

**THE IMPACT OF INTERNAL COMMUNICATION ON
EMPLOYEE PERFORMANCE IN BANKING SECTOR: SPECIAL
REFERENCE TO BATTICALOA DISTRICT**



By

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ABSTRACT

Banks are regarded as the backbone of economies, whether it is just for a single state or country or if considered for the globe as a whole. There are many challenges that Banks face in the modern economy such as lack of finance, deficiencies in marketing, low human resource capabilities and technological challenges. Out of these the financial aspect such as insufficient access to financial resources and investment capital can be a significant barrier to the growth of these Banks.

Nowadays, Communication, specifically organizational communication has become an important factor for the overall functioning and success of an organization. Employees discuss or exchange relevant information with one another when they are communicating within an organization. There is a lack of studies conducted on the Internal Communication context. Only a few studies are related to Internal Communication and Employee Performance. However, there is still a lack of studies which consider the Communication Satisfaction Questionnaire (CSQ) simultaneously investigate the relationship between communication satisfaction and job satisfaction. It is to be important and worthy of investigation of Internal Communication in the context of Employee Performance.

Therefore, this study focuses on examine the impact of Internal communication (Downward Communication, Upward Communication, Horizontal Communication), on Employee Performance in Banking Sector in Batticaloa District of Sri Lanka. Questionnaire was the tool selected to collect data for his study and 210 responses were collected and analyzed.

In this study, the statistical tools that used to analyze the levels of variables are mean and standard deviation values, while relationships were measured by Pearson coefficients for further analysis regression was also used. Moreover, the result shows high level of organizational communication to Employee Performance and strong significant positive relationship between internal communication and Employee Performance.

Keywords: Downward Communication, Upward Communication, Horizontal Communication, Employee Performance

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