

# Developing Internal Communication in Fast-changing Organizations

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## Acknowledgement

This master's thesis will conclude my studies in Umeå University, School of Business Studies, in the Master in Management degree program.

After working a few years after my bachelor's degree, I took the great opportunity to continue my studies in Sweden in master level. The program offered me all the possibilities in advancing in my life and my career. It enabled me to widen my perspectives and to get me involved in a very interesting fast-changing business in the field of renewable energy. Working in this field, I wanted to select a topic for my thesis that would best cover my interest in the study area of management, covering managerial aspects of strategy, people, projects and processes.

I have always found communications very interesting and challenging. When noticing that my employer was facing challenges in internal communications development at the same speed as the company was growing, I took the possibility to conduct my thesis relating to this interesting issue of internal communication development.

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#### **Abstract**

Developing internal communication in fast-changing organizations is a current topic, which seems to exercise the minds of corporate people in different positions. Well-functioning internal communication and business success seem to be strongly linked. It motivates people, and only people who are motivated and enthusiastic about their work are able to perform well in their jobs and to secure the success of their employers.

The purpose of this study was to increase the understanding of internal communications and how employees perceive it in fast-changing organizations. An understanding of internal communication and its development was searched by concentrating in selected essential internal communication areas in organizations, internal corporate communication function and internal communication channels. The focus was on fast-changing organizations due to the fact that the development of internal communication does not usually go hand in hand with other organization development and business growth but tends to drag behind.

The theoretical framework was formed of internal communication in general, internal communication development, internal communication in fast-changing organizations, internal communication in different organizational areas, internal corporate communication as a function and internal communication channels. The most valid internal communication areas were selected to be management communication, team and supervisor communication and interdepartmental communication. The theoretical framework presented the dilemmas and characteristics that can occur among the issue of internal communication development.

In order to achieve the determined objectives, a quantitative study was conducted. The survey named "Internal communications at the company x" with three different forms of questions was carried out in the case company. The topic was scrutinized from the perspective of a case company and aimed to find out employees' perceptions. The webbased survey focused on the selected issues concerning internal communication and its development. Questionnaires were sent out to the employees of the case company's European organization and 94 responses were received. The collected data was analyzed against the theoretical framework, and with the help of analysis conclusions and managerial implications regarding this study were drawn.

It was discovered that to improve internal communications in fast-changing organizations, careful attention needs to be paid especially to the amount of management, supervisor and interdepartmental communication. Communication especially about company situation and financial and sales situation should be increased. Employees value open, systematic, clear and well-organized communication. They appreciate feedback from supervisors and management, as well as regular team meetings, interdepartmental meetings and meetings with management. Development of interdepartmental communication processes is vital in order to improve knowledge sharing across the company and consequently business performance. It is essential that all members of work community understand their responsibility to communicate. Internal corporate communications function should teach that and provide good communication tools for all employees, especially intranet, e-mail

and possibilities to face to face meetings and versatile feedback sessions. Efforts to equalize communication between locations, departments and teams need to be taken.

Key words: Internal communication, employee perceptions, internal communication areas, internal corporate communication function, internal communication channels, management communication, interdepartmental communication, team communication, supervisor communication, fast-changing organizations.

"Employees must buy your message before your customers do. They must understand why your product or service is important, know what it can do for customers, believe in its integrity, and be inspired to make it even better. Employees have to understand where the company is headed and why. And they must be treated as grown-ups who can handle the truth, even when it's unpleasant. They have to be dedicated to working together to build your business. And finally, they should feel proud to tell people what they do and where they work. When they feel like that, everyone will know it – especially your customers." (Drake et al., 2005, p. 13)

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#### 1 Introduction

The first chapter aims to introduce the problem background, present the research question, clarify the purpose and go through limitations. The introduction aims to introduce briefly the underlying issues for writing the thesis as well as the phenomena of internal communication development in fast-changing organizations in general. The research question and purpose clarify why this thesis is being written in the first place, what are the core issues under investigation.

#### 1.1 Problem background

"Effective internal communication is crucial for successful organizations as it affects the ability of strategic managers to engage employees and achieve objectives." (Welch & Jackson, 2007, p. 177) Internal communication is typically used for example to interpret and communicate corporate strategy and goals of company operations together with the management of the company. When developing and strengthening internal communication, flow of information enhances. As a result of good internal communication, everyone in the organization have a common goal, which as its best ensures the company's competitive advantage.

Internal communication is often connected to employer brand and reputation. "Every organization has the ability to unlock the full potential of its business and its brand through its people. Yet most organizations fail to do so." (Thomson & Hecker, 2000, p. 53) Croft & Dalton (2003, p. 60-61) claim that it is possible to enhance reputation through internal communication. Just as a company tries its best to build long-term relationships with its customers, it needs to build long-term relationships with its employees. Relationships must be built on a better and more complete form of listening. This in turn involves development of internal communications processes that are two-way and not simply broadcast.

According to above statements of Welch & Jackson (2007), Thomson & Hecker (2000) and Dalton (2003), it is important for organizations to develop internal communication and to ensure that it functions well and effectively. This affects company reputation viewed from the perspective of different interest groups, especially the employees. The role of management is crucial in communication as it is important to engage employees in business objectives. However, it is not only the management that should communicate but the internal communication processes need to be two-way.

Quirke (1996, p. 68) states that developing internal communication is a current topic in many organizations. He states that the most organizations recognize the need for good communication with their employees. What still remains is a lack of understanding what communication is, and the role it has to play within organizations. "Organizations need more communication than before. Employee research consistently shows that majority of employees do not know where their companies are going and what they are trying to

achieve." (Quirke, 1996, p. 68) Due to the lack of understanding what communication is and what role it has to play in organizations, this topic should be researched more. As organizations are in need of more communication, more knowledge should be obtained on the issue.

Internal communication increases trust in organizations, which is often associated with business success. Thomas et al. (2009, p. 28, 306) address that communication plays an important role in the development of trust within an organization. They found that in the relationships with co-workers and supervisors, it is quality, not quantity, of information that best predicts trust. Interestingly, in contrast, in the relationship with top management it is the quantity that is significant, rather than quality of information. In addition, they found that trust was very closely tied to perceptions of organizational openness, which, in turn, predicted employee involvement. In the light of these findings of Thomas et al., organizations should pay a lot of attention in internal communication as it really affects the organization in a positive way. As stated above, especially supervisor and management communication play an important role. When developing internal communication, supervisor communication should be concerned especially in the light of quality, and management communication in light of quantity.

More information of internal communication development is needed as it is often a problematic issue in organizations. Robson & Tourish (2005, p. 214) identified barriers to effective internal communication practices. There are problems related to how much information people need to do their jobs, problems with the sources from which they receive it, the channels through which it is transmitted and how much information is in turn sent by most organisational members. Since Robson & Tourish state that there are problems related to the amount, the sources, the channels and the receiving information back, these issues should be taken into account in internal communication research. It is hard to find good research conducted on employees' perceptions on internal communication channels. There would be room especially for research on modern internal communication channels from the internal communication development perspective.

Robson & Tourish (2005, p. 214) found that managers are often reluctant to investigate their communication practices. This is problematic as if organisations lack data on how well they are performing it becomes correspondingly harder to develop appropriate action plans. Among the problems identified as those that prevent organisations implementing best communication practice are the following: A widespread conviction that the managerial agenda is already full. Some managers then become reluctant to burden it further with issues that are widely regarded as too intangible to be measured.

The above mentioned problems identified by Robson & Tourish can partly explain why there is a lack of internal communication performance in organizations. Time limits can be one of the biggest issues. However, attention should be directed to the development as this is an important issue, as stated before. Time should be allocated for the research in organizations.

Quirke (1996, p. 67-79) found out that in reality, most managers are poor at evaluating their effectiveness as communicators. Based on Quirke's findings, it is useful for organizations

to evaluate if managers are succeeding in communication. More organizational research on this is needed to give managers feedback on their performance. The role of internal corporate communications function is vital in this as the function can help managers to investigate this issue and to give managers tools to improve communication. Robson and Tourish (2005, p. 214) claim that it may be that managers' low level of awareness of their communication climate, combined with a reluctance to investigate it, become key obstacles to the development of positive communications policies. Since Quirke (1996) and Robson and Tourish (2005) argue that managers cannot handle the internal communication on their own, coordination of internal communications is needed in organizations. The role of the internal corporate communication function becomes crucial and needs to be taken into account in academic internal communication research.

It is important for organizations to listen to their employees and take their ideas and perceptions into account especially when developing different issues and operations. Pollitt & Brown (2008, p. 29) point out that the best incentive for employee motivation is not a perk. They state that it is simply listening to employees, valuing their contributions and at the same time, valuing them as individuals with unique strengths and needs. Showing how much companies valued their employees has increased their profits significantly.

Pollitt & Brow (2008, p. 29) give an example that in the UK the most successful companies demonstrate how they value their employees by listening to them and incorporating their suggestions into company policy. This offers employees true engagement at all levels and gives them an impression of "their" company, not just a place to work. "In fact employees who work in environments where everyone's suggestions and contributions are sought, employees feel up to ten times more valued than in companies where all ideas are generated from the top." Pollitt & Brown (2008, p. 29)

Smythe (2007, p. 30) defines employee engagement narrowly as an integral part of decision making. He argues that involvement in decision making is no longer an occasional concession but a necessity for supervisors and managers to release the wisdom and experience of their people. Goudge (2006, p. 23) again states that measurement of employee opinions is crucial to the improvement of business performance. Some organizations link employee opinion data directly to business data such as levels of profitability growth and talent retention.

Goudge (2006, p. 15) states that if correctly managed, employee research can help to demonstrate that senior managers regard employees as having an important contribution to make to the planning process, and are concerned about tackling the issues they raise. Researches can provide a further mechanism for generating ideas and suggestions. Goudge (2006, p. 16) points out that when great emphasis is placed on innovation and continuous improvement, it is surprising how often companies overlook the opportunity employee research offers to tap into the knowledge and experience that exists at all levels in an organization.

Researching employee perceptions is useful in communications. "As well as contributing to the management of change, research should be integral to the strategic development and tactical execution of communications, whether these are directed internally or externally. Employee research can additionally provide early-warning signals of problems that would otherwise result in disputes and the loss of productivity." (Goudge, 2006, p. 23)

It is worth researching employee perceptions at all levels in an organization as Pollitt & Brow (2008), Goudge (2006) and Smythe (2008) highlight its importance. It is trusted that employee involvement in decision making is a necessity for organizations and crucial for business performance. Employee perceptions provide a lot of insight for internal communication development. However, it is surprisingly difficult to find research on internal communication development from researched from the employee perspective. As Goudge (2006, p. 23) stated above, research should be integral to the strategic development and tactical execution of communications when managing change. Thus, more research on internal communication development from the employee perspective is needed.

Smythe (2007, p. 10) explains that there are many ways for organisations to change. Change processes are often conducted as a matter of habit in the programmatic way, with a few taking all or most decisions, denying the organisation the wisdom of its people. It is challenging to integrate change programmes with the principles and practices of employee engagement so that the value of the right people can be vested in the change and so that the employees own the end result rather than are afraid of it or sabotage it. In the light of these findings of Smythe, fast-changing organizations face problems in internal communication and find it problematic to involve employees in the change so that they own the end results. Problems arise when employees do not own the end results. In this situation, it can be considered that the communication has failed. This is why attention should be paid especially to fast-changing organizations as it internal communication execution and development seems to be especially difficult to this type of organizations.

Successful execution of internal communications and its development fast-changing organizations can be tricky. There are various challenges and obstacles related to that. There are many reasons for fast changes. One of them is tough competition in markets. "Competition has changed the rules for communication, and shifted the context in which communication happens. It has provided the pressure to force organizations to look at how they have communicated and to try to improve it." (Quirke, 1996, p. 79) Since Quirke states that competition has forced organizations to look at how they have communicated and to try to improve it, the topic of internal communication development is topical. More fresh research is needed especially due to the changing business environment. Older research might not apply to current organizations as situations in business environments change in a fast speed.

Let us go deeper into how internal communication is viewed in academic research. Some researchers argue that internal communication can also be viewed as integrated communication. Kalla (2005, p. 312) suggests looking at internal communications through an integrated lens, enabling us to see it as all formal and informal communication taking place internally at all levels of an organisation. The findings of Welch & Jackson (2007, p. 194) are similar as they emphasise the interrelatedness of communication within and outside organisations. They suggest thinking in terms of integrated communication, which is the same suggestion as Kalla's.

Baker (2002, p. 7-9) again argues that organizational communication can be characterized as vertical, horizontal, or diagonal. This division of organizational communication is logical but Baker states that although both vertical and horizontal communication continue to be important, these terms no longer adequately capture communication needs and flows in most modern organizations. Thus, Baker adds the diagonal communication aspect to the more traditional aspect of horizontal and vertical communication.

To sum up the presented approaches to internal communication, all Kalla (2005), Welch & Jackson (2007) and Baker (2002) view internal communication more or less in an integrated way, like a comprehensive and holistic entity consisting of communications deriving from various places in the organization. They do not highlight different organizations areas of internal communication.

In current academic research, different internal communication areas can be identified. Management communication is the area that can be identified very clearly. It has been researched quite extensively (e.g. Quirke 1996, Van Vuuren et al. 2006, Barrett, 2006). Smith & Mounter (2005, p. 87) address that the conventional model of communication favoured by many organizations is top-down. A lot of responsibility of internal communication is given to senior management. Internal communication needs to be championed at the very top.

Management communication is evidently one of the key areas of communication in organizations. The most of the current academic research on the topic of internal communication concern management communication. When researching internal communication in organization, it would be foolish to exclude management communication.

Another essential communication area in organizations can be identified as team and supervisor communication. It has been researched quite extensively (e.g. Thomas et al. 2009, Alleyne et al. 2005, Thomson & Hecker 2000, Barrett 2006 and Smythe 1996) but less than management communication. However, it seems to be becoming a more interesting topic based in academic research. Smith & Mounter (2005, p. 87) argue that internal communication is the responsibility of everyone from CEO to line manager and supervisor. According to Van Vuuren et al. (2006, p. 124-125) contribution of communication to commitment underlies the importance of supervisor communication to organizational functioning. The effects of communication to fit and efficacy perceptions reiterate the role of interactions between managers and employees, because of sense of direction, motivation and competence are important to them. Thus, this area of communication is important in organizations. If communication does not function in teams and between supervisors and subordinates, it reflects negative to the whole organization. Management communication hardly can replace the missing of well-functioning communication in teams.

A third acknowledged area of internal communication in organizations is interdepartmental communication. Less research has been conducted in this area. Interdepartmental communication seems to raise a lot of opinions in organizations and it is commonly experienced as an essential but complex area of internal communications. Hage et al. (1971,

p. 867) have found that the frequency of interdepartmental communications is greatest with others at the same status level. It is the flow of communications with people on the same status level in different departments that is most likely associated with complexity. Hage et al. (1971, p. 867) claim that the volume of communication between departments is higher in more complex organizations.

However, it seems that the three mentioned areas of internal communication have not been researched together. Research usually concentrates in only one area or integrated communication. When it concentrates in one area, it is typical that for instance management communication in under investigation. Often some other area is selected as the concentration area, for instance interdepartmental communication.

This thesis wants to take another kind of approach to internal communication and its development. The study concentrates on the most essential areas of internal communication. As presented above, the most essential areas of internal communication from the organizational perspective are (1) **management communication**, (2) **supervisor and team communication**, and (3) **interdepartmental communication**. In addition, internal communication executed by **corporate communications function** and **internal communication channels** are under observation as they are essential what comes to internal communication execution and development in organizations.

Power & Rienstra (1999, p. 501) state that after 19 centuries we ought to have learned the recipe for managing change in organizations. "One essential ingredient in a successful mixture is efficient and coherent internal communication. But such mixture is not "as before"; it must be adapted to the needs of new business structures. Communication specialists need, more than ever before, to combine theory and practice to come up with a recipe that will cure "confusion, inefficiency and demoralisation". (Power & Rienstra, 1999, p. 501) This captures well why this study is targeted to fast-changing organizations. Fast changes and new business structures confuse internal communication, putting pressures in constant renewal of it.

The study will contribute to the current academic research by providing a new kind of approach to internal communication and its development in fast-changing organizations. This study takes a more concrete than holistic approach to internal communication and its development, defining the areas of interest clearly. Employee involvement is considered very essential, and fast-changing organizations have been identified as the most important target of research.

#### 1.2 Problem Statement

Based on the previous discussion, this thesis aims at answering the following research question:

According to employees, what is the state of internal communications in a fast-changing organization and how could it be developed?

#### 1.3 Research Purpose

The purpose of the thesis is the following:

To increase the understanding of internal communications and how employees perceive it in fast-changing organizations.

To fulfill the purpose, employee perceptions are examined within the case of a fast-changing organization in the following four areas:

- Management communication, team and supervisor communication and interdepartmental communication
- Internal corporate communication function
- Internal communication channels
- How employees want to improve the above issues

Employee perceptions are investigated to find out how they view the current situation of internal communications and how they think it should be developed. The internal communication areas listed above are selected as they are the most essential and concrete areas of internal communication in fast changing organizations. Internal corporate communication function is included in the study as it has a key role in executing, coordinating and developing internal communications. Internal communication channels are included as they enable the effective execution of communications and thus play a vital role in organizations.

#### 1.4 Limitations

"All research designs have their limitations. Good research recognizes its own methodological limitations and provides an explicit account of them. The discussion of limitations demonstrates the researcher's awareness of the boundaries to what can, and what cannot, be concluded on the basis of the findings and it also serves as a warning to readers not to draw unwarranted conclusions from the findings." (Denscombe, 2009, p. 108)

In research, there can be 'delimitations' which concern the scope of the research. (Denscombe, 2009, p. 108) The empirical study is limited to a European organization of one company. Some might considered this as a delimitation stating that better and more holistic findings could be obtained if the whole global organization of the company or more than one company were researched. However, using one case company and one continent brings advantages as more precise and detailed information about one company in this geographical area can be obtained. The obtained information is most likely to be deeper and more informative than if many companies or the whole geographical area of the case company were researched. This is also because the European area is in particular focus in

the case company in terms of internal communication development. The case company benefits from the research results as they are detailed and concern only their European organization. Adding other continents to the research would probably make the research more complex and harder to comprehend. Also implementation of findings and development measures would probably become more difficult. However, the same research can later be executed in other geographical areas of the case company.

Some might consider it a limitation to investigate certain organizational areas of communication as a limitation as it can be argued if those areas really exist, if they really are the most essential ones, if more areas should be discussed, and if they can even be called as 'areas'. However, based on the authors' work experience in fast-changing organizations, it is trusted that the selected areas are the most essential ones looking at the issue from an organizational perspective. Also internal communication research in general shows that those areas exist and are essential. More areas were not chosen as they did not seem as essential for this study regarding fast-changing organizations. The choice of word 'area' is used to name and categorize the different types of internal communication in an organization.

Researching the selected internal communication areas, internal communications function and internal communication channels, a better understanding of internal communication and its development in fast-changing organizations is searched for. The research design is tailored to fit the purpose.

## 2 Theoretical Method

The aim of the theoretical method chapter is to provide readers with an understanding of the study and describe the author's view and knowledge on the topic. Author's background, choice of topic and preconceptions in the area are provided before studying the topic in more detail. After that, research philosophy, choice of method, research approach and perspective for the thesis are presented. In the end of the chapter, secondary data and its evaluation are presented and discussed. Information presented in this chapter acts as the foundation for building the theoretical framework and research design in later chapters.

#### 2.1 Author's Background, Choice of Topic and Preconceptions

The topic of internal communication was originally based on the thesis author's interest in internal communication and its development. The author works in human resources and communication tasks in a Scandinavian company operating in fast-changing international environment. The organization is growing rapidly, facing constantly many changes in its business environment, and thus demand for more systematically planned and functioning internal communication. This demand seems to be typical nowadays also in various other organizations as business environments are everything else than stable and static.

The author is in the opinion that this topic is important not only for internal communication specialists and individuals working in supervisor or management tasks in fast-changing organizations, but also for students who are studying a business or a communication field.

A study must also address issues which are philosophical in nature. This requirement does not apply only to theoretical or philosophical studies, but equally to researchers conducting empirical studies. A research, also when very practical and aiming at work applications and when it is not very deep in theoretical starting points, is based on numerous hidden assumptions. These assumptions concern for example people, the world and information search. Usually researchers are not aware of these hidden assumptions that can be also called as preconceptions. (Hirsjärvi et al, 2000, p. 20). The thesis author is aware that her preconceptions involve this study. She works for the case study company and even prior to this study she has some kind of an understanding of the state of internal communications in the company. Thus, she is aware that there is a lot of room for improvement and the employees seem to be unhappy especially about interdepartmental and management communication. The author also acknowledges that some of her preconceptions about the state of internal communications in the company can be false. On the other hand, they can also be correct. As the author is familiar with the company terminology and company procedures, it most likely helps her to interpret and understand the research results and findings. Working for the company also helped the author in identifying the most essential communication areas in the organization. It also seemed quite obvious that the internal corporate communications function as well as the internal communication channels should be included in the study.

As the academic study is made for a company, it is worth pointing out if the company had some influence in the development of the study. As the company gave the author all the freedom to design the study and did not interfere in the process at any stage, it can be said that the company's influence in the study was very little. The influence of the company can be seen in the selection of the topic as the company considered this topic important and encouraged the author to study this subject.

It is worth pointing out that the author is in the opinion that internal communication is very important in every organization. This opinion probably influences the study in a way that the importance of internal communications development is continuously acknowledged. Internal communication is treated as a very positive issue in an organization. A possibly existing statement that internal communication does not play a crucial role in fast-changing organizations is not even taken into consideration in this thesis as the author has such a strong belief in internal communication. The author continuously seeks for new ways to enhance internal communication and this probably shows clearly in this study.

In addition to the work experiences of the author, also her life experiences shape her thinking and approach in the thesis writing process. This is worth acknowledging. The author has lived almost all my life in Finland in relatively small towns and in safe and calm environment, but studied also in USA, Poland and Sweden. Living in these kind international environments surely effects her way of thinking and has some kind of influence in the study.

The author has completed a bachelor's degree in international business a couple of years before commencing her master level studies and thus she can be considered to be capable of pursuing an academic research in terms of knowledge and technical skills.

## 2.2 Research Philosophy

Every individual or organization has certain philosophy in life. Whatever they do is linked to that philosophy. Philosophy of each individual and organization differs. Research philosophy's purpose is to declare the author's view on reality as well as consider different ways on perceiving the world (Saunders et al, 2007, p. 15). The choice of research philosophy is essential as it will influence the decision on which method to use. This may again influence the results of the study. There is really no definite way of perceiving science and the world. People tend to have different perceptions on issues. Therefore, the first step in conducting research is to choose which position to adopt towards the perception of world and reality. This philosophical reflection is built around epistemology and ontology. When empirical research rationale is reviewed in the social scientific literature, positivistic and phenomenological researches are often brought out as opposites. These relate to terms quantitative and qualitative. A research always has a purpose or mission. The purpose drives the strategic choices in research. (Hirsjärvi et al, 2000, p. 21).

There are two main aspects including ontology and epistemology within the area of research philosophy. According to Peltomäki & Nummela (2004, p.163), ontology studies the nature of existence or being as such, which discussed in academic paper to reveals the researchers' assumption of phenomena. Practically, ontology considerations explore what the reality is in natural way. In general, these perspectives are knowingly referred to as objectivism and constructionism. Objectivism is the notion that an objective reality exists and can be increasingly known through the accumulation of more complete information. Constructionism again views knowledge as being formed in the research process.

What comes to this thesis, the author stands on the position of *constructionism* for ontology postulate. Constructionism is chosen as people's perceptions and understanding of reality is in the interest. In other words, the employees' perceptions and ideas concerning internal communication and its development are seeked. There can be multiple truths about internal communications development. The structure of the world has been created in the mind of the case company employees through interaction with the world and is based on interpretations. The minds of the case company employees are investigated and interaction with the world is in great importance in this study as this is all about interaction and its impact on different issues. The employees probably have very clear opinions about the issues after perceiving them in multiple instances during their employment. When interpreted well, this information can be very fruitful for the study. It is strongly believed that human thinking of the employees is imaginative and develops out of everyday perception as well as experiences and social interaction in their personal and professional lives. The employees' opinions are trusted and valued highly and it is believed that they form sensible and even logical answers to the research question.

Epistemology deals primarily with the basis of knowledge, i.e. what is regarded as acceptable knowledge in a discipline (Peltomäki & Nummela, 2004, p.163). This leads us to two main positions of epistemology: positivism and interpretivism. Interpretative research aims for instance at seeing what happens, looking for new perspectives, finding out new phenomena and clarifying a phenomenon that is not well-known. (Hirsjärvi et al, 2000, p. 30)

The author stands for the position of *interpretivism* for epistemology postulate. Interpretivism is closely related to constructivism and is applied in this study as it stresses interpretations in the formation of knowledge. The meanings that the case company employees confer upon their own and others' actions are analyzed and interpreted. The meaningful nature of employees' participation is valued. Even if interpretivism a typical philosophical background in qualitative research, it applies well also in quantitative research as the subjective opinions and ideas of the case company employees are in great interest of the study. In quantitative research, in this case by doing a survey, it is something impossible to get to meanings as surveys mostly consist of numbers and data that can be measured. According to Denscombe (2010, p. 165), the advantage of open-ended questions is that the information gathered by way of the responses is more likely to reflect the full richness and complexity of the views held by the respondent. The research is designed in the way that the respondents are allowed space to express themselves in their own words. In this study, it is considered important to get to the meanings of employee perceptions.

#### 2.3 Research Approach

In order to solve the research problem of this study: "According to employees, what is the state of internal communications in fast-changing organizations and how could it be improved?" one has to investigate what scientific approach may be suitable. It is commonly known that there are two main paths to choose from when closing in on the empirical reality, either through a so called inductive approach or through a deductive approach. Induction and deduction are rational processes and are used constantly by scientists. A researcher that begins with empirical observations and then infers constructs is using inductive reasoning. Using the constructs as the basis of making prediction about new, specific observations is then deductive thinking. (Graziano & Raulin, 2004, p. 36).

Inductive reasoning means reasoning from the particular to the general. It is used to generate theories or models based on observations or ideas. Inductive theories are built on a strong empirical base and tend to stray little from the empirical base. Deductive reasoning again means reasoning from the general to the particular. In deductive reasoning, specific predictions are made about future events based on theories. It seeks to make predictions from the theory that can be tested with empirical research. (Graziano & Raulin, 2004, p. 414).

In this case, the more open-ended and exploratory *inductive approach* has been chosen. It is the reasoning from the specific to the general. By looking at this case, also other companies are also able to learn about the investigated issue. Direct generalizations to other companies cannot really be made, but the findings can be useful for other fast-changing companies. This approach means that most of the work is done after the actual data gathering.

## 2.4 Perspective

Derived from the problem statement and purpose of this thesis, the topic will be viewed from the *perspective* of the case company that is an international company operating in a fast-changing environment. However, the case company does not interfere in the academic study but gives the thesis author freedom to design and execute the entire study. The case company that operates in the field of renewable energy wanted to improve their internal communications from different aspects. Thus, the research focus is on internal communications development in different organizational areas that are management communication. supervisor and team communication and interdepartmental communication. Also internal communication development executed by the internal corporate communication function is studied as well as internal communication channels.

The case company wants to gain information on their employees' views of the abovementioned areas and aims to use the findings of this study to improve internal communications in various ways. The company considers it very useful to know what the employees think about the internal communications and how they would like it to be developed before executing improvement measures. The company is in the opinion that knowing the current situation easies the development process essentially and that is why it is worth investigating.

#### 2.5 Choice of Method

This thesis is carried out as a quantitative study consisting of a survey for the employees of the case company. The company will be presented later in this thesis in 4.2 Case Company. Quantitative study was chosen as it was be utilized well in answering the research question and in meeting the research purpose. Employee perceptions and views need to be understood and survey with various question types fits well into that. Interviewing was not chosen as more answers and more precise information was seeked than interviews could have provided. It is useful that the data can be quantified. It was also considered important that they survey could be repeated in the case company over time if needed and thus the state of internal communication and its development could be followed.

The study aims for findings about the common practice, but also something that is unique in each of the areas of interest. In order to answer the research question, the final results are expected to have a certain degree of generality. Goudge (2006, p. 15) argues that the very process of undertaking an employee survey is itself part of a wider exchange of information between management and personnel. It is therefore more than just a vehicle for extracting information from employees. He continues that as such employee research performs a valuable role in helping to complement the top-down flow of communication within an organization.

Since the purpose is to increase the understanding of internal communications and how employees perceive it, focus should be put on the comparisons of opinions among the respondents. It is of interest to find out if there are common and also particular opinions related to internal communication and its development. Graziano & Raulin (2004, p. 310) state that the major goal of a survey is to learn about the ideas, knowledge, feeling, opinions, ideas, and self-reported behavior of a defined population. The researcher must identify the content area, construct the survey instrument, define population, draw a representative sample, administer the survey instrument, analyze and interpret data, and communicate the results.

It is acknowledged that there could be many factors such as different geographical locations in Europe that can influence the respondents' views on internal communication. Considering the complexity of a fast-changing organization, it is expected that personnel face many types of difficulties in internal communication. In other words, the topic of internal communication can be considered as sensitive. Privacy of the respondents is guaranteed as they can respond to the survey anonymously.

The research strategies are by no means all-inclusive and there is no best way of answering all questions in science. Selecting the most effective approaches naturally depends on the kinds of questions asked. However, there are defined phases in every research project. (Graziano & Raulin, 2004, p.339). This study starts with a general idea that is carefully

refined into a specific question or problem. Then procedures are selected, modified, and adapted to answer the questions. A quantitative survey is executed to the European organization of the case company. Data are analyzed, results are interpreted, and the research is communicated to other professionals and to the public.

### 2.6 Secondary Data

Secondary data was searched in order to obtain the knowledge in what has been researched previously on the topic. The aim was to find as suitable and interesting articles as possible concerning development the key areas of interest. Articles were searched related to the following themes and with the following *key words*:

- > Internal communication
- > Employee perceptions
- > Internal communication in different organizational areas
  - 1. management communication
  - 2. team communication
  - 3. supervisor communication
  - 4. interdepartmental communication
- ➤ Internal communication and its development in fast-changing organizations
  - 1. internal communication development
  - 2. internal communication and change
  - 3. internal communication in fast-changing organizations
- > Internal corporate communications and internal corporate communication function
- > Internal communication channels

The theoretical review of the thesis consist mostly of scientific articles such as researches published in Communication World, Journal of Organizational Change Management, Corporate Communications: An International Journal, Journal of Communication Management, Handbook of Business Strategy and The International Journal of Organizational Analysis, etc. In addition, some editorial books were used in order to define and contribute with basic information on the covered topics, theories and researching. Databases were used in searching for suitable articles and other information. A search engine *Samsök* proved to be helpful and was utilized the most. Samsök facilitates searching and gives collected and easy access to the Swedish research libraries' electronic resources. The portal is built up in cooperation with various libraries. Samsök offers Meta searches and access to, among other things, fulltext in databases with license agreements. *MetaSearch* function was used to search various databases such as *Business Source Premier* and *Emerald* at the same time. This enabled a good access to a wide spread of international articles.

#### 2.7 Evaluation on Secondary Data

It is essential to evaluate the found secondary data carefully. Secondary data is relatively quickly available and can therefore help to provide the first answers to some of the questions asked in a relatively short timescale. Secondary data can be useful in comparing findings from different studies and examining trends. However, all information that can be found on the theme is not usable and it might not even have a real connection on the theme. When selecting secondary data, criticism of sources is needed. A researcher needs to aim at criticism both when selecting and when interpreting sources. (Hirsjärvi et al, 2000, p. 55) In consequence, evaluation of the secondary data is essential in order to be able to select the most substantial sources. High availability of secondary data is important and there was an access to many data sources. Attention was paid to the process of choosing suitable data.

There are several cautions that have to be borne in mind in analyzing secondary data, e.g. What were the conditions of its production? For example, why, and when, was the document produced/written and for whom? (Blaxter, 2010, p. 191) Scientific secondary data, mostly consisting of academic papers with clear research purposes, were preferred and their findings were contemplated. Information found in general Internet pages was not considered as valid for the study. The age of the data was considered carefully. Primarily, the most recent sources are preferred (published in 2000-2011). However, also some older sources are used if they are considered essential and valid for the study despite of the age, e.g. Organization Structure and Communications by Hage, J., Aiken, M. & Marrett, C.B. from 1971.

The estimation of an impact of secondary data can be difficult and therefore as much relevant existing information was searched but only the best of the found information was used in this study in order to produce the most robust estimation. It was acknowledged that there can be errors or mistakes in the found secondary data

## 3 Theoretical Framework

This chapter provides information based on previously conducted researches in the field of internal communication and its development, in the areas of interest of this study. The most relevant and interesting literature and research are covered. Firstly, internal communication in general is discussed. Secondly, internal communication development is gone through. Thirdly, internal communication in fast-changing organizations follows. Fourthly, internal communication in different organizational areas is gone through. Following to that, the selected areas of internal communication are discussed one by one. Finally, internal corporate communication and internal communication channels are discussed.

#### 3.1 Internal Communication

To begin with, the term internal communication needs to be clarified. A few definitions are presented below in order to obtain a comprehensive view of the term and the concept. After defining it, the meaning and importance of internal communication is discussed.

Internal communication(s) can be defined in various different ways. For instance, Bovée and Thill (2000, p. 7) define internal communication as "the exchange of information and ideas within an organization". Lehtonen (2003), however, contends that internal communication of work community comprises all information flow and interaction that takes place in between different people, groups and units. He points out that communication between superiors and subordinates is usually also called as managerial communication, and that the concept of internal communication is wide, notably wider than just basic internal information sharing. Farrant (2003, p. 11) defines the term in a descriptive way that is easy to comprehend as he says that internal communication is the 'eyes and ears', and the conscience of the organization.

Clutterbuck & James say that "Many of us feel that what internal communication could be what it should be - is an exchange of information, responses, ideas and feelings by which the collective talent and commitment of the organization are directed to achieving corporate and individual objectives." (Clutterbuck & James, 1996, p. 249)

What comes to the phrase itself, Farrant (2003, p. 1) criticizes the phrase 'internal communications' as dull. He states that it has helped keep it as the Cinderella of the communications disciplines. He thinks that 'internal communications' suggest a cure from some ailment we would rather not think about – medicine to be taken because we know it is good for us, but with no great enthusiasm. This is his opinion, but might as well be true in many cases.

They study of Mazzei (2010, p. 230) proposes a definition of internal communication as a set of interactive processes to generate knowledge and allegiance, definitively abandoning a

systemic perspective that refers to organizational boundaries. The findings of Mazzei's study show that the definition of internal communication given by the respondents in almost all Italian case companies refer to intangible resources, such as knowledge, or communication behaviours, such as dialogue. Only one company referred to boundaries without mentioning any intangible resources. Various companies expressed an aim of creating a climate for active communication behaviours such as knowledge sharing, collaboration and creativity.

Internal communication naturally changes fast as does everything in today's organizations. Smith & Mounter (2008, p. 17-19) point out that internal communication has moved from events and people to sharing corporate goals.

Why is it important to study internal communications? Croft & Dalton (2003, p. 24) state that internal communications is critical to staff morale and performance in addition to their perception of the corporation's image. Farrant (2003, p. 1) notes that internal communications is vital to all organizations. He continues that we are sociable creatures and we communicate at a level and to a degree unknown in other species. Internal communication is also important to organizations in the sense that there is growing evidence that the organizations that get it right perform well. In well-performing organizations, internal communications have equal status with external communications. In the very best organizations, internal communications are part of the culture; they have disappeared as a subject to be thought about separately, into the way the leaders lead and others may respond.

When performing internal communication, the same scientific process is used as for external marketing or communication. The key target audiences should be identified. The population is dissected into groups, such as managers, line-level employees, senior management etc. Time is needed to understand the needs of the target audiences, and the information needs to be told in the way they can best understand and use it. This could be perceived as "selling" to employees, so that they can feel proud of their company's strengths and can genuinely endorse the company and the products to customers. (Drake et al., 2005, p. 14)

Lehtonen discusses the functions of internal communication. He can find five different functions and they are presented here shortly:

- Operative communication meaning sending, receiving and handling information related to daily work tasks and issues
- Internal public relations (PR) that company management uses to form and sustain confidential relations with and among different personnel groups
- Communicating company mission, vision, values and practices to personnel
- Building a positive work community identity and strengthening positive values related to work and its quality and profitability of operations
- Maintaining and developing relationships in work community, as well as managing and preventing conflicts and thereby developing and strengthening positive work environment. (Lehtonen, 2003)

Kalla (2005, p. 311) states that effective knowledge sharing appears to increase the efficiency of employees, and also enhance their motivation and the feeling of security. She points out that, however, efficiency and motivation are not completely independent of one another. Open knowledge and information sharing often results in more effective work practices. This again might increase motivation levels of employees.

To perform this study, it is essential to understand why people have a need to communicate and why internal communications is really needed in organizations. Wright (2009, p. 122) states that Maslow's well-known concept of self-actualisation is of direct relevance to organisations today. He explains that current focus in internal communication is on employee engagement and its links to customer satisfaction and increased productivity can all be traced back to Maslow as he foresaw an individual's need to strive for self-actualisation, to find meaning and purpose in all that an individual does – not just in private lives but at work as well. Maslow also found out that self-actualisation was a powerfully motivating driver within all personnel, not just within management.

#### 3.2 Internal Communication Development

Developing internal communications is not straightforward. (Corrado et al., 1994, p. 35) point out that one of the real problems with internal communications research is that sometimes it tells you what you do not want to hear: management is hopelessly out of touch with its employees, middle managers do not care about communicating to employees and nobody believes in the company newsletter. People who have to lose the most have a direct interest in trying to discredit the research. Thus, it is important to set up processes for getting past this problem: to provide feedback that makes sense. It is important to get commitment to take action before doing the research. Actions should be related to research; tell people that their input helped. Measure how actions worked; find out if what you did worked. Employees are consumers of key organizational values or products, for instance wellness, productivity, quality, customer service and safety. In establishing a communication program, research should be conducted first to determine the employees' level in terms of accepting each of the organization's goals. (Corrado et al., 1994, p. 35)

Thomson & Hecker (2000, p. 48-52) acknowledge the importance of internal communication development and address communication as a tool to increase employee buy-in. They present a survey that shows a direct link between good communication and strong buy-in. It shows that people with high levels of buy-in rate their company's communication highly, and those with low levels generally rate communication as average or poor.

Internal communication is often linked to openness. Developing internal communication by increasing openness seems logical. Thomas et al. (2009, p. 303) bring up the organizational openness in their study. They state that while quality of information seems to be a prerequisite for trust in co-workers and superiors, it is trust that appears to shape the perceptions of communication openness, which, in turn, predicts an employee's involvement in the organization. When attempting to predict one's level of involvement, it

would seem that openness is a key factor. Thus, when employees believe that the organization is a safe place to express themselves, they are likely to see themselves as more involved in the organization's goals.

Phelps (1996, p. 388) highlights the usefulness of benchmarking in internal communication. He states that benchmarking support functions improve processes and positively impact on the business arguing that communication professionals that find these questions important: 'How well does your internal communication compare with the best?' and 'Can you prove to top management that you are doing a really good job?', are likely to benefit from benchmarking their internal communication processes against those of other companies. Phelps has found that it is vital to convert the benchmarking information into a value-adding activity for an organization. He clarifies that there are a number of possible ways such as, for instance comparing performance and improving internal communication practice. As a result, organizations can implement new internal communication initiatives in priority areas. The consequences can be monitored by changes in the performance targets over time.

A significant amount of research has been conducted on best practice models across the world and it has been found that best practice organizations communicate much more, in greater detail and to more levels than the average organization. It has also been found that hey operate on continuous improvement cycles, continually evaluating the effectiveness of their programmes and making changes based on the needs of internal customers and senior management. They are culture conscious, have customer focus and they partner. One of the most interesting findings is that support functions in the best organizations do everything they can to meet their customers' needs. Those organizations expect departments to work independently as well as encourage the informal exchange of ideas and data, which characterise the 'boundaryless' organization. Best practice organizations take calculated risks in order to gain early competitive advantage. They adapt the early vision and mission statements. They are value-focused relating their activities to the strategic priorities of the organization, measurig people's contribution continuously, and linking themselves with bottom line results. Phelps (1996, p. 388-389) It seems that there is a lot to learn from best practice organizations.

(Thomson & Hecker, 2000, p. 56) suggest business leaders to consider following questions:

- ➤ How well defined are the organization's goals and a vision for the future?
- ➤ How involved are senior managers in communicating these goals and the progress against them directly with staff?
- ➤ How much do staff's objectives and performance targets relate to overall business goals?
- > To what extent does staff behaviour suggest a clear understanding of the business direction?
- ➤ What opportunities are there for staff to participate in key business issues and to share their views with top management?
- > To what extent does staff behavior suggest that they are giving their best to help the organization succeed?
- ➤ To what extent do staff attitudes reflect confidence in the organizations' leaders?

- ➤ How effective is the organization's communication on a scale of 1 to 10?
- ➤ How would staff describe the organization's culture?

These questions are very relevant in finding out how internal communication can be developed especially around the topic and strategy. When answers are found to those questions, it is easier to understand how communication needs to be developed in order to improve the understanding of strategy and the whole performance of the company.

#### 3.3 Internal Communication in Fast-changing Organizations

As this thesis concentrates in internal communication development in fast-changing organizations, it is necessary to discuss the issue of internal communication in fast-changing organizations in this theoretical framework. Change and internal communication go hand in hand in hand. As companies or other organizations are growing rapidly, a lot of communication about change is needed. Quirke (1996, p. 72) states that changes are everyday in today's organizations and the statement can be totally agreed. He continues that organizations face many pressures and gives an example that an organization could for instance appoint a new CEO with the mandate to re-energize the business, a new competitive strategy could call for a fundamental change in attitudes and behavior, the roles of the divisions could face a re-examination or the organization could be in a serious need to downsize operations. Getting communication right is vital to making change happen inside organizations. Poor internal communication is routinely sabotaging efforts for change. Communication does not simply have a role in managing change, it is central to making change happen. (Quirke, 1996, p. 68)

Lundberg (1990, p. 6) states that it is a truism that all organizational changes are facilitated through communication processes. Communication is usually a central activity. He argues that if organizational communication structures the dynamics of organizations, then its role in organizational change needs to be conceptually elaborated.

However, it seems that the role and importance of communication in change situations is not always understood. Smythe (1996, p. 41-42) states that a lot of change is not implemented because the human occupants of the changed organization have not been involved in understanding, and thereby owning, the changes around them. He clarifies that without ownership and understanding there is likely to be compliance and fear. It is important to facilitate understanding by those who need to adopt new processes of what will change and why. Also a process should be provided whereby employees' expertise can usefully influence in the design of that change.

There are many types of changes, but many of them relate to finances. Hodgkinson (1987, p. 328) addresses that the most companies faced with the need to increase profits focus their energies on rigid control of finances. Implicit in this strategy is the belief that the greatest opportunities for increased effectiveness lie in tightening up budgetary control procedures and in the reallocation of budgets to areas yielding the most immediate payoffs. This often has unpleasant side effects for staff, increasing pressure on them to perform and forcing

organizational change. The increased complexity of the job, frequently brought about by the need to cope with the realities of budget reductions, coupled with attempts to meet increasingly wider requirements with no additional resources, and may foster dissent. This can lead to deterioration in staff morale and commitment, fewer opportunities for promotion, staff training and salary increases. The study results of Hodgkinson (1987, p. 328-335) indicate clearly that it is important to ensure thorough consultation between staff and employers prior to effecting changes. The full cooperation with all staff is vital.

Power & Rienstra (1999, p. 501) studied internal communication in new corporate conglomerates. Even if they talk about conglomerates, it seems that the results of the study could be somewhat applied to a fast-changing organization operating in various countries due to various locations and different operating environments in question. They state that a conglomerate of loosely coupled businesses requires a communication strategy which allows subsystems to devise solutions to their specific communication needs and problems using suggestions and tools that come with the communication model while yet retaining links to other parts of the organization in order to facilitate the collaboration. They describe a flexible communication model that allows each separate business to remain connected to the corporation as a whole, maintaining connections with other loosely coupled businesses and yet allow for differences which lead to efficacy and innovation found lacking in many hierarchically structured organizations where communication strategies are devised and managed from the top. This communication model seems good as it allows both collaboration and independence.

It possible comes as a surprise for many leaders that they need to be developing and executing internal communication in challenging situations of change. Barrett (2006, p. 387) addresses that as leaders move into higher levels of and organization that they become the leader of change programs and vision development. Based on experience of the thesis author, this statement of Barrett is most likely very true as senior managers are often expected to excel in communication. It is also probably very common that only a few leaders have had communication training as they usually are specialists in their fields and rarely business generalists. Therefore leaders might not often have proper know-how and skills in communication in challenging situations.

## 3.4 Internal Communication in Different Organizational Areas

As explained in the Introduction of this thesis, there are different approaches to internal communication. Welch & Jackson (2007) argue for integrated communication. "Both communication and management are vital to all aspects of organisations and the strength of the corporate communication movement is that it emphasises the interrelatedness of communication within and outside organisations. It reminds theorists and practitioners of the need to think in terms of integrated communication. (Welch & Jackson, 2007, p. 194)" This approach is similar to the one of Kalla (2005). Given the importance of effective knowledge sharing at all levels of an organisation, Kalla (2005, p. 311) suggests here that true effectiveness can only be obtained through incorporating all organisational members, and hence viewing knowledge sharing as a function of integrated internal communications.

The goal of Kalla's (2005, p. 303) article was twofold; the first goal was to understand the complex and multidisciplinary nature of integrated internal communications, which is challenging due to the multiplicity of inconsistently-used terms and sometimes too tightly defined boundaries. The second goal was to understand the strategic impact of internal communications by assessing how integrated internal communications manifests itself within the multinational company context and how that in turn enhances knowledge sharing. Kalla stated that evaluating the knowledge sharing function of internal communications is important as many notable scholars stress that the ability to effectively share knowledge internally is fundamental for maintaining a competitive advantage. The article examined the multidisciplinary nature of internal communications, and showed that an integrated perspective can be observed within the multicultural company context. That is a perspective, which is also beneficial for enhancing our understanding of knowledge sharing within organisations. Thus, if the view that the employee is the most valuable asset of the corporation is adopted, then the integrated view helps to comprehend that we need to incorporate all employees to our analysis of internal communications and knowledge sharing.

In Kalla's (2005, p. 312) article, it is suggested that in order to adopt a more strategic perspective to internal communications, there are two main issues to be considered. Firstly, a novel way of looking at internal communications through an integrated lens was presented, enabling us to see it as all formal and informal communication taking place internally at all levels of an organisation. Secondly, viewing knowledge sharing as a function of such integrated internal communications may help us to understand how communication contributes to the organisation's competitive advantage.

Baker (2002) presents another way of looking at internal communication. Baker (2002, p. 7) argues that organizational communication can be characterized as vertical, horizontal, or diagonal. This division of organizational communication is logical but Baker states that although both vertical and horizontal communication continue to be important, these terms no longer adequately capture communication needs and flows in most modern organizations. (Baker 2002, p. 9)

Vertical communication occurs between hierarchically positioned persons. It can involve both downward and upward communication flows. Downward communication is more prevalent than upward communication and according to various previous researches employees feel that their organization did not do a good job of downward communication. It is not surprising that satisfaction levels have been especially low at lower job levels. Less is known about upward communication. One interesting consistent finding is that employee satisfaction with upward communication tends to be lower than their satisfaction with downward communication. Baker states that initially greater emphasis was directed at vertical organizational communication as compared to lateral communication but that is no longer the case. (Baker 2002, p. 7)

Lateral communication again involves communication among persons who do not stand in any hierarchical relation to one another. Interdepartmental communication that is handled in this thesis is lateral communication. While recent trends to flatten organizations have enhanced the importance of lateral communications, studies on lateral communication still lag behind on studies on vertical communication. (Baker 2002, p. 9)

Baker continues that the concept of diagonal communication was introduced to capture the new communication challenges associated with new organizational forms, such as matrix and project-based organizations. Diagonal communication is an even more recent emphasis in the organizational communication literature. Also, with the rise of the network organization (both internally and externally oriented networks), communication flows can no longer be restricted to vertical, horizontal, and diagonal. (Baker 2002, p. 9)

In this study, internal communication is viewed from an organizational perspective. From this perspective, three clear internal communication areas can be identified. One of them is management communication. Another is team and supervisor communication. Third is interdepartmental communication. Thus, management communication, team and supervisor communication and interdepartmental communication are considered as the most essential internal communication areas. Nor integrated communication or vertical, horizontal or diagonal approaches as such are used in this study. Instead, a more specific and concrete approach of the most essential internal communication areas in organizations is used.

To explain the choice of the three areas, it seems natural to think that internal communications is an entity (e.g. integrated communication) but when doing so it is hard to get a good grip on the existence of internal communication in an organization. To conclude this, this study views internal communication as it is executed in various organizational areas, is developed and executed by internal corporate communication function and communicated through different channels.

## 3.5 Management Communication

Let us start from the top; management communication. This is one of the three areas of internal communication selected to a close inspection in this study. When discussing management communication, it is referred to communication executed by the top management (the management) flowing downwards in the organization, all the way reaching the employee lowest in the organization. In other words, when discussing management communication, it is referred to communication executed by the top management, finally reaching all employees in the organization structure. Importance of good management communication is undisputed. Smith & Mounter (2005, p. 87) address that the conventional model of communication favoured by many organizations is top-down. They add that would be naive to suppose otherwise as there will always be a need for senior management to give guidance on the direction in which it wants the organization and its constituent teams to head.

Croft & Dalton (2003, p. 24) clarify that management and organizational communications refers to how management communicates with middle management and employees.

"Managers have a responsibility to talk to their employees about the business. But exactly what should managers talk to employees about? Besides specific messages about business objectives, there are a number of basic questions and issues that need to be continuously addressed, such as the mission of the unit." (Corrado et al., 1994, p. 39)

Importance of communication the strategy, mission, vision and values is highlighted in various studies in this area. In the study by Van Vuuren et al. (2006, p. 124-125) it was shown that behavior of employees is explicitly related to the values of the organization. Top management could support these conversations by discussing the values of the organization in order to establish them. This provides clear backing for middle managers to discuss behavior of employees.

A lot of responsibility of internal communication is given to senior management. Internal communication needs to be championed at the very top. Organizations need the workforce to understand what is expected of them and internal communication will help them to deliver this. They also remind that internal communication is still a new discipline and that it is the responsibility of everyone from CEO to line manager and supervisor. (Smith & Mounter, 2008, p. 17-19) Anyhow, it is very common that directors are interested in their business problems, not communication problems. While they agree that communication is important, they genuinely feel it ranks among their priorities, they are more likely to be interested in solving operational problems. They may not see the connection between communication and their problems, especially when they are measured not on the levels of the communication but on attaining key objectives. (Quirke, 1996, p. 71)

Stiff (2006, p. 238) assures that if brand selling to employees is ultimately to be successful, it must start as high up in the organization as possible – hopefully at the C level (CEO, COO, CFO). This level should also be present as guest speakers whenever the topic of the brand is being communicated within the organization culture. This could be done e.g. by inviting the CEO to present a short pitch at a brand selling workshop, product launches, or sales meeting. This sends a powerful message about the brand and sends a message that the top people of the company are actively involved with and accountable for the brand. It also allows the top executives to declare their brand and its brand pillars, thus making a strong statement about their willingness to be involved in the daily operations of the business, also exposing them to the latest thinking of the sales organization and their customer's voice. Even if Stiff highlights the importance of the C level in internal communications and internal brand selling, also other levels of the organization are certainly important.

Croft & Dalton (2003, p. 59) state that in the battle for superior performance and reputation, the company's employees are always on the front-line. It is usually the negative examples that make the headlines and they can have a great impact on external views of the company and help form public opinion. "If the employee has a key role in building the corporate reputation, how must the corporation manage their employees?" Croft & Dalton (2003, p. 59) Croft & Dalton (2003, p. 60) are in the opinion that the single most important step is a change in mindset among senior management. This involves more than understanding that "people are our greatest asset". It means investing in that asset so that it understands shares and commits to the realization of the same values and brand promises that the company publicizes externally. Maybe it is possible to dream of personnel that lives up to their other

job as ambassadors of the company. However, this doesn't happen until the change in mindset leads to a change in behaviors starting at the top management. In case they cannot show by example that they understand and are committed to the corporate values and brand promises, the employees will be among the first to notice. Indeed they will also imitate. Cynicism among employees is often an issue in modern business as subordinates do not see their leaders act by exemplary behavior.

Employees tend to receive information through many different unofficial and official channels. This makes management communication very challenging. Usually it is better to tell than not to. Quirke (1996, p. 78) addresses that since about 70 % of the information employees receive is via the grapevine. Grapevine means the informal transmission of information, gossip, or rumor from person to person. It is usually an unrevealed source of confidential information. Since senior managers have a healthy skepticism for what information they do receive through formal channels, they are faced with simple choice - to either manage the elements of the communication mix they can, or be managed by the grapevine. Companies that rely on what little grip they have on communication to carry them through are like cyclists riding 'no hands'.

Without emotional intelligence, leaders cannot communicate with and manger others effectively. If senior executives of a major energy company are giving a presentation on the future of energy production, the audience will probably perceive them as persons with the authority to talk about energy. They can exude confidence by being well prepared and feeling comfortable when talking. They can create an aura of honesty by effective delivery techniques, such as steady eye contact, being well prepared in questions and so on. They can take specific actions to build greater credibility. (Barrett, 2006, p. 388-389)

## 3.6 Team and Supervisor Communication

Development of supervisor communication and team communication can be described altogether in one context as they are evidently linked to each other. Supervisors lead and manage their teams and team members and are therefore responsible for the communication performance in their team in the end. Anyhow, naturally all team members contribute to the communication success significantly with their own actions and efforts. Supervisor communication is discussed in the literature in a quite great extent and it seems to be a very current topic in today's work places. It is often called also as leadership communication.

Supervisors have an essential communication role in organizations. Thomas et al. (2009, p. 303) found that when looking at trust in top management, the adequacy of information is more salient than quality of information. Their interpretation of this finding involves the role of top management in setting direction, shaping purpose, and overseeing general organizational processes. Information coming from top management is rarely specific to an individual's job but is generally focused on the big picture. Top management then depends on supervisors to translate this abstract information into more task-related and relevant communication. In other words, while employees count on top management to set the strategy and determine criteria for organizational success, supervisors must be trusted to

show them the connection between their jobs and the organization's goals and to provide the more specific information needed to perform their jobs well. Employees are depended on high-quality information needed for job execution.

Somehow it seems that employees are often dissatisfied with the communication performance of his or her supervisor. The task is challenging. Alleyne et al. (2005, p. 295) state that the role of managers has substantially changed in workplaces in recent years. This is partly as a result of market developments, but also due to new technologies used by the organizations in which they work. The environment and demands grow constantly.

The task of communication is not always easy for supervisors in fast-changing organizations. They need to adopt fast to new changes but they can also have problems in motivation. Thomson & Hecker (2000, p. 53) state that in fast-growing organizations, employees have to deal with constant change. They argue that managers are hit especially heavily by change, which may explain their disappointing levels of understanding and commitment. It is interesting that levels of communication during periods of dramatic organizational change can have profound effects of the overall effectiveness of staff.

Researchers rarely agree completely on how best to define leadership, but most would agree that leaders are individuals who guide, direct, motivate, or inspire others. They are men and women who influence others in an organization or in a community. They command others' attention and persuade others to follow them or pursue goals they define. They control situations and improve the performance of groups and organizations. Leaders lead through effective communication. Without effective communication, manager achieves little and is not an effective leader. (Barrett, 2006, p. 389) When CEOs and other senior executives in all industries and countries are asked to list the most important skills a manager must possess, the answer consistently includes good management skills. Managers spend most of their day engaged in communication; in fact, older studies of how much time managers spend on various activities show that communication occupied 70 to 90 percent of their time every day. This amount of time underscored how important strong communication skills can be for the manager desiring to advance to leadership positions. Mastering leadership communication should be a priority for managers wanting their organizations to consider them leaders. (Barrett, 2006, p. 385)

Barrett (2006, p. 387-388) claims that leadership communication depends on the ability to project a positive image, or more specifically, a positive ethos, inside an organization or outside. Ethos is one of the three types of persuasive appeals by Aristotle. It is an appeal based on the perceived character of the sender of the message. Is the person trustworthy, confident, believable and knowledgeable? A positive ethos will take managers a long way towards influencing their audiences with the intended messages. Negative ethos is again one of the greatest barriers to effective communication.

"The mistake that many managers make is to concentrate solely on understanding or winning minds without also striving to build commitment or win hearts. Looking after people's minds is the principle behind intellectual capital and knowledge management, management concepts that have become important. Yet knowledge is only half the battle. The hidden resources of feelings, beliefs, perceptions and values determine whether people

apply their knowledge constructively in support of organizational goals. These beliefs, feelings and motivations are the foundation of emotional capital." (Thomson & Hecker, 2000, p. 49)

According to Van Vuuren et al. (2006, p. 124-125) communication leads to a central attitude, commitment. Direct and indirect contribution of communication to commitment underlies the importance of supervisor communication to organizational functioning. The effects of communication to fit and efficacy perceptions reiterate the role of interactions between managers and employees, because of sense of direction, motivation and competence are important to them. For managers, it is well-known that the attitudes of their members are important for well-being and performance. Van Vuuren et al. (2006, p. 124) bridged the gap between daily interactions and the intangible attitudes by showing that listening and giving feedback are key activities in enhancing commitment. This process is explained through mediation of a clear view on what is perceived as what the organization stands for (value fit) and what is able to achieve (efficacy).

Giving feedback also works the other way around. Managers are responsible to show how the organizational values are to be practiced. If they do not act in line with the values, they have to be open to corrections. Listening and feedback about efficacy also involves openness. While quick wins and positive stories are easier to communicate, to help members craft accurate efficacy perceptions also bad news has to be told and listened to. (Van Vuuren et al., 2000, p. 125)

Communication in teams or between a supervisor and a subordinate should not be one-way, meaning that only supervisor communicates to team members. It is important for organizations to hear their employees and to involve them in decision-making. (Smythe, 2007, p. 10) argues that the challenge to leadership is to see employee engagement as a way of management or as a philosophy which influences the way managers and supervisors exercise a more inclusive style of decision making. Employees are the primary models of the culture and it is they who will live or belie good engagement practice.

Supervisors have a big role in encouraging their team members to communicate and sharing their opinions and ideas. Smythe (2007, p. 20) states that it is time to change the way organisations manage communication with their people. It's time to move from "a tell them, sell them approach" based on a marketing idiom to an approach based on intelligent inclusion. He reminds that people work in small spaces in the organisation. "For most employees, communication and engagement lies in the gift of the local manager or supervisor; other organisational communication is usually clinically delivered in print and electronically or received via ritualistic processes like face to face meetings, conferences, town halls and electronic gatherings." (Smythe, 2007, p. 23)

People do communicate upwards if they are allowed and encouraged to do so. Smythe (2007, p. 30 sees engagement as a practical capability which leaders, at every level in an organisation, can develop and utilise to invite their people to bring the best out in themselves for their own benefit and for that of their colleagues and the company. "Leaders, managers and supervisors are the lead component of the day-to-day culture of the workplace. They decide if and by how much to involve others in decisions large and small.

Managers and supervisors are the chief engagement officer in their own domain. Thus in creating an engaging workplace the main lever has to be the leaders, managers and supervisors." (Smythe, 2007, p. 30)

#### 3.7 Interdepartmental Communication

The functioning and development of Interdepartmental communication is challenging. For the sake of effective information sharing, it is vital that information flows forward horizontally in the organization and that does not stay inside one department's borders. The success of Interdepartmental communication is surely one of the key elements in organization's success.

Hage et al. (1971, p. 867) state that horizontal communication can mean at least two things. Firstly, it can simply mean communications across departmental boundaries. Secondly, it can mean communications with someone at the same status level, regardless of whether the communication is in the same or a different department. In this thesis, interdepartmental communication refers to the first option; communication across departmental boundaries. Hage et al. (1971, p. 867) has found that the frequency of interdepartmental communications is greatest with others at the same status level. Complexity tends to be positively associated with the intensity of organizational communications, both organization-wide committees as well as unscheduled communications. It is the flow of communications with people on the same status level in different departments that is most likely associated with complexity. They claim that it is clear that the volume of communication is higher in more complex organizations; and this is especially true of communications between departments.

Walton et al. (1969, p. 539) argue that departments which are hard to contact tend to be prone to conflict; whereas departments that have systematic difficulties in contacting others tend not to. He also found that departments experiencing high interdepartmental conflict tend to create department-wide barriers to inward communication. For example, they may isolate themselves geographically or establish schedules that do not synchronize with the attempts of others to contact them. In addition, physical barriers to communication toward other departments increase the interdepartmental conflict experienced by the department trying to communicate.

Ritter (1999, p. 474-478) is specialized in the theme "network competence" and argues that by increasing the interdepartmental communication, network competence can be improved. The purpose of Ritter's article was to identify organizational preconditions of a company's network competence. The empirical results showed that a company's network competence is embedded within the whole company. The research of Ritter shows that the key to success is to allocate sufficient resources (physical, financial, personnel, informational resources), motivate qualified personnel, communicate across functions and open the corporate culture.

Ritter (1999, p. 477-478) argues that interfunctional boarder may be broken down through cross-functional seminars and workshops, through limited personnel exchange between departments or through implementing communication means (e.g. company newspaper or a new web page). Ritter clarifies that such efforts do not only provide important insight into information but also allow a better understanding of others' positions. In addition, the official channels for information should be used. As the nature of network management is dynamic, it is advisable to implement some unofficial shortcuts that allow a more flexible way of doing things. These arguments of Ritter are logical as it seems that it is useful for organizations to invent various means of communication in order to improve interdepartmental communication. Ritter values understanding of each others' positions, which seems essential what comes to well-functioning interdepartmental communication.

Ritter (1999, p. 477) encourages organizations to ask themselves questions for instance related to communication structure, e.g. 'Do members of staff from different department talk to each other?', 'Do members of staff frequently use staff development programs?' and 'Are there sufficient rewards for engaging in relationships?' The questions should not be answered in a yes or no format nor do they represent the measurement tool used. The questions can be a useful tool to facilitate discussions in a company on how to improve a particular company's ability to cope with its networks.

Joyce & McGee (1997, p. 22) studied designing lateral organizations. This is interesting as lateral organizations and interdepartmental communication are clearly linked to each other. They state that organizations operating in environments characterized by high uncertainty and diversity require sophisticated lateral organizations to remain competitive. Managers have struggled with the many difficult issues involved in choosing and implementing effective structures for this purpose. In lateral organizations, personal relationships and informal contacts become much more powerful than formal structures and reward systems for achieving the organization's goals.

Joyce &McGee (1997, p. 22) argue that managers in lateral designs learn how to translate their functional allegiances into shared values and how to manage complexity rather than simply making room for it. A lateral design despecializes personnel and replaces them with people who appreciate and are rewarded for diversity. In these kind of lateral organizations, people closest to the decision that have to live with the consequences of their decision are empowered to make the decision. Authority is less a function of position and more a function of information and competence. Ownership of the project is assigned to those who are competent and interdisciplinary collaboration on projects mandates that traditional departmental lines become blurred. In conclusion, loosening horizontal boundaries places greater emphasis on processes, and requires improved communication, leadership, and resolution of turf issues.

# 3.8 Internal Corporate Communication

"The internal communication function is one of the fastest growing management disciplines. For many organisations, it is also new, in so far as they recognise internal communication as a distinct function or department." (Clutterbuck & James, 1996, p. 249)

Clutterbuck & James (1996, p. 249-250) argue that this above mentioned trend is a step forward towards the acceptance of internal communication as essential to an organisation's success. Their survey reflects a real investment by some organisations to create the conditions under which people voluntarily give more to the business, and vice versa.

Welch & Jackson (2007, p. 188) define the concept of internal corporate communication concept as "communication between an organisation's strategic managers and its internal stakeholders, designed to promote commitment to the organisation, a sense of belonging to it, awareness of its changing environment and understanding of its evolving aims." Welch & Jackson explain that concept may help corporate communication managers to focus on the goals of promoting positive commitment and a sense of belonging. The concept entails responsibility to consider the organisation's internal and external environments as well as to communicate ethically.

The coordinating role of internal corporate communication function is usually highlighted. Argenti (2003, p. 128), states that "Internal communication is, in essence, about creating an atmosphere of respect for all employees within the organisation. Communication from management should come directly from one manager to the next, and from supervisor to employee, but as companies grow larger and more complex, this often becomes more difficult – hence the need for the internal communication function". In other words, Argenti argues that the internal corporate communication function is useful in coordination on internal communications in organizations. It must be true that when organizations grow, it is more difficult to get by without a function that coordinates all the different flows of information.

Coordination on internal communication does not always exist, which causes problems in organizations. Quirke (1996, p. 76) addresses that a common complaint is that operating units are on the receiving end of communication sent directly to them, without being first coordinated with other functional departments. This lack of coordination produces mixed signals, lack of coherence and competition for attention for employees. Quirke argues that if communication is not coordinated and orchestrated, the individual has to edit the clutter down to manageable levels using his or her own priorities which are unlikely to match those of the business as a whole. In addition, the material that gets through the editing process may not be what is most important to the business. From the internal customer's viewpoint, communication seems to be overwhelming and uncoordinated. Each business unit busily produces information which it feeds into the communication channels.

In this thesis, internal corporate communication is considered as a function executing, coordinating and developing internal communications inside an organization. It is usually an important function what comes to internal communication development, as the whole development coordination is often concentrated in the internal corporate communication function. Internal corporate communication function is designed really differently in different organizations. In some organizations, the internal corporate communication

function is large consisting of many internal communication professionals. In other organizations, there is not really a function but one person handling the tasks among his or her other tasks. As an organization is growing, the importance of smoothly functioning internal corporate communication naturally increases. Internal communications function is usually placed differently in different organizations. It is often placed in human resources department. This is due to the fact that internal communication is evidently linked to people and human resources issues in general. Sometimes internal corporate communication is also called HR communication.

The importance of corporate communications is acknowledged. Balmer et al. (1999, p. 256) address that recent environmental trends (e.g. acceleration of product life cycles, increased competition, globalisation and the establishment of free trade areas, mergers acquisitions and divestitures, shortage of high-calibre personnel, public expectations for corporate social responsiveness and breakdown of the boundaries between the internal and external aspects of organisations) are forcing senior managers to give greater import to corporate identity and corporate communications. They are discovering that conventional methods of redressing identity problems are becoming progressively less effective because the traditional focus has viewed corporate identity and corporate communication as functional rather than as strategic.

Balmer et al. (1999, p. 256-260) suggest a much broadened view that looks at corporate communication. The authors' broader framework builds on the approaches that focus on integrated marketing communication, meaning of integration of management and organizational and marketing communications as 'corporate communications'. Balmer et al. conclude that the marriage of corporate identity and the broadened view of corporate communications should be reviewed as strategic fields. As such, in today's volatile business environment corporate identity and corporate communications, when viewed and managed from a strategic perspective, can imbue many organisations with a distinct competitive advantage.

The findings of Mazzei (2010, p. 231) are similar to Balmer's as they show that internal communication is no longer merely a message-targeting function. Instead, the internal communication department has a key role in encouraging active employee behaviours in addition to delivering messages. The new role of internal communication department implies for internal communication managers that they must clarify which communication behaviours to activate, which groups of employees are supposed to be active or passive, and what managerial actions are likely to promote active communication behavior. Mazzei concludes that developing techniques for employee categorization based on the psychological contract is important in order to identify the communication attitudes of employees.

Barrett (2006, p. 386) states that corporate communication involves expansion from the managerial skills to those abilities needed to lead an organization and address a broader community. Communication becomes complex when there is a need to think about how best to communicate to all internal and external stakeholders. Again, any good communication depends on having a strategy, but as the audiences become more diverse and larger, the communication strategy naturally becomes more complicated.

It is vital to link the internal corporate communication strategy to the business. It should support the business strategy and help the organization compete more effectively. "An employee communications strategy is naturally different for different types of organizations and needs are to be based on an awareness of the gaps in the business communication it is designed to bridge." (Quirke, 1996, p. 71)

Goals of internal corporate communication are demanding. The goals identified by Welch & Jackson (2007, p. 188) include:

- > contributing to internal relationships characterised by employee commitment;
- > promoting a positive sense of belonging in employees;
- > developing their awareness of environmental change; and
- > developing their understanding of the need for the organization to evolve its aims in response to, or in anticipation of, environmental change.

The first goal employee commitment is often linked with internal corporate communication also in practice. Welch & Jackson (2007, p. 188) explain that commitment can be thought of as the type or degree of loyalty to the organisation. They present three different types of commitments. Affectively committed employees are in the organisation because they want to be there. Continuance commitment again relates to the costs of leaving the organisation, these employees are there because they need to be there. Thirdly, normative commitment relates to a feeling of obligation to the organisation, these employees are there because they feel they need to be. Commitment can be positively impacted by different types of communication.

Internal corporate communication has also a clear impact on job satisfaction. For instance, the research results by Hodgkinson (1987, p. 334) indicate that a strong link existed between ease or difficulty of obtaining information and job satisfaction. In view of this, a greater attention is to be paid to standardization and simplification of procedures and documentation, to counter complexity. According to Alleyne et al. (2005, p. 295), internal service providers, such as HR function, have been forced to re-examine their own role in the light of a dramatic increase of organizational demands on them. Alleyne points out that certain researchers consider these demands as contradictory as the requirement is to be simultaneously strategic, flexible, efficient, cost-effective and customer-oriented. In addition, due to the differing roles of managers, who form one category of HR's internal customer base, it has been increasingly recognized that HR needs to improve its customer orientation in order to be able to identify internal customers' consequential changing expectations. Within such a context, it is generally accepted that the more strategic the approach to human resource management, the greater the contribution to human resources management to organizational performance as it is considered to powerfully impact the policies, practices and systems that influence employees' attitude and performance. The need to provide support in areas such as training, information and documentation are highlighted. Changes in the sophistication and availability of information technologies are also arising interest. It has been argued whether the human resources management function should play a more proactive role in relation to new technologies. (Alleyne et al., 2005, p. 295)

#### 3.9 Internal Communication Channels

The internal communications demands are large. There are also plenty of different ways to apply in internal communications and various channels to communicate through. In the first place, it is essential that top management agrees on a "big picture" of what the company is seeking to achieve. If there are different opinions on how the picture looks like, then the internal communication specialists are facing a very challenging task in order to communicate coherently. The picture must be of clear exposition and credibility. (Croft & Dalton, 2003, p. 63).

Smith & Mounter (2005, p. 74) are on the same page with Croft & Dalton above, as they state that the selection of media should not be the highest ranked priority on the list when planning a strategy for internal communication. Instead, senior management should first be encouraged to think about what it is that needs to be communicated. "A very few key messages should be distilled because there can be a temptation to swamp the internal public with far too many ideas all at once. A desire to cover all the bases simultaneously can lead to as much confusion as offering no information at all." (Smith & Mounter, 2005. p. 74)

There are various internal communication channels and techniques to choose from. Croft & Dalton (2003, p. 24) state that internal communication is often achieved by memos, newsletters, magazines, intranets, departmental briefings and email. This approach is quite narrow.

Face to face communication cannot be forgotten even today's digitalized world. "Often overlooked, but according to all the surveys still the most valued form of communication by employees across all sectors, is face to face, one to one communication. However, there can be a negative side. Senior management can often make assumptions that a corporate stance is understood by all in the same way; this can be a dangerous position to adopt. It is necessary to check there really is mutual understanding on critical issues." (Smith & Mounter, 2005. p 74) In conclusion, even if face to face communication should be used in great extent, also other communication ways and channels should be used.

Smith & Monter (2005, p. 75) argue that if management has chosen not to practice one to one communication or is not doing so comprehensively enough, the staff concerned will find their own channels for plugging the gaps in their knowledge. What employees hear on the grapevine may not be the real position but it will in their view have to suffice. This can often be dangerous as employees can receive too much false information.

Face to face techniques include for instance interviews, meetings, briefings and video conferencing. Impersonal techniques include for instance memos, circulars, voice mails, SMS messages, videos, radio, intranet and portals. It is essential that the top management meets employees at regular intervals. Arranging regular face to face opportunities for top management to be exposed to employee thinking is one good way of delivering the

measurement and the upward feedback at one and the same time. (Croft & Dalton, 2003, p. 63).

E-mail is nowadays one of the most used communication tools in organizations. In addition to sending formal e-mails, employees often see e-mail as a way of keeping the more informal organizational conversation going. Smith & Mounter, (2005, p. 166) point out that it is hard to imagine a modern organization without e-mail. It is nowadays such an essential part of communication and doing business. The same goes with intranet. Internal communicator specialists would probably all feel lost without e-mail and intranet.

Intranets seem to be in use in almost all big companies nowadays. Smith & Mounter, (2005, p. 80, 169, 170) remind that is hard to remember that intranets were very much the new gadgetry kid on the block even in the mid-1990s and as recently as 1999 only 65 per cent of companies used intranets. They highlight that it is important to remember that screen-based media such as e-mail and intranet are not as easy to read as print publications. This is a particularly important point when communicating to a diverse audience. Intranets offer the endless opportunity to store background information to be retrieved only when needed. One great advance of an intranet is that many people can be involved in content production. In this case copy flow management needs to be planned - who will edit, and who will check copyright. Editing and updating needs to be coherent. It is also useful to make use of all the organization's media to promote use of each other.

Intranet is often managed by the human resources (HR) function. In their study focusing of the HR intranet usage, Alleyne et al. (2005, p. 307) found out that the influence of customers' increased expectations impacts on the changing role of HR and the influence that the use of intranet technology for HR applications has an effect on the perceived satisfaction with the HR function. Effective and proactive use of IT can have big effects on HR. On this basis, the study helps to understand the dynamic nature of the HR customer/supplier role relationship and the impact that the use of new technology can have on this relationship.

There are many innovative and modern ways of getting your message across perhaps better than before. Ioffreda & Gargiulo (2008, p. 38) explain in their article that business communicators are using the tool of storytelling to encourage employee participation at work. Storytelling is said to be an effective communication tool for its emotional appeal and less neat structure. It helps to connect with people in a more visceral way as the listener's own experiences and personal associations are triggered by them. Several organizational areas are suggested to which storytelling can be applied including stories about the organization, and its business performance. It can be applied in newsletters, presentations, intranets, annual reports, web sites, among others. It is stated that the process of storytelling in organizations have many obstacles, for instance the difficulty and frustration in gathering stories. However, they are very convinced that storytelling is the way to do it and therefore this point is worthy to acknowledge.

It is a common saying that actions speak louder than words. Having various internal communication channels available is not enough; they also need to be used actively to satisfy the organization's communication needs. Green (2006, p. 3) agrees on this presented

saying as he claims that the starting point for being an outstanding communicator is recognizing that communications is delivered not just through words, signs or gestures. Nor it is delivered just through body language. Actions are a form of communication. Indeed, they are the ultimate form of communication. True congruence in communications occurs when a person behaves in accordance with his beliefs and values. The more coherent and copyable the message is made, the more likely it will be replicated.

Nowadays access to information is easy. Above it was stated that internal communication channels should be used actively to provide enough information for employees. However, organizations need to be critical what to publish and tell in order to avoid information overload or bothering employees' working by taking too much of their time. Logic is needed when deciding upon the publishing of messages and the internal communication channels. Quirke (2006, p. 76) addresses the problem of information overload. Organizations and individuals are bombarded with information and the growing volume of information competing for employees' attention is confusing rather than clarifying, and frustration with how communication is managed in one the increase. It is a typical situation that from the internal customer's viewpoint, communication seems to be overwhelming and uncoordinated.

## 4 Research Design

In this chapter, the practical methodology used in this thesis is described. Firstly, the research strategy is discussed. Secondly, the case company is presented. Following to that, methods of data collection are presented. Finally, research execution is described.

## 4.1 Research Strategy

There are three traditional research strategies; experimental research, survey research and case study. (Hirsjärvi et al, 2000, p. 35) In this case, *survey research* is executed meaning that this study is quantitative. Quantitative research is used widely in social sciences. Quantitative method is the best in this study as its objective is to develop and employ theories pertaining to phenomena. The process of measurement is central in this study because it provides the fundamental connection between empirical observation and mathematical expression of quantitative relationships. Analyzing the research findings is done perhaps in more qualitative than quantitative way as the employees' views are interpreted. For instance the open-ended questions will not be quantified.

Survey research means collecting information in a standardized format from a group of people. It is typical for a survey research that a sample is taken from a specific group of people, the collected material is mostly relatively small, the material for each individual is in a standardized format, and usually a questionnaire or structured interviews are used. The resulting material is intended to describe, compare and explain the phenomena. (Hirsjärvi et al, 2000, p. 40)

Survey research method was selected as it has many pros. When the survey involves a convenience sample, data can be collected and analyzed fairly quickly. It can also be useful in identifying various issues surrounding the research subject. (Schonlau et al., 2002. p. 34) This is convenient when researching a case company. If the survey's response rate is high enough, the results can be generalized also to other companies. In this case, it seems very possible that the findings can be generalized beyond the case company. One of the main reasons for selecting the survey research method to this study is that surveys can provide reliable and repeatable direction for internal communications development in the case company. In addition, surveys can be relatively easy to administer, and need not require any fieldwork. (Blaxter, 2010. p. 79) It is a great advantage that the survey can be repeated in the company on regular intervals, for instance once a year or once in two years. As the topic of this study is quite sensitive, it is important that the employees can answer anonymously. However, it is worth taking into account that employees who are willing to respond (e.g. the most active, conscientious or less busy employees) may share characteristics that do not apply to the group of employees as a whole, creating a potential bias in the study.

This survey research is targeted to one case company meaning that they the study represents a single-case study design. Different types of case study designs can be

characterized through the number of cases they employ. Single-case studies are appropriate in circumstances where the case provides a revelatory case for exploring certain aspects of phenomena previously inaccessible to scientific investigation. Single-case design can also provide an applicable means to studies of explorative nature (Yin 2003 p. 49). Yin succeeds in describing the reasons for selecting only one company under investigation. In-depth information is seeked by selecting only one company under investigation and exploring it.

## 4.2 The Case Company

The case company is a fast-growing international company operating in the field of renewable energy. The company is headquartered in Finland. The company has small offices in different European countries. The company employs internationally about 750 people mostly in Finland and India, about 350 in Europe and 400 in India. The personnel consist of both experienced and fresh renewable energy professionals. The organizational structure could be described fairly flat as usually in Scandinavia. However, the main owner of the company is Indian, which makes the situation of the company different from a typical Scandinavian organization. The name of the company is not mentioned in this thesis as the management does not want the company identity to be revealed to public due to sensitive information about the company. Thus, the company is called as 'the case company' in the thesis or 'the company x' in the survey.

The company is quite a new player in the field. The company is generally considered to have good products, supporting owners and all the possibilities to expand operations in order to make profit. The company is seeking for new employees especially with background in renewable energy. Competition in the labor market of this specific field is intensive and companies tend to find it increasingly difficult to find skillful experienced professionals. At the same time the need for new professional employees grows as the field is in a strong growing phase. In order to attract new employees, the case company needs a good employer brand and wants its communications to tell positive issues about the company. Communications need to reflect that the company is dynamic, growing, youthful, and a good place to work at. As the field is specific and the amount of professionals in the field is limited, it is important that the current employees of the company are satisfied and communicate a positive message about the company no matter where they are, for instance when in presence of other professionals in the field who could be future employees of the company, for instance in exhibitions, conferences and when travelling. Knowing that internal communications is in direct connection with employees' employer brand, it is necessary to work hard to make internal communications coherent, clear and fluent in order to influence positively in how the current employees view the company.

In the case company, internal corporate communications function is owned by human resources. Consequently, internal communications seem to value the following issues: employer brand, employee engagement and advocating for employees. Based on the experiences of the thesis author, it seems that those issues are very important for the internal corporate communications function and human resources department of the case company. As well the aspect of making the company as a better workplace and attracting

new personnel is considered as highly important issues. However, based on the experiences of the thesis author, no matter where the internal communication function is placed, its most important function is to create value for the organization.

As internal communication is placed in the HR, it is important to understand the mission and goals of the department. The mission of the human resources in the case company is to support company's competitiveness and ensure that it has got at all times right, motivated people doing the right things in right locations to enable the company to execute its business strategy. In practice, this means for instance consistent people processes and practices, right competencies in right locations and relevant headcount, creating an inspiring leadership culture, proactive competence renewal, attractive company image to support recruitment and employee commitment, and market driven rewarding. Key actions to obtain these all are created and being implemented.

The case company has made an effort to equalize internal communication between different departments. During the last couple of years, the biggest improvement in internal communication has been setting up an intranet. It has been developed as equal as possible by giving all departments their own pages, news columns as well as named content creators who are responsible for the development of their own areas. The internal communication function of the case company has received plenty of positive feedback concerning the intranet. On the other hand, management communication and interdepartmental communication have received criticism. Thus, it could be presumed that the employees will be especially critical what comes to management and interdepartmental communication in their company.

# 4.3Methods of Data Collection

The data was collected by executing a survey. Survey was used as it has many advantages and as it suits well in this study. Goudge (2006, p. 16) points out maybe one of the most relevant advantages as he states that in addition to providing a conduit for positive suggestions, surveys can play an equally important role in innovation by identifying problem areas. When there is an open dialogue with employees, there is also an early warning system that identifies problems along with solutions.

Using surveys can be considered as advantageous when researching internal communications in organizations. Goudge (2006, p. 17) argues that in looking more generally at the overall pattern of communications within an organization, employee research can also provide a useful means of assessing the relative effectiveness of each element within the communications mix. As organizations usually communicate through many different channels (face to face, telephone, e-mail, intranet, video, company magazine etc), evaluating how employees use these media, and which they prefer to use for different types of information, provides a vital foundation for effective and cost-efficient management of internal communications.

Prior to the research, it is important to be well-aware of what we really want to find out in order to conduct a good research that is useful for many parties. Based on a comprehensive literature review on the topic, a survey was planned. The survey was planned carefully keeping the aim in mind. It is made in two languages, Finnish and English. The questionnaire was sent to all employees in Europe. India is excluded as it was decided that the concentration area is Europe. Questions were created in the defined key areas of interest keeping the research purpose in mind. They were formed as clearly as possible in order to avoid false interpretations.

The survey was executed in the form of a web-based survey. The used survey program is called Digium software. It is an easy to use tool for data collection and fast reporting. The software can be used directly in an Internet browser to collect data efficiently. Information gathered from respondents can be reported quickly and comprehensively. "Digium is Finland's leading data collection and feedback management software used by over 1,000 customer organizations and 7,000 users in 45 countries. The software is used for collecting feedback from 20 million people per year with the help of over 100,000 surveys and measurements (Digium, 2011).

The web-based survey was chosen to be used as it has many advantages and it fit well in this study. Schonlau et al (2002, p. 4-16) state that low-cost personal computers and the explosive growth of the Internet over the past decade have introduced new methods of conducting research surveys. It is now possible to conduct an entire survey solely through the World Wide Web or by e-mail.

A web-based survey was a good fit for the case company. Schonlau et al (2002, p. 4-16) present many cases when an Internet survey should be considered and all these cases match the case company. Firstly, it should be considered when survey is being conducted in an organization that has a list of e-mail addresses for the target population. The benefits in terms of cost and timeliness are greatest when the target population can be contacted initially by e-mail. Secondly, they recommend an Internet survey when the sample size is moderately large. Generally, web surveys have a larger initial start-up cost than mail or phone surveys, but they have a lower marginal cost per survey respondent. Thirdly, an Internet survey is useful when survey contains questions of a particularly sensitive nature. There may be a bias toward socially acceptable answers in surveys in which the interviewee has direct contact with an interviewer. To avoid this bias, web surveys, as well as mail surveys, are an option. Fourthly, an Internet survey is advantageous if the survey contains a large number of important open-ended questions. Unlike with mail surveys, web surveys incur no coding or editing costs because responses are received electronically.

Schonlau et al. (2002. p 66-67) address that for instance the following issues should be considered when designing a web questionnaire:

- 1. List only a few questions per screen.
- 2. Eliminate unnecessary questions.
- 3. Use graphics sparingly.
- 4. Use matrix questions sparingly.
- 5. Reduce response errors by restricting response choices.
- 6. Force answers only on rare occasions.

- 7. Make error/warning messages as specific as possible.
- 8. Ensure that respondents' privacy and their perception of privacy are protected.
- 9. Provide some indication of survey progress.
- 10. Allow respondents to interrupt and then re-enter the survey.

All the 10 issues were taken into consideration when designing the survey. Only a few questions were listed per screen. No unnecessary questions were included. No graphics were used to make sure that the respondents will not interpret questions falsely in light of accompanying graphics. Only a few response choices were provided. The most of the questions were voluntary. Naturally the background information was compulsory. The system provided very clear error messages. Privacy of the respondents was protected with SSL secured modern questionnaire. It was impossible to track the respondents' identities. A clear indication of the answering progress was provided. The survey could be interrupted and re-entered.

"There are good arguments for conducting a census of all employees when undertaking company-wide surveys. It demonstrates that the company is interested in everyone's views, avoids any problems concerning non-inclusion, and allows the production of actionable reports at localized levels." (Goudge, 2006, p. 95) The survey was sent to all employees of the case company's European organization. The number of employees was 347. The respondents work in different positions and different levels of the organization. The respondents include also the members of the management team. Many respondents work in production and assembly tasks and many in office tasks as salaried employees. Therefore the audience is very versatile and differing opinions could be expected. Anonymity and confidentiality was guaranteed to the respondents. Respondents could answer either in Finnish or English.

Excessive consistency in the form of long lists of questions using the same scales can lead to boredom, as well as the danger that respondents will follow a pattern in their answers. It is certainly desirable to get respondents to think about the answers. (Goudge, 2006, p. 91) In this study, the survey instrument was the questionnaire that consists of open-ended items (9 pcs) and multiple-choice items (10 pcs). Multiple-choice questions included a few matrix questions (3 pcs). All the multiple-choice questions except the background information ones included 10 answering options (including an 'other' answering option). The scales in matrix questions had four different values to be chosen from. The scale was *very unnecessary – very necessary*, *very badly – very well* and *very useless – very useful*. In addition, a third question form used in this study was a value chart with a sliding bar (15 pcs). This means that the respondents could slide the bar to the value they think is the most appropriate. The respondents saw the percentages as they slide the bar. Two scales were used in the value charts with sliding bars: *very badly – very well* and *very much – very little*. The last question in the questionnaire was formulated in a more complex way giving the respondent a chance to evaluate the company as an employer and as a company.

These various types of questions were chosen to find out the employees' views in the best way possible. For instance, if only one type of question was used, it could not reveal the employees' viewpoints in as versatile way as using three different types of questions. The

questions were also very case-specific and they would have been hard to answer by using only one question type. Value charts with sliding bars were chosen also because of user-friendliness. It is very convenient to drag the bar. Please see the questionnaire and question formulation in the appendix 1.

A questionnaire that is attractively presented, with the questions split into meaningful sections and asked in a way that is relevant to respondents, will contribute significantly to a successful study. The best way of assessing whether this is the case in advance is to pilot the questionnaire. (Goudge, 2006, p. 92) The questionnaire was split logically into various sections to make sure that its logic is easy to follow to the respondents. Before sending the questionnaire to the real respondents, it is piloted among the human resources professionals and some randomly selected employees in the case company, altogether 10 persons. The piloting succeeded well as the questionnaire was experienced as user-friendly, and all the questions were thought to be are comprehensible, unambiguous and relevant.

The questions were interpreted by the respondents and their answers will again be interpreted in the analysis part of the thesis. At this stage, research philosophy intervenes again as it influences the aim on what is wanted to achieve in understanding the respondent. The perspective needs to be of subjective kind as it is important to be subjective and stay open to new answers and understanding respondents. Hague et al. (2006, p. 103-104) clarify that before analysis can begin, it's important to organize the data into a format that can be manipulated easily. The first stage in this organization process is to identify how the respondents answered the questions. Questionnaires may also include open-ended questions. They present some challenges to the researcher. This is the case in this study. However, this obstacle was exceeded by summarizing the open-ended questions and collecting the most essential and common responses to the Results and Analysis. Finnish answers to the open-ended questions were translated and all answers were appended to this thesis (appendix 2).

The web-based survey software made the data processing very simple as the several stages involved in processing data that has been recorded on paper based questionnaires can be skipped. The survey software also weighs the data and creates clear data tables and charts. The charts show percentage values clearly and are easy to interpret. In some bar charts, the percentage value adds to more than a hundred (100,00 %). This is due to the fact that the respondents can pick as many alternatives as they wish; the amount of alternatives to be answered is not limited.

Data quality can be judged along a number of lines: (1) low unit and item nonresponse; (2) honesty of responses, particularly for questions of a sensitive nature; (3) completeness of responses, particularly for open-ended questions; and, (4) low error rate in transcription into an electronic format for analysis, when required by the response mode. (Schonlau et al, 2002. p 41) In this study, employees were sent survey links to their own e-mail addresses. It was highlighted that answering is important. However, as some of the employees working in the production do not have regular access to their e-mails, it was likely that many of them do not answer. There are also many employees who travel almost all their work time, which hinders the answering possibility. However, a good response rate was expected from the office employees as the topic is current and commonly experienced as highly important

in the company. The answering time was one and half weeks as the company managements wanted fast results of the survey. One reminder was sent in the end of the answering time. The employees could answer unanimously, which adds to honesty of answers. There were not really reasons for them to provide false information or exaggerate, for example. Completeness of responses again could be judged after receiving the responses.

#### 4.4 Research Execution

The research execution is explained in more detail in this part. As told in the previous section, the survey was sent out to 347 employees. The thesis author sent out the requests on May 24<sup>th</sup>, 2010. The e-mail delivery list was faultless as no requests were returned to the sender. The respondents were given one and half weeks to answer the survey, meaning that the last day to answer was June 2<sup>nd</sup>, 2010. Respondents were reminded once in the end of the answering period, specifically on June 1<sup>st</sup>, 2010. In the request to answer the survey, the employees were informed what the survey concerns and the main themes were presented. It was informed that the survey is a part of Inkeri Rajala's final thesis for Umeå University, School of Business. It was also told that internal communications in the case company will be developed based on the results of this survey. The employees were promised that results and findings will be announced to all personnel. They were informed that they answer the survey anonymously. In the end, their time and efforts were thanked.

During the answering time, many employees came to comment that they have answered the survey and gave positive oral feedback about the fact that someone makes an effort to improve internal communications. No problems in answering occurred during the answering time and no one needed more instructions on how to answer the web based survey.

The number of respondents was 94. Low response (27%) rate was due to three reasons. First of all, answering time was relatively short as the company management wanted fast results. Secondly, the company has many production workers who do not have regular access to e-mail during their work day. Thirdly, a lot of employees in this company travel often and are not able to answer to surveys as desired. Anyhow, 94 responses provide a good understanding on the situation in the company and it is possible to analyze the results well. In addition, the amount of answers to open-ended questions was impressive. The answers indicated to the thesis author that the topic was considered as very important.

The research results are presented and analyzed reflecting to the literature review in the chapter 5 Results and Analysis. As the presenting and analyzing of results was made in the same chapter, attention was paid to organize the different issues and themes logically presenting and analyzing them one by one in order to avoid confusion. The results are presented both by charts and in writing or only by written. Analysis is conducted by taking one issues into consideration at a time and reflecting the results to the theoretical framework. Analysis has both quantitative and qualitative characteristics as a lot of quantitative information and can be obtained but especially the open-ended answers cannot really be quantified but analyzed qualitatively trying to interpret the answers as well as

possible. In the Results and Analysis, the open-ended answers are summarized by presenting the most common responses. They present the key points that the employees have to say about the asked issue. All open-ended answers are appended to the thesis (Appendix 2). As the author works for the case company, the analyzing is probably easier for her than if there would be for external persons to analyze the answers as she knows the practices of the company as well as the concepts and terms that the employees use when talking about internal communication.

Based on the analysis, improvement and development needs as well as managerial implications are stated in the chapter 6 Conclusions. Also some generalizations will be made. The case company will utilize the findings in their process of internal communication development. The author hopes that the case company will profit from the findings.

# 5 Results and Analysis

This chapter consists of the empirical data from the questionnaire answers and the analysis connected to the concepts presented in the theoretical review. Answers to each questionnaire question are presented. All the specific communication themes are analyzed one by one combining the empirical information and the analysis.

## 5.1 Background information

In the below chart, it can be seen that the most of the respondents come from the engineering department. The second most respondents come from other departments, meaning the smaller departments of the company. The third most come from service and maintenance department. Production comes as fourth. This information does not come as a surprise as the most of the company employees are placed in the engineering department.

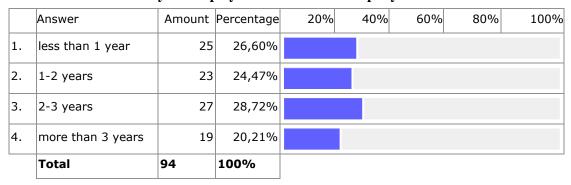
Figure 1

In which department do you belong to? (Only the biggest departments are listed here. In case you belong to a smaller department, choose the option "OTHER".)

	Total	94	100%						
7.	OTHER (All other departments)	23	24,47%						
6.	WNC (Service and Maintenance)	13	13,83%						
5.	SCM (Supply Chain Management)	6	6,38%						
4.	SOM (Site Operations Management)	5	5,32%						
3.	PRJ (Project Management)	4	4,26%						
2.	PRD (Production)	9	9,57%						
1.	ENG (Engineering and Product Management)	34	36,17%						
	Response	Amount	Percentage	20	20%	20% 40%	20% 40% 60%	20% 40% 60%	20% 40% 60% 80%

The most of the employees have worked for the company for two to three years. Almost equally many have worked for the company for less than a year. These numbers can seem as surprising as the length of the employments is so short but the company is young and has hired a lot of new personnel during the last couple of years.

Figure 2
What is the duration of your employment at the case company?



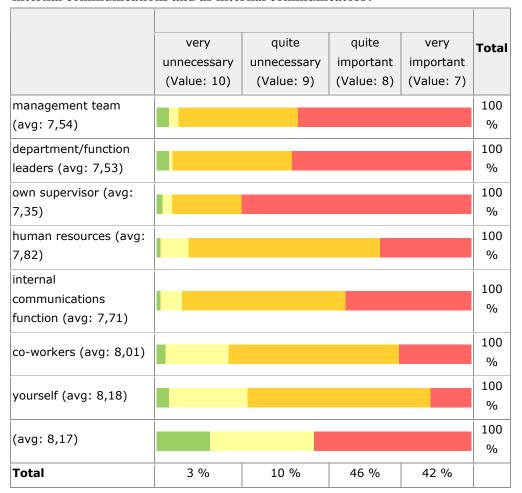
The question "How important do you find the different roles in your work community in the execution of internal communications and as internal communicators?" illustrated by the Figure 3 was asked to find out what communication roles do employees value. If it turns out that they do not value some role as a communicator, this can be taken into account when analyzing the results further. When asking this question, most think that own supervisor has the most important role. Most are in the opinion that one's own supervisor's role in internal communication is very important. As Barrett (2006, p. 385) states that managers spend most of their day engaged in communication, it is good to find out employees value this communication and supervisors' role in communication. Employees seem to agree with the statement of Barrett (2006, p. 385). He stated that mastering leadership communication should be a priority for managers wanting their organizations to consider them leaders. The employees of fast-changing organizations value the internal communication role of own supervisors and other leaders of the company.

It is not surprising that supervisor's role is considered as the most important. Subordinates work together with their supervisors and expect a lot of information from them. This is important to remember when developing internal communication. The supervisors' communication role should not be forgotten in any situation. Senior management should remember to communicate downwards in order to provide sufficiently important information for the managers in below level to communicate to their subordinates.

Department/function leaders' role come as second and the most say it is very important. This tells that the information does not usually need to come directly from the management team but middle management can communicate as well. Management team comes as third and the most think that its role is very important. Most employees think that internal communications function, thyself and co-workers play quite important roles. Open-ended answers reveal that Managing Director and Sales were considered as other important roles. No role was considered as very unnecessary. Also own role was mainly valued as quite important.

Figure 3

How important do you find the different roles in your work community in the execution of internal communications and as internal communicators?



When asking "How do you think that these persons in different roles have succeeded in internal communications at the case company?" most think that management team and department/function leaders have succeeded quite badly. The figure 4 illustrates this. Most think that supervisors, human resources, internal communications function, co-workers and thyself have succeeded quite well. In overall, the most think that different roles have succeeded quite well (51 %).

Positive findings are that the most employees perceive that supervisors, human resources, internal communications function, co-workers and thyself have succeeded in internal communication quite well. It is definitely alarming to see the employees' disappointment to communication of the management team and department/function leaders. Department/function leaders receive the lowest score. This is worrying as the employees consider the role of department/function leaders as very important. The disappointment to management communication does not come as a surprise as it was noticed in the case company already before the survey execution. However, the disappointment to the communication executed by department/function leaders does come as a surprise.

Smith & Mounter (2008, p. 17-19) state that a lot of responsibility of internal communication is given to senior management. They address that internal communication needs to be championed at the very top. Organizations need the employees to understand what is expected of them and internal communication will help them to deliver this. They also remind that internal communication is still a new discipline and that it is the responsibility of everyone from CEO to line manager and supervisor. In the light of this statement and the responses to the question, the employees of fast-changing organizations do not understand what is expected of them as they do not receive sufficiently information from their leaders.

Figure 4

How do you think that these persons in different roles have succeeded in internal communications at the case company?



# 5.2 Management Communication

Some of the questions were executed as slide bars with the scale of 0-100, 100 being the best. When asking "How do you find that the management communication at the case company is executed (internal communication from the management downwards to the

organization)?", the average rate turned out 34,40, indicating that management communication is executed quite badly.

Similar result was obtained when the question "How do you perceive that you are able to communicate to the management?" was asked. The average turned out as 38,38 meaning quite badly. This indicates that employees find it quite difficult to communicate to the management.

In the next question, employees were asked to choose the alternatives that they think describe management communication at the case company the best. The most thought that there is too little communication (75,53 %). Almost 40 % thought that communication is badly organized (39,36 %). Almost as many thought that communication doesn't reach target audience well enough (36,17 %). Anyhow, some thought that communication is clear (26,60 %).

Again management scores low points in communication. The animosity of the respondents astonishes what comes to the opinion that there is too little management communication. Quirke (1996, p. 71) addressed that senior management may not see the connection between communication and their problems, especially when they are not measured on the levels of the communication but on attaining key objectives. This could explain why the management does not communicate enough from the respondents' viewpoint. Perhaps the management does not really understand that more regular communication could really solve many problems.

Thomas et al. (2009, p. 28, 306) found that what comes to the communication of top management, it is the quantity that is significant, rather than quality of information. In addition, they found that trust was very closely tied to perceptions of organizational openness, which, in turn, predicted employee involvement. Figure 5 shows that quantity of information should be definitely added, and based on the findings of Thomas et al., it would be very important to increase the amount of communication as it is quantity that is significant rather than quality. Adding the amount of communication would then increase employee involvement and trust in fast-changing organizations.

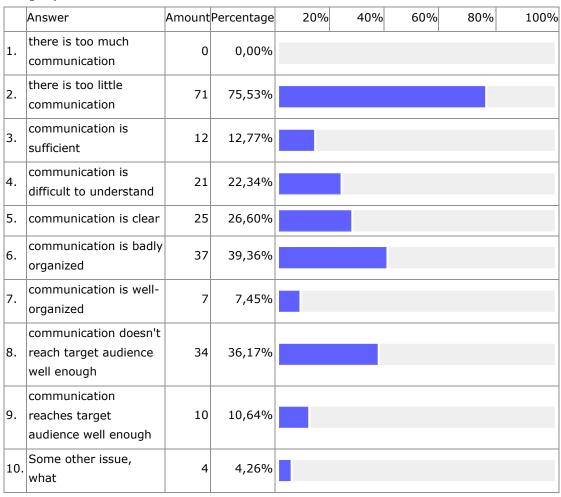
In the study by Van Vuuren et al. (2000, p. 124) it was shown that communication leads to a central attitude, commitment. The gap between daily interactions and the intangible attitudes was bridged by showing that listening and giving feedback are key activities in enhancing commitment. As the employees of this case company seem disappointed that there is so little management communication, it is scary to think what happens to their commitment and motivation. Personnel turnover of the case company is quite high, which indicates that the commitment level is not very high. Thus, there is a lot of issues to be improved what comes to management communication. Based on the research findings, the first step could be taken simply by increasing it.

In addition to the fact that the employees think that there is too little communication, they are concerned of the issue that communication is badly organized and that it does not reach the target audience well enough. In addition to increasing management communication, the

case company should clearly pay attention in organizing management communication in a systematic way as well as to target it better.

Figure 5

Choose the alternatives that you think describe management communication at the case company the best.



#### Some other issue, what

Communication should be open and regular.

There is no communication.

What communication?

No clear information concerning company confidential issues when they become public.

The responses to the open-ended question "How could management communication be improved? Feel free to express your thoughts related to management communication." could be summarized as following:

- More communication, less rumours.
- Regular business updates.
- More openness, transparency, encouragement and motivation.
- Key persons shall pool the information and forward to all people in the work group within regular meetings.
- Internal marketing through communication.
- Also negative issues must be communicated.
- More communication about finance and sales situations.
- Management communication improves motivation.

Quirke (1996, p. 78) stated that senior managers need to choose whether to manage the elements of communication mix or to be managed by the grapevine. Many employees address rumors in the answers to the open-ended questions. It seems that the management of the case company has partly chosen the grapevine, which according to Quirke does not lead to good results.

The employees tell that they are in need of more openness, transparency, encouragement and motivation from management communication. They suggest that key persons in the company could pool the information and forward to all people in the work group within regular meetings. They also mention that the management could execute internal marketing through communication. These are all relevant suggestions. If they are implemented, it is very likely that the employees feel better about their organization. Drake et al. (2005, p. 13) pointed out that employees should feel proud to tell people what they do and where they work. When they feel like that, everyone will know it – especially the customers. To conclude this, when employee suggestions and ideas are listened by the management, they represent their employee proudly.

The employees mention that also negative issues should be communicated. This is in line with Drake et al. (2005, p. 13) as they pointed out that employees must be treated as grown-ups who can handle the truth, even when it's unpleasant. As employees are dedicated to working together to build your business, they need to receive also the negative news.

Quirke (1996, p. 68) states that the most organizations recognize the need for good communication with their employees. However, employee research consistently shows that majority of employees do not know where their companies are going and what they are trying to achieve. According to the above open-ended answers, the employees do not know where the company is going and would expect much better performance from the management what comes to communication. Thus, the statement of Quirke is proved correct also in this study. The organization surely recognizes the need for good communication but fail to deliver the most essential information to the employees.

Some employees address that management communication improves motivation. This is in line with the statement of Kalla (2005, p. 311) as she argues that that effective knowledge sharing appears to increase the efficiency of employees, and also enhance their motivation and the feeling of security. This is one of the reasons why management communication

should be improved in fast-changing organizations. It could be improved for instance by adding it, making it more regular and open and communicating about the important issues, e.g. sales and finances of the organization. This would improve personnel's satisfaction to management communication in fast-changing organizations.

## 5.3 Team and Supervisor Communication

The next theme was team and supervisor communication. When asking "How does communication function inside your team?" the average opinion was that quite well (avg: 54,54).

When asking "How do you perform in communication inside your team?" the average opinion was again that quite well (avg: 56,8).

When asking "How much does the global business environment complicate team communication?" the average was 43,23, meaning that the global business environment complicates team communication only quite little.

The question "How does the communication with your supervisor succeed?" received an average value of 63,07. This means that the employees perceive that communication with their supervisors succeeds quite well.

The question "How much can you influence in the success of communication between your supervisor and yourself?" again received an average value of 59,82, meaning that the employees are in the opinion that that can influence in the communication quite much.

Team communication received quite low scores from the employees. The employees perceive also their own communication performance in their team quite moderately. More positive perceptions could be expected. The employees see that the global business environment complicates the team communication only quite little, which is good information as fast-changing organizations often tend to operate in ever globalizing business environment.

When the employees were asked "How important do you find the different roles in your work community in the execution of internal communications and as internal communicators?" earlier in the questionnaire, the most thought that own supervisor has the most important role. When they now stated that the communication with their supervisors succeeds quite well, it adds value to the response as the meaning of supervisor is valued most in internal communication. Thus, it can be stated that the employees in fast-changing organizations value communication with their supervisors and perceive that it also succeeds quite well.

Alleyne et al. (2005, p. 295) stated that the role of managers has substantially changed in workplaces in recent years. This is partly as a result of market developments, but also due to new technologies used by the organizations in which they work. The environment and

demands grow constantly. Even if this is true, the supervisors of the case company succeed quite well in communication with their team members. This shows that despite of the changes in manager roles, supervisors are able to perform well in communication with their team members.

The employees understand that they are able to improve communication in their teams by their own actions. Baker (2002, p. 7) stated that employee satisfaction with upward communication tends to be lower than their satisfaction with downward communication. However, the employees are really in the opinion that they can influence in the communication quite much. This finding differs from the one of Baker's. Thus, blaming the supervisor on bad communication is not always relevant. One can also look in the mirror and think 'How can I improve the situation?' According to this study, it is really possible that team members can affect the team communication essentially by themselves. If team members see problems in communication in their team, it is recommendable that they try to improve the situation by themselves. This probably makes it easier for the supervisor to improve the communication as the supervisor notices that also others are keen on improving the situation.

The responses to the open-ended question "How could your supervisor improve communication in your team?" could be summarized as following:

- More open and regular communication.
- Practicing own initiative and communicating openly about different issues.
- Regular meetings, but also other forums.
- Reserve more time for it.
- Discuss.
- More clear and systematic communication.
- Coming to see the team.
- Giving everyone an equal chance to express oneself.
- Giving info from management team and about the company situation, finances, projects, HR...

The open-ended answers show that employees would like to see their supervisors more often. They seem to value face to face communication. Smith & Mounter (2005. p 74) argued for the importance of face to face communication. The findings of this study are in accordance with Smith & Mounter's.

Thomson & Hecker (2000, p. 49) highlighted the importance of emotional capital and winning hearts. This study supports also this statement as the employees say that it is important that the supervisor comes to see the team and that the supervisor gives everyone an equal chance to express oneself. The answers reflect that treating subordinates well and with respect is simply very basic and essential.

The open-ended question "How could you improve communication in your team?" also received plenty of answers that are summarized below:

- Ask always if I don't know.
- Communication all issues in weekly meetings.
- Participate in coffee break discussions.
- Be braver and more open in own opinions.
- Remember to communicate topical issues to the team.
- I don't always know if I can communicate or not, so I don't.
- Be more proactive.
- I could try to think what my colleague needs to know.
- Try to get more info to be shared.
- I could arrange more open agenda meetings for ideas, questions and such.

Based on the above open-ended answers, the employees acknowledge that they are able to improve communication in their teams in many ways. Smythe (2007, p. 10) argued that the challenge to leadership is to see employee engagement as a way of management or as a philosophy which influences the way managers and supervisors exercise a more inclusive style of decision making. Employees are the primary models of the culture and it is they who will live or belie good engagement practice. In the light of the employees' answers, it is more up to the supervisors than to the employees themselves to involve them in improving of team communication. Perhaps the supervisors are not aware that their team members have such good ideas about the team communication development. Smythe's (2007, p. 20) statement that supervisors have a big role in encouraging their team members to communicate and in sharing their opinions and ideas seems very relevant in this case. Smythe (2007, p. 23) reminded that people work in small spaces in the organisation and that for the most employees, communication and engagement lies in the gift of the local supervisor. Therefore, the employees working in fast-changing organizations should be encouraged to communicate upwards. Smythe (2007, p. 30 sees engagement as a practical capability which leaders, at every level in an organisation, can develop and utilise to invite their people to bring the best out in themselves for their own benefit and for that of their colleagues and the company. Employee engagement could be used more broadly in fastchanging organizations.

Figure 6 illustrates the answers to the question "Choose the alternatives that you think describe the team communication at the case company the best." When the employees were asked to choose the alternatives, the most thought that there is too little communication (55,06 %). Secondly, they thought that communication is badly organized (37,08 %). 29,21% were in the opinion that communication is sufficient. Almost 30% thought that communication is clear. It is interesting to see that the employees feel the need of more team communication just as they feel the need for more management communication. However, it is good to notice that some employees perceive that there is sufficiently team communication. Those teams most likely function well. Also the clarity of communication is positive as the company is international and has employees in many different countries.

It is evident that the employees are happier with supervisor and team communication than with management communication. However, there is a lot of room for improvement. The need for more communication and more regular and open communication arises again. In the theoretical framework, Barrett's (2006, 386-387) statement was discussed. He stated

that without effective communication manager achieves little and is not an effective leader. Especially the answers to the open-ended question support the statement of Barrett. Respondents are in need of effective communication by their supervisors. They are in need of regularity. Barrett also stated that when CEOs and other senior executives in all industries and countries are asked to list the most important skills a manager must possess, the answer consistently includes good management skills. Barrett also states that managers spend most of their day engaged in communication and presented communication occupied 70 to 90 percent of managers' time every day. This research does not indicate how much time managers actually spend on communication but shows a strong need for regular and open communication. This study supports Barrett's conclusion that mastering leadership communication should be a priority for managers wanting their organizations to consider them leaders. It also seems important that supervisors in fast-changing organizations understand to treat everyone equally and makes an effort in communication.

Figure 6

Choose the alternatives that you think describe the team communication at the case company the best.

	Answer	Amount	Percentage	20%	40%	60%	80%	100%
1.	there is too much communication	0	0,00%				·	
2.	there is too little communication	49	55,06%					
3.	communication is sufficient	26	29,21%					
4.	communication is difficult to understand	18	20,22%					
5.	communication is clear	25	28,09%					
6.	communication is badly organized	33	37,08%					
7.	communication is well- organized	11	12,36%					
8.	communication doesn't reach target audience well enough	23	25,84%					
9.	communication reaches target audience well enough	17	19,10%					
10.	Some other issue, what	2	2,25%					

When asking "How do you think the communication in teams and supervisor communication could be improved? Feel free to express your thoughts." the employees gave plenty of improvement ideas, such as:

- Weekly meetings.
- More training for supervisors.
- Brief informal regular discussions, e.g. twice a month.
- The team could be places in one space/room.
- More information about business situation, sales etc.
- More open activities.
- Not everything needs to be written, oral communication works the best.
- Address the importance of communication.
- More resources so that work could be done systematically.
- More arranged communication between offices.
- Information about engineering projects already in the beginning phase in order to have clear roles and responsibilities.
- More arranged events to teams.

Thomas et al. (2009, p. 303) found that information coming from top management is rarely specific to an individual's job but is generally focused on the big picture. Top management then depends on supervisors to translate this abstract information into more task-related and relevant communication. Supervisors must be trusted to show them the connection between their jobs and the organization's goals and to provide the more specific information needed to perform their jobs well. Based on the above findings of Thomas et al. and the above open-ended questions, it is worrying that the employees state that weekly trainings, regular discussions, open activities and event, oral communication and arranged communication between different locations are missing or lacking. This means that supervisors are failing the top management. If the supervisors obtain information from the management but do not share it downwards to their teams, the employees do not have a clear direction to do their jobs. As Thomas et al. (2009, p. 303) stated, employees are depended on high-quality information needed for job execution.

In conclusion, employees in the case company are quite happy with communication with own supervisors. However, they need more communication and would like it to be open and regular. They need their supervisors to be present and provide information about the business situation and other topical information. They also recognize their own important role as communicators and usually acknowledge that everyone is able to improve communication in a team. Regular team meetings are valued highly and are perceived as excellent forums to share information.

# 5.4 Interdepartmental Communication

When asking "How do you perceive that the communication between different departments function at the case company?" the average answer was 30,14 meaning that the personnel are in the opinion that interdepartmental communication functions quite badly.

The same rate continues when asking "How do you perceive that communication from other departments to your department succeeds?". The average answer was 35,32 meaning that communication from other department to one's own department succeeds quite badly.

When asking "How do you perceive that communication from your department to other departments succeeds?" the answers are a bit more positive. The average answer is 41,73. This means that the employees think that communication from their own department to other departments succeed quite badly, but anyhow somewhat better than other departments succeed in the interdepartmental communication.

Next, the employees were asked to choose the alternatives that they think describe interdepartmental communication at the case company the best. Figure 7 illustrates that 82,22 % thought that there is too little communication. Ten percentage less (72,22 %) thought that communication is badly organized. 42,22 % were in the opinion that communication doesn't reach the target audience well enough. One third (33,33 %) of the respondents thought that communication is difficult to understand.

Almost all the employees agreed on the fact that there is too little interdepartmental communication and that it is badly organized. Ritter (1999, p. 478) argued that by increasing the interdepartmental communication, so called network competence can be improved. As the results show that there is too little interdepartmental communication, it can be argued that if fast-changing organizations increase interdepartmental communication, their network competence improves.

Ritter (1999, p. 478) explained that interfunctional boarder may be broken down through cross-functional seminars and workshops, through limited personnel exchange between departments or through implementing communication means (e.g., company newspaper or a new web page). Such efforts do not only provide important insight into information but also allow a better understanding of others' positions. As the employees of case company really need more interdepartmental information, more activity between departments need to be arranged in fast-changing organizations, for instance cross-functional seminars and workshops should be arranged in. If more interdepartmental activity would be organized, the employees would probably think that it is not organized so badly anymore and that is reaches the target audience better. Now they definitely feel that it is badly organized. It seems that a lot of improvement measures to interdepartmental communication are needed in fast-changing organizations.

Walton et al. (1969, p. 539) argue that departments which are hard to contact tend to be prone to conflict; whereas departments that have systematic difficulties in contacting others tend not to. In the light of these arguments, the most departments of the case company are prone to conflict.

Walton et al. (1969, p. 539) also found that departments experiencing high interdepartmental conflict tend to create department-wide barriers to inward communication. For example, they may isolate themselves geographically or establish schedules that do not synchronize with the attempts of others to contact them. In addition,

physical barriers to communication toward other departments increase the interdepartmental conflict experienced by the department trying to communicate. In the case company, departments are located in various different geographical areas. It is probably a too strong statement to say that the departments of the case company have isolated themselves geographically or established schedules that do not synchronize with the attempts of others to contact them. However, there could be some truth in the statement; maybe some departments do not like to share information and thus make it hard for other departments to contact them. It is also very mysterious why the employees in different departments do not do anything for this bad situation. They obviously acknowledge the bad state of interdepartmental communication.

It could be estimated that the geographical distance is one of the reasons why interdepartmental communication is experienced in such a negative way. Perhaps the distance really makes the communication more difficult as the employees do not meet even all their own team members on a daily, weekly or even monthly basis. This could create a situation where too much information is left inside departments.

Figure 7

Choose the alternatives that you think describe interdepartmental communication at the case company the best.

con	company the best.							
	Answer	Amount	Percentage	20%	40%	60%	80%	100%
1.	there is too much communication	1	1,11%			·		
2.	there is too little communication	74	82,22%					
3.	communication is sufficient	6	6,67%					
4.	communication is difficult to understand	30	33,33%					
5.	communication is clear	9	10,00%					
6.	communication is badly organized	65	72,22%					
7.	communication is well- organized	2	2,22%					
8.	communication doesn't reach target audience well enough	38	42,22%					
9.	communication reaches target audience well enough	4	4,44%					

10.	Some other issue, what	1	1,11%	

An open-ended question "How could interdepartmental communication be improved? Feel free to express your thought related to interdepartmental communication." was asked and the responses could be summarized as following:

- Improving processes and acting according to them.
- People should understand their responsibility to communicate and share information.
- We should learn to understand the whole entity better, how our work influences other employees' work etc.
- Internal meetings with other departments discussing current issues.
- Clearer responsibilities should be defined in our processes.
- Internal feedback system could be developed.
- Communication chains should be developed (e.g. Who to inform in component changes.)
- Management level meetings with all department leaders.
- Training about cooperation between different departments.
- Cross functioning is missing almost totally.
- Department heads should communicate more often e.g. through the intranet.
- There is no drive from supervisors.
- More informal events so that we get to communicate informally and get to know each other better.
- Communication of undecided issues is difficult.
- This is one of the most important development aspects in the whole company. Information doesn't flow.

The employees are in the opinion that there are many ways to improve communication between departments. They call for clearer processes and responsibilities. Some employees blame supervisors for the problems in interdepartmental communication. Hage et al. (1971, p. 867) found that the frequency of interdepartmental communications is greatest with others at the same status level. Thus, it could be that supervisors, for instance, in fast-changing organizations succeed better in communicating with other supervisors. It is possible that the information exchange is better in between them, but the others are left without information. This could be why supervisors were blamed in the results of this study.

Joyce & McGee (1997, p. 22) argue that loosening horizontal boundaries places greater emphasis on processes, and requires improved communication, leadership, and resolution of turf issues. Today's fast-changing organizations tend to have loose horizontal boundaries. The employees of the case company stated the need for clearer processes and responsibilities. This indicates that they have not been developed at the same speed as the horizontal boundaries have been loosened. Now it seems that that the employees do not really know whose responsibility it is to communicate to other departments. This is at least

partly due to unclear processes. In addition, responsibilities have not been communicated to the employees. The employees provide various development suggestions; for instance an internal feedback system. This could be one of many ways to improve the situation.

Interdepartmental communication results indicate that this is one of the most important development areas in fast-changing organizations. Some employees perceive that cross functioning is missing almost totally. Information simply does not flow across department boarders and the employees are well aware of this. Ritter (1999, p. 474-478) argues that the key to success for organizations is to allocate sufficient resources, motivate qualified personnel, communicate across functions and open the corporate culture. Thus, it can be stated that the development of communication across departments in fast-changing organizations is important as it is one of the main keys to success. If the bad state of interdepartmental communication is not improved, it is likely that the organization does not succeed.

### 5.5 Internal Corporate Communication

The survey proceeded to the internal corporate communication part. The next question was: "The case company's internal communications function is located in the human resources department. The function executes and develops internal communications. From your viewpoint, how has the internal communications function succeeded in its task?". Now we reached a little higher average; 56,57 meaning that more that half thought that the function has succeeded quite well in its task.

When asking "How much internal communications has been developed towards a positive direction during your employment?", the average answer was 61,57 meaning that it has been developed quite much towards a positive direction.

The employees that they can influence in the development of internal communications at the case company only quite little (42,94). This answer was obtained when asking "How much can you influence in the development of internal communications at the case company?".

When asking "How much would you like to influence in the development of internal communications at the case company?" the average answer obtained was 49,00. This indicates that "quite little", which means that employees are not very willing to influence in the internal communications development.

Balmer et al. (1999, p. 256) address that recent environmental trends are forcing senior managers to give greater importance to corporate identity and corporate communications. They are discovering that conventional methods of redressing identity problems are becoming progressively less effective because the traditional focus has viewed corporate identity and corporate communication as functional rather than as strategic. In the case company, investments have been made to make internal corporate communication more strategic than functional. According to the results of this study, it seems that the employees

are quite happy with the internal corporate communication function. The employees feel that internal communication has been developed quite much towards a positive direction during the employments. This shows that the employees see that internal communication is being developed in the company.

The employees are in the opinion that they can influence internal communication development of the case company quite little. They are not very keen on participating in its development either, as the results indicate that they want to influence in the development of internal communications quite little. One might think that everyone needs to own some responsibility for it but maybe the employees do not see it that way. Smythe (2007, p. 30) argued that involvement in decision making is a necessity for supervisors and managers to release the wisdom and experience of their people. This argument could be applied also in this matter. It can be argued to be problematic that the employees think that they are not really able to influence in the development of internal communication. Internal communication development is not maybe part of the core decision-making in the company, but however essential in an organization. In the light of these findings, it can be stated that efforts should be made to involve employees in internal communication development. It can be made in a fun way not to bore the employees and make them not want to participate in it.

Croft & Dalton (2003, p. 63) argue that it is essential that top management agrees on a "big picture" of what the company is seeking to achieve. If there are different opinions on how the picture looks like, then the internal communication specialists are facing a very challenging task in order to communicate coherently. The picture must be of clear exposition and credibility. As Croft & Dalton state this, it can be considered as problematic that only 35,37 % (see Figure 8) are in the opinion that the internal communication organized by the internal communications function is well-organized. The management probably gives confusing ideas on what the company is seeking to achieve through internal communication. This again makes it relatively difficult for the internal corporate communication function to execute, coordinate and develop communication.

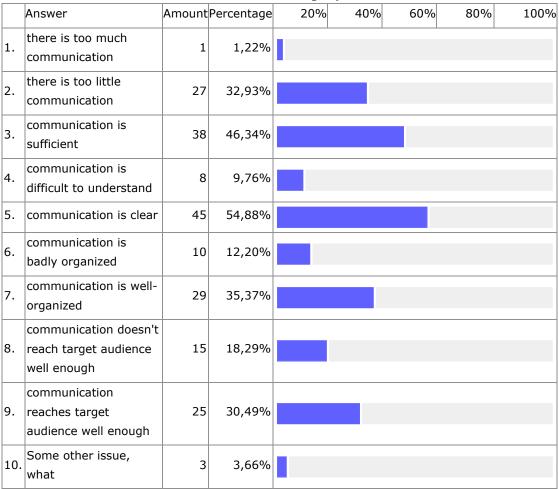
When the employees were asked to choose the alternatives that they think describe internal communication organized by the internal communications function at the case company the best, more than half were in the opinion that communication is clear (54,88 %). Less that half (46,34 %) thought that communication is sufficient. About one third (35,37 %) thought that communication is well-organized. About the same percentage (32,93 %) were in the opinion that there is too little communication. The figure 8 illustrates this.

The most of the employees think that internal communication organized by the internal communications function is clear and that some wanted to point out that communication is well-organized. These are positive findings illustrating that the company has done something right as Quirke (1996, p. 76) argued that if communication is not coordinated and orchestrated, the individual has to edit the clutter down to manageable levels using his or her own priorities which are unlikely to match those of the business as a whole. He continues that from the internal customer's viewpoint, communication seems to be overwhelming and uncoordinated. Each business unit busily produces information which it

feeds into the communication channels. This seems not to be a problem of the internal corporate communication function of the case company.

Figure 8

Choose the alternatives that you think describe internal communication organized by the internal communications function at the case company the best.



An open-ended question "What information do you miss from daily internal communications of the case company?" was asked and the answers could be summarized as following:

- I miss global information. Now we don't hear from India.
- I would need tools and aid to be an excellent communicator.
- Future scenes.
- Communication about general issues functions well.
- E-mail roundups and intranet have been positive changes.
- More information about projects and project successes.
- Business updates, financial information etc.

- Regularity and content is important.
- Nothing.

Quirke (1996, p. 67-79) argues that the role of internal corporate communications function is to give managers tools to improve communication. As the employees state that they would need tools and aid to be an excellent communicator, it seems that the function has not succeeded in this well enough. More communication tools and aid should be provided for the employees, especially on a managerial level.

In the context of various questions, employees express their wish for more financial information. Hodgkinson (1987, p. 328) addresses that the most companies faced with the need to increase profits focus their energies on rigid control of finances. Implicit in this strategy is the belief that the greatest opportunities for increased effectiveness lie in tightening up budgetary control procedures and in the reallocation of budgets to areas yielding the most immediate payoffs. This often has unpleasant side effects for staff, increasing pressure on them to perform and forcing organizational change. This is the case also in the case company. It seems that the employees wonder about the financial situation and would really need more information about the financial situation of the company. They seem to be worried about the security of their jobs.

The employees give also positive feedback stating that communication about general issues functions well and that e-mail roundups and intranet have been positive changes in the company. This shows again that the internal corporate communication function has succeeded in some development areas. However, the employees seem to miss global information. This indicates that the provided information is mostly local and should be developed into a more global perspective, if the management agrees with this. The employees seem to value global information.

Next, an open-ended question "How do you think that the internal communications organized by the internal communications function could be developed? Feel free to express your thoughts related to the internal communications executed and developed by the internal communications function." was asked. The answers are summarized:

- Internal communication could advice supervisors in communication (means and importance).
- There could be info televisions in cafeterias and in the intranet with the newest info.
- India news should be added to communication.
- Intranet's content creators should be more active in updating departmental/functional news.
- Clearer instructions for communication, e.g. ongoing projects.
- New things seem to be developed.
- Guide the person or department whose message it is publishing.
- Weekly e-mail message about the intranet news.
- Internal communicating without asking too much.
- Communicating also negative issues e.g. lost deals and finances.
- Communication should be increased.

Internal communication could advice supervisors in communication (means and importance).

The issue of more global information arises again. Balmer et al. (1999, p. 256) addressed that recent environmental trends (e.g. increased competition and globalization) are forcing senior managers to give greater importance to corporate identity and corporate communications. In the light of this argument, globalization really affects internal communications and it should be taken into account in its development. The employees of the case company would clearly be interested in hearing what happens in Asia and in other countries. Thus, it can be stated that providing global information is important in fast-changing organizations that operate internationally. As an organization is growing fast, new processes should clearly be developed to tackle the problem of too little global information and news. In this context, the employees mention also some new internal communication channels, such as info television. The channels obviously have a big importance in fast-changing organizations. They will be discussed in more detail in the next part 5.6.

#### 5.6 Internal Communication Channels

The next question concerned communication channels. The respondents were asked "How useful do you consider the following internal communication channels and ways used at The company x?". The employees were provided a long list of different kind of communication channels. The most consider these channels very useful (see Figure 9):

- Intranet
- E-mail
- Supervisors' personal feedback
- Face to face meetings
- Management feedback to team/department
- Supervisors' feedback to whole team

The most consider these channels quite useful:

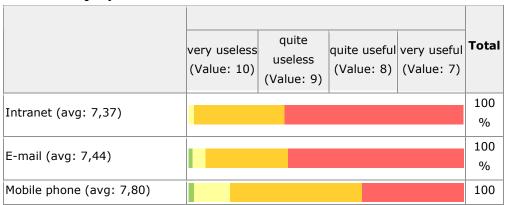
- Mobile phone
- Office Communicator and Skype
- Departmental meetings
- Interdepartmental meetings
- Teleconferences
- Videoconferences
- Briefings held by CEO
- Free conversations in different situations
- Induction days
- Trainings organized to personnel
- Personnel events
- Remembering on special days and years of service

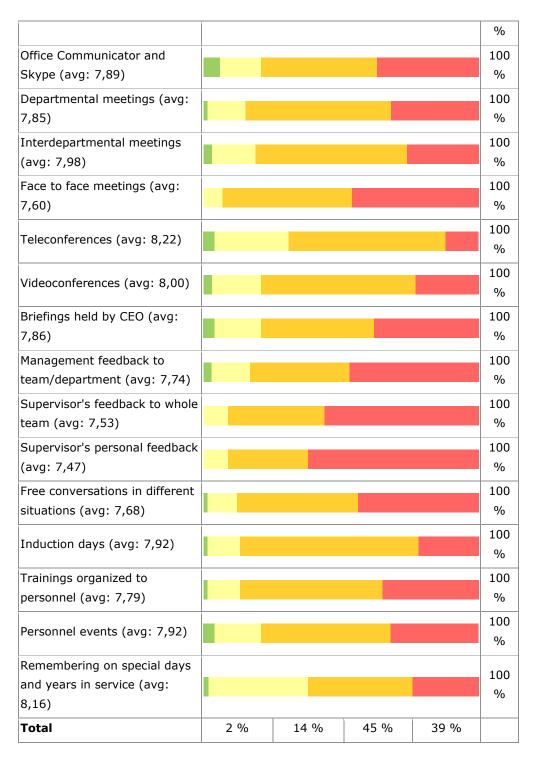
Croft & Dalton (2003, p. 24) stated that internal communication is often achieved by memos, newsletters, magazines, intranets, departmental briefings and email. Out of those, only e-mail and intranet are considered as very useful also by the respondents in the case company. Therefore, one might argue whether for instance newsletters or magazines are really needed in internal communication in fast-changing organizations. Perhaps employees are too busy to read newsletters, for instance. Intranet and e-mail have an important role in internal communication of the case company. The results clearly indicate that those channels are liked.

Supervisor's personal feedback and feedback for the whole team/department and management feedback to the team/department were also considered as very useful. This indicates that employees in fast-changing organization value feedback in great extent. In addition, face to face meetings are considered as very useful. Croft & Dalton (2003, p. 63) stated that it is essential that the top management meets employees at regular intervals. Arranging regular face to face opportunities for top management to be exposed to employee thinking is one good way of delivering the measurement and the upward feedback at one and the same time. The employees of the case company clearly agree with this as they value both face to face meetings and feedback from the management and supervisors highly. Corrado et al. (1994, p. 35) addressed the alarming issue of management being out of touch with its employees. They highlight that it is important to set up processes for getting past this problem and provide feedback that makes sense. The case company's employees clearly agree with this. Thus, it can be concluded that to improve internal communication in fast-changing organizations, the management and supervisor need to be present and give regular feedback to the organization. Electronic communication does not seem to be enough, even though it is also valued highly. Employees also value mobile phone as a communication channel. If face to face meetings are difficult to arrange, maybe a phone call would suffice in some cases. Also modern communication channels Office Communicator and Skype were ranked highly by the employees. This shows the importance of instant communication and information sharing in today's fast-changing organizations. Many times information is needed as soon as possible, and instant messaging is a suitable communication method for that.

Figure 9

How useful do you consider the following internal communication channels and ways used at the case company?





Next the respondents were asked "What internal communications channel or way do you miss in your work?" and the answers could be summarized as following:

- MSN Messenger.
- We don't have team meetings.
- More regular management briefings.
- There are no interdepartmental meetings.

- We should somehow communicate about visitors.
- No need for new channels but clearer usage and instructing (e.g. Skype).
- I think the channels are sufficient.
- More personal feedback.
- Better intranet.
- Electronic bulletin board.

These open-ended questions show that especially different types of meetings are missed, more specifically team meetings, management briefings and interdepartmental meetings. When employees say that there are no team meetings, it shows that the team leader does not acknowledge the importance face to face meetings. As Smith & Mounter, 2005, p. 74) argue that according to all the surveys still the most valued form of communication by employees across all sectors, is face to face, one to one communication, it is problematic is the team leaders and other supervisors do not understand its meaning. According to Smith & Mounter (2005, p. 75), if management has chosen not to practice one to one communication or is not doing so comprehensively enough, the employees will find their own channels for filling in the gaps in their knowledge. This is possible in the case of this company question. As people feel that they do not obtain enough information through official channels, it is likely that rumors and false information spread in the organization.

Green (2006, p. 3) argued that actions are a form of communication. Actions could be exactly what also the employees of this company demand for because they miss meetings and personal feedback. Actions refer to visible communication, and meetings and personal feedback represent that.

However, some say that the internal communication channels are sufficient. This is probably good news for the management and the internal corporate communication function that put efforts to the internal communication development. However, some state that the intranet could be better and that new channels need better instructing. Some need new tools for instant messaging. These development comments of the employees should be taken into account when developing the channels.

The following question concerned the company intranet. The question "Intranet is our official internal communications channel. How does it correspond to your internal communications needs from its part?" 60 % of the employees answered that it corresponds quite well. 24,44 % answered that it corresponds very well. 13,33 % answered that it corresponds quite badly and only 2,22 % that it corresponds very badly.

It is positive to see that the company intranet corresponds to the employees' internal communications needs quite well. It seems to be perceived rather positively, which means that it has not been a useless investment. Smith & Mounter, (2005, p. 80, 169, 170) point out that intranets offer the endless opportunity to store background information to be retrieved only when needed. As the employees perceive the intranet corresponds quite well to their internal communication needs from its part, this indicates that the employees find information in the intranet quite well when they need it.

In their study focusing of the HR intranet usage, Alleyne et al. (2005, p. 307) found out that the influence of customers' increased expectations impacts on the changing role of HR and the influence that the use of intranet technology for HR applications has an effect on the perceived satisfaction with the HR function. They argue that effective and proactive use of IT can have big effects on HR. By analyzing the responses of the employees, it could be interpreted that the intranet has increased employees' satisfaction also to the whole human resources department as they value the intranet quite highly and perceive that there has lately been development in the internal communications area executed by the human resources function. However, this is interpreted somewhat in between the lines.

Figure 10

Intranet is our official internal communications channel. How does it correspond to your internal communications needs from its part?

	Answer	Amount	Percentage	20%	40%	60%	80%	100%
1.	very badly	2	2,22%					
2.	quite badly	12	13,33%					
3.	quite well	54	60,00%					
4.	very well	22	24,44%					
	Total	90	100%					

When encouraging the respondents to express their thoughts related to internal communications channels by asking "Feel free to express your thoughts related to internal communication channels and their functionality at the case company.", again many open answers were obtained. They are summarized below:

- CEO's info events should be more often and more regularly. Lately they have been very good and informative.
- We need discussion events with management, e.g. workshops.
- An internal communications route map could be added to the intranet (what tool to use, to who etc).
- We need established processes for information to flow.
- Management needs to be more present and closer to their subordinates.
- Intranet cannot be the only internal communications channel.
- Communicator and Skype work well in communication with India.
- Interdepartmental meetings rarely happen.
- Management feedback to team/department works also in videoconference.
- Free conversations in different situations a lot still in Finnish so non-Finnish speaking employees miss a lot.

Welch & Jackson (2007, p. 188) argue that commitment can be positively impacted by different types of communication. The above open-ended answers clearly indicate that the employees really need more presence of management as well as feedback. Based on the

results and the above argument of Welch & Jackson, it could be argued that if the management would be more present, the commitment level of the employees would increase.

Adding to the above statement, as Croft & Dalton (2003, p. 63) argue that it is essential that the top management meets employees at regular intervals; a clear problem can be identified. The problem is that the management does not meet the employees often enough. This could affect negatively also to the business success.

Croft & Dalton (2003, p. 63) explain that arranging regular face to face opportunities for top management to be exposed to employee thinking is one good way of delivering the measurement and the upward feedback at one and the same time. This is also what the employees of the case company want. They also tell that they would be happy to receive management feedback to their teams or departments also in videoconference. This indicates that the employees in fast-changing organizations do not value only traditional live meetings but also using of modern conferencing methods is considered as fine. They seem to understand that various locations mean more usage of modern communication methods, such as videoconferencing.

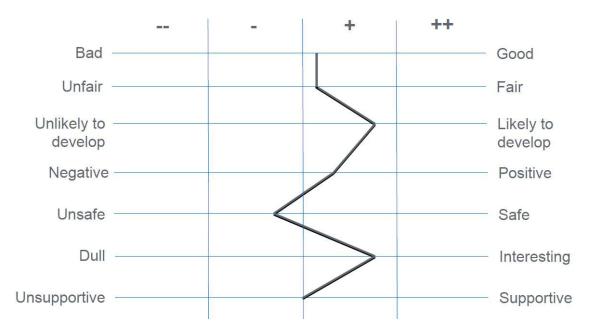
It is again stated that there is a need more clear processes for communication. Interdepartmental meetings are considered to be rare. Some think that foreign employees are not taken into consideration well enough what comes to the language. An equal consideration of everyone was discussed already before in this Results and Analysis. This is an issue to pay attention to.

The next question concerned employer brand. To explain the word "safe", in Finnish language it means the same as secure. This is basically what it means in this survey (secure – insecure). When asking "How do you perceive the case company as an employer and a company?", the following results were obtained:

Bad Good:	56,84 = quite good
Unfair Fair:	54,16 = quite fair
Unlikely to develop Likely to develop:	63,33 = quite likely to develop
Negative Positive:	58,61 = quite positive
Unsafe Safe:	42,16 = quite unsafe
Dull Interesting:	73,50 = quite interesting
Unsupportive Supportive:	50.03 = quite supportive

Figure 11

**How do you perceive The company x as an employer and a company?** (Figure made by the thesis author)



Dalton (2003, p. 24) state that internal communications is critical to staff morale and performance in addition to their perception of the corporation's image. It is therefore useful to find out what the employees think of their employer in general because it also tells how well internal communication has succeeded. When looking at the figure, it can be seen that the employees perceive their employer quite positively. They see the employer as quite good, fair, positive, supportive and especially quite interesting and likely to develop. This might indicate that also internal communication have influenced the perceptions of the employees on these matters.

Thomas et al. (2009, p. 303) state that when employees believe that the organization is a safe place to express themselves, they are likely to see themselves as more involved in the organization's goals. However, the employees of the case company think that their employer is quite insecure. This might be due to the fact that the future scenarios of the company are quite unclear and it is difficult to predict the future. This could be also seen in other results of the survey as the employees expressed their need for more information on the company situation, finance and sales. Lack of information about the future might cause uncertainty among the employees. Thus, it can be stated that to add to the feeling of security of their employees, organizations should provide regular information about the company situation. When the employees feel secure, they become more involved in the organization's goals.

Barrett (2006, p. 387-388) claims that leadership communication depends on the ability to project a positive image, or more specifically, a positive ethos, inside an organization or outside. A positive ethos will take managers a long way towards influencing their audiences with the intended messages. Negative ethos is again one of the greatest barriers to effective communication. As the employees' perceive their employer quite positively, it could be estimated that the supervisors and other managers have had a big impact on projecting a positive ethos inside the organization. They have succeeded in communicating with a

positive feeling. This is a good direction although there is again room for improvement, especially in creating a more secure and more supportive state of feeling to the employees.

### **6 Conclusions**

In the conclusions chapter, the main developed conclusions gathered by collecting and analyzing information gained from the case study and past research are presented. Also managerial implications for fast-changing companies and suggestions on further research are presented. In the end of the chapter, there is a short evaluation on the thesis credibility.

The purpose of the study was to increase the understanding of internal communications and how employees perceive it in fast-changing organizations.

To fulfill the purpose, employee perceptions were examined in the following four areas:

- Management communication, team and supervisor communication and interdepartmental communication
- Internal corporate communication function
- Internal communication channels
- How employees want to improve the above issues

Concluding the findings in the area of management communication, the employees perceive that management communication is executed quite badly in their organization. They find it quite difficult to communicate to the management. The most are in the opinion that there is too little communication. Almost 40 % of the employees think that communication is badly organized and almost as many think that communication does not reach the target audience well enough. Some employees chose to describe management communication as clear (~ 27 %). Clarity was one of the rare positive findings concerning management communication. In overall, employees perceive that it is failing.

This study supports the statement of Quirke (1996, p. 71) as he stated that senior management may not see the connection between communication and their problems, especially when they are not measured on the levels of the communication but on attaining key objectives. This could explain why the management does not communicate enough from the employees' viewpoint. It seems that the management does not understand that adding more communication could solve some problems. This finding indicates the management needs to be supported in communication. This could be done in many ways. For instance internal corporate communication function could play a noticeable role in this.

Quirke (1996, p. 78) argued that senior managers need to choose whether to manage the elements of communication mix or to be managed by the grapevine. This study indicates that employees in fast-changing organizations receive a lot of information in the form of rumors. Thus, the management has partly chosen the grapevine, either willingly or unwillingly, which according to Quirke does not lead to good results. From this we can learn that managing the elements of communication mix need to be better managed in fast-changing organizations.

Thomas et al. (2009, p. 28, 306) found that the quantity is significant in management communication. In addition, they found that trust is very closely tied to perceptions of organizational openness, which predicts employee involvement. In this light of the findings of Thomas et al. and this study, quantity of management communication should be definitely added in fast-changing organizations as its significance is great. We can learn from this that adding the amount of communication increases employee involvement and trust. According to Van Vuuren et al. (2000, p. 124) communication leads to a central attitude, commitment. Therefore we can learn that when employees in fast-changing organizations are disappointed in too little and rare management communication, their commitment levels decrease. The employees address that management communication improves motivation. This is in line with the statement of Kalla (2005, p. 311) as she argues that that effective knowledge sharing appears to increase the efficiency of employees, and also enhance their motivation and the feeling of security. In conclusion, these findings show the great importance of management communication. Its amount needs to be ample. By adding management communication, employees feel more involved, motivated, committed and secured.

To conclude the findings of next internal communication area, team and supervisor communication, the employees of the case company perceive that communication functions quite well inside their team. They perceive also their own communication performance in their teams as quite good. They are in the opinion that communication with their supervisors succeeds quite well and are in the opinion that they can influence in the communication with their supervisors quite much. However, the employees perceive that there is too little team communication (~ 55 %) and that it is badly organized (~ 37 %). About 30 % of the employees chose to tell that team communication is sufficient and an equal amount of employees perceive that communication is clear.

In overall, the state of team and supervisor communication was perceived more positively than the state of management communication. The same problem arises in team communication than in management communication; there should be more of it and it should be organized better. Barrett (2006, p. 386-387) stated that without effective communication manager achieves little and is not an effective leader. As the employees perceive that there is too little team communication and that communication is badly organized, the findings support the statement of Barrett meaning that is their supervisors are not effective leaders. These findings indicate that supervisors of fast-changing organizations need to communicate more effectively to achieve more and to be effective leaders.

Alleyne et al. (2005, p. 295) state that the role of managers has substantially changed in workplaces in recent years. The environment and demands grow constantly. The findings of this study indicate that when supervisors do communicate they succeed quite well in. Acknowledging this, we can learn that despite of the changes in manager roles and business environment, supervisors are able to perform quite well in communication with their team members in fast-changing organizations.

The findings of this study indicate that the employees of the case company understand that they are able to improve communication in their teams by their own actions. Smythe (2007,

p. 23) argued that people work in small spaces in the organisation and that for the most employees, communication and engagement lies in the gift of the local supervisor. Therefore, as this study indicates that employees think that they are able to improve communication in their teams by their own actions, we can learn that they should be encouraged to do that by their supervisors. Most likely this would improve team communication in fast-changing organizations.

Smith & Mounter (2005. p 74) argued for the importance of face to face communication. The findings of this study are in accordance with Smith & Mounter's as the employees would like to see their supervisors more often and have more meetings with them. They also value oral communication with their supervisors and state that communication does not always need to be in written form. From this we can learn that face to face communication with a supervisor is valued by employees in fast-changing organizations. Thomson & Hecker (2000, p. 49) highlighted the importance of emotional capital and winning hearts. These findings support also this argument because the employees seen to value human approach.

Thomas et al. (2009, p. 303) found that information coming from top management is rarely specific to an individual's job but is generally focused on the big picture. Top management then depends on supervisors to translate this abstract information into more task-related and relevant communication. Based on the findings of this study, supervisors are somewhat failing the top management if they do not provide enough information downwards. It is important for supervisors to acknowledge their role as important communicators and sources of important information to the team.

Summing up the findings of interdepartmental communication, the employees in the case company perceive that communication between different departments functions quite badly. They perceive that communication from other department to one's own department also succeeds quite badly. The employees think that communication from their own department to other departments also succeeds quite badly, but anyhow somewhat better than other departments succeed in the interdepartmental communication. In addition, the majority of the employees (~ 55 %) perceive that there is too little interdepartmental communication and 37 % state that it is badly organized. More that 40 % are in the opinion that communication does not reach the target audience well enough. One third of the respondents thought that interdepartmental communication is difficult to understand. In the light of these findings, there is room of improvement in interdepartmental communication.

Almost all the employees agreed on the fact that there is too little interdepartmental communication and that it is badly organized. Ritter (1999, p. 478) argued that by increasing the interdepartmental communication, so called network competence can be improved. Knowing this and the findings of this study, it can be argued that if fast-changing organizations increased interdepartmental communication, their network competence would improve.

Ritter (1999, p. 478) explained that interfunctional boarder may be broken down through cross-functional seminars and workshops, through limited personnel exchange between departments or through implementing communication. This kind of cross-functional

activities should be organized is fast-changing organizations in order to improve interdepartmental communication.

Walton et al. (1969, p. 539) found that departments experiencing high interdepartmental conflict tend to create department-wide barriers to inward communication. Based on that finding and the results of this study, it seems that some departments in fast-changing organizations do not like to share information or do not consider it important, and thus make it hard for other departments to contact them. It could be estimated that the geographical distance is one of the reasons why interdepartmental communication is experienced in such a negative way.

Hage et al. (1971, p. 867) found that frequency of interdepartmental communications is greatest with others on the same status level. Thus, it could be that supervisors, for instance, in fast-changing organizations succeed better in communicating with other supervisors. It is possible that the information exchange is better in between them, but the others are left without information. This could be one of the reasons why interdepartmental communication does not function well in fast-changing organizations. Information is shared only with some people, not all. From this we can learn that it is important to share information across department boarders in a more comprehensive way, taking all possible people into consideration, not only the ones on the status level.

Many employees of the case company expressed the need for clearer communication processes and responsibilities in interdepartmental communication. Joyce & McGee (1997, p. 22) argued that loosening horizontal boundaries places greater emphasis on processes, and requires improved communication and leadership. In general, horizontal boundaries in fast-changing organizations can be considered to be quite loose. It seems that processes, communication and leadership have not been developed enough in the case company, even if it was required. Thus, we can learn from this that it is important for fast-changing organizations to develop processes, communication and leadership as loose horizontal boundaries requite that.

Ritter (1999, p. 474-478) argued that one of the key to success for organizations is to communicate across functions. Thus, it can be stated that the development of communication across departments in fast-changing organizations is important as it is one of the main keys to success. If the bad state of interdepartmental communication is not improved, it is likely that the organization does not succeed.

Internal corporate communication was one of the identified areas of interest in this study. The employees of the case company think that internal corporate communication has succeeded quite well in its task of internal communication development. However, better organizing of communication is needed as well as more information about ongoing issues. The employees stated that communicating only through intranet is not enough; it needs to be more versatile. Employees expect internal corporate communication function to develop internal communication rather than think that they could participate in its development. Own communication responsibility is not taken very seriously; it seems to be easier to blame others for its failure. The results also indicate that there seems to be confusion about

who should communicate, when and what. Thus, we can learn that internal corporate communication function could assist in that, e.g. in the form of communication training.

Balmer et al. (1999, p. 256) address that recent environmental trends are forcing senior managers to give greater importance to corporate identity and corporate communications. This seems to be the case also in fast-changing organizations as internal communication has been lately developed quite much towards a positive direction.

Croft & Dalton (2003, p. 63) argue that it is essential that top management agrees on a "big picture" of what the company is seeking to achieve. If there are different opinions on how the picture looks like, then the internal communication specialists are facing a very challenging task in order to communicate coherently. As only a few employees of the case company wanted to state that internal communication organized by the internal communications function is well-organized, it could be estimated that the management does not provide internal corporate communication function a sufficiently clear picture of the communication goals of the company. This finding shows the importance of management providing clear and coherent communication objectives to the internal corporate communication function. More well-organized internal communication can then be obtained.

The most of the employees think that internal communication organized by the internal communications function is clear and that some wanted to point out that communication is well-organized. Quirke (1996, p. 76) argued that if communication is not coordinated and orchestrated, the individual has to edit the clutter down to manageable levels using his or her own priorities which are unlikely to match those of the business as a whole. This seems not to be a problem of the internal corporate communication function of the case company. This finding indicates that the internal corporate communication functions of fast-changing organizations tend to succeed in the coordination of internal communications. However, Quirke (1996, p. 67-79) argued that the role of internal corporate communications function is to give managers tools to improve communication. The employees of the case company are in need of tools and aid to be excellent communicators. We can learn from this that internal corporate communications functions of fast-changing organizations should provide more communication tools and aid for employees. This probably would improve internal communication of different individuals in the organization.

In the context of various questions, employees express their wish for more financial information. Hodgkinson (1987, p. 328) addresses that the most companies faced with the need to increase profits focus their energies on rigid control of finances. This is the case also in the case company. However, the employees do not receive enough information about finances. This finding shows that it is important to provide quite a lot of information about the financial situation in fast-changing organizations.

The next area of interest in this study was communication channels. The employees of the case company value especially intranet, e-mail, and feedback from supervisors and management. In addition, face to face meetings are considered as very important. It is acknowledged that virtual communication cannot replace live communication. Nowadays there are great virtual communication tools such as Office Communicator and Skype and

they are valued highly. However, they cannot replace meeting people and communicating face to face.

Croft & Dalton (2003, p. 63) argue that it is essential that the top management meets employees at regular intervals. In the light of this argument and these study findings, a clear problem can be identified as the management does not meet the employees often enough. Croft & Dalton (2003, p. 63) explain that arranging regular face to face opportunities for top management to be exposed to employee thinking is one good way of delivering the measurement and the upward feedback at one and the same time. The employees of the case company are in the same opinion. These findings show that management in fast-changing organizations should meet employees at regular intervals and most likely more often than currently. In these instances, management could provide feedback to employees and employees could provide feedback to management.

The findings of this study indicate that different types of meetings are missed. Smith & Mounter (2005, p. 74) argue that according to all the surveys still the most valued form of communication by employees across all sectors, is face to face, one to one communication. It is problematic if the leaders in fast-changing organizations do not understand its meaning. According to Smith & Mounter (2005, p. 75), if management has chosen not to practice one to one communication or is not doing so comprehensively enough, the employees will find their own channels for filling in the gaps in their knowledge. The findings of this study indicate that as people feel that they do not obtain enough information through official channels, it is likely that rumors and false information spread in the organization. From this fast-changing organizations can again learn that their leaders need to organize different types of meetings with their employees to discuss different types of issues openly. As a consequence, rumors will diminish. Also Green's (2006, p. 3) argument supports this. He stated that actions are a form of communication. The employees of fast-changing organizations demand for actions such as visible communication, meetings and personal feedback.

The employees of the case company perceive company intranet positively as they think that it corresponds quite well to their internal communications needs. Smith & Mounter, (2005, p. 80, 169, 170) point out that intranets offer the endless opportunity to store background information to be retrieved only when needed. The findings of this study support that statement. Alleyne et al. (2005, p. 307) argued that effective and proactive use of IT can have big effects on human resources. The employees of the case company view the intranet positively and thus it can be argued that it has had positive effects on how they perceive the human resources. Based on these findings, it can be argued that intranet is a worthwhile investment for fast-changing organizations.

This study also wanted to increase knowledge on how employees want to improve the situation of internal communications. The key findings related to that can be concluded that employees in fast-changing organizations would especially like to see more presence of management and supervisors, for instance in the form of different types of meetings and other events. Employees feel that management and supervisor communication should be added and made more regular and open. They need more information about company strategy and company state. If management gives a clear direction to employees, the

organization benefits from it greatly. Employees perceive unclear decision-making structures and communication processes and would like to see them to be improved. This related especially to interdepartmental communication. Employees would like communication to be equalized between different locations, departments and teams. All in all, employees are in the opinion that a lot of improvements should be made in all the identified areas of internal communication. Many suggestions for improvement measures are presented in 6.1 Managerial Implications. In general, employees find more positive issues in internal corporate communication function and internal communication channels than in the identified internal communication areas.

Positive findings of the study are that the employees of the case company are highly committed and eager to step in and do more great work and use more of their potential in communication. They like to work for the company and find the field interesting. It is evident that the motivation and commitment level of the employees can be increased substantially by internal communication development. Therefore, it is important to take these research findings into careful consideration and implement improvement measures. That could have a great impact on the satisfaction level of the employees. From these positive findings it could be generalized that employees in fast-changing organizations are eager to develop internal communication.

The thesis contributes the knowledge of internal communication and its development in fast-changing organizations. A better understanding of internal communications and how employees perceive was obtained, as well as plenty of development ideas. The study will raise awareness about the issue, looked from employees' viewpoint. Having a better understanding on this matter, an improved comprehensive internal communication can be achieved in an organization. Employees' perceptions about management communication, team and supervisor communication, interdepartmental communication, internal corporate communications function and internal communication channels can be learned from and thus internal communication can be developed in a more proper and efficient way. Thus, the thesis contributes to the internal communication development practices of this type of organizations. The outcome of this study should be beneficial especially to senior managers, supervisors and professionals working in internal communication development especially in fast-changing organizations. The findings are probably valuable also for students studying communications and aiming to pursue a career in an international, modern organization. This thesis hopefully adds input to more knowledge and information in the lack of research in the area.

# 6.1 Managerial Implications

This study shows clear implications on what fast-changing organizations should do to improve internal communication and its development. These managerial implications are based on an employee perspective, meaning that they are derived from employees working in a real organization and perceiving how internal communications are executed, coordinated and developed on a daily basis. These managerial implications are recommendations especially to the case company of the study, but also to other fast-

changing organizations. It is possible that these recommendations are useful also for other type of organizations.

First of all, it can be recommended that especially management and interdepartmental communication should be developed. All communication should be increased everywhere in the organization, but especially management and interdepartmental communication. By doing so, employees know company strategy and status of ongoing issues, they are more aware of different issues of the company and they are more committed. It is recommendable to make all organizational communication more open, systematic, clearer and better organized. Regular team meetings, interdepartmental meetings and meetings with management are useful. More information should be provided especially related to finances and sales. It is advantageous to pay attention to the development of interdepartmental communication processes. All members of the work community should be reminded about their responsibility to communicate at regular intervals. Communication tools should be provided for all employees, especially intranet, e-mail and possibilities to face to face meetings and versatile feedback sessions. Equalizing communication between locations and units would profit organizations.

In the light of the findings of this study, it is recommended that management increases communication and by doing so prevents and stops rumors. It is useful for the management to pay attention to openness, transparency, encouragement and motivation in communication. Management communication can be improved especially by organizing it more systematically. Regular business updates including financial and sales information need to be provided regularly to all personnel. It is worthwhile to identify target audiences carefully in different communication situations. In addition to positive issues, negative issues need to be communicated. Communication should not be only one-way, but it is worth providing employees ways to communicate to the management.

When it comes to team and supervisor communication, it is worthy for organizations to acknowledge that employees need to get involved in team communication and they need to be addressed more communication responsibility in the team. It can be recommended to organize more open, clear and regular communication, for instance in the form of regular team meetings. Simply, it is good to reserve time for communication. Also informal discussions with supervisor are valuable. An advice for supervisors is that it is useful for them to be present and communicate orally more often than in written. This is because employees miss face to face communication and already receive too much e-mail. Employees expect the most information about the company situation, probably due to the fast changes in the organization. They want and need to be aware of the company situation. Supervisors can improve the team communication by addressing its importance to the team. It can be recommended for team members to initiate communication, be proactive and participate in coffee break discussions. It is useful for the team if its members act proactively and for instance arrange team events when needed. It is useful to take initiative in communication and remember to communicate topical issues to the team.

Coming to interdepartmental communication in more detail, it can be recommended that in addition to adding the amount of interdepartmental communication, also quality and regularity would to be improved. Clarity of communication is valued by employees. Before

communicating, it is again useful to pay attention to the identifying of target audiences. The findings of this study indicate that it is useful for organizations to develop communication processes and define communication responsibilities between different departments. It is useful to teach employees about their communication role and responsibility to share information. Thus, this is recommended for organizations. In addition to that, it is worthwhile to monitor that set communication processes are followed. Interdepartmental communication can be improved also by arranging regular internal meetings with other departments discussing current issues. This helps employees in understanding the whole entity better. It is recommendable for the management to provide all department leaders regular information about decided issues. Department leaders could then share that information in departmental and interdepartmental meetings. Also training and informal events about cooperation between different departments can be recommended for organizations who want to develop interdepartmental communication. Lastly, it simply important that department leaders are active in communication between departments and thus set a good example to everyone.

When it comes to internal corporate communication, employees expect good coordination of internal communications and regular information. It can be recommended that internal corporate communication function provides regular information about the company situation, financial situation and future scenes as this is needed in great extent especially in fast-changing organizations. Employees expect that internal corporate communication function provides this information or facilitates its communication. It can be also recommended to ensure that enough information from different locations of an organization is provided. This is because employees want to obtain information also from other locations than their own. This also equalizes communication between locations, departments and teams. It is also useful to know that employees expect tools and aid to be an excellent communicator from the internal corporate communication function. As the world and operating environments change in fast speed, it constant development of internal communication can be recommended. It is useful for instance to take new ways of communicating into use on a regular basis, or at least try new methods and ask feedback on them. In conclusion, the most recommendable point for internal corporate communication functions is to make sure to provide a sufficient amount of high-quality information about ongoing issues on a regular basis.

It can be recommended for organizations to take into account the most important internal communication channels based on this study. They are intranet, e-mail, supervisors' personal feedback, face to face meetings, management feedback to team/department and supervisors' feedback to the whole team. Thus, in addition to the common internal communication channels, intranet, e-mail and face to face meetings, feedback plays a big role. Employees value feedback highly and therefore it seems that feedback by different parties really makes a difference. Thus, it is highly recommended for supervisors and management to provide both individual feedback and feedback for the whole team.

"In addition to providing a regular communication channel between employees and their managers, repeating surveys on a regular basis allows the company to build up an accurate picture of how the organization is developing over time. This is especially useful when goals are set and monitored in relation to key indicators such as employee satisfaction,

teamwork, communication and leadership." (Goudge, 2006, p. 101) The thesis author agreed with Goudge and would like to give some suggestions for further research concerning the case company in question. As this survey is conducted for the first time in this company, it would be useful to repeat the survey in at certain specified intervals, e.g. once in two years. This would enable the regular follow-up of the state of internal communications in a comprehensive way, as well as its development. It would be interesting to compare the results to the previous results and find out how the situation has changed and if the applied improvement measures have had the intended effect. In addition, it can be suggested that the same research would be executed also in other geographical areas of the case company. This would enable also the comparison of findings in different geographical areas and the company could be able to identify its best practice globally.

### 6.2 Suggestions for Further Research

What comes to suggestions for further research concerning the topic of developing internal communication on different organizational levels in fast-changing organizations, it could be stated that there is room for plenty of more research. The topic of developing internal communication seems to be endless and especially interesting topic in these times as organizations struggle in developing it.

More specific research concerning the weakest internal communication areas identified in this study – management communication and interdepartmental communication – could be conducted to find out more detailed information about their state and the most applicable development means. This would provide more specific improvement suggestions for the internal communication development in those areas, which most likely would result on a better situation in the internal communication development in fast-changing organizations.

It could be estimated that internal communication development in the organizational areas selected for this study will arise more and more discussion and initiate research in the near future. This can be stated because those areas have a great importance viewing the situation from the organizational perspective. It could be stated that organizations are dependent on well-function communication in the areas of management communication, team and supervisor communication and interdepartmental communication. In addition, the need for a professional internal corporate communications function and suitable internal communication channels is noticeable.

# 6.3 Credibility of Findings

The validity of the thesis needs to be measured adequately. The study was targeted to one case company that was relevant to the research purpose as the organization is facing changes in fast speed.

According to Denscombe (2010, p. 267), the analysis of quantitative data should include efforts to ensure that the data have been recorded accurately and precisely, the data are

appropriate for the purposes of the investigation and the explanations derived from the analysis are correct.

As the web-based survey software was used to record the data, it can be argued that the data was recorded accurately and precisely. The survey software is trusted to be reliable and it fulfilled its purpose well. No mistakes in this were noticed in the course of the study. The obtained data was appropriate for the purposes of the investigation as the survey was specifically designed to answer the research problem. Attention was paid to measure the right issues as well as to select the most essential findings from the analysis. As there are limitations to this thesis, it is acknowledged that further research would certainly support the findings.

"Quantitative research is associated with the production of numerical data that are 'objective' in the sense that they exist independently of the researcher and are not the result of undue influence on the part of the researcher himself or herself. Ideally, the numerical data are seen as the product of research instruments that have been tested for validity and reliability to ensure that the data accurately reflect the event itself, not the researcher's preferences." (Denscombe, 2010. p. 237) In the light of this information, the obtained data in this study can be stated to be reliable. The thesis author did not influence in the answering of the respondents but they had their own time and peace to answer and think about the issues. Thus, the obtained data reflects the employees' perceptions authentically.

Generalisability is sometimes referred to as external validity. A concern that a researched might encounter in designing the research is the extent to which the research results are generalisable, meaning whether the findings may be equally applicable to other research settings, such as other organizations. (Saunders et al., 2009, p.158) This study was limited to just one case. Denscombe (2010, p. 60) argues that when using this approach, the researcher is likely to confront scepticism about the findings. He explains that it can be asked how far it is reasonable to generalize from the findings of one case. The researcher will probably find people asking questions such as: "How representative is the case?", "Isn't it possible that the findings, though interesting, are unique to the particular circumstances of the case?" and "How can you generalize on the basis of research into one instance?"

The purpose of the thesis was to increase the understanding of internal communication and how employees perceive it in fast-changing organizations. It was acknowledged that there are many organization-specific factors affecting development of internal communication in such organizations. Thus, it is true that the results are very specific to this one organization. Also the opinions of the employees are subjective. Employees' answers represent their own thoughts and interpretations only. As the results are specific to one organization, straight generalizations to other fast-changing organizations can hardly be made. However, the researched organization represents a case that can be learned from also by other similar organizations. It is likely that there are other organizations facing a similar situation in internal communication development and for those organizations the results are probably very applicable. Denscombe (2010, p. 60) point out that although each case is in some respects unique, it is also a single example of a broader class of things. The extent to which

findings from one case can be generalized to other examples in the class depends on how far the studied case is similar to others of its type.

As straight generalizations to other organizations cannot be made, it is indicated that further research is needed in this field. For instance, fast-changing organizations could be interviewed in order to obtain general more reliable results. This study can be applied on the pursued research further and help provide specific conclusions regarding one fast-changing organization.

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# **Appendices**

#### Appendix 1

### The survey

## Internal communications at the company x.

Dear employee of the company x,

Welcome to answer the survey about internal communications at the company x. The purpose of the survey is to find out the following:

- 1. What is the state of internal communications at The company x according to employees?
- 2. How do employees perceive the different levels, channels and ways of internal communications at The company x?
- 3. According to employees, how can internal communications be improved at The company x?

The survey is a part of Communications Coordinator Inkeri Rajala's final thesis. She studies a Master of Management degree in Umea University, School of Business.

Internal communications in The company x will be developed based on the results of this survey. The results will be announced to all personnel. You answer the survey anonymously.

Thank you for your time and effort in improving internal communications!

Best regards, Inkeri Rajala and the HR team

In which department do you belong to? (Only the biggest departments are listed here. In case you belong to a smaller department, choose the option "OTHER".)

( ) ENG (Engineering and Product Management)
( ) PRD (Production)
( ) PRJ (Project Management)
( ) SOM (Site Operations Management)
( ) SCM (Supply Chain Management)
( ) WNC (WinCare)
( ) OTHER (All other departments)

What is the duration of your employment at The company x?

- () less than 1 year
- () 1-2 years
- () 2-3 years
- () more than 3 years

How important do you find the different roles in your work community in the execution of internal

communications and as internal communicators?

	very	quite	quite	very
	unnecessary	unnecessary	important i	important
management team	( )	( )	( )	( )
department/function leaders	()	()	()	()
own supervisor	( )	( )	( )	( )
human resources	( )	( )	( )	( )
internal communications function	()	()	()	()
co-workers	( )	( )	( )	( )
yourself	( )	( )	( )	( )
some other role, what	()	( )	()	()

How do you think that these persons in different roles have succeeded in internal communications at The company x?

	very badly	quite badly	quite well very w	ell
management team	( )	( )	() ()	
department/function leaders	()	( )	() ()	
supervisors	( )	( )	() ()	
human resources	( )	( )	() ()	
internal communications function	()	()	() ()	
co-workers	( )	( )	() ()	
yourself	( )	( )	() ()	
some other role, what	()	()	() ()	

How do you find that the management communication at the company  $\boldsymbol{x}$  is executed (internal communication from the management downwards to the organization)?

very badly	very wel

How do you perceive that you are able to communicate to the management?				
very badly	very well			
Chasse the alternatives that you think dos	cribe management communication at the company v the best			
Choose the alternatives that you think des	cribe management communication at the company ${\sf x}$ the best.			
<ul> <li>[] there is too much communication</li> <li>[] there is too little communication</li> <li>[] communication is sufficient</li> <li>[] communication is difficult to understand</li> <li>[] communication is clear</li> </ul>				
[ ] communication is badly organized				
<ul><li>[] communication is well-organized</li><li>[] communication doesn't reach target audi</li></ul>	ence well enough			
[] communication reaches target audience [] Some other issue, what				
,				
How could management communication be Feel free to express your thoughts related				
How does communication function inside y	our team?			
very badly	very well			
How do you perform in communication insi	de your team?			
very badly	very well			

How much does the global business environment complicate team communication?

very much	very little	
How does the commun	nication with your supervisor succ	:eed?
very badly	very well	
How much can you inf	luence in the success of commun	ication between your supervisor and yourself?
very little	very much	
	visor improve communication in y	our team?
How could you improv	e communication in your team?	
Choose the alternative	es that you think describe the tea	m communication at the company $x$ the best.
[] communication read	ommunication ufficient ifficult to understand lear adly organized	ough

How do you think the communication in teams and supervisor communication could be improved? Feel free to express your thoughts.

How do you perceive that $x$ ?	the communication between different departn	nents function at the company
very badly	very well	
How do you perceive that	communication from other departments to you	ur department succeeds?
very badly	very well	
	<del></del>	
How do you perceive that	communication from your department to other	r departments succeeds?
very badly	very well	
Choose the alternatives the best.	nat you think describe interdepartmental comm	nunication at the company x the
[] there is too much comm		
[] communication is suffic	ient	
[] communication is diffic [] communication is clear		
[] communication is badly [] communication is well-		
[] communication reaches	reach target audience well enough target audience well enough	
	ntal communication be improved? thought related to interdepartmental communi	ication.
	<del></del>	

	relops internal communications. From your viewpoint, how has succeeded in its task?	
very badly	very well	
How much internal commu	unications has been developed towards a positive direction du	uring your
very little	very much	
How much can you influer	ce in the development of internal communications at the cor	npany x?
very little	very much	
How much would you like x?	to influence in the development of internal communications	at the company
very little	very much	
	at you think describe internal communication organized by that the company ${\bf x}$ the best.	he internal
	unication ient ult to understand organized	

The company x's internal communications function is located in the human resources department. The

What information do you miss from daily internal o	communications of the company x? —
	_ _ _
1 , 3	is organized by the internal communications  Internal communications executed and developed by
the internal communications function.	- - -

How useful do you consider the following internal communication channels and ways used at the company x?

	very useless	quite useless	quite useful	very useful
Intranet Wintra	( )	( )	( )	( )
E-mail	( )	( )	( )	( )
Mobile phone	( )	( )	( )	( )
Office Communicator and Skype	()	()	()	()
Departmental meetings	( )	()	()	()
Interdepartmental meetings	( )	()	()	()
Face to face meetings	( )	()	()	()
Teleconferences	( )	( )	( )	( )
Videoconferences	( )	( )	( )	( )
Briefings held by CEO	()	()	()	()
Management feedback to team/department	()	()	()	()
Supervisor's feedback to whole team	()	()	()	()
Supervisor's personal feedback	( )	()	()	()
Free conversations in different situations	()	()	()	()
Induction days	( )	( )	( )	( )

Trainings organized to personnel	()	()	()	()	
Personnel events	()	( )	( )	( )	
Remembering on special days and years in service	()	()	()	()	
Some other, what	( )	( )	( )	( )	
Some other, what	()	()	()	()	
Some other, what	()	()	()	()	
What internal comm				u miss in your work?	
Wintra is our official communications nee  () very badly () quite badly () quite well () very well			tions chani	el. How does it corresp	oond to your internal
Feel free to express at the company x.	your thou	ghts relate	d to intern	ıl communication chan	nels and their functionality
How do you perceive	the comp	oany x as a	n employer	and a company?	
Bad			Goo	į	
Unfair			Fa	ſ	

Unlikely to develop	Likely to develop
Negative	Positive
Unsafe	Safe
Dull	Interesting
Unsupportive	Supportive

### Appendix 2

# Answers to open-ended questions

How important do you find the different roles in your work community in the execution of internal communications and as internal communicators? Some other role, what

How could management communication be improved? Feel free to express your thoughts related to management communication.

Opennes! Let's speak about issues with their real names!

They could tell about the company situation in regular intervals and encourage personnel to do our jobs well. Motivating is also very important. Stop rumours.

Information about company plans and goals, marketing, financial situation and other basic accounting figures are needed.

I would need information about the company situation, different phases of our development projects and overall information about our current situation!

They could more often inform us about where are we so that we do not need to speculate anything. E.g. an update on the company situation in every two weeks.

Communication could simply be improved by adding it. There are too many rumors.

I have experienced this kind of communication way good: A monthly communication meeting is held where the CEO, project managers and other key persons tell a short update about their own responsibility areas. Issues are told openly to all personnel. This commits personnel and prevents rumors.

A montly info regarding company situation. A status of ongoing sales projects, delivery projects and future delivery projects. Financial situation, did we meet our goals or how far are they. Some figures are needed. These issues would motivate personnel to think more, stop rumors. Also the work place would feel more safe. We are floating in the air here and nobody knows what is going on or will happen.

By increasing it and addressing the real issues.

Management's communication should always include a motivational message to employees, because they always have a amount information about the company situation than employees have. The company management should consider internal marketing through internal communication. The company's employees are the ones who make the profit.

First of all, communication should be increased. It requires consistency, continuity and regularity. Regular communication about the company's situation and objectives.

Currently, the communication is non-existent. All is therefore based on rumors, which then creates distrust and misinformation. Management should begin an internal communications telling us where to go.

For instance quarterly reviews about ongoing issues and goals could be held. The reviews could be found in the intranet.

I often feel that I get a better total picture of the management thinking be reading the external communication (interviews, etc.) instead that the same issues would be clearly explained internally.

Regularity, a monthly letter from CEO's office etc.

Communication must absolutely be increased to stop rumours.

I think that the management should always inform the staff before giving a message to a third party. The company doesn't really inform the staff and this causes frustration and unnecessary speculation. Communicating to the staff and trusting the staff is one of the most important tasks of the management. This motivates staff.

Simply, management communication must be increased significantly from what is has been so far. Silence is a bad thing and a sign and it causes unnecessary speculations. Regular communication from the management indicates that the staff is an important part of the company.

Organizational transparency could be improved. Sharing information from top to bottom and vice versa.

As the overall goals and targets are somewhat unclear, it is sometimes difficult to put communication into context.

Transparency and reporting matters on time.

They should keep communication hours / information days regularly

Management has to clearly state the nature of the message (company confidential, confidential); when it becomes public; but also provide the common message to the outside world, i.e. partners and customers; and define the contact persons. This lacks rather often. Also when key persons are leaving there is communication which is too late and poorly communicated to customers (e.g. concerning the latest CEO change it is unknown to me how this has been communicated to customers).

Increase project transparency to the project groups, and making processes more effective, for example project management, and naming the responsible persons whose adequate access to information is ensured with processes.

Weekly updates or weekly bulletin.

Quarterly regular briefings.

Weekly meetings informing us where are we.

Key persons shall pool the information and forward to all people in the work group within regular meetings. This is particularly needed due to the separation of our different offices. Hence, the OFFICIAL circulation of information can and should be improved.

Quarterly reports on success of key performance indicators, production amounts and such important information. Sharpening goals to employees quarterly. In the same event, for instance ongoing development projects could be presented. kertoa esim. käynnissä olevista kehityshankkeista. Uploading a short report to intranet that employees can glance through and know where we are.

Upcoming issues and events could be communicated more.

Also negative issues should be communicated. Management underestimates the understanding of personnel as they do not communicate negative issues.

Reasons for big changes/needs should be brought up better, not just to announce that it has been decided and that's it. Understanding the backgrounds it would be easier to accept changes.

CEO's info once a month or quarterly in different locations. If CEO doesn't have time for the info, some other representative can substitute. As an alternative, CEO's e-mail summaries e.g. quarterly would improve the current state tremendously.

I don't always remember to read the news in the intranet. I therefore liked the weekly email summaries that were sent out on Fridays.

General openness. Defining the company ownership in detail. Communicating different important issues such as profit and loss account and balance sheet, budget, sales projects and sales strategies. Investment in communications also in other locations, not just in headquarters.

#### How could your supervisor improve communication in your team?

By discussing issues.

More time should be reserved for that.

Sometimes communication about team issues is really good but sometimes again really bad. Clearer communication about changes, goals and so forth.

By listening. My boss' way to communicate is that he speaks and the others listen and obey.

By showing up more often than once in two months.

All messages come personally. Collective announcements to all team members are really rare. Would be good if we had more of those as then we remembered that we are one team with same rules.

More open communication.

Same medication that I gave to the management team. First of all, communication should be increased. Ensimmäiseksi viestintää tulisi lisätä. It requires consistency, continuity and regularity. Regular communication about team's situation and objectives.

By initiating spontaneous communication. At the moment, if I don't ask I do not get any information.

Manager's interest to follow the team's operation.

Maybe the team meetings could be even more frequent, for example, a quick review once a week on Skype, etc.

More mutual status checks.

Regular team meetings (e.g. once a month) without a specific agenda.

Short info meeting once a month.

Everyone should have an equal possibility to express their thoughts about different issues in professional matters.

He could inform also in other forums than in internal weekly meetings that we don't always have due to lack of time.

By communicating the most important issues also in written. Now many things are communicated orally in team meetings and many issues are left upon the memory.

By increasing openness.

Openness. Telling issues on time.

He should tell info from management team meetings - that would be enough.

OK as it is.

Better response time.

By reserving/acquiring enough time for communication. When too much work, communication downwards tends to get forgotten.

Frequent meetings for information about "big" decisions on abstract level (concept level, machine configurations, main components...).

The most important cases should be discussed in info meetings via Skype. Email communication is not the best way because it is not easy to make comments in difficult things.

He could give information directly and based on truth. At the moment, correct information is received via non-official sources.

Top management / management team decisions should be communicated more openly.

Monthly team meeting should be organised to communicate past and upcoming things.

Avoimuutta huomattavasti lisää. Huomattavasti enemmän kertoa firman, talouden, osaston, myynnin, henkilöstöhallinnon, projektien yms. osalta.

More openness! More communication is needed about company's overall situation, finances, functions' situation, sales, HR and projects.

### How could you improve communication in your team?

If you don't know something you probably should ask.

Team-level communication is works ok. Communication between teams and management communication is not working.

In weekly meetings all open things should be raised up. And e-mails should be forwarded and not be left to your own inbox.

By participating in coffee breaks. It is a good way to give and receive information.

By giving information about important matters to all that need it.

Being more open, having more courage in my own opinions.

I could give feedback and development ideas on how communication could be improved. Personally, I could communicate more regularly and openly.

I could try to remember to communicate current things better to my team.

By bringing up my own issues and tasks more actively.

It is better if there is only one instance that takes care of communication.

I would like to communicate but I don't always know what is allowed to be communicated so I don't do it at all. I could try to understand better what information I should communicate to my team. Often things are so obvious that you don't actually understand to communicate it. By remembering to communicate to all interest groups that need the information. Regular meetings. More time to concentrate on reporting and communicating. Being more proactive. By receiving more information that I could share also to others. More follow-up to discussed issues. Communicating face to face instead of e-mail. Hard to get responses with e-mail only. If I had more time I could communicate important things better. To remember to share information about my own doings and tasks more faster. It is not necessary to always use e-mail when communicating. Often oral communication is a better way to deliver a message. E-mail works well as a reminder. We should have shared events where personnel could propose new ideas, ask about interesting and unclear things etc... Choose the alternatives that you think describe the team communication at the case company the best. Some other issue, what Information flow between different countries is not sufficient. How do you think the communication in teams and supervisor communication could be improved? Feel free to express your thoughts. Weekly meeting? Managers need education! Bi-monthly internal team discussion on a regular basis, for instance twice a month.

Weekly team-meeting where manager tells news and employees can tell news from the field.

The whole team could be located in the same office room so that we could meet and discuss more often and share ideas freely. From managers, we would like to have more "unsecured news" meaning information about possible new deals or other internal information.

More open activity.

More communication is needed.

Managers should initiate spontaneous communication.

Weekly team meetings.

Especially managers but also team members should remember their responsibility to communicate. Things should be communicated to the whole team.

Everyone should receive the same information. Do not assume that someone already knows something.

Communication should happen only via certain selected persons.

Communicating should be as clear as possible and not all should be in written form. In the end, oral communication works the best.

New thing should be communicated also in written form, now it is happening mostly in oral form.

The meaning of communication should be emphasized. Clear communication channels that everyone needing certain information could receive it.

Bigger problem is communication between teams I believe.

By working according the processes.

Establishment of groups of same interests intersecting purposefully offices of different locations for the sake of better flow of the information.

Resources should be increased in order to work more in a more organized way. At the moment, working is out of control due to the big amount of work.

Engineering overall: clear communication/info events should be organised in the beginning phase of the projects to have clear roles for everyone and all persons could bring their own ideas as a reminder to project manager.

By organizing common events to teams. Teams could also have trips to exhibitions and other events. That would support internal and external communication.

Choose the alternatives that you think describe interdepartmental communication at the case company the best.

Some other issue, what

Information is being concealed as much as possible.

### How could interdepartmental communication be improved? Feel free to express your thought related to interdepartmental communication.

It will partly be developed by itself when people in different teams learn to know each other and others responsibilities.

Tämä on mielestäni yksi tärkeimmistä parannuskohteista koko yrityksessä. Tällä hetkellä viesti osastojen välillä ei vaan kulje. En kuitenkaan osaa sanoa miten sen voisi parantaa...

In my opinion, this is one of the most important issues to be improved in the whole company. At the moment communication between different departments is just not working. Anyway, I don't have the answer how to improve this.

Employees should understand whole picture better. How own work affects others work and vice versa. Trend nowadays seems unfortunately be heading to a worse direction. Most of the people are working just on their own area and does not want to have wider look of things.

More meetings together.

Management-level-meetings should be organised including all department heads.

Sometimes it feels that different departments speak the same thing in different names and other departments' responsibilities and issues are not known well. Actually it is not know at all what other departments are doing. Sometimes it even feels that other departments are doing nothing.

By increasing openness and by contacting persons on time.

First of all we should have more communication. It needs more consistency, continuity and regularity. State and goals and communication related to interfaces of different functions are important.

The management should create a clear communication process. At the moment there is no such functioning process. All "communication" is heard in unofficial discussions and based on rumors.

There could be more interdepartmental meetings and people should understand their own responsibility to communicate different things.

I would believe that if we knew the goals of different functions in the company it created solid ground for successful communication. Many times news are communicated too late and needed persons are not consulted in the planning the communication. You just look at your own department and you can not tell people why something is done in the way it must be done.

We should have trainings about interdepartmental issues cooperation. For example ERP training should be offered to all whoneed it.

More communication about current issues. One should always think if other departments need certain information, should it be communicated in the intranet etc...

In my opinion, cross functional operation is lacking almost totally.

Department heads could inform department news more often for example via the intranet. Some departments show good example in this. Interdepartmental meetings are important in order to maintain connection between teams.

There has never been communication between departments. There is a little now, but still needs to be much more and better. Problem is (in my opinion) that there is no drive from managers/supervisors. Also there are very few decisions from Board, which means a lot of issues are undecided, and communication of undecided issues is difficult.

We must all work for the same goal, it is therefore important that all departments have a good understanding of the top goal as well as of the different goals (KSF) set by different departments. They shall hopefully not be contradicting.

Interdepartmental communication should be improved. For example regular meetings about certain topics.

Use of key persons and information sharing in projects.

By making processes more efficient and to by operating according to them.

Internal meetings with other departments discussing current issues.

We should have an internal feedback system delivering feedback from one department to another. If needed it could reach managers as well. Present processes have problems when it is about communication between departments. Responsibilities in interdepartmental communication are not divided clearly between departments. These issues would pop up

clearly through feedback system. Internal communication would be improved if job descriptions of all employees would be found in the intranet so you don't have to ask so many people what he/she is responsible for.

Every team works on its own and information is not forwarded to others if it is not demanded. It would be good idea to contact people that are involved or related to the same case. For example if we have some product component that is changing: information about change should be shared in whole chain: designing, sourcing, logistics, production, quality management etc. The simplest way sharing of information could happen by sharing information by creating email group and sending email to the whole group.

We should ass news and summaries to the intranet, for example "the following significant product changes are being started", "new partners have been selected", "following sales projects are ongoing", "guarantee time of following projects have been ended" or "new maintenance agreements have been done". The project management team reports about the progress of their projects; very good!

We need clear processes between departments that define responsibilities of different sectors. At the moment one department does not know what the other one is doing and many employees can be doing the same thing at the same time. Information flow between departments need also more clear processes. Events of different departments could be added to intranet pages or at least many hyperlinks and instructions how to retrieve information.

We should organise common events for example "a summer party" that has an official agenda in the beginning. Also common sport events and project info meetings should be arranged etc...

Choose the alternatives that you think describe internal communication organized by the internal communications function at the case company the best. Some other issue, what

The intranet is a good communication channel.

No communication to some external employees.

## What information do you miss from daily internal communications of the case company?

In my opinion, communication of general matters is working well.

E-mail summaries and the intranet have been positive changes. Organisational changes, sale forecasts and management communication are important.

Global activities. At the moment some global activities are not communicated here in Finland.

I miss the most important company news and ongoing projects and how we have succeeded in them.

Issues to be decided in the board meetings and management team meetings. At this moment no such information seems to come out.

Basic information what we have already in the intranet.

Business reviews, financial reviews and such.

Responsibilities, available communication channels and other information on how to affect the success of internal communication. In other words, tools to be able act as a brilliant internal communicator!

I did not know that the case company has this kind of a function. Because this is strange to me I will not answer the question. Information about internal communication function has not reached me.

At the moment communication is done through only through the intranet and it is not sufficient and interesting enough channel in my opinion.

Internal communication is not necessarily needed every day but regularity and valuable content is important.

I'll give practical example. Close-down of one of our factories was informed internally but how about now when some little action there has been started again?

#### Nothing

Topical information in the intranet about the company structure, ownership, sales deals etc...

Future forecasts of this company. Product changes and upcoming changes.

More information about the company in every sector.

How do you think that the internal communications organized by the internal communications function could be developed? Feel free to express your thoughts related to the internal communications executed and developed by the internal communications function.

Communication is clearly being developed as new things are piloted.

Communication people could teach and tell managers and teams about the importance and means of communication.

There could be a video played in the intranet and the coffee venues to inform the most important news and other current issues.

Indian news should also be communicated.

News in the intranet is a good thing. And it is also good that the most important news are still sent by email.

Communication executed by the communication function / HR is the best part of information sharing. Communication of the management group's, teams and between teams should be supported better to reach sufficient level of communication.

It feels that many think internal communication function needs to take care of the whole internal communication (for example one person writes news to the intranet on behalf of different functions and their content creators). The message receiver also has responsibility of internal communication, meaning that one cannot assume to always be personally informed. Intranet must be followed actively.

Where have the weekly messages disappeared that were started in the beginning of the year?

Info letter in electric form could work fine.

Intranet is important. Its look and feel could be improved, now it looks a bit too grey. Sometimes the most important news in the intranet are not noticed so the main topic could be sent also by email.

To create more clear channels and instructions related to how to present new things, e.g. ongoing projects.

Financial situation of the company is not informed precisely. Some goals may have been decided this year; it would be nice to know about these.

Maybe internal communications has to guide better the person or department whose message it is publishing. It can not contribute to the content probably, however it can check if certain items are covered in the message e.g. does the message contain if it is company confidential and for how long, when does the company make press release etc. Just go through short checklist of main items, so that the message is complete.

Amount of communication should be increased so that there would not be so many different parties that are only interested of their own business. If communication would be increased in different functions, it would be easier to understand how things are proceeding in the company and what the priorities are. Everyone would get a unified understanding on

where we are taking this "ship" and what is required from each one of us in order for us to make that happen.

Weekly e-mail about the news posted to the intranet.

Remarkably more openness and communication without asking for it is needed. Also sensitive information should be communicated to the personnel confidentially. In addition, also more negative news such as financial situation and lost deals should be informed. We will face those anyway in our daily work so it would be easier to prepare something like that. Also this kind of info would give us better tools to our daily work.

#### What internal communications channel or way do you miss in your work?

There are no team meetings.

If there are clients visiting our company premises it should be communicated for example in the lobby area or in the intranet. Visitors are often going around in our offices and that could easily lead to a leak of confidential information to client.

MSN Messenger

Manager's feedback.

More regular info events held by the management.

In my opinion we have versatile communication channels in use and I am not in need of any specific channel.

Team meetings and inter-departmental meetings, what are they? I apparently have not received invitation to any of them because I have not participated single one.

In the list above we see enough channels there is no need to add them. It should be clarified how to use different channel and some should be better instructed (Skype etc).

All communication channels are very useful but not all of those are occurring. At least not very often. To give an example: management's feedback to the team is missing. If all of those are regularly used company's internal communication would work very well.

Information from manager.

There are enough communication ways and channels.

Intranet, Office Communicator and e-mail are the most important.

Personal feedback, team related feedback would be useful if there were any.

better intranet = intranet

nothing

Information screen where the most important news are presented would be great.

I have never experienced a team meeting or a meeting between different teams. Sales project information is needed as well as similar from the projects, management and owners of the company. Personnel days. Induction also to older employees. Training events. Exhibitions.

# Feel free to express your thoughts related to internal communication channels and their functionality at the case company.

Great job! We need you here! ☺

Not everyone is interested in following our intranet's information and too much email sending is not good either.

Lately CEO's info meetings have covered a lot of things. It would be good to have those meetings more often and regularly. The internal newsletter is also a good internal communication channel.

Discussion events with management would be needed more often (including workshops in smaller groups). Special focus should be in how to get communication working from bottom to up. In other words how to give feedback to our management. How are customer feedback, change requests for product development, communication on dangerous situations and so on linked to internal communication? Should those be seen also as a channel of internal communication? It would be lovely to have some kind of "What's up" page to The intranet that gives you the information what tool / to whom / by what communication channel you could/is good/must use in different communication needs.

We would need fixed processes to get information moving. For example, information events by the CEO have in my opinion improved management communication. Also other channels should be developed further.

In my opinion intranet cannot be the only tool for internal communication. Management should be more available and closer to employees.

Communicator and Skype are great everyday messaging tools between different offices and especially in communication towards India. In video conference meetings participants should be instructed to look at the camera for a while instead of just looking at the participants in the same meeting room. Participant asking for a turn to speak could raise hand or otherwise indicate will to speak. This is the way to prevent that people are speaking

at the same to and nobody can hear anything. It is also disturbing when you are in the meeting working at the same time with your laptop and not listening actively. It could be asked if this person really needs to be in that meeting.

Interdepartmental meetings rarely happen. Videoconferences are better than nothing. Management feedback to team/department doesn't happen. Free conversations in different situations - a lot still in Finnish so non-Finnish speaking employees miss A LOT.

More information is needed about what is happening in the company. Often people are doing parallel things.

Updates are not given very often. Forcing is the best way to motivate. Managers from different departments could regularly report recent events from their department to the intranet.

For very important information one cannot rely on persons checking the intranet; then e-mail must be sent as well.

Introducing of Intra was an improvement because before that we only had the public Internet pages in use. Although intranet is not sufficient, it is faceless and one-way directed. Information level of the contents should be increased.



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