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# The Influence of Information Communication Technology Adoption Practices on Strategic Communication of Banks in Ethiopia

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### **Abstract**

The purpose of this study was to determine the level of Information Communication Technology adoption and practices for strategic communication comparing private and public banks in Addis Ababa. To achieve the objective of this study, a quantitative approach was employed. Three hundred six respondents, who were selected through stratified sampling techniques, were surveyed of which 110 were from public and 196 from private banks. The data were analyzed using percentage, mean, and independent t-tests. The hypothesis testing and model-building procedure were significant at a p-value<0.05. Findings indicated that ICT adoption was a widely accepted practice and was held with a similar degree and pattern among private and public bank employees. Additionally, workers used ICT for strategic communication at an average and consistent level in public and privately owned banks. The amount of ICT use had an indirect influence on banks' strategic communication and mediated 88% of the overall effect of organizational factors. So, there is statistical evidence that organizational factors do affect and contribute to strategic communication, and there was no evidence of mediation, despite the fact that a considerable portion of the total effect of technology and environment-related factors (61%) and (67%) respectively have indirect influences. The study recommends ICT adoption practices can help banks streamline their operations and increase efficiency through effective strategic communication. To strengthen the banking sector in Ethiopia, the government could initiate and strengthen banks through effective ICT adoption for effective strategic communication and enhance banking services aimed at achieving a global competitive advantage.

Keywords: /Adoption/Banking/ICT/Practices/Strategic communication/

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#### 1. Introduction

# 1.1 Background of Study

Today, information and communication technology as strategic communication tools have become the heart of the banking sector while the banking sector is the heart of every robust economic productivity (Girma, 2016). Likewise, in today's highly globalized and information-based economy, ICT adoption in business organizations is used to remove redundant management functions and maximize the improvement of organizational performance (Kenneth & Jane, 2012). Al-hatmi (2012) mentioned that ICT is the most important tool for achieving business firms' key objectives as the fastest dynamic tool for effective business organization communication. For strategic management, communication, teamwork, customer access, data, and knowledge management, making decisions, and ICT adoption practices are eminent (Alamitu, 2014; Kaur & Sharma, 2020).

Moreover, as Agboola (2006) stated, ICT can be used to gather, process, store, share information, and communicate effectively with stakeholders for efficient and effective ways of carrying out banking functions. It offers substantial rewards for banks in terms of development and gaining a competitive advantage. Kiradoo's (2011) study findings show that ICT is a significant tool in contemporary business organizations for improving strategic communication and achieving strategic objectives and competitive advantage. Similarly, as Kenneth and Jane (2012) state, ICT is a very important tool for effective communication in an organization and organizational messages should appropriately be communicated. According to Svensson (2020), the requirements to develop effective strategic communication are setting goals, assessing resources, identifying target groups and partners, choosing the medium, and monitoring performance. He further mentioned the three designs of strategic communication components: advocacy, social mobilization, and behavior change of each communication objective to achieve the goals of the organization. Likewise, Grimshaw, Mann, and Viscio (2015) stated that strategic communication is developed as part of the communication plan and the activities of the communication function on the relationships with stakeholders.

Similarly, Blazenaite (2012) states that strategic communication is a communication plan to achieve and meet organizational goals using appropriate tools and message selection on what needs to be communicated with audiences. It is the outcome of the strategic thinking process by top managers, making strategic decisions on the organization's strategic goals. Moreover, Sandhu (2009) explains that strategic communication is the selection and identification of appropriate communication tools to connect with different stakeholders using ICT to achieve an organization's objectives and to ensure the design, and action plan of an organization's capacities and performance (Svensson, 2020). Similarly, Cornish, Lindley-french, & Yorke (2011) add that effectively implementing strategic communication must be established upon a strong understanding of any given information environment, about the goal of that organization to achieve strategic priorities and realize core objectives of an organization. Besides, Kulvisaechana (2001) mentions that effectively implementing strategic communication can enhance the interactive process of generating and interpreting messages between people within the organization. According to Rajhans (2009), effective strategic communication should be aligned with the organization's mission, vision, values, and goals.

However, there are barriers that affect effective communication. According to Durão (2017), the barriers to effectively implementing communication strategies include a lack of consensus, knowledge, and poor understanding of the organization's mission and vision. The other main barriers that affect the effective communication of an organization are lack of direction from managers to lead employees towards organizational goals, lack of relation between strategic content and strategic process, lack of coherence between strategic planning and resource allocation, lack of strategic feedback, lack of involvement of the organization's management, and using inappropriate tools and techniques.

Such barriers can be minimized using different strategies, and ICT is one important tool in this regard. According to Kiradoo (2011), ICT is an important tool used for enhancing effective communication and making decisions on everyday functions of business operations and competitive advantage. With the development of ICT over the earlier years, the Ethiopian banking sector has shown incredible changes in investing in ICT for providing services for customers and competitiveness. Therefore, banks are contingent on ICT to compete globally by adopting different online electronic banking services. Ethiopian banks have financed vastly in adopting ICT during the last few years and have undergone remarkable changes in giving services to customers using online systems. By 2001, the Commercial Bank of Ethiopia introduced and adopted an online banking service. According to the National Bank of Ethiopia (2010), three private banks in Ethiopia, Awash Bank SC, Nib Bank SC, and United Bank SC started using integrated Automated Teller Machines (ATMs) in 2009 and they spent over 40 million Birrs. It has replaced the traditional ways of banking activity with online electronic banking activity.

Today the bank sector highly depends on how well it is used and integrated with ICT and communicates effectively to perform its daily transactions for survival and global competitiveness. The main objective of this study was to analyze the mediating effect of ICT adoption on strategic communication to improve the performances of banks in Ethiopia. Thus, for the successful operation of a business organization, effective strategic communication is very important at all levels of the organization. This study finds that the effect of ICT adoption on strategic communication in business organizations is highly significant.

### 1.2 Statement of the Problem

Currently, using ICT as a channel of effective strategic communication is not a choice for banking sectors for survival and global competition. As a result, business organizations need to adopt and use ICT as a tool for effective strategic communication and decision-making to enhance business productivity and access quality information. Until the mid-1950s, business organizations managed all their information flow and transactions with paper records (Rahim and Ali, 2016). Organizations are required to implement ICT systems to compile and process data and information for effective communication and decision-making. With the increasing scope of business and complexities, managers need quick access to information which is more significant for the purpose of strategic communication and decision-making (Kiradoo, 2011). Similarly, Kiradoo (2011) and Taylor and Francis (2015) mentioned banking sector adopts ICT as a tool of effective strategic communication to improve performance and achieve competitive advantage over competitors. According to Nonyelum (2018), using ICT business organizations can improve their functions for competitive advantage.

Competitive advantage is an important element that informs about the business efficiency of an organization for operating more effectively and efficiently than their competitors. Mao, Liu, Zhang, and Deng (2016) also stated competitive advantage could be achieved when an organization achieves efficiency in doing their business process or function more efficiently than their competitors by using ICT as a strategic tool within the organizations to increase effective strategic decision-making and encouraging competitive advantage. Organizations use ICT for effective communication and strategic decision-making to achieve competitive advantage. To improve the flexibility and responsiveness of the business organization, ICT can be used for integrating data on a single platform for customers to access information and effectively communicate easily. It helps organizations access the available information in an effective and timely manner and makes decisions to improve operational efficiency, achieve the objectives of business organizations, and enhances strategic communication (Sandhu, 2009; Kiradoo, 2011). As Pimiä (2015) also stated, to achieve the objectives and goals of an organization, designing an organizational communication strategy using technology-mediated online channels of communication is very important.

Kaur and Sharma (2020) argued that the need for ICT is critical for banking operations to communicate with each other and with other branches or other banks to reduce the time to serve customers, globalize banks, and explore data in real-time through ICT for extensive communication. These trends tend to two important needs: a) The need to support staffs who are working together in the same bank and those working at dispersed locations or branches of other banks, and b) The need for better, faster, and cheaper communication among individual bank or intra-bank and other banks or inter-bank. That is why ICT adoption practices support the banking industry effectively and efficiently via strategic communication.

However, the implementation of effective strategic communication in an organization is not an easy endeavor. As Taylor and Francis (2015) stated, some factors affecting the implementation of strategic communication in an organization are ineffective communication like information overload, communication anxiety, unethical communication, message distortion, insufficient information, and minimal feedback. Likewise, Sandhu (2009) and Cornish *et al.*(2011) mentioned that the main challenges for effectively implementing strategic communication are insufficiency to cope with the relationship between strategy, policy, and action in an organization, and the strategic priorities of internal and external stakeholders' needs.

The above empirical studies witnessed that the use of ICT for effective strategic communication is very important to improve organizational performance and to achieve a competitive advantage over competitors globally. As a result, the banking sector has been investing in ICT to improve its performance efficiency and to get global competitive advantage and survival.

Several studies have been done on ICT adoption practices from different perspectives. For instance, Girma (2016) focused on how ICT adoption models affected banking service performance. Additionally, Meseret (2010) did research on the impact of ICT adoption from the standpoint of the banking industry. The researcher affirmed that because the aforementioned studies were conducted from various angles, it is difficult for developing nations like Ethiopia to benefit from the same welfare that industrialized nations have from the adoption of ICT. Put another way, ICT use as a mediating effect for strategic communication is currently the subject of little research. To bridge this gap, the study was initiated to investigate the effect of ICT adoption on boosting strategic communication perspective. Therefore, there is a larger need to investigate indepth ICT adoption as mediating effects on strategic communication to enhance the organizational performance of the banking sector. Thus, this study hypothesizes whether a significant mean difference exists between public and private banks in ICT adoption on strategic communication to enhance bank performance or not. It also looks at how effective ICT adoption for strategic communication can be used to improve the efficiency of banks. Furthermore, it assesses how banks can overcome the gap of communication through ICT adoption practices to enhance strategic communication for effective banking sector performances.

### 2. Methods

## 2.1 Setting of the Study and Research Design

The study was conducted on the banking industry using a descriptive survey design to achieve the study objectives. The study compared the level of ICT adoption practice for strategic communication between private and government banks in Addis Ababa.

# 2.2 Target Population, Sample Size, and Sampling Techniques

From the target population of 415 (120, 136, and 159 from CBE, Awash Bank, and Dashen Bank respectively), 320 sample respondents were selected of which only 306 respondents correctly filled the questionnaire. They were selected using a stratified sampling technique from the ICT office, Marketing and Communication office, and Strategic planning office of the three banks' head offices. It is suggested that for a target population of 415, it is possible to take a minimum of 217 sample population, but for the data validity and

precision, the researchers considered a sample of 320 of which 120 from CBE, 95, and 105 from Awash and Dashen private banks respectively using sample size determination (Cohen *et.al*, 2018). However, from the 320, only 306 sample respondents filled correctly the questionnaire correctly.

# 2.3 Data Collection, Processing, and Piloting

Data was gathered using a structured questionnaire. The tool was designed by the researchers on Google Forms and piloted to gather information from respondents. Respondents received the tools via email, and digital data was collected from their responses. Regarding the online survey and consent letter, contacts with the directors, managers, and officials were established. Furthermore, the email lists of the employees under the respective sections were obtained for mailing and further correspondence (The list of emails of the employees constitutes the sampling frame). On top of that, from the total population of 415 identified, 306 study participants were surveyed (Using CAPI also saved data processing time as data were entered during the questionnaire filling). Out of the 320 sample respondents, 14 did not complete the survey questionnaire, which means 96% of the questionnaire was correctly completed and submitted online. Finally, the collected data was exported to STATA version 14 for further processing, analysis, and interpretation.

Before the main study, a pilot test was conducted to validate the tools on twenty-six professional staff from three banks: Oromia Bank, Cooperative Bank of Oromia, and Zemen Bank. Accordingly, a test of reliability showed a relatively better internal consistency. That is, a Cronbach's alpha of 0.82 for the organizational factor (6 items), 0.76 for the technological factor (11 items), 0.76 for environmental factors (6 items), and 0.67 for strategic communication (7 items). However, upon further analysis, some items were deleted from the final tool to improve the internal consistency of each of these domains. Thus, in the final tool, four items remained for organizational, nine for technological and four for environmental factors. In addition, all items were considered for strategic communication factors.

## 2.4 Measurements and Variables

This study's outcome variable was strategic communication in public and private banks. Strategic communication was assessed using seven questions that have been developed from the literature reviewed. It captured investment in organizational communication through ICT infrastructure, alignment of communication strategy plans with organizational goals and customer involvement in information dissemination. ICT adoption was measured using a set of nine questions as the mediator variable between adoption factors and improving strategic communication. The level of ICT adoption was measured using questions from various domains such as communication tool availability (13 items), frequency of use (13 items on a 5- 5-point Likert scale), ICT training, and confidence in using these tools (8 items on the Likert scale). Furthermore, the availability of communication procedures in the organization, the medium of documentation of communication processes, the use of the database for decision-making, and the availability of software for making analysis that aids decision-making were all used to assess ICT adoption for communication. Finally, responses were scored on these items, and the scores were converted to percent scores, with lower scores indicating a lower level of adoption and higher scores indicating a higher level of adoption of ICT for strategic communication.

In addition to the mediator variable ICT adoption, three determinant factors were measured in this study. A technological factor was the first factor which was measured using a set of nine items in a 5-5-point Likert scale. The technological factor refers to existing technology and infrastructure of adopters' perception and awareness of ICT adoption. The remaining potential determinant factors were organizational and environmental factors which were measured using 4 items in the Likert scale. The environmental factor refers to the external environment in which an organization operates as factors that are considered relevant to the adoption of ICT and its condition for supporting the development of ICT services. Legal framework, national ICT infrastructure, competitive pressure, and government support are the main factors relevant to ICT

adoption. On the other hand, organizational factors are financial and human resources and organizational culture to adopt and use ICT.

## 2.5 Data Analysis

The quantitative data was analyzed using descriptive and inferential statistics such as mean, standard deviation, percentage, and independent t-test. The assumptions for parametric tests have been met (samples were randomized, data were normally distributed, and equal variance of the two groups was achieved).

The mean comparison was applied based on an independent t-test to compare the level of ICT use for strategic communication between private and public sector banks. On the other hand, since this study was to analyze the mediating effect of ICT adoption on strategic communication, a mediation analysis test was employed in fitting a model to the data using a structural equation model. Results of the analysis were produced and displayed using tables, charts, and figures. A hypothesis test was used to determine whether there were significant mean variations between public and private banking in terms of how they adopted ICT for strategic communication and the development of models. Hence, statistical significance mean was observed at (t=1.12, df=1, p-<0.05). The model formulation has two parts: structural and measurement (Bollen & Noble, 2011). The structural part has three latent exogenous variables and one latent endogenous variable. Organizational (OF), Technological (TF), and Environmental (EF) factors were exogenous in the structural model, while strategic communication (SC) was the endogenous factor. Furthermore, ICT adoption () for strategic communication, which is an observed mediator variable, is considered in the analysis by the study researcher. Thus, the structural model formulations are:

$$\begin{split} \tau_i &= \alpha_{o1} + \beta_{11} \times OF_i + \beta_{21} \times TF_i + \beta_{31} \times EF_i + \varepsilon_{i1} \\ \text{and} \\ SC_i &= \alpha_{o2} + \beta_{12} \times OF_i + \beta_{22} \times TF_i + \beta_{32} \times EF_i + \beta_{42} \times \tau_i + \varepsilon_i \end{split}$$

Where, i = 1, 2... n

T denotes the level of ICT adoption,

 $\alpha_o$  denotes intercept,

 $\beta$  denotes path coefficients from exogenous factors to level of ICT adoption, and

ε denotes an error in the prediction

Further, the measurement part of the model for each item in the latent variable expression is shown as:

$$\gamma_{ji} = \alpha_{oj} + \beta_j \times OF_{ji} + \varepsilon_{ji}$$

$$\gamma_{ki} = \alpha_{ok} + \beta_k \times TF_{ki} + \varepsilon_{ki}$$

$$\gamma_{li} = \alpha_{ol} + \beta_l \times EF_{li} + \varepsilon_{li}$$

$$\gamma_{mi} = \alpha_{om} + \beta_m \times SC_{mi} + \varepsilon_{mi} \text{ Where j} = 1, 2, 3, 4$$
 $k = 1, 2 \dots 9$ 
 $l = 1, 2, 3, 4$ 
 $m = 1, 2, \dots, 7$ 

 $\alpha_o$  Denotes intercept,

 $\beta$  denotes path coefficients from exogenous factors to observed items, and

ε denotes error in the prediction

### 2. 6 Ethical Considerations

In this study, respondents' information and data confidentiality were maintained. The primary ethical challenges and concerns of this study were respondents' informed consent and willingness to participate in the study. An official letter from Addis Ababa University was provided to the three banks before the real data gathering began. The goal of the study, the study participants' right to participate or decline was stated in the questionnaire's introduction, and verbal agreement was also acquired from bank representatives. Respondents were informed not to write their names; instead, they were just informed to include their email address, organization's name, and department. Additionally, the necessary credit was given to all of the references consulted for this study.

## 3. Results

## 3.1 Respondent's Characteristics

Table 1

Respondents' Background Characteristics by Bank Ownership, Addis Ababa 2021

Variables and characteristics		Ownership					
		Public		Private			
		(N=	(N=110)		(N=196)		
		No.	%	No.	%		
Sex	Female	26	23.64	29	14.80		
	Male	84	76.36	167	85.20		
Education level	Bachelor	61	55.45	100	51.02		
	Masters and above	49	44.55	96	48.98		
Age group	20-30	25	22.73	75	38.27		
	31-40	59	53.64	98	50.00		
	41-50	23	20.91	18	9.18		
	51-60	3	2.73	5	2.55		
Work experience	1-10 Years	62	56.36	133	67.86		
	11-20 Years	33	30.00	55	28.06		
	>20 Years	15	13.64	8	4.08		
Marital status	Single	50	45.45	70	35.71		
	Married	60	54.55	126	64.29		
Department	Communication	11	10.00	12	6.12		
	ICT	73	66.36	92	46.94		
	Marketing	9	8.18	51	26.02		
	Strategic Planning	17	15.45	41	20.92		

Source: Survey, 2021

Table 1 summarizes the respondents' demographic information. As can be seen, 110 of the 306 respondents were from public banks and 196 from private banks. Men made up 76.36% of respondents from public banks, making up the majority of respondents overall. On the private bank side, 167 men (85.20%) outnumbered 29 women (14.80%) implying banks are male-dominated at middle-level organizational positions in public and private banks. The data also reveals the respondents' educational backgrounds, with bachelor's degrees and master's degrees accounting for 61 (55.45%) and 49 (44.55%) in public banks, respectively, while

100 (51.02%) and 96(48.98%) in the private sector, respectively. This implies they have a qualification that enables them to effectively communicate and plan in the banking service. The data also revealed that respondents aged 31 to 40 (n= 59, 53.64%, for public banks, and n= 98, 50%, for private banks) made up the majority of respondents overall which indicates the employees are at the right age status to utilize ICT for strategic communication and discharge their responsibility.

In terms of work experience, 62 (56.36%) and 133 (67.86%) respondents had less than 10 years of experience in public banks and private banks, respectively. While 33 (30.00%) of those with 11 to 20 years of experience worked for public banks, 55 (28.06%) worked for private banks. Whereas those with more than 20 years of work experience were 15 (13.64%) in public banks and 8 (4.08%) in private banks, and this indicates that respondents have sufficient experience to provide accurate information about the study. Furthermore, 50 (45.45%) of public and 70 (35.71%) private bank employees were single, while 70(35.71%). In comparison, 60 (54.55%) of public bank employees and 126 (64.29%) of private bank employees were married. As a result, it was discovered that the majority of the respondents from both banks were married. In terms of respondents' departments, 11 (10.00%) and 12 (6.12%) respondents from public and private banks were from the communication department, respectively. Whereas 73 (66.36%) and 92 (46.94%) respondents from public and private banks were from the ICT department, respectively. Furthermore, 9(8.18%) and 51(26.02%) were from public and private banks, respectively, and worked in the marketing department. On top of that 17 (15.45%) and 41 (20.92%) respondents from public and private banks, respectively, work in the strategic planning department. This revealed that respondents were selected from relevant departments to obtain relevant data for the study.

# 3.2. ICT Adoption and Strategic Communication Practice

Table 2

ICT Adoption and Strategic Communication Practice by Bank Ownership, Addis Ababa, 2021

	Ownership					
	Public		Private			
	(n=110)		(n=196)			
	Mean	SE	Mean	SE	t Sig(2	2-tailed)
Variables and characteristics	(Average)		(Average)			P
ICT Adoption (Score in %)	73.7	0.99	72.9	0.76	1.23	.073
Strategic Communication Practice (Score in %)	63.1	2.2	60.1	1.80	1.56	.045*

SE=Standard Error of the Mean,\* P<.05

Source: Survey, 2021

The level of ICT adoption and use for strategic communication of banks was assessed. The results indicate that there was a widely accepted opinion that adopting practices ICT possesses a range of benefits including enhancing strategic communication of banks, the computed independent t-test (t=1.23, df=1, P>.05) revealed there exists no significant mean difference between private and public banks in ICT adoption practices. Whereas their strategic communication practice has a significant mean difference between the two banks as (t=1.56, df=1, P < 0.05). Furthermore, this highly prevalent opinion was held with a similar degree and pattern among private and public bank employees.

## 3.3 Strategic Communication and Its Determinants

Results of Structural Equation Model and Mediation Analysis for Strategic Communication, Addis Ababa, 2021

	Analysis		_		
	SEM		Mediation		
Variables and characteristics	Coef	P-value	RIT	P-value	
ICT Adoption (average Score in %)	0.36	0.00	36%	0.00	
Ownership for both	-0.03	0.56	56%	0.56	
Technology related factors	0.02	0.74	61%	0.18	
Organization related factors	0.02	0.87	88%	0.00	
Environment related factors	0.16	0.07	67%	0.07	

SEM=Structural Equation Model

RIT= Ratio of Indirect to Total Effect

Source: Survey, 2021

Table 3

The hypothesis that ICT adoption enhances strategic communication in banks and the assumption that it mediates the influences of digital variables such as technology, organization, and the environment was measured as shown in Table 3. The findings of the analysis show that the level of strategic communication practice was analog between private and public banks. In addition, there was no significant moderation effect of the different determinants observed by ownership status (Coef. (Private) = -0.03, p=0.56). Similarly, technology (Coef. = 0.02, p=0.74), organization (Coef. = 0.02, p=0.87), and environment (Coef. = 0.16, p=0.07) related factors were found to have a statistically insignificant contribution to the level of strategic communication.

However, the level of ICT adoption and use was positively and significantly related to the magnitude of strategic communication (Coef. = 0.36, p=0.00). Further, the assessment of the mediation effect of ICT adoption showed that while technology and environment-related factors had no mediated effect, organizational factors were shown to have an indirect effect on strategic communication. According to the result of the mediation analysis, 88% of the total effect of organizational factors was mediated by the level of ICT adoption of banks. Although a large proportion of the total effects of technology (61%) and environment (67%) related factors were indirect effects, the results were not significant and no evidence of mediation was indicated (Table 3).

# 4. Discussion

The study investigated ICT adoption methods and their effect on strategic communication in Ethiopian banks. The study contrasted the public and private banking industries. To use a structural equation model to fit a model to the data, mediation analysis was used. The research on ICT adoption for banking strategic communication in Ethiopia revealed that private and government bank employees share the general belief that adopting ICT enhances banking strategic communication. The advantages and level of ICT adoption and use for strategic communication practices were also average among both bank employees. Results indicated that public institutions used comparable practices with private. The study also looked at the idea that the use of ICT in banks improves strategic communication and mediates the influences of distal factors including technology, organization, and environmental factors.

ICT is an important tool in contemporary business organizations for enhancing strategic communication and achieving strategic objectives of business organization and global competitiveness. This finding is consistent with research findings from (Hallahan, Holtzhausen, Van Ruler, Verčič, & Sriramesh, 2007; Kiradoo, 2011; Kenneth & Jane, 2012; Miller, 2012; Pimiä, 2015; Nonyelum, 2018; Ramdani, Raja, & Kayumova, 2022). Hallahan *et al.* (2007) also supported the use of ICT to improve strategic communication as an effective communication tool for accomplishing organizational goals. Further, Kenneth and Jane's (2012) study results confirm that the findings of ICT use in business organizations triggered operational transactions and increased output of products and services without the need for additional input. In addition, Miller (2012) stated that technology-mediated organizational communication channels used for sending and receiving messages to achieve the objectives and goals of an organization are very important for designing organizational communication strategies. Furthermore, Pimiä (2015) stated using technology adoption and effective implementation of strategic communication has been the key to more organizational success.

Moreover, the level of ICT adoption and use was positively and significantly related to the magnitude of strategic communication. Further, the assessment of the mediation influence of ICT adoption showed that while technology and environment-related factors had no mediated influence, organizational factors were shown to have an indirect influence on strategic communication. According to the result of the mediation analysis, 88% of the total influence of organizational factors was mediated by the level of ICT adoption of banks. Although a large proportion of the total influences of technology (61%) and environment (67%) related factors were indirect influences, the results were not significant and no evidence of mediation was indicated. The mediation influence of ICT on effective communication performances test showed the prevalence of indirect relationship of the organizational factor-mediated through ICT adoption. Specifically, organizational factors were indirectly mediated through ICT adoption.

The structural equation model and mediation analysis result for strategic communication output show that ICT adoption positively influences strategic communication effectiveness. Hence, organization factors are strongly supported, and the probability of accepting the alternate hypothesis is as in item 1, Table 3. That is why the mediate involving ICT adoption latent variable is supported. To further confirm the extent of influence (substantial or not) of the exogenous variable (ICT adoption) on the endogenous variables (ICT adoption factors), it is necessary to work out the change in the determination coefficient with and without the mediator variable as given in Table 3. The study tried to address the influence of ICT adoption practices in strategic communication from the application of theories and models; however, it lacks generalizability and triangulation with qualitative data.

## 5. Conclusions

There is a need for highly available systems that can deliver accurate financial services without interruptions due to the increased reliance on ICT services available through automated banking systems. This study looked at the influence of ICT adoption on effective strategic communication that helps to deliver trustworthy, high-performance, and consistent banking services with little to no service disruption. The strategy chosen included creating platforms to increase the financial system's productivity. The study suggests that implementing ICT can improve banks' strategic communication.

Regarding the advantages of ICT adoption for private and government employees, this very prevalent opinion was broadly acknowledged and held with comparable degrees and patterns among private and public bank employees. Publicly traded and privately owned banks used ICT for strategic communication at a generally similar level. As a result of the mediation study, it was shown that organizational factors had an indirect impact on strategic communication that accounted for 88% of the overall effect and was mediated by banks' level of ICT use. Other components' outcomes were insignificant, and there was no proof of mediation in strategic communication. This demonstrates that issues connected to technology and the environment had no impact. Therefore, ICT adoption practices can be an effective tool for strategic communication for banking

services and the managers shall use it effectively leveraging ICT, and banks can create more efficient and effective communication systems that can help them reach their customers more quickly and effectively. ICT can also help banks to better manage customer data, allowing them to better understand their customers' needs and preferences. Additionally, ICT can help banks to better manage their customer service operations, allowing them to respond to customer inquiries more quickly and accurately. The Banking sector could therefore make a determined effort to integrate ICT within Ethiopian banks in particular, organizational factors as it has more effect on processing data to facilitate effective communication and enhance banking services aimed at achieving global competitiveness. However, based on the analysis and results, it is clear that environmental and technological factors require further investigation before their relevance in strategic communication can be ruled out.

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## **Authors' Contributions:**

- Author 1: Conceptualized and formulated the research idea, developed proposal, designed tools, drafted and reviewed the literature, collected data, analyzed data, discussed findings, wrote up the manuscript, and eventually revised the manuscript based on comments from reviewers.
- Author 2: Contributed to conceptualizing the design of the study, collaborated with tools validation and data collection and editing of the manuscript.

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#### **Competing of Interest**

The authors declare that there is no conflict of interest.

## **Consent for Publication**

We have agreed to submit to the Journal of Social Sciences and Language Studies and approved the manuscript for submission.

# Corresponding author's signature:

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