

## A CRITICAL ASSESSMENT OF THE PRACTICE OF INTERNAL COMMUNICATION: THE CASE OF AWASH BANK S.C

Mesfin Bogale Gebremeskel

School of Journalism and Communications Addis Ababa University

### ABSTRACT

The study's main goal was to evaluate Awash Bank Share Company's internal communication. The study included a mixed research design, a hybrid communication satisfaction questionnaire, and an in-depth interview. SPSS was used to analyze the quantitative data using descriptive statistics. According to the study's results, downward communication and uneven information flow characterize internal organizational communication at Awash Bank Head Office Addis Abeba. The communication channels are likewise solely intended for downward communication. Awash Bank's internal organizational communication must be improved. Internal organizational communication primarily aims to inform staff on bank rules, procedures, manuals, and updates. Communication is poor both above and downward. The flow of information and communication channels is inefficient. It is revealed that the overall internal organizational communication practice at should be revisited and channels need to be tailored.

**Keywords:** Organizational communication, Communication audit, Measurement.

### INTRODUCTION

Internal communication must be effective and efficient if organizational goals and objectives are to be met. Measuring the effectiveness of internal communication is crucial for its creation. This can be accomplished by utilizing the required measurement tool that can evaluate the effectiveness and efficiency of internal communication. Internal communication's strengths and weaknesses can be clearly identified through evaluation, which also identifies the corrective actions that should be made to enhance it. Improving internal communication will assist the organization reach its goals and objectives. According to Watson (2012), measuring internal communication within a company is the only way to know if it is advancing the organization's mission, strategy, and goals.

Meng and Berger (2012) quote Watson's study on the measurement of internal communication, which revealed that firms that measure internal communication are more successful than those that do not. This demonstrates unequivocally the significance of internal communication assessment to corporate effectiveness. Therefore, it is important to pay attention to internal organizational communication measurement and evaluation. A consistent and comprehensive measurement technique should also be employed to gain a thorough understanding of how an organization's internal communication is operating.

One of the measurement tools used to evaluate internal communication is the communication audit, according to Zwijze-Koning & De Jong (2015). A communication audit is frequently used to assess the advantages and disadvantages of an organization's internal communication system, to identify communication issues, and to recommend solutions. A communication audit enables the identification of both strengths and weaknesses as well as new opportunities for

future development. Therefore, organizations with goals and objectives can use communication audit to evaluate internal communication.

In the case of banks, the same is true. Banks have aims and purposes. Banking institutions can accomplish these goals and objectives through effective internal communication. Given that banks are organizations with goals and objectives to attain, evaluating internal communication is unquestionably helpful in this regard (Swenson, 2018). Furthermore, it is impossible to determine whether internal organizational communication is functioning as intended without measuring and evaluating it. It is crucial to use communication audit as a measurement tool in this regard since it reveals the strengths and weaknesses of internal organizational communication inside banks.

The aforementioned facts also apply to the situation of Awash Bank because the bank is an organization with aims and objectives and has internal organizational communication. Awash Bank, one of Ethiopia's private banks, was founded in 1994 and currently has more than 4500 workers and 350 locations all throughout the country. At the headquarters in Addis Abeba, there were 600 workers. Although internal organizational communication is a practice at Awash Bank, its strengths and weaknesses have not been quantified and assessed.

The Bank additionally aimed to be among the top five private banks in east Africa by 2030. Internal corporate communication is crucial for achieving this aim, without a doubt. Therefore, conducting an internal organizational communication audit will assist the bank in identifying any gaps and posing potential remedial actions. Due to this, the internal organizational communication audit technique was employed in the current study to evaluate the communication practices at the headquarters of Awash Bank. The internal organizational communication practice of the Awash Bank Head Office was evaluated using the Explanatory Mixed Research Method, which includes an adopted survey questionnaire and organized in-depth interviews.

## LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

### Internal Communication

In order to motivate, connect, and help individuals of an organization contribute to the accomplishment of its goals and objectives, internal communication involves building relationships within the business utilizing a variety of communication strategies and channels. Additionally, it aims to improve company culture and increase information access. Internal organizational communication employs a variety of strategies to inspire employees and foster teamwork among staff, resulting in the acceptance of organizational objectives. Information flow is the foundation for every decision made within an organization. Due consideration should therefore be given by both employees and management to all forms of communication, whether they be horizontal, upward, or both. Depending on how involved they were in the decision-making process, managers and employees play different communication roles.

### Communication Channel

The key to successful internal communication within an organization is choosing the appropriate channel for the delivery of the intended message. It is crucial to choose the communication channel that best fits the goal and objective. It's critical to communicate with

every individual within the firm. Therefore, it should be a top priority to select the channels that will help get the information out to every employee. Channel selection aids in removing barriers related to geography, technology, and emotion. According to Grunberg (2010), efficient communication channels are necessary for individuals or organizations to fulfill their goals. The communication channel an employee chooses can also be used to understand their choice.

### **Information Flow**

Different information flows occur throughout organizations. The three main communication directions are upward, downward, and horizontal. Functions and other criteria, such as an employee's position within the organization, affect how communication is directed.

### **Downward Communication**

Hierarchical communication that flows from upper management to employees is referred to as downward communication. This kind of communication takes place when it's necessary to deliver instructions, guidance, or feedback on duties relating to the work. The senior management informs employees of regulations and revisions in this manner through communication methods.

### **Upward Communication**

Upward Communication is a communication direction in which lower level employees can communicate directly with the top management in the organization which is intended in giving feedback, forward complaint about job related issues and suggest improvement.

### **Internal Communication Audit**

Internal communication audit is a process of exploring, examining, monitoring and evaluating the internal communication practice of an organization. In internal communication audit data is collected using quantitative and qualitative method to measure and evaluate the internal communication. This helps organizations to see the actual communication practice within the organization rather than the perceived. In addition, the audit is valuable in evaluating the information flow and determine how best to communicate the information. According to the definition of Communication Consortium Media Centre (CCMC, 2004) Internal Communication audit is a systematic assessment either formal or informal, of an organization's capacity for, or performance of, essential communications practices. Internal Communication audit can also be viewed as evaluating and monitoring the communication works and processes of an organization.

### **Internal Communications Audit Methods**

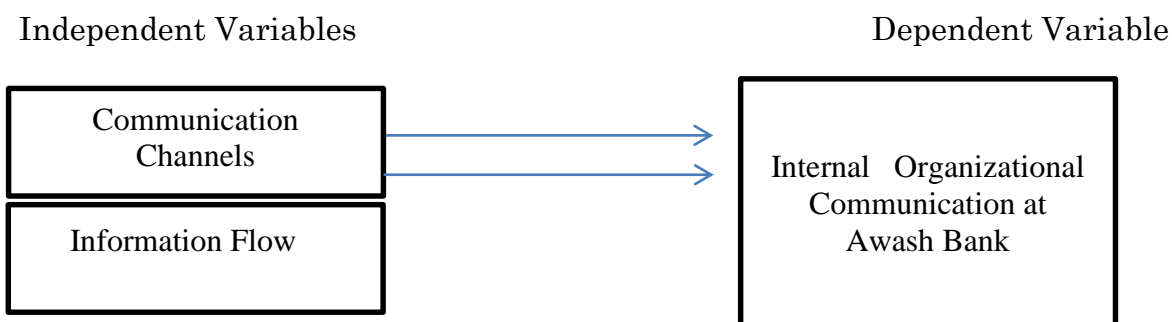
Based on the size and structure of the organizations different methods of internal communication audit can be used to study the communication practice. Hence, the general methods recommended for communication audit can be customized towards the objectives of the study and the result needed from the study. The most common communication audit instruments are interviews, questionnaires, document analysis and network analysis. The Survey or the questionnaire is the most common social scientific method utilized in internal

communication because survey involves a series of questions that help understand communication traits attitudes and knowledge. Moreover, survey is important tools to get information from large number people. The questionnaires are various depending on the nature of the study (Communication Satisfaction Questionnaire, International Communication Association survey and Communication Development (OCD) audit questionnaire (Phillip G. Clampitt, 2009).

For this research purpose adopted hybrid scale of communication satisfaction questionnaire developed by Gebru, (2013) has been used. This hybrid scale of communication satisfaction questionnaire enables to get an insight of the communication channels and the information flow in the internal organizational communication of the bank. The major Variables within this hybrid scale of communication satisfaction questionnaire are Channel of Communication and Flow of Information. Although other Variables like gender, age etc. exist in the adopted hybrid scale of communication satisfaction questionnaire the current study focused only Communication channel and flow of information variables since its fits the study purpose.

### Conceptual Framework

Conceptual framework is a representation of the relationship between variables. It is the structure the researcher believes best express the thing to be studied. The conceptual framework shows how the research problem would be explored. It also shows the relationship between the main concepts in the study. According to Grant and Osanloo, (2014) conceptual framework is a visual aid of how the variables relate to each other. The relation between the independent variable and the dependent variable is that the independent variables influence the dependent variables. As stated by Gebru, (2013) age, gender and status are also variables in the adopted hybrid scale of communication satisfaction questionnaire developed. The researcher selected communication channels and information flow as variables in the adopted hybrid scale of communication satisfaction questionnaire for the specific purpose of the study.



Sequential mixed methodology is the research study's chosen methodology. In sequential mixed method processes, the researcher backs up one research technique's findings with the other, according to Creswell (2014). For this research's main data collection, quantitative data collection is done first, then qualitative data collection. A hybrid scale of the communication satisfaction questionnaire, developed for quantitative research, is employed, as is an in-depth interview, developed for qualitative research.

Descriptive statistics are employed in this study to answer the research questions. By presenting a summary of the sample, descriptive statistics aid in describing the fundamental

characteristics of the data. The foundation for a quantitative study of the data is descriptive statistics. Using charts, graphs, and statistics, the researcher provided a descriptive analysis of the data. The efficacy of the internal organizational communication practice at Awash Bank, the volume of information flow, and the communication channels employed are all study problems that are addressed using the quantitative technique. The aforementioned statements are supported by the qualitative research approach, which is also utilized to respond to the research question about the effectiveness of internal organizational communication at the head office of Awash Bank.

The use of sequential mixed techniques allowed to provide high-quality data that demonstrated the situation with regard to the internal organizational communication of the bank as the study's goal is to evaluate the internal organizational communication practice at the head office of Awash Bank. Hence, for this study aim Sequential mixed techniques is adopted.

### DATA ANALYSIS AND INTERPRETATION

The quantitative data in this study were analyzed using the descriptive approach. Prior to data analysis, the obtained data is cleaned, coded, and entered to remove duplicate responses or questions that were overlooked. In-depth interview data that is captured using an audio recorder, transcribed, and categorized into themes in order to present the replies in accordance with the study's objectives. The researcher divided the interview findings into themes using Braun & Clarke's (2006) thematic analysis process, allowing them to be used to answer the study questions. The researcher studied and reread the information gathered from the in-depth interview to become comfortable with it.

Initial codes are generated, significant points within the collected data are identified, and themes are developed based on the research questions and the structured interview. The information that relates to the chosen subject is put and examined. Additionally, themes have been discovered, along with how they relate to one another. The data is written down after it has been refined based on the themes.

### ANALYSIS AND RESULTS

#### Summary of Internal Organizational Communication Audit Results

The majority of research study respondents are unsatisfied with every internal communication assessment. This demonstrates that the bank's internal organizational communication is ineffective and inefficient. The findings of each measurement were shown in Table 1 as follows.

Table 1. Summary of Internal Organizational Communication Audit Results

No	Measure	Majority	
		Satisfied	Dissatisfied
1	Internal Communication Channels		✓
2	Internal communication Flow		✓
3	General Internal Communication Aspect		✓

To determine the relationship between the information flow and internal communication and between communication channel and internal organizational communication Pearson correlation was computed. The following table shows the results of Pearson correlation on the

relationship between information flow and internal communication and shows Pearson correlation between communication channel and internal communication.

Table 2. Correlation between Information Flow and Internal Communication

Correlations

		Internal	Information flow
Internal comm.	Pearson Correlation	1	.438**
	Sig. (2-tailed)		.000
	N	138	138
Information flow	Pearson Correlation	.438**	1
	Sig. (2-tailed)	.000	
	N	138	138

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The above correlation analysis table shows that Pearson correlation of information flow and internal communication score 0.438 with sg (2tailed) 0.000. This indicates there is positive and significant relation between internal communication and information flow. (r=0.438, P<0.01).

Table 3. Correlation between information flow and internal communication

Correlations

		internal	communicat ion channel
Internal	Pearson Correlation	1	.311**
	Sig. (2-tailed)		.000
	N	138	138
communication channel	Pearson Correlation	.311**	1
	Sig. (2-tailed)	.000	
	N	138	138

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The above correlation analysis table shows that Pearson correlation of communication channel and internal communication score 0.331 with sg (2tailed) 0.000. This indicates there is positive and significant relation between internal communication and information flow (r=0.311, P<0.01).

Regression model was applied to test how far the information flow and communication channel had impact on internal communication. Coefficient of determination-R2 is the measure of proportion of the variance of dependent variable about its mean that is explained by the

independent or predictor variables. Higher value of R<sup>2</sup> represents greater explanatory power of the regression equation.

Table 4 Regression result of information flow and internal communication

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.438 <sup>a</sup>	.192	.186	.60644

a. Predictors: (Constant), information flow

The above table shows the R<sup>2</sup> value is 0.192. This result shows that the independent variable (information flow) accounted for 19.2% of the variance in internal communication. Thus 19.2% of the variation can be explained by information flow and the other variables may explain variation in internal communication, which accounts for 81.8%.

Table 5. Regression result of information flow and internal communication

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.311 <sup>a</sup>	.097	.090	.64112

a. Predictors: (Constant), communication channel

The above table shows the R<sup>2</sup> value is 0.097. This result shows that the independent variable (communication channel) accounted for 9.7% of the variance in internal communication. Thus 19.2% of the variation can be explained by information flow. According to Hair (2006) reliability test is the measure of consistency. If Cronbach's Alpha value  $\alpha$  is greater than 0.7, it means that it has high reliability and if Cronbach's Alpha value  $\alpha$  is smaller than 0.3, then it implies that there is low reliability.

Table 6

Reliability Statistics

Cronbach's Alpha	N of Items
.731	138

Cronbach's value Reliability scale was 0.731. This means that it has high reliability.

As indicated in chapter of the study the analysis method used is thematic analysis. Based on Braun & Clarke (2006) procedure of thematic analysis the researcher identified the interview results in to themes that enabled to address the research questions. The researcher read and reread the collected data from the in-depth interview so that familiarity with the collected data is created. Based on the research questions and the structured interview initial codes are generated and significant points within the collected data are identified and themes are developed. The data's that have relevance with the identified theme are placed and reviewed.

Moreover, themes have been defined and how the themes relate to each other is identified. Finally, the data refined based on the themes are written.

The response from the in-depth interview also shows that the internal communication at Awash bank should be enhanced so that organizational goals and objectives are achieved, in this respect. Majority of the respondents to the in-depth interview agreed that the internal communication at Awash bank needs enhancement. Inconsistency in information communication, usage of communication channels and information flow is the characteristics of the internal organizational communication at the bank. Majority of the respondents perceive that the flow of information within the bank tends to be unidirectional. Most of the information flows from the top management to employees. Policies, procedures, manuals and other important changes are communicated from the top management to employees. The information flow at Awash bank is mostly downward and inconsistent.

### **SUMMARY OF MAJOR FINDINGS**

The survey's results overwhelmingly show that respondents do not believe their coworkers to be in charge at work. There is not much faith. Lack of trust reveals a gap in both of these areas since trust is essential to the effectiveness of internal communication in general and information flow in particular. The respondents to the survey claimed that they don't get credit for their efforts. Internal communication is lacking since the majority of respondents feel that their efforts are not valued. According to Bekele (2007), how individuals feel at work and how effectively they execute their tasks are related to how effective communication, including openness, performance review, and information sharing, is.

The respondents claim that there is a lack of social information flow at work, which suggests that the social aspect of internal communication is also lacking. According to Husain (2013), in a good company with active internal communication, employees should have the opportunity to express their opinions and positively affect decision-making.

The majority of respondents to the survey felt that internal communication does not motivate them to achieve corporate goals, according to the survey's results. This is a considerable challenge. The majority of respondents are unhappy with how communication operates, how adaptable communication techniques are, and how well versed in communication the workforce is. This shows that internal communication, information flow, and channeling need to be reviewed.

The in-depth interview revealed that Awash Bank's downward communication is more effective than both its top and lower communications combined. Through the chat channel, the CEO is directly informed of employee comments regarding upward communication. Even though the chat room is the best option, communication with other chief officers, department leaders, and managers is difficult since they cannot be contacted through the proper methods. According to the respondents, there is a gap in both upward and horizontal communication. More importantly, there is erratic information flow between bank divisions.

### **CONCLUSION AND RECOMMENDATIONS**

This study used communication audit as a measurement technique in an effort to evaluate the internal organizational communication practices at the Awash Bank Head Office. In order to



evaluate the internal organizational communication at Awash Bank, a mixed research methodology was used in this study. The study sought to understand the perspectives of workers and selected management members regarding internal organizational communication at the Awash Bank headquarters through the use of a hybrid communication satisfaction questionnaire and in-depth interviews. At the headquarters of Awash Bank, the state of internal communication, information flow, and communication routes had been looked at.

Internal organizational communication is crucial for accomplishing organizational goals and objectives, according to many communication scholars. In this sense, assessing and analyzing internal corporate communication enables one to pinpoint its areas of strength and weakness. According to Tourish and Hargie (2017), an internal communication audit is crucial for determining an organization's internal communication's strengths and weaknesses. In this context, the Awash Bank internal organizational communication audit produced informative findings that may be used to develop initiatives to improve internal organizational communication at the Awash Bank headquarters.

The findings indicated that Awash Bank's internal organizational communication is lacking. The downward kind of communication that occurs in internal organizational communication refers to the dissemination of information from top management to employees. Reviewing the bank's vertical and horizontal communication is necessary. Additionally, trust, inspiration, and recognition have to be improved. It is necessary to enhance internal organizational communication, information flow, and communication routes.

Although there are several communication channels, all of them—with the exception of the Chief Executive Officer chat room—serve solely downward communication. It is challenging to comprehend how employees feel and their position with regard to awareness of the company's goals, objectives, and priorities if there is a weak or nonexistent communication channel via which employees may share information or their ideas with supervisors or top management. Therefore, the gap between vertical and horizontal communication has to be given the attention it deserves.

The internal organizational communication at Awash Bank has to be improved, as the response findings make evident. The communication audit revealed a void in Awash Bank's internal organizational communication. Employee engagement, appreciation, and motivation ought to be taken seriously. Additionally, by improving the effectiveness of internal organizational communication, it should be possible to increase trust between and among employees as well as between employees and their managers.

Although the bank has a range of channels in place for the transmission of information, the channels should be designed to accommodate both upward and downward internal communication inside the bank. Additionally, Telegram, Viber, and other social media platforms should be used for internal communication given the rising popularity of these platforms. Additionally, the management should make every effort to engage in direct face-to-face conversation with the staff through forums, conferences, and other channels of communication in order to gain a thorough understanding of the employees' perspectives.

In the instance of the Awash bank, most information is sent from top to bottom. It is necessary to improve information flow in the upward and horizontal directions. Therefore, multiple communication channels and engagement strategies should be implemented in order to

promote employee participation in both horizontal and upward communication. Additionally, management should attempt to get employee opinion on bank- and job-related concerns, as well as the company's aims and objectives, through grapevine information flow.

### CONFLICT OF INTEREST

The Author, Tirusew Geresu, declares that he does not have any conflicts of interest regarding the study

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