# Improving Internal Communication, a Tool for Increasing Organizational Performance

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Abstract: Communication may be considered an important management tool. Internal communication is not an invention in management, but a basic need. Informing people - or even better, involving them – it is not only in the employees' best interest. The Company may take advantage of this state of affairs in several ways: informed employees know what they do, and especially why. They understand the company's objectives and how they can achieve them more effectively. A good working environment is in the best interest of every responsible employer, for that is a source of increased efficiency. Informed employees are generally more content with their professional status; they have a contextualized sense of their personal and professional value and they show more responsibility. Their personal orientation is much better aligned with the company and it may contribute significantly to achieving its business objectives. To inform people is a good thing, but to involve them it is even better. Involvement is the living proof of the difference between a good employer and a great one. This information can help in attracting good quality staff and it creates support from employees in terms of recruitment and sales, it generates passion, satisfaction at work and it reduces the absenteeism; it provides opportunities for personal growth and development, it creates a sense of community and an open and honest organizational culture.

Keywords: communication, information, involvement, satisfaction, efficiency

# 1. The importance of communication in the manager's activity

The greatest impulse given to public relations is related to the "discovery" by Harvard school, led by Elton Mayo in the 1924-1927, that is human relations represent a factor of labor productivity. Starting with this statement, it was concluded that the "harmonization" of relations between members of an institutional collectivity would favor the development of that activity. As a result, public relations specialists believe that through these relationships there is an "indoctrination" of staff with a company's philosophy, in which the predominant element is: understanding the economic and social sense of it. The specialist in public relations is involved in a wide range of activities from internal communication to employees to launch events, press release etc.

Internal communication is simply a basic need, old as the hills. In a written form there is a statement of this idea that can be found in the Rules of Religious Orders of Benedicts. Benedikt of Nursia (480-550) wrote: "Quotients aliqua praecipua agenda sunt in monasterio, convocet abbas omnem congregationem et dicatipse unde agitur... Ideo autem omnes ad consilium vocari diximus, quia saepe iuniori Dominius revelat quod melius est." ("Every time an important decision must be made within the monastery, the abbot must summon the entire congregation and explain what it is about ...The reason to call them all is that this is the way God shows its path to young minds).<sup>2</sup>

The activity of internal information tends to increasingly become a management priority and not a secondary activity. The restructuring and resizing, changing areas of activity, reducing the number of positions, changes in economic and social area with involvements in the institution's activity would bring deep changes within the collective.

Properly speaking, there is no special technique of internal communication. All techniques are used to persuade and entice the public internally and externally. The one in charged of inner relations should produce a daily journal of the press to feel the population pulse, to analyze the major tendencies that

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<sup>&</sup>lt;sup>1</sup> Stancu, S., 2000, "Relații Publice și Comunicare", București, Ed. Teora, p.6

<sup>&</sup>lt;sup>2</sup> Arhiva Thomas Achelis, www.markmedia.ro

are drawn around a given object and to propose strategies to cope. This activity is specific to public relations. <sup>3</sup>

But this does not preclude the use of indoor advertising. Some companies choose to advertise in major broadcast channels in their region, not only to advertise their product or to sell, but mostly to give employees a feeling of pride.

Beyond these activities, there are certain practices which are found only inside the organization, such as activities of receiving new employees, use of television screens placed throughout important centers of the company and spread information by e-mail. Internally, the personalized relationships are privileged even more than the mass communication.

Any effort to develop an organization should firstly consider the human side of its development, the effective and efficient communication and it is the only way that people can relate synergistically their efforts; it ultimately depends on it the success of the organization.

The manager is the person with authority over an organization or over sub-units, who must assume one or more of the management functions identified by the famous French administrator H. Fayol as those of planning, organizing, ruling, coordinating and controlling. The internal communication processes to which the managers participate are linking branches between leader and its subordinates as well as between its leaders at the same level. In the daily activity the manager must use information from various available sources – from the heads of subordinates hierarchically superior, from employees of the same level, or from top-level managers, etc. Operative activity of the manager is different from his work-related decisions. These two basic types of activity are related to each other and depend on the information processed and transmitted within the organization. Communication processes allow managers to perform their work effectively and make decisions on choosing the best course of action in order to achieve the established goals. Internal organizational communication is a process by which the managers develop a system for granting and transmitting information to a large number of people inside the organization. It serves as a necessary instrument in the work coordination on the entire leading level; it allows obtaining the necessary information.

Communication is important for managers because:

- Managers allocate most of their time for communication, so they should be interested in improving the type of activity;
- Communications are necessary for leadership effectiveness;
- The art of communication is also necessary to express the effectiveness of authority and the manager's will;
- Well established communications ensure organizational effectiveness.

Communication specialists consider that the most important factor, which violates the compatibility between source and destination, represent the changes that occur in coding and decipher. Communications are most effective, if the processes of encoding and decipher are uniform. When they become heterogeneous, the communications are destroyed. N. Viner named this problem "entropy", that is human communication processes tend to dissipate. <sup>6</sup>

Within the organization, the roles of managers that they must fulfill by means of communication are:

- *Interpersonal roles* - of representation, leadership and liaison person that it is achieved by: representation communicating of the organization to subordinates, motivating and influencing subordinates, creating and maintaining connections within the organization.

<sup>&</sup>lt;sup>3</sup> Dagenais, B., 2002, Profesia de relaționist, Traducere de Anca-Magdalena Frumușani, Editura Polirom, București, p. 110

<sup>&</sup>lt;sup>4</sup> Rusu, C., 1996, Management, Editura Expert, Bucuresti, p. 49

<sup>&</sup>lt;sup>5</sup> Morong, A.,J., 7-8 octombrie 1999, Comunicarea în afaceri și stilul de comunicare, Simpozion Științific Internațional, domeniul Științe Economice, vol. IV, Universitatea din Petroșani.

<sup>&</sup>lt;sup>6</sup> Morong, A.,J., 4-5. 11. 1999, Comunicarea în grup și comunicarea interculturală, Simpozion Științific Intenațional, tomul I, fascicola 5, Universtatea Politehnică din Timișoara, Fac. de Inginerie Hunedoara

- *Informational roles* of monitoring and disseminator of information and spokesman.
- *Decision-making roles* of entrepreneur, solving the failures, responsible for resource allocation and negotiator.

In carrying out its roles, the manager will be based on the next functions of communication:

- Of information. The organizations propose and need interactions with the external environment in which it operates and in the inside, between its components and between people. The Manager is asked to monitor the two kinds of information: external information and internal information which travels through formal and informal channels of communication.
- Of command and training. These functions of communication refer to ways in which the
  managers ensure that people and their departments work continuously following the
  organization objectives. The decisions and the instructions are important in the training and
  development process of the new employees and in keeping inner-correlation between
  individual activities.
- Of influence and persuasion, guidance and advise. By these functions there are carried out specific kinds of control over the information and over the behavior of members of the organization.
- Of integration and maintenance. These functions of communication should be seen under the following aspects: preservation of the operational state through informational fluency; the correct usage of communication channels to avoid unnecessary loading of information and reducing the effectiveness of managers' work; sorting and verifying data; integrating the parties into a whole by reporting them and in the context that the parties must act.

Therefore, through communication, the managers can keep subordinates aware and interested in the organization's strategy, its progress and challenges; they may ensure that all members of the organization contribute to finding ways to achieve the best results in order to achieve organization goals and it can also solve organization's problems conflicts. Communication is the way through which the subordinates may be motivated and their behavior and attitude can be influenced.<sup>7</sup>

On organizational communication triggers a multitude of internal and external factors. Among the internal factors, those that have a greater influence on the communication are:

- *The organizational structure configuration*. The number of components, their placement on hierarchical levels can facilitate or hinder the communication. Also, the level of formalization and centralization leaves decisively its imprint on the process of communication.
- Configuration and operation of the information system affects the speed of messages' movement, their quantity and quality.
- The style of management leaves their imprint on the degree of customizing communication: managers who are advocates of authoritarian style promote downward communication, formal and unconditional obedience from their subordinates; those who adopt the style of participatory-democratic style use verbal, written and non-verbal communication along face to face communication with informal aspects.
- *The type of organizational culture* affects communication by its basic components: tradition and unwritten rules, and they are obeyed.

Synthetically expressed, the basic rules of a good communication are<sup>8</sup>: *quantity* (the transmitted information must be the exact required quantity, neither more nor less), *quality* (with the truth), *relational* (the adequate message for the purpose of communication), *significance* (important messages in a specific situation), *style* (clarity, conciseness, consistency in messages), receptivity (adapting messages to the knowledge and characteristics of the receptor).

<sup>&</sup>lt;sup>7</sup> Dobrescu, P., 1999, Aisbergul comunicării. În: Revista română de comunicare și relații publice, nr.1/1999, p.33

<sup>&</sup>lt;sup>8</sup> Bordean, I, 2008, Management, Editura Universitară Danubius, Galați, p.84

# 2. Ways of achieving internal communication

**Internal communication** refers to messaging that takes place within the organization, involving persons or groups, which may be formal and informal. The communication is formal when the messages are sent by default channels and they may take the form of, for example, reports, notes, circulars, presentations, meetings. However, in any organization, a large quantity of information circulates through informal channels, in the form of discussions outside the context of subordination relations.

Although the first management thinkers have frequently referred to communication within the organization, the topic has not beneficiated of a study and a systematic attention until after the Second World War. Starting from the World War II until the '50s, the discipline of communication in the organization has made significant progress in areas, such as mathematical communication and the theory of communication behavior. The period after 1970 marked a worldwide shift towards performance management, when the manager, based on its qualities of good communicator, becomes a link of information coordination, a center for decision and management. Thus, to effectively communicate, managers need to know not only the general concepts of interpersonal communication, but also the characteristics of interpersonal communication in organizations, whereas the communication within the organization binds directly to the objectives, functions and structure of the organizations. To a significant extent, the success of the organization is influenced by the effectiveness of communication within the organization. The competent manager should support and develop the communication relationship, to ensure the free flow of correct information of any kind from and towards him. In this context, the supportive and empathic communication plays an important part.

**Supportive communication** – it emphasizes the correlation aspects between the communicators and it focuses on insuring support for the interpersonal relationship of communication. The efficient manager communicates supportively not just to be agreeable, likable or pleasant, in order to obtain social acceptance, but also to achieve optimal purpose and objectives of the communication.

**Communication empathy** – it has as purpose the full understanding of the interlocutor intellectual and emotional level, the adoption of its way of seeing things. Communication system creates powerful tools for continuous adjustment of the structure and processes of the organization to the continuously changing conditions. In this context, the basic role of managers becomes the one to develop and maintain alive the communication system designed to support the implementation of the strategy in the organization.

**Formal communication** is characteristic, especially in large organizations; most of the communication activities take place in a systematic and formalized manner and it often involves specificities according to the profile and purpose of the organization. Formal communication channels are created in a controlled manner by establishing a formal system of responsibility and delegation of tasks that aim at hierarchical organizational structure. They have as purpose ensuring decision quality and to transpose these decisions into real life. Dissemination of the information through formal channels is slow. The formal lines of communication are generally the directions of manifesting the relationships within the organization; they are of three types: top down, bottom up and horizontally. Communication channels of audio-visual (video and audio tapes, teleconferences, etc.) and internal publications (paper, wall gazette, etc.), advertising services and correspondence with customers are also manifestations of formal communication.

Managerial communication from top to bottom is a communication initiated by the managers of top management echelon and it is directed downward to subordinate levels, it is used for transmitting decisions and guidelines, for explaining regulations, procedures, practices, decisions, goals and policy of the organization. It is also used for communicating the results for performance evaluation of employees and for motivating them.

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<sup>&</sup>lt;sup>9</sup> Vancea, R., Comunicarea în afaceri, Universitatea "Ștefan cel Mare", Suceava, 2005, p. 66

<sup>&</sup>lt;sup>10</sup> Vancea, R., op.cit., p. 68

The manager uses formal vertical communication downward also for influencing opinions, changing attitudes, reducing fear, reluctance and suspicion, that are generated by misinformation; it prevents misunderstandings generated by the lack of information and it prepares employees for changing processes in the organization. The exclusive use of formal channels of communication from top to bottom shows the danger of breaking the manager from the realities of the organization by the lack of feedback. Therefore, downward vertical communication must be completed with upward vertical communication, which takes place from the subordinates to higher levels. This provides some feedback for managers; it facilitates implementing decisions and it encourages the proposal of valuable ideas. The employees communicate in this way their opinions and the extent to which they understood communication from top to bottom, which has the role of obviating the emotional tensions and of ensuring the employees' sense of personal value. A characteristic of the messages coming from the bottom up is that the subordinate will want to always appear in a favorable light before the boss, which will make the information to be communicated strongly "filtered". Also, the personal perception of the employee will strongly "stain" the transmitted information. And the last but not least, it may appear the phenomenon of intentional misinformation. The upward vertical communication channels do not appear themselves, especially since, sometimes, this type of communication is really undesirable for the manager because: the subordinates may appear more competent, a report about a failure is a negative message, and negative messages, are unpleasant, etc. But managers need this type of information for effective decision making, to identify disturbances and to take appropriate corrective measures. To improve communication from the bottom up, some organizations use the questionnaire or survey and feedback system. Regardless of the used mechanism, the idea is to ensure the possibility of transmitting the feedback from the bottom up and to value the potential of intellectual organization.

Between managers at the same hierarchical level it is horizontal communication. In general, this type of communication is to achieve coordination of different departments, intercorelating activities, solving problems and conflicts, and transmitting information between departments. Horizontal communication is more important as the departments are more dependent and require more interaction for the proper conduct of activities. Horizontal communication can be enhanced by rotating managers (to avoid forming artificial barriers by specialization), organizing joint social events between different departments, etc. Exclusive usage of horizontal communication channels may undermine the authority structure of the organization. <sup>11</sup>

The communication process involves numerous emotional, motivational, psychological factors, which do not find the adequate transmission environment for communicating through formal communication channels from the organization. Therefore the manager must know to analyze, to influence and to use another type of communication channels, the existing channels where there are interrelated people. It is about informal channels of communication.

**Informal communication** is any communication that takes place outside the formal channels of communication. Informal communication contains two main components: the communication that takes place through informal channels created spontaneously and the communication that the manager has outside the subordination context that it is required by the organizational structure. Instinctively, people communicate, preferentially, to those who could help them achieve their needs, desires, goals, to those who make them feel safe, comfortable, to whom they have a common language and concerns. People tend to communicate in such way as to allow them to increase their social status, influence power or expanding their control the area. So this how it will spontaneously arise the informal channels of communication, that will transmit the rumor (the message that refers to informal situations, events, happenings) and gossip (the message that refers to people). The informal messages contain information about most delicate issues (feelings, attitudes, perceptions). Informal channels of communication exist and appear in uncontrolled way; they are continuously modifying and operating in all directions. They have the advantage of being very fast, selective and have a great influence power. They supplement the formal channels. The structure of informal channels is more used as the formal one is ineffective, unsatisfactory or lacking credibility. The informal channels are the "pulse"

<sup>&</sup>lt;sup>11</sup> Iacob, L., 1999, Comunicarea –,,forța gravitațională" a câmpului social, Revista română de comunicare și relații publice, nr.1/1999, p.19

of the organization. For example, informal channels can be used by the manager for testing reactions to certain envisaged decisions or measures. Managers must be aware of informal channels and use them, to consider the ones that are unreal and harmful rumors, to prevent their spread and to use the obtained information after verifying them.

**Verbal communication** is a very important presence of a person in leading position, a corner stone in communication that the person establishes with the audience. The **art of conversation** is almost as important as what you want to transmit. The person that feels relaxed in a conversation can use this to closely connect personal relationships with businessmen. It is advantaged by the simple reason of being liked by people that want to have it along and listen to.

There are some basic elements that contribute to the success of a skilled person in the art of conversation. One of them is the sincere desire of being liked. Another is the sense of humor, enabling a person to laugh and tease others - always in a cordial and friendly manner - and to self irony without a trace of uneasiness. The way we write and talk about each other, the tone of our voices, the way we choose words for our communications, it can strengthen or destroy careers, companies and negotiations with people of the same level, with subordinates, bosses etc.

The way in which you communicate with others is almost as important as the context of your message: conducting a conversation using chosen words, with a smooth voice and a suited tone according to the situation. The way in which a verbal communication is made, is an important part of your image and presence as management member. You can have an exceptional HQ and yet not being able to display the ideas in a conference room and to your fellows and team leadership. The art of listening can not be separated from the art of conversation, as it is one of the most important secrets of diplomacy, that is to show interest in what someone says, even if you are not really interested. A polite person treats everyone who speaks with respect, knowing that, with full attention to the speaker, it might remember something useful; even from a seemingly insignificant conversation it might learn something that has significance in the end. 12

The executive body persons that fail to listen carefully its superiors lose nuances or reports that could result in substantial financial losses in business. A good listener remembers all the main points of a discussion, then it understands perfectly what it is expected of it, confronting its impressions regarding the way the speaker looks or speaks with the other person, having analyzed carefully its ideas. Thus, a real sign of maturity from a young director is given when it will be able to easily change the role of speaker, during a conversation, with the role of listener, and when it uses the listening time for learning.

One of the most important techniques used in organizational communication is *active listening technique*, developed by the American psychologist Carl Rogers. This consists in receiving, decoding and checking the message through immediate dialogue with the issuer. Active communication is based on the encouragement of the emotional side, thereby to overcome barriers of perception, culture, personality and status. In active listening, the receiver focuses not only on the meaning of words but also on the feelings, attitudes and emotional load of the message, encouraging its dialogue partner to talk, to express its views, ideas and feelings towards the matter in question. *Active listening* presupposes, to those who use it, the existence of *certain qualities*, such as: a gentle behavior, promoting an open attitude, of sincerity, interest and receptivity, enhancing empathy, that is the ability to transpose itself in the situation of the interlocutor.

Another efficient method of direct communication is **meeting**. By meeting it is achieved transmission of the information, and in the same time gathering feedback, from a greater number of people in the organization. The meeting contributes substantially to the efficiency of management process.

Using the method of meeting, with the rules recommended by the experts, it presents a series of advantages such as: increase information level of the staff, thorough substantiating decisions, enhance the ability to communicate of the employees, develop a sense of participation in the life of the organization, increase the responsibilities, develop team spirit, valuing the creative and professional potential of the employees, etc.

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<sup>&</sup>lt;sup>12</sup> Vancea, R., op. cit., p. 78

As disadvantages of the meeting, we must mention: time consumption, reducing the efficiency of solving problems, reducing responsibilities of the managers etc.

## 3. Conclusions

The organizational relations are based on communication, which involve structural components, but also other aspects of the organization, such as: technical, economic, psychological, educational, cultural aspects. To achieve the objectives and excellence in business, organizations must have effective communication processes in all directions, vertical, top down and bottom up and horizontal, emphasizing the following aspects:

- For operational functions of management, communication is crucial; setting objectives, achieving compliance with the informational and organizational structure, harmonization of actions in order to achieve goals, eliminate defects and staff training, all is based on communication;
- Communication provides employees the necessary information on their activity, organization's demands and its environment;
- Achieved feedback, communication makes possible correcting errors, eliminating deficiencies and improving individual and organization performance;
- Communication makes it possible to identify and use various stimuli to motivate staff;
- Communication contributes to the establishment of fair and effective relationships between
  managers and employees, among colleagues and to achieve a climate of mutual trust, sense of
  belonging to the team, to develop creative spirit of rivalry, increasing the responsibility of
  each participant in the life of the organization.

These considerations demonstrate the great utility of communication within the organization and the implementation of specific effective methods and techniques.

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