

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

**Course Code: FMSC1/24**

**Course Name: CONTEMPORARY BUSINESS COMMUNICATION**

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**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](http://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.

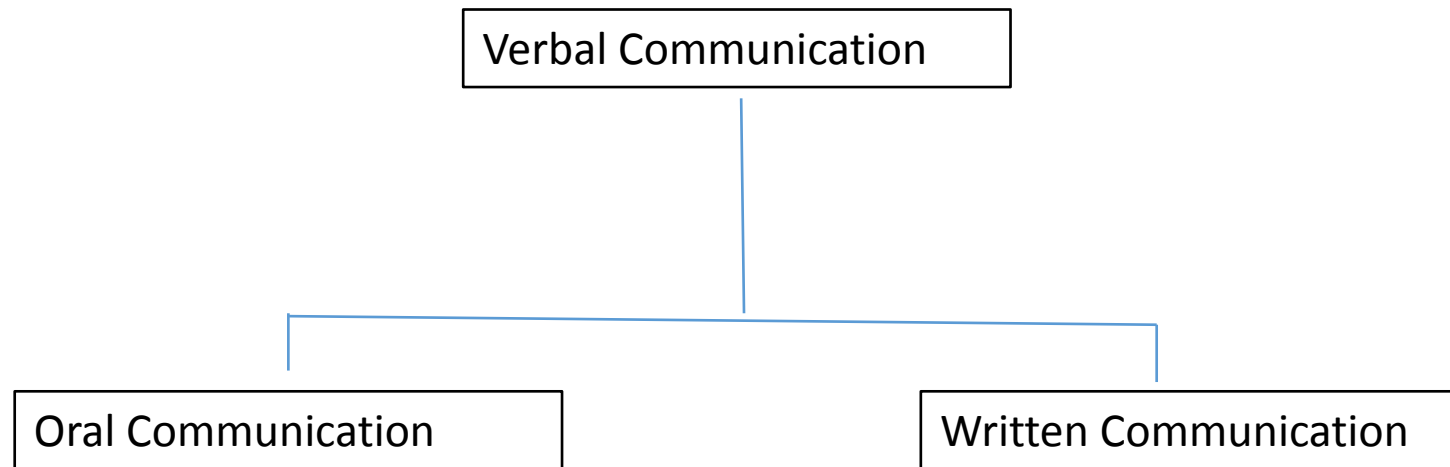
# **METHODS OF COMMUNICATION**

- 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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