

Umeschandra College

B.com. Semester II

Sub: Business Communication

Chapter: Types of Communication – Part I

⇒ Short Answer Type Questions (2 marks each)

**What are the different types of communication?**

The different types of communication are formal communication and informal communication. Formal communication consists of downward communication, upward communication, horizontal communication, written communication, oral or verbal communication, gestural communication etc.

**What is internal communication? [C.U. B.Com.'09]**

Internal communication is a process of communication which is operated within any organisation. Internal communication may be formal or informal. Circulars, orders, memos, instructions of an organisation are sent through internal communication to its employees. It implies the exchange of information and ideas within

the organisation. Inter-com or company intranet are used for such communication.

### **What is corporate communication?**

Corporate communication is the process of exchanging information and feeling of the management and employees in any corporate organisation.

### **What are the objectives of corporate communication?**

The objectives of corporate communication are establishment of co-ordination, increase in the efficiency and effectiveness, correct decision-making, maintenance of peace and discipline, motivation of employees and effective functioning of organisational activities.

### **What are the media of corporate communication?**

Different types of media of corporate communication are conferences, news bulletins, booklets, departmental meetings, journals, telephones, websites, internet, videotape, reports, memos, e-mails etc.

### **State the importance of corporate communication.**

Corporate communication is very important for effective management, balancing efficiency and effectiveness, continuous flow of communication, crisis resolution, internal and external communication facilities.

**Define formal communication. [WBSU B.Com '10; C.U. B.Com. '06]**

Formal communication refers to the flow of information in the formal organisational structure. It follows the chain of command of the formal organisation.

**State two advantages of formal communication? [C.U. B.Com. '08 ]**

Two important advantages of formal communication are (i) systematic communication process which ensures flow of information between different levels of the organisation; and (ii) better co-ordination and control maintaining authority relationship.

**State the disadvantages / limitations of formal communication.**

The disadvantages / limitations of formal communication are (i) It is a slow and rigid communication process; (ii) Lack of initiative of the subordinates is experienced in such communication system; (iii) It cannot be applied in case of emergency; (iv) There is the possibility of distortion of facts and figures when messages pass from one level of management to another.

**What is informal combination? [C.U. B.Com.'07]**

Informal communication is the process of communication where information flows in an uninstructed way to satisfy the personal needs of the employees within an organisation. It is also known as grapevine communication.

**What is downward communication?**

Downward communication is a system of communication where information flows from the upper superior to subordinates. It takes the form of instructions, directions, policies, rules etc.

**Define upward communication.**

Upward communication is the process of communication where information flows from down to upward, i.e. from the subordinates to superior levels. The subordinates convey their actions, attitudes and opinions about varied subjects to their superiors.

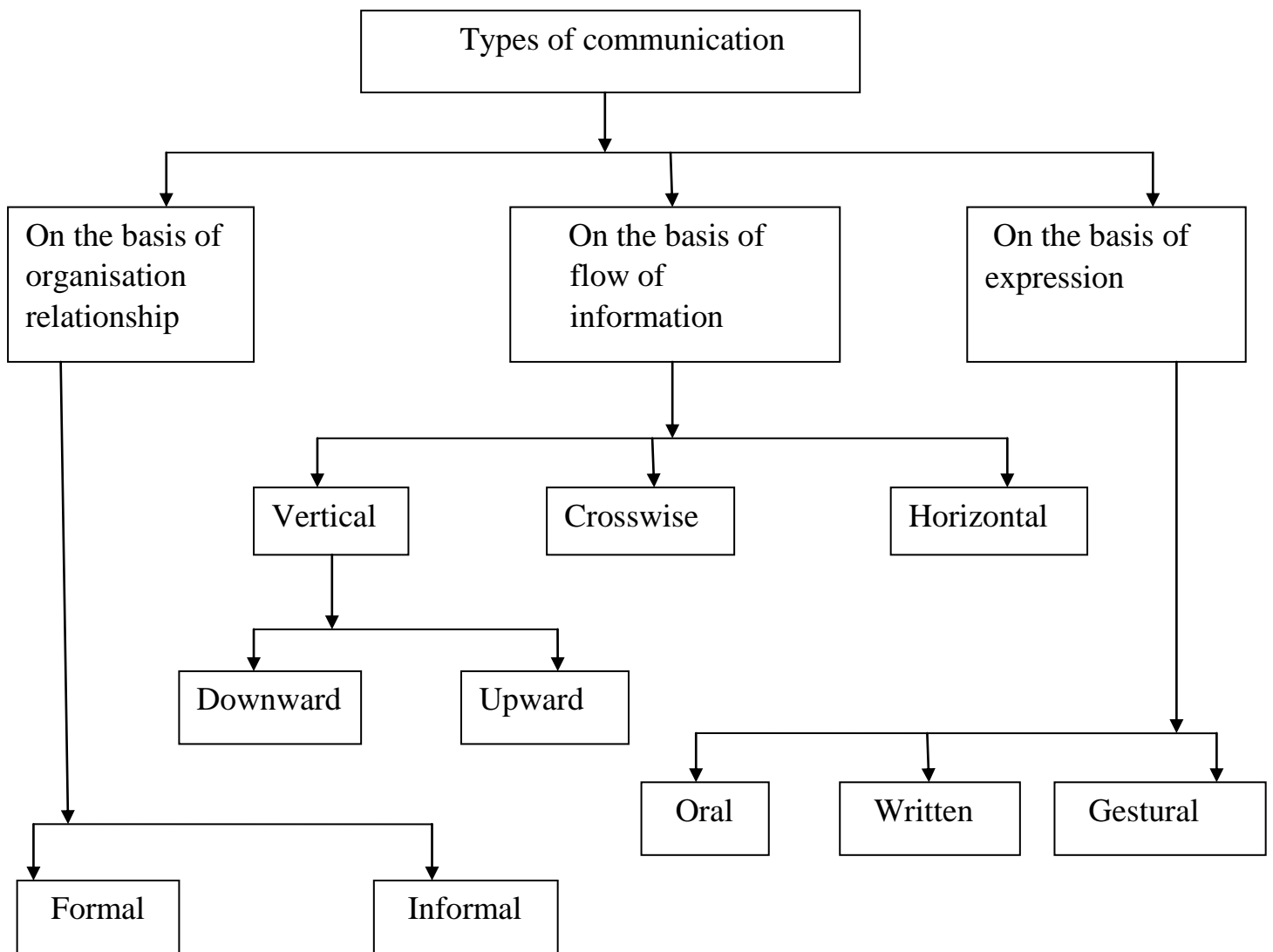
**What do you mean by horizontal communication. or, What is Lateral communication? [C.U. B.Com. '06, '08]**

Horizontal or lateral communication is the process of communication by which communication travels among levels and functions occupying the same vertical levels in the hierarchy. It involves interchange of ideas and information between personnel of equal rank or status.

⇒ Long Answer Type Questions (10 marks each)

**Q1. Discuss briefly different types of communication.**

Proper communication is a key to smooth management of an organisation. Communication can be divided into different categories and subcategories:



### *Types of Communication*

#### 1. On the basis of organisational relationship:

**A. Formal communication** : Formal communication relates to the flow of information in the formal organisational structure. Formal communication follows the chain of command of the formal organisation. In formal communication, the path of transmission is prescribed,

designated and official sanction is provided. It is planned and established by management. It involves the transmission of official message or information in the formal organisation structure. This may include executive orders, decisions, instructions, technical information for decision making purposes, of policies and rules as set forth in company manuals. To succeed, organisations share information with people both inside and outside the enterprise; Formal communication is made in a planned way among insiders in the form of letters, reports, memos, e-mail that follow the company's chain of command. Planned communications with the outsiders are also made in the form of letters, reports, memos, speeches, websites and news release. Such communication is generally sent in writing. Virtually, it refers to the downward, upward and horizontal communications. In an organisation, superior-subordinate relationship is established. The superior manager commands his subordinates and the subordinates submit reports of their performances to the superior through formal channels. It indicates authority relationships involved. It signifies the way for enforcing relationship between different managers in different positions.

**B. Informal communication :** Informal communication takes the form of gossip. It goes underground and turns secretive. Informal communication may be internal and external. Internal informal communication is the casual communication among the employees in the form of e-mail, face to face conversations and phone calls which do not follow the chain of command of the organisation. External informal communication is a casual communication with suppliers, customers, investors and other outsiders in the form of face to face conversations, e-mail and phone calls. They become more dysfunctional. Such communication has grapevine characteristics.

Informal communication, commonly referred to as grapevine, is used by wise managers to supplement formal communication. The grapevine can be effective, accurate and helpful in managing people.

2. On the basis of flow of information :

**A. Vertical communication:**

- (I) **Upward communication** : In such communication system, communication flows from down to upward, i.e., from subordinate to superior levels. This communication takes place either in the nature of feedback or in the nature of original thoughts and suggestions at the initiative of the lower levels. In such communication system, the communications are invited from the lower levels via the feedback loop and the lower level acts as the sender and the upper level receives the messages. In this type of communication the subordinates convey their actions, attitudes and opinions about varied subjects of vital concern to their superiors. Upward communication is often communicated for decision making. Subordinates pass information about progress and problems to superiors so that the superiors can decide what to do and when to do.
  
- (II) **Downward communication** : In such communication system, communication flows from up to downward, i.e. from the superior to

subordinate levels. Generally, this type of communication is applied in the form of directions, interpretations and clarifications. In this process of communication, policies and decisions taken by higher authorities travel down the scalar chain till they are implemented. In such communication system, the upper level acts as sender and the lower level acts as receiver of the messages. This type of downward communication is often related to directing and controlling performance. Superiors assign tasks, instruct and evaluate subordinates. Superiors also provide information about rules, policies, directives and other matters. Sometimes message is lost or distorted in the way of its transmission to the downward level.

**B. Crosswise communication** : Crosswise or diagonal communication has the horizontal flow of information with the people of different levels who have no direct reporting relationship. This type of communication is used to speed information flow, to improve understanding and to coordinate efforts for the achievement of organisational objectives. Such communication cuts across the functions and levels in the organisation. This type of communication also occurs when individual members of different departments are grouped into task teams or project organisation.

**C. Horizontal communication** : Horizontal or Lateral communication is the process of communication by which communication travels among peers or same levels and functions occupying the same vertical levels in the hierarchy. Such communications are quite common between the line and the staff functions. It provides free and frequent communications between the same levels in different



disciplines and departments. It involves interchange of ideas and information between personnel of the same rank or equal status.

### 3. On the basis of expression

**A. Oral :** Oral communication is the process of communication which is sent by the sender through the words of mouth. It takes the form of speech and listening. It consists of words arranged in meaningful patterns. Such communication takes place across the table through discussions, telephones and in meetings and conferences. Oral communication carries a variety of social and work related news and tends to be rather accurate and faster than most formal communication.

**B. Written :** Written communication means the communication in written form. The messages are first written by the sender and then sent to the receiver. Written communication takes the form of letters, notes, notices, circulars, bulletins, telegrams, telexes, manuals etc. It is the formal way of communication. If it is well thought-out and carefully drafted, it creates no problem of interpretation and confusion. Written form of communication is indispensable when orders, policy matters, rules and regulations, instructions and directives are required to be transmitted.

**C. Gestural :** Implied or silent or gestural communication arises from nodding of head, twinkling of eyes, movement of hands, facial expression etc. Sometimes a handshake conveys easy what so many words cannot do.

## **Q2. Discuss the features of corporate communication.**

**1. Formal communication system :** Corporate communication is formal in nature. Any corporate organisation transmit messages, information, ideas, instructions within and outside the organisation.

**2. Verbal and written communication :** Corporate communication may be verbal and Written Internal communication is made verbally either through face to face or telephone. Written communications are made for instructions, orders etc. Communication with the branches, government, customers, creditors are made through written documents.

**3. External and internal communication :** Corporate communication is made through external and internal communication. The external communication links the organisation with the outside world. The internal communication carries information up, down and across the organisation.

**4. Mutual trust and understanding :** Corporate communication is based on mutual trust, confidence and mutual understanding. Better inter-personal relationship is established through mutual trust and understanding.

**5. Informal or grapevine communication :** Informal communication crops up in the corporate communication along with the formal communication. Group relationship is formed among the employees of the corporate organisation to achieve the goals of the organisation.

**6. Media or channels of communication** : Corporate communication is made by using different media or channels. Generally, the following media of communication are used telephone, fax, telegram, video-conferencing, news bulletins, journals, newspapers, booklets, notice, circulars, e-mail, internet etc. It follows oral and written mode of communication, one-way and two-way system of communication.

**7.Upward and down ward communication** : Corporate communication follows upward and downward system of communication. It follows continuous flow of information from the upper level to lower level of the organisation. Sometimes, information flows from down to upward levels of management.

**8. Combination of 7C's and 4S 's** : Corporate communication is the combination of 7C 's and 4S 's. The seven C's are credibility, courtesy, clarity, correctness, consistency, concreteness and conciseness. The 4S's are -shortness, simplicity, strength and sincerity.

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**9 Feedback** : Corporate communication has the policy of feedback of the information or messages transmitted by upper level of management to the lower level of management. Here, the sender of the message gets the opportunity to know whether the message has been received by the receiver in the same sense in which it was sent through the feedback of the communication.

**10 . Continuous process** : Corporate communication is a continuous process of sending information or message, direction, instruction and their inter-exchange within the organisation. It supplies information for decision-making to all departments in the enterprise.

### **Q3. Discuss the importance of corporate communication**

Corporate communication makes an enterprise dynamic and speedier to fulfil the objectives of the enterprise through co-ordination and control. It ensures sending of messages, orders, instructions, directions Within any particular enterprise .

Achieving success in today's organisation is closely tied to the ability of the employees and managers to communicate effectively with each other and With people outside the organisation. In any organisation, communication is the process of sending and receiving messages. With good communication Skill, the organisation can anticipate problems, make decisions, co-ordinate workflow, supervise others, develop relationships and promote products and services. The organisation can shape the impressions through effective communication. Stephanie Armour states, "Without effective communication, people misunderstand each other and misinterpret information.. "

If Communication is handled improperly, a crisis may arise which can destroy a company's reputation, drain its financial strength, erode employees morale and result in negative publicity.

The companies use external and internal communications. The internal communication carries information up, down and across the organisation. It relates to the exchange of information and ideas within the organisation. In an organisation information is generally exchanged internally by phones, email, fax, inter-office memos or company internet. Free communication among the members of the organisation ensures effective functioning. Internal communication of the organisation, helps the employees to do their jobs, to develop a clear sense of the organisation's mission and to identify and react quickly to potential problems. To maintain a healthy flow of information, within the organisation, formal and informal channels of communications are used. Every employee informally accumulates facts and impressions that contribute to the organisation's collective understanding of the outside world.

The external communication links the organisation with the outside world of customers, Suppliers, competitors and investors. Companies use external communication to create a favourable impression. External communication is made by letters, website, phone, fax, internet, video-tape, reports, memos, oral representations etc. Companies constantly exchange messages with customers, Vendors, distributors, competitors, investors, journalists, community representatives and government to extend coordination and establish good relationship.

Technologies, such as, Internet, e-mail, voice mail and faxes allow people from all parts Of the world to work together seamlessly by sending bits and bytes rocketing around the globe. Global collaboration enables enterprises to manufacture their products, run their operations and deliver their services better, faster and cheaper.

The Internet is so easy to navigate that enterprises are using it to make closer connections with organisations and customers all over the planet. Internet has penetrated virtually every corner of the workplace. It is changing the way customers, suppliers, companies and other stakeholder's interacting. With the help of this, companies operate internally by allowing speedy, convenient exchanges of ideas and information anytime, anywhere, across thousands of miles or across the street.

The importance of corporate communication may be summarised as follows :

- 1. Effective management** : It ensures effective management by facilitating managerial activities.
- 2. Balance efficiency and effectiveness** : It helps to balance efficiency and effectiveness of the managers and employees.
- 3. Continuous flow of information** : It provides continuous flow of information to different levels of the corporate organisation.
- 4. Resolution of crisis** : It helps in crisis resolution.
- 5. Facilitating communication** : It facilitates internal and external communication.
- 6. Attainment of success** : It brings success to the organisation through establishment of coordinated workflow and inter-personal relationships.

**7.Utilisation of new communication technologies** : It has a wide scope of the utilisation of new communication technologies such as, internet, e-mail, fax, video-conferencing, voice mail etc.

**8.Corporate decision-making** : It helps in corporate decision-making by supplying accurate information or messages necessary for making decisions at the opportune moment.

#### **Q4.Discuss the advantage and disadvantage of formal communication**

Formal communication refers to the flow of information in the formal organisation structure. It follows the chain of command of the formal organisation. Advantages and disadvantages are as follows

##### Advantages

**1.Fixation of responsibility of managers:** It helps to fix responsibility of each manager at all levels in respect of transmitting and receiving orders, instructions etc in proper time and place.

**2.Systematic communication:** It develops a particular system or order for communication. Communication is made in a systematic way.

**3.Maintenance of authority relationship** It helps to maintain authority relationship in organisation . Organisational hierarchy is followed in the process of communication.

**4. Minimum distortion of message :** Since the messages are communicated through proper channel, the chance of missing or destruction of the message is minimum.

**5. Wide use:** It is formal and written type of communication, so it can be used widely to transmit messages to all levels of management.

**6.Reliability :** Formal communication is more reliable and dependable than any other form of communication.

**7.Better coordination and control :** It ensures better coordination and control in enterprise . Unwanted flow of information is restricted in such communication system . It ensures better monitoring over the organisational activities.

**8. Effective means :** Formal communication is most effective in bridging the gap in the process of communication It can reach different parts of organisational structure through proper channel.

Disadvantages

**1. Slow and rigid communication :** Search communication tends to be slow and rigid. It creates gap between the top executives and subordinates at the lower level.



**2. Lack of initiative of the subordinates :** As it is not personal in nature there is lack of initiative of the subordinates.

**3. Not applicable in emergency :** When emergency rises It cannot be applied It hinders free flow of information .

**4.Possibility of distortion :** It is lost or distorted while passing from one level of management to another.

**5.Time consuming and expensive :** It is time consuming and expensive method of communication as the message travels different levels to reach the receiver.

**Q5. Discuss the advantage and disadvantage of downward communication.**

Downward communication is a system of communication where information flows from the upper superior to subordinates. It takes the form of instructions, directions, policies, rules etc. Its advantages and disadvantages are as follows.

Advantages

**1. Issue of direction :** Downward communication is useful in issuing outstanding specific direction and instruction to the bottom level of

subordinates by the top table of periods in respective job directives and job instruction.

**2.Explanation of job procedures :** It gives explanation of the organisation procedures and practices for the performance of specific job.

**3.Maintenance of hierarchy :** It maintains hierarchy in the process of communication. Scalar principle is followed to send information by the label to the bottom level.

**4. Continuous flow of information :** The flow of communication is continuous.

**5. Adoption of one way communication:** One way communication system is followed.

Disadvantages

**1. Distortion :** The information or message sent through downward communication loses its accuracy to some extent when the directions and instructions are not understood by the subordinates. When it loses its accuracy to a great extent it becomes distorted.

**2.Time lagging :** As such communication has to travel different levels it takes some time to reach the receiver . Some time lag is a disadvantage .

**3.Problem of under-communication and over-communication :** Search communication suffers from the problem of under-

communication and over-communication because of interference of the superior in different levels of the organisation.

**4. Resistance from subordinates :** As the communication system is authoritative in nature, the subordinates sometimes oppose to the direction and decisions of the Superior .

#### **Q6. State the advantages and disadvantages of upward communication**

Upward communication is the process of communication where information flows from down to up word that is from the subordinates to superior levels. The subordinates convey. Reaction and opinion about different subjects today superiors. Its advantages and disadvantages are as follows .

Advantages

**1. Feedback :** Upward communication is very useful to the management as it gives a required feedback of performance.

**2. Reflection of grievances :** The subordinates can express their grievances through such communication system.

**3. Provisions for Suggestions :** Search communication provides for positive suggestions and recommendations for the betterment of organisation .

**4. Creation of congenial atmosphere:** It Creates congenial atmosphere of expressing the views of the subordinates It ensures harmony among subordinates. We provide the opportunity of informal gatherings to give suggestions.

Disadvantages

**1. Passing of selective Information:** In some cases only selected information is passed by the subordinates to the superiors .

**2. Non acceptance by superiors :** Some unpleasant information may not be accepted by the top level management.

**3. Unwillingness of the subordinates :** Sometimes the subordinates hesitate to give their opinion against their superiors, so proper communication cannot be made.

**Q7. Discuss The advantages and disadvantages of horizontal or lateral Communication**

Horizontal or lateral communication is the process of communication by which communication travels among levels and functions

occupying the same vertical levels in the hierarchy . It involves interchange of ideas and information between personal of equal rank and status . Its advantages and disadvantages are as follows .

### Advantages

**1.Relief from routine work :** It helps to pool low level delegations thereby setting the senior levels free from too many routine references.

**2.Greater understanding :** It provides greater understanding teamwork and mutual trust among interdisciplinary and inter departmental functionaries.

**3.Overcoming departmental barriers :** It helps to overcome departmental barriers.

**4. Creation of friendly atmosphere :** It helps to create a friendly atmosphere in organisation.

**5.Quick feedback :** It helps to set to give feedback from different departments.

### Disadvantages

**1.Creation of gossiping atmosphere :** It creates an atmosphere of gossiping.

**2.Creating confusion** : Such communication comes without authoritative support. That's why it may create confusion.

**3.Lack of coordination** : It becomes ineffective. Because of lack of coordination.

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Ref. – E-Commerce and Business Communication by D L Dutta and Dr S K Debnath (Tee Dee Publication)

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