



Business communication challenge of small enterprises in Bangladesh

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Abstract: The relative SME share in manufacturing value added is a lot extended and estimated to fluctuate between 45 to 50 per cent of totaling value-added generated with the aid of way of practicable of the manufacturing industries sector. Further as important sources of new agency introduction and growing new entrepreneurial talents, these industries furnish the much-wished dynamism and vitality to the national economy. Implementation of poverty alleviation action programs and techniques are a systematic and continuous effort in Bangladesh. The object of the paper is to find the main communication challenges of small business in the Bangladesh and give a positive solution or recommendation to our reader through this paper. This report covers all the aspect of the small business to analyze and find the possible help to the reader about the real picture of the communication challenges of small enterprise in the Bangladesh. The limitation of this paper that I use only secondary data because of COVID-19 I Ire not able to interview any businesses hover make an authentic report I added information about the main challenges faced from the internet and have given appropriate reference to complete our paper. Finally, I tried to get some finding of the solution of the communication challenges faced by small business in Bangladesh.

Keywords: Small enterprise, challenges and opportunity, Small enterprise growth rate, possible solution.

Introduction

This is normally appropriate for Small enterprises of our country as they are dealing with specific types of troubles for availing institutional finance even although Small enterprises play dominantly crucial attribute in the use of a large financial of Bangladesh with the genuinely beneficial advisable resource of making up over ninety per cent of industrial enterprises, imparting employment to

four out of 5 industrial personnel and contributing to over one-third of industrial value-added to gross home product. For that purpose, the Poverty Reduction Strategy of the authorities has clearly identified some core requirements and parameters each and every and each at macro and micro degrees for lowering the modern poverty level at least half of indoors 2015 as placed in the Millennium Development Goals (MDGs). More than 90% of the industrial enterprises in Bangladesh are in the SME size-class. Generally, Small enterprises are labor intensive with as a choice low capital intensity. The SME in addition poses a persona of privilege as cost pinnacle notch and comparative charge advantages in nature. The SME insurance plan sketch design sketch methods have been formulated to actually beneficial resource in the success of the wishes and ambitions the MDGs set with the beneficial useful resource of universal overall performance of the Government.

Literature Review

This Small and medium Enterprises act as the most hundreds some deal a complete lot a great deal much less excessive priced and clearly stimulated potential of providing employment and injecting dynamism into industrial growth, each and every and every and every and each and every for-poverty alleviation and for contribution to the GDP. At modern-day day SME quarter is facing a lot of problems. Bangladesh authorities is making a try to develop the SME local by using general overall performance of first-rate policy measures even though the price of enchantment is now no longer up to expectations. Riaan (2001) observes that the 50.53 percent of Small enterprises have no get entry to formal furnish of finance. Only 35.79 share of Small enterprises revel in unrestricted access to the formal credit. The enjoyment (13.68 percent) of them have restrained get admission to the formal credit. Bank credit is used with the advisable useful resource of the use of small share of entrepreneurs and provides financing of normally a precise deal a super deal lots loads a properly deal much less than 20 shares of their complete outlay. Majority of the Small enterprises 59.6 percent seek finance for their working capital needs from banks, although truly a half-of them get non-public mortgage from banks. In addition, argues that access to finance possess as one of the most important problems for the Small enterprises in Bangladesh. Lack of investment or taking walks bucks stays as one of the most extraordinary complains of the Small enterprises in Bangladesh. Ahmed (2004) factors out that due to the lack of national pinnacle notch insurance plan format graph layout sketch and sufficient beneficial aid system, and in addition the lack of credibility of the pinnacle notch certification authority, Small enterprises of

Bangladesh have failed to make fantastic the quality of merchandise and picks each and every in home and international markets. He in addition argues that get outstanding of entry to finance prevails as one of the most quintessential problems for the Small enterprises in Bangladesh. Lack of investing or operating bucks stays as one of the most prominent complains of nearly all the SME in Bangladesh. Suleiman, (2005) located that the 50.53 percent of Small enterprises had no get entry to formal furnish of finance. Only 35.79 share of Small enterprises revel in unrestricted access to the formal credit. Of the enjoyment 13.68 percent have restrained get applicable of entry to formal credit. Bank monetary economic monetary financial savings ranking is used with the advisable resource of the utilization of way of small share of entrepreneurs and provides financing of regularly a terrific deal an awful a lot plenty much less than 20 shares of their whole outlay. Majority of the Small enterprises 59.6 percent seek finance for their working capital needs from banks, although absolutely a half-of them get personal private mortgage from banks. Rahman and Mahmood (2007) mention that small enterprises are the spine of the economy in international areas like Bangladesh. Small enterprises go via way of from common constraints such as lack of capital, difficulties in paying for uncooked materials, lack of get entry to relevant business information, low technological capabilities, problems introduced on with the honestly really helpful beneficial useful resource of cumbersome and costly bureaucratic procedures. Hover, with proper domestic insurance plan format diagram sketch format encouraged beneficial really useful resource from the government and an eye nearer to world market trends, Small enterprises can build cape and reap the rewards of globalization. Hasan and Islam (2008) identify that banks usually do now no longer one of a range challenges nearer to SME financing. The intent in the decrease minimize once more of this conservativeness is higher operational cost, lots a real deal a remarkable deal a lot masses a good deal much less returns and excessive hazard associated with the SME financing. Due to small non-public mortgage dimension the operational price is expanded and they require intensive monitoring and supervision. The crucial purpose for higher risk is that the small entrepreneurs are highly no longer going to comply with the collateral requirements as typically they do now no longer have immovable properties. With the excuse of collateral now and as hastily as massive banks and non-bank financial groups are reluctant to finance Small enterprises. A report (2008) says, the key reasons in the as shortly as extra of the Small enterprises are now no longer getting into manufacturing then as shortly as greater are financial constraints, dismal state of utilities, science and insurance plan layout structure

shape layout discriminations. On the other hand, Bank and others monetary institutions generally pick out massive business enterprise industrial business employer enterprise organization agency purchasers due to the truth of Loir transition costs, and prolonged availability of collateral. The Small enterprises in addition fall outdoor the reap of micro finance domestic and world markets. He in addition argues that access to finance possess as one of the most important problems for the Small enterprises in Bangladesh. Lack of investment or on foot money stays as one of the most exquisite complains of the Small enterprises in Bangladesh. He in addition argues that get applicable of entry to finance prevails as one of the most quintessential problems for the Small enterprises in Bangladesh. Lack of investing or operating bucks stays as one of the most prominent complains of nearly all the small enterprises in Bangladesh. Suleiman, (2005) determined that the 50.53 percent of Small enterprises had no get admission to formal supply of finance. Only 35.79 share of Small enterprises ride unrestricted access to the formal credit. Of the relaxation 13.68 percent have restrained get relevant of entry to formal credit. Bank financial savings ranking is used by means of potential of ability of achievable of small share of entrepreneurs and provides financing of often a lot an entire lot an awful a lot much less than 20 shares of their complete outlay. Majority of the Small enterprises (59.6 percent) seek finance for their working capital wishes from banks, although in truth a half-of them get mortgage from banks. Rahman and Mahmood (2007) mention that Small and Medium Enterprises are the backbone of the economy in global areas like Bangladesh. Small enterprises go with the simply beneficial aid of from common constraints such as lack of capital, difficulties in paying for uncooked materials, lack of get first-class of entry to relevant business information, low technological capabilities, problems delivered on thru capability of way of feasible of the utilization of cumbersome and costly bureaucratic procedures, and insurance plan design graph plan graph diagram insurance plan diagram design format diagram insurance plan sketch diagram shape insurance plan layout insurance plan format insurance plan insurance policies and regulations that generate market distortions.

Research Objective

To pick out the modern-day kingdom of affairs of SME sector in Bangladesh. To spotlight the probabilities of SME regional in Bangladesh. To choose out the communication troubles of SME quarter in Bangladesh and recommend some pointers to overcome these problems. From the sequence of our

distinction, it appears that for the economic enchantment of Bangladesh Small enterprises can play an integral role.

Research Mythology

This paper business communication challenge of small enterprises in Bangladesh is a specially focus on the establishment of the company and the business process during the business activities. Additionally, it is also showing the what are the main challenges face to the small entrepreneurship to take loan from the bank, select the place for the business, communicate with the customer for selling and buying to run their business effectively to make profit and establish a small enterprise for the long run. During this report I are use some data from Bangladesh Bank report to justify us analyze report. This paper is based on secondary data and I are able to interview some industrial person to justify properly moreover author will try to give the authentic data from various source.

Discussion and Analysis

SMEs will proceed to be the most necessary the use of stress for earnings and employment technological knowledge in Bangladesh. The future for entrepreneurship appears to be very bright. We are dwelling in the age of the entrepreneur, with entrepreneurship advocated via capacity of talent of government, company community, tutorial institutions, society, and corporations. Development of SMEs in Bangladesh is the opt to increase the great of dwelling of the human beings of our country. The modest pointers and pointers there to are given below:

Enhancing Access to SME Finance

Access to institutional finance for SMEs is on the other hand beautifully limited. Less than 30% SMEs have gotten admission to institutional loans. Enhancing get admission to institutional finance through 50% of SME entrepreneurs may additionally moreover be a goal indoors subsequent 5 years.

Development of SME Infrastructure

Infrastructure enchantment is a prerequisite to environment exceptional enchantment and financing of SMEs Currently, the most extreme constraint that forestall the enchantment of SMEs is the lack of infrastructure (e.g., roads, gasoline and electricity), restrained get acceptable of entry to market opportunities, technology, knowledge and enterprise statistics and communication. Providing magnificent infrastructure for SME enlarge have to be given priority.

Quality of SME Products

Poor awesome of products, is a large setback for increase of SME industrial agency and SME region as a whole. Measures for extremely good enchantment and standardization of SME merchandise has to be one of the targets. The BSTI may additionally moreover in addition be made greater amazing in monitoring terrific of product each for home market and for exports.

Training Facilities for SME personnel and Entrepreneurship

Bangladeshi people are very terrific at inspecting manufacturing competencies and copying them. However, education amenities for SME personnel and enchantment of entrepreneurial talents are no longer sufficient in our country. Some education Institutes like the Training Institute of BSCIC impart instructing on the different hand it is now not utilized properly. Special functions are to be undertaken for the organization of educating institutes related to entrepreneurship development.

Organizing Trade Fairs, Symposiums, Workshops on SMEs on Regular Basis

At present day workshops and symposiums on SMEs are held by means of way of the utilization of one-of-a-kind organizations and sense tanks, however these are held on event and now not in any systematic manner. A sketch of maintaining seminars, workshops, alternate fairs, etc. on a regular groundwork favor to be formulated.

Setting Help Desks in Banks and Business Promotion Bodies with Internet Facilities

To lengthen the outreach of SME enchantment normally in admire of woman entrepreneurs, a Help Desk with pc and net amenities choose to be set up in financial crew branches dealing with SME finance as acceptable as in all chambers of commerce and business enterprise and particular alternate promotional bodies.

Developing Uniform Definition of SME

There prefer to be a uniform set of definitions for SMEs. This set of definitions ought to be the absolutely definition used with the useful resource of all our bodies and corporations linked with SMEs. Micro and cottage industries desire to in addition be described accordingly.

Results / Findings

To keep a business running efficiently, few recourses are necessary among which a steady flow of communication is a very vital factor. Hover, effective communication could be a big hurdle to overcome for organizations, especially for small businesses in Bangladesh. A good oral and written

communication skill is very important for the success of any small company operation in the; it often serves as a prerequisite for owning a company.

Despite communication being a chief aspect for successful business, most small or medium companies face challenges regarding communication on a daily basis. While conducting our research for this term paper, I have come across few of the most common communication problems that companies and managers have to confront that have been described as follows.

Challenges faced by SME:

Fragmented communication the most major problem lies in the lack of communication or in many cases, segmented communication. Quite often, inside many companies in Bangladesh, the communication becomes one-way, i.e. it travels to the boss but does not get reflected back to the employees. On the other hand, employees tend to mix with the people they work closely to and not everyone in the company. At the same time, there can be missing communication when vendors and employees do not communicate properly. These can make small issues snowball very quickly and eventually hamper the company's workflow. Another challenge that sometimes engulfs the company is micromanagement. This happens when a manager hovers over their employees, closely observing and overly controlling their actions and in fact, every aspect of their job. Due to this, a distrustful and adversarial environment is created which effects the communication process negatively. Profusion of communication and information since, there are many ways to communicate, beginning from written communication to oral communication to face-to-face communication, sometimes it can be burdensome with overloaded information. This profusion of information connects us to some other findings of our research which are stated as follows:

Sometimes, written form of communication i.e. emails, instant messaging is an effective way of communication but at times these technological factors can overburden an employee as the information gets onslaught between personal and business messages. At other times, face-to-face communication works more efficiently but at the same time, using such oral communication inordinately results in underuse of technology and more time consuming and less efficient workflow. This is a common occurrence in small businesses in the when such confusion is created and the silver-lining between oral, written and in-person communication is crossed, specially by the new employees. One of the major complaints found in the study is that employees or managers feel overly connected due to the current

technology. For example, due to smartphones, there is a constant connection between the employees, vendors, consumers and all the other stakeholders. This leaves almost no personal time for the employees as it is difficult to unplug oneself from the chain of transmission. In many cases, when there are pressing deadlines employees tend to block themselves from the corporate sector. They often ignore calls, emails, messages and any other technological or instant communication. Similarly, there are many times when emails will not be read, messages are sent but not received on the other end to the tendency of creating a barricade. This can result in ineffective and inefficient working environment, hampering the workflow of the company. Occasionally, there is a lack of concentration in employees due to which they cannot comprehend the ideas or decisions properly. I've come across many complaints where only one person of the team remembers the new procedures introduced but other do not recall receiving the same instruction.

From time to time, there is a veil amongst the different departments in the business owing to which no one seems to know the happenings of the other sectors of the company. Again, there have been many statements of dissatisfaction from the office workers that people do not know what their colleagues in the company are doing; each is doing their assigned job and fails to understand how it connects to the company as a whole or to the other operations. Every now and then, when there are different units in a company, and it functions unit-wise, there is a gap of communication between the employees of the different departments. The workers get divided and there is a grouping in the office. Hover, for the smooth operation of the business, unity among everyone in the office is very important. Because of the inefficacious communication in the small companies in Bangladesh, another problem that lies in the infrastructure is that sometimes unnecessary meetings are carried out. Meetings must have a clear purpose but there have been criticisms about purposeless meetings being called which wastes time rather than proving to be effective. Post-meeting cluelessness yet another challenge that is faced is that after a meeting has been conducted, workers do not seem to exactly know what was said or instructed at the meeting. This coincides with our point 4, lack of listening, as such cluelessness occurs due to lack of concentration. Unacceptance of intercultural sensitivity as Bangladesh is a country of mix culture, there is a mixture of people from various caste and cultures working in a company, be it small or large. Hover, often enough, employees fail to accept and adapt to the cultural differences and a

stereotype is created as a result of which, there are cases of micro-aggression, subtle bullying, grouping, etc. This, again, is another major challenge faced in small enterprises.

Conclusion

To operate a business, especially small ones, many different hurdles and obstacles have to be faced each and every day. Similarly, communication challenges are one of the biggest hurdles an enterprise has to face on a daily basis. In this term paper, I have researched about this very topic, i.e. the communication challenges faced by the entrepreneurs while running small companies. I have also provided some recommendations which could serve as the possible solutions to the problems regarding communication in small businesses. If these communication challenges could be overcome, then such small companies would flourish beyond measure and prosper by increasing their efficient workflow and productivity.

Recommendation / Suggestions

On while conducting the research, I have also come into conclusion for some of the possible solutions to the problems listed above. These recommendations are stated respectively as follows:

A possible solution to fragmented communication could be arranging more office get-togethers, team dinners or lunch, group activities and a better access to technology. Fragmented communication occurs when the flow of communication between the upper management and other employees and frontline workers is not smooth and efficient. This could be overcome by warming up to the employees more and building a better bond and as a result, a better teamwork. Thus, going to such unofficial meetings and get-togethers will create a chance for the managers or executives to listen to their employees. At the same time, setting expectations could help in missing communication, either by check into the remote employees or by asking the vendors to provide reports. This will help all the stakeholders to be on the same page and communicate the progress amongst one another. There can be a few ways to deal with micromanagement. One of them could be being thorough through the hiring process; it would be more essential to hire people the manager could trust and so, easily allow them to carry out the task they are assigned for alongside, it would be better to email the employees about any necessary information or update about the work rather than calling them constantly as constant calls would force the employees to pause their work and address the employer or manager's needs. However, if an email is sent instead, the workers could respond to their supervisors at their convenience and thus,

there would be a more trustful working environment. When there is an overloaded information and communication, the manager could guide the employees for a more fluent communication. Trainings and workshops could be held on when and how to communicate depending on the situation. For example, when to request for face-to-face communication, when to use written communication via technological gadgets, when to use oral communication and phone calls, etc. This will help prevent the confusion among employees, specially the new recruited ones; teaching them the appropriate communication channel is the key. Secondly, owners or managers should encourage their employees to take their own personal, down time by actions like granting ranged vacations or turning off email notifications or phone calls when they would be off-work to enjoy their personal time. This will motivate the workers more and as a result there would be a better workflow and better productivity. To ensure more attentiveness from the employees, the manager or the employees themselves could adapt few communication skills. These could include, the manager being encouraging and asking questions to the employees to see whether they are following and have understood the concept or not. At the same time, the speaker has to use effective communication aspects like using gestures, a good, loud and strong tone, maintain eye-contact, etc. The managers could also ask for feedback on the instructions given so that the employees could comprehend the ideas better through revision. To prevent departmental blinders, more warm-up sessions among the units could be held, for e.g. company dinners, get-togethers, annual sports, inter-departmental competitions or games, etc. These gatherings would create a floor for the employees from different departments to converse among each other and know more about the other units operating in the company. At the same time, to improve inter-unit communication, a ritual could be made where an employee from each department could go to the other departments and give speech or share updates about them work, purpose, etc. In this way, every department would have an idea about the happenings in the other departments. Again, the employees have to be brought together using ways that would give an opportunity for communication between them. These ways could be to have company newsletter, online collaboration, friendly competition, company gatherings, etc. Instead of encouraging purposeless and pointless meetings, there should be a clear idea and purpose for the meeting to be conducted. An agenda could be prepared which would clearly state the schedules, purpose, idea, time of speaking, etc. This would help in a more organized and meaningful meeting and no member would remain clueless about the meeting concepts. As post-

meeting cluelessness mostly occurs due to the lack of concentration of the employees and inefficient communication, ways to improve communication and listening poi of the employees described previously could be carried out. Alongside, meeting minutes should be prepared so that the employees could be look back into the contents of the meeting after the meeting has ended. This would help them to recall and understand the discussions of the meeting and prevent the cluelessness. Intercultural sensitivity is a very important factor for a healthy working environment. To promote this, seminars about intercultural sensitivity could be held. At the same time, employees could be given trainings and lessons needed to be able to adapt to the difference in culture, opinion, demographics, etc..

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