The Importance of Communications in Business Success

BADEA LEPADATESCU[1], IOAN ENESCU[2]

Department of Manufacturing Engineering[1],Department of Mechanical Engineering[2]

Transylvania University of Brasov

500036 Bvd. Eroilor nr.29, Brasov,

ROMANIA

lepadatescu@unitbv.ro, enescu@unitbv.ro

Abstract: - How important is communication? Consider this: Managers spend at least 80 percent of every working day in direct communications with others. In other words, 48 minutes of every hour is spent in meetings, on the telephone, or talking informally while walking around. The other 20 percent of a typical manager's time is spent doing deskwork, most of which is also communication in the form of reading and writing.

Communication permeates every management function, for example, when managers perform the planning function, they gather information; write letters, memos, and reports and then meet with other managers to explain the plan. When managers lead, they communicate with subordinates to motivate them. When managers organize, they gather information about the state of the organization and communicate new structures to others. Communication skills are fundamental part of every managerial activity.

Key-Words: - Communication Process; sender; receiver; Communications Channels; Routine messages; Formal Communication

1 Introduction

What is communication? Before going further, let's determine what communication is.

I, once, asked a class to define communication by drawing pictures.

Most students drew a manager speaking or writing. Some placed "speech balloons" next to their characters; others showed pages flying from typewriter.

"No, none of you have captured the essence of communication. Communications means "to share" – not "to speak" or "to write".

Communication thus can be defined as the process by which information is exchanged and understood by two or more people, usually with the intent to motivate or influence behavior.

Communication is not just sending information. This distinction between sharing and proclaiming is crucial for successful management. A manager who does not listen is like a used – car salesperson who claims, "I sold a car – they just did not buy it." Management communication is a two – way street that includes listening and other form of feedback.

Effective communication, in the words of one expert, is as follows:

When two people interact, they put themselves into each other's shoes, try to perceive the world as the other person perceives it, try to predict how the other will respond. Interaction involves reciprocal role taking, the mutual employment of empathetic skills. The goal of interaction is the merger of self and other, a complete ability to anticipate, predict, and behave in accordance with joint needs of self and other. It is the desire to share understanding that motivates executives to visit employees on the shop floor or eat breakfast with them. The things managers learn from direct communications with employees shape their understanding of the corporation.

2 The communication process

Many people think that communication is simple because they communicate whit out conscious thought or effort. However, communication is usually complex, and the opportunities for sending or receiving the wrong message are innumerable. How often have you heard someone say, "But that's not what I meant"? Have you ever received directions you thought were clear and yet still go lost? How often have you wasted time on misunderstood instructions?
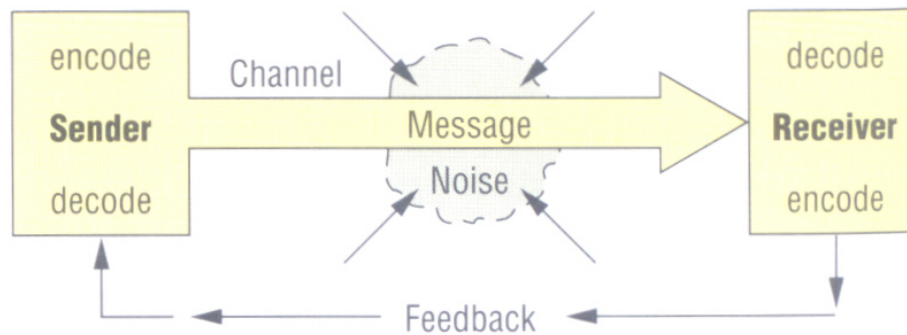
Fig.1 A Model of the Comunication Process.

To more fully understand the complexity of the communications process, note the key elements outlined in Exhibit 1. Two common elements in every communications situations are the senders and the receiver.

The sender is anyone who wishes to convey the idea or concept to the others, to seek information, or to express a thought or emotion.

The receiver is the person to whom the message is sent. The sender encodes the idea by selecting symbols with which compose a message. The message is the tangible formulation of the idea that is sent to the receiver.

The message is sent through a channel, which is the communication carrier.

The channel can be a formal report, a telephone or a face to face meeting.

The receiver decodes the symbols to interpret meaning of the message.

Encoding and decoding are potential sources for communications errors, because knowledge, attitudes and background act as filters and create "noise" when translating from symbol to meaning.

Finally feedback occurs when the receiver responds to the sender's communication with a return message. Without feedback, the communication is one – way, with feedback, it is two – way (real communication – dialogue).

Feedback is a powerful aid to communication effectiveness, because it enables the sender to determine whether the receiver correctly interpreted the message.

3 Communicating among people

The communication model in Exhibit 1 illustrates the components that must be mastered for effective communication. Communications can break down if sender and receiver do not encode or decode language in the same way. The selections of communication channels can determine whether the message is distorted by noise and interference. The listening skills of both parties can determine whether a message is truly shared. Thus, for managers to be effective communicators, they must understand how interpersonal factors interaction between people.

An important point for managers to understand is that perceptual differences are natural but can distort messages and create noise and interference for communications. Each person has a distinct personality and perceptual style hence each interprets messages in a personal way.

Managers should remember that words can mean different things to different people and should not assume they already know what the other person or the communication is about.

4 Communications channels

Managers have to choice of many channels through which to communicate to other managers or employees.

A manager may discuss a problem face to face or use telephone, write a memo or letter, or put an item in a newsletter, depending on the nature of the message.

Recent research has attempted to explain how managers select communication channels to enhance communication effectiveness. The research has found that channels differ in their capacity to convey

information. Just as a pipeline's physical characteristic limit the kind and amount of liquid that can be pumped through it, a communication channel's physical characteristics limit the kind and amount of information that can be conveyed among managers. The channels available to managers can be classified into a hierarchy based on information richness.

Channel richness the amount of information that can be transmitted during a communication episode. The hierarchy of channel richness is illustrated in Exhibit 2.

The capacity of an information channel is influenced by three characteristics:

(1) The ability to handle multiple cues simultaneously

(2) The ability to facilitate rapid, two – way feedback

The ability to establish a personal focus for the communication.

Richest Channel ←————————————————————→ Leanest Channel

Physical presence (face to face talk)	Interactive channels (telephone, electronic media)	Personal static channels (memos, letters)	Impersonal static channels (fliers, bulletins, general report)

Best for nonroutine ←————————————————→ Best for routine
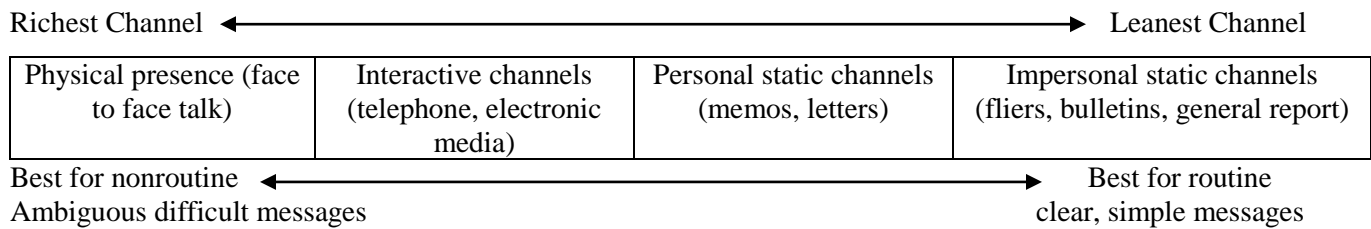Ambiguous difficult messages   clear, simple messages

Fig.2 Hierarchy of Channel Richness.

Face to face discussion is the richest medium because it permits direct experience, multiple information cues, immediate feedback, and personal focus. Face to face discussion facilitates the assimilation of board cues and deep, emotional understanding of the situation.

You can look someone in the eyes and you can tell by the look in his eyes or the inflection in his voice what the real problem or question or answer is.

Telephone conversations and interactive electronic media, such as video conferencing and electronic mail, lack the element of "being there." Eye contact, gaze, blush, posture, and body language cues are eliminated. Written media are personalized, such as memos, notes, and letters can be personally focused, but they convey only the cues written on paper and slow to provide feedback.

Impersonal written data, including fliers, bulletins and standard computer reports, are the lowest in richness. These channels are not focused on a single receiver, use limited information cues and do not permit feedback.

Channel selection depends on whether the message is routine or non-routine.

Non-routine messages typically are ambiguous, concern novel events, and impose great potential for misunderstanding. Non-routine messages often are characterized by time pressure and surprise. Managers can communicate non-routine messages effectively only by selecting rich channels. On the other hand, routine communications are and straightforward.

Routine messages convey data or statistics or simply put into words what managers already agree on and understand.

Routine messages can be efficiently communicated through a channel lower in richness.

Written communication also should be use when the audience is dispersed or when communications is "official" and a permanent record is required.

5 Organizational communications

Organization-wide communications typically flow in three directions: - downward, upward and horizontally.

Managers are responsible for establishing and maintaining formal channels of communication in these three directions.

Managers also use informal channels, which mean they get out of their offices and mingle with employees.

5.1 Formal communication channels

Formal communication channel are those that flow within the chain of command or task responsibly defined by the organization. The three formal channels and the types of information conveyed in each are illustrated in Exhibit 4.

5.2 Downward communication

The most familiar and obvious flow of formal communication, downward communication,
Downward communication is the messages and information sent from top management to subordinates in a downward direction.

Routine messages can be efficiently communicated through a channel lower in richness.

Written communication also should be use when the audience is dispersed or when communications is "official" and a permanent record is required.

Downward communications in an organization usually encompasses the following topics:

Keys	Poor Listener	Good Listener
Listens actively	Passive, laid back	Asks questions, paraphrases what is said.
Finds areas of interest	Tunes out dry subjects	Looks for opportunities, new learning.
Resists distractions	Easily distracted	Fights or avoids distractions; Tolerates bad habits; knows how to concentrate.
Capitalized on the fact that thought is faster than speech.	Tends to daydream with slow speakers.	Challenges, anticipates, mentally summarizes; weighs the evidence; Listens between the lines to tone of voice
Is responsive	Little involvement	Nods; shows interest, give and take, positive feedback.
Judges content, not delivery	Tunes out if delivery is poor	Judges content; skips over delivery errors.
Holds one's fire	Preconceptions, starts to argue	Does not judge until comprehension is complete.
Listens for ideas	Listens for facts	Listens for central themes.
Works at listening	Shows no energy output; flaked attention	Work hard, exhibits active body state, eye contact.
Exercises one's mind	Resist difficult material in favor of light, recreational material	Uses heavier material as exercise for the mind

Fig. 3 Ten Keys to Effective Listening

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Downward communications in an organization usually encompasses the following topics:

- Implementation of goals, strategies and objectives. Communicating new strategies and goals provides information about specific targets and expected behaviors. It gives directions for lower levels of the organization.
- Job instructions and rationale. These are directives on how on to do a specific task and how the job relates to other organizational activities. Example: "Purchasing should other the bricks now so the work crew can begin construction of the building in two weeks."
- Procedure and practices. These are messages defining the organization's polic, rules, regulations, benefits and structural arrangements.
- Example: "After your firs 90 days of employment, you are eligible to enroll in our company – sponsored saving plan".
- *Grievances and disputes.* These messages are employee complaints and conflicts that travel up the hierarchy for a hearing and possible resolution.
- *Financial and according information.* These messages pertain to costs accounts receivable, sales Many organizations make a great effort to facilitate upward communication. Mechanism includes suggestion boxes, employee surveys, open – door

- Performance feedback. These messages apprise how well individuals and departments are doing their jobs. Example: "Joe, your work on the computer network has greatly improved the efficiency of our ordering process ".

Indoctrination. These messages are designed to motivate employees to adopt the company's mission and cultural values and to participate in special ceremonies such as picnics and United Way campaigns.

The major problem with downward communication is drop off the distortion or loss of message content. Although formal downward communication are a powerful way to reach all employees, much information gets lost – 25 percent or so each time a message is passed from one person to the next. In addition, the message can be distorted if it travels a great distance from its originating source to the ultimate receiver.

6 Upward communications

Formal upward communication includes messages that flow from the lower to the higher levels in the organization's hierarchy. Most organizations take pains to build in healthy channels for upward communication.

Employees need to air grievances, report progress and provide feedback on management initiatives. Coupling a healthy of upward and downward communicating ensures that the communication circuit between managers and employees is complete. Five types of information communicated upward are:

- *Problems and exceptions*. These messages describe serious problems with and exceptions to routine performance in order to make senior managers aware of difficulties.
- *Suggestions for improvement*. These messages are ideas for improving task – related procedures to increase procedures to increase quality or efficiency.
- *Performance reports.* These messages include periodic reports that inform management how individuals and departments are performing.

polices management information system reports and face to face conversations between workers and executives.

7 Conclusions

Communication is the lateral or diagonal exchange of messages across peers or coworkers. It may occur within or across departments. The purpose of communication is not only to inform but also to request support and coordinate activities. Communication falls into one of three categories

Intradepartmental problem solving. These message take place between members of the same department and concern task accomplishment.

Example: "Betty can you help us figure out how to complete this medical expense report form?"

Interdepartmental coordination. Interdepartmental messages facilitate the accomplishment of joint projects or tasks.

Example: "Bob please contact marketing and production and arrange a meeting to discuss the specifications for the new subassembly. It looks like we may not be able to meet their requirements."

Staff advice to line departments: These messages often go from specialists in operation research, finance or computer service to line managers seeking help in these areas.

Example: "Let's go talk to the manufacturing supervisor about the problem he's having interpreting the computer reports."

A manager spends at least 80% of its working time on a day in direct communication with others.

Management communications is a two – way street that includes listening and other form of feedback.

Communication is very complex and the massage transmitted could be wrong understood by the receiver. In a any communication we have a sander and a receiver. The sender transmit a information to the sender which can be a emotion, a thought which is convert in a message, the receiver receive the message and try to understand the message, by decoding the symbols and interpret the meaning of the message, and here can appear errors.

The message is sent through a channel, which is the communication carrier.

The channel can be a formal report, a telephone or a face to face meeting.

Communication can break down if sender and receiver do not encode or decode language in the same way. Each person has a distinct personality and perceptual style hence each interprets messages in a personal way.

Communication channel are diverse. Manager has to choice the adequate communication channel to transmit information to the employers.

The capacity of an information channel is influenced by three characteristics: The ability to handle multiple cues simultaneously; The ability to facilitate rapid, two – way feedback and The ability to establish a personal focus for the communication.

Organization – wide communications typically flow in three directions: downward, upward and horizontally.

Downward communication refers at communication from managers to inferior employers from decisional power point of view.

Horizontal communication means to communicate with other colleague, employers with the same decisional power.

Communication to a superior manager whit superior decisional power means upward communication.

As messages used in downward communication can be a performance feedback, or indoctrination.

In upward communication the following message are used: Problems and exceptions, suggestion for improvement, performance reports, grievances and disputes, financial and according information.

Communication made between coworkers the following messages appear: Interdepartmental problem solving, Interdepartmental coordination and Staff advice to line departments

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