

# THE IMPORTANCE OF COMMUNICATION FOR BUSINESS SUCCESS OF COMPANIES IN THE CONDITIONS OF GLOBALIZATION

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**Abstract:** Globalization is a social phenomenon with broad implications. It changes the appearance of the world, and also the way we look at the world. It leads us, whether we like it or not, to live more radically, faster, more openly and to constantly adapt to the changing environment. Achieving the superior business performance in the global environment is related to respecting and adapting to new challenges and trends. It is quite clear and certain that it depends to some extent on good communication and negotiating skills whether the company will achieve business growth. Numerous activities in the modern business system are based exclusively on good communication, where the parties involved in the communication process must know the business skills, market, desires and style of behavior. Business cooperation begins and ends with communication. It is the basis for the growth and development of the company.

**Keywords:** communication, enterprise, globalization, information, message, employer

## 1. Introduction

Globalization as a social phenomenon, in addition to numerous advantages, has created a high level of inequality between individuals and groups. Some societies and communities prospered, while others declined. The history of a society represents the history of

globalization. The accelerated process of globalization has conditioned the need for a high degree of communication. The fact is that communication and culture are significantly shaken in modern society, and we must pay special attention to this problem both as individuals and as a community. It is certain that good communication

and negotiation skills determine the business success of the company. The type of company, the way of doing business, the number of employees and the environment in which the company exists and operates. One thing is for sure, and numerous studies support that communication is of great importance for the business success of companies in globalization.

## **2. Business communication framework in the global environment**

We live in a world in which countries are interdependent and connected. Changes are visible every day, because the world is changing very quickly. Communication culture plays a significant role both locally and globally. We communicate to satisfy ventures and desires in both the private and business fields. We exchange information, communicate through various sign systems, symbols and behaviors. Each of us wants to present our business. The purpose of communication, among other things, is to gain credibility and establish good, cultural and productive relationships with clients. Research conducted in many companies indicates that directors spend about 50% of their time in communication with others. Therefore, the role of cultural norms and rules of conduct

is crucial. Leaving a positive impression is the way for further business cooperation. This, along with others, reflects the effect of advanced globalization.

In today's turbulent business environment, effective business presentation has a large and essential role and significance. The ability to speak, write, communicate are key determinants of success in many industries. Although needed for personal and professional success, an effective business communication requires time, patience and effort. A successful communicator must have certain skills and the ability to anticipate certain situations so that things do not go wrong. Furthermore, attention should be focused on the disturbances or obstacles that may occur in the communication channel and which are caused by differences in the level of education, culture, customs, rituals and other sociological factors. So, there are many reasons why communication can be ineffective, so you should carefully consider the circumstances, factors, barriers and other elements. Getting feedback, whether verbal or nonverbal, is a useful sign that communication has achieved its goal. Numerous research studies emphasize the importance these forms of communication in international negotiations.

The accelerated process of globalization in the world has conditioned the need for a high degree of communication of individuals who are part of the business world. The business process is characterized by ups and downs. It is quite clear and certain that it depends to some extent on good communication and negotiating skills whether the company will achieve business growth. Numerous activities in the modern business system are based solely on good communication, where the parties involved in the communication process must know the business skills, market, desires and style of behavior. Numerous studies indicate that 50% of the impression made by the communicator is conditioned by body language and approximately 10% by the content of what is said. So, communication is one of the main elements of corporate success.

In addition to knowing and respecting the rules of international business communication, it is very important for companies operating in the domestic market to know the local customs, habits, traditions and culture of people from certain backgrounds. Such an attitude and attitude towards business partners from different backgrounds will contribute to better business cooperation and the company's reputation.

The essence of good communication skills implies the ability to present information in a clear, unambiguous and simple way. Good communication means presenting information, understanding instructions, compiling reports, giving consent, asking questions, listening to interlocutors, correct transmission of information, speed of transmission, etc. The above represents the steps or phases towards achieving the business goal, because if there is a communication error, it is impossible to realize the vision of the business venture. In today's competitive market, communication skills are very important and employers strive and look for workers who own them, because careful listening and presentation are characteristics that should be appreciated.

### **3. The importance of communication and business culture**

Communication and culture are two causally consequential elements that define the world of business cooperation between individuals and groups. The communication process is the sum of several factors such as the number of parties involved, issues to be analyzed, deadlines, physical and social environment, customs, culture, ethics, etc. Consumer culture shows us

what is socially desirable and acceptable among members of a particular community. Culture shapes value and determines cultural norms and rules of behavior. It is a universal phenomenon and is found everywhere. The higher it is, the easier and simpler the possibilities of communication are.

Actually, each of us belongs to a number of cultural groups. Culture affects the individual through language, beliefs, values, customs, folklore, symbols, work habits, etc. Each culture has its own pattern of behavior that seems unknown and foreign to people from other cultures, so they are often disoriented when being in a new culture. In such a situation, the possibility of business communication is difficult due to different cultural habits. Therefore, the process of acculturation is an important element in international communication.

Communication is completely dependent on culture, which implies knowledge of the language and its grammatical structure. Literacy significantly affects the process of communication and the language value system. Therefore, culture is a way of mediating between the individual and the society.

Along with the language of our culture, we learn a nonverbal style of behavior. If we speak a foreign language well, we also have a non-

verbal style of behavior of the culture whose language we speak. The connection between communication and culture is inevitable. Through the process of communication, our behavior, appearance, skin color, clothing style are expressed, which all affects how the message will be interpreted. The essence of the communication pattern lies in the values of the culture we come from and the social class that we belong.

In the business world the style of dress is an important part of communication, which is again part of the culture of a nation. Clothes are a reflection of our identity; it speaks about our values, which certainly affects business communication. Our character is recognized through the choice of clothes we wear, which strengthens our position in society. By dressing we show respect for business partners, which in verbal and nonverbal communication can prove to be a good kind of action. Building a business style is conditioned by numerous factors: behavior, personal appearance, clothing, voice qualities and communication. Elements of our environment, such as space, volume, size, light, color of furniture are also important tools that dictate the type of nonverbal communication. The so-called artifact code belongs to the circle of non-verbal communication.

#### **4. Communication - the basis and key to successful business**

In addition to numerous factors (internal and external) and elements of the environment that shape and influence the way and system of business of the company, business communication does not lag behind the above mentioned. The way of doing business, the type of company, the size of the company, the number of stakeholders and other factors affect the type and manner of business communication. Although it may seem insignificant on first sight, business communication is one of the key factors of successful business. Business cooperation begins and ends with it. It is the basis for further growth and development of the company.

We communicate in order to meet our needs privately and socially. We communicate to leave an impression on employees, suppliers, business partners, to gain credibility, to establish successful cooperation to the mutual satisfaction. Whether and how important it is, shows the daily cooperation of people from the business world, numerous meetings, gatherings, exchange of opinions and ideas. All of the above shapes business communication. Therefore, in order to be successful, companies must

create an environment in which employees and other participants in the chain perform their work by encouraging effective communication.

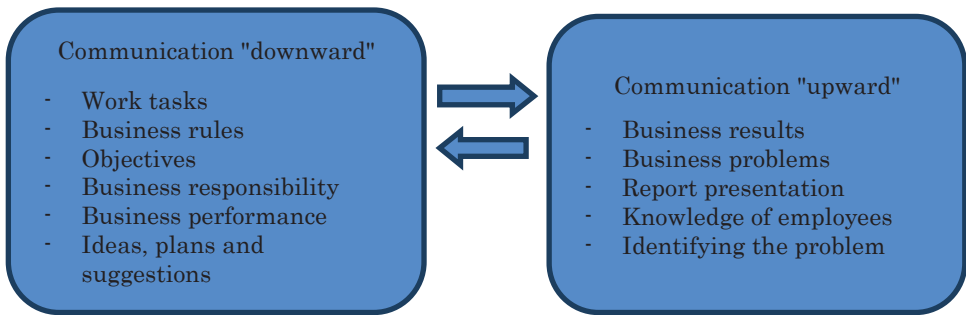
When we talk about organizational communication, we mean the flow of information, data and ideas within the organizational structure. Regardless of the position in the company, occupation, education, rank, etc., the communication skills affect not only the success of the company, but also our personal success. Communication in an organization essentially comes down to sending messages (internal - intended for the recipient within the enterprise and external - intended for the recipient outside the enterprise). The goal of communication in the organization, or so-called group communication, is to achieve better results through the cooperation of several people from the group than it would be achieved individually.

Communication within the company can take place at different levels. Well-known system of communication "downward", i.e. from superior to subordinate, and vice versa communication "upward", i.e. from subordinate to superior. [Lehman & DuFrene, 2015] Both models have a great impact on the company's business, because coordinated work and cooperation be-

tween employees and the employer is the basis of successful business. Communication from the top of the company, i.e. from the owner to the employee is a very important element of the system. In this way, employees learn how to perform their tasks, learn about the quality of their business performance, what are the rules and way of doing business, what is the company's business policy etc. This type of communication is important for both the employer and the employee and significantly affects the productivity and consequently the company's profit. Communication "upward" is a valuable source of information to the company's management. In this way, it collects information on the atmosphere among employees in the team, uses the expertise of employees, helps identify problems, and points out the pros and cons of doing business from the perspective of employees. This form of communication represents in some way a risk for the employee but also a chance for advancement depending on the corporate culture. The company will determine the employee's

further business depending on how the employee is presented. Having a good team and good communication is extremely important. No matter how good the product you place, the favorable price, promotion, distribution and other elements of the marketing mix, if you do not have cooperation and communication both inside and outside, the company may experience failure in the market.

"Communication is the key that unlocks all the doors, so communication skills are an important part of building your own success. The possibility of skillful and precise communication brings many benefits. This makes us a person of trust, likeable and pleasant with many opportunities. The more people think we are like that, the sooner they will want to cooperate with us. We become more successful, progress faster, earn more money, sign more contracts, get promotions, we are more convincing and influential in every situation." [Lehman & DuFrene, 2015]



*Figure 1: Forms of communication in the company*

### 5. Research-communication and business success of the company

The distribution and structure of respondents according to the answer to the question:

""How important is communication for the business success of a company in the conditions of globalization?"

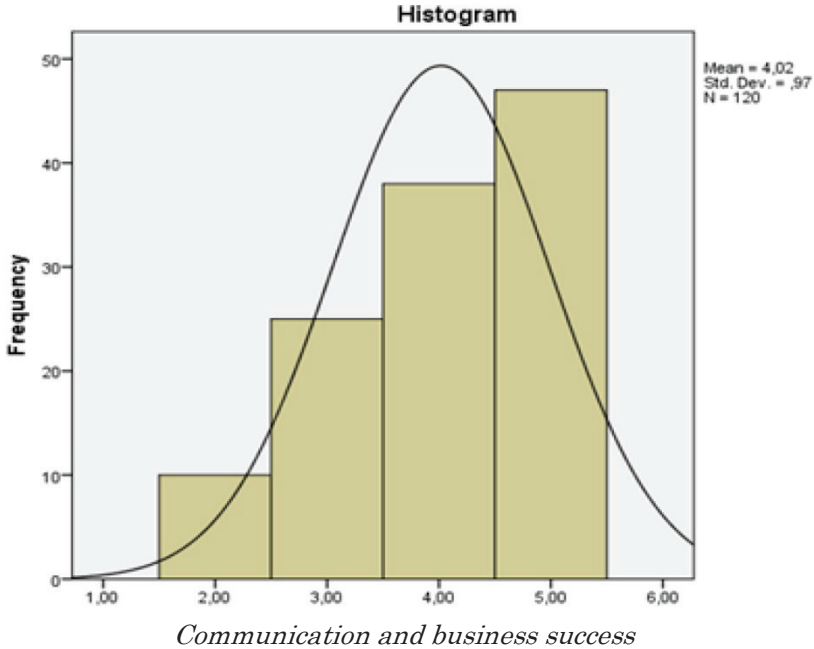
Sample statistics, arithmetic mean, show that the average response of the respondents is partially important (4.02). The table shows the

distributions of absolute and relative frequencies of the answer variable to the question. Based on the data, it can be concluded that no respondent thinks that communication is absolutely unimportant, and that only 10 or 8.3% of respondents think it is partially unimportant. The largest number of respondents think that it is very important (47 or 39.2%), and a total of 85 or 79% think it is partially important and very important. The number of respondents who think it is both important and unimportant are 25 or 20.8%.

Table 1: Distribution of respondents according to the answer to the question: "How important is communication for the business success of a company in the conditions of globalization?"

Answers	Number of respondents	% participation	Cumulative % participation
Absolutely unimportant (1)	0	0,0	0,0
Partly unimportant (2)	10	8,3	8,3
Both important and unimportant (3)	25	20,8	29,2
Partly important (4)	38	31,7	60,8
Very important (5)	47	39,2	100,0
In total	120	100,0	

Figure 2: Histogram of the number of respondents according to the answer to the question: "How important is communication for the business success of a company in the conditions of globalization?" \*



*\* Source: based on data from the previous table*

## 6. Conclusion

The family, the company, the community, the organization and other subjects in the socio-economic system must have, maintain and respect certain rules in order to function successfully. The efficiency of relationships in a community depends on many factors among which the communication is one of the most important. Communication rules, way of communication, communication channels and other elements can be defined in one way

or another, but it depends exclusively on individuals whether the communication will leave an impression on colleagues, business partners, friends, etc. It often happens that the company has a good organizational structure and operates successfully, but insufficient and direct communication of employees can affect the lack of optimal results. It clearly feels and sees at first sight (whether it is a shop, school, pharmacy, theater, etc.) a good atmosphere, harmony in the team, pleasantness and

cheerful spirit, which is a consequence of good communication between employees and employers. On the other hand, an unpleasant atmosphere and rudeness create tension and coldness, which is a consequence of poor communication and all this certainly leads to poor business results of the company. From the above we can conclude that the skill of communication

today plays an important and invaluable role in all business and trade activities, which is confirmed by the results of conducted research. The skill of communication can be a talent and a gift, but by working on ourselves every day we can contribute to the well-being of the society in which we live and do business.

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# ZNAČAJ KOMUNIKACIJE ZA POSLOVNI USPEH PREDUZEĆA U USLOVIMA GLOBALIZACIJE

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**Rezime:** Globalizacija je društveni fenomen sa širokim implikacijama. Ona menja izgled sveta ali i način na koji mi gledamo na svet. Navodi nas, hteli mi to ili ne da živimo radikalnije, brže, otvorenije i da se stalno prilagođavamo okruženju koje se menja. Ostvarivanje superiornih poslovnih performansi u globalnoj sredini vezano je za uvažavanje i prilagođavanje novim izazovima i trendovima. Sasvim je jasno i sigurno da od dobre komunikacije i pregovaračkih sposobnosti zavisi donekle da li će preduzeće ostvariti poslovni rast. Brojne delatnosti u savremenom poslovnom sistemu isključivo se zasnivaju na dobroj komunikaciji, gde strane koje učestvuju u komunikacionom procesu moraju poznavati poslovne sposobnosti, tržište, želje i stil ponašanja. Sa komunikacijom započinje i završava se poslovna saradnja. Ona je osnova za rast i razvoj preduzeća.

**Ključne reči:** komunikacija, preduzeće, globalizacija, informacija, poruka, poslodavac.