

# Cognitive Communication: Tool of Hot Coffee Break or an Ice Cube in Banking Sector Practices

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#### Abstract

Immense importance has been given to Human Resource Practices and internal communication by successful companies. Human Resource Management requires collaboration of effective and efficient use of human resources and communication. A strategic advantage ensures and brings various activities directed towards the area of management because of the value it brings to the organization. Therefore, the role of communication is very demanding in the implementation of Human resource practices in terms of human resource planning recruitment and selection, orientation, training and development, intensification and motivation in relations, mutual inspiration, execution of proper working process and systems used by groups and individuals.

Academicians and practitioners has not only accepted but also developed the idea of satisfied employees for promoting satisfied customers, by the medium of internal communications and human resource management. Consequently, the paper had two objectives:

- (1) To scrutinize the concepts of internal communications paralleling human resource management in respect to the scope, overlie and differences
- (2) To ponder the existing issues regarding the human element that is associated to everyday activities of the organizations, despite the consequences of specific or size, and to reveal the irresistible role of the Communication Management mechanism.

Independent concepts represented by management, communication and human resources, will make this document to show the influence of these within organization because of the need for organizational communication, human resources development and management responsibilities. Viability scientific and practical utility of human resource management can be demonstrated both by the economic results obtained, and by involving staff in strategic development of the organization.

Keywords: Internal communications, human resource management (HRM), communication

#### **PREAMBLE**

No sector can exist within the marketplace that does not emphasis, or depends upon a service component. People are the key component for any organization and are treated as resource. In order to achieve organizational objectives it is very important to develop and ally a fit in organizational and personal objectives. The human potential to be highly motivated and trained to their best gives a competitive edge to organizational objectives. A person by nature varies. These differences and diversities of personalities are in terms of experiences, cultures, norms and values, trainings, oriented ideals and aspirations which can bring prosperity and constructive progress for firms and Company. Under such circumstances, employee plays as a crucial resource with a fundamental role in long-term success (Dunne & Barnes, 2000), through their involvement and contribution in serving customers and achieving customers' satisfaction. The proportion of customer-oriented employees in the organization's workforce brings a significant difference to its competitive position in the marketplace (Varey, 2001). To have satisfied customers the organization must also have satisfied employees (George, 1977). Satisfied employees are a precondition for satisfied customers. Rosenblunth and Peters (1992 in Ewing & Caruana, 1999) go even further and say that the needs of the customer should come second to those of employees, as customer needs will only be successfully met after those of employees have been satisfactorily met.

Experts demonstrated that in the modern economy the one who has the best human resources is winner. "Human resource management is geared towards ensuring all activities, develop, motivate and retain human resources within the organization to achieve its objectives with maximum efficiency and meet the needs of employees." (Cornescu, Marinescu, Curteanu, Thomas, 2003)

Academicians and practitioners has not only accepted but also developed the idea of satisfied employees for promoting satisfied customers, by the medium of internal communications and human resource management. Consequently, the paper had two objectives:

(1) To scrutinize the concepts of internal communications paralleling human resource management in respect to the scope, overlie and differences – according to various scholars these concepts dealt with dyads - The possibility of human resources and internal communications coexistence (Buffington, 2004), integration of human resource and marketing functions (Glassman & McAfee, 1992), and using marketing approaches to improve internal communications (Spitzer & Swidler, 2003). The harmony of Internal Communication and Human resource management not very much highlighted and focused so far. Practitioners' are still confused to answer the question that whose responsibilities are internal communications (corporate communications



or HR department), what is, and who is responsible to stream the communication?

(2) To ponder the existing issues regarding the human element that is associated to everyday activities of the organizations, despite the consequences of specific or size, and to reveal the irresistible role of the Communication Management mechanism.

Independent concepts represented by management, communication and human resources, will make show the influence within organization because of the need for organizational communication, human resources development and management in everyday jobs. Viability scientific and practical utility of human resource management can be demonstrated both by the economic results obtained, and by involving staff in strategic development of the organization.

Personnel management corresponds to the multiplier role of development as the initiating contributor to the organizational need that meets the set goals and human resources practice. The foremost rationale of human resource management lies in job descriptions and the establishment of proper working conditions that is mutually suitable for the development and human resource potential.

Strong corporate culture and transparently defined strategies, drastically contributes to commitments, integration, co-ordination and motivation of employees that not only initiate but also improves of quality of their assigned tasks. It fortifies their devotion, responsibility and accountability with admiration to their company. It is not an easy task to set visions and goals that would not only match the goals and expectations of employees but also meet the expectations of customers as well.

The company management must be communicate the information that it is ponder to accomplish. At the same time, the management must be eager and proficient to listen to the information and demanded changes and to interpret them. This requires a competent employee accepting the corporate culture, i.e. correct decisions of personnel management.

### LITERATURE REVIEW

Leadership, Management and Human Resources strategy

To achieve superior outcome in the organization it is needed to seek the thirst of further development in team spirit, confidence in an accurate evaluation and reward system and increasing the individual's identification with the group. Team spirit is reflected in the achievement of goals locate by the leader and is followed by others; they are heavily involved to obtain the desired results.

Effective leadership calls for actions, establishment of vision oriented guidelines, monitoring the assigned projects from an eagle eye along with the team members, aiming, controlling and explaining the organizational problems. "Leadership means, among other things, working with people, always reporting to you the life, interests, aspirations, wishes and aspirations, either individuals or groups. Somehow, I can say that the raw material of leadership are people, because only through and with their help can be handled technical means "(Zlate, M., 2004).

After Adriana Prodan (1999) "Leadership means doing things and solves problems through people – to achieve goals or work tasks with a team or with a group. Leadership can be defined as a process of mobilization, encouragement and training of individuals, so that they can contribute the best to achieve these aims". Leaders are those people who are capable to convene such requirements.

"Leadership and managing people are of different dimensions of leadership: leadership is the ability to cause people to act. The manager, however, is the individual who provides organizational goals through planning, organization and work orientation to an end. Therefore, a person can be an effective manager without a leadership capacity. "(Cornescu, Marinescu, Curteanu, Thomas, 2003).

A typology of human resource strategies (Dalotă, 2000) looks like this:

- Investment strategy oriented staff includes provisions that are developing global strategy. Develop an investment strategy should be accompanied by an appropriate personal strategy.
- Value-oriented staff policy covering effective use of the employees coupled with the interests and needs.
- Strategy-oriented personnel resources involve reversing the ratio goal means. It starts with questions: "what is necessary to achieve personal business strategy?", "Company that markets can enter the current human potential?"

These three stages of strategies emphasize on different characteristic. Though may be inter-related purpose of staffing. In is important to check the implementation strategies at all times so that personal and derivative action on human resources effectively met.

The notion of strategic planning is defined by various authors (Mathis, Nica, Rusu, 1997) as "the prediction of activity of the organization, enabling it to establish, quantify and continuously maintain a permanent connection between resources and objectives on the one hand, and market opportunities o the other. Strategy combines this knowledge with basic prediction of the future. To define the strategy required to achieve an objective need information about past, present and future"



The role of Communication in Human Resources Management

The Human Resource Management is responsible to persuade the management to communicate with employees all concerned affairs, as well as diverse company measures such as layoffs, promotions and benefits and employment stability.

Effective communication within human resources plays a decisive role in attracting the most competent employees. The growth and development of companies is dependent on magnetize the finest and brightest job candidates.

In order to interact and evaluate job applicants, human resources individuals must display not only outstanding verbal and non verbal communication skills but also the ability to listen and empathize. Nonverbal skills include firm eye contact, warm handshake, a smile, expression of confidence and tenderness must be done effectively when appropriate. The well qualified human resources individual must know how to use such nonverbal communication skills while interacting with other working individuals especially during interviews to bring out the best from each candidate. Human resources personnel need exceptional oral communication skills to interview candidates, follow up and make an offer. Arbitrators or mediators require incomparable oral communication skills to mediate between employer and employee.

Several types of communication exist in an effective organizational culture together with verbal and nonverbal. Samples of positions that demands human resource complex communication proficiency include generalist, human resources director, training and development individuals, job analyst, compensation managers, employment placement managers, recruitment and selection specialists and Performance evaluators.

### **Considerations**

- Work-life managers use effective communication skills to improve and develop employee protection and
  raise work/life balance. The human resources spokesperson prefers to communicate with an open mind,
  following the pre-determined organizational policy to nurture a successful professional relationship that fits
  and utilizes the traits of human element in an organizational culture.
- Training and development managers also use oral and written communication skills to conduct training for employees. In addition, human resources personnel must demonstrate excellent speaking skills to represent the company during meetings and professional conferences.

#### Results

Superior relationship among the employer and its employees are the result of exceptional communication
within human resources departments. During uncertain times and downsizing, the department of human
resources plays a key role in encouraging employee morale high and not let them become disheartened or
timid by engage in effective communication.

High-quality organizational culture presumes the continuation of satisfactory and effective communication at all levels of management as every relationship is foundation of organizational communication. It uses structural mechanism of the organization and other technical, economical, psychological, educational and cultural factors. In the organization's arrangement, organizational communication is explicit form of interpersonal communication. The quality of these communications influences functioning of whole organizations. Organizational communication is essential and obligatory for areas of communication to recognize and use incentives that can motivate employees, present employees information they require in their work contributes to the establishment of effective and fair relations between employees and managers, making possible individual performance and upgrading by correcting mistakes, training of staff focused towards the objectives assumed.

- H. Mintzberg identifies three roles of communication (cited Paus, 2006):
- Interpersonal roles, which is expressed in relationships with employees these roles are the leading figure of a liaison or representative;
- Role of information that focuses in Actions for development and information network this in manager can monitor, disseminator of information and spokesman;
- Decision-making roles, manifested in choosing the optimal action the manager will be the one to initiate actions to resolve the failure, will allocate resources and negotiate conflicts.

(Cornescu, Mihailescu, Stanciu, 2003): "a successful manager dedicates to communication between 55 and 95% of his time. In average, a manager uses over 70% of his time to talk, listen, write and read so to communicate. This percentage differs from the hierarchical position of managers and is even greater as it is at a higher level."

#### METHODOLOGY

In order to determine the impact of human resource management, a case study of different public and private banking systems in Karachi has been conducted.



### Objective:

The objective of the study is to explain roles of communication in organizational culture parallel to economical and corporate authenticity, and to evaluate the findings of these theories on efficient communication outlined in the publications. For this purpose fulfillment a study has been carried out on the mechanism of communication between superiors and subordinates.

#### Procedure:

The study developed as qualitative method. The study has been carried out according to the rules laid down and described in special publications and has observed the basic methodological principles and requirements for this type of study. The analysis of the research is based on information from literature, semi structured discussions, author's analysis approach, management style practiced influence, communication, improve training, organizational culture, evaluation and motivation of employees on results of the organization.

### ANALYSIS AND DISCUSSION

Key problems faced by organizations are associated with the value of human resources and efficient communication. Management can anticipate maximum return on investment from human labor only if it uses the human potential, keeps all employees well informed and makes them contribute towards the organizational goals. Management tolerates a great deal of responsibility as their attitude to human resources reflects in their satisfaction and performance. Potential several communication tools of personnel management can be meetings, teamwork, quality teams, and brainstorming. The purpose of human resource management is to fix on the appropriate form of the above offered tools, motivation and assessment that promote the efficiency of cooperation and development.

Objective 1: To scrutinize the concepts of internal communications paralleling human resource management in respect to the scope, overlie and differences

With reference to the fact that communication is not an entirely inborn skill and ability, it is necessary to develop it. The theory of human resource management uses a growth management model. New employees are the most open and accompanied with positive approach. To achieve satisfaction with organizational achieved results several requirements must be satisfied, the work must not only be adequate and demanding but also attractive. Other requirement is to craft a pleasing and efficient communication environment. All the requirements are long-term in nature and should be applied as soon as the employee joins the company. If employees are provided satisfactory and good-quality initial training, they are much more motivated to perform their work. Simultaneously, they are more likely to stay with the company, more productive and their activities contribute to positive results in the organization. Regular training and development are key factors in improving individual performance, motivation, enthusiasm, and commitment.

Although companies are reluctant to invest in their human resource. Briann Tracy supports this by stating that an average company spends 85% of its variable wage costs, but less than 1% on employee training although surveys have shown that quality training improves performance and return on investment in ratio 30:1. Whereas mostly companies focus on qualification management with respect to development of human resources, the course of globalization increasingly requires knowledge management. Experts suggests that the strategic perspective of organization is possibly maximum with training and development potential of organization. This requires thorough development in regular training, workshops, common company events, regular and structured motivational experience, regular feedback and critical evaluation, responsibility awareness and job sheet transparency. All the mentioned management tools are important areas significantly influencing in-company communication and are therefore dealt with by human resource management.

Human resource management covers the concerns of organizational communication in more extensive sense. Specialized literature explains numerous approaches that scrutinize communication in a very narrow perspective of the internal dealings and overlook on the whole impact of communication on the efficiency of a professional and organization.

Objective II: To ponder the existing issues regarding the human element that is associated to everyday activities of the organizations, despite the consequences of specific or size, and to reveal the irresistible role of the Communication Management mechanism.

This objective can be meeting through the following

Approaches to Communication Based on Personality Traits

These approaches spotlight the personality typology and intend to determining diversity in communication based on essentials of each personality. Each personality type requires a specific way of communication that influences the personality and personality performance. These approaches are applicable to social status of superior managers, i.e. it mentions a number of uniqueness of a manager and typology is used as a tool facilitating managers to operate their communication and leadership skills.

A good manager should posses certain qualities for successful communication:

Tactfulness - the feeling of importance and efficacy. If a superior prove attention in his subordinates and



supportively encourage them, the subordinates will be more open in terms of communication and co-operation. *Constructiveness* – one most important requirement of communication is the confidence of subordinates on the manager's capability to define the responsibilities transparently, the scope of responsibility and the targeted associated standards. It is completely depending on the followed mechanism of communication, ensuring that no important message is missing and no unnecessary information is communicated.

Liberty to execute – an effective communication assures the liberty and freedom from the superior to his subordinates in order to perform well in the assign responsibility and task. Better results are the outcome of timely decision making, liberty and freedom. Liberty and freedom acts as a motivating force in adapting and delegating information.

Accountability alertness— trustworthiness, performance measures, authority responsibility, authority and expectations must be communicated opaquely.

Extempore skills - to administer the timely effective and efficient decisions and activities. The expectations theory in the field of management sciences explains this canon in more extensive manner. It highlights the principle of communication constrained with reference to deviations and differences, discrepancies and exceptional situations.

Affirmative self-ideology – the structure of optimistic self ideology depends on the management of healthy relationships. It refers the communication of positive attitude in terms of valuable self-respect. Affirmative self ideology and perception is strongly associated with growth management. Many barriers are created only based on the incorrect assumption of freedom, feedback, control, respect and the misconception that the employee are unable to perform the assigned task.

With respect to mentioned above, it is essential to recognize and understand the core areas of company development, which in directly relying on well established mechanism of communicated expectations. Additionally, the approaches on expectations are very significant for people, as researches shows, tend to do what they are expected to do.

These theories set a focal point on management, but are not sufficient in analyses of characteristics and recommendations for sales personnel, customer representatives and staff. A company employee can only administer and execute efficient and effective communication with business partners if he, attain few specific proficiency and traits. In order to identify an overall print of existing theories focusing the arenas of communication, it is important to mention a theoretical approach based on performance and expectations.

Strategic Management and Communication

Mostly companies are not only fails to define suitable and rational strategy to different segments of company segments but also in adapting suitable strategies to accomplish their roles and align their journey to the common goal.

The attainment of performance is determined by organizational culture, functional support system and human resource management practices. The results are also influence by the mechanism of communication and the organizational structure. Apart from these important characteristics other important features are the quality of human labor relations, permitting to build on well-functioning company structure, company systems and processes helping the company to carry out its activities.

# CONCLUSION

The study has exposed a refusal in exactness of expert opinions supporting that higher managerial position are attached with higher demands. The selected banks lack in proficient vertical communication and the predictable obligatory functions (with reference to theories) were not up to mark. It has also observed that downward vertical communication exists in these selected banking divisions, specially with customers and task assignment. The judgment that downward vertical communication can motivate employee commitment and improve customer service cannot entirely recognize.

Commitment and attention on customers from the employees providing services must be significant and satisfactory. The research has recognized the capacity to build an autonomy and motivation of employees to get successful results. If a company wants the execution of effective and efficient communication mechanism, it must construct suitable circumstances in terms of systematic and suitable human resource development tools that encourages and motivate optimistic employee communication.

Banks with a horizontal structure face issues between closely co-related departments. The survey identified the following departments as "problematic": sales, customer service, marketing, and finance. Respondents also pointed out the deficiency in teamwork and neglecting of assigned duties. Most of the companies use to define information only in terms of financial matters. Passive flow of information is quite common and in some cases information is conveyed to wrong recipients which results in miscommunication.

The findings also characterized the conveyed information as incomplete, inadequate and not always in time and conveyed upon reminder. It may be conclude as companies mostly fails in defining transparent rules of a functional communication mechanism. Similarly it is very difficult to trace that whether efficient and effective



information is communicated or not. However, unless there is a system and prescribed communication measures, it is tough to execute alteration in situation and behavior as they are not computable and it is hard to determine their efficiency and effectiveness.

In some of the respondents' answers, a major part of responsibility for communication is attributed to management, which supports the findings on high degree of power centralization and the directive style of management.

According to the outcomes of the survey, the personality traits of the manager plays significant role on the subordinates performance. Employees trust on superior professional skills that maintain confidentiality and equality.

The research has demonstrated that efficient communication requires a suitable rather than dominant manager. Therefore the manager's personality and management style have a significant impact on the satisfaction and performance of employees.

Moreover, the research has discovered that employees are not familiar with the set organizational goals. Employees discuss their issues with managers, but fail to chat about their results evaluations and task performance. This also means that employees lacks in understanding the evaluation of their performance and feedback. Without continuous development counseling, managers tend to adopt a directive approach to subordinates, however, it is ineffective. The companies should possess a manager's profile which serves as a reference communication model for managerial behavior detailing the personality typology and behavior.

Successful and efficient communication can be ensured by a manager and he must make use of transparent defined profile, responsibility, accountability, authority and working rules, so that his team may work efficiently and effectively.

The research is unable to confirm the principle of direct proportion between the extent of communication and effectiveness of co-operation among departments and employees as communication in the upward direction becomes less transparent, passive, and there is no measurable functional communication system rules that could be standardized by company employees. Commitment and focus on customers is not the outcome from vertical communication alone. Efficient communication is dependent on a appropriate manager with an suitable profile. The personality traits of the manager can contribute to the satisfaction of employees and encourages their performance.

In order to have a competitive edge the organization must lies on effective and efficient communication mechanism. Therefore, the top most priority of the company must b to improve the efficiency of human resources and their ability to communicate in suitable corporate culture.

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