

**DEPARTMENT OF COMMERCE AND FINANCIAL STUDIES
BHARATHIDASAN UNIVERSITY, TIRUCHIRAPPALLI – 620024
MBA (Financial Management)**

Course Code : FMSC1/24

Course Name: CONTEMPORARY BUSINESS COMMUNICATION

Unit – I/ Topic: BUSINESS COMMUNICATION

SCHEME OF PRESENTATION

UNIT- I

CONTENT

- ❖ Meaning and Objectives of Business Communication
- ❖ Factors Affecting Business Communication
- ❖ Verbal Communication (Group Discussion, Business Presentation)
- ❖ Non Verbal Communication.

Business Communication

Concept:

- The word communication has been derived from the Latin word 'communis' that means 'common'.
- The communication can be defined as the process through which two or more persons Can exchange their ideas.

Definitions:

- 1) Lasswell (1948)** defines communication as: who (source or sender), says what (message), in which channel (medium), to whom (audience or receiver), with what effect.
- 2) Churchill Jr. and Peter (1998)** describe communication as the transmission of a message from a sender to a receiver, such that both understand it the same way.

Objectives of Business Communication:

- 1) Information:** One of the most important objectives of communication is passing or receiving information about a particular fact or circumstance.
- 2) Advice:** Advice is an important objective of communication as it involves personal opinions and is likely to be subjective
- 3) Order:** Order is an authoritative downward flow of information. It can be written or oral, general or specific, procedural or operational, mandatory or discretionary.
- 4) Suggestion:** Suggestion enjoys great advantage over other means of communication like advice or order. Suggestion is very mild and subtle form of communication.
- 5) Persuasion:** In the office or the factory, the workers have to be persuaded to do their work effectively.

6) Education: Education is a very conscious process of communication. The main purpose of education is to widen knowledge as well as to improve skills.

7) Warning: Warning is a forceful means of communication as it demands immediate action. If employees do not abide or violate the rules and regulations, it become necessary to warn them.

8) Raising Morale: Morale boosting is only possible through communication. High morale results in better performance.

9) Motivation: Motivation channelizes a persons behaviour towards the attainment of desired goals. Thus It is very crucial in handling human behaviour.

Factors Affecting Business Communication

- Cultural Diversity
- Misunderstanding of Message
- Emotional Difference
- Past Experiences
- Educational and Intellectual Difference
- Group Affiliations
- Positional Differences among the Personnel
- Functional Relationship between Sender and Receiver

Source:www.iedunote.com

1. Cultural Diversity

- When people from different cultural background the chance of misunderstanding and wrong interpretation of the message is higher.
- Large corporations and MNC's usually have a culturally diverse workforce

2. Misunderstanding of Message

- Communication in business fails when people assign different meanings to the same word.
- Understanding happens when technical words or jargons are used.
- Sometimes people may intentionally misinterpret the inner meaning of words.

3. Emotional Difference

- Emotions and feelings of the parties involved significantly affect the meaning of communication.
- For example, physicians are usually less emotional to the patient than those of the relatives of the patients.

4. Past Experiences

- The effectiveness of communication depends upon the frequency of communication between sender and the receiver.
- If both the parties has bitter experience, further communication between them is likely to be ineffective.

5. Educational and Intellectual Difference

- The difference in intellectual level of sender and receiver also influence the effectiveness of communication.
- If Sender & Receiver have similar intelligence communication will be effective.
- Because Sender & Receiver are likely to hold similar perception, understanding, feeling, thinking, view etc.

6. Group Affiliations

- Differences in group-affiliation also affect communication in business.
- If sender and receiver belong to different formal or informal groups, communication between them may become less effective.
- For example, communication between trade union leaders and managers may fail simply because of their different attitude to each other.

7. Positional Differences among the Personnel

- If sender and receiver hold different positions communication between them may fail.

8. Functional Relationship between Sender and Receiver

- The functional relationship between sender and receiver significantly affects the meaning of communication in business.
- If sender and receiver belong to different functional departments the receiver may not understand the sender's message.

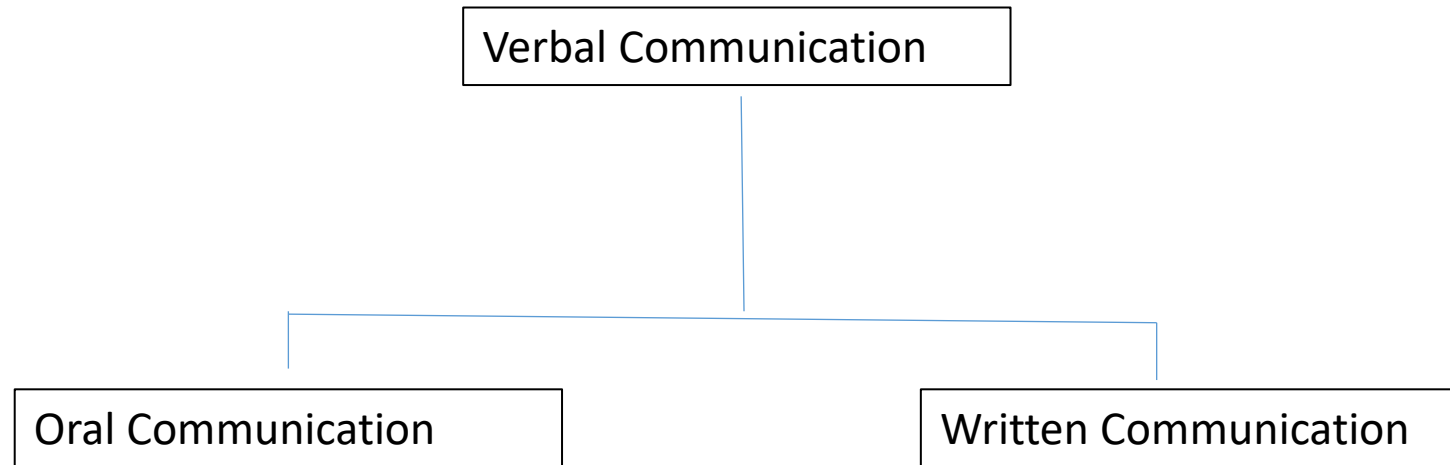
METHODS OF COMMUNICATION

- Verbal Communication
- Non-Verbal Communication

I -VERBAL COMMUNICATION

- Verbal communication refers to the form of communication in which message is transmitted verbally; communication is done by word of mouth and a piece of writing.
- components of verbal communication are sound, words, speaking and language.
- Verbal communication is generally thought as spoken language. Express ourselves through words.
- Verbal Communication has another important part called “LISTENING”.

TYPES OF VERBAL COMMUNICATION



A. ORAL COMMUNICATION

- Oral communication implies communication through mouth.
- It includes individuals conversing with each other, through direct conversation or telephonic conversation.
- Speeches, presentations, discussions are all forms of oral communication.

Merits

- Immediate Feedback
- Time Saving
- Economical
- Personal Touch
- Secrecy
- Group Communication

Demerits

- Poor Retention
- No Records
- Time Consuming
- Misunderstanding
- Unsuitable for Lengthy messages
- Lack of Responsibility

FORMS OF ORAL COMMUNICATION

The following are various forms of Oral Communication

1. Face to face communication
2. Interviews
3. Telephone conversations
4. Grapevine
5. Negotiations
6. Meetings
7. Lecture / speech
8. Presentation
9. Conferences / seminars / workshops

B. WRITTEN COMMUNICATION

- Written word is a medium for communication
- Letters, emails, and manuals are forms of written communication.

Merits:

- Wide access
- Accuracy
- Lengthy messages
- Permanent Record
- Legal Evidence
- Fixed Responsibility
- Convenience

Demerits

- Time Consuming
- Costly
- Lack of Secrecy
- Rigidity
- Impersonal
- Delayed Feedback

FORMS OF WRITTEN COMMUNICATION

1. Email (Electronic mail)
2. Website / Memorandums
3. Letters
4. Reports (both business and academic reports)
5. Notices
6. Minutes
7. Circulars
8. Manuals
9. Handbooks

II - Non- Verbal Communication

- . The study of non-verbal communication examines how messages are communicated through physical behavior, vocal cues and spatial relationships

Non-Verbal Communication in Organisation

Non – Verbal Communication in organization consists of following.

- Environment
- Body placement
- Posture
- Gestures
- Facial expressions and movement
- Clothing, dress, appearance

MAIN AREAS OF NONVERBAL BEHAVIOURS

The following are the main areas of Non – Verbal Communication

1. Eye contact
2. Facial expressions
3. Gestures
4. Posture and body orientation
5. Proximity
6. Para language

1. EYE CONTACT

- The eyes can give clues to a person's thoughts
- When someone is excited, his pupils dilate to four times the normal size.
- An angry or negative mood causes the pupils to contract.
- **Direct eye-contact** conveys interest, warmth, credibility and concern
- **Shifty eyes** suggest dishonesty.
- **Downward gaze** may be a sign of submissiveness or inferiority

2. FACIAL EXPRESSIONS

There are six categories of facial expressions:

➤ Happiness

➤ Sadness

➤ Anger

➤ Disgust

➤ Surprise

➤ Fear

3. GESTURES

- Gestures communicate as effectively as words, sometimes even better.
- Gestures support the verbal communication
- They sometimes detract from what you say.

4. POSTURES AND BODY ORIENTATION

- ❑ Body posture can be open or closed.
- ❑ Interested people pay attention and **lean forward**.
- ❑ **Leaning backwards** demonstrates aloofness or rejection.
- ❑ A head held straight up signals a neutral attitude.
- ❑ A head down is negative and judgmental.
- ❑ A head tilted to the side indicates interest

Some Negative Postures should be avoided:

- ❑ Rigid Body Posture-Anxious/ Uptight
- ❑ Hunched Shoulders –Lacks interest/ Feeling inferior
- ❑ Crossed Arms-Protecting the body/ Negative Thoughts

5. PROXIMITY

- Every culture has different levels of physical closeness to different types of relationship.
- According to Western Society, there are four main categories of proxemics.
- Intimate Distance (touching to 45cm)
- Personal distance (45cm to 1.2)
- Social Distance (1.2 to 3.6 cm)
- Public distance (3.7cm to 4.5cm)

6. PARALANGUAGE

- The non verbal aspects of the spoken word It includes
- Voice – Tone , Volume and Pitch
- Speed – rapid speech indicates excitement
- We increase the speed of speaking to tell an interesting story and reduce speed to explain a difficult idea.

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