



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**AN ASSESSMENT OF EFFECTIVENESS OF WORKPLACE INTERNAL
COMMUNICATION BETWEEN MANAGERMENTS AND EMPLOYEES IN
BUNNA INTERNATIONAL BANK S.C. (BIB)**

**BY
SERKALEM ASHENAFI
(SGS/0025/2008A)**

**MAY 2017
ADDIS ABABA, ETHIOPIA**

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ID NO. SGS/0025/2008A

**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE
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**ST MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MASTER'S PROGRAM IN BUSINESS ADMINISTRATION**

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ABBREVIATIONS

BIB - Bunna International Bank S.C.

S.C. - Share Company

ROI - Return on Investment

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ABSTRACT

This study was designed to investigate the effectiveness of workplace internal communication between managements and employees in Bunna International Bank S.C. Based on the benchmarks, such as action-maximum impact on engagement, aligned with the business, and commitment at all level; feedback - interpretation and understanding, segmented for senior and line management functions, employees; process - high response rate, efficient and effective, clear stages and outputs; development - engagement, existing models, and divisional flexibility. This study used data collected from Head Office and City Branches. The research was done by taking a sample of 300 employees which was selected from the total population of 810. To conduct this study both qualitative and quantitative research approach were used. In addition, primary and secondary data also used, and primary data was collected using survey and interview while secondary data collected from previous researches, Bunna International Bank's official documents. Data collected from these employees was manipulated using SPSS Version 20 for windows software package. On the other hand, the result obtained from this study will beneficial or significant to Bunna International Bank S.C. and stakeholders.

The findings obtained from this research indicates that the role of internal communication has more been propelled into the foreground and is becoming ever more visible within Bunna International Bank S.C. As a result, effective internal communication can keep employees engaged in Bunna International Bank S.C. and help the Bank retains its key talent, provide consistent value to its customers, and deliver superior financial performance to its shareholders.

Key Words: *Internal Communication, Effective Communication, Bunna International Bank S.C. (BIB)*

CHAPTER ONE: INTRODUCTION

Background of the Study

Nothing would be accomplished without workplace communication. Instructions could not be given; equipments and supplies could not be ordered; progress could not be measured; and products and services could not be delivered to customers. Even the five functions of management, that are, Planning, Organizing, Staffing, Leading, and Controlling are all dependent on communication (Drucker 1954).

Communication involved explaining to the employees their new responsibilities, tasks, and duties needed to implement strategies. Further it explains reasons for changed job activities and why the new strategic decisions were made. Thus efficient communication should explain the new duties, responsibilities and obligations which are to be carried in a given organization. Thus, communication refers to the process by which information is transmitted and understood between two or more people (McShane & Von Glinow, 2005).

According to Clutterbuck (2008) the smooth functioning of a workplace is dependent on cooperation between coworkers and, in order to cooperate well, co-workers need to be able to communicate effectively. Good communication must also exist within and between the team as a whole and the rest of the company. On another level, when employees clash, company's bottom line suffers, office productivity decreases along with morale. Then again, employee stress levels increases along with sick days.

Thus, internal communication is one that is concerned with building two-way relationships with internal publics, with the goal of improving organizational effectiveness. Some of the key roles of effective internal communication within an organization involve 1) supporting major change programmes; 2) communicating messages from top management; 3) raising awareness of the organization's priorities; 4) raising or maintaining the credibility of the top team; 5) increasing employee motivation; 6) enhancing efficiency and productivity; 7) facilitating feedback; and (8) enhancing manager's communication skills (Tench and Yeomans 2009, p. 337).

On the other hand, internal communication is the process responsible for effective communication among employees of any organization. As an efficient organization it is not just enough to have a good reputation, but it is also very important to maintain good working environment in the organization and possess knowledge in attracting new customers and to retain customers. In other words, communication means the interaction with others with the aim of exchanging information. Then again, at organizational level, internal communication is known as a communication among organization's management and employees. It is a useful instrument in facilitating supportive employees. The focus of internal communication is often to ensure that employees can support a decision and understand how it impact on their work.

Lack of planning becomes the first major barrier in communication. We have to make all possible efforts to understand the why's and how's, the when and where, and above all the "what" of our message. Effective communication is the responsibility of all persons in organization – managerial or non-managerial. They are all working towards common goals. That means that all of them have a share, directly or indirectly, in many different ways, in the process of communication. Whether communication is effective can be judged on the basis of the intended results. Whenever we communicate we must keep in mind the needs of the receivers of the message or information. It should be our endeavor to see that whatever we communicate should be of value to the receiver, both in the short run and in the distant future. Our awareness of the needs of the receiver will make him/her more receptive.

Alternatively, for effective communication, every possible effort must be made to eliminate the element of noise that distorts communication at the transmission stage. It becomes especially important in the wake of modern technological advancement. Anything going wrong with the equipment or any disturbance in the transmission line is bound to defeat the very purpose of communication.

No effective communication can be based on assumptions. The sender of the message must clarify his assumptions and then go ahead with proper encoding of the message. As communication is a two-way process involving both the sender and the receiver, both should make conscious efforts to understand each other's cultural and social-psychological

background. As a golden rule for effective communication one must remember, “First understand, then be understood.” An effective communication is an informed communicator.

According to Garg and Agarwal (2012, p. 40) communication is the key factor in the success of any organization. When it comes to effective communication, there are certain barriers that every organization faces. Therefore effective communication can be hindered by any number of barriers at any time.

When determining what barriers might exist to an effective internal communication process within an organization it is beneficial to utilize the two categories used by Longest & Young (2000 cited in Ergen 2011, p. 58), that are: environmental and personal.

According to Flower & Manktelow (2005) communication barriers can pop-up at every stage of the communication process (which consists of sender, message, channel, receiver, feedback and context) and have the potential to create misunderstanding and confusion. To be an effective communicator and to get your point across without misunderstanding and confusion, your goal should be to lessen the frequency of these barriers at each stage of this process with clear, concise, accurate, well planned communication.

Accordingly, the aim of this study was to assess current internal communication of Bunna International Bank S.C. (BIB) as enhancing effective communication among employees of the Bank is an essential element that will eventually result in higher employees’ commitment, productivity and ultimately higher level of staff retention for the Bank.

Therefore, by identifying communication gap and its impact, the study will help the Bank to foster its commitment in the area and improve its communication flow.

Statement of the Problem

This research is designed to investigate the effectiveness of **internal communication between** management and employees of Bunna International Bank S.C. based on some key determinants like helping employees understanding the business, providing employees with financial information and objectives, exhibiting strong leadership by management during organizational change, aligning employees’ actions with the Bank’s and customer needs,

make aware employees about the Bank, explaining and promoting new programs and policies, and integrating new employees into the Bank, feedback, process, and development.

Every organization irrelevant of size, industry, product or service, requires some level of internal communication and effective communications are that make or break factor for a business. Communication, on the other hand, is an essential tool not just for staff socialization but for delivering effective problem solving and decision-making. Besides, for effective communication at workplace employees must be able to easily find the information they need and know exactly what actions they are required to take.

Research has shown that employees regularly cite poor communication as one of the main reasons for disengagement at work; including mentioning the feeling they are not given sufficient opportunity for feedback and two-way communication.

Having a two-way communication philosophy is indispensable in effectively aligning employees with the business interests of the organization (Sanchez, 1999). He adds, it is essential to listen to what the co-workers have to say and to use this upward information in the decision making process. Letting employees know that their voice have been heard and considered makes them more committed in their work for company success. Downward communication is equally important, as it will help the employees to gain a better understanding of the organizational goals and their part in achieving goals and objectives.

Thus, this study was aim to assess current internal communication of Bunna International Bank S.C and to understand the opinion and perception of employees regarding internal communication.

Research Questions

- 1) How do employees perceive the current internal communication of the Bank?
- 2) What are the major barriers of current internal communication?
- 3) Is the current internal communication system effective in the Bank?
- 4) How do employees perceive about the effectiveness of communication between them?
- 5) What strategies does the Bank take to measure the effectiveness of internal communication?

Objectives of the Study

General Objective:

The general objective of this study was to assess current internal communication of Bunna International Bank S.C.

Specific Objectives:

1. To determine the perception of employees on the internal communication system implemented in BIB.
2. To examine the strategies adopted by management of the bank to improve the effectiveness on internal communication.
3. To identify the major barriers of internal communication in the Bank.
4. To measure effectiveness of internal communication.

Definition of Key Terms

Organizational communication: is communication happening within the organization, with individuals, dyads and groups that need to be communicated, to support and enhance performance (Barker and Angelopoulou, 2006, p. 11).

Internal communication: can be defined as transactions between individuals and groups in organizations at various levels and in different areas of specialization” (Frank & Brownell, 1989 cited in Dubai, 2015)

Sender: somebody or something that sends or transmits something. To establish yourself as an effective communicator, you must first establish credibility. In the business arena, this involves displaying knowledge of the subject, the audience and the context in which the message is delivered. You must also know your audience (individuals or groups to which you are delivering your message). Failure to understand who you are communicating to will result in delivering messages that are misunderstood (Fowler, 2005).

Message: a communication in speech, writing, or signals. Written, oral and nonverbal communications are affected by the sender's tone, method of organization, validity of the argument, what is communicated and what is left out, as well as your individual style of communicating. Messages also have intellectual and emotional components, with intellect allowing us the ability to reason and emotion allowing us to present motivational appeals, ultimately changing minds and actions (Fowler, 2005).

Channel: a course or a means of communication or expression Messages are conveyed through channels, with verbal including face-to-face meetings, telephone and videoconferencing; and written including letters, emails, memos and reports (Fowler, 2005).

Receiver: these messages are delivered to an audience. No doubt, you have in mind the actions or reactions you hope your message prompts from this audience. Keep in mind, your audience also enters into the communication process with ideas and feelings that will undoubtedly influence their understanding. Your audience will provide you with feedback, verbal and nonverbal reactions to your communicated message. Pay close attention to this feedback as it is crucial to ensuring the audience understood your message (Fowler, 2005).

Context: the words or phrases or passages that come before and after a particular word or passage in a speech or piece of writing and help to explain its full meaning. The situation in which your message is delivered is the context. This may include the surrounding environment or broader culture i.e. corporate culture, international cultures, etc. (Fowler, 2005)

Feedback: comments in the form of opinions about the reactions to something intended to provide useful information for future decisions and development (Fowler, 2005)

Scope of the Study

In this study the researcher was limited to only Bunna Head Office and City Branches staffs. This is because due to time constraints and convenient to the researcher to collect data from nearby. The higher the response collected from all participants will allow for a greater amount of raw data to analyze. Thus, this study assessed how employees of Bunna International Bank S.C. perceive internal communication between themselves, managers and

intra-departments, and the findings of this study can only be representative of the effectiveness of internal communication. In other words, this study was conducted in a specific context, that is, internal communication only in BIB; therefore, the result cannot be generalized to other Banks.

Significance of the study

In our workplace we need each other in order to achieve our goals and objectives and none of these goals can be achieved without effective communication. Thus, communication is a vital tool or device that ties everyone together. This paper may lay the foundation for the Bank to develop a concrete plan for internal communication to support managers at all levels and employees to share the needed information in a more successful manner that enable them to achieve the intended goals or objectives. In other words, this study would be beneficial to the Bunna International Bank S.C. and other banks as it would equip them with proper knowledge on how to increase employees' performance and their job satisfaction through effective communication. The study of this research would also benefit students and future researchers as they improved current study and adds up a new dimension continue to work in the management area of any organization. Moreover, for the researchers in the area to investigate how communication affect the outcomes of individual employees and the organization like employee retention, organizational commitment, employees' productivity and employee intention to turnover. The researcher will observe if there is an opportunity for Bunna International Bank S.C. to improve its internal communication and increase employees performance and job satisfaction with more effective communication.

Organization of the Study

This thesis includes Five Chapters. Chapter One, gives an overview of the study. The introduction and the aim of the study also presented in this chapter. The second Chapter (Chapter Two) covers literature review and the theoretical background of the study whereas the research methodology addressed in the third Chapter. Chapter Four, contain the analysis of the research. The analysis was intended to answer the research questions put forth in order to answer the problem definition and recommendations for Bunna International Bank S.C.. Finally, Chapter Five presents the summary, conclusion and recommendations. In addition, this paper also included a list of references as well as annexes in relation to the study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

Neuman defines the four goals of a literature review as follows: to demonstrate a familiarity with a body of knowledge and establish credibility, to show the path of prior research and how a current project is linked to it, to integrate and summarize what is known in an area, and to learn from others and stimulate new ideas (Neuman, 2003, p. 96). By doing a literature review as part of preparing this paper, all of the four goals identified by Neuman were pursued. On the other hand, the literature reviewed provides a brief history of communication, important concepts such as communication, organizational communication, internal communication, flow of communication, barriers of communication, process and methods, model on internal communication, and effectiveness of internal communication are discussed.

2.1. Concept of Communication

Communication is often described as the glue that binds together the various components of an organization, enabling interaction with its agents, its customers and the broader public. Thus, daily interaction between people is a necessary part of getting the job done. The degree to which an organization can achieve its objective is largely determined by its communication. Through communication, the organization's members are able to work with each other, their customers and their clients (Barker and Angelopoulou, 2006, p. 3).

On the other hand, workplace communication is very important to companies because it allows companies to be productive and operate effectively. Employees can experience an increase in morale, productivity and commitment if they are able to communicate up and down the communication chain in an organization.

Research has shown that effective lateral and work group communication leads to an improvement in overall company performance. It has also been discovered that employees who were graded as highest in production had received the most effective communication from their superiors.

In contrast, according to Proctor and Doukakis (2003, p. 270) poor communication is seen to be the key driver of negative feelings among an organization's employees and that the only way to find out what was happening was from informal communication such as the rumor

mill or local newspaper. When leaks, gossip and rumor replaces organized communication as the key source of information inside an organization, it is a sure sign that there is a management problem.

Manerji and Dayal (2005) further discussed that communication is a process that contains expressing, listening and understanding. Similarly, emphasizing social aspect of communication, communication that takes part on the base of social life and forms the content of organizational structure is a process which aims at conducting good relationship between group and organization (Dogan, 2005).

On the other hand, Charles (1998: p.116) discussed that communication, the heart of business, is the most important of all entrepreneurial skills. The destiny of the business depends on the quality of your relationships. Your ability to transmit information helps both clients and employees feel they can communicate with and ultimately trust you.

Communication also not only integrates different units and function in an organization but also affects the ability of managers to engage employees in a manner that leads to better performance.

According to Haiemann (2011) communication involves imparting ideas and making oneself understood by other. On the other hand, according to Leonarda and Susana (2009) communication theory outlines how the elements of communication processes would engage the others in dialogue. Communication process consists of seven steps: message, encoding, transmitting, receiving, decoding, understanding and feedback (Shannon & Weaver, 1949). Peter (2015) also asserted that effective communication was a process by which sender of message, received feedback from receiver intended.

Communication enhances achievement of the organizational goals or objectives through directing and mobilizing and creating understanding thus enhancing cooperation and effective performance amongst the workforce (Stephen, 2011).

2.2. Organizational Communication

According to Barker and Angelopoulou (2006, p. 11) organizational communication is communication happening within the organization, with individuals, dyads and groups that need to be communicated, to support and enhance performance (and avoid losses from, for example, decreased staff morale).

Organizational communication is concerned with the symbolic use of language and how organizations function and what their goals are. The flow of communication can be formal or informal; internal or external; upward, downward or horizontal and, lastly, may include networks (Welch and Jackson, 2007, p. 176).

Marques (2010, p. 56) stated that organizational communication will continue to amplify as workplace of various natures gravitate towards greater interaction among workers, customers and other workers from an expanding array of backgrounds. Organizational communication has demonstrated to be a crucial aspect in the success rate of any type of organization.

2.3. Internal Communication

Internal communication is the term used to describe an organization's managed communication system where employees are regarded as a public or stakeholder group. Employees are communicated with through a variety of methods, including newsletters, notice boards, staff briefings and intranets, which are designed to inform employees about the business Tench and Yeomans (2009, p. 334). According to Stauss and Hoffmann (2000, p. 143) internal communication is the planned use of communication action to systematically influence the knowledge, attitudes and behaviours of current employees. On the other hand, Welch and Jackson (2007, p. 177) describe that effective internal communication is crucial for successful organizations as it affects the ability of strategic managers to engage employees and achieve objectives.

It also helps individuals and groups coordinate activities to achieve goals. It plays a vital role in socializing, executing decisions, problem-solving and change management process. The basic requirement to function properly in the business environment is to have excellent internal communication.

“...Internal communication can be defined as transactions between individuals and groups in organizations at various levels and in different areas of specialization” (Frank & Brownell, 1989 cited in Dubai, 2015).

"Internal Communication is more important today than in previous year partly because the business and market conditions are more complex. There is a lot of information in the marketplace and it is crucial that employees understand it. The development of a strategic internal communication strategy and its implementation can provide a number of benefits to organizations, such as keeping employees motivated and engaged, and sharing clear, consistent messages with employees in a timely manner (Black Enterprise, Clemons, 1996: p 46)."

Internal communications do not need to be extensive to be useful. The important fact appears to be a continuous flow of information, even if all the answers are not in yet—simply report progress. Think of your employees as public speakers for the business, because they are. Whether they are talking with customers or their neighbor at home, they are conveying a picture of the company and how it is doing. The more they are informed, the better they can represent the company in the broader community. (Phelps, 2000).

Alternatively, effective internal communication ensures that employees are committed to achieve business goals, thereby improving productivity and performance.

Internal communication provides employees with paramount information about their jobs, organization and its environment.

Employees have their own sources, their own information system, separate from the management channels. These usually carry the news ahead of communications from management. Not that the employee network is flawless. That system transmits information indiscriminately. Fragment. Rumors. Gossip. It may not always operate in the best interest of the organization, but it does provide a check-point when management fantasies are disguised as information. Furthermore, it enables employees to participate in the communication process, and it fills their need for information which at least seems to come from a credible source: another employee (Brennan, 1974).

Brennan (1974) discussed that employees, like all people, require outlets for their thoughts and feelings. And they find them. They may be expressing themselves through other

channels: meetings with fellow employees, union representatives, and government agents; or through passive-aggressive behavior such as work slowdowns, carelessness, tardiness, absenteeism, and apathy. These can be symptoms that employees feel other means of participation are unavailable to them.

It is the primary duty of the managers to create a fruitful internal communication climate by providing each employees opportunities to put forward their views, get involved and guide them for the attainment of goals (Smidts, Pruyn, & Riel, 2001 cited in Dubai, 2015).

2.4. Effective Internal Communication

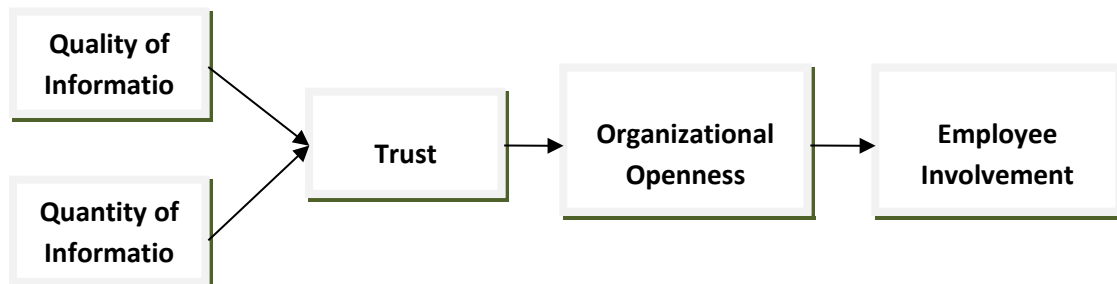
Communication is not a cost item for an organization, but an investment. Since communication is not optional, the opening of communication channels in order for the information to flow in the right direction is critical for the organization's performance as well as the morale of employees (Sinickas 2001). A research presented by Kandlousi et al., (2010), proved that if employees are satisfied with the communication within their organization they acquire a positive attitude and feel more engaged. Furthermore, it is managers' responsibility to handle and administer the communication process.

Then again, effective communication is very important for any type of relationship, whether it is for personal, for social, or for business purposes. Experts have found that communication is essential for an organization's effectiveness. As organizations become more complex with the changing of technical advances and globalization, effective communication is becoming more important in the workplace. According to Applbaum et al. (1973) the communication process in any organization affects many areas of the organization such as customer service, personal development, teamwork, leadership, organizational climate, culture, job satisfaction, and productivity. According to scholars a positive communication environment helps achieve an effective organization (Ahmad, 2006).

Thomas et al (2009) have clearly stated that communication is a means to develop trust and cultivate employee's involvement. They defined as trust the "embedded beliefs about the other party", which are shaped through information and communication. In upward communication the most important think is the quantity of information, while in downward

and lateral the quality of information exchanged. Thomas et al., (2009) presented a theoretical model based on their findings:

Fig. 1: Theoretical Model of Perceived Communication, Trust, Experienced Openness, and the Effect of Employee Involvement in Organization Goals



(Source: Thomas, Gail Fann et al. (2009). The Central Role of Communication in Developing Trust and Its Effect on Employees Involvement. *Journal of Business Communication*, 46(3), p. 289).

Communication is a competence. The central element of the intra-organizational communication should be listening. The adoption of listening or listening-related processes among co-workers, either in upward, downward or lateral communication, plays a significant role in terms of functioning effectively in the organization (Haas and Arnold, 1995).

According to Tench and Yeomans (2009, p. 337) strategic purpose of internal communication is one that is concerned with building two-way relationships with internal publics, with the goal of improving organizational effectiveness. Some of the key roles of effective internal communication within an organization involve (1) supporting major change programmes; (2) communicating messages from top management; (3) raising awareness of the organization's priorities; (4) raising or maintaining the credibility of the top team; (5) increasing employee motivation; (6) enhancing efficiency and productivity; (7) facilitating feedback; and (8) enhancing manager's communication skills.

Managerial attitude which derives from the structure of organization and the managerial style has an immediate impact in the communication setting. Khatri (2009) stated that in most cases, there is a communication gap between superiors and their subordinates. This gap comes from the power distance. As a result, high power distance organizations appear symptoms of inertia, low participation and low performance among employees. Such symptoms usually enrich a poor communication environment and maintain a cultural inadequacy.

Conversely, why does a company have to have effective internal communication? Why do supervisors need have good communications skills? Why motivate at all? People are being paid to do the job. Why should you be required to motivate them, it is their job to be productive and support the companies goals. Obviously it is not that simple. Everyone wants to feel they belong, that they are part of a team. Employees need to feel valued, respected and important and the message that they hear and trust the most needs to come from their supervisors. Thus, effective internal communication programs are the life blood of successful companies. They connect the employees to the company and give them the reasons for why things have or will happen. Here, when we talk about internal communication there are several forms of internal communication. These are:

- Global communications: Broadcast to the entire company, that is, newsletters, mass meeting.
- Small group communications: Day-to-day operational communications to work group or teams, and
- Personal communications: one-on-one communications usually between supervisors and employees.

A consistent and open internal communications strategy is a proactive approach to developing better directed, more committed, and highly efficient employees. Thus, supervisors must be able to effectively communicate with employees and employees should be comfortable raising concerns without fear or revenge.

The following are guidelines for effective communications taken from a manager's guide to communicating with employees e-books of Internal Communication: It Is Not Rocket Science. (Province of Nova Scotia, 2010):-

- 1) **Clarity of purpose:** this requires careful planning. Lack of planning becomes the first major barrier in communication. We have to make all possible efforts to understand the why's and how's, the when and where, and above all the "what" of our message.
- 2) **Shared activity:** Effective communication is the responsibility of all persons in organization. At any level – managerial or non-managerial. They are all working towards common goals. That means that all of them have a share, directly or

indirectly, in many different ways, in the process of communication. Whether communication is effective can be judged on the basis of the intended results.

- 3) **Common set of symbols:** The encoding and decoding of the message should be done with symbols that are familiar to the sender and the receiver. It is an immutable condition of communication that the code or set of symbols be mutually understood or intelligible.
- 4) **Focus on the need of the receiver:** Whenever we communicate we must keep in mind the needs of the receivers of the message or information. It should be our endeavor to see that whatever we communicate should be of value to the receiver, both in the short run and in the distant future. Our awareness of the needs of the receiver will make him/her more receptive.
- 5) **Active listening:** Active or “participative” listening is an important as any other elements in the process of communication. It shows, again, that communication is a joint responsibility of both the sender and the receiver.
- 6) **Controlling emotions:** Emotions play an important role in interpersonal relationships between superiors, subordinates and colleagues in an organization. It should be, therefore, an important aim of communication to create an environment in which people are motivated to work toward the desired goals of the enterprise by which they achieve their personal goal.
- 7) **Politeness:** This leads us to the tonal aspects of communication. There is a saying “The tone makes the music”. In the same way, the tone of voice, the choice of language and the congruency or logical connection between what is said and how it is said influence the reactions of the receiver.
- 8) **Eliminate noise:** Every possible effort must be made to eliminate the element of noise that distorts communication at the transmission stage. It becomes especially important in the wake of modern technological advancement. Anything going wrong with the equipment or any disturbance in the transmission line is bound to defeat the very purpose of communication.
- 9) **Clarity assumptions:** No effective communication can be based on assumptions. The sender of the message must clarify his assumptions and then go ahead with proper encoding of the message.
- 10) **Avoiding connotation and ambiguities:** Semantic problems can be solved by using simple language and avoiding connotations. Care must be taken to see that the receiver of the message does not have to go beyond the text of the message. It is also necessary to avoid all ambiguity, which means to avoid using words with double meaning.

- 11) Socio-psychological aspect:** As communication is a two-way process involving both the sender and the receiver, both should make conscious efforts to understand each other's cultural and social-psychological background. As a golden rule for effective communication one must remember, "First understand, then be understood." An effective communication is an informed communicator.
- 12) Completeness:** One must also endeavor to send a complete message, furnishing all necessary facts and figures. Incomplete communication annoys the receiver as a result of which proper feedback will not come. The message should be so organized that the receiver is not left in doubt about any aspect of the message.
- 13) Conciseness:** Completeness does not mean inclusion of unnecessary details or diversions. An effective communication is concise and crisp. The sender should be clear headed and properly focused in his or her vision.

The bottom-line of successful communication among management and employees, is the two-way communication through a commonly agreed scheme. Such scheme should involve, consensus among the parties, shared beliefs and shared reality in order to achieve enhancement of effectiveness. As a result, the following are internal communications strategy and tips for successful communications.

The internal communications strategy is more than a simple plan of tactical interventions in support of business activities. The strategy will inform the best way to organize effective communications. Accordingly, internal communication strategy focuses on the following:

- Market: what does the organization know about its audiences' needs? How should its audiences be segmented?
- Message: what is the organization's message is trying to achieve? In what tone should it be conveyed?
- Media: which channels work best for the different audience segments? How will it maximize reach and cut-through? Are there clear editorial guidelines for each?
- Measurement: are there clearly defined success criteria? What are the leading and lagging measures? As well as informing all of the other three M's, it should be used to demonstrate value and measures of performance (such as, ROI, message penetration, hit rates, quality of feedback, etc.).

Moreover, the following tips are mentioned on web site of firstbanknigeria.com for successful communication:

- Clarify roles and responsibilities in advance, particularly the decision-making and sign-off process.
- Reduce uncertainty and instill or encourage a sense of control.
- Be consistent – maintain tight control over key message.
- Separate facts from reassurance – provide as much information and support as you can.
- Ensure the structure, tone and content of communications acknowledges people’s emotional and intellectual needs.
- Listen – provide a arrange of feedback channels.
- Get people involved – make them feel they have a say.

On the other hand, according to this www.firstbanknigeria.com there potential pitfall for effective communication.

- Relying on only written communication.
- Confusing information dissemination with communication.
- Complicating the message.
- Imposing change rather than involving people.
- Underestimating people’s reactions to change, or the time need for people to absorb change.
- Delaying communication until every detail is confirmed.
- Communicating bad news in different phases.
- Not having a communications infrastructure in place.

In comparison, from a communications perspective, employees feel appreciated and valued when they are the first to hear important news, they are regularly consulted, they are listened to, and their suggestions are acted upon. Effective managers and supervisors already know a few things about communicating with employees. However, communication helps to build relationships, promotes mutual understanding, and enables employees to contribute to organizational success. Studies have long shown that employees prefer to receive information from their supervisors. They like to get the “big picture” information from the organization’s leaders, but they want to hear the impact on their workgroup directly from the

people to whom they report. From many types of information, employees also prefer to receive news face-to-face. This allows for interaction and a chance to close the communication loop: the supervisor 'sends out' the message, the staff receives it.

Kevin Finch, Chris Hamsen and Rick Alexander (2010) discussed the following as principles of effective internal communications:

- Internal communications is essential to the overall effectiveness.
- Internal communications is a responsibility of a department's management; not its communications section. Communications can, however, provide managers with guidance and coaching.
- Internal communications is meant to help inform decision-making and influence employee behavior in ways that benefit government, the public, and employees themselves.
- Internal communications consists of accurate, consistent, and timely information.
- Internal communications is always two-way communications. Employee feedback helps managers decide if the communication has been received and understood. As well, employees have important operational information that can help to make the organization more successful in achieving its goals.
- Internal communications never stops. It is a continuous interactive process.

Thus, effective communications are the make or break factor for a business. Communication in general is an essential tool not just for staff socialization but for delivering effective problem-solving and decision-making.

“Effective internal communication can keep employees engaged in the business and help companies retain key talent, provide consistent value to customers, and deliver superior financial performance to shareholders”
Towers Watson (2010).

“If the employees are not aware of what the company stands for and where it is heading probably no one outside the company will understand either”
Erikson (2008, p.70).

According to Bark (2002, p. 24) internal communication is a part of the expression organizational communication. Communication taking place within an organization is integrated with the communication occurring externally. These communicative actions are affecting each other in both directions which highlight the importance of managing them with equally concern. If the internal communication is utilized it allows creation of unitary organizational goals and understanding of value of individual work performance. This will enhance development of a common strive in a favorable direction and in turn also improve the overall organizational effectiveness.

Measuring the Effectiveness of Internal Communication

Measurement of communications is essential for organizations to quantify the effectiveness and value of their internal communication. The aim of measuring communications is to highlight how effective communications affects employee awareness and behavior, and the most importantly how they support the wider business goals.

Employee surveys are one of the most widely used communication measurement tools. Gaining employee feedback is an effective measurement tool. Surveys are typically circulated either on an annual, monthly, pulse or ad-hoc basis and can capture relevant information such as the level of employee engagement, how the employee is relating to the company and the workforce's shifting, feelings, and attitudes.

However, when carrying out staff survey, encouraging participation from staff can be one of the greatest challenges. Poor response rates, insufficient or unclear information and a failure to use the survey to drive actions are just some of the reported issues. Although provided surveys are carefully structured and effectively delivered and measured, they can be used to great effect.

Integrating staff surveys into an internal communications enables easy capture of data. Moreover, in addition to survey, face-to-face contact and focus groups are frequently considered the best option for qualitative communication measurement.

To sum up, organizations with highly effective communication departments are considerably more likely to have processes in place to measure the effectiveness of their social networks.

2.5. Background of Bunna International Bank S.C. (BIB)

Bunna International Bank S.C. (BIB) is one of private commercial bank which is a uniquely established as the largest number of shareholders' bank, that is more than 12,000 shareholders. As a result, it is just the bank of the people!

The bank officially commenced its operation on October 10, 2009 with the subscribed and paid up capital of Birr 308 million and Birr 156 million, respectively. Now the paid up capital of the bank has grown up to 757 million as of August 16, 2016. Currently, the bank has 112 branches that are found both in Addis Ababa and other town of Ethiopia with 1031 employees. It continues product and service innovations along with technology adoptions to the satisfaction of its customers.

2.6. Flow of Communication within the Organization

The flow of communication within the organization depends on the size of the organization. However, according to Lunenburg & Ornstein (2008 cited in Lunenburg 2010, p. 2) the structure of an organization should provide for communication in three distinct directions: downward, upward, and horizontal. These three directions establish the framework within which communication in an organization takes place. Contrary, Richmond, McCroskey & McCroskey (2005, p. 28) states that communication flows in two directions in the organization: vertically and horizontally. Richmond et al (2005, p. 28) further described that vertical communication is concerned with upward and downward communication between managers and employees. This discussed as follows:

2.6.1. Vertical Communication

Vertical communication is concerned with communication between employees at different hierarchical levels in the organization. It focuses on downward and upward communication between managers and employees (Richmond et al (2005, p. 28).

According to Verma (2013, p. 64) vertical communication is held between or among people who are on different levels of authority within the organization. It occurs between hierarchically positioned persons and involves both downward and upward communication flows.

a) Downward Communication

Downward communication means the flow of information from superiors to subordinates and it is a dominant channel in accordance with formal communication networks (Rho 2009, p.6). Tourish (2010 cited in Lunenburg 2010, p. 2) stated that the downward flow of communication provides a channel for directive, instructions, and information to organizational members.

On the other hand, Richmond et al (2005, p. 29) stated that downward flow of information flows from upper management down to the employees at lower ranks. Downward communication generally is effective when upper levels of management are highly motivated to make it work. There are five different elements that generally flow downward in all organizations. They are job instruction, rationale, ideology, information and feedback.

Verma (2013, p. 64) states that in this kind of flow information is transmitted from higher to lower levels. The downward flow of communication relates to multiple issues, that is, directive, instructions, and information regarding procedures and policies, etc., to give directions for implementing goals, strategies and objectives. Verma (2013, p. 64) further explains that the communication environment in any organization generally remains dominated by downward communication flow. In an organization it is downward communication that plays the most important role. It determines upward communication style, sets background for horizontal and grapevine communication and is also responsible to

a large extent for establishing ideal or non-ideal communication climate. Downward communication is determined by numerous factors and determines several kinds of communication and communication climate.

b) Upward Communication

According to Verma (2013, p. 67) upward communication flows from junior to senior. It may be related to: problems and exceptions to routine work in order to make the leader aware of difficulties; suggestions for improving task-related procedures; periodic reports regarding individual and departments performance, different kinds of grievances.

Upward communication is initiated by those at the lower levels of the organization, it can be successful only if those at the higher levels are willing to allow the communication to be effective (Richmond et al (2005, p. 29). Verma (2013, p. 67) concurs with this by stating that communication from junior to senior does not flow as freely and smoothly as communication from senior to juniors. The senior's attitude and communication plays a critical role in the upward communication flow. If the senior is really concerned and really listens, upward communication improves.

The most common barriers to effective upward communication is long time gap between the communication and the action (Richmond et al 2005, Verma 2013 and Lunenburg 2010).

According to Verma (2013, p. 67) the effectiveness of upward communication can be possible by following a few strategies: Management can encourage open door policy, whereby employees are invited to come in and discuss any problem they may have. In reality, the open-door policy is seldom used as management may say: "My door is always open," but in many cases both the employee and management know the door is really closed. One to one counseling sessions can greatly facilitate upward communication, the participate techniques can be very helpful, and also group decision making can generate a great deal of upward communication.

2.6.2. Horizontal Communication

According to Richmond et al (2005, p. 28) horizontal communication is concerned with communication between employees at the same level in the organization. It focuses on communication between peers, people at equal or very nearly equal levels in the organization.

Verma (2013, p. 68) also discussed that horizontal communication flow exists to enhance coordination. This horizontal channel permits a lateral or diagonal flow of messages, enabling units to work with other units without having to follow rigidly up and down channels. These communications are informational too, but in a different way than downward and upward communication. Here information is basically for coordination, to tie together activities within or across departments. This can be intradepartmental as well as interdepartmental as several times task accomplishment remains related to issues related to other departments. This kind of communication increases more in decentralized power.

Horizontal communication indicates the lateral exchange of information, which flows in accordance with the functional principles among people on the same level within an organization (Rho, 2009, P. 7).

Richmond et al (2005, p. 31) further stated that this is communication that flows across the organization (from peer to peer to peer). There is much more horizontal communication in organizations on a daily basis than there is vertical. This is because there are more employees than managers, and employees at the same level feel more comfortable talking with each other than with people at different authority levels. Horizontal communication often focuses on employee satisfaction and employee morale. At this level employees usually can talk openly and freely about your feelings about the system and can discuss your problems with others who can identify with them. In addition, this is also the channel at which most social interaction takes place within the formal organization. It is through the horizontal channels that an employee is likely to increase one's knowledge, communication skills, and socialization skills. At this level of communication it is also possible for employees to establish a long-lasting interpersonal relationship that will assist in them becoming better employees with a better chance of survival in the organizations.

Other discussion explained by Lunenburg (2010, p. 6) that horizontal communication flow exists to enhance coordination. This horizontal channel permits a lateral or diagonal flow of messages, enabling units to work with other units without having to follow rigidly up and down channels.

To sum up, selecting the most appropriate communication channels can be a difficult job. However, communication channels are usually evaluated based on the sender's expectations of those channels (Litterst & Eyo, 1982). But it is important to understand that different communication channels are appropriate for different kinds of information and achieve different objectives. Therefore, it is vital to choose the right communication channel that fits best the nature of the communication.

Formal communication is vital in every organization and follows the formal structure of the company. The importance of formal communication is that it provides basic information about the organization or information related to people's job (Kandlousi, Ali, & Abdollahi, 2010).

2.6.3. Informal Communication (The Grapevine)

The grapevine is the informal transmission of information, gossip or rumor from person to person. The grapevine is the informal and unsanctioned information network within every organization. The network helps employees make sense of the world around them and consequently provides a release from emotional stress and all informal information in undocumented Singh and Sharma (2013, p. 157).

Singh and Sharma (2013, p. 157) further discussed that the grapevine is an expression of healthy human motivation to communicate. It moves through the organization in every direction. It moves upward, downward, and diagonally, within and without chains of command, between workers and managers, and even with and without an organization. Fortado (2011, p. 218) is of the view that informal communications are far from just idle chatter. People act based on their interpretations. The grapevine shapes employee sentiments about the company and specific people. It would be imprudent to ignore these social facts.

Informal listening, speaking and workings in groups are just as important as writing formal documents and giving formal oral presentations. A newcomer in an organization will need to listen to other employees to find out what one is supposed to do and to learn about the organization's values and culture. Information chitchat, both about yesterday's game and about what is happening at work, connects one to the grapevine, an informal source of company information. Networking with others in office and in town and working with others in workgroups is crucial to success (Enuoh and Inyang, 2010, p. 83).

Arora and Pant (2014) stated that information through grapevine usually travels faster than formal channels. To say that such rapid transfer of information occurs only rarely would be wrong if we look at the functioning in workplaces. They spread quickly, uncontrollably and, once started, are often hard to stop. In the present age of technology we may compare gossip and rumors in a workplace with computer viruses. Like the computer virus gets transferred from one system to another and contaminates files and systems; in the same manner gossips and rumors travel from sender to receiver passing on the negative rumors, thus contaminating a healthy work environment. The grapevine is inherent in the culture of any organization (Singh and Sharma, 2013).

Johnson et al. (1994) claim that it is an inevitable part of the organization. Moreover, it should be seen as a natural consequence of people interacting. With this interaction or informal communication the so-called grapevine, people can share about their feeling, establish relationships and discuss the issues that matter to them at each time. However, grapevine also has its disadvantages. It can increase rumors and carry wrong information about the company or certain topics. On the other hand, grapevine is important because "without grapevine employees cannot fill in gaps left from official word and may not feel ownership of information" (Subramanian, 2006: p 2).

2.7. Barriers for Effective Communication

According to Garg and Agarwal (2012, p. 40) communication is the key factor in the success of any organization. When it comes to effective communication, there are certain barriers that every organization faces. People often feel that communication is as easy and simple as it sounds. No doubt, but what makes it complex, difficult and frustrating are the barriers that come in its way. Longest & Young (2000 cited in Ergen 2011, p. 58) defines communication barriers as anything that filters, blocks or distorts the message or the information during the process of “encoding-sending-decoding”. Therefore effective communication can be hindered by any number of barriers at any time.

When determining what barriers might exist to an effective internal communication process within an organization it is beneficial to utilize the two categories used by Longest & Young (2000 cited in Ergen 2011, p. 58), that are: environmental and personal. Guo and Sanchez (2005, p. 85) describes environmental barriers as the characteristics of the organization that is derived from its environmental setting and personal barriers are anything that arises from the nature of individuals and their interaction with others.

According to Guo and Sanchez (2005, p. 87) the following are examples of environmental barriers:

- i) Competition for attention within an organization: Multiple and simultaneous demands cause message to be incorrectly decoded. The receiver hears the message, but does not understand it. Due to inadequate attention paid to the message, the receiver is not really “listening.” Listening is a process that integrates physical, emotional, and intellectual inputs into the quest for meaning and understanding. Listening is effective only when the receiver understands the sender’s messages as intended. Thus, without engaging in active listening, the receiver fails to comprehend the message.
- ii) Time: Lack of time prevents the sender from carefully thinking through and thoroughly structuring the message accordingly, and limits the receiver’s ability to decipher the message and determine its meaning.
- iii) Organization’s managerial philosophy: Managerial philosophy can promote or inhibit effective communication. Managers who are not interested in promoting intra-

organizational communication upward or disseminating information downward will establish procedural and organizational blockages. By requiring that all communication follows the chain of command, lack of attention and concern toward employees is a sign of a managerial philosophy that restricts communication flows. Furthermore, when subordinates encounter managers who fail to act, they are unwilling to communicate upward in the future, because communications are not taken seriously. Managerial philosophy not only affects communication within the organization, but also impacts that organization's communications with external stakeholders.

- iv) Multiple levels of hierarchy and complexities: Such as the size and degree of activity conducted in the organization tend to cause message distortion. As messages are transmitted up or down, they may be interpreted according to an individual's personal frame of reference. When multiple links exist in the communication chain, information could be misinterpreted. As a result, a message sent through many levels is likely to be distorted or even totally blocked.
- v) Power or status relationships can also effect transmission of a message: An unharmonious supervisor-subordinate relationship can interfere with the flow and content of information. Moreover, a staff member's previous experiences in the workplace may prevent open communication due to fear of negative sanctions are a result. For instance, a poor supervisor-subordinate relationship inhibits the subordinate from reporting that the project is not working as planned. Fear of the power and status of the manager is a common barrier to communication.
- vi) Use of specific terminology unfamiliar to the receiver: Communication between people who use different terminology can be unproductive simply because people attaché different meanings to the same words. Thus, misunderstanding can occur due to unfamiliar terminology.

On the other hand, barriers in effective communication include numerous elements such as information overload, information barriers, badly designed message, lack of planning and interpersonal factors (Bowditch & Buono, 2005).

According to Flower & Manktelow (2005) communication barriers can pop-up at every stage of the communication process (which consists of sender, message, channel, receiver, feedback and context) and have the potential to create misunderstanding and confusion. To be an effective communicator and to get your point across without misunderstanding and

confusion, your goal should be to lessen the frequency of these barriers at each stage of this process with clear, concise, accurate, well planned communication.

According to Heideet al. (2002) communication barriers include lack of communication skills, lack of sensitivity of receiver, insufficient knowledge on the subject, emotional interference, information overload, conflicting messages, physical distractions, long communication chain, channel barriers, inadequate feedback and absence of feedback.

In contrast, the problem faced by financial services providers in development a communication strategy is that they do not have a physical product to present. Consequently, a major demand of communication in the banking system is development message and a form of presentation of the product that is essentially intangible in a tangible form (Ennew C, Watkins T and Wright M, 2000 cited in Academie Royale Des Sciences, September 2015, pp. 17-22).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Research Approach and Design

Because both open and closed questions are used the researcher used qualitative and quantitative research approaches. On the other hand, to better define an opinion and attitude held by the participants the researcher adopted descriptive research design. In other words, this method deemed appropriate as the study collect information on the level of internal communication. Oniye (1997) discussed that the descriptive survey deals with systematic description of an event in a very factual and accurate manner.

3.2. Data Sources and Data Collection Methods

In this study the researcher tries to assess current internal communication of Bunna International Bank S.C.. Concerning data sources, the researcher used both primary and secondary sources. Primary data collected using interview and survey questionnaire, where secondary data were collected from previous researches and other official documents. Alternatively, the researcher deploy surveyed questionnaire and interview check lists for data collection methods.

The research instrument used for collection of data is well structured questionnaire. The questionnaire consists of two sections. Section one consists of information relating to the demographic characteristics of the respondent, such as sex, age, education status, year of experience, etc. while Section two contains questions on the respondent perception and interpretation of communication. As to interview, the information collected from individual Directors, thus the researcher used semi-structured survey instrument.

3.3. Population and Sampling

The population under investigation included employees at Bunna International Bank S.C. The Bank has 810 employees and the population of the study consists of Directors, Division and Branch Managers, Assistant Branch Managers, Customer Relation Managers, Team Leaders, and other staffs.

Because the population was too large to study, the researcher restricted herself to a part of the population (Only Bunna Head Office Staffs and City Branches). In selecting a fair sample upon which valid conclusion could be drawn, the researcher used probability samples as this method provide probability of being included in the sample. Regarding the sample techniques, both simple random sampling and stratified sampling were employed. In brief, for this study, both sampling techniques were used because simple random sampling provides an equal chance to each element of population to include in the sample, on the other hand, as the population of Bunna International Bank S.C. population are not homogeneous group, the researcher obliged to use stratified sampling techniques to draw the appropriate sample.

Thus, using these techniques the researcher followed the procedure of first stratification and then simple random sampling – which is known as stratified random sampling. As a result, the sample size of 300 employees was selected from the above population as illustrated below:

Category	Population	Sample
Directors	13	4
Managers	109	48
Team Leaders	11	3
Other Employees	677	245
TOTAL	810	300

Illustration:

Total Population (N) 810 and Sample size or n=300

Proportion for strata $N_1= 13$

$N_2= 109$

$N_3= 11$

$N_4= 677$ for instance, for strata $N_4=677$, we have $P_4=677/810$, and hence, $n_4=n.P_4=300(677/810)=251$

$$N_1=300(13/810)$$

$$=300(0.01605)= 4.8 \approx 5$$

$$N_2=300(109/810)$$

$$=300(0.13457)=40$$

$$N_3=300(11/810)$$

$$=300(0.013580)=4$$

$$N_4=300(677/810)$$

$$=300(0.83580)=251$$

3.4. Data Analysis

Data gathered from the questionnaire captured on Statistical Package for the Social Sciences (SPSS) Version 20 and the researcher used statistical techniques to compute and analyze data. Accordingly, frequencies and percentage tools employed for this paper.

3.5. Limitations of the Study

Like other research this study has several limitations that have to be acknowledged. First of all in this study the researcher could not collect all the questionnaires distributed. To mention some of the reasons, some employees could not complete the survey.

CHAPTER FOUR: RESULTS AND DISCUSSIONS

4.1. Introduction

This study was designed to assess the current status of internal communication in Bunna International Bank S.C. (BIB) based on the objective mentioned above.

To conduct this study both quantitative and qualitative research method were used. The survey consisted of 50 questions and was hand delivered to 297. A total of 209 surveys was completed and returned to the researcher of which 91 females and 118 males. The participants' pool consists of age range 18-46 and above. The participants were randomly selected and consisted employees at all position, such as non-clerical, clerical and managers. Respondents stay in the Bank for different years –a set of service years (less than 1 year to above 3 years) - with different educational background.

The information and data obtained from the respondents analyzed using SPSS Version 20, and accordingly, the result obtained from the study enabled to provide answers to research questions and helped to reach the conclusion.

To begin with, internal communication is vital in every organization (Koontz & O'Donnell, 1986). This is because it is fundamental that people within the organization receive information that is important to their work and fulfills their needs in terms of information. However, numerous factors influence internal communication. According to Newstorm & Davis (1997) maintain that open and free-flowing information is the most vital part of developing effective internal communication since it motivates people to get involved and share information. Thus, in order to answer all research questions of the thesis, the researcher examined the results of a number of questions and the status of internal communication in Bunna International Bank S.C. is in good level and employees can communicate with their colleagues in many ways.

Table 1: Respondents Background

Respondent Background	Frequency	Percentage
<i>Sex</i>		
- Female	91	43.5%
- Male	118	56.5%
<i>Age</i>		
- 18-25	1	0.5%
- 26-35	128	61.2%
- 36-45	54	25.8%
- 46 and above	26	12.4%
<i>Occupation</i>		
- Non-clerical	17	8.1%
- Clerical	120	57.5%
- Managerial	63	30.1%
<i>Year of Services</i>		
- Less than 1 year	19	9.1%
- 2-3 years	55	26.3%
- Above 3 years	112	53.6%
<i>Educational Background</i>		
- Certificate	6	2.9%
- Diploma	35	16.7%
- BA Degree	57	27.3%
- MA and above	78	37.3

Source: Own Survey, 2017

4.2. Perception of Employees on the Internal Communication System

To begin with, the researcher first decided to look at the question whether the Bank has or follow formal communication system or not. As a result, Fig. 1 demonstrates the results of this question.

Table 2: Does your Bank follow a formal communication system?

Perception	Frequency	Percentage (%)
Do not know	12	5.7%

No	26	12.4%
Yes	169	80.9%
Total	209	100.0%

Source: Own Survey, 2017

The research shows that 80.9% employees believe that the Bank follows formal communication system. 12.4% of respondents said no and about 5.7% do not know whether the bank follows or has formal communication system. Thus, the researcher's interpretation of the outcome is that a high percentage of respondents seem to believe there is formal communication system in the Bank.

Table 3: Do you believe that open and honest communication is an important part of your job?

Perception	Frequency	Percentage (%)
No	4	1.9%
Yes	205	98.1%
Total	209	100%

Source: Own Survey, 2017

As 98.1% of respondents are believed that open and honest communication is an important part of their job, and only 1.9% of respondents do not believe with this question.

Table 4: Does your Bank clearly communicate its goals, vision, mission, strategies, and policies?

Perception	Frequency	Percentage (%)
-------------------	------------------	-----------------------

Do not know	23	11.0%
No	69	33.0%
Yes	116	55.5%
Total	208	99.5%

Source: Own Survey, 2017

Open, free-flowing, and clear access to information leads to better performance. Based on the results of the above question, only 55.50% of respondents react that the bank clearly communicates its goals, vision, mission, strategies, and policies. On the other hand, 33.0% respondents said 'No' and even 11% respondents do not know. Therefore, it is concluded that there is a gap and most employees do not know what is expected to know about the Bank.

Table 5: Does your Bank support two-way communication between supervisors and employees?

Perception	Frequency	Percentage (%)
Do not know	23	11.0%
No	68	32.5
Yes	118	56.5
Total	209	100%

Source: Own Survey, 2017

The above research question was to learn whether the bank support two-way communication between supervisors and its employees and the result shows a positive, that is about 56.5% of respondents believed that there is two-way communication exists between supervisor and employees, whereas 32.5% and 11% marked saying 'No' and 'Do not know' respectively.

Table 6: Is upward communication usually welcomed like idea and suggestions?

Perception	Frequency	Percentage (%)
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Do not know	29	13.9%
No	48	23.0%
Yes	131	62.7%
Total	208	99.6%

Source: Own Survey, 2017

A high encouragement level seems that occur regarding the question "Is upward communication usually welcomed like idea and suggestions?" as 62.7% of respondents are agreed with upward flow of information. However, 23.0% of respondents believed as upward ideas and suggestion do not welcomed. 13.9% of respondents do not know. This is important since it makes it more likely that employee will feel that they are a part of the company and that they matter. In addition, employees will be unafraid to make suggestion for improvements and comp up with new ideas, which is a crucial part of employees' self confidence, commitment and participation.

Table 7: Is instruction and information communicated well through downward flow of communication?

Perception	Frequency	Percentage (%)
Do not know	27	12.9%
No	9	4.3%
Yes	171	81.8%
Total	209	99%

Source: Own Survey, 2017

In terms of proper instructions and sufficient information flow downward, 81.8% of respondents well received instructions and information from top level. Contrary, only 4.3% respondents do not received instructions and information from top level well and 12.9% of respondents they do not know and .96% of respondents refrained from respond.

The relationship can be found between the two questions "Is upward communication usually welcomed like ideas and suggestions" *and* "Is instructions and information communicated well through downward flow of communication". First of all, employees need to receive information relating to their job in order to perform properly and 81.8% of respondents they received instructions and information well, on the other hand, managers need reports and feedbacks from their employees and 62.7% of respondents feel that their ideas and suggestions welcomed by their top level managers.

Table 8: Is horizontal communication with other colleagues or employees flow healthy and freely?

Perception	Frequency	Percentage (%)
Do not know	5	2.4%
No	26	12.4%
Yes	178	85.2%
Total	209	100%

Source: Own Survey, 2017

As the results of the above question shows, information flow within employees is healthier and there is free-flow of information within the bank as a whole. Thus, 85.2% of respondents believe the information flows between them are healthy and free. In contrast, 12.4% and 2.4% of respondents do not believe and even they do not know at all.

Table 9: Do you think the internal communication system in your Bank effective?

Perception	Frequency	Percentage (%)
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Do not know	49	23.4%
No	47	22.5%
Yes	111	53.1%
Total	207	99%

Source: Own Survey, 2017

Concerning the above question, the result points out that 53.1% of employees think that the bank's internal communication system is effective, while 23.4% and 22.5% do not know and do not think about its effectiveness.

Table 10: Do you think your supervisor clearly communicate her/his expectations regarding your job performance?

Perception	Frequency	Percentage (%)
Do not know	1	0.5%
No	52	24.9%
Yes	156	74.6%
Total	209	100%

Source: Own Survey, 2017

The research shows that 74.6% of employees clearly communicated from their supervisor what is expected of them regarding their job, whereas 24.9% their supervisor do not communicated about what is not expected of them regarding their job and 0.5% of employees do not know what is expected of them about their job.

Table 11: Does your supervisor provide positive and constructive feedback to improve your performance?

Perception	Frequency	Percentage (%)
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Do not know	12	5.7%
No	46	22.0%
Yes	151	72.2%
Total	209	99.9%

Source: Own Survey, 2017

The research points out that 72.2% of employees at Bunna International Bank S.C. receive positive and constructive feedback to improve their performance, while 22.0% of employees do not receive. Moreover, 5.7% marked as they do not know. The researcher interprets that supervisor plays an important role to improve employee's performance by providing positive and constructive feedback. However, the top management has to start in order to influence managers at lower level to exercise at all levels, especially for those who do not use this trend with their employees.

Table 12: Does your supervisor keep you informed about important issue?

Perception	Frequency	Percentage (%)
Do not know	29	13.9%
No	53	25.4%
Yes	125	59.8%
Total	209	99.1%

Source: Own Survey, 2017

The research shows that 59.8% of employees within Bunna International Bank S.C. are informed about important issues by their supervisor, while 25.4% of employees not. Furthermore, 13.9% of employees do not know what is going on in the Bank. Here, if good relationship is maintain between employees and managers at higher levels, employees trust their supervisors and develop confidence.

Table 13: Does your Bank work to improve communications in all directions?

Perception	Frequency	Percentage (%)
Do not know	76	36.4
No	76	36.4
Yes	56	26.8
Total	208	99.5%

Source: Own Survey, 2017

Regarding the Bank's initiation to improve its communications in all directions seems less efforts made. For this illustration only 26.8% of respondents said yes and 36.4% of respondents disapproved. Even the same percent of respondents (36.4%) do not know about what is doing in this regard.

Based on the results from the research the bank needs to deploy more efforts to improve its communications in all directions of the Bank. To do this, the Bank has to develop plan and put to action.

4.3. Effectiveness of Internal Communication

Table 14: Effective communication improves employees' performance.

Perception	Frequency	Percentage (%)
Neutral	2	1.0%
Agree	103	49.3%
Strongly Agree	104	49.8%
Total	209	100%

Source: Own Survey, 2017

In relation to this discussion about effective communication with regard to employees performance, 99.0% of respondents strongly agree and agree, while only 1.0% of respondents are neutral. Thus, the researcher interprets that effective communication is vital tool to improve employees' performance.

Table 15: Employees are more productive if they have been told exactly what is expected of them.

Perception	Frequency	Percentage (%)
Disagree	19	9.1%
Neutral	35	16.7
Agree	75	35.9%
Strongly Agree	80	38.3%
Total	209	100%

Source: Own Survey, 2017

74.2% of respondents strongly agree and agree that they will be productive if they have been told exactly what is expected of them by the supervisor, while only 9.1% of respondents disagree with this idea. On the other hand, there are about 16.7% of respondents who are nonaligned.

Table 16: Clear and constructive feedbacks are keys to better performance.

Perception	Frequency	Percentage (%)
Neutral	24	11.5%
Agree	63	30.1%
Strongly Agree	121	57.9%
Total	208	99.5%

Source: Own Survey, 2017

This research clarifies that 88.0% of employees at Bunna International Bank S.C believe clear and constructive feedbacks are keys to better performance, while 11.5% and 0.5% of respondents are neutral and refrained from responding respectively.

Table 17: Effective internal communication at all levels leads to better performance and job satisfaction.

Perception	Frequency	Percentage (%)
Disagree	22	10.5%
Neutral	2	1.0%
Agree	54	25.8%
Strongly Agree	131	62.7%
Total	209	100%

Source: Own Survey, 2017

Although it is claimed that effective internal communication is a vital tools, this research points out that 89.4% of respondents strongly agree and agree that effective internal communication at all levels leads to better performance and job satisfaction, where 10.5% of respondents disagree.

Table 18: Effective internal communication helps to deal with problems and resolve them thereby resulting in better performance.

Perception	Frequency	Percentage (%)
Disagree	22	10.5%
Neutral	8	3.8%
Agree	84	40.2%
Strongly Agree	95	45.5%
Total	209	100%

Source: Own Survey, 2017

Employees were asked whether effective internal communication helps to deal with problems and resolve them thereby resulting in better performance, and about 85.7% strongly agree and agree with this idea respectively, while 10.5% of employees disagree and 3.8% of respondents are neutral.

Table 19: Effective internal communication provides awareness and better knowledge about work and work environment.

Perception	Frequency	Percentage (%)
Neutral	24	11.5%
Agree	62	29.6%
Strongly Agree	123	58.9%
Total	209	100%

Source: Own Survey, 2017

Herzberg (1959) also argued that work conditions and three relationship factors could all influence how people feel about their job. However, Herzberg defined all three factors as hygiene factors which were not related to the job itself, but rather related to the situation or the environment. Herzberg claimed that those factors would keep people from being dissatisfied but could not make them satisfied. Thus, this study points out that 88.6% of employees believe that effective internal communication provides awareness and better knowledge about work and work environment and creates and results better performance, while 11.5% of employees are not taking sides.

Table 20: Most of the information I received on a daily basis comes from my supervisor.

Perception	Frequency	Percentage (%)
Strongly Disagree	14	6.7%
Disagree	45	21.5
Neutral	25	12.0%
Agree	119	56.9%
Strongly Agree	6	2.9%
Total	209	100%

Source: Own Survey, 2017

Table 21: Most of the information I received on a daily basis is passed down through the “grapevine”.

Perception	Frequency	Percentage (%)
Strongly Disagree	10	4.8%
Disagree	57	27.3%
Neutral	79	37.8%
Agree	47	22.5%
Strongly Agree	12	5.7%
Total	205	98.1%

Source: Own Survey, 2017

When a comparison is made of the two questions which relate to how most of information received on a daily basis it can be seen that information received through supervisor is the winning factor. Thus, 56.9% and 2.9% of respondents agree and strongly agree respectively, while 21.5% and 6.70% disagree and strongly disagree. In addition, 12.0% of respondents are not taking sides. On the other hand, information on a daily basis passed down through the “grapevine” results showed that, only 28.23% of respondents agreed and strongly agreed, where 37.80% and 1.9% of respondents are neutral and abstained. However, 27.3% of respondents disagree and 4.78% of respondents strongly disagreed with the idea.

4.4. Barriers of Internal Communication

Table 22: There are too many “gatekeepers” in this Bank that hinders the flow of important information.

Perception	Frequency	Percentage (%)
Strongly Disagree	2	1.0%
Disagree	79	37.8%
Neutral	95	45.5%
Agree	20	9.6%
Strongly Agree	10	4.8%
Total	206	98.7%

Source: Own Survey, 2017

Concerning the barriers of information, such as “gatekeepers”, this research points out that only 9.6% of respondents strongly agree and agree, while about 45.5% of respondents are disinterested with and 37.8% of respondents, on the other hand, disagree and strongly disagree. 1.4% of respondents not have.

On the other hand, to learn the drawbacks or barriers associate with the current forms of communication in the Bank the researcher conducted interview with Directors and the result points out that the current (modern) forms of communication are mobile communication, e-mails, and texting via mobiles. As a result, the drawback of these forms of communications is access by unauthorized person due to risk associated with hacking. Contrary, there are underdeveloped skills and culture for utilizing technologies.

Table 23: The Bank encourages the sharing of information between work unit.

Perception	Frequency	Percentage (%)
Strongly Disagree	3	1.4%
Disagree	18	8.6%
Neutral	101	48.3%
Agree	63	30.1%
Strongly Agree	23	11.0%
Total	208	99.4%

Source: Own Survey, 2017

Although it is claimed that effective internal communication must start from the top level, the research result shows that below 50%, that is, only 41.1% of employees agree and strongly agree with the perception that the Bank encourages the sharing of information between work units, and the large percent of respondents (48.3%) not taking a side and 8.6% & 1.4% disagree and strongly disagree with the idea. About 0.48% of employees abstained.

Table 24: The directives that come from top-management are clear and consistent.

Perception	Frequency	Percentage (%)
Strongly Disagree	1	0.5%
Disagree	26	12.4%
Neutral	98	46.9%
Agree	78	37.3%
Strongly Agree	6	2.9%
Total	208	100%

Source: Own Survey, 2017

This research shed light on that employees at Bunna International Bank S.C. received directives from top-management are clear and consistent, however, there is a minor gap as about 46.9% of respondents are middle-of-the-road and 12.4% of respondents disagree and strongly disagree respectively. However, 40.2% of respondents agree and strongly agree with the clarity and consistency of the directives that come from top management.

Table 25: I get most of my information about the Bank’s news and events through my supervisor.

Perception	Frequency	Percentage (%)
Not Applicable	1	0.5%
Never	41	19.6%
Seldom	8	4.3%
Sometimes	97	46.4%
Always	52	24.9%
Frequently	8	3.8%
Total	207	99.5%

Source: Own Survey, 2017

Table 26: I get most of day-to-day information regarding my job is via my supervisor.

Perception	Frequency	Percentage (%)
Never	12	5.7%
Seldom	30	14.4%
Sometimes	27	12.9%
Always	112	53.6%
Frequently	26	12.4%
Total	207	99.0%

Source: Own Survey, 2017

First and foremost, employees need to receive information relating to their job in order to perform properly. Thus, 53.6% and 12.4% of employees have received their day-to-day information regarding their job through their supervisor always and frequently, while only 14.4% and 12.9% of employees received seldom and sometimes respectively. However, there are employees (5.7%) who never get information concerning their job through their supervisor. In addition, about 0.96% of respondents abstained. On contrary, regarding information about the Bank's news and events, 46.4%, 24.9%, and 3.8% passed through their supervisor sometimes, always, and frequently respectively. There are employees (4.3%) who received seldom, 19.6% never received, and 0.5% not applicable and refrained.

Table 27: How frequently the following methods of communication Use

Frequent	Never	Seldom	Sometimes	Always	Very Often
Face-to-face	10%	9.6%	10.5%	56%	13.9%
Electronic	18.7%	27.3%	20.6%	27.8%	5.7%
Written	13.9%	2.9%	33%	44%	6.2%
Telephone	1.4%	31.1%	27.8%	32.1%	7.7%

Source: Own Survey, 2017

The above Table help to compare the results based on the above question, and the research points out that 55.98% of respondents use face-to-face interaction, and 27.75% of respondents use electronic communication, and the othe4 44.02% of respondents use written communication, while 32.05% of respondents use telephone calls always. On the other hand, these methods used by some respondents on different time as illustrated in percentage.

Table 28: How important the following methods of communication Use

Important	NA	Slightly Important	Somewhat Important	Important	Critical
Face-to-face	-	11.5%	7.2%	55.5%	25.4%
Electronic	6.2%	8.6%	10%	53.6%	21.1%
Written	6.2%	1%	23%	49.3%	20.1%
Telephone	-	17.2%	10.5%	53.6%	18.7%

Source: Own Survey, 2017

Regarding how much important these methods– face-to-face, electronic, written and telephone calls- are in helping employees effectively to do their job , 25.36% of respondents said that face-to-face communication method is critical, while 53.59%, 49.28%, and 53.59% electronic, written, and telephone call are important in that order.

Even if the above mentioned communication methods are given points based on their importance, the interview made with Directors and the result that obtained from interview stated that employees of the Bank’s are aware of communication methods and they communicate through telephone, orally (face-to-face); through memos in writing and via emails, texting through mobiles. However, employees cannot access some email group messages as some groups like Senior Management e-mail groups because it needs access permission.

Table 29: Effectiveness of the Communication Methods

Effectiveness	Very Ineffective	Somewhat Ineffective	Neither Effective Nor Ineffective	Effective	Extremely Effective
Face-to-face	-	-	9.1%	45.9%	45%
Electronic	6.2%	3.3%	21.1%	47.8%	21.5%
Written	6.2%	1.4%	4.8%	66.5%	21.1%
Telephone	-	7.7%	13.4%	52.6%	25.8%

Source: Own Survey, 2017

Regarding how effective the above mentioned communication methods are, 90.91% respondents agreed with face-to-face communication how effective and extremely effective, whereas 69.38% of respondents approved electronic communication as it is effective and extremely effective. On the other hand, 87.63% of respondents support written communication as effective and extremely effective, while 78.47% of respondents stand with telephone calls.

The result obtained from interview points out that, oral communication is used more frequently and in some Directorates employee groups are professions engaged in research activities which often involve intensive discussion. In this regard, the most effective forms of communication in order of their important within the Bank are: oral, telephone, written (memos, reports, etc) and Internet. However, some methods of communication considered more effective by some employee groups depending on the subject matter of communication. When it is formal assignment they prefer written communication. On the other hand, when it is involves extensive discussion they prefer oral communication and when it is informal and brief they prefer telephone conversation.

Table 30: Effectiveness of the Strategy Adopted

Strategy	Very Ineffective	Somewhat Ineffective	Neither Effective Nor Ineffective	Effective	Extremely Effective
Creating an environment of trust and confidence	0.5%	15%	28.7%	34%	24.4%
Clear about the objective of communication	-	17.2%	9.6%	57.9%	14.4%
Listen to employees emphatically	12.4%	11.5%	20.6%	39.7%	14.4%

Source: Own Survey, 2017

When the researcher assesses how effective the strategies adopted by management of the Bank to improve communication effectiveness by creating an environment of trust and confidence, 34% of respondents believe that its effectiveness, while 24.40% said extremely

effective. Others, 28.7%, 15%, and 0.5% of respondents said neither effective nor ineffective, somewhat ineffective, and very ineffective correspondingly.

Concerning the strategy clearing about the objective of communication, 72.24% of respondents responded as effective and extremely effective, where 17.22% and 9.57% somewhat ineffective and neither effective nor ineffective respectively. On the other side, the strategies listen to employees emphatically, 39.71% and 14.35% of employees approved its effectiveness and extremely effectiveness, where 20.57%, 12.44%, and 11.48% of respondents put their ideas as neither effective nor ineffective, somewhat ineffective, and very ineffective respectively.

Table 31: Factors Contribute to Effective Communication

Strategy	Very Ineffective	Somewhat Ineffective	Neither Effective Nor Ineffective	Effective	Extremely Effective
Assurance of feedback mechanism important in the message	0.5%	7.2%	7.2%	39.7%	45%
Precise information which do not spread rumors	6.7%	4.8%	15.8%	31.1%	40.7%
Clear and complete message	0.5%	-	10.5%	26.3%	62.2%

Source: Own Survey, 2017

62.20% and 26.3% of respondents believe that clear and complete message contribute to the effectiveness of internal communication, where 39.7% and 45% of respondents assurance of feedback mechanisms important in the message. Alternatively, 40.7% and 31.1% extremely agreed and agreed with the precise information which does not spread rumors.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary

A total of 297 employees were participated in this study from population of 810. The survey and interview were designed to gather about employees' perception and opinion on effectiveness of internal communication between managements and employees at Bunna International Bank S.C. The survey used 'Yes' and 'No' questions and a Likert-Type-Scale where they participants had to choose one which is situated to them. The survey totally consist fifty (50) questions.

5.2. Conclusions

Communication is very important in every aspect of our lives and the fact still remains that in order for any business whether entrepreneur, partnership or corporate to succeed employees have to communicate their ideas and concern.

The literature review addressed the importance of internal communication and it provided the researcher with important background information and the different styles, methods, forms, and process of communication.

From observation and knowledge acquired from literature review, in this thesis, the researcher examined the effectiveness of internal communication in Bunna International Bank S.C. To conduct this study, the researcher used mixed research approaches, that is, quantitative and qualitative. Moreover, to better define an opinion and attitude held by the participants the researcher adopted descriptive research design.

The researcher found that the outcome of the survey was the complete opposite to what was overheard. The results indicated that employees of Bunna International Bank S.C. were significantly more satisfied with their relationships with their supervisors with the key dimensions of communication climate, upward, downward, and horizontal communication, organizational perspective, personal feedback.

On the other hand, the way Bunna International Bank S.C. shares information with its employees can positively affect its financial performance. So, the initializations and

investments it takes in improving its employees' communication practices position the Bank to gain a significant advantage over its competitors. This study also reconfirmed that effective communication is a leading indicator of better performance.

To sum up with the Directors ideas with whom interview were made, they believe that Bunna International Bank S.C. can effectively communicate by enhancing the skill and awareness of its staffers on technology utilization improving its telephone structure, speed up Internet communication by subscribing more data communication options from ethio-telecom, and institutionalizing Management Information Systems (MIS).

5.3. Recommendations

- It is obvious that coordination, integration and communication are crucial elements of any striving organization, but common sense is not always common practice and even most organizational problems and challenges are related to a lack of one of these three. Even if the Bunna International Bank follows formal communication system, open and free flow of information, sharing of information between the Bank's work units is limited and it needs further effort to create coordination between the Bank's employees. This can be done by making part of each manager's responsible to build team spirit among employees (i.e. coordination), gives staff clear direction and optimizes the use of resources, through the process of attaining close and flawless coordination between several departments or groups (that is called integration), and the other and the main is through the interaction and flow of information between internal and stakeholders through various channels. Effective communication requires both technical resources and that staff understand the value of different types of interactions. That is, electronic communication and record keeping as it is important as face-to-face time in structured and unstructured meetings. To finalize, for communication to work well, roles and responsibilities about who has to communicate what, when and how, has to be clear.
- Effective communication is crucial for many aspects of the organization's proper functioning. Constant and ongoing evaluation of effective approaches and creating a communication practice plan for the organization's departments or units through collaboration with other members of the organization at all levels can aid in effective

communication practices. The supervisors can provide better communication practices by creating open-door policy, more face-to-face communication opportunities, use of different mediums or channels of communication, trust, conveying feedback, and opportunities for their subordinates (staff) to interact, contribute, and participate in the process for improvement and coming up with solutions.

- It is important for both management and employees to understand each other, listen, communicate, and maintain a positive and healthy relationship. Bunna International Bank S.C. can improve communication by providing opportunities for training programs and workshops for continuous improvement with the focus on effective communication and leadership skills. By providing more collaboration opportunities at all levels, Bunna International Bank S.C. can improve relationships that can help improve professional relationships. Thus, it needs to work more in introducing its Mission, Vision, Goals, Strategies and Policies to its existing and new employees. Besides, top management must be responsible for formulating the communication strategy with help from representatives from each and every units of the Bank.
- In addition, it is better for the Bank to disseminate important information about its news and events to employees using different mechanisms and medias, such as the Bank's Bulletin, magazines, newspapers, Notice Board, and so on to reduce informal communication or "grapevine".
- Today, employees are better educated and want to know more about the organization they work for (Argenti, 2009), thus internal communication is essential in every organization in order to create an effective and competent workplace. However, in order to develop effective internal communication at Bunna International Bank S.C., the researcher recommends that a communication strategy should be created where employees and supervisors are harmonized and the communication strategy should be integrated with the Bank's overall strategy where the aim is to direct employees in accomplishing the Bank's objectives and goals. Briefly, instead of treating separately integrate communication strategy into the Bank's strategy through building a strong messaging foundation that deliver clear messages, conveying the Bank's core values, capabilities and services in a way that is credible, differentiated and engaging, identifying how it can be leveraged across channels for maximum impact, and so on.

- According to Argenti, Howell, & Beck (2005) the strategy should ensure that all the employees hear the same and consistent messages, receive the same information and have the same understanding of what the company stands for. Therefore, effective internal communication must be based on clear and consistent messages distributed through internal communication channels.
- Cross-functional communities of practice are formed by employees from different work units who share similar professional, duties, and interests. In the process, they build relationships that lead to more trust and more open communication and collaboration. When employees have given permission to receive messages, and use different communication channels they are more likely to pay attention to those messages and engage in the conversation. On the other way, technology is one of the leading elements of change occurring in every organization. A study of the way we communicate in our workplaces compared to what previous generations experienced may help in understanding the role of technology in communication. Thus, considering and adopting such changes can help in developing appropriate communication strategy.
- The last but not the least, internal communication is an ongoing process, and it is the researcher's belief that having an effective internal communication strategy in place ensures that the formal two-way communication between supervisors and employees is clearly defined. In addition, a well implemented strategy can create a workplace with well informed employees who are all working towards the same goal.
- Finally, failure in internal communication will affect all performance of the Bank and gradually which results the Bank displace from the competitive advantages. Thus, it is a researcher's expectation that the Bank will deploy and work more on its internal communication to minimize and also close all the gaps which are related to its communications by adopting strategies that favorite both the Bank and employees. These strategies could be creating an environment of trust and confidence, making clear about communication objectives, reaching and listening to employees, and other productive strategies in the near future.

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APPENDIX

St. Mary's University
School of Graduate Studies
MBA, General

(Questionnaire to Be Filled by Employees)

Dear respondent:

This questionnaire is prepared to collect data for a research work on 'Internal Communication Assessment at Bunna International Bank S.C.' which is done as a partial fulfillment of the requirements for award of Master of Business Administration. The data will be only used for academics purpose. And the information you provide will be kept strictly confidential and unidentified. I am therefore, hopeful that you will provide me genuine information.

I would like to thank you for taking your precious time to fill the questionnaire.

Direction

- √ No need to write your name
- √ Kindly request you to answer by making [✓] mark in the boxes and in writing when ever appropriate.

Part One: Background of Respondents

1. *Sex* : Male Female
2. *Age* 18-25 26-35 36-45 46 and above
3. *Occupation* Managerial Clerical
 Non-Clerical
4. *Years of Service* Less than 1 year 2-3 year above 3 year

5. *Educational background*

- High school certificate or less
- Certificate
- Diploma
- BA degree
- MA and above

Part Two: Internal Communication

1. Does your Bank follow a formal communication system?

Yes No Do not know

2. Do you believe that open and honest communication is an important part of your job?

Yes No Do not know

3. Does your Bank clearly communicate its goals, vision, mission, strategies, and policies?

Yes No Do not know

4. Does your bank support two-way communication between supervisors and employees?

Yes No Do not know

5. Is upward communication usually welcomed like idea and suggestion?

Yes No Do not know

6. Is instructions and information communicated well through downward flow of communication?

Yes No Do not know

7. Is horizontal communication with other colleagues or employees flow healthy and freely?
 Yes No Do not know
8. Do you think the internal communication system in your Bank effective?
 Yes No Do not know
9. Do you think your supervisor clearly communicate her/his expectations regarding your job performance?
 Yes No Do not know
10. Does your supervisor provide positive and constructive feedback to improve your performance?
 Yes No Do not know
11. Does your supervisor keep you informed about important issue?
 Yes No Do not know
12. Does your Bank work to improve communications in all directions?
 Yes No Do not know

Employees' Perceptions (from 13-35)

S.N.	Perceptions	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
13	Effective communication improves employees' performance.					
14	Employees are more productive if they have been told exactly what is expected of them.					
15	Clear and constructive feedbacks are keys to better performance.					
16	Effective internal communication at all levels leads to better performance and job satisfaction.					
17	Effective internal communication helps to					

S.N.	Perceptions	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
	deal with problems and resolve them thereby resulting in better performance					
18	Effective internal communication provides awareness and better knowledge about work and work environment					
19	Most of the information I receive on a daily basis comes from my supervisor					
20	Most of the information I received on a daily basis is passed down through the “grapevine”.					
21	There are too many “gatekeepers’ in this Bank that hinder the flow of important information.					
22	The Bank encourages the sharing of information between work units.					
23	Most of the information passed down from top-management is detailed and accurate					
24.	Most of the information I receive from my co-workers is detailed and accurate.					
25	The directives that come from top-management are clear and consistent.					
26	I receive the information I need to perform my job in a timely manner.					
27	There is a clear internal communication system.					
28	Internal communication allows participating actively in the entire Bank’s function.					
29	Internal communication motivates and increase					

S.N.	Perceptions	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
	enthusiasm for meeting the Bank's goals.					
30	Conflicts can be handled appropriately through proper communication channels.					
31	Instructions and information related to my tasks are conveyed to me by my supervisors in a timely manner.					
32	My superiors encourage me to convey them information, opinions, and problems					
33	Interdepartmental communications within the Bank are good.					
34	Interpersonal communications within the Bank are good.					
35	There are staff meetings which are informative and sufficient in number.					
36	In order to share ideas or information with top-management I must go through my manager.					
37	In most departments and work units, there tend to be one or two people that hoard important information.					
38	Top-managements often seem hesitant to communicate news about the Bank to lower level employees.					
39	In this Bank there appear to be groups of individuals who control the flow of important information.					
40	There are 'gatekeepers' in this Bank that hinder					

S.N.	Perceptions	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
	the flow of important information.					
41	The Bank committed to keep the channels of communication 'open'.					

NB: SD=1, D=2, N=3, SA=4, A=5

Employees' Opinions (from 42-44)

S.N.	Opinion	Frequently	Always	Sometimes	Seldom	Never	Not Applicable
42	I get most of my information about the Bank's news and events through my supervisor.						
43	I get most of day-to-day information regarding my job is via my supervisor.						
44	I get most of my information about the Bank's news and events through my colleagues.						

45. How frequently you use the following methods of communication on a daily basis?

Methods	Very Often	Always	Sometimes	Seldom	Never
Face-to-face interaction					
Electronic communication					
Written communication					
Telephone calls					

46. How important the following methods of communication are in helping you effectively do your job?

Methods	Critical	Important	Somewhat important	Slightly important	Not important
Face-to-face interaction					
Electronic communication					
Written communication					
Telephone calls					

47. How effective the following methods are for communicating information you need on a daily basis to do your job?

Methods	Extremely effective	Effective	Neither effective nor ineffective	Somewhat ineffective	Very ineffective
Face-to-face interaction					
Electronic communication					
Written communication					
Telephone calls					

48. How effective the strategies adopted by management of the bank to improve communication effectiveness?

Strategies adopted	Extremely effective	Effective	Neither effective nor ineffective	Somewhat ineffective	Very ineffective
Create an environment of trust and confidence					
Clear about the objective of communication					
Listen to employees					

emphatically					
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49. How effective the following factors contribute to the effectiveness of internal communication?

Factors	Extremely effective	Effective	Neither effective nor ineffective	Somewhat ineffective	Very ineffective
Clear and complete message					
Assurance of feedback mechanisms incorporated in the message					
Precise information which do not spread rumors					

50. Opinions of employees about internal communication system in the Bank?

Description	Yes	No
Opportunities to express ideas, views to upper management		
Free flowing and open communication		
Due to effective internal communication system there is a solidarity among employees		
Receiving the necessary information for effective performance of job		

Thank you again!

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MBA, General

(Interview Questions for Directors)

1. Are there some forms of communication methods that employees are not aware of?
2. Are there some forms of communication that employees cannot access?
3. Are some methods of communication used more frequently by some employee groups than others?
4. What are the most effective Forms of communication?
5. Are some methods of communication considered more effective by some employee groups than others?
6. What are some of the drawbacks associated with current forms of communication?
7. I would appreciate your thoughts on how Bunna International Bank S.C. can most effectively communicate its internal information.

Thank you!

DECLARATION

I, Serkalem Ashenafi hereby declare that "An Assessment of Effectiveness of Workplace Internal Communication between Managements and Employees: The case of Bunna International Bank S.C." is my own work, that it has not been submitted for any degree or examination at any other institution of higher learning in Ethiopia, and that all references have, to the best of my knowledge, been correctly reported. This study is being submitted for the partial fulfillment of maser degree in Business Administration at St. Mary's University Graduate Studies.

Full Name: Serkalem Ashenafi

Signature: _____

Date: _____

ENDORSEMENT

This Thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a University Advisor..

Advisor: _____

Signature: _____

Date: _____