

Organizational Communication

Organizational communication is the exchange of information, ideas, and views within and outside the organization. Organizational communication indicates communication not only in business but also in hospitals, churches, government agencies, military organization, and academic institutions. Every organization whether business or non-business has some specific goals and stakeholders. Attainment of those goals depends on successful communication with the respective stakeholder groups.

Therefore, communication is considered as the part of any organization. Some prominent definitions of organizational communication are quoted below:

According to Goldhaber: “organizational communication is defined as the flow of messages within a network of interdependent relationships.”

William Scott defined: “organizational communication is a process which involves the transmission and accurate replication of ideas ensured by feedback for the purpose of eliciting actions which will accomplish organizational goals.”

At last, we can conclude that organizational communication is the exchange of information with the internal and external stakeholders of an organization. It is not only concerned with the effectiveness of the individual communication, but with the role of communication in contributing to the effective functioning of the organization. Organizational communication entices communication in all types of organizations.

Forms of Organizational Communication

From a broader perspective, organizational communication takes three different forms such as:

1. Internal operational communication
2. External operational communication and
3. Personal communication

These three forms of organizational communication are highlighted below:

Internal operational communication

Communication that occurs for carrying out operations of the organization is known as internal operational communication. Internal members of the organization such as workers, managers, board of directors, member of trade unions, etc. are the participants of internal communication. This type of organizational communication takes the form of oral and written. Oral communication occurs through face to face conversation, telephone; meeting etc. Written communication is done through orders, instructions, reports, memos, letters, etc. In modern time, many organizations provide intranet facility for internal electronic communication.

External Operational Communication

Communication with external parties or groups is known as external operational communication. External parties include customers, suppliers, government agencies, regulatory authority, local community, special interest group, and the general public.

Personal Communication

Communication that occurs for exchanging personal information, ideas and feelings rather than business-related information is termed as personal communication. Not all communication that occurs in business is personal.

Why is Organizational Communication Important?

Organizational communication is important because it significantly impacts three very important areas of an organization:

1. Employee engagement
2. Customer satisfaction
3. Public perceptions

All three areas are critical to organizational success. Disengaged employees are an organizational burden, dissatisfied customers an organization's downfall, and poor public perception is the final nail in the coffin. If you overlook the importance of organizational communication, you're really overlooking your organization's ability to succeed.

Let's explore how communication has a significant impact, and how to best bring the sense of being valued to each.

Employee Engagement

Simply defined, employee engagement is how willingly and enthusiastically an organization's employees focus exclusively on the task at hand. Going beyond devotion and dedication, which can be tied to obligation, engagement is directly tied to how valued your employees feel.

The surest way to help employees feel valued is to explore how you communicate with them. What are the words you use, your tone of your voice, and the timing of your email replies? Do you take the context into consideration and, perhaps most importantly, are you able to empathize with them as you communicate?

By exercising communication practices that help employees feel valued, you're able to get more out of each employee, lessen the likelihood of turnover, and positively drive your organization's bottom line.

Customer Satisfaction

Customer satisfaction is how satisfied a person is with an organization, be it their service, their product, and/or their interactions with the organization.

As we all know, customer satisfaction is critical to organizational survival and success. You can have the greatest product or service out there, but if a customer feels they are not valued by your organization, the chances they'll turn away from increase dramatically. Once again, it comes right back to how well your organization communicates. That will determine their sense of value.

Customers are satisfied when they feel they are listened to, empathized with, and that their experience matters. **Customers are satisfied when their organizational interactions leave**

them feeling valued, which as research has demonstrated, can override any poor customer service or product experiences they have.

Service and product mistakes will inevitably happen, but how your organization deals with the mistake will ultimately determine customer satisfaction.

Organizational Perception

Even though there are countless organizations you've never done business with, chances are you still have an opinion about them, for better or worse. What's so fascinating about how we develop these perceptions is it's NOT based on any direct experience. It's often based on the stories we've heard, the articles we've read, the advertisements we've seen, or the social media sites we've visited.

How to Improve Organizational Communication

At the end of the day, we create value in the exchanges between people. Simple yet powerful adjustments to current organizational communication practices can make a huge difference.

One of the most effective ways to improve organizational communication is to be certain that all employees, from the executive team down, have properly developed interpersonal communication skills.

The first step is to have everyone do a simple personal communication assessment to determine where each person's communication strengths, challenges, and weakness. No matter the relative strengths and challenges, an assessment allows each person to know where their personal starting point towards improvement is, as it will not be the same for everyone.

Get Started

Once each person knows where to start, you can begin developing communication skills. It is essential that people don't overwhelm themselves with change. Pick one or two skills to work on, and then select 3 specific times each day to practice these skills.

Know that it takes time and that mistakes will be made. For example, you cannot expect to suddenly become an effective listener overnight. It requires thoughtful attention to how you listen and how other people respond to these attempts.

As with any behavior change, there may be some discomfort. Embrace this discomfort, transform it, and savor the reward. In due time and with consistent practice, these skills will take root, develop, and grow so you create even more value.

Types of Organizational Communication

To understand the far-reaching impact organizational communication has on companies, it is important to understand the various types that take place within companies:

1. Informal and Formal Communication

Another word for these two are official and grapevine communications respectively.

Formal communications are pre-defined channels that employees or leaders can use to reach out to others. Informal communications do not rely on already established channels; as a result, contacts can spread to any number of channels.

2. Vertical and Horizontal Communication

The defining characteristic of these communications is hierarchal.

Vertical communication happens between superiors and subordinates while horizontal communication between individuals on the same employee level. Vertical discussions are further split into upward and downward depending on where the dialogue is coming from.

Both groups of communications address more specific interactions between employees, managers, and upper management. Even a basic understanding of these is critical for anyone looking to increase the communication flow in the organization.

Maslow's Hierarchy of Needs

Maslow's hierarchy of needs is a motivational theory in psychology comprising a five-tier model of human needs, often depicted as hierarchical levels within a pyramid.

Needs lower down in the hierarchy must be satisfied before individuals can attend to needs higher up. From the bottom of the hierarchy upwards, the needs are: physiological, safety, love and belonging, esteem, and self-actualization.

Our most basic need is for physical survival, and this will be the first thing that motivates our behavior. Once that level is fulfilled the next level up is what motivates us, and so on.

1. **Physiological needs** - these are biological requirements for human survival, e.g. air, food, drink, shelter, clothing, warmth, sex, sleep.

If these needs are not satisfied the human body cannot function optimally. Maslow considered physiological needs the most important as all the other needs become secondary until these needs are met.

2. **Safety needs** - Once an individual's physiological needs are satisfied, the needs for security and safety become salient. People want to experience order, predictability and control in their lives. These needs can be fulfilled by the family and society (e.g. police, schools, business and medical care).

For example, emotional security, financial security (e.g. employment, social welfare), law and order, freedom from fear, social stability, property, health and wellbeing (e.g. safety against accidents and injury).

3. **Love and belongingness needs** - after physiological and safety needs have been fulfilled, the third level of human needs is social and involves feelings of belongingness. The need for interpersonal relationships motivates behavior

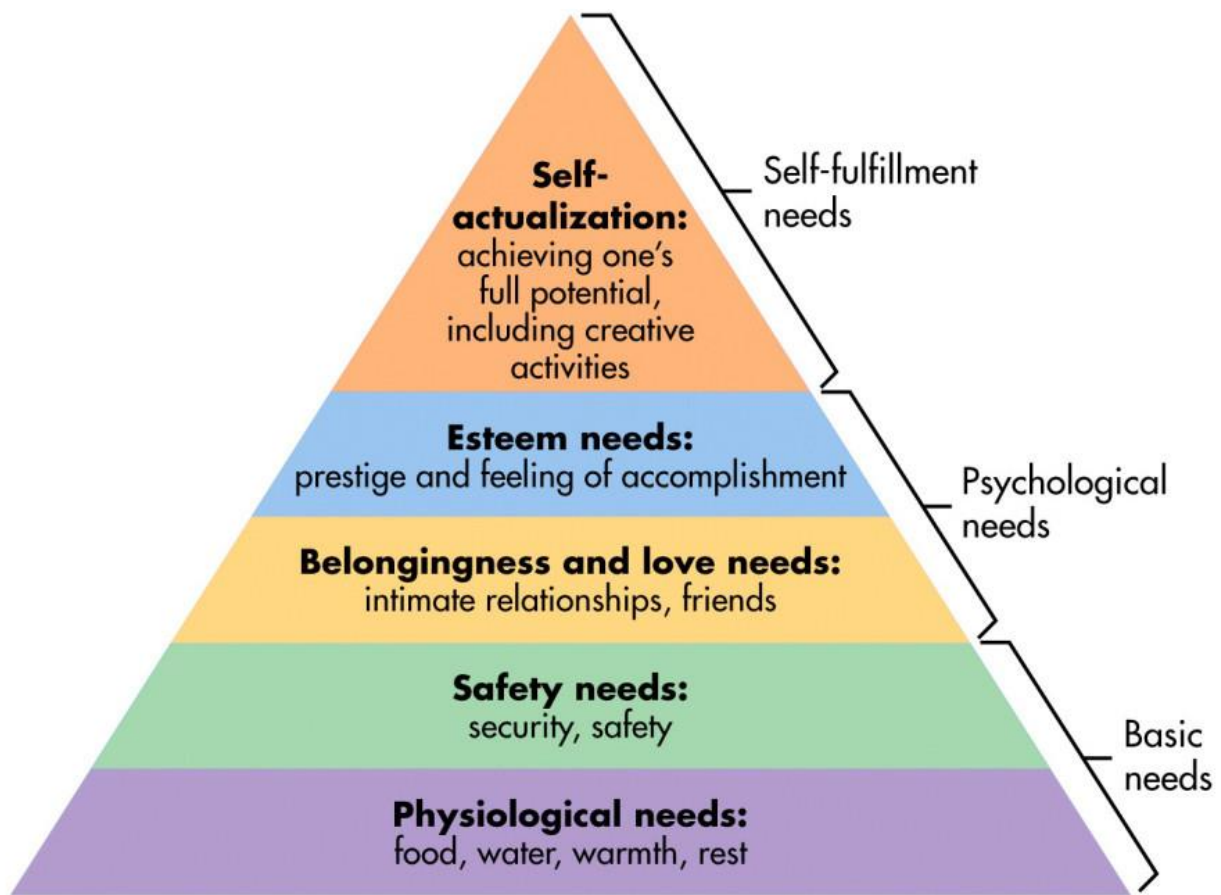
Examples include friendship, intimacy, trust, and acceptance, receiving and giving affection and love. Affiliating, being part of a group (family, friends, work).

4. **Esteem needs** are the fourth level in Maslow's hierarchy - which Maslow classified into two categories: (i) esteem for oneself (dignity, achievement, mastery, independence) and (ii) the desire for reputation or respect from others (e.g., status, prestige).

Maslow indicated that the need for respect or reputation is most important for children and adolescents and precedes real self-esteem or dignity.

5. **Self-actualization needs** refer to the realization of a person's potential, self-fulfillment, seeking personal growth and peak experiences. Maslow (1943) describes this level as the desire to accomplish everything that one can, to become the most that one can be.

Individuals may perceive or focus on this need very specifically. For example, one individual may have a strong desire to become an ideal parent. In another, the desire may be expressed economically, academically or athletically. For others, it may be expressed creatively, in paintings, pictures, or inventions.



Theory X and Theory Y

In the 1960s, social psychologist Douglas McGregor developed two contrasting theories that explained how managers' beliefs about what motivates their people can affect their management style. He labelled these Theory X and Theory Y. These theories continue to be important even today.

Theory X and Theory Y were first explained by McGregor in his book, "**The Human Side of Enterprise**," and they refer to two styles of management – authoritarian (Theory X) and participative (Theory Y).

If you believe that your team members dislike their work and have little motivation, then, according to McGregor, you'll likely use an authoritarian style of management. This approach is very "hands-on" and usually involves micromanaging people's work to ensure that it gets done properly. McGregor called this Theory X.

On the other hand, if you believe that your people take pride in their work and see it as a **challenge**, then you'll more likely adopt a participative management style. Managers who use this approach trust their people to take ownership of their work and do it effectively by themselves. McGregor called this Theory Y.

The approach that you take will have a significant impact on your ability to motivate your team members. So, it's important to understand how your perceptions of what motivates them can shape your management style.

4 Types of Direction in Formal Communication

The basic purpose of designing such communication is to connect various sub-systems of organisation and coordinating their functioning for achieving organisational goals. Such communication is official and part of formal organisation which operates through formal relationship of superior and subordinate.

1. Downward communication:

Communication in the first place, flows downwards. That is why, traditionally this direction has been highlighted or emphasised. It is based on the assumption that the people working at higher levels have the authority to communicate to the people working at lower levels. This direction of communication strengthens the authoritarian structure of the organisation. This is also called Down Stream Communication.

2. Upward communication:

The function of upward communication is to send information, suggestions, complaints and grievances of the lower level workers to the managers above. It is, therefore, more participative in nature. It was not encouraged in the past, but modern managers encourage upward

communication. This is a direct result of increasing democratisation. This is also called Up Stream Communication.

3. Lateral or horizontal communication:

This type of communication can be seen taking place between persons operating at the same level or working under the same executive. Functional managers operating at the same level, in different departments, through their communication, present a good example of lateral communication. The main use of this dimension of communication is to maintain coordination and review activities assigned to various subordinates.

Occasions for lateral communication arise during committee meetings or conferences in which all members of the group, mostly peers or equals, interact. The best example of lateral communication can be seen in the interaction between production and marketing departments.

4. Diagonal or crosswise communication:

Diagonal or crosswise communication takes place when people working at the same level interact with those working at a higher or lower-level of organisational hierarchy and across the boundaries of their reporting relationships.

Meaning of Informal Communication:

‘Informal Communication’ is the communication among the people of an organisation not on the basis of formal relationship in the organisational structure but on the basis of informal relations and understanding.

It is referred to as the ‘grapevine’ which indicates informal means of circulating information or gossip. It is direct, spontaneous and flexible. It is personal, unofficial, and mostly verbal.

Thus any rumor, whatever might be the source, was presumed to be originated from the unarranged telegraph lines or grapevine. Later, in course of time, grapevine communication has become synonymous with informal communication.

Examples of Informal or Grapevine Communication:

1. The manager calls an employee to his chamber and talks with him for sometimes relating to official work. Rumor is spread that the employee will be promoted to higher position ignoring the promotion of other employees.

The informal communication is a part and parcel of the organisational process. Proper analysis and suitable clarification of informal communication will be helpful in making its use towards organisational efficiency.

Purpose of Informal or Grapevine Communication:

The purpose of informal communication includes sharing of information, establishing personal contacts, making friendship, influencing and motivating others, resolving conflicts, supplementing official channels, getting relaxation.

Channels Used in Informal or Grapevine Communication:

Informal Communication is conveyed through verbal and gestural means in all directions with the help of the following media:

- i. Personal conversation and gossip;
- ii. Unofficial discussion;
- iii. Spontaneous advice and suggestion;
- iv. Facial expression;
- v. Body movement;
- vi. Silence, etc.

Types of Grapevine Communication:

Since grapevine works through informal channels, it does not follow any scheduled path or operate by specific rules. Like a grapevine it spreads fast in any direction.

Specialists in the field have classified grapevine communication into four types:

1. Single Strand Chain.
2. Gossip Chain,
3. Probability Chain,
4. Cluster Chain.

Characteristics of Informal Communication:

The informal communication has the following characteristics:

- i. It is based on informal relationship;
- ii. It grows spontaneously;
- iii. It takes the form of gossip;
- iv. It is conveyed through conversation, facial expression, body movement, silence, etc.;
- v. It does not follow any structured route or channel;
- vi. Small groups are formed with like-minded people in such communication:
- vii. It is direct and fast;
- viii. It is flexible and dynamic in nature.

Advantages of Informal or Grapevine Communication

The advantages of informal communication are pointed out below:

- i. Informal communication, being unofficial and personal, promotes a social relationship among the participants;
- ii. Flow of information is fast and is suitable for emergencies;
- iii. New ideas, suggestions, opinions may come out through such communication as people can express their feelings without fear;

iv. It can create an atmosphere congenial for work as the relationship between the managers and the employees improves;

v. The managers can collect information regarding reaction of the workers, attitude of the employees of other departments, intention of peer officers through such communication. It is not possible in the case of formal communication. Thus, informal communication supplements the formal communication to fulfill the objective of the organisation;

vi. Sharing of information in a free atmosphere makes the picture clear, bringing out the hidden dimension of the management, if any. It puts an end to misunderstanding and suspicion;

vii. It is an outlet of expression of complaints, dis-likings, grievances, etc.

Disadvantages/Limitations of Informal or Grapevine Communication:

Informal Communication has the following disadvantages or limitations:

i. Inaccurate, incomplete and half true information's are spread through informal communication as everybody interprets it in his/her own way;

ii. In most cases it is emotional and full of sentiments which can change its meaning;

iii. No one can be held responsible as it is not possible to find out the supplier of wrong information in the case on an enquiry;

iv. It is not reliable. The managers cannot depend upon such information as it does not follow any norm and is too loose a system. No decision can be taken depending upon such communication;

v. It spreads rumors and endangers consolidation and unity of the organisation;

vi. It creates conflicts between groups by spreading rumors against them and reducing their mental strength.

Importance of communication for Managers

Effective Communication is significant for managers in the organizations so as to perform the basic functions of management, i.e., Planning, Organizing, Leading and Controlling.

Communication helps managers to perform their jobs and responsibilities. Communication serves as a foundation for planning. All the essential information must be communicated to the managers who in-turn must communicate the plans so as to implement them. Organizing also requires effective communication with others about their job task. Similarly leaders as managers must communicate effectively with their subordinates so as to achieve the team goals. Controlling is not possible without written and oral communication.

Managers devote a great part of their time in communication. They generally devote approximately 6 hours per day in communicating. They spend great time on face to face or telephonic communication with their superiors, subordinates, colleagues, customers or suppliers. Managers also use Written Communication in form of letters, reports or memos wherever oral communication is not feasible.

Thus, we can say that “**effective communication is a building block of successful organizations**”. In other words, communication acts as organizational blood.

The importance of communication in an organization can be summarized as follows:

1. Communication **promotes motivation** by informing and clarifying the employees about the task to be done, the manner they are performing the task, and how to improve their performance if it is not up to the mark.
2. Communication is a **source of information** to the organizational members for decision-making process as it helps identifying and assessing alternative course of actions.
3. Communication also plays a crucial role in **altering individual's attitudes**, i.e., a well informed individual will have better attitude than a less-informed individual.

Organizational magazines, journals, meetings and various other forms of oral and written communication help in moulding employee's attitudes.

4. Communication also **helps in socializing**. In today's life the only presence of another individual fosters communication. It is also said that one cannot survive without communication.
5. As discussed earlier, communication also assists in **controlling process**. It helps controlling organizational member's behaviour in various ways. There are various levels of hierarchy and certain principles and guidelines that employees must follow in an organization. They must comply with organizational policies, perform their job role efficiently and communicate any work problem and grievance to their superiors. Thus, communication helps in controlling function of management.