



ORGANIZATIONAL COMMUNICATION AND EMPLOYEE PERFORMANCE OPTIMIZATION OF DEPOSIT MONEY BANKS IN RIVERS STATE, NIGERIA

Victor, J., & Konya, K. T.

ORGANIZATIONAL COMMUNICATION AND EMPLOYEE PERFORMANCE OPTIMIZATION OF DEPOSIT MONEY BANKS IN RIVERS STATE, NIGERIA

Victor, J.,¹ & Konya, K. T.²

¹ Department of Management, Faculty of Management Sciences, Rivers, State University, Nkpulu-Oroworukwo, PMB 5080, Port Harcourt, Nigeria

² Department of Management, Faculty of Management Sciences, Rivers, State University, Nkpulu-Oroworukwo, PMB 5080, Port Harcourt, Nigeria

Accepted: March 30, 2021

ABSTRACT

This study examined the relationship between organizational communication and employee performance optimization of deposit money banks in Rivers State, Nigeria. A cross-sectional research design was adopted. Primary source of data was generated through structured questionnaire. The population was made up of the 18 deposit money banks in Rivers State. Census sampling was used since the population was small. Preliminary investigations revealed that all the 18 Deposit Money Banks had at least four (4) managers who were responsible for carrying different tasks. Therefore the study respondents were 72 managers. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. Data generated were analyzed and presented using both descriptive and inferential statistical techniques. The hypotheses were tested using the Spearman's Rank Order Correlation Statistics. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The findings revealed that there is a significant relationship between organizational communication and employee performance optimization of deposit money banks in Rivers State, Nigeria. The study concluded that effective organizational communication have the propensity to improve on feedback mechanism, employee morale, encourage teamwork, improve customer service induce better management style, and contribute to reducing operational cost. The study recommended the need to enhance interactive communication is necessary because it allows for an interrelationship between employees and a myriad of stakeholders which includes customers. Thus, organizations should create interactive communication model to connect with numerous customers in an attempt to solve issues of after sales service.

Keywords: *Organizational Communication, Employee Performance Optimization, Interactive Communication, Improved Customer Service, Cost Effective*

CITATION: Victor, J., & Konya, K. T. (2021). Organizational communication and employee performance optimization of deposit money banks in Rivers State, Nigeria. *The Strategic Journal of Business & Change Management*, 8 (2), 1 – 9.

INTRODUCTION

Succinctly, performance represents the attainment of predetermined goals of the organization. Employee performance on the other hand connotes the accomplishments of employees in line with the overall organizational objectives and stated targets standards. While, employee performance optimization (EPO) entails the alignment of the efficiency standards of the organization, and measurement of individual achievements, while undertaking accurate observations in meeting key performance indicators (KPI). Abel and le Roux (2016), and Nuhui, Hoti and Bektashi (2017) noted that, several employee performances optimization measures have been centered on accounting-based techniques consisting of return on asset and return on equity, ignoring other essential accounting-based and non-accounting-based techniques including; increased visibility, customer retention, customer-first perspective, job scheduling, attendance and task tracking, time management (Malinge, 2018), workplace alignment, efficiency standards, measurement of achievements (Cascio & Boudreau, 2014), improved customer service and cost-effective operations, and so on.

In line with this, Stringfellow (2019) stated that improved customer service and cost-effective operations are crucial elements in ascertaining employee performance optimization as it has helped in taking informed decisions in strategic options as well as putting people centered practice into the courses of action. Puspitaningtyas (2019) revealed that employee performance optimization is enhanced when management seek information on improved customer service and cost-effective operations because performance management gives the impression of being impactful on the firm when a people-centric approach is observed. In this sense, employee performance optimization is pertinent in the banking sector particularly in an emerging economy like Nigeria because it may

improve timely service delivery, and quality and contribute exponentially to the economy. As these financial institutions can easily attempt to achieve stated objectives using technological competency and interactive communication in their organizational communication processes.

Concisely, organizational communication is a term used to describe the communication process that takes place within an organization. It is better enhanced when interactive communication and technological competency are employed. Little wonder, Segismundo (2017) submitted that interactive communication and technological competency are vital rudiments that could drive sound organizational communication. Primarily, Segismundo (2017) noted that co-worker, subordinate, and supervisor communication are components of interactive communication, while; customer satisfaction, service quality, cost minimization, workforce scheduling, minimal operational cost, and source level are components of technological competency. Hence, with a robust resourceful leadership, interactive communication and technological competency could translate into the attainment of core strategic options (Băleanu, Irimie & Irimie, 2018). In the light of the above, a robust resourceful leadership could help a manager create an atmosphere of communication that would elicit employee-employer communication and feedback, interdependent relationship, conflict resolution framework, and enhance performance management systems (Mayhew, 2020). An effective organizational communication demonstrates the tendencies to; (1). Help employees realize their potentials, (2). Minimizes the risk of mistake, (3). Improves employee engagement, (4). Boosts relationship within and outside the organization, (5). Helps in taking informed decision, and (6). Encourages innovation through brainstorming. In the banking sector for instance, good organizational communication could ensue strong ties between banks and their investors, creditors, and other stakeholders that will aid understanding and curb unnecessary issues or misperception over income,

revenue, and expenditure. Hence the benefits organizational communication is enormous (Băleanu, Irimie & Irimie, 2018).

To this end, numerous studies have been conducted on organizational communication and employee performance optimization respectively, and in different climes using different methods (Băleanu, Irimie & Irimie, 2018; Cascio & Boudreau, 2014; Madlinger, 2018; Segismundo, 2017; & Stringfellow, 2019). However, it is important to point out that in all of these studies, none was comprehensive and robust enough to capture both concepts while considering the baking sector, particularly in Nigeria. Therefore,

there exists a knowledge gap which has informed our study on organizational communication on employee performance optimization of deposit money bank in Rivers State.

Furthermore, this study was guided by the following research questions:

- What is the relationship between interactive communication and improved customer service of deposit money banks in Rivers State?
- What is the relationship between interactive communication and improved cost effectiveness of deposit money banks in Rivers State?

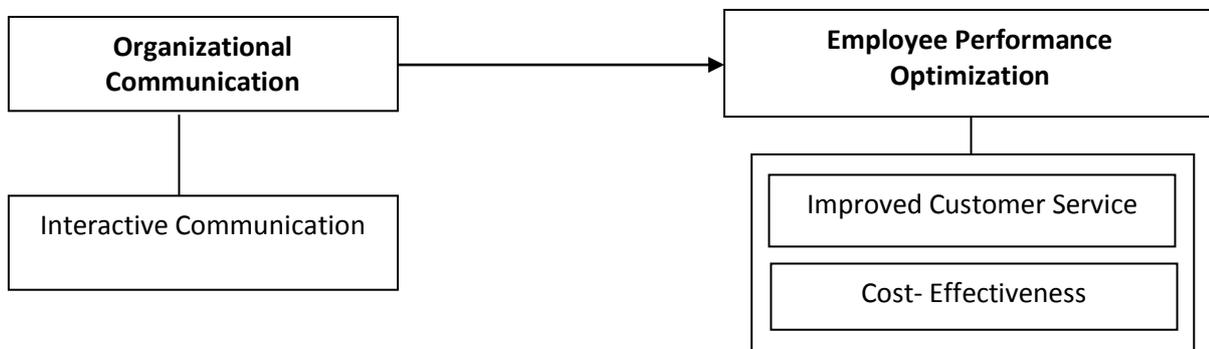


Figure 1: Conceptual Framework for the relationship between organizational communication and employee performance optimization

Source: Desk Research (2020)

LITERATURE REVIEW

Theory of Communication

Communication theory in broad terms, it can be viewed as formal and informal exchange of relevant, accurate and well-timed information between competitors. The particular communication practices that businesses undertake are importantly influenced by several factors. Van Ruler (2018) exemplifies timing, content of information, emotional state and desired outcome as significant components determining communication practices. Additionally, these elements sharpen the communication medium or channel that business players use to exchange information. Communication distinguishes itself in internal

communication and external communication. Van Ruler (2018) define internal communication as communication within the firms and external communication as communication between firms. The need for effective internal communication is key, as it shapes the foundation for successful outcomes such as identification, trust and cooperation.

In the “star” structure, communication revolve around a central point. Each player in the outer branches of the star communicates her message to a central authority, who then allocates the message to the other players. For example, a sales representative will communicate a customer’s wishes to the sales manager, who will then pass on the message to the rest of the sales workers. While the star structure sustains the clarity of the message by requesting that

the message goes through a central point, it can obstruct the players from communicating such vital messages directly with each other (van Ruler, 2018).

The “all-channel” communication structure balances the features of the circle and the star structures. The all-channel structure permits each player to communicate directly with every other player. This structure is highly effective for accomplishing complex tasks as it permits all actions the privilege to contribute to solving the problem. Notwithstanding the lack of a central authority can lead to communication overload and can slow decision-making. Every firm is unique in size structure and makeup, but the following tips tend to be globally applicable. (1) Build trust through small talk (2) Invest in occasional team building exercises (3) Implement clear communication channels (4) Create a feedback coop (5) Encourage open door policies stay committed to strong internal communication (van Ruler, 2018).

Organizational Communication

Communication represents the process of exchanging information by speaking, writing, or using other channels or medium. It thus connotes an act of sending, information, such as telephone lines or the use of computing systems (Luthra & Dahiya, 2015; Stacho, Stachová, Papula, Papulová & Kohnová, 2019). On the other hand, organizational communication is a broad field of that encompasses all forms of communication that allow organizations to function, grow, and connect with stakeholders, and contribute to society (Luthra & Dahiya, 2015; Shonubi & Akintaro, 2016; Stacho, Stachová, Papula, Papulová, Kohnová, 2019).

Stacho, Stachová, Papula, Papulová and Kohnová (2019) opined that effective communication consists of expressing the content and intention of the transmitter to the receiver provided that the receiver may have understood the message and that between receiver and transmitter there are certain distinctions. Arguably, one is more

likely to act more on the basis of what we feel instead of based on what one thinks. These are part of the issues that alter communication and its processes (Şeitan, 2017).

Interactive communication is a change of thoughts where both parties, whether human machine or art form, are active and can have an effect on one another. It is a dynamic, two-way flow of information. Many modes of communication previously thought one-way, like books and television, have become interactive with the rise of computers, the internet and digital and mobile devices (Akan, Ülker & Ünsar, 2016; Parsons & Sedig, 2014). These advancing collaborative technologies or new media have promptly increased the opportunities for interactive communication across mediums, disciplines, cultures, social classes, locations and even time. Interactive communication is the latest term that embraces these evolving forms of conversation. It is a cardinal feature of the present information age. New experiments in interaction design are evolving on a daily basis. Interactive communication forms include basic dialogue and nonverbal communication, game books, interactive fiction and storytelling hypertext interactive television and movies, photo and video manipulation, video sharing, video games, social media, user-generated content, interactive marketing and public relations, augmented reality, ambient intelligence, and virtual reality (Akan, Ülker & Ünsar, 2016; Parsons & Sedig, 2014).

Employee Performance Optimization

Employee performance optimization is a procedure by which firms adjust their resources, frameworks and workers' schedule to meet vital goals and needs. It is a precise procedure by which the general performance of an organization can be upgraded by improving the performance of people inside group system. Employee performance optimization the managers goes for advancing extraordinary performance by conveying management desires, characterizing every worker's individual jobs inside a required capability system and setting up benchmarks. Wu and Chen (2014) states that employee performance optimization includes clearly

meeting the objectives and goals for the team, or other recognized groups, some type of performance survey and following to diagram advancement and record accomplishment are key stages prompting thorough performance and improvement designs; as Kim, Nimon, Song and Zigarmi (2015) takes into account that employee efficiency to include worker's advancement with result based appraisal, it includes analysis, target setting, timely learning plans and performance related pay. As previously noted, it tends to be construed that employee efficiency involves all organization activities for starting and following performance of an organization through its staff. In this manner, the motivation behind employee efficiency is to improve performance by meeting targets, and objectives.

As indicated by He, Zhang and Yu (2018) employee performance optimization is partitioned into three points of view: plan of overseeing classified performance, plan of overseeing worker performance and plan of coordinating the organization and employee efficiency. They further noticed that overseeing high performance includes positioning and assessing the firm's resources. The utilization of this model is the assurance of, and usage of firm's practice through firm's structure, innovation, business frameworks techniques among others. As a framework for dealing with worker's activities, employee efficiency includes overseeing the firms' activities.

Employee performance optimization is viewed as incorporating the management and employee efficiency and joins the over two viewpoints. From this viewpoint, employee performance optimization is the advancement of staff inspection to improve performance through connecting employees' singular purposes to the firm's practices. He, Zhang and Yu (2018) recommends that employee performance optimization could be assessed through utilizing scales which can either be conduct with instances of good, normal or lacking which presently

focuses along a continuum in order, numerically or by methods for initials. For employees and by extension organization to be efficient it must constantly cut and reduce cost by employing means that are cost-effective and labor-intensive for waste minimization as brought forward by Stringfellow (2019) being measures of employee performance optimization in this study.

Improved Customer Service

Newcomb (2020) noted that, improving customer service is routinely something officials envision they'll get around to – in time. Unfortunately, that open entryway every so often appears. The normal running of an organization orders, and customer care is dispatched to the rear of the line. We as a whole in all know, where it makes a difference most, that customer affiliations ought to never be left to risk. Each time one join forces with a customer, eye to eye or by methods for telephone, start a fast conversation to check how they are feeling. Furthermore, as one makes a relationship with a customer, (and establish feeling of their connection of one's business), consider doing a fast study or remark card. This will reasonably show to customers, representatives and contenders the identical, that one plan to dependably improve one's organization.

Cost-Effective Operations

In spite of the fact that, cost-effective operations are widely used, there is no definition that is commonly acceptable universally (Akan, Ülker & Ünsar, 2016). It in this manner, the avoidance of waste is vital to the success of the firm, because it diminishes the amount of waste produced, lessening the hazard(s), empowering re-use, reusing and recuperation (He, Zhang & Yu, 2018). Generally, waste ought to be comprehended as any wastefulness that outcomes in the utilization of hardware, materials, work, or capital in bigger amounts than those considered as fundamental in the creation of a products of the firm (He, Zhang & Yu, 2018). Waste incorporates both the frequency of material misfortunes and the performance of superfluous work, which creates extra expenses yet don't increase the value of the item (Akan, Ülker & Ünsar, 2016; He, Zhang & Yu,

2018). Waste is that action, resources which can be disposed of without lessening client value. The good judgmental understanding of waste is anything isn't value. All the more correctly, waste is the use of exertion or the spending of resources without delivering value (Akan, Ülker & Ünsar, 2016), it implies something besides the base measure of gear, material, parts, space and workers' time totally important to increase the value of the item (Akan, Ülker & Ünsar, 2016).

Organizational Communication and Employee Performance Optimization

Organizational communication has been priceless in expanding employee performance optimization of firms. It does not just upgrade the workforce ingeniously, yet in addition furnishes them with a chance to essentially become familiar with their jobs and perform all the more capability, as it increments not exclusively employee' effectiveness yet additionally firms' proficiency. Different inquiries about show the positive effect of organizational communication on the efficiency of management in handling employee performance optimization. Organizational communication as a procedure is most valuable amongst the most required techniques to upgrade the workers' proficiency and impart on management objectives to work force (Stacho, Stachová, Papula, Papulová, Kohnová, 2019). Isah, Alhaji & Folaranmi (2019) additionally supported that putting resources into organizational communication while getting workers include basic management, organization, critical thinking and relational relations has helpful effect on the firms' dimension of communication, just as affecting on workers' performance.

Organizational communication influences workers' conduct and their working aptitudes which results into workers upgraded performance just as productive changes (Sepulveda, 2005). Organizational communication is best method for persuading and holding high caliber in HR inside an organization (Cascio & Boudreau, 2014). Once more, Luthra and Dahiya (2015), organizational

communication is a method for upgrading worker responsibility and augmenting worker potential. Stacho, Stachová, Papula, Papulová, Kohnová (2019) noticed that organizational communication is an instrument that on a very basic level influences the fruitful achievement of firms' objectives and targets. Be that as it may, the ideal objective of each firm is to create high income and augment benefit and a crucial device to understand this is a productive and viable workforce. Along these lines, a workforce is just productive and viable if the proper organizational communication systems and plans are accommodated such and, in this way, prompting employee' effectiveness.

The study postulates the following hypotheses to be tested:

HO₁ There is no significant relationship between interactive communication and improved customer service of deposit money banks in Rivers State.

HO₂ There is no significant relationship between interactive communication and cost-effective operation of deposit money banks in Rivers State.

METHODOLOGY

A cross-sectional research design was adopted. Primary source of data was generated through structured questionnaire. The population was made up of the 18 deposit money banks in Rivers State. Census sampling was used since the population was small. Preliminary investigations revealed that all the 18 Deposit Money Banks had at least four (4) managers who were responsible for carrying different tasks. Therefore the study respondents were 72 managers. The research instrument was validated through supervisor's vetting and approval while the reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. Data generated were analyzed and presented using both descriptive and inferential statistical techniques. The hypotheses were tested using the Spearman's Rank Order Correlation Statistics. The tests were carried out at a 95% confidence interval and a 0.05 level of significance.

DATA ANALYSIS AND RESULTS

The Spearman's Rank Order Correlation Coefficient: a non-parametric statistical for testing inter-relationships between variables. It was used to analyse the first four proposed hypotheses with the aid of Statistical package for social science (SPSS version 21.0) after the confirmation by test for normality. The decision rule is to

accept the null hypothesis where $p > 0.05$ significant level and reject the null hypothesis where $p < 0.05$ significant level.

Hypothesis One

There is no significant relationship between Interactive Communication and Improved Customer Service of deposit money banks in Rivers State.

Table 1: Interactive Communication and Improved Customer Service Correlations

			Interactive Communication	Improved Customer Service
Spearman's rho	Interactive Communication	Correlation Coefficient	1.000	.472
		Sig. (2-tailed)	.	.005
		N	58	58
	Improved Customer Service	Correlation Coefficient	.472	1.000
		Sig. (2-tailed)	.005	.
		N	58	58

Source: Author's Field Survey (2020) - SPSS version 21 output extracts

The result of the analysis in Table 1 showed a significant level $p < 0.05$ ($0.005 < 0.05$), $\rho = 0.472$ between Interactive Communication and Improved Customer Service. This meant that there is a significant relationship between Interactive Communication and Improved Customer Service. The null hypothesis was rejected, and we restated that there is a

significant relationship between Interactive Communication and Improved Customer Service.

Hypothesis Two

Interactive Communication has no significant relationship with Cost-Effective Operations of deposit money banks in Rivers State.

Table 2: Interactive Communication and Cost-Effective Operations Correlations

			Interactive Communication	Cost Effective Operations
Spearman's rho	Interactive Communication	Correlation Coefficient	1.000	.520
		Sig. (2-tailed)	.	.000
		N	58	58
	Cost Effective Operations	Correlation Coefficient	.520	1.000
		Sig. (2-tailed)	.000	.
		N	58	58

Source: Author's Field Survey (2020) - SPSS version 21 output extracts

The result of the analysis in Table 2 showed a significant level $p < 0.05$ ($0.000 < 0.05$), $\rho = 0.520$ between Interactive Communication and Cost-Effective Operations. This meant that there is a

significant relationship between Interactive Communication and Improved Customer Service. The null hypothesis was rejected, and we restate that

there is a significant relationship between Interactive Communication and Cost-Effective Operations.

DISCUSSION OF FINDINGS

The results from the test of hypotheses revealed that there is a significant positive relationship between organizational communication and employee performance optimization of deposit money banks in Rivers State. This finding agreed with that of Wu and Chen (2014) that companies where there is effective and open communication with colleagues and customers, are much more successful in customer service delivery. According to Mitkus and Mitkus (2014), effective communication in the place of work is a vital issue for the success or failure of the firm. Again, the finding of this study is in alignment with that of Kim, Nimon, Song and Zigarmi, D. (2015), who observed that the way in which workers interact among themselves and with their superiors is an important contributor to Cost-Effective Operations. According to Zulch (2014) communication inside an organization tend to create job satisfaction; companies that encourage a distribution of information between seniors and subordinates, as well as between staff of the same departments, brings profits, encourages staff to work better and makes them feel valuable to the firm.

REFERENCES

- Abel, S. & le Roux, P. (2016). Determinants of banking sector profitability in Zimbabwe. *International Journal of Economics and Financial Issues*, 6, 845-854.
- Akan, B., Ülker, F.E. & Ünsar, A.S. (2016). The effect of organizational communication towards resistance to change: A case study in banking sector. *Economic Review – Journal of Economics and Business*, 14(1), 53 – 67.
- Băleanu, V., Irimie, S., & Irimie, S.L. (2018). *Managerial communication dimensions supporting job satisfaction*. Central and Eastern European Online Library. Retrieved from <https://www.ceeol.com/search/chapter-detail?id=673603>
- Cascio, W., & Boudreau, J. (2014). HR strategy: optimizing risks, optimizing rewards. *Journal*
- He, Y., Zhang, W. & Yu, Q. (2018). Study on the optimization path of performance appraisal from the perspective of motivating employees' enthusiasm - Take Lin Zhi Haobo Education Training Co., LTD as an Example. *Journal of Human Resource and Sustainability Studies*, 6, 228-238.

CONCLUSION AND RECOMMENDATIONS

Organizational communication has to be effective to induce employee to perform. This demonstrate that resourceful organizational leaders with exceptional communication skills can transfer or convey organizational ideas and predetermined objectives they intend to achieve to the employees who would understand same and act upon it in an optimal fashion. This shows that, when employees completely understand the task and responsibilities placed before them; they are moved to positively contribute to organizational advancement. In conclusion, effective organizational communication have the propensity to improve on feedback mechanism, employee morale, encourage teamwork, improve customer service induce better management style, and contribute to reducing operational cost.

The study recommended the need to enhance interactive communication is necessary because it allows for an interrelationship between employees and a myriad of stakeholders which includes customers. Thus, organizations should create interactive communication model to connect with numerous customers in an attempt to solve issues of after sales service.

- Isah, L.M., Alhaji, K.M., & Folaranmi, K.A. (2019). Impacts of effective communication towards performance of construction organization. *Path of Science: International Electronic Scientific Journal*, 5(8), 1-12
- Kim, J., Nimon, K., Song, J. H., & Zigarmi, D. (2015). Toward employee work passion and
- Luthra, A. & Dahiya, K. (2015). Organizational communication and management effectiveness: An analytical study at various managerial levels. *International Journal of Management & Business Studies*, 5(3), 1-8.
- Malinina, I. (2015). ICT competence of foreign language teachers. *Procedia - Social and Behavioral Sciences* 182(2015) 75 – 80
- Mitkus, S., & Mitkus, T. (2014). Causes of conflicts in a construction industry: A communicational approach. *Procedia - Social and Behavioral Sciences*, 110, 777–786.
- Newcomb, N. (2020). *Ten ways to improve your customer service* CMS. Retrieved from <https://www.customerservicemanager.com/10-ways-to-improve-your-customer-service/>
- Nuhiu, A., Hoti, A., & Bektashi, M. (2017). Determinants of commercial banks profitability through analysis of financial performance indicators: Evidence from Kosovo *Business: Theory and Practice*, 18, 160-170.
- of Organizational Effectiveness: People and Performance*, 1(1), 77-97.
- Parsons, P. & Sedig, K. (2014). Adjustable properties of visual representations: Improving the quality of human-information interaction. *Journal of the American Society for Information Science and Technology*, 65(3); 455–482.
- performance: A validation of the work cognition inventory in Korea. *Human Resource Development International*, 18 (2), 169-190.
- Puspitaningtyas, Z. (2019). Assessment of financial performance and the effect on dividend pf the banking companies listed on the Indonesia Stock Exchange. *Banks & Bank Systems*, 14, 24-39.
- Segismundo, M.C.D. (2017). Organizational communication efficiency assessment scale for senior college students: A Factor Analysis. *International Journal of Scientific Research in Education*, 10(4), 300 – 317.
- Şeitan, R. (2017). Organizational discourses - A literature review. *Acta Universitatis Danubius*, 11(2), 119-134.
- Stacho, Z., Stachová, K., Papula, J., Papulová, Z., Kohnová, L. (2019). Effective communication in organisations increases their competitiveness. *Polish Journal of Management Studies*, 19(1), 391-403.
- Stringfellow, A. (2019). *What is workforce optimization? Techniques, best practice, and more*. Wonolo Inc. Retrieved from <https://www.wonolo.com/blog/what-is-workforce-optimization>
- van Ruler, B. (2018). Communication theory: A underrated pillow on which strategic communication rests. *International Journal of Strategic Communication*, 12(4), 367-381.
- Wu, M.C. & Chen, Y.H. (2014). A factor analysis on teamwork performance - An empirical study of inter-instituted collaboration. *Eurasian Journal of Educational Research*, 55, 37-54.
- Zulch, B. (2014). Communication: The foundation of project management. *Procedia Technology*, 16, 1000–1009.