

The Relationship between Communication Skills and Customer Satisfaction Through the Mediating Role of Cultural Intelligence in Employees of Eghtesadnovin's Bank

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Abstract: The goal of this study is investigating the relationship between customer orientation and communication skills through the mediating role of cultural intelligence in employees of Eghtesadnovin's bank. The statistical population of this research is the employees of eghtesadnovin's bank in Khorasanrazavi which are 115 persons. The statistical sample is equal to statistical population but the number of returned questionnaire were 105. Data gathering tools were 3 questionnaires on communication skills (bordbar) customer orientation (Erfani hey) and cultural intelligence (Erly and Oung). Predictors and indicator variables were investigated by stepwise and simultaneous regression, the mediating role of cultural intelligence investigated by path analysis and based on results it can be argued that the mediating role of cultural intelligence is significant although communication skill variable has a direct impact on costumer orientation but it can acquire a higher impact through mediating role of cultural intelligence.

Key words: Communication skills, customer satisfaction, cultural intelligence, Eghtesadnovin bank's employees, significant

INTRODUCTION

In an era which contains moments of remarkable changes, the key role of communications is undeniable. Researches show that almost 75% of our daily time is spent in communications and relationships with the others. So the quality of everyone's life highly depends on the quality of its relationships with the others. All of us have similar opportunities in business environment but only those can cover advancement and development's path so quickly and gather their respect, value and position that have the power of expression, discuss themselves properly and create effective relationship with different persons in different situations. Communication skills are some of the most important capitals which would be effective in the process of success for everyone having good relationships that lead to successful business is the main factor in success of those businesses. Such relationships are based on our methods of communications, previous experiences showed that those companies which have a traditional view over the concepts of customer, product, market, sale, buy, competition, advertisement, quality and lose their capital investment in addition to being unsuccessful (Toulayi, 2007) management of costumer relationship give the organizations the ability to identify stable opportunities in market with higher possibility and increase their

competitive advantage (Azmoode *et al.*, 2012) in today's competitive world none of organizations can differentiate themselves from other organizations via excellence in operations or innovation in products unless they had deeply understood the needs and requirements of their costumer in the era of internet transparency and global selection, organizations can no longer hide themselves behind prices and policies. Costumers are so smart that they know they have a choice and if they have a bad experience about company's services, they apply their right and turn to other competitors. In fact power leverages had move from organization toward costumer.

So unlike previous decades, it is the costumers that make decision for organization and not organization for the costumer the strong relationship with costumers is the main key of success for any business costumer orientation is some kind of organizational culture that generate required behaviors for honoring toward costumer in the most efficient and effective manner which consist of customer satisfaction, customer loyalty, customer retention and maintenance, costumer's knowing, attraction and preserving, acquiring the confidence of customer, costumer's respect and retention (Andrlic, 2010) since the occurrence of certain behaviors depend on specific situation, successful managers try to achieve goals via prediction, directing, controlling and making

changes toward customer's behavior and this trend require a significant amount of researches because of individual differences and the development of human communications in modern world and cultural differences in various societies (Yukl, 2008).

Nowadays the banking industry has been transformed into billions of industries at the same level of old industries. Modern information technology and the management of customer relationships made the banks to encounter a great amount of customers and make one by one communication toward each of customers (Lotfi, 2011) communication barriers consist of any kind of reason or defects that make interference in the process of message delivery or understanding. Cultural differences between two generations is kind of communicational problem on the other hand the main problem of humankind is the lack of cooperation and mutual agreement with the others (Hersy and Blanchard, 2003) significant increases in international exchanges and heterogeneity of workforce gathered the attention of many of business experts toward the identification and improvement of capabilities that lead to effective presentation in global dynamic and complicated environments, among these capabilities, cultural intelligence is the tool that can be used for proper encounter toward multi-cultural situations (Abbasali and Mohammadjavad, 2007).

Earley described cultural intelligence as the ability of learning new patterns in cultural communications and making the right behavioral responses toward these patterns. Although cultural intelligence had been mostly studied toward interactions with foreign cultures but it would also has the ability to be extended toward racial/ethnic sub-cultures inside national culture. So, local managers can also apply this factor in daily interactions communication skills are those abilities that engage people in interpersonal interactions and processes and consist of different set of skills that the most important ones are speaking, effective listening and feedback. Although, communication is an effective skill for managers but might had not been considered as a primary aspect until now and there is no clarity about it and hadn't applied in ethical level (Mathis, 2007) mentioned to this fact that the lack of communication skills lead to increases in cost which decrease efficiency. In situations that the economy of different countries traverse their evolutionary and globalization stages the approach of various business areas specially those areas in services delivery had changed fundamentally and philosophically. The transformation about the strategic position of customers in modern competitive markets had changed the methods of making connection with customers and keeping them loyal to the company.

Modern economic businesses are trying to establish one to one relationship with their valuable customers, so a great amount of competitive force in manufacturing and service companies is devoted to attraction, maintenance and making stable relationships with customers. By considering the current changes, it can be argued that in today's business environment the concept of customer orientation is in the focus of attention. In order to show the importance of customer and its retention some points should be mentioned:

- The cost of new customer attraction is 5-11 times higher in comparison to old customers retention
- In order to have a 2% increase in customer basis we should spend 10% more investment
- Loss of missing 1 customer is equal to exit of 100 other customers
- Customer satisfaction is the precondition to all other successes of company
- The most valuable asset of any organization is the trust and confidence of its customers
- Listening to customers complaints is 90% of the task and solving the problem has 7% impact while following its satisfaction has a 3% impact (Yazdani *et al.*, 2011)

Cultural diversity is one of the most common problems that current managers face it among required skills for 21th century, the ability of continuous adaptation with different people from different cultures and having the ability to manage multi-cultural communications have a significant importance, global workplace require people which are familiar with different cultures and establish proper communication with other cultures having the cultural intelligence is necessary for achievement of this goal (Fayazi and Hoda, 2006).

Cultural intelligence is a new domain of intelligence that is generally defined as the ability and capability of making efficient relationship with various people from different backgrounds. Cultural intelligence provide visions about people's abilities and skills to deal with multi-cultural situations, engaging in multi-cultural equations and performing in different workforces which have cultural differences (Lugo, 2008) so having researches and discussions about the development and confirmation of cultural intelligence is necessary.

This research is performed for investigating the relationship between communication skills and customer satisfaction in employees of Eghtesadnovin bank in Khorasanrazavi branches to understand and identify communication skills and propose appropriate solutions.

Such conditions lead to better customer satisfaction and better relationships between employees and customers from different cultures which is based on identification and application of cultural intelligence.

MATERIALS AND METHODS

The available information and facts of bank’s employees had been used In this research and the analysis of relationships between customer satisfaction, communication skills and cultural intelligence is also based on this information so it can be considered as a descriptive research in order to test the hypothesis and answering to research’s questions we began to gather required information. This situation shows the nature of research which is descriptive. On the other hand since we surveyed the dimensions of research’s model, its components and variables in an statistical population and we tried to investigate the relationship between variables and hypothesis so it is a field (survey) research. However it is a cross-sectional survey since the required information are gathered in one period via questionnaire, the statistical population of this research contains the employees of Eghtesadnovin bank in Khorasanrazavi which are 115. The statistical sample is equal to statistical population but the amount of returned questionnaires were 105 that 7 of them were invalid and finally 98 questionnaires were analyzed. The main tool for data gathering is questionnaire which based on investigated variables consist of standard questionnaire of communication and interactive questionnaire with 18 items in 3 dimensions of listening skills and interactions, nonverbal and verbal aspects, customer orientation questionnaire which contain 19 items based on likert scale and rated from 1-5 (with 5 dimensions of manager’s viewpoint about respect, confidence and honesty, services and support, education and responsiveness) and its validity is confirmed by members of faculty of management in Ferdosi university. The cultural intelligence questionnaire which was introduced by Earley and Ang (2003) contains 20 items based on likert scale which was normalized in Iran in a study on students of Payame Noor University (2010) and include 4 dimensions of strategy, knowledge, motivation and behavior. The questionnaires are designed based on likert scale (very low, low, moderate, high, very high). In order to determine the internal adaptive reliability among variables and in other words normalization of reliability and predictability for participants, the Cronbach’s alpha formula was applied. In order to achieve

this objective we performed an experiment on 37 of eghtesadnovin employees and gathered the completed questionnaires which show a desirable level of Cronbach’s alpha.

RESULTS AND DISCUSSION

As it is shown in Table 1, the highest mean belongs to education (3.14) and the lowest mean belongs to trust and honesty (2.97). As it is shown in Table 2 the highest mean belongs to verbal skill (3.48) and the lowest mean belongs to listening skill (3.21). As it is shown in Table 3, the highest mean belongs to strategy (3.26) and the lowest mean belongs to motivation (2.91). The results of kolmogorov test shows that the data have normal distribution. So parametric tests can be used for data analysis.

As it is shown in Table 4 only the relationship between verbal skill and customer orientation is meaningful. Based on values of Table 5 shows the level of linear relationship between predictor (verbal skill) and indicator (customer orientation) which is 0.345 and its corresponding r^2 is 0.119 and the differentiated R^2 , $\Delta R^2 = 0.094$, it means that verbal skill variable can determine almost 10 % of estimated variable’s variance. According to the results of Table 6 it can be argued that the most meaningful relationship between dimensions of

Table 1: Descriptive statistics for customer satisfaction variable

Variables	Mean	SD	Variance
Customer satisfaction	3.099	0.35	0.124
Respect based on manager’s viewpoint	3.040	1.15	1.320
Trust and honesty	2.970	0.65	0.430
Services and support	3.067	0.55	0.300
Education	3.140	0.94	0.880
Responsiveness	3.000	0.55	0.310

Table 2: Descriptive statistics for communication skill

Variables	Mean	SD	Variance
Communication skill (total)	3.37	0.41	0.17
Verbal skill	3.48	0.50	0.28
Listening skill	3.21	0.51	0.26
Non-verbal skill	3.44	0.50	0.25

Table 3: Descriptive statistics for cultural intelligence

Variables	Mean	SD	Variance
Cultural intelligence (total)	3.33	0.48	0.23
Strategy	3.26	0.50	0.25
Behavior	3.19	0.66	0.43
Motivation	2.91	0.55	0.30
Knowledge	3.25	0.53	0.28

Table 4: Correlation coefficients between dimensions of communication skills and customer orientation

Variables	Verbal skills	Listening skills	Nonverbal skills
Customer orientation			
Pearson correlation	0.340	0.240	0.180
Significance level	0.037	0.147	0.276

Table 5: The results of stepwise regression analysis for customer satisfaction based on components of communication skills, verbal skill as predictor

Multiple regression factor-r	R ² -determination	Modified determination coefficient	Estimation error	Significance level
0.345	0.119	0.094	0.3347	0.037

Table 6: Pearson correlation coefficients between dimensions of cultural intelligence and customer orientation

Variables	Strategy	Knowledge	Motivation	Behavior
Customer orientation				
Pearson coefficients	0.240	0.32	0.430	0.15
Significance level	0.203	0.05	0.008	0.35

Table 7: Results of stepwise pearson correlation for customer orientation based on components of cultural intelligence

Multi correlation coefficient, r	R ² -determination factor	Modified determination factor	SE	Significance level
0.431	0.186	0.163	0.3217	0.008

Table 8: Pearson correlation coefficients between the dimensions of communication skills and cultural intelligence

Variables	Verbal skill	Listening skill	Non verbal skills
Cultural intelligence			
Pearson correlation	0.340	0.061	0.210
Significance level	0.038	0.719	0.201

Table 9: Results of stepwise regression for prediction of cultural intelligence based on dimensions of communication skills (predictor: verbal skills)

Multi correlation coefficient, r	R ² -determination factor	Modified determination factor	SE	Significance level
0.342	0.117	0.092	0.4626	0.038

Table 10: Model's indicators

Criterion	Significance level	Obtained value
χ^2	-	83.79
df-degree of freedom	-	52
Proportion of χ^2/df	>2	1.1
Goodness of Fit Index (GFI)	>0.9	0.903
Normalized Fit Index (NFI)	>0.9	0.764
Comparative Fit Index (CFI)	>0.9	0.9
Relative Fit Index (RFI)	>0.9	0.914
Root Mean Square Error of Approximation (RMSEA)	<0.05	0.044

Table 11: Standard path coefficients and model's significance level

Items	Factor loading	Sig.
Communication skill-Customer orientation	0.23	0.003
Communication skill-Cultural intelligence	0.29	0.001
Cultural intelligence-Customer orientation	0.36	0.001

Table 12: Indirect coefficients

Indirect coefficient	Value of standard indirect factor	Significance level
Communication skill-Customer orientation	0.18	0.031

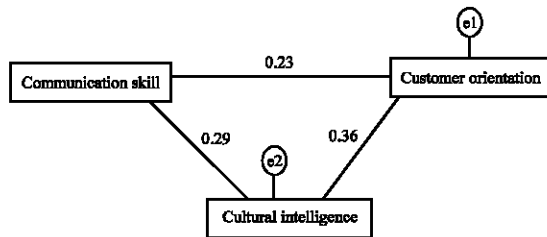


Fig. 1: The coefficients of 3 variable path

cultural intelligence and customer orientation is based on motivation in addition 2 dimensions of knowledge and motivation have a meaningful relationship with customer orientation. According to Table 7, the values of r, the linear relationship between predictor variable (motivation)

and indicator variable (customer orientation) have a factor of 0.431 and determination coefficient is 0.186 (R²) and $\Delta R^2 = 0.163$, this means that motivation variable can describe 16% of variance for indicating variable. According to the results of Table 8 we can argue that the most meaningful relationship between dimensions of communication skills and cultural intelligence is related to verbal skill in addition only the verbal skill have a meaningful relationship with cultural intelligence (0.038) According to results of Table 9 for r which shows the level of linear relationship between predictor (dimensions of verbal skill) and the indicator (cultural intelligence) that is 0.342 and R² = 0.117 (modified R², $\Delta R^2 = 0.092$) it can be concluded that verbal skill can describe almost 9% of indicator's variance (Fig. 1).

According to obtained results for indexes the model can be confirmed which means that research's sample can support this model (Table 10-12). According to results of indirect relationship coefficients between communication relationship and customer orientation, it can be argued that for 1 unit of changes in communication skill, there would be an indirect 0.18 increase in customer orientation through cultural intelligence, it is in addition to direct impact of communication skill on customer orientation.

According to definition of verbal skill for application of symbols to encourage others to administer the tasks, it can be argued that the employees of eghtesadnovin bank can increase customer's satisfaction, loyalty, attraction and retention, recognition/attraction retention and respect through application of symbols for interactions between customer and vendors. Amir Safari discussed the relationship between communication skills, customer

orientation and marketing in Eghtesadnovin bank in his study and concluded that communication skills have a positive and significant relationship with customer orientation which is in the same direction of results of this research. In Tarigholi's research with title of investigating the relationship between communication skills of body building gyms managers and customers loyalty and satisfaction, a positive and significant relationship between was found between communication skills and customers loyalty and job satisfaction which is similar to the results of this research. Among the dimensions of cultural intelligence, knowledge and motivation have a positive and significant relationship with customer satisfaction (0.32, 0.43) based on achieved results it can be argued that increasing knowledge and motivation lead to higher customer orientation. Employees understanding from cultural similarities and differences and their mental and perceptual maps from other cultures can increase their knowledge toward customers and improving them in Eghtesadnovin's employees can lead to customer orientation. People's interest to test other cultures and having interactions with people from other cultures is a factor that can lead to more motivation toward cultural intelligence. According to this dimension, people can only handle cultural interactions under conditions that have enough motivation and confidence and believe their own abilities, so by increasing the motivation and confidence of sport products managers and suppliers, the customer orientation can be increased. The results of 2 available hypothesis is in the same direction of Moody (2007)'s research. In addition the knowledge dimension can predict communication skills, the acquired results show that people's understanding from cultural similarities and differences and general information and perceptual and mental maps from other cultures can improve communication skills. In addition the results of step wise regression analysis showed that only the verbal skill dimension can predict cultural intelligence significantly. Correct application of verbal symbols for motivating others to perform their jobs can improve verbal skill, on the other hand increasing verbal skill lead to higher cultural intelligence and generate proper behavior in different cultural situations. The results of this hypothesis is in the same direction.

Eric discussed the role of cultural intelligence on communication and customer orientation and published their investigation in an article with title of "the impact of cultural intelligence on effects of communications, job satisfaction and anxiety of national Chinese managers for working in multinational foreign companies" which was applied on 225 of these managers in China, the results showed that cultural intelligence has

an important impact on anxiety reduction while its impact on communication and job satisfaction is positive, cultural intelligence help managers to be sensitive toward different cultures and make proper and decent communications with people from different cultures. Results show that intercultural differences are one of the most important factors for determination of behavior and performance (Green *et al.*, 2005). According to definition of cultural intelligence and implemented research by Eric and the results of current research it can be argued that paying attention toward cultural intelligence and its dimensions can have a positive impact on communication and customer orientation, employees with high cultural behavioral intelligence express great behaviors based on their verbal and nonverbal abilities and can demonstrate appropriate words, gesture, dialogue, movement of hands and facial expressions in terms of cultural values (Chen, 2002). Researchers believe that cultural intelligence is in the same direction of emotional- social intelligence, emotional intelligence assume that employees are familiar with their own culture so they apply their own cultural methods to interact with the others.

CONCLUSION

Cultural intelligence express itself in places where emotional intelligence is incapable in them, it refer to those places that we deal with familiar people so the job of employees of eghtesadnovin bank require a high amount of cultural intelligence since they face a lot of customers everyday so they can make easier and more efficient relationship.

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