ORGANISATIONAL COMMUNICATION AND EMPLOYEES' PERFORMANCE IN NIGERIAN PHARMACEUTICAL COMPANY

Adebayo, Adeyemi Abdulwasiu, PhD
Department of Business and Entrepreneurship, Kwara State University, Malete
Email: adeyemi.adebayo20@kwasu.edu.ng

Abstract
This study examined effective communication and employee performance in Tuyil Pharmaceutical Company in Kwara State. Data were obtained through well-structured questionnaires which were administered to 267 respondents of which 74.25% males and 25.8% females who were majorly within the economic active ages of 18-30years. Both descriptive (frequency distribution and percentages) and inferential statistics (regression and ANOVA) were used to analyze the data obtained. The multiple regresion analysis showed a fit to predict employee performance; hence effective communication had impacts on employee performance in Tuyil Pharmaceutical Company. It is therefore recommended for the management of Tuyil to strengthen formal communication channels as the informal channels had weak effects in producing higher performance.
Keywords: *Communication Pattern, Communication Structure, Formal communication, Informal communication, Performance*

INTRODUCTION

In today's age, information is becoming the vital asset of an organization. It is the basic means of production in any organization in addition to the traditional ones: land, capital and labour. Choo (2018) stated that "information is an intrinsic component of nearly everything that an organization does so much so that its function has become transparent and productive." Eadie (2019) noted that useful and timely information is the life blood of employees that is decisive for employees to make important choices in organizing their activities and executing their tasks. This means that organizations should encourage the flow of information across the entire organization for better achievements. Information must be exchanged among employees in the organization so that they can carry out their organizational activities so efficiently and effectively. This is because it is through the exchange of information (communication) that the overall goals and objectives of the organization can be achieved. Employees should communicate the right information at the right time using the right medium in order to execute their tasks (Crown, 2013). Therefore, information is a resource and is part of the communication process (Madden 2000).

Effective communication in business organizations has also its own role in achieving the intended business goals, which is in turn achieved through employee's performance. Harris and Nelson (as cited in Rajhans, 2012) pointed out that effective communication is one of the most dominant and important activities in business organizations. Fundamentally, the functioning and survival of businesses organizations is based on effective communication among employees. In addition, organizational capabilities are developed and enacted through intensely social and communicative processes.

Statement of the Problem

According to Balyan (as cited in Nwata et al., 2016), organizations are set up to accomplish specific goals. For these goals to be accomplished, the performance of employees in executing tasks becomes very crucial. However, business organizations all over the world are facing challenges (Femi, 2014; Rajhans, 2012). The challenge is on how to increase productivity in terms of producing the required quantity and quality of products that are competitive in the global market (Kovacic & Luzar, 2011). This means that in order to stay profitable in the highly challenging and competitive global market economy, business organizations need to ensure that employees are performing as intended (Femi, 2014; Rajhans, 2012). In order to achieve high level of employee performance, effective communication among other factors can play an important role (Femi, 2014; Rajhans, 2012).

Objectives of the Study

The study was guided by the following specific objectives which are to:

i. establish the influence of communication patterns on employee performance in Tuyil Pharmaceutical Company in Kwara State.

ii. examine the influence of communication structure on employee performance in Tuyil Pharmaceutical Company in Kwara State.

LITERATURE REVIEW

Concept of Performance

The origin of the theory of performance is most associated with the work of Richard Schechner in 1970-1976 (Sidnell, 1991). According to Schechner (2003), performance is an inclusive term that includes performance in everyday life such as greetings, display of emotions, professional roles, sports, theatres, dances, ceremonies, and performance of great magnitude. However, the theory of performance in relation to performance in an organization is related or referred to the perceived relationship between different performance dimensions that include performance results and organizational performance, which is outcomes (Krausert, 2019). According to Krausert (2019), performance results or outputs are immediate and tangible consequences of behaviors whereas outcome is organizationally relevant consequences related to employee performance that can be influenced by other factors including competitiveness in markets.

Performance is a multi-dimensional concept that includes task performance and contextual performance (Sonnentag & Frese, 2002). Borman and Motwidlo (as cited in Sonnentag & Frese, 2002) explained that task performance refers to an individual's proficiency in performing activities that contribute to the organization's technical core whereas contextual performance is related to activities that contribute to the organizational goals. According to Borman and Motwidlo, task performances are direct results in case of production workers and indirect in case of management and personnel workers but contextual performance relates to being cooperative, being reliable member, providing suggestions on how to improve work procedures, and so on. However, according to Campbell et al. (as cited in Sonnentag & Frese, 2002), behaviors or actions that can be scaled or measured are considered to constitute performance.

Employee performance, however, cannot be achieved without effective communication among employees in the organization. Nwata et al. (2016) described that effective communication is important for better employee performance. Tayo and Olamigoke (as cited in Nwata et al., 2016) also explained that there is no way performance of employees could be enhanced without communication or interactions with one another as communication permits people or employees in an organization to give and receive information. Communication enables a constant sharing of experiences, thoughts and opinions. It provides means for employees to express their ideas and knowledge. In addition, Akosi (as cited in Nwata et al., 2016) pointed out that whether it is a face-to-face interaction or a professionally written or e-mail exchange, a meaningful information requires setting up a connection that leaves a strong thought that can lead to better employees performance. This means that communication is important for sharing meaningful information for improved performance in an organization. It is therefore important to consider employee performance as dependent variable in this study.

Concept of Communication Pattern

Communication pattern refers to the flow of information in the organization. It deals with how information flows in the organization for smooth and better functioning of the business. According to Chan, Chun, Ming (2010), communication patterns allow information to transmit through defined channels so that the information can reach intended receivers in a timely and efficient manner. In any organization, there are communication patterns through which information flows at the organization-wide level.

Informal communication, on the other hand, as Mishara (as cited in Chan Chun Ming, 2010) stated, is a major communication network in an organization. According to Subramanian (as cited in Ergen, 2010), it takes place between employees due to some relationship or perception of each other as a reliable or knowledgeable member and trust. Informal communication creates informal links or networks among employees. There is no formal structure in which information flows. This informal link can enable employees to make communication effective and powerful. Informal communication occurs when the employees are not able to communicate required information to higher authorities due to certain reasons or communication barriers. Thus, as Crampton et al. (as cited in Ergen, 2010) stated that informal communication takes place when the formal communication network has some inconsistencies and vulnerabilities in terms of the flow of information within the organization. These inconsistencies and vulnerabilities create opportunity for the informal communication to appear.

Concept of Communication Structure

The other important variable in this study is the communication structure (direction) in which information flows within an organization. As Kovacic and Luzar (2011) noted that communication networks have different network characteristics such as the structure. Each communication network has its own structure of ties that represent the patterned communication flows. The structure that interconnects employees affects performance and viability (Kovacic & Luzar, 2011). The effective communication structure determines the flow of information within the organization. According to Driskill and Goldstein (as cited in Ergen, 2010), it is tied with the organizational structure that is the vehicle for accessing and communicating information and defines the nature of communication within the organization. Therefore, the communication structure of the organization has an influence on employee performance.

Although organizations adopt their own organizational structure that defines the communication structure within the organization, there are four important communication structures or directions in which communication among employees takes place. These are downward, upward, horizontal, and diagonal communication (Spaho, 2012). However, the widely adopted communication structures are downward, upward, and horizontal communication (Atambo & Momanyi, 2016). The downward and upward communications in organizations are also called vertical communication. However, diagonal communication is not widely used in an organization (Wilson, 1992).

Empirical Review

Femi (2014) in his research on The Impact of Communication on Workers' Performance in Selected Organisations in Lagos State, Nigeria, examined the significant relationship between communication and workers' performance, productivity & commitment. The findings revealed that a relationship exists between effective communication and workers' performance, productivity and commitment. The researcher used a descriptive research design and collected data through questionnaire with sample population of 120 respondents.

Bery et al. (2014) also conducted a research on the Effects of Employee Communication on Organisation Performance in Nigeria's Horticultural Sector with the aim of exploring the effect of employee communication on organization performance in Nigeria's horticultural sector. The findings show that employee communication is a major determinant of organizational performance in the horticultural sector in Nigeria. The study was carried out in flower farms in Nigeria. It targeted the employees in all flower farms in Nigeria which were the 14 flower farms registered in the SMEs directory (2013) and based in Osun. The researchers used cross sectional survey research design and stratified sampling technique and a total of 2460 respondents were considered. Data was collected through questionnaires and analyzed using both quantitative and qualitative data analysis techniques. Quantitative data was analyzed using descriptive statistics while qualitative data was analyzed thematically. They conducted the research using three independent variables, i.e. employee communication, employee involvement and the human resources procedures.

Another study was done by Rajhans (2012) on effective communication: A key to employee motivation and performance. The researcher explored the interrelationship between communication and motivation & its overall impact on employee performance. The study was conducted through a comprehensive review and critical analysis of the research and literature focused upon the objectives of the study. However, the researcher enumerates the results of a study of effective communication and motivational practices followed at a large manufacturing company, Vanaz Engineers Ltd., based in Pune, India. The methodology used for this manufacturing company was interviews of the employees of Vanaz Engineers Ltd. and communication efforts recording sheets given to them. The interviews and the communication efforts sheets were completed by 10% of the company population, randomly selected according to each department's population base. The study revealed Vanaz Engineers Ltd. implemented various effective communication practices which contributed a lot to motivate its employees and increase their performance and loyalty towards the organization. In the study, employee motivation was the mediating variable to the effective communication and performance.

METHODOLOGY

The research design was exploratory in nature; hence, the study explores and analyse available data to arrive at logical conclusions. The exploratory research was able to answer why questions, meaning that the desire to quantitatively investigate the effect of service quality on customer loyalty in the study areas. Furthermore, the study was cross-sectional in nature where data were gathered or collected at one given point as this was suitable for descriptive analysis of this study. Survey method was also adopted through a self-administered questionnaire to enable the researcher to determine the opinions, attitude, and features of target beneficiaries. The population of the study was 4175 employees of Tuyil Pharmaceuticals Ilorin, Kwara State, Nigeria. Primary and secondary sources were used. Primary data was obtained with the aids of questionnaire. The use of questionnaire was employed to gather necessary information from the respondents. The secondary source was obtained from related journals and articles. The study employed the use of questionnaire as an instrument for data collection. The questionnaire was directed into three sections, section A measure the demographics of the respondents which include sex, age, marital status, educational qualification etc, while section B measures the variables used to proxy the organisational communication. Section C measures employees' performance. The items were measured on a 5-point Likert scale ranging from strongly agree (5) to strongly disagree (1).

RESULTS AND DISCUSSION

Hypotheses Testing

HO_1: Communication patterns have no significance relationship with employee performance in Tuyil Pharmaceutical Company in Kwara State.

Regression analysis for communication patterns and employee performance

A linear regression analysis was used to test if the communication patterns significantly predict employees' performance. The findings of the regression analysis in Table 4.31 indicate that there is a relationship between communication pattern and employee performance in which the adjusted R^2 is 0.028. This implies that only 2.8% of the employee performance can be explained by the communication patterns. The remaining 97.2% of the employees' performance are due to other factors which are not included in this model.

Table 1: Regression model summary for communication patterns

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.178[a]	.032	.028	.53573

a. Predictors: (Constant), Communication Patterns

In addition, Table 1 illustrates that the test of beta coefficient reveals that communication patterns significantly predicts employee's performance since P=0.004<0.05. Therefore, the model can be defined as Y=0.866+0.199X, where Y=Employee performance and X=Communication patterns. This indicates that increase in the effectiveness of the communication patterns leads to increase in the performance of employees by 0.199. This means that communication patterns did have influence on employees' performance.

Table 2: Regression analysis coefficients for communication patterns

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.866	.106		8.207	.000
	Communication patterns	.199	.068	.178	2.940	.004

a. Dependent Variable: Employee Performance

ANOVA for Communication Patterns

An analysis of variance (ANOVA) was conducted in order to determine the influence of the independent variable on the dependent variable or to determine how better the independent variable is at predicting the dependent variable (Sawyer, 2019; Field, 2013). Therefore, the findings in Table 4.33 indicate that the relationship between communication pattern and employee performance is statistically significant since $F_{1,265;0.05}$=3.88<8.643 with p=0.004<0.05. Thus, the regression model is significantly fit to predict the dependent variable. Hence, it can be concluded that communication patterns have influence on employee performance in the manufacturing company in Kwara State.

Table 3 ANOVA analysis for communication patterns

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.481	1	2.481	8.643	.004[b]
	Residual	76.056	265	.287		
	Total	78.537	266			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Communication Pattern

A linear regression analysis was used to test if the communication patterns significantly predict employees' performance. The findings of the regression analysis in Table 4.31 indicate that there is a relationship between communication pattern and employee performance in which the adjusted R^2 is 0.028. This implies that only 2.8% of the employee performance can be explained by the communication patterns. The remaining 97.2% of the employees' performance are due to other factors which are not included in this model.

H_{o2}: Communication structure has no significance relationship with employee performance in Tuyil Pharmaceutical Company in Kwara State.

Regression analysis for communication structure and employee performance

A linear regression analysis was used to test whether the communication structure significantly predicts employee performance. The findings of the regression analysis in Table 4.47 indicate that there is a relationship between communication structure and employee performance in which the adjusted R^2 is 0.24. This means that

only 24% of the employees' performance can be explained by the communication structure. The remaining 76% of the employees' performance are due to other factors which are not included in this model.

Table 4: Regression analysis model summary communication structure

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.492[a]	.243	.240	.47380

a. Predictors: (Constant), Communication Structure

Further, Table 4.5 illustrates that the test of beta coefficient reveals that communication structure significantly predicted employees performance since P=0.000<0.05. Thus, the model is statistically significant. Therefore, the model can be defined as Y=0.282+0.523X, where Y=Employee performance and X=Communication structure. This indicates that an increase in the effectiveness of the communication structure leads to an increase the performance of employees by 0.523.

Table 5: Regression analysis coefficients for communication structure

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.282	.100		2.827	.005
	Communication Structure	.523	.057	.492	9.211	.000

a. Dependent Variable: Employee Performance

ANOVA analysis for communication structure and employee performance

An analysis of variance (ANOVA) was conducted in order to determine the influence of communication structure on employee performance. According to the findings in Table 4.49, there is statistically significant relationship between communication structure and employee performance since $F_{1,265;0.05}$=3.88<84.846 with p=0.000<0.05. Thus, the regression model is significantly fit or adequate to predict employee performance. Hence, it can be concluded that communication structure has influence on employee performance in the manufacturing businesses in Kwara State.

Table 6: ANOVA analysis for communication structure

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.047	1	19.047	84.846	.000[b]
	Residual	59.490	265	.224		
	Total	78.537	266			

a. Dependent Variable: Employee Performance
b. Predictors: (Constant), Communication Structure

The above inferential analysis (correlation, regression and ANOVA) confirmed that there was a relationship between communication structure and employees performance. Thus, it was confirmed that communication structure has influence on employee performance.

According to the inferential analysis, there is a relationship between communication structure and employee performance. These findings agreed with the findings of Nwata et al. (2016), Atambo and Momanyi (2016) and Hikmah (2015) that there is a significant association between communication structure and employee performance. It can therefore be concluded that there is a relationship between communication structure and employee performance in the manufacturing company in Kwara State. Therefore, communication structure has influence on employee performance in the manufacturing company in Kwara State.

CONCLUSION AND RECOMMENDATIONS

This study concluded that communication structure has an influence on employee performance in Tuyil Pharmaceutical Company Limited, Kwara State. There is statistically significant relationship between communication and employee's performance. Employees of the Company use the management structure as a communication to communicate among themselves. Employees communicated vertically (downward and upward) although upward communication was not encouraged because of lack of responses from upper levels. In addition, employees communicated horizontally although it was not as effective as it should be. The study recommended that effective communication should be paramount in the organization setting as its contribution will in no small measure contributes to organization high performance in terms of effectiveness and efficiency.

Reference

Atambo, W. N., & Momanyi, D. K. (2016).Effects of internal communication on employee performance: A Case study of Nigeria Power and Lighting Company, South Nyanza Region, Nigeria. *Imperial Journal of Interdisciplinary Research (IJIR): 2*(5), 328-340.

Bery,B., Otieno, A., Waiganjo, E. W. & Njeru, A. (2014). Effect of employee communication on organisation performance in Nigeria's horticultural sector. *International Journal of Business Administration. 6*(2), 138-145.

Chan, M. M. & Francis (2010). *Formal and informal communication: An Organisational investigation* (Doctor's Thesis): University of South Adelaide, Australia.

Choo, C. W. (1998). *The Knowing organization: How organizations use information to construct meaning, create knowledge and make decisions*. New York: Oxford university press.

Crown (2013). *Effective communications: Raising the profile of your archive service. The National Archives.*

Eadie, W. F. (2019). *21st century communication: A Reference handbook* (Vol. 1&2). USA: SAGE Publication Ltd.

Ergen, E. (2010). *Workplace communication: A Case study on informal communication network within an organization*. Retrieved from http://www.ergen.gr

Femi, A. F. (2014). The Impact of communication on workers' performance in selected organisations in Lagos State, Nigeria. *IOSR Journal of Humanities and Social Science (IOSR-JHSS). 19* (8), 75-82

Field, A. P. (2013). *Discovering statistics using SPSS: and sex and drug and rock 'n'* (4th ed.) London: Sage

Hikmah (2015). The Effect of effective communication towards employees' performance of the Badan Pendidikan Dan Pelatihan in Makassar City, Indonesia. *Journal of Economics and Behavioral Studies. 7*(3), 119-126

Kovacic, H. & Luzar, B. (2011). Communication structure and the performance of organizational teams. *TEORIJA IN PRAKSA. 48*, 1505-1517.

Krausert, A. (2019). *Performance Management for Different Employee Groups: A Contribution to Employment Systems Theory*. London, New York: Springer-Verlag Berlin Heidelberg

Madden, A. D. (2000). A Definition of Information. *Aslib Proceedings. 52*(9), 343-349.

Nwata, U. P., Umoh, G. I., & Amah, E. (2016). Internal effective communication and employees' performance in selected banks in Port Harcourt. *International Journal of Novel Research in Humanity and Social Sciences. 3*(3), 86-95.

Rajhans,K. (2012). Effective communication: A Key to employee motivation and performance. *Inter-science Management Review (IMR). 2*(2), 81-85.

Schechner, R. (2003). *Performance Theory*. London, New York: Routledge

Sonnentag, S. & Frese, M. (2002). Performance Concepts and Performance Theory. In Sonnentag, S. (Ed), *Psychological Management of Individual Performance* 3-25. UK: John Wiley & Sons, Ltd.

Spaho, K. (2012). *Effective communication process. Ekonomski Vjesnik, 1*(2), 309-317.

EFFECT OF KNOWLEDGE MANAGEMENT ON PERFORMANCE OF LISTED FOOD AND BEVERAGES COMPANIES IN LAGOS STATE, NIGERIA.

[1]AGABA, Manasseh Tashilane, [2]JACOB, Amedu Peter, [3]ONUH, Apeh
[1,2,3] Department of Business Administration, Nasarawa State University, Keffi, Nigeria.
Corresponding Author: agabamanasseh10@gmail.com

Abstract
Most challenges faced by businesses, especially the food and beverages companies in Nigeria are how to perform and expand in other to compete with foreign companies through quality, efficiency and effectiveness. Also, customers continue to battle with less quality of products and services rendered by food and beverages companies, which have left many of its customers unsatisfied. This study therefore sought to examine knowledge management elements of knowledge creation and knowledge acquisition and how it affects the performance of listed food and beverages companies in lagos State, Nigeria. The study adopted a cross-sectional research design whereby structured 5-point likert scale questionnaire were administered to a sample of three hundred and seven (307) top and middle level staff of listed food and beverages companies in Lagos State. Partial Least Square (PLS-SEM) statistic was employed to test the hypotheses formulated of which the study found a positive and insignificant effect of knowledge acquisition on performance, knowledge creation affect performance positively and significantly on performance of food and beverages companies in Lagos State, Nigeria. Amongst others, the study recommends on-the-job training, workshops, conferences, and other learning programs for employees, and also the inclusion of employee in applying of knowledge and initiative to work and decision making.
Keywords: *Knowledge Management, Knowledge Creating, Knowledge Acquisition, Employee Performance.*

INTRODUCTION

Globally, the manufacturing sector plays a significant role in the development and growth of every economy. Performance of business organizations worldwide has elicited concerns from professionals particularly in the manufacturing segment of most economies. However, these trepidations are debatable because of the progressively essential role the manufacturing sector in the economy globally. Knowledge has become a major source of wealth, and employees are the assets (Chuma, 2019). An essential issue for both individual and organizations is how to manage this knowledge (Wang & Wu, 2016). According to Olja *et al.* (2017), organizations built on labor and capital are gradually being substituted by the ones built on knowledge capabilities since their accomplishment and survival is acclimatized by creating new, innovative, and better services and products.

Generally, to sustain growth, innovation and competitive edge, organizations are required to manage knowledge effectively. Knowledge management certainly facilitates innovation, which in turn leads to organizational performance (Abbas & Lagraa, 2017). Many organizations focus on continuous performance because it is the only way they can grow and develop. Yang and Chen (2009) submit that an organization needs to engender an environment that integrates organization performance with knowledge management to enable creation, sharing, application and knowledge conversion if they are to succeed.

The Knowledge that organization possesses is one of the most important assets that helps them in attaining competitive advantages, even in some cases, it becomes more important than the financial resources and all other tangible assets (Chawla & Joshi, 2018). Additionally, knowledge management can be attributed as a portfolio of strategies and activities that is related to the process of acquiring, transferring, and sharing knowledge with all organization`s people (Battistell, & De-Toni, 2018). A firm can also achieve superior performance on the basis of its ability to generate new knowledge and utilize the existing base more effectively and efficiently than its competitors. Knowledge management is predominantly becoming an essential and significant component in business strategy (Iyer & Ravindran, 2019).