A Study of The Impact of Internal Corporate Communication Satisfaction on Turnover Intentions: Comparative Analysis of Public and Private Sector Telecom Organizations

Devika Trehan
Assistant Professor,
Deptt. of Business Communication,
Jaipuria Institute of Management
Indore
Indore, Madhya Pradesh

Abstract

Present comparative primary research study aimed to measure the impact of internal communication corporate satisfaction on turnover intentions among the employees (605) of public and private telecom sector organizations, India. Random convenience sampling was used to collect data through a questionnaire. Four hypotheses were tested using independent sample t-test and linear regression after validation of data. Supervisory communication, organization integration, organization perspective, communication climate, have significant impact on turnover intentions in public sector telecom organizations. In private sector only media quality had a significant impact on turnover intention.So, the present study signals a shift from the previous regular results.

Keywords: Internal corporate communication (ICC) satisfaction, Employees, Turnover Intentions.

Introduction

Corporate communication has been an indivisible part of an organization since its establishment. Over the years it has transformed. Has been discussed using various terminologies. Over the last few years, all the communication activities that an organization conducts whether internal or external have been given an umbrella term. Corporate Communication is the latest term used for communication or messages emanating from an organization to its key public is termed as corporate communication. The two key roles that Corporate communication plays are: it enables the day to day interactions within an organization and is called as internal corporate communication and secondly it supportsin creating, maintaining and enhancing the image of an organization by conducting an activeinterchangeof idea with the external public called as external corporate communication. For this study we will only consider the internal form of corporate communication which facilitates the daily interactions within the periphery of an organization. The essential roles that internal corporate communication plays are in facilitating knowledge sharing which leads to creativity and innovation, helps creating and sustainingstrong employee organizational link by forming strong relationships, it helps foster trust at all the three levels organizational, group and individual, brings transparency to job roles, contributes in developing a favorable organizational climate, indispensable for driving change, encouraging the workforce and aninstrument for allying the vision and mission of the top management with that of the workforce.

Objective of the Study

The major challenge for firms today is not thelack of vision, mission or direction. The organizations even after crafting impactful and realistic goals for the employees is unable to share these with the workforce in anapproach that shall guarantee a positive impact on employee outcomes such as job satisfaction, performance, behaviors, attitude and commitment. Which leads to discontent amongst employees and leads to an increase in the attrition rates. In this light the study undertaken is to examine that levels of satisfaction with ICC and how the level of satisfaction with ICC can impact employee turnover intentions, which ICC dimensions are crucial for creating an alignment with the goals
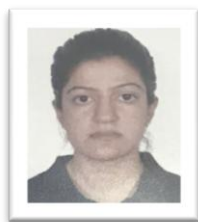
Remarking An Analisation

of the top management. Have the dimensions identified in the previously conducted study hold true or are there any new dimensions that have become important however, the organizations seem oblivion to the new development.

Review of Literature

Communication when viewed from the behavioral perspective is defined as "a symbolic process in which individuals act to exchange perceptions and ultimately to build a knowledge bank for themselves and for others, for the purpose of shaping future actions" (Bratton et. al, 2017). For getting the holistic picture both the direction (information flow) and perception (employees' perceptions and attitudes) aspects of ICC have to be assessed (Pincus, 1986; Gray & Laidlaw, 2002). Over the years scholars have developed various survey instruments to map the communication satisfaction however, the most frequently used is the Communication Satisfaction Questionnaire (CSQ) instrument developed by Downs and Hazen (Downs & Hazens, 1977; Greenbaum et al., 1988). Various studies and across different sectors have utilized and proved the validity and reliability of the scale (DeConinck et al. 2008). CSQ is a multidimensional construct consisting of personal feedback, organizational integration, organizational perspective, supervisory communication, subordinate communication, communication climate, horizontal communication and media quality. The ninth dimension in this model was contributed by Pincus and also validated by Clampitt and Downs (Pincus, 1984). The dimensions of internal corporate communication satisfaction are defined as: "Personal feedback Information concerning how workers are being judged and how their performance is being appraised" (Downs & Hazens 1977). "Organizational integration focuses on the extent to which employees receive information about their immediate work environment" (Downs & Hazens 1977). "Horizontal communication measures the degree to which horizontal and informal communication is accurate and free flowing" (Downs & Hazen 1977). "Subordinate communication concerns with the openness of individuals to downward communication and their receptiveness and potentiality to send information upward" (Downs & Hazen 1977). "Organizational perspective is information about the organization as a whole, which includes notifications about changes, overall policies, and goals of the organization" (Downs & Hazen 1977). "Supervisory communication encompasses both the upward and downward facets of communicating with supervisors"

(Downs & Hazen 1977). "Media quality is related with the extent to which meetings are well organized and written directives are short and clear" (Downs & Hazen 1977). "Communication climate discusses "the extent to which communication in an organization motivates and stimulates workers to meet organizational goals" (Downs & Hazen 1977). "Top management communication is the extent to which informal communication is accurate and free flowing, with the top management" (Pincus, 1986).

Turnover Intention

Studies by scholars have been revealed turnover rate has become a common factor associated with reducing the overall productivity (Abbasi & Hollman, 2000; Cascio, 2003; Iqbal, 2010; Niode et al., 2011; Tiwari, 2015). The problem of high turnover not only impacts the organization but also lowers the morale of the existing workforce and perhaps influence other employees to leave their jobs as well (Louden, 2012). Few studies reveal that inadequate developmental programs, lack of caring and supportive work surroundings, and lack of knowledge sharing (amongst the internal public i.e. top management, managers, peers) can be the crucial factor affecting turnover (Alshanbri et al., 2015; Jehanzeb, et al., 2015). A study found that ineffective communication by managers in Saudi organizations play an important role in employee turnover. Also suggests that performance appraisal and feedback are two major contributors increasing or decreasing turnover in Saudi Arabia (Iqbal, 2010). The reason being most organizations lack in giving authentic feedback regarding performance in order not to offend the employees' and hurt their self-esteem (Beer et al., 1985). Scholars claim that communication satisfaction substantially influences turnover intention (Mustamil et al., 2014). Likewise, another researchers' evaluation of restaurant employees, concluded that when communication satisfaction rises, turnover intention decreases (Tobin, 2011).Few other studies suggest the contradictory for e.g. in a study on 120 nurses they found that "communication satisfaction was negatively correlated with turnover intention" (Naz & Gal, 2014). Additionally, in another study it was reported significant strong "negative correlations between all the six facets of communication satisfaction and turnover intention" (Madi, 2012). Results conclude 'employees perceived that their retention in an organization is determined by the communication process as well as the procedures implemented in the workplace (Tanius et al., 2016).

Table 1.0: Internal Corporate Communication and Turnover Intentions

Scott et al. (1999)	• Internal communication • Turnover intention	Results indicate that among the communication variables, supervisor and co-worker relationships have the strongest association with intent to leave.
Tsai et al. (2009)	• Communication satisfaction • Turnover intention	The study reveals that employees' opinions of a high communication satisfaction had a negative association with turnover intention.
Matanda &Ndubisi (2013)	• Internal Communication • Turnover Intention	Relationship between effective training, internal communication practices and employee participation decides an employee's turnover intention.

Remarking An Analisation

Nwagbaraet al., (2013)	• Internal communication • Employee Turnover	The study revealed internal communication is directly related to employee turnover. The study reveals that dimensions such as supervisor-subordinate communication, openness, opportunities of upward feedback, OI, have a strong influence on employee turnover intentions.
Jyoti (2013)	• Communication • Turnover Intention	The study finds information and communication flow, participative decision making has a strong impact on turnover intentions.
Mustamil et al. (2014)	• Internal communication • Turnover Intention	Personal feedback, supervisory communication, and communication climate were positively linked to turnover intention. With organization integration and horizontal communication (peer communication) showed no relation with turnover intention.
Minjeong & Minjung (2017)	• Internal communication • Turnover intention	Research shows a strong association between internal communication management with employee engagement. Employee engagement was observed to enhance supportive employee communication behaviors and reduces turnover intention. Also, strategic relationship management with internal publics was seen to affect overall management effectiveness.

Based on the literature review the following research questions can be asked:

H1$_0$

There is no significant difference in the levels of internal corporate communication satisfaction in public and private sector telecom organizations.

H2$_0$

There is no significant difference in the level of turnover intentions in public and private sector telecom organizations.

H3$_0$

There is no significant difference in the impact of overall internal corporate communication on turnover intentions in public and private telecom sector organization.

H4$_0$

There is no significant difference in the impact of individual dimensions of internal corporate communication on turnover intentions in public and private telecom sector organization.

Research Methodology

The research was a primary data-based study.The questionnaire was developed using a descriptive survey design. Random convenience sampling method was used to collect data from employees of leading telecom sector organizations. The statistical tools used were descriptive analysis, independent sample t-test and linear regression were performed to answer the research questions. The sample size was 605 employees from were drawn from both public and private sector telecom sector organizations. The sample consisted of 523 (86%) male and 82 (14%) female respondents. Majority of the respondents were in the 26-35 years age bracket (323; 53%). Maximum respondents had a basic graduation degree (365; 60%) with maximum population in the lower management level (326; 54%) and most of the employees were having a min. tenure between up to 5 years for private sector (158; 52%) and 6 to 10 years (147; 49%) for public sector firms.

Measurement

The link among these two dimensions were investigated using the Communication Satisfaction Questionnaire (Downs and Hazen, 1977) with a Cronbach alpha coefficient of 0.95 and Turnover Intention Scale (TIS-6) with a Cronbach alpha coefficient of ranging from 0.80.

Results and Findings

H1$_0$. There is no significant difference in the levels of internal corporate communication satisfaction in public and private sector telecom organizations.The null hypothesis stands accepted as the analysis also reveals no statistically significant difference in the overall satisfaction levels with internal corporate communication in public and private sector telecom organizations. The analysis reveals that in the public sector telecom organizations higher levels of satisfaction was found with supervisory communication, organizational perspective, organizational integration and subordinate communication. In the private sector telecom organizations higher levels of satisfaction were found with supervisory communication, organizational perspective, organizational integration and personal feedback. In the various ICC dimensions the public sector telecom employees reported higher levels of satisfaction with an exception of horizontal communication which shows a higher level of satisfaction amongst the private sector employees.

Table-1.2:SPSS 20.0 output of T-test results for $H1_0$

	Type of Organization	N	Mean	Std. Deviation	Std. Error Mean
Supervisor communication	Private	304	3.8103	.63588	.03647
	Public	301	3.9264	.61861	.03566
Subordinate communication	Private	304	3.5763	.82244	.04717
	Public	301	3.7256	.79836	.04602
Communication Climate	Private	304	3.5673	.65621	.03764
	Public	301	3.6416	.63052	.03634
Organization Integration	Private	304	3.7512	.68000	.03900
	Public	301	3.7787	.75798	.04369
Media Quality	Private	304	3.5258	.67471	.03870
	Public	301	3.5775	.76394	.04403
Horizontal Communication	Private	304	3.4297	.55284	.03171
	Public	301	3.3239	.54947	.03167
Organizational Perspective	Private	304	3.7822	.85230	.04888
	Public	301	3.7920	.87693	.05055
Personal Feedback	Private	304	3.6224	.72396	.04152
	Public	301	3.6804	.71818	.04140
Top-Management Communication	Private	304	3.5036	.54744	.03140
	Public	301	3.4093	.55327	.03189

$H2_0$.

There is no significant difference in the level of turnover intentions in public and private sector telecom organizations. The results indicate that there is a significant difference in the mean scores of job satisfaction in the public and private telecom sector organizations (Table 1.3). The public sector with a mean score of 3.98 is higher than the private sector organization which has a mean score of 3.57.

Table –1.3: SPSS 20.0 output of T-test results for $H2_0$

	Type of Organization	N	Mean	Std. Deviation	Std. Error Mean
Turnover Intentions	Private	304	3.5758	.44691	.02563
	Public	301	3.9891	.62686	.03613

Thus, statistically evidence is found for rejecting the null hypothesis and thus it is not accepted. Hence "there is no significant difference in the mean scores of turnover intentions in the public and private telecom sector organizations" is not accepted.

$H3_0$

There is no significant impact of overall internal corporate communication on turnover intention in public and private sector telecom organizations.The significance value of 0.00, which is less than 0.05 (Table 1.4), implies that the ANOVA results are significant and indicates that overall internal corporate communication has a significant impact on turnover intentions in public telecom sector organizations. Therefore, making internal corporate communication an important factor in predicting turnover intentions.

Table - 1.4: SPSS 20.0 output of ANOVA[a] results for $H3_0$

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.985	1	28.985	97.484	.000[b]
	Residual	88.902	299	.297		
	Total	117.887	300			
a. Dependent Variable: Turnover Intentions						
b. Predictors: (Constant), Internal Corporate Communication						

In the public telecom sector organization internal corporate communication can statistically explain 24.3% (Table 1.5) of the variance in turnover intentions. These findings suggest that internal corporate communication is perhaps a very important factor for turnover intention.

Table - 1.5: SPSS 20.0 output of Linear Regression results for $H3_0$

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.496[a]	.246	.243	.54528
a. Predictors: (Constant), Internal Corporate Communication				

Thus, statistically evidence is found for rejecting the null hypothesis and thus it is not accepted. Hence "there is no significant impact of overall internal corporate communication on turnover

intention in public telecom sector organization" is not accepted.The significance value of 0.00, which is less than 0.05 (Table 1.4), implies that the ANOVA results are significant and indicates that overall internal corporate communication has a significant impact on turnover intention in private telecom sector organizations. Therefore, making internal corporate communication an important factor in predicting turnover intentions.In the private telecom sector organization internal corporate communication can statistically explain 11.2% (Table 1.7) of the variance in turnover intentions. These findings suggest that internal corporate communication is perhaps a very important factor for turnover intentions.

Table – 1.6: SPSS 20.0 output of ANOVA^a results for $H3_0$

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.942	1	6.942	39.130	.000^b
	Residual	53.577	302	.177		
	Total	60.519	303			
a. Dependent Variable: Turnover Intentions						
b. Predictors: (Constant), Internal Corporate Communication						

Table –1.7: SPSS 20.0 output of Linear Regression results for $H3_0$

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.339^a	.115	.112	.42120
a. Predictors: (Constant), Corporate Communication				

Thus, statistically evidence is found for rejecting the null hypothesis and thus it is not accepted. Hence "there is no significant impact of overall internal corporate communication on turnover intentions in private telecom sector organization" is not accepted.

$H4_0$

There is no significant difference in the impact of individual dimensions of internal corporate communication on turnover intentions in public and private telecom sector organization. The null Hypothesis is not accepted as there is a significant difference in the impact of individual dimensions of ICC on turnover intentions in public and private sector telecom organizations. Supervisory communication, organization integration, organization perspective, communication climate, have significant impact on turnover intentions in public sector telecom organizations. In private sector only media quality had a significant impact on Turnover intention.

Table 1.8: SPSS 20.0 output of ANOVAa results

S. No.	Dimensions	Private Sector	Public Sector
1	Supervisory Communication and Turnover Intention	F=33.388; p =.000	F=120.474; p =.000
2	Subordinate Communication and Turnover Intention	F=10.279; p =.000	F= 34.853; p =.000
3	Communication Climate and Turnover Intention	F=35.599; p =.000	F=76.075; p =.000
4	Organization Integration and Turnover Intention	F=46.594; p =.000	F=98.489; p =.000
5	Media quality and Turnover Intention	F=50.297; p =.000	F=34.103; p =.000
6	Horizontal Communication and Turnover Intention	F=.623; p =.431	F=32.345; p =.000
7	Organization perspective and Turnover Intention	F=33.052; p =.000	F=85.471; p =.000
8	Personal Feedback and Turnover Intention	F=4.150; p =.042	F=10.530; p =.001
9	Top Management Communication and Turnover Intention	F=12.077; p =.001	F=41.828; p =.000

Conclusion

The analysis reveals that in private sector telecom organizations employees experience a higher level of satisfaction with supervisor communication, organization perspective, organization integration and personal feedback. In the public sector telecom organizations supervisor communication, organization perspective, organization integration and subordinate communication recorded higher levels of satisfaction. It is found that there is a substantial difference between the levels of turnover intentions between the public and private telecom sector organizations and there is a significant relationship between ICC satisfaction and turnover intentions. ICC has a significant impact on turnover intentions in both public and private sector telecom organizations. Supervisory communication, organization integration, organization perspective, communication climate, have significant impact on turnover intentions in public sector telecom organizations. In private sector only media quality had a significant impact on turnover intention.

Limitations and Future Implications of Study

The focus of the current study was to analyze the impact of internal corporate communication dimension on turnover intentions in telecom sector organizations. To widen the extent of the existing study the investigators can explore the dimensions of external corporate communication dimensions and include it in understanding the overall impact of corporate communication on turnover intentions. The scope of the present study was restricted to just one sector i.e. Telecom. Including only one company each from both the sectors. To increase the applicability of the research outcomes firstly more organizations can be included. Secondly, the study can be extended to other sectors covering a greater number of organizations in public, private and foreign sectors. The geographical area of the study

can also be increased by including the metro, urban and rural areas.

References

1. Alshanbri, N., Khalfan, M., Noor, M. A., Dutta, D., Zhang, K., & Maqsood, T. (2015). Employees' turnover, knowledge management and human recourse management: A case of nitaqat program. International Journal of Social Science and Humanity, 5(8), 701.
2. Beer, M., Spector, B., Lawrence, P., Mills, D., & Walton, R. (1985). HRM: A general Manager's perspective. Free Press, New York, NY.
3. Bratton, J., & Gold, J. (2017). Human resource management: Theory and practice. London: Palgrave Macmillan Education.
4. Deconinck, J., Johnson, J., Busbin, J., & Lockwood, F. (2008). An examination of the validity of the downs and hazen communication satisfaction questionnaire. Marketing Management Journal, 145–153.
5. Downs, C. W., & Hazen, M. D. (1977). A factor analytic study of communication satisfaction. The Journal of Business Communication, 14(3), 63-73.
6. Gray, J., & Laidlaw, H. (2004). Improving the measurement of communication satisfaction. Management Communication Quarterly, 17(3), 425-448, doi: 10.1177/0893318903257980.
7. Greenbaum, H. H., Clampitt, P., & Willihnganz, S. (1988). Organizational Communication: An examination of four instruments. Management Communication Quarterly, 2(2), 245-282.
8. Iqbal, A. (2010). Employee turnover: Causes, consequences and retention strategies in the Saudi organizations. The Business Review, Cambridge, 16(2), 275-281.
9. Jehanzeb, K., Hamid, A. B. A., & Rasheed, A. (2015). What is the role of training and job satisfaction on turnover intentions? International Business Research, 8(3), 208.
10. Jyoti, J. (2013). Impact of organizational climate on job satisfaction, job commitment and intention to leave: An empirical model. Journal of Business Theory and Practice, 1(1), 66.
11. Louden, K. (2012). Preventing Employee Turnover. Collector, 78(2), 39-40.
12. Madi, M.Y.A. (2012). Communication, Job Satisfaction and Employees Turnover in Multinational Engineering Organizations in the United Arab Emirates (Doctoral dissertation, British University, Dubai).
13. Matanda, M. J., & Ndubisi, N. O. (2013). Internal marketing, internal branding, and organisational outcomes: The moderating role of perceived goal congruence. Journal of Marketing Management, 29(9-10), 1030-1055.
14. Minjeong, K., Minjung S. (2017). How symmetrical employee communication leads to employee engagement and positive employee communication behaviours: The mediation of employee-organization relationships. Journal of Communication Management, 21(1), 82-102, doi: 10.1108/JCOM-04-2016-0026.
15. Mincer, J. C. (1988). Job Training, Wag Growth, and Labor Turnover. Cambridge: National Bureau of Economic Research Working Paper no. 2690.
16. Mustamil, N., Yazdi, A. M., Syeh, S. S., & Ali, M. A. (2014). A Dimensional Analysis of the Relationship between Communication Satisfaction and Turnover Intention: The Mediating Role of Organizational Commitment. International Journal of Business and Management, 9(9), 75.
17. Naz, S., & Gul, S. (2014). Moderating Role of Organizational Commitment between Communication Satisfaction and Turnover Intentions Among Nurses. Pakistan Journal of Psychological Research, 29(1), 39
18. Niode, O., Bruhn, C., & Simonne, A. H. (2011). Insight into Asian and Hispanic restaurant manager needs for safe food handling. Food Control, 22(1), 34-42.
19. Nwagbara, U., Smart Oruh, E., Ugorji, C., & Ennsra, M. (2013). The impact of effective communication on employee turnover intention at first bank of Nigeria. Economic Insights-Trends & Challenges, 65(4), 13-21.
20. Pincus, J.D. (1984). The impact of communication satisfaction on job satisfaction and job: A field study of hospital nurses. Unpublished doctoral dissertation, University of Maryland, College Park.
21. Pincus, J. D. (1986). Communication satisfaction, job satisfaction, and job performance. Human Communication Research, 12(3), 395-419.
22. Richardson, B., Shaw, S.P. and Morgan, D. (1999). The Impacts of Communication and Multiple Identifications on Intent to Leave: A Multidimethodological Exploration. Management Communication Quarterly, 12(3), 400-435.
23. Tanius, E., Pheng, L. S., Kasim, C. M. M., & Yulia, (2016). Role of communication satisfactions and procedural justice on employee retention. AGE, 5(72.8), 19-5.
24. Tiwari, I. (2015). An analysis of the factors affecting employee retention and turnover in the Irish hospitality industry (Master Thesis). Retrieved from National College of Ireland.
25. Tobin, E. R. (2011). Do Increased Employee Participation; Job Satisfaction, Communication Satisfaction, and Organizational Commitment Affect Employee Intent to Quit In the Casual Dining Restaurant Industry? (Doctoral dissertation).
26. Tsai, M.-T., Chuang, S.-S., & Hsieh, W.-P. (2009). An integrated process model of communication satisfaction and organizational outcomes. Social Behaviour and Personality: An international journal, 37(6), 825-834.