the productivity index was high. Through the analysis of the data collected, one more aspect was realised that the impact of communication satisfaction on productivity varied with industry and job design, that is, the firms with similar CSI values did not necessarily have similar PI ratings. There were a few variations evident from the CSI and PI values of the ten companies. These minor variations could be due to external organisational factors or employee perceptions about the organisational communication satisfaction. These areas could be a further scope of research for future studies in organisational communication satisfaction.

**Table 2: One-Sample T Test**

	t	df	Sig. (2-tailed)	Mean Difference	Test Value = 0	
					95% Confidence Interval of the Difference	
					Lower	Upper
Communication Climate	111.320	299	.000	4.1667	4.0930	4.2403
Supervisory Communication	138.685	299	.000	4.3500	4.2883	4.4117
Organisational Integration	122.467	299	.000	3.5333	3.4766	3.5901
Media Quality	131.957	299	.000	3.6767	3.6218	3.7315
Co-worker Communication	157.513	299	.000	4.5400	4.4833	4.5967
Corporate Information	127.365	299	.000	3.6033	3.5477	3.6590
Personal Feedback	162.024	299	.000	4.5967	4.5408	4.6525
Subordinate Communication	161.060	299	.000	4.5867	4.5306	4.6427

**Table 3: One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Communication Climate	300	4.1667	.64830	.03743
Supervisory Communication	300	4.3500	.54328	.03137
Organisational Integration	300	3.5333	.49972	.02885
Media Quality	300	3.6767	.48260	.02786
Co-worker	300	4.5400	.49923	.02882
Communication Corporate Information	300	3.6033	.49002	.02829
Personal Feedback	300	4.5967	.49139	.02837
Subordinate Communication	300	4.5867	.49325	.02848

**Table 4: Pearson Correlation Data**

		CSI	PI
CSI	Pearson Correlation	1	.823 **
	Sig. (2-tailed)	.	.003
	N	10	10
PI	Pearson Correlation	.823 **	1
	Sig. (2-tailed)	.003	.
	N	10	10

**Table 5: Regression Analysis**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.823 <sup>a</sup>	.678	.637	7.86037

a. Predictors: (Constant), CSI

**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1038.657	1	1038.657	16.811	.003 <sup>a</sup>
	Residual	494.283	8	61.785		
	Total	1532.940	9			

<sup>a</sup>. Predictors: (Constant), CSI

<sup>b</sup>. Dependent Variable: PI

**Coefficients<sup>a</sup>**

Model	Unstandardised Coefficients		Standardised Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.524	15.319		.491	.637
CSI	.835	.204	.823	4.100	.003

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