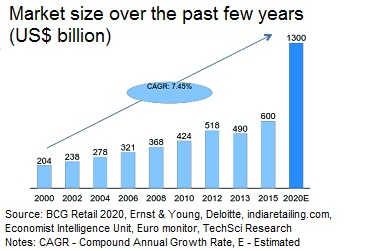
# Introduction

**Background**

As the Indian organizations are becoming progressively global and face challenges to compete in an increasingly dynamic environment, companies are stringently looking in for ways to gain an edge over their competitors and enhance their bottom line. The last two decades, have seen India open up its economy in a slow but steady fashion to private as well as foreign investment. The foreign investment is governed through the FDI policy which regulates industries open to foreign investment. Globalization and liberalization have immensely influenced the Indian economy and have gone a long way in making it a lucrative consumer market. The Indian retail industry is one of the fastest growing in the world. Retail industry in India is expected to grow to US$ 1.3 trillion by 2020, registering a Compound Annual Growth Rate (CAGR) of 16.7 per cent over 2015-20 (Fig. 1).



**Fig. 1: Market Size**

**RETAILING IN INDIA**

India is one of the biggest emerging markets, with a population of over a billion. It is one of the biggest economies on the planet regarding buying power. Retailing in India is at an early phase of its development. Inside a brief timeframe certain patterns are plainly emerging which are in accordance with the worldwide encounters. Organized retailing has turned out to be more prominent in enormous urban areas in India. A large portion of the metropolitan urban communities and other huge urban communities are overwhelmed with present day organized retail locations. Numerous semirural territories have likewise seen section of such organized retail outlets.

India is the fifth largest preferred retail destination globally. The country is among the highest in the world in terms of per capita retail store availability. India’s retail sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities. Healthy economic growth, changing demographic profile, increasing disposable incomes, urbanisation, changing consumer tastes and preferences are the other factors driving growth in the organised retail market in India.

Increasing participation from foreign and private players has given a boost to Indian retail industry. India’s price competitiveness attracts large retail players to use it as a sourcing base. Global retailers such as Walmart, GAP, Tesco and JC Penney are increasing their sourcing from India and are moving from third-party buying offices to establishing their own wholly-owned/wholly-managed sourcing and buying offices.

India's retail division is assessed to touch US$ 833 billion by 2013 and US$ 1.3 trillion by 2018, with a Compound Annual Growth Rate (CAGR) of 10%, which is very lucrative. Retailing in general contributes right around 10% of India's Gross Domestic Product (GDP), and utilizes just about 8% of India's employable population. The McKinsey's report 'The ascent of Indian Consumer Market', appraises that the Indian shopper market is probably going to grow four times by 2025 as depicted in TazynRahman (2012).

As an emerging market with high development rates, consumers' spending has risen pointedly as the young population, which is more than 33 % of the nation has seen a huge increment in its discretionary cashflow. Shopper spending has ascended to 75% in the previous four years. The organized area represents unimportant 5% demonstrating an enormous potential market opportunity and the obtaining energy of Indian urban consumers is likewise developing. Marked stock in classifications like array, beautifiers, shoes, watches, drinks, nourishment and adornments are gradually getting to be way of life items that are broadly acknowledged by the urban Indian consumers.

In the previous couple of years, retailing has developed as a standout amongst the most important parts of the Indian economy as far as its commitment to the Gross Domestic Product (GDP) and business creation. At present, numerous outside players are likewise watching the Indian retail field acutely. This has additionally expanded the opposition in the retailing part. In spite of the fact that a noteworthy lump of the Indian retail segment is accounted by the unorganized market, a gigantic development is seen in the organized retail segment.

The Indian retail division is profoundly divided, comprising overwhelmingly of little, autonomous, and proprietor oversaw shops. The residential organized retail industry is at an early stage. India has begun with organized chain retailing only a couple of years prior. There are simply not very many classifications, the most conspicuous being clothing, where organized retail chains have had a noteworthy nearness. Indian retailers have done especially subsequent to considering the different snags and deterrents like land costs, absence of prepared labour and so forth. Development of organized part of retailing will yield efficiencies in the inventory network, empowering better access to markets, to makers and to clients. The quality of organized retail lies in asset accessibility. It is converted into proficient store network administration, prompting quicker stock turnaround, bringing about enhanced main concerns.

Further, the study by Knight Frank; revealed that in 2014, the total retail spending in NCR was INR 899 bn. Most of the share was taken up by North and South Delhi retailers. It is also witnessed that total retail spending on modern retail was 67 percent in Gurgaon and 58 percent in Central Delhi. It is further projected that by the year 2019, modern retail in NCR will grow at a CAGR of 22 percent with an increase from INR 899 bn to INR 1,919 bn in 2019.

Modern retailers are facing challenges to attract, recruit and retain skilled employees. Players face stiff competition not just from the other retailers but also from other service industries due to a huge gap between the demand and supply for skilled employees. Steps have been initiated by few large retailers for creating a skilled pool of resources by forming an alliance with educational institutes and designing courses for retail sector.

Retail supervisors are faced with many different challenges, including having to deal with a problem employee who does not meet company expectations in attendance, attitude or work ethic. Problem employees have to be approached by their supervisors in a way that does not compound the issue, but provides an amicable solution and maintains the supervisor’s authority.

It is seen that over the past decade, communication at offices has been considered as one of the most important strategic function. A considerable amount of obstacles related to upward, downward, or horizontal flow is seen as the most significant reason for improper corporate functioning at all levels. Eventually, many corporate houses have understood that it is important to focus upon internal communications and that investing time and resources in employee would give them desired returns in all areas of their business.

Many a times, it is seen that, there are employees who work within their own microcosms and curtail to share and receive important corporate information. This scenario, it is seen that, has often lead to the stagnation and duplication of work resulting into mismanaged time and inefficiencies among the employees. A study by Hargie, Tourishand Wilson (2002); stated that poor organizational communication has resulted into reduced commitment from the employees further leading towards greater absenteeism, increased industrial unrest, higher employee turnover, and reducedproductivity.

The organizations have been using various modes and channels of communication Further with the development ofelectronic channels of information, however, it has become more important to understand theinternal communication system of an organization as a whole. A strong internal communicationsystem allows employees to realize their own contribution toward accomplishing the company’soverall mission. Keenan (2001), very rightly pointed out that when a company depends on a sales force as a major channel fordelivering its products and services to a wide range of consumers, effectively communicating thecompany’s overall mission and product development and marketing goals to its sales forcebecomes an even more vital function – thereby imposing the dual challenge of getting timely andaccurate sales and marketing information to the field and making sure the information getsabsorbed and used by field salespeople.

It is seen in sales employees, mostly in retail sector that they are the face of the corporate vision to the visitors. There are certain aspects, which they should primarily consider for better performance. First, sales employee must get past gatekeepers in the organization in order to reach the true decision-makers before the competition can reach them. Also, salespeople must strive to improve their chances of closing the deal by helping theorganization establish custom product specifications – first by understanding andidentifying the organization’s key needs and then by gaining a solid knowledge of theproducts and services within their own company that meet those needs. Most importantly,salespeople must drive home the sale by assuming the core responsibility of reinforcing thefeatures and benefits of their company’s products, services, and ultimately, the company’s brand to the customers. All of these tactics reinforce the need for comprehensible, currentcommunications from executives and leadership regarding the company’s vision, its products

and services and the selling strategies necessary to increase market share.

Organizational Communication in retail is so important as the way you communicate with your employees is directly reflected on your customers.Communication in big chains typically travels top-down. Management, the design team, or the head of marketing will decide on things like new sales campaigns, when new dress-codes will be implemented, or that from now on the company will only sell fair-trade goods. This information is then shared with each individual country, region, and store—mostly via email—landing on a store manager’s desktop computer. But since it's rare that every store employee is present at the same time, and because they're not sitting at a desk, the manager has no effective way to get information to his team directly. Instead it gets distributed via blackboard, between shifts, or through the grapevine. This causes delays and incorrect or incomplete information spreading like wildfire, or leaving the customer facing employees out of the loop completely.

In retail, seen more often, ill-trained and ill-informed staff, and also anunengaged employees, are nonetheless in direct contact with the customers. These people have a direct effect on the customer experience. In today's competitive market, one bad experience is all a customer needs to decide to go somewhere else.

It is seen that not so effective internal communication has a butterfly effect in retail. All it takes is for one detail to be miscommunicated and consequently stores around the world lose clients. This effect is even more harmful in large companies with great diversity and a global presence. Different languages, time-zones, and hierarchies make spreading information even more difficult and complicated. And with frontline employees spending most of their time on the sales floor, opportunities for training and briefings are rare, if not completely neglected. It is in this scenario that retail organizations nowadays are taking initiative to enhance their internal communication system.

As we know, that today in retail industry, Brand promises is a powerful thing. Slogans like “Think different” (apple), or “Save money. Live better” (Walmart); are what the customers recognizes.At the same time, the growth of online business, as well as growing skepticism towards brands in general, meaningful customer relationships are more important than ever. In today's competitive landscape, companies [need to keep their promise to ensure they retain trust](http://searchcrm.techtarget.com/tip/The-importance-of-keeping-a-brand-promise).

Tim Kaye, founder of internal communications consultancy PR+ International Communications, also believes that effective communication between head office and staff on the front line is critical because they have to deliver the brand promise that the retailer may communicate externally via its marketing communications.A loyal and happy customer base is key to any retailer’s success, and it relies heavily on keeping the brand promise. This can be achieved by engaging employees which ultimately prevent communication voids.

Communication is the basis of the relationship the customers have with the brand, as well as the relationship the organization have with their employees. New ways of communicating like smartphone, which allow the organization to reach the employee no matter where they are by communicating with them on a mobile channel that's widely accepted and used. It is also widely seen that 70% of employees today don’t work at a desk. In order to reach everybody, especially in such a dispersed business as retail, communication has to go digital. According to a [study by WorkJam](https://www.workjam.com/wp-content/uploads/2016/10/WorkJam_Retail-Manager-Study.pdf), 46 percent of retailers don’t have a direct channel of communication between their corporate office and front-line employees. Instead, they inform managers about new store processes, products and promotions, and information trickles down the lines of communication from there. In theory, it seems like this method would work. However, there are some major flaws in this top-down, multistep communication process.Indirect communication creates a substantial gap between executives in their offices at headquarters and associates on sales floors across the country — which can rack up serious costs. To start, employee disconnect can lead workers to feel less loyal to the company, therefore hurting employee morale, increasing turnover and damaging business profitability. On a broader scale, an intended message can get lost in translation when there are numerous degrees of separation between executives and front-line workers, leading to situations where associates in different stores receive very different messages.

Hourly associates represent the face of an organization’s brand and products. As a result, employees need to be well-trained on the core messages of the business, products, campaigns and promotions. However, when associates are disconnected from headquarters, and don’t receive direct, consistent information, they're prone to miscommunication and will often deliver inaccurate messaging to customers.

So, it is important for the corporate office to communicate more effectively with a large number of store associates. The retailers nowadays, promote consistent and direct communication to its associates so as to achieve maximum benefits from the business.

To address the issue, the use of technology should be there to ensure a consistent customer experience. Study conducted by WorkJam found that only 11 percent of retail organizations have a digital communication channel for front-line customer facing employees, and 36 percent of retail managers still rely on written notes to communicate with employees. Especially in the apparel industry, retailers must implement campaigns quickly and efficiently to keep up with seasonal trends.With digital workplace platforms, retail executives and store managers have the power to communicate to all, or specific groups of employees, simultaneously. By using instant two-way communication, retailers can curtail the noise barrier and ensure that their message’s intent isn’t distorted through layers of explanation and that valuable information from customer-facing employees can be heard.

Another, way to tackle the problem of miscommunication, is by ensuring consistent and unified training to the employees. Since many retail processes are ambiguous and up to interpretation, a training session could look completely different from store to store. To avoid getting wires crossed, executives should provide unified training modules that remain consistent across locations. Through a digital workplace platform, retailers can easily make available the latest training material, including the use of engaging multimedia. Store managers, regional managers and head office can also track completion of training to confirm that training was accomplished and that the information was learned.

It is seen that corporate messaging regarding the achievements of employees and their contributions to the company can drive their morale sky high. Communicating positive corporate messaging can also significantly improve company loyalty and reduce employee turnover. Surveys from companies listed on the [Best Workplaces in Retail list](http://fortune.com/2016/11/01/best-companies-retail-2016/) found that part-time employees who claim that their jobs carry special meaning are five times more likely to say they plan to stay with their employers for a long time. Pairing these stats from those from WorkJam’s study, which found that the majority of retail managers believe reducing turnover by as little as one associate per month could lift monthly revenues by at least 6 percent, it’s clear that engaging, direct corporate messaging can lead to increased profitability.

In an industry as expansive as retail, which employs more than 42 million workers in the U.S. alone, executives may find it challenging to keep their employees up to speed. However, with the right and effective organizational communication modes, everyone on a retailer’s team, from the CEO to cashiers, can stay connected to ensure the best possible customer experience. Executives and store owners can leverage the smooth communication flow to effortlessly streamline new processes, products and promotions consistently and quickly across the organization. (Joshua Ostrega is the chief operating officer and co-founder of *[WorkJam](https://www.workjam.com/" \t "_blank" \o "Opens in a new window)*. )

It is further seen that by selling the brand and vision internally, there’s an opportunity to create an empowered workplace that believes in the integrity of the organization. Not only will these employees work harder, sell better and feel good about coming to work, but they will also stay loyal during hard times, disruption and change.

Informed employees are always engaged. Employees need to know the messages being sent to the marketplace, to ensure that they are informed and aware of the business activities taking place. They also need to be included in the messaging so they too can believe in the brand.

Further to this integration of external and internal communication practices, seniors should regularly engage with front line employees in a deliberate and meaningful way. This means outside of the everyday opportunities, such as the morning meeting and any face-to-face contact management has.

Internal communications are an essential part of any successful organisation. Effective internal communications create an engaged and loyal workforce, who will sell your service and products better than any advertising campaign.

We are living in a time when communication systems are evolving rapidly which is essential for success and growth of an organization and is being perennially called upon to play a greater role in the quest for economic and political stability. Effective workplace performance is the key element in the success of an organization and the effectiveness of the workers employed will determine just how successful the organization will be. Effective communication between employees‟ and managers is crucial in that employees will need to know what is expected of them, managers will need to provide a clear job description for every employee which would make employees have immediate access to the necessary tools to complete each assignment given to them. Communication covers all activities that the management does to enhance workers performance. Despite the above numerous advantage of effective communication business all over the world today is very challenging. To stay profitable in the highly challenging and competitive global market economy, all factors of production, i.e. men, machine, method, market, money and materials, should be wisely managed. Among the factors of production, the human resource constitutes the biggest challenge because unlike other inputs, employee management demands skilful handling of thoughts, feelings and emotions to secure highest productivity. Organisational communication plays an important role in this challenge. Inability of a heads or Managers of any organization to coordinate a perfect and smooth flow of communication interaction among employee and outside business environment may likely create and facilitate low productivity with high degree of workers boring and disarray. However, people understand and interpret messages differently. In communication, there are many unwanted interference that can distort a message and remain always a potential threat to effective communication, because it can interfere with the accuracy of a message being communicated (Koontz 2001).

Retailers normally take the long view, always working several seasons ahead of the curve. At the National Retail Foundation (NRF), this year, [Eric Feinberg of ForeSee highlighted that](http://www.foresee.com/retails-future-customer-experience-employee-engagement-converge/) the convergence of customer experience and employee engagement is intrinsically related to each other. Feinberg shared data that “validates the causal relationship between retail store employee engagement and customer satisfaction.” Employee engagement, he claims, is the critical link to a better customer experience. The main factors that influence retail employee engagement are receiving recognition from supervisors, and receiving up-to-date and regular communication from company leadership. And not surprisingly, one of the three main elements that impact customer satisfaction is the service they receive from store employees.

Satisfaction of the employees is especially significant for the service companies. Lawler (1973), stated that in retail sector, the client is directly dependent on direct contact with the employees and therefore building job satisfaction of the employees can contribute to success of organisations to a great extent.

Nakra (2006) pointed out that there was a time when technology created the competitive advantage for organizations, but now due to the ease of access, technology is having an equalizing effect and it is on to the employees to secure and maintain the competitive advantage. This by and large places the accountability on the factors that drives the employees’ performance in the organization. Nakra (2006) further stressed that organizations and their communication personnel have realized that effective communication relates directly to the employees' ability, motivation, and commitment on the job.

Orpen (1997) opined that communication is important for the success of an organization and have shown that quality of communication in organizations is associated with employees' job satisfaction. Communication satisfaction is studied in the workplace because employers want employees to be effective and efficient communicators for their organization so they can perform their job. Also, communication satisfaction should be studied because employees should ideally be satisfied while working. Ultimately, better communicators create a more optimal workplace. Gumus (2007) opined that internal communication is central to organizations because it helps create shared meaning, norms and culture of organization.

Although numerous researchers have reviewed the important role of organizational communication in the working environment, there is a paucity of the research in the retail industry. Mount and Back (1999) pointed out that due to the unique aspects of labor in the retail industry being customer centric, the effect of organizational communication on overall employee behavior may be substantial.

Chen et al. (2006) opined that studies are lacking in examining the employee satisfaction with that of communication process. The need therefore is to explore the relationship between communication satisfaction and workers’ performance. Today, however, more and more workers find out that an important aspect of their work is communication which is the mutual exchange of understanding, originating with the receiver that leads to effective and efficient work performance in an organization. The basic functions of management (Planning, Organizing, Staffing, Directing and Controlling) cannot be performed well without effective communication. Different units exist in an organization and it is through communication that interaction takes place for the attainment of organizational goals.

On the other hand, workers’ performance is regarded as how well an employee is able to conduct his/her duties in the organization. According to Bass (1985), employees choose to perform tasks based on what managers identifies for them or what is best suitable depending upon the organization roles and objectives. This relationship results in the employees’ basic agreement with the norms to which they are required to perform. Thus, the flow of communication can create identification with workers internalizing desirable values, as regarding an organization’s goals and objectives. However, better performance can be achieved only when there is a reasonable level of expectation-fit and when the social exchange between managers and employees is fair and equal (Wang, 2005).

It is also evident that it may always not be viable to link directly the performance of the employees with that of the communication satisfaction in the organization. Other factors like job satisfaction also play a dominant role in the workers performance. It is since early 20th century that the researchers’ interest in the subject of job satisfaction had begun, and since then it is one of the most investigated topics in Organizational Psychology (Bailey 2002; Higgins 2004; Shekleton 2004).

As the study aims to focus on the retail customer facing employees, it is critical to understand that the employees provide both sources of revenue as well as an important point of interface with customers. Thus, it is all the more important for organizations to manage their work force in the most effective manner possible. It is not only one-sided that the retail customer facing employees manage a fruitful interface with the customers but also encourage the customers to prolong their relationship with the organization. As the ambassadors of the organization, a long-term relationship with the customers cannot materialize without the active and continued involvement of personnel in relationship maintenance. It is therefore quite important to focus on the propensity of employees to quit organizations for various reasons and also to understand the various parameters that keeps them satisfied with their jobs enhancing their performance.

Creating a positive employee experience is one of the most important parts of your job. Qualified, successful customer service representatives can be hard to find, and once you have them, you do everything in your power to keep them—not just to avoid turnover costs, but because you recognize that happy and engaged service reps increase customer satisfaction.

# Origin of the research problem

The organized retail area is developing at a quicker pace. Organized retail segment in India is at the early stage and has gigantic potential as for every one of the sorts of organizations. The opposition in the organized retail part is expanding step by step. To keep up the opposition, retail marketers discover different ways and strategies to get by in the present ferocious rivalry. Improving the adequacy of retail association is conceivable with a separating factor. Store brands give an edge to make a great effect on purchasers. Each retailer today needs to benefit from its item advertising. Store mark is a vital instrument which each retailer in the organized part underwrites. In the retail focused or world, store mark is rising as another business idea and is picking up force. A considerable lot of the vast retailers have an extensive variety of store brands, independent of the item classification that they bargain in retail marketers. Presently a-days they are dealing with their restrictive brands with a similar mix of care and advancement as makers of national brands. Right now, retailers have been freeing themselves from the customary meaning of store mark marketing as poor contrasted with the national brand purchaser merchandise and along these lines opening up huge open doors for store brands marking. These open doors require appropriation of various arrangements of marketing and marking practices to help and push the retailers' business and marketing thoughts for store brands.

Communication in the working environment, otherwise called hierarchical communication, has existed from antiquated circumstances and is most likely more important in present day, complex associations. Various changes have occurred during the time spent communication generally in view of innovation. The way workers impart today contrasted with the way representatives conveyed over the most recent quite a few years have likewise changed. We have made considerable progress from the seasons of industrialization, sequential construction systems, long haul business, cross useful work groups, early years of Internet and electronic mail to the momentum time affected by globalization, fear based oppression, environmental change, and evolving socioeconomics.

As associations get more perplexing in structure and in the way they work, it winds up noticeably important to reconsider the way hierarchical communication jumps out at guarantee that they work viably. Regardless of whether it is trading errand related data or social data; we have to speak with others in the association. Appropriate communication enhances work, meet the objectives, and keep up relationships in associations. Communication assumes a key part in the working of any association, regardless of whether it is for business, charitable, instructive, or government associations.

Research on communication in the working environment has regularly centered on relational relationships that incorporate the way toward framing and looking after relationships. When contemplating the substance of communication, it is frequently the case that the communication about the procedure and job needing to be done, communication about the arrangement and direction, and communication managing human and levelheaded variables are altogether considered as discrete classifications. Since each of the classes stresses distinctive components of association, diverse methodologies and style of communication might be suitable.

Research on communication inside the working environment can be followed to the mid 1900's and has delivered a greatly extensive and differing collection of work. This examination has prompted the improvement of different speculations, applications, and research openings. Authoritative specialists regularly look to find the unpredictable etiologies of communication fulfillment since conveying can possibly influence all features of an association from cooperation to productivity. Communication fulfillment among workers and supervisors depends on the method of communication, and also the quality and consistency of communication trade. In addition to the fact that it is important for supervisors and workers to comprehend the significance of communication, yet additionally to build up a key comprehension of techniques that encourage quality communication, which impacts the accomplishment of any association.

Viable communication influences a wide assortment of parts in an association and can help in making more prominent progress for the association. Powerful inside communication can help make a solid environment of inspiration, confide in, engagement, and sharing of musings and thoughts uninhibitedly. Absence of compelling communication may cause miscommunication and antagonistically influence the smooth working of the association.

The early models of communication focused on one-way stream and concentrated on the sender and not the collector. One of the outstanding models of this write is the S-M-C-R Model, which is an exceptionally essential model of communication that for the most part features the trading of information and concentrates on the sender. Throughout the years, many methodologies and procedures appeared that featured different ways communication and administration ought to happen in light of how associations should work for most extreme adequacy. The different methodologies and procedures utilized for authoritative communications incorporate established, human relations, HR, frameworks and social methodologies. Today at least one elements of each of these methodologies are noticeable in various kinds of association.

Communication in associations happen at three essential levels, relational level (between supervisor-subordinate), between gatherings (collaborators), and at an authoritative level (inside the association and with outside partners and customers).Communication in associations happens in three noteworthy structures, verbal, non-verbal and composed. It might happen from top-down, bottom up, or on a level plane and between people, inside or between gatherings, or at an authoritative 16 level. The descending communication includes supervisor to subordinate communication, upward communication includes communication from subordinate to supervisor, and flat communication includes communication with individuals (colleagues) at a similar level. Communication among various offices is eluded as cross-channel communication.

Communication channels within retail industry are typically hierarchical. Information necessary for conducting business is passed from top level management, and filtered down through each succeeding level of the organization before reaching front-line employees. Information flow can easily be broken or changed while passing through the successive communication channels of the organization. When such breakdowns occur, front-line employees may have limited or inaccurate information. The quality of information received is influenced by the supervisor, the type of media used to transfer the information, and the type of information the supervisor deemed useful to share (Farrell, 1965).

Although numerous researchers have reviewed the important role of communication satisfaction in the organizational behavior, but there is a paucity of the communication research in the retail industry especially in the Delhi-NCR. The above literature showed that there is an importance of organizational communication in sectors like banks, hospitals and manufacturing units. The importance of the variable was not mentioned in the retail sector. Further, although the relationship between job satisfaction with that of employee turnover and job performance were studied in various sectors, there is a paucity of research in the field of retail sector. Moreover, the above mentioned studies on job satisfaction included communication aspects but a direct link between communication satisfaction and performance was not found. Therefore, the present study intends to examine the relationship between communication satisfaction and job performance of customer facing retail employees in Delhi-NCR.

# Research Objectives

The primary objective is to measure the effect of Organizational communication on Job Satisfaction of the customer facing retail sales employees. It shall be done at an aggregate level to identify statistically significant variables or dimensions. Impact on Job Performance of the employees will also be observed to draw inferences about the affect of the intervention.

1. To understand the importance of Organizational Communication in Retail Organizations.
2. To examine the level of Communication Satisfaction among Customer Facing Retail Employees.
3. To investigate the relationship between Communication Satisfaction and Job Performance.
4. To investigate the mediating role of Job Satisfaction in the relationship between Communication Satisfaction and Job Performance.

# Proposed Research Questions

1. What is the effect of Organizational Communication Practices on Job Satisfaction?
2. What is the effect of Organizational Communication Practices on Job Performance?
3. What is the effect of Communication Satisfaction on Job Satisfaction?
4. What is the effect of Communication Satisfaction on Job Performance?
5. Does Job satisfaction mediate the relationship between Communication Satisfaction and Job Performance?

# Significance of the Study

As reported by Deloitte (2010), modern retail has seen a significant growth in the past few years with large scale investments made by Indian corporate houses primarily in Food and Grocery retailing in a bid to capture the large potential of the USD 300 Billion market. Foreign apparel brands including luxury brands have set up shop in India through Franchisee/ Joint Venture route and have expanded rapidly in the last few years. Multi-brand retailing has currently been banned for foreign investment. For global retailers who have not been seeing large organic growth, India provides a lucrative market for them to grow their top line and profitability. Some global retailers are currently operating in India in the cash and carry (wholesale) format. Few retailers have been designing plans to start their Cash & Carry business to have a market presence and create brand awareness. A retail store is an interesting amalgam of a factory and a sales office and store employees are responsible for a wide range of execution tasks that collectively determine the success of corporate plans. Factory related store execution tasks include receiving product, moving product from the back room to shelves as needed, putting items moved by a customer back to where they belong on the shelf and checking customers out.

The India Retail Report conducted by Knight & Frank (2015), clearly states that the 10 zones of the National Capital Region (NCR) have their own distinct retail character. Some are dominant in malls, while others contain a mix of shopping streets and malls. In NCR, 57 per cent of the modern retail distribution is in malls, and the remaining 43 per cent, in shopping streets. The agglomeration of NCR outshines other Indian cities in the available modern retail space per thousand of the area's population.

With the increase in retailing in India, communication between the management and the subordinates have become essential to the productivity of organizations. However, there is a need to understand organizational communication flow and its effect upon the job satisfaction of the employees. Richmond & McCroskey (2000), have opined that the essential element of any organization is that employees should have job satisfaction which ultimately would affect their job performance. This ultimately would act as an indicator of profitability for the organization.

Research concerning communication and job satisfaction of an employee has been done, but not much study has shown their concern towards the performance of the employees. Many studies however, have analyzed the impact of communication style of their leaders on employee job satisfaction. It is widely seen that the communication styles of manager influences employees job satisfaction in the workplace.

The present study will not only benefit the retail sector, but will also have relevance to the leaders, managers, and governmental organizations. It would help the organization to better understand the twenty-first century employees who belong from a heterogeneous group of workforce. The challenge mostly faced by the organization is to recognize the methods of communication to enhance the performance of employees. Nowadays, many organizations have opted for workforce management which deals with changed dynamics and demographics of the diverse employee force. Many companies have realized that the human resource market is finite in terms of technological advancement and employees satisfaction with the communication practices in the organization is essential to performance, retention, and job satisfaction of skilled workers in organizations. Given these facts, the organizational paradigm of a static workforce must shift to develop the communication skills that produce positive results for management teams in order to remain competitive in the global market.

Leaders in the organization, who formulates a vision and strategy; communication remains the centre-force that allow them to transmit goals and objectives to the workforce. Although many studies have been conducted to understand the nature of communication flow in the organization and its relationship with job satisfaction; it is been difficult to come to an universal solution. Over five decades, industrial and organizational psychologists have been struggling with the question of the relationship between communication and job satisfaction to advise professionals in their efforts to improve job design and work organization. Although ambiguous and complex, the relationship continues to stimulate research and re-examination of previous attempts.

Moreover, despite the multitude of scholarly and popular attention that researches on organizational communication has received over the past two decades across the world, not many studies have focussed on understanding the dynamics of communication in the context of the changing business scenario in India, with its distinct emergence of retail hub.

The study shall have a fundamental practical implication for retailers as it shall provide the important parameters to measure and enhance job satisfaction and performance in workplace which in turn are of upmost importance to any retail store. Effective retail store management depends on satisfied, motivated and loyal employees who will be productive, maintain assigned work schedules and develop tenure with firm. In order to attract and keep satisfied and productive employees, retail store managers must develop and encourage good communication practices and communication satisfaction.

# Definition of Terms

There are six terms used in the study requiring a narrower definition: Organizational Communication; Communication Satisfaction; job

Satisfaction; Job Performance; Retail sector; Customer facing employees.

**Organizational Communication:**

Organizational communication is a dynamic process and involves complex communication techniques, networks and channels (Haider and Ali, 2012). It does not involve only upward and downward communication, but involves the communication between managers and employees with each other in various ways at different levels. It may be the formal or informal, verbal or non-verbal, written or oral; and its levels include interpersonal (or face to face) communication like that between individuals, group-level communication.

**Communication Satisfaction:**

Communication satisfaction is an individual’s level of satisfaction with various aspects of communication in the organization (Downs & Hazen, 1977). Level and Galle's (1988) gave the integrated definition that "effective communication is a meeting of minds for the purpose of conveying information, instilling a belief, inducing emotions, or eliciting behavior". This definition is intended to convey the idea that effective communication is both aprocess (the written-visual-nonverbal-vocal-auditory exchange of symbols and stimuli), and a behavioral interaction (result of the process).

**Job Satisfaction:**

Hoppok & Spielgler (1938) has defined job satisfaction as ‘the integrated set of psychological, physiological and environmental conditions that encourage employees to admit that they are satisfied or happy with their jobs’. According to Vroom (1964), job satisfaction is ‘an orientation of emotions that employees possess towards role they are performing at the work place’. Job satisfaction is the degree of fit between the features of a job and employees’ expectations (Tutuncu & Kozak, 2007). It can also be associated with the personal feeling of achievement.

**Job Performance:**

Job performance can be viewed as an activity in which an individual is able to accomplish successfully the task assigned to him or her, subject to the normal constraints of the reasonable utilization of available resources (Jamal, 1984). Pincus (1984/1985) observed that performance is usually linked to efficiency-oriented variables, such as goal accomplishment and that productivity is often associated with production-oriented variables, such as profit and return on investment. Employee Job performance, in general, refers to behaviours that are relevant to organizational goals and that are under the control of individual employees.

**Retail Sector:**

Retail is the process of selling [consumer goods](https://en.wikipedia.org/wiki/Consumer_goods) or [services](https://en.wikipedia.org/wiki/Service_(economics)) to customers through multiple [channels of distribution](https://en.wikipedia.org/wiki/Distribution_channel) to earn a profit. The retail sector includes all the shops that sell goods to the ultimate customer, who buys them for personal and not business use. It encompasses all kinds of shops, from kiosks and small groceries to supermarket chains and large department stores. In addition to traditional bricks-and-mortar shops, the retail sector includes mail-order and online businesses.

**Customer Facing Employees:**

A position that requires an employee to work with customers on a face-to-face basis. This model of doing business not only allows the employee to get a better gauge of a customer's needs, but it also helps to build the customer-employee relationship.