

**EFFECT OF INFORMATION COMMUNICATION ON THE PERFORMANCE OF  
SELECTED MANUFACTURING FIRMS IN DELTA NORTH SENATORIAL  
DISTRICT, DELTA STATE.**

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**Abstract**

Effect of information communication on the performance of selected manufacturing firm in Delta North Senatorial District was the focus. Data was collected through primary and secondary sources. The population comprised Management and Junior Staff of selected Paint industry in the area under study. A sample size of 64 was obtained through judgmental random sampling technique. Face-to-face discussion method was the instrument for data collection. This instrument was adopted in order to get the true opinion of the respondents on the subject matter. The returned data was subjected to chi-square analysis. It was observed that effective communication has positive significant effect on the performance of paint manufacturing industry in Delta North Senatorial District because calculated value of 63.54 was obtained compared to the critical value of 5.99. The study concluded that effective communication will certainly improve productivity in paint industry thereby inducing growth in the economy. The study recommended among others that information overload should be avoided in order to achieve effective communication that produces useful results among workers/employees. Organizational structure and leadership style that does not support effective communication system should be re-designed. Policy that encourages continuous use of effective information communication methods among paint industry owners is also suggested.

**Keywords:** Information, Communication, Performance, Manufacturing, Firms

**INTRODUCTION**

Information communication is an old concept that can never be over-flogged as far as potency and viability of every organization is concerned. An idea that is not communicated is a dead idea. Every research tries to contribute to the body of knowledge, this is done through

information that is communicated or passed across to the beneficiaries. Organization can only be current through the information that flows in and out of that industry. Any information that is received by any manager of any organization must as a matter of urgency be communicated to the units of the organization. This has remained a challenge to so many organizations today

that there is no better communication method that encourages team work that bring success to the entire industry which in turn open doors to achieve set goals. According to Lee Hassal (2009), communication is the cornerstone of team interaction, without which team will not be able to share information and knowledge, discuss and debate issues or strategies, or develop solution to problems. Team interactions bring out the best in every worker or employee that enhances productivity. Organization today suffer from isolation challenge because of their representatives in different field is not communicating back to the company accordingly.

Communication is viewed as functional for team performance in that it allows information and critical resources to be pooled and collective effort exerted over decision performances (Lee Hassal, 2009). The marketing/sales department of many organizations is not taking for granted because they are the eye of the organization for information flow. The reaction of customers is communicated back to the company through this department for necessary adjustment for better performance. This also open doors for right consultation and decisions to be taken. Communication has been widely accepted by scholars and academics as the livelihood of an organization because communication

is needed for exchanging information, exchanging opinions, making plans and proposals, reaching agreement, executing decisions, sending and fulfilling orders and conducting sales (Blalock, 2005; Farahbod, Salimi and Dorostkar, 2013; among others).

Organization managers use effective communication strategies to develop a supportive work environment that fosters organizational success and performance (Keyton 2013). Information communication is a strong link in the sense that it connects every organization to the right human and material resources and to the right customer. As mentioned earlier on, through effective information communication, the marketing department is effective because they are always equipped with the current information. Despite its freedom, costless and importance for achievement, many organizational leaders have displayed selfishness in terms of information discharge which over the years has bedeviled the expansion and success of many paint industries in the area under study and at large. In the same vein, extant studies have showed that information communication positively affect performance of firms, whereas, some studies have shown that information communication does not affect firm performance positively and significantly.

However, the conflicting results gave room for the gap this study intends to fill.

## **LITERATURE**

### **Concept of Communication**

The process by which information is exchange and understood by two or more people usually with the intention to motivate or influence behavior is referred to communication according to Draft (2000). Communication is the process by which any person or group shares and impacts information with/to another person (or group) so that both people or group clearly understood one another (Soola, 2000). There is need for effective and efficient communication among organization members that want to make meaningful progress. The attitude and motive for communication is also paramount for understanding each other or group communication. There could be technical jargon in the course of communication, the interest to get the message is advised especially among team members. Communication is the exchange of information between a sender (source) and a receiver (destination) so that it is revealed, understood and leads to action (Obamiro, 2008).

The cohesive sound between members of a team or organization is called closed-loop

communication. It involves the sender initiating a message, the receiver concerning the message, interpreting it and understanding its receipt and the sender following up to ensure the intended message was received and understood as intended (Salas et al, 2015). Folatin (2003) states that communication is any means by which a thought is transferred from one person to another. In fact, reliable information communication help in the coordination of other functional areas of the organization – finance, sales, production, personnel, marketing department to work as a team through interdepartmental communication and also reduces the chance of suspicion among workers that brings discouragement to performance. Effective performance will be achieved in the study area with the use of good and reliable communication system in place. To achieve this, organization must avoid technical jargon, information overloading, poor expression, distrust and environmental barriers while passing information across for proper understanding of the source and the meaning of the message.

### **Theoretical Framework**

This study is anchored on structuration theory. The structuration theory was propounded by Giddens (1984). The theorist argues that groups and organization

create structures which can be interpreted as organizations rules and resources. The structures in turn create social system in organization. This is one of the theories of communication by McGraw-Hill (2001). The structure put in place by organization is a determining factor whether effective communication is allowed or not. The nature and type of information that flow into any company is also determine by the structure in place. The theorist is of the opinion that good structure that allows good information communication method of any firm will enhance better performance as well. A structure that doesn't welcome good communication system should also expect poor performance. They posit that groups and organization achieve a life of their own because of the way their member utilizes their structure. And when better structure or rule is put in place by any organization, goal of the organization can be achieved. Also, when better structure or rule is put in place by any organization, workers are willing to follow accordingly toward achieving the set goal.

Organization structure is used by various firms as a control mechanism to affect employee work outcomes to ensure that the required task are performed effectively and efficiently, and to assist the attainment of organizational goals and objectives (Kasikea, Theodosiou, Perdskis & Kahagias, 2011; Al-Qatawneh, 2014).

According to Nwonu, Agbaeze & Obi-Anike (2017), a good structure nevertheless does not by itself produce an expected performance. Hence, a structure of an organization affects not only employee performance but the overall organizational performance and efficiency of the organization. David, Renner & Young, (2006) opine that poor structure of an organization aids poor performance irrespective of the ability of the manager.

**Rhetoric Theory:** People's ability to effectively communicate is very essential in every organization. Every communicator should try as much as possible to get his/her audience attention by making sure that the message is well understood by avoiding any form of poor expression and distortion. Rhetoric theory has to do with the speaker's ability to persuade his/her audience, and that audience should consider three rhetoric proofs: Logic, emotion and ethical. This is based on the available means of persuasion by the communicator.

### **Empirical Review**

Bethenhausen (2014) opines that manufacturing firm and team building attempt to improve group performance by improving communication, reducing conflicts, and generating greater cohesion and commitment among working group

members. However, many organizations have discovered that teamwork may not bring about the positive effects anticipated. Although teamwork offers opportunities for learning and innovation, improved quality and efficiency. This potential is not always realized and/or negative side effect may be found in terms of internal conflicts and increased turnover without communication in place in a manufacturing firm.

Lee Hassal (2017) investigated empirically on 223 national players of cricket academy in India on the relationship between information, communication and team performance of organization. Data was generated through primary source (questionnaire) and was subjected to Regression analysis. It was revealed that communication is the cornerstone of team interaction and that without communication; team may not be able to share information and discuss to achieve set goals of every organization.

Furthermore, Guzzo and Dickson (2006) examined efficient process flow on product and information handling in a manufacturing firm in Sweden. The relationship that exist between the variables (product and information) was investigated empirically employing regression technique method for the analysis. The result also indicated that positive

relationship exists between product and information in a manufacturing firm.

A study of executives and management teams in 130 fortune 500 companies indicated that communication, or rather the lack thereof is the number one problem in organizations today (Lawler, Mohman and Ledford, 2015). Nevertheless, communication is invaluable in teamwork, and considered especially important in team situation of an organization with a high degree of complexity (Over, 2010; Salas, Sims and Burke, 2015).

Abdulaziz (2018) also examined the relationship and the effect of information communication on the performance of local transporters in the Northern part of the country. And it was revealed that information communication has strong positive influence on the performance of local transporters in the area under study. In other words, transporters may not do well or Excel if the information and communication pattern is not properly sharpened.

Neves and Eisenberger (2012) in their study on management communication and employee performance, discovered that “open communication between management and employees is an effective way to increase employees’ performance – both their standard job and

extra-role activities – mainly because it signals that the organization cares about the well-being and values the contributions of its employees” (p. 460). This does not only has a positive influence on the employees, it also influences organization management positively; aids the achievement of organizational goals and objectives, thereby increasing productivity and other organizational outcomes

## METHODOLOGY

The study used the survey design method. A population of 95 respondents which covered all the staff (Management and Junior staff) of the selected paint manufacturing industry in the study area. Data was collected through primary and secondary sources. The primary source was the unstructured questionnaire because of the face-to-face discussion method with the respondents. This was done to get the true opinion of the respondents on the subject matter, while secondary source has to do with the textbooks and internet facilities. Judgmental random sampling method was

### Hypothesis for the Study

H<sub>0</sub>: Effective information communication has no significant positive effect on the performance of manufacturing firms.

adopted to get the sample size of 64. The questions were promptly responded to by the respondents and the returned data was subjected to chi-square analysis. Thus:

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

### Hypothesis Testing

#### **Hypothesis Testing**

Chi-square test was adopted to test the hypothesis. The significance level chosen for the test is 5% (0.05) using the formula:

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

Where: X<sup>2</sup> = Measurement of discrepancy existing between the observed and expected frequencies.

f<sub>o</sub> = Observed Frequency

f<sub>e</sub> = Expected Frequency

Σ = Summation

#### **Decision Rule:**

Where the computed value X<sup>2</sup> exceeds its critical (or figure) value, then the null hypothesis (H<sub>0</sub>) is rejected and the alternative hypothesis (H<sub>1</sub>) is accepted, and when the computed value of X<sup>2</sup> is equal to or less than the critical value (or figure), the null hypothesis is accepted.

### Testing of Hypothesis

$$\begin{aligned} \text{Degree of Freedom (Df)} &= (R - 1) (C - 1) \\ &= (3 - 1) (2 - 1) \\ &= 2 (1) = 2 \end{aligned}$$

$$X^2_{0.05} \text{ (Critical value)} = 5.99$$

$$f_e = \frac{(\text{Row})(\text{Column})}{\text{Total}}$$

The relationship between respondents opinion on the impact of information communication on paint industry in the study area.

**Table I:** Observed frequency ( $f_o$ ) of the respondents.

Opinion	Management Staff	Junior Staff	Total
Positive Response	24	16	40
Negative Response	19.5	15.5	35
Neutral Response	8	20	28
Total	51.5	51.5	103

**Table II:** Expected frequency ( $f_e$ ) of the respondents opinion.

Opinion	Management Staff	Junior Staff	Total
Positive Response	20	20	40
Negative Response	17.5	17.5	35
Neutral Response	14	4	28
Total	51.5	51.5	103

**Table III:** Computed Chi-square

$f_o$	$f_e$	$f_o - f_e$	$(f_o - f_e)^2$	$\frac{(f_o - f_e)^2}{f_e}$
24	20	4	16	0.8
16	20	-4	-8	-0.4

19.5	17.5	2	4	0.23
15.5	17.5	-2	-4	0.23
8	14	-6	-72	-0.86
20	4	16	256	64
Total				<b>63.54</b>

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e} = 63.54$$

Reading from the figure  $\chi^2$  at 5% level of significance

For degree of freedom (DF) = 2

$\chi^2_{0.05}$  (critical value) = 5.99 (Tabulated)

### Decision Rule:

From the above table III, the computed value (63.54) is greater than the critical value of (5.99). Going by the decision rule, we accept the alternative ( $H_1$ ) which says that the difference between the respondents opinion implies that information communication have significant effect on paint industry in the area. Put in another form, there is evidence to show that information communication has significant positive effect on paint industry in the study area.

### Discussion of results

In testing hypothesis chi-square ( $\chi^2$ ) was adopted, hence the difference between the respondents opinion does not implies that information communication have no

significant effect on paint manufacturing industry in Delta North Senatorial district. While the alternative hypothesis suggests that the difference between the respondents opinion implies that information communication have significant positive effect on paint manufacturing industry in the area under study. Based on the analysis, the computed value  $\chi^2$  exceeds its critical value (or figure) (calculated value 63.54 > critical value 5.99). It suggests that effective information communication have significant effect on the performance of paint manufacturing industry in Delta North Senatorial District. It also implies that the success of paint manufacturing industry is dependent on the type of information communication system that is been adopted by the industry which in turn influences economic development at large.



The result agreed with the opinion of Abdul-Aziz (2018) on a study conducted on the relationship between information communication and performance of manufacturing firms. The study revealed that effective information communication has a significant positive influence on the performance of manufacturing firms. It also agreed with the work of Guzz and Dickson (2006) that effect of information communication system have a significant positive relationship with performance of manufacturing firms in the study area.

## CONCLUSION

The study examined the effect of information communication on the performance of selected manufacturing firms in Delta North Senatorial District. The findings specifically lead to the conclusion that a direct relationship existed between information communication and performance of manufacturing firms which implies that effective information communication system will certainly improve productivity in paint industry thereby inducing growth in the economy.

Paint manufacturing industries should think increase in productivity and how to remain in the competitive market with effective communication system. New methods of information communication technology in

terms of different intercoms should be adopted. Organizational structure and leadership style that does not support effective information communication should be redesigned without further delay. Management should avoid information overload to achieve effective communication that produce useful results among workers/employees. Policy that encourages continuous use of effective information communication methods among paint industry owners is also suggested.

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