**What is Business Communication, and why is it important?**

Business communication is exchanging information between employees and those outside the organization. Employees and management interact with one another through effective communication to accomplish organizational goals. It aims to reduce errors and enhance organizational procedures. You must improve your communication abilities and processes to accomplish effective business communication**.**

* Prof. J. Haste stated that when communication occurs between two or more business people for effective organization and administration of business, it is considered business communication.
* According to W.H., business communication is exchanging business-related views, ideas, and news among the related parties.
* Ricks and Gow defined business communication as a system that affects change throughout the whole organization.

### Types of business communication

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| ternal Business Communication | Anything that is sent from a subordinate to a manager or someone higher up the organizational hierarchy is considered to be this form of business communication. |
| Lateral Business Communication | Communication among coworkers in the workplace is referred to as lateral communication. This could be interdepartmental communication or even departmental business. |
| External Business Communication | Any communication that deals with clients, potential clients, vendors, or partners is considered external communication. |

An organization uses various communication techniques, including face-to-face meetings, phone calls, text messages, and other conventional forms of writing. There are several forms of corporate communication to take into account, which might change your tone or substance.

* **Internal business communication**

Internal [business communication](https://www.onlinemanipal.com/blogs/mba-analytics-data-science-guide) refers to communication between members of an organization. Both formal and informal communication are included in this conversation. Internal communication also includes many departments that communicate with employees through various channels. Internal communication should be effective since it is an important means of viewing and representing organizational concerns.

Effective internal business communication can boost employee job satisfaction, productivity, and efficiency while minimizing grievances and boosting revenues.

* **Lateral business communication**

The importance of [business communication](https://www.onlinemanipal.com/blogs/bba-bcom-which-is-better-after-12) between co-workers, whether verbal or written, is referred to as lateral or horizontal communication. This can involve inter-departmental communication or communication across departments, as well as communication between persons of the same or similar status within a corporation. This communication is essential to accomplish intended objectives.

As a result, this communication occurs among personnel with equivalent hierarchy levels. Horizontal or lateral communication is essential for seeking cooperation and mutual support to achieve the functional effectiveness of distinct organizational units.

* **External business communication**

External business communication refers to interactions with people outside of the organization. These people can be clients, stockholders, suppliers, partners, regulatory organizations, etc. Email, ads, brochures, newsletters, content marketing, and other forms of external communication are common. External communication aims to facilitate communication among various organizations or entities.

## Roles of business communication

The effectiveness of corporate communications affects a company’s ability to succeed. Communication is considered the lifeblood of business because of this. Here’s how important effective communication is:

* **Top to bottom**

Top-to-bottom communication is an organizational communication approach in which information flows from senior management.

When major business choices are taken at the highest levels, businesses require an efficient method of communicating the decision throughout the organization. As a result, many firms adopt top-to-bottom communication to guarantee that information flows freely from senior management to IC-level personnel.

When done correctly, top-to-bottom communication can be incredibly effective. At its best, it may break down silos and give team members the confidence they need to succeed in the organization. At worst, it can hinder production and push staff to conform to an excessively hierarchical organization.

* **Peer to peer**

A lot of our daily work depends on having a good connection with our co-workers. Yes, having a good relationship with your boss is crucial, but some of us may go days without speaking to them.

Being able to successfully interact with our colleagues assists us in getting our duties done by answering questions, exchanging information, and providing feedback. Not to mention that excellent communication can increase workplace fun and vitality.

* **Bottom to top**

It is an organizational communication strategy in which information is disseminated throughout the corporation from lower-level managers and team members. While bottom-up communication is not as prevalent as top-down communication, it can be incredibly effective.

It not only allows employees to contribute to higher-level decision-making, but also allows them to give feedback and have confidence that it will be forwarded to senior management.

## Why is [business communication](https://www.onlinemanipal.com/blogs/mba-it-fintech-syllabus) important?

The following points demonstrate the importance of business communication in an organization –

* **Democratization**

Voices of otherwise minority populations are more equitably represented in organizations that contain democratic decision-making aspects. The strategy firms use in decision making is just as essential as the decision itself. Look for ways to enhance and foster a planning culture based on enterprise-wide information sharing and data-driven communication from top to bottom.

* **Boost motivation and morale**

Business communication is critical in enhancing employee efficiency. Different plans and policies, essential issues, organizational goals, and so on are described to employees through communication, which improves their knowledge and makes them more efficient in performing their responsibilities.

* **To build a better relationship**

Communication enables workers and management to express their thoughts and requirements. Healthy labor relations are critical to the success of any firm, and it helps sustain peace in this situation.

* **Job satisfaction**

Effective, fair and easy communication improves mutual connection and understanding between employees and management. This contributes to higher satisfaction levels among employees who work hard to attain their objectives.

* **Higher productivity**

Effective business communication boosts employee productivity by encouraging teamwork. It fosters an environment of trust and understanding among employers and employees. Cooperation with employees and understanding their wants and desires are required for effective communication.

Employees can complete their responsibilities more successfully and efficiently this way. Furthermore, excellent communication reduces the possibility of making mistakes during their task.

* **For efficient functioning of the business**

Managers’ operational efficiency improves as a result of effective communication. With fair communication, managers can accomplish many managerial activities, such as planning, directing, organizing, controlling, and so on. Furthermore, effective leadership can take place if communication is effective. A proper and smooth company communication system is required for qualitative leadership actions.

* **Helps in decision making**

Effective decisions necessitate current knowledge. Using good communication, managers can get information from various sources and use it to make sound decisions.

* **Proper planning**

# Organizations may develop excellent plans and policies through effective business communication. These strategies and policies must be based on accurate information. Managers must communicate policies and plans within the organization to implement or execute them on time. They can convey strategies and policies to internal and external stakeholders through effective communication.

* **Minimize conflicts**

Different business parties can exchange information more smoothly with excellent communication. As a result, there are fewer conflicts, debates, and disagreements between them.

You would like to read [top 10 blogs on management](https://www.onlinemanipal.com/blogs/2022-roundup-top-10-blogs-on-online-management-courses-you-should-read).

### 7 C’s of an effective communication

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| --- | --- |
| 1 | Completeness |
| 2 | Conciseness |
| 3 | Consideration |
| 4 | Clarity |
| 5 | Concreteness |
| 6 | Courtesy |
| 7 | Correctness |

Whatever field you operate in, you will need to interact professionally with others to close deals or work on projects. The seven C’s of effective communication assist you in increasing productivity and engagement by communicating messages that your audience can simply understand.

1. **Completeness**

It is necessary to communicate completely. The audience should receive all the information they require from it. The sender must take the receiver’s viewpoint into account and correctly relay the message. The following components are included in a thorough communication-

* An organization’s reputation is built and enhanced by complete communication.
* Additionally, they save money because no important data is lost, and if the transmission is successful, no additional expenses are needed.
* Complete communication always offers extra details as required. It removes all uncertainty from the receiver’s mind.
* The audience, readers, or message recipients can make better decisions because they have access to all necessary and pertinent information when there is complete communication.
* It persuades the audience.

1. **Conciseness**

Conciseness implies wordiness, i.e. communicating what you want to say in the fewest words possible while maintaining the other C’s of communication. Effective communication necessitates conciseness. Here’s how concise communication helps-

* It saves time while also saving money.
* It emphasizes the core message while avoiding the use of unnecessary words.
* Concise communication conveys a brief and important message to the audience in a minimum number of words.
* A brief message is more enticing and understandable to the listener.
* A brief message is not repeated.

1. **Consideration**

Consideration entails “putting oneself in the shoes of others.” Effective communication must include the audience’s opinions, background, mindset, education level, and so on. Make an effort to imagine your audience, their needs, emotions, and difficulties.

Make sure that the audience’s self-esteem and emotions are not jeopardized. Modify your message’s terms to meet the needs of the audience while keeping your it complete.

1. **Clarity**

When you are able to transmit your thoughts and opinions into the recipient’s mind, you know communication is effective. You don’t want the recipient to make assumptions or have a hazy understanding of what you’re expressing.

Only when they completely grasp your message will they be able to make the appropriate decision. It might occur when you employ plain and straightforward language to express your point to the recipient.

1. **Concreteness**

Concrete communication entails being specific and explicit rather than vague and generic. Concreteness boosts confidence. Simply delivering your message through statements and questions will not captivate your audience. It is important to back up your claims with appropriate facts, numbers, and statistics. Otherwise, your audience will not know whether your message is genuine or not.

1. **Courtesy**

Courtesy in a message indicates that the message should reflect the sender’s expression while also respecting the receiver. The sender should be honest, polite, prudent, contemplative, empathetic, and enthusiastic.

1. **Correctness**

Communication correctness implies that there are no grammatical errors in communication. Information correctness or factual accuracy is important in both verbal and nonverbal communication. You must choose the appropriate words at the right time while also ensuring that the information is reliable.

### Communication barriers

We jeopardize ourselves and others when we fail to communicate properly, regardless of the mode of communication: spoken, nonverbal, written, listening, or visual. Apart from physical and technological hurdles, there are a few communication barriers that every employee and management should seek to eliminate.

* **Cultural differences**

# Understanding cultural differences in communication is critical. You must think globally; remember that in Japan, one’s surname comes before their given name. There may also be regional differences within the organization’s limits, and failing to appreciate cultural differences could insult someone.

* **Inability to listen to others**

Active listening is a significant component of effective communication. You can’t engage with someone if you’re not listening to them because you’ll make assumptions about their needs based on your preconceptions rather than facts.

* L**ack of transparency and trust**

When there is a lack of transparency and trust, it is difficult to express anything. For example, if your employees believe you are withholding something, they will be worried, and some will speculate, making it more difficult for them to absorb any attempt you make to communicate with them.

* **Communication style**

Everyone has a unique style of communicating. Some people are quite straightforward, while others choose to be more oblique. Some employ specific facts, while others rely on broad strokes, and so on. Sometimes one individual is so entrenched in their communication style that they find it difficult to communicate with others who use a different style.

* **Conflicts in the workplace**

Conflict can arise for a variety of causes, and when it happens, it impedes efficient communication. What is crucial is that you strive to resolve the issue, not the nature of the conflict. When disagreement is not resolved, it escalates, and individuals begin to take sides, making effective communication even more difficult.

### Examples of effective business communication

People communicate with one another to share ideas, express feelings and opinions and solve issues. Errors arise when communication is not delivered or received as planned. You may improve your communication abilities by practicing both verbal and nonverbal communication.

* **Nonverbal communication**

Body language is another term for nonverbal communication. Nonverbal communication demonstrates to people that you are prepared to communicate effectively by maintaining eye contact, sitting attentively, and positioning your body to face the person speaking. Folding your arms across your chest, clenching your fists, and gazing downward indicate that you are distracted or uninterested, which might impede the conversation.

* **Be open-minded**

Maintain an open mind to facilitate efficient conversation. Avoid placing judgment on or criticizing communicated messages. You do not have to agree with the other person’s beliefs and opinions, but you must respect them.

* **Active listening**

Active listening allows you to gain a better grasp of the thoughts and feelings of another individual. To display this communication ability, concentrate your attention on the person speaking. Interrupting someone else’s speech might disrupt the flow of the conversation.

* **Compromise**

It is important to compromise while you’re communicating with someone. When an issue arises, both persons must work cooperatively to develop a list of prospective solutions as well as agreed-upon trade-offs.