

Lecture 2: Communication in Organizations.

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1. **Concept & Types of Organizations with Reference to the Behavioral Theory**

People function in society as individuals and in organized groups, such as family, clan, school, community, professional associations, trade unions, etc.

Organization, according to one of the meanings given in the Oxford Dictionary, is *an organized body of people; an organized system*.

Just like an **organism** (a living being, an individual animal or plant), it is an individual entity functioning as a unit. Examples: Telikom, Microsoft, Netscape, The National, Pepsi, Coca-Cola, the Government, the military, the air force, the navy, etc.

Just like an **organ** (a distinct part of an animal or plant body, adapted for a particular function, i.e., *digestive organs*) in the larger body of human society, every organization carries out a specific function – be it educational, business, government or religious. To make our analogy more vivid, individuals are like single cells in the body of human society, whereas organizations are like organs with their specific functions.

The Behavioral Theory identifies **four levels of communication** in the human society, or four main types of communication networks:

- *Intrapersonal*
- *Interpersonal*
- *Group interaction* and
- *Cultural*.

Communication in organizations may occur on all four levels.

2. **Communication in Business Organizations**

Business organizations are established to achieve a specific purpose, such as the production of some goods or services. Effective communication is vital for the coordinated functioning of any organization.

There are the two main contexts in which organizational communication may be viewed: **internal** and **external** communication.

Internal communication involves all communication networks within the organization, i.e. between the various levels of the hierarchy, departments, branches, or individuals.

The main internal communication channels include:

- *Written* – memos, reports, forms, notice boards, house magazines, manuals
- *Oral* – interviews, consultations, formal and informal meetings, grapevine.
- *Telecommunications* – telephones, intercoms, private lines, fax, computers, email, etc.

External organizational communication entails all communication by the organization with the general public, or other public or business organizations. External communication purposes vary from public relations and image-building to governmental, educational, environmental, etc.

The channels of external communication include the mass media, advertising, letters, company reports, open days, local/community participation, sponsorship, trade fairs and exhibitions, conferences, etc.

Internal communication in all organizations has **formal** and **informal** channels of communication.

Levels of Business Communication: There are four levels of communication in organizations:

1. *intrapersonal* (communication with yourself)
2. *interpersonal* (communication to a superior or subordinate)
3. *one to many* (making a speech)
4. *many to one* (a committee making a presentation to company president, etc.)

3. Functions of Communication in a Business Organization

The major functions of communication in a business organization include communication for

- **Information** - passing information between people working in the same organization and between the organization and others
- **Control** - communication (written, oral, or even nonverbal) is also used as part of management control for the planning of operations, evaluating performance, directing and motivating staff.
- **Motivation** - The difficulty is for the managers to find a balance between control and motivation and efficiency. Too much control may reduce initiative and actually lead to a lower productivity with less response to what the customer wants and more emphasis on what the workers think the management wants

4. Increased Volume and Complexity of Communication in Organizations

We know how complex the process of communication is between two parties (See Lecture 1). The complexity of internal communication systems and information flow increases with the growth of the administrative and clerical functions and the size of organizations. In a small organization with perhaps only 6 or 7 staff, all in one room, communication is simple and straightforward, with people talking face to face to one another. There is no need to send innumerable memos* or use the telephone.

*However, there will still be a need for some internal written communication (information which will be used more than once must be kept in written form, such as reports, financial information, order and purchase records, stock control forms, etc.).

As soon as the organization expands, so does the communication system. More written communication is needed, more *specialized* information is needed, even the same information will need to be communicated in different ways to different groups.

Advances in *telecommunications technology* have significantly expanded our options for communicating, but they have not solved the communication problem at work. It has always been difficult to get the right information to the right people at the right time – and it still is. In fact, one can make a persuasive case that the rate of change and the rapid growth of information are making this age-old challenge more difficult than ever. In view of the large volume and increased complexity of communication within organizations, the need arises to effectively select, control, and direct the flow of vital information.

This is achieved with the help of formal organizational structure.

5. Organizational Structure & Lines of Communication

Business organizations consist of people who work together to achieve common goals (at least in theory! :). Organizations are the system by which individuals cooperate, so that there can be specialization of functions and skills for greater efficiency. This specialization of functions forms the basis of organizational structure. All organizations, as we know, have formal and informal structure.

The formal structure is deliberately developed to regulate and direct the flow of information and to control other aspects of organizational hierarchy and set-up. In order to select, restrict, direct, and control the flow of communication within the formal organization structure, the traditional organizations employ the *sequential model of communication* that emphasizes *up and down hierarchal communication*. Most frequently we designate communication to superiors as **upward/vertical** communication, messages to subordinates as **downward/vertical** communication, and communication to those on our level as **lateral/horizontal** communication. **Diagonal** communication occurs when there is communication between lower and higher levels of hierarchy, but both in different lines of authority (for example, between senior members of academic staff and junior Bursary officers, etc.). Most traditional organizations also have a policy of communication (protocol) dictating the etiquette (formal standards/rules of correct and polite behavior within the organization) designed to ensure effective communication within the organization.

Informal structures/networks, based on personal relationships, will not appear on any organization chart, but can have as much or more impact on the functioning of the organization as the formal communication system.

For example, here are some of the **positive aspects of the informal network**:

- It may speed up the communication process: when an employee in one department needs help to complete a task or solve a problem, members of the informal network in other sections can use their authority or power to assist. This avoids the delay of ‘going through the right channels.’
- It may create a conducive working atmosphere, again leading to higher productivity: If the needs and goals of formal management coincide with those of the informal organization, in other words,

- if staff are well motivated, then the atmosphere of trust between the management and employees will lead to higher productivity.
- **It helps to diffuse tensions:** Job satisfaction is also related to social environment. The informal network allows employees to 'let off steam' with other colleagues, thus diffusing potentially destructive conflicts.
 - **It provides feedback to the management:** If management are sensitive to the 'grapevine,' they can obtain information on how employees feel about the organization, the management, and the work.

Some of the possible **negative effects of the informal organization:**

- **It may cause conflict within the formal structure:** when the goals of the informal organization differ from those of the formal structure, conflict occurs. If the formal channels of communication are ineffective, rumor and gossip ('grapevine') spread like wild fire and may disrupt the work process. Individual perceptions distort information. Rumor is the unsupported or untrue part of the informal communication and is therefore of great disadvantage to the organization.
- **The informal organization will tend to resist change:** organizational restructuring (downsizing, etc.) that are perceived to threaten the existing structure, will be opposed effectively by a well-formed informal organization.

Every organization has a constantly changing informal communication network that involves the link between individuals and groups *outside the formal lines of authority and communication*. To deal with it effectively, management should recognize its existence and try to influence its direction. It will do so by being aware of the rumors, replacing rumors with fact, and creating conditions that support the goals of both groups.

Classification of Organizational Structures: Despite the wide diversity of organizational structures, we can classify them according to the following criteria:

- The extent of complexity
- The level of formalization
- The degree of centralization.

The greater the number of individual job functions/titles in an organization, the more complex the structure. The more sections, departments, or divisions in the organization, the more complex a company becomes because there are more levels between the least powerful and senior management.

Complexity: Organizational structures may be *tall* or *flat*, depending on the number of levels of management.

Tall structures are typical of large public sector corporations; they are also still found in some large companies. Tall structures are put in place when the management wants to centralize all decision-making and retain control over the whole of the organization.

Flat structures exist in those organizations which have very few levels of management, so that there may be only one or two levels in the hierarchy.

The number of levels, that is, whether the organization is tall or flat, directly affects communication within an organization. The effectiveness of communication will depend on how well managed the organization is, and on the extent of horizontal links.

Formalization: The more an organization determines the job specifications of its employees, the more formalized it is. Low formalization in a job means that the employee

has a high degree of independence and discretion in the job. In other words, it means a high degree of control over work. Conversely, high formalization means little control or independence, therefore little power.

Centralization: The communication effectiveness of an organization will also depend on the extent of the centralization of decision-making in the company. Organizations with tall structures tend to be highly centralized: all major decisions there require the approval of top management. This means that middle management is unable to make important decisions and must therefore use memos, short reports, and submissions to request a decision.

Thus, there is an undeniable link between the organizational and communication structure of any concern. This is not the place for a detailed analysis of the link between an organization's structure and its overall efficiency; however, structure does have a major effect on the communication that takes place. Traditional organizations, operating in a more or less stable environment, tend to be more structured and make greater use of organizational charts, protocol, policies, and job descriptions. Modern organizations, operating in a very dynamic environment, may have no organizational charts, job descriptions, or standing plans; they are highly flexible. The structured organization is called *mechanistic*, and the flexible structure, *organic*.

Mechanistic structures:

- are static, rigid, vertically oriented, pyramid shaped
- use rules, policies, procedures
- decision-making is limited to top management
- authority is based on position
- have elaborate control system and
- rigid communication channels.

Mechanistic structures are best used when

- goals are well known and long lasting
- there is a stable, reasonably simple environment
- technology is simple and well understood
- work force appreciates routine, structure, and low levels of ambiguity.

Organic structures:

- are fluid, dynamic, ever changing
- horizontally oriented
- flat
- decision-making takes place at all levels
- changing authority patterns
- authority based on expertise
- collaboration
- informal routes of communication based on current needs.

They are best used when

- tasks are uncertain
- environment is complex and ever changing
- technology is complex and constantly changing
- workforce is creative and innovative.

7. Communication in a “Network” Organization: Facing New Realities. Leadership (management) has generally been considered the province of the CEO (Central Executive Officers), or at best, a few people at the top of the organizational hierarchy. “Command and control” leadership/management carried many organizations to very high levels of financial performance during periods when competition was not so great and things did not change very fast - but its time has passed. It is becoming clear that no small group at the top can provide the leadership needed for an entire organization of any size in the information age. The demands on the total organization are too great for a few people at the top to call all the shots.

Today, better-informed customers, rapid change, and fierce competition from global competitors demand empowered employees exercising leadership at every level of the organization. This is not possible without a radical restructuring of the traditional sequential model of organizational communication. As mentioned earlier, there have been three pervasive patterns that will no longer work in knowledge-based organizations:

1. the primary flow of information was vertical – within departmental walls that were often impermeable,
2. information was hoarded and used as a source of power over others, and
3. people at the top often withheld crucial strategic information from those lower in the organization in the belief they couldn’t handle it.

The restrictive and regulatory function of the traditional sequential model of communication is no longer effective in ensuring the timely delivery of the right kind of information to the right people at all levels of the modern organization. Because vertical communication is bound by hierarchy and function, communication is constrained, lacking integration across function. The sequential model restricts innovation and prevents organizations from making effective use of information resources. A new, concurrent communication model is evolving – it is goal oriented and emphasizes an interactive process that supports simultaneous and spontaneous communication. Since communication is a critical element in organizational design, a new type of ‘network’ organization is evolving, with formal and informal interactive communication structures at all units and levels. As the environment becomes more dynamic, the general trend is for organizations to move from the mechanistic structure to organic structure in order to remain competitive.

7. Channels of Communication and Networking. Types of Networks. When we communicate with those above us, below us, or around us, we are establishing communication *networks*. These may be *formal* channels or *informal* channels.

Within the organization, there are usually four types of networks:

- **Wheel:** a wheel network exists when there is a supervisor with a number of subordinates reporting directly without consultation or links with each other.

- **Chain:** in a chain communication network information is passed sequentially to the next employee above or below in the line of authority.
- **Circle:** the circle is a three level hierarchy with the lowest level of employees communicating with each other and directly with the person on the next level. That level then reports directly to the higher level. Communication also occurs downwards between the levels.
- **Star**, or the **all channel network**, is more an ideal than a reality: every member of the organization is able to communicate directly as an equal with every other member. Some committees are examples of all channel (star) networks.

The most structured is the wheel; the least structured is the star, where opportunities for feedback are greatest and morale is usually the highest.

8. Communication Media in Business Communication

Both formal and informal channels of communication may employ four major media of communication:

- face-to-face communication (formal meetings, interviews, informal contact, the grapevine),
- oral communication (the telephone, the intercom or public address system),
- written communication (letters, memos, reports, forms, notice boards, bulletins, newsletters, organizational manuals, etc.),
- visual communication (charts, films, slides, photos, etc.).

9. Principles of Business Communication

There are eleven principles of business communication:

1. **Conciseness.** Most business people are very busy (time is money!). The wordy letter is usually put aside, for its very wordiness makes comprehension difficult.
2. **Completeness.** Your communication must contain all necessary information. Having to request information that should have been included will probably antagonize the recipient of the communication.
3. **Courtesy.**
4. **Correctness.** Everyone has a tendency to focus on errors. To many people, errors in spelling, price quotations, sentence structure, and the like are a reflection of organizational inefficiency.
5. **Clarity.** All ambiguity should be avoided.
6. **Logical Organization.** It is one of the keys to all effective communication.
7. **Attractiveness.** All business communication should 'look good'. Appearance is also important in face-to-face communication.
8. **Natural tone.** The tone of business communication should be friendly, natural, and sincere. Hackneyed, archaic, and obsolete words, phrases and expressions should be avoided.

9. **Tact.** Controversial expressions that might antagonize or embarrass the 'receiver' should be avoided. At times it is necessary to convey unpleasant ideas, but the choice of words used to accomplish that objective should permit the 'receiver' to save face and accept the idea.
10. **Positive tone.** A positive tone almost invariably evokes a positive reaction. In almost every situation, it is more desirable to make a positive statement. On rare occasions you may wish to convey a negative idea or problem. However, you should almost always follow immediately with an offer of a positive solution.
11. **'Receiver' orientation.** An effective communicator must be sensitive to the reactions and anticipated responses of the 'receiver(s)'.

We shall take a closer look at these principles in the next few lectures on the use of the language in business communication.

Assignments

1. Examine a company of your choice and answer the following:
 - a. Is this a tall structure or flat structure organization?
 - b. Briefly describe the extent of complexity in this organization
 - c. Describe two horizontal communication channels in this organization.
2. Construct a diagram of one of the four communication networks discussed. Name the organization that you think uses this structure. Highlight in the diagram the leader in the network. Which of the four types of communication networks would you prefer to use as a leader? Why?
3. Examine the company or public sector organization you work in or one you can get information about and describe its formal structure, with the aid of an organizational chart, if possible.
Give examples of vertical, lateral, and diagonal communication used in this organization/business.
Outline the major communication problems that can arise because of this organization's structure.
4. What is the difference between a tall and a flat organization?
5. Why is it important for an organization to match goals and expectations with its employees' goals and needs?
6. Identify 3 examples of formal communication channels and three informal channels