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A study of the correlation between internal communication programs and employee morale

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A STUDY OF THE CORRELATION BETWEEN

INTERNAL COMMUNICATION PROGRAMS

AND EMPLOYEE MORALE

By
Gary L. Brown

A THESIS

Submitted in partial fulfillment of the requirements of the
Master of Arts Degree in the Graduate Division
of Rowan University
1998

Approved by

Date Approved _____ 5/11/98 _____

ABSTRACT

Gary L. Brown   A Study of the Correlation Between Internal Communication
                     Programs and Employee Morale, 1998
                     Thesis Advisor: Larry Litwin, Corporate Public Relations

   This study analyzed the relationship between internal communication programs and
employee morale. Fifty-three communication professionals were contacted to determine:

- whether their company had an internal communication policy

- whether supervisory staff were trained to communicate effectively

- whether supervisory staff were held accountable for communicating with their

  subordinates

- the perceived benefits to internal communication programs.

  Telephone interviews and mailed surveys yielded the following major conclusions:

- Ninety-five percent of the respondents felt there is a direct correlation between

  internal communication and employee morale.

- Five percent of the respondents felt there is an indirect correlation between internal

  communication and employee morale.

- Seventy-seven percent of the respondents had an internal communication policy.

- Seventy-seven percent of the respondents stated that supervisory staff were held

  accountable for communicating effectively.

MINI-ABSTRACT

Gary L. Brown   A Study of the Correlation Between Internal Communication
                      Programs and Employee Morale, 1998
                      Thesis Advisor: Larry Litwin, Corporate Public Relations

The major purpose of this study was to determine whether a correlation exists between

internal communication programs and employee morale. Twenty-two communication

professionals responded out of fifty-three inquiries. All respondents felt that there is a

correlation between employee morale and internal communication programs. Most felt

the correlation was direct.

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CHAPTER I

INTRODUCTION

PROBLEM IMPORTANCE

Internal communication is an essential element of today's work environment. As we progress through an age of downsizing, workers tend to feel more vulnerable. As a result, morale and productivity levels suffer.

Effective two-way communication provides employees with a sense of awareness, confidence and security. It gives employees the opportunity to express what they intend to do. The lack of communication causes employees to feel a loss of control. Without it they also feel disconnected and isolated. According to Dr. Donald Bagin [1]:

> If you want to increase employee productivity and morale,
>
> you must let people know that their ideas are wanted. You also
>
> must communicate that you will react to their ideas and you'll
>
> implement those that make sense.

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[1] Bagin, Dr. Don. (1987) The Best Ideas in Employee Communication
200+ Techniques That Work.

1

Managers communicate even when they say nothing. A lack of communication encourages feelings of isolation. Employees could perceive management as being insensitive to their needs. Employees prefer to hear bad news rather than no news at all.

Employees could be a company's best ambassadors or worst critics. This depends on how quickly they get accurate relevant information and the manner in which they receive it. According to research, employees have three communication needs[2]:

- Where is the agency heading?
- How will it get there?
- What does it mean to me?

Surveys indicate that grapevines are the number one employee information source[3]. The grapevine tends to be credible because it is face-to-face and usually involves someone you know. Employees, however, prefer not to get information from the grapevine. They prefer to get it from their immediate supervisor.

Management should encourage staff to tell them when things are not going well. At that point management has defused negativity and motivated staff toward positive efforts.

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[2]   D'Aprix, Roger (1982). Communicating for Productivity. New York: Harper and Rowe Publishers, Inc.

[3]   Ibid.

Internal communication is one of the best tools used to help accomplish this goal because it fosters trust, faster decision-making and improved performance[4].

Good internal communication starts with senior executives. The continuous visible support of the chief executive officer (CEO) is crucial. Internal communication must be every manager's responsibility.

Face-to-Face communication should be the backbone of internal communication programs. It gives people the opportunity give feedback, ask questions and offer opinions. According to Tim McIntyre, vice president, Corporate Communications, Domino's Pizza Worldwide Headquarters, executive staff are required to visit franchise stores. The CEO keeps tabs on how many visits executive staff makes.

This study will help executives understand the importance of internal communication programs. It may also contribute to creating a better work environment.

PROBLEM STATEMENT

Do effective internal communication strategies improve employee morale? To understand this question effective internal communication strategies must be defined. Effective communication will ensure that critical projects are completed. Unclear communication may cause: internal conflict, errors, botched plans, lost profits and lost

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[4]   Howard, Carole M. (1996, Spring) Face-to-Face Communications: Payback is Worth the Effort. PR Quarterly, 41, 11-14.

jobs. Studies show that unclear communication is a major factor in every organizational problem[5].

A variety of internal communication strategies may be used by an organization. First, a company must start with an internal communication audit. It should give an accurate picture of how the organization's employees view the management and how these views affect their work attitudes and behavior.

Management is shifting from the traditional top-down one-way communication style to a two-way interactive style. The interactive style welcomes employee input and opinions. Strategies include regular question and answer periods with the CEO or electronic bulletin boards.

According to Deanna Pelfrey, president, Pelfrey Associates, in-house publications can contribute to high morale if used correctly. More employee publications reflect the new informed employee and a more interactive management style. Effective publications focus on serious business communication as opposed to marriages and babies. Articles should focus on products, initiatives, business strategies and the corporate culture[6].

Senior executives use voice and e-mail to receive unfiltered messages directly from their staff. These methods may be more effective than face-to-face communication because people may be more willing to raise sensitive issues while typing on their PCs or leaving a message.

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[5]   Malosh, Michelene. The Give-and-Take of Workplace Communication, http//modemagazine.com/Business/Give-and-take.htm.

[6]   Snyder, Sara. (1996, October 21). Focus: Communication "Boosting Employee Morale Through Effective Communication" Archive: Business First.

Ongoing training is a must to ensure effective communication by management staff. Basics include :

- Spokesperson training

- Listening skills

- How to effectively hold meetings

- Fostering two-way communication.

DELIMITATIONS

This study was limited to private for profit corporations. It did not include public agencies. This study analyzed internal communication programs both for large and small corporations. It will not analyze external communication strategies.

PURPOSE

Little serious effort to foster effective internal communications occurred during the author's 11 year experience with a large public bureaucracy. This lack of effective internal communication perpetuated negative feelings and poor morale. Supervisors, managers and executives should be familiar with at least basic internal communication strategies.

PROCEDURE

The author investigated the hypothesis through the following methods:

- Literature review

- Mailed Surveys

- Phone Interviews

The author completed an extensive literature review to identify existing research and define an effective internal communication program.

Fifty-three public relations professionals were contacted to examine existing internal communication programs and their perceived impact on employee morale. A thirteen-question survey (Appendix) was administered to:

- define an effective internal communication program

- identify internal communication strategies used by various corporations

- establish a correlation between internal communication programs and employee morale.

TERMINOLOGY

Archival (Library)/Documentary Research- All relevant published materials are examined.

Bulletin Board Announcements - Printed informative materials prominently posted in common areas.

CEO-(Chief Executive Officer) Usually, the highest ranking organizational official.

Communication- Includes the written or spoken word, gestures or visual symbols. It can convey messages by action, touch or sound. It is a dynamic continual and complex process.

Dependent Variable-The consequence or presumed effect of the experimental relationship.

Effective Internal Communication-A comprehensive process geared towards two-way communication with internal audiences. It involves assessment and a variety of strategies geared towards both sending and receiving information.

Explanatory Research- Involves looking for underlying causes and explanations of events.

Excellent Communication- Communication that is managed strategically, meets its objectives, and balances the needs of the organization and the needs of key publics with two-way symmetrical communication.

Independent variable- The antecedent or presumed cause of the experimental relationship.

Internal Communication Audits-An accurate picture of how the organization's employees view management and how these views affect their work attitudes and behavior

Internal e-mail -Automated electronic messaging system. This system generally uses a local area networking system to link computers for communication purposes within an organization.

MBWA-[Management by Wandering (Walking) Around]- A visible management style that involves direct observation. This style encourages two-way communication.

Message/Artifact Research- Focuses on examining and interpreting ideas and opinions about messages, issues or events.

Morale - An individual's or group's state of mind with respect to confidence, cheerfulness, discipline, etc.

Organizational Communication - Sharing messages, ideas or attitudes in an organizational structure among employees, managers and associates.

Voice mail –A telephone messaging system provided through the use of an automated attendant.

APPENDIX

INTERNAL COMMUNICATION QUESTIONNAIRE

Name _____ Title_____

Company Name & Address _____

_____

_____

Phone Number _____ Fax Number_____ E-Mail_____

1. May I identify you and your company in my thesis?
__Yes __No

2. Does your company have an internal communication policy?
__Yes   __No

3. If yes, briefly summarize?

4. Are supervisory staff held accountable for communicating with their staff?
__ Yes __ No

5. If yes, in your opinion, are they trained to communicate effectively?
__Yes __No

6. Do you feel there is a direct correlation between internal communication and employee morale?

7. How do you define an effective internal communication program?

8. Does your company use: (Check all that apply)

__Face-to-Face __Bulletin boards __E-mail __Focus groups

__Question and answer sessions __Surveys __Newsletters

__Video ___Letters from the CEO (to staff) __ Other:

9. What areas if any, do you feel need improvement?

10. What do you consider to be the benefits of an effective internal communication programs?

11. How long have you worked for this company?

0-5 years 6-14 years 15 or more years

12. What is your gender?

Male Female

13. How many staff work for your company?

0-50 51-100 101-200 over 200

ADDITIONAL COMMENTS

CHAPTER II

LITERATURE REVIEW

Initial bibliographical reviews of internal communication theses identified books and periodicals. Extensive Internet searches revealed literature, conferences and practitioners. The following search engines were used:

- Infoseek

- Yahoos

- Hotbot

The Rowan University Library automated cataloging system also provided extensive literature. Minimal information was available at the Burlington County Library. Davis/Hays & Company, Inc., a corporate communication consulting company, provided survey results, newsletters and general information.

Why Develop Internal Communication Programs?

The lack of consistent accurate information causes people to feel discounted and isolated. According to Deanna Pelfrey, withholding critical information will almost guarantee lower morale[1]. When people communicate effectively, morale and productivity levels improve[2]. According to William Thompson, University of Louisville

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[1] Snyder, Sara. (1996, October 21). Focus: Communication "Boosting Employee Morale Through Effective Communication" Archive: Business First.

[2] Bagin, Dr. Don. (1987) "The Best Ideas in Employee Communication" 200+

Communication Department, proactive and reactive communication strategies can at least help stabilize employee morale[3].

Proactive communication can help prevent morale problems. These problems should be dealt with before employees feel their influence declining. Basic communication is the simplest, but not the easiest, and most effective morale manager[4].

Almost every organizational problem, conflict, mistake or misunderstanding usually results from a communication problem. Interpersonal conflicts often occur when people don't have a clear understanding of their job responsibilities. The size and complexity of an organization often complicates the communication process. The following organizational traits make communication difficult:

- ❑ People generally communicate to those in close proximity.

- ❑ The organizational structure influences people's expectations about who they should communicate with and in what manner.

- ❑ Relationships are fluid.

- ❑ People we communicate with have individual goals and methods of achieving those goals.

Techniques That Work, by the editors Communications Briefings. Pitman, NJ : Communication Publications and Resources.

[3] Snyder.

[4] Snyder.

❑ Most individual's jealousy guards their own value systems, tradition and jargon.

Employees must understand what each other means by a particular word or phrase in

order for the meaning to be transmitted.

Communication barriers can be reduced and avoided. They may never be completely

eliminated. Organizations must have systems to ensure that everyone is "on the same

page" when communicating expectations, project status or general work situations.

Management must ensure that specifications are understood and priorities are maintained.

Time frames must also be clear to minimize communication flaws. Management should

look for the following symptoms of communication flaws:

❑ Poor cooperation and coordination between people and departments

❑ Intentionally instigated problems

❑ Active rumor mill

❑ Degrading remarks that fuel gossip

❑ Increasing aloofness that becomes defensive

❑ Tense environments

❑ Employees becoming easily annoyed

❑ Increased turnover, absenteeism and lateness

❑ Complaints directed at peers instead of authority figures.

Communication is a management function—the essence of organizational

effectiveness[5]. International competition, deregulation, corporate downsizing, and a more

[5]   Lewis, Phillip V. (1987). Organizational Communication: The Essence of Effective Management. New York: John Wiley & Sons.

involved and educated workforce require management to communicate more effectively than ever.

Top management must commit to developing effective internal communication programs. These programs must be based on two-way communication strategies. They must also develop the perception that management cares. University of Maryland Professor, James E. Grunig found strong positive correlations between symmetrical communication and organizational satisfaction (morale)[6].

Managers often make assumptions and produce a product that is not the intended outcome when they don't use two-way communications skills effectively. One of the most important roles of management is ensuring accurate messages. Messages must be understood throughout the organization both upward and downward as well as horizontally and vertically.

Employee perception of top management has a stronger influence on job satisfaction than any other factor[7]. Workers with positive perceptions of top management have less absenteeism, less turnover and fewer industrial incidents[8]. Employees associate the following with top management:

❑ Informing employees in advance of changes that will affect their job

❑ Caring about how employees really feel about their job (being open and honest)

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[6]   Grunig, James E. (1992). Excellence in Public Relations and Communication Management. New Jersey: Lawrence Erlbaum Associates.

[7]   Goodman, Ronald and Ruch, Richard S. (1981, February). The Image of the CEO, Public Relations Journal, 14-19.

[8]   Goodman.

- Giving serious consideration to employee suggestions

- Giving supervisors enough authority to get the job done

- Making a strong commitment to customer service

- Having the ability to solve major company problems

- Providing new services and products required to meet competition

- Running socially responsible organizations

- Placing more emphasis on quality not quantity

When high level managers try to withhold or exclude bad news, the effect can be devastating. Employees need to know the company's position. Anxiety, distrust and resentment are fueled by inadequate information. Lack of trust is the major employee relations problem facing corporate management during the end of the 1990s[9].

Management should strive to the point when staff are telling them when things aren't going well. At that point, management has diffused negativity and encouraged constructive efforts. Communication encourages feelings of control and provides opportunities for staff to say what they intend to do. Feelings of loss of control encourage sabotage and vandalism.

When managers use effective two-way communication strategies they promote improved morale and productivity. Effective communication will also ensure that critical

[9]   Goldhaber, Gerald M. & Barnett, George. (1988). A Handbook of Organizational Communication. Norwood, New Jersey: Ablex Publishing Corp.

projects are completed. Ineffective communication causes errors, botched plans, political

in fighting as well as lost profits and jobs. High morale is more likely in above-board and

honest environments.

Communication professionals are responsible for helping to reduce conflict by

designing (and training) systems for more effective communication. According to Deanna

Pelfrey, Pelfrey Associates, Louisville, Kentucky, in-house publications can improve

morale if used correctly[10]. Staff want to know more than who got married or had a baby.

Staff can also be informed via:

- Face-to-Face sessions

- Internal e-mail

- Bulletin board announcements

- Voice mail

- Meetings with management staff.

What Kind of Information Do Employees Need?

In the past, management communicated what they want, when they wanted to. Most

primarily used printed publications or "house organs". Some used bulletin boards.

Employee communication was seen as the right combination of print and audiovisual

programs. In most cases the line manager was considered another member of the

employee audience.

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[10] Snyder.

Progressive organizations see communication as a two-way process that must be managed. Managers are viewed as the organization's primary communicators—responsible for both giving and receiving information. Interactive managers focus on effective listening in order to address employee communication needs.

According to research, employees have three communication needs[11]:

❑ Where is the agency going?

❑ How will it get there?

❑ What does it mean to me?

Information within an organization usually falls within three categories:

❑ Must-tell items- Essential information that must be told. It directly affects the person on the job.

❑ Should-tell items- Facts that should be communicated. These facts are connected to the operation, but may deal more with the future.

❑ Luxury items- Information that would be nice to know.

Increasingly, employee publications reflect the new informed employee and a more interactive management style. They no longer focus on marriages and babies. They focus more on serious business communication. Articles are more likely to focus on:

- Products

- Business strategies

- The changing corporate culture

Communication Theory

Many variables influence communication in complex organizational structures. Organizations must be seen as message-producing systems that have many different motivational forces influencing communication. Communication must be viewed as management function. A company's success is in part determined by management's ability to communicate its mission and goals.

Many theories are grounded in social psychology, sociology, and anthropology. The three basic schools of organizational theory are:

- Classical (1900-1929)

- Human Relations (1930-1959)

- Systems (1960-present)

Classical Theory

Management theories during the classical periods assumed that people worked only for money. The classical theory is a scientific management or work-measurement approach.

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[11] D'Aprix, Roger. (1982). Communicating for Productivity. New York: Harper and Rowe Publishers, Inc.,

It consists of general guides for understanding the underlying structure and job functions of organizational members.

It is a process of planning work, selecting and training workers, and designing jobs which allow workers to design duties that they are suited for. Classical theories make assumptions about the nature of people.

Business scientist, Lillian Gillbreth recognized that communication is an essential management skill. She was concerned with the quality of work life. Mrs. Gillbreth recognized the key to managerial success was rooted in the individual and their own feelings. She demonstrates her understanding of the importance of organizational communication in the following quote[12]:

> To the foreman, industry has given the responsibility
>
> and privilege of becoming an expert in the arts of
>
> communication. The use of these human relations skills
>
> releases worker capacities, establishes unified thinking
>
> and expression, and develops human cooperation.

Political Scientist, Mary Parker Follett was the forerunner of Human Relations Theory[13]. Follett advocated for integrative communication, which strived to unite

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[12]   Gillbreth, Lillian & Rice-Cook, Alice. (1947) The Foreman in Manpower Management. New York : McGraw-Hill.

[13]   Lewis, Phillip V. (1987) Organizational Communication: The Essence of Effective Management. New York: John Wiley & Sons.

organization members. She searched for procedures to help people understand each other's viewpoint. She sought out to integrate those viewpoints by working toward a common goal.

Follett helped stimulate the human relations movement by viewing workers as people—effective parts of the organization and society. Her accomplishments influenced the behavior science approach, systems approach, and conflict resolution techniques.

During the classical era, researchers diagramed communication in a one-way linear manner. One person transmitted a thought, idea or feeling to another person. This is similar to Aristotle's first verbal communication model (fig.2-1). In this model, a speaker sends a message to a receiver without a provision for feedback or an indication that communication was a dynamic, complex process.

The goal of Aristotelian communication was persuasion. Effective communicators could interpret, control, modify or adopt to their environment. Communication went in one direction—down. Workers were expected to respond to orders without questioning the source.

FIGURE 2-1   *THE ARISTOTELIAN COMMUNICATION MODEL*
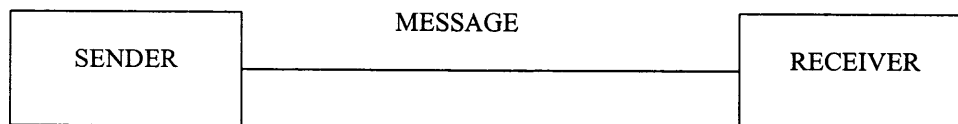
Human Relations Theory

Human Relations theorists criticized the classical school of thought. They claimed that formal structure forced people to become apathetic about their work and do as little as possible[14]. They also claimed that traditional views only represented a small part of managerial thought.

Critics argued that leaders of classical organizational theory made their workers depend upon, passive toward, and subordinate to supervisors. Little attention was given to motivational considerations. Hasty decisions were made without examining the underlying assumptions of those decisions.

By the 1930s reaction to rigid organizational structure began. Many human relations theorists began to use the work of sociologists to understand the anatomy of organizations. Other researchers use psychologists to emphasize the aspects of rational behavior, influence, motivation and leadership.

By developing the group dynamics method, Kurt Lewin formed a significant milestone for evolving management thought. Lewin focused on democratic, authoritarian, and laissez-faire leadership styles.

His work indicated that democratic (those that allowed two-way communication) group participation in decision making was more satisfying than non-participative decision making. Authoritarian leaders tend to impair initiative and breed hostility and aggressiveness.

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[14] Lewis.

Lewin also identified the gatekeeper function. The gatekeeper aids others in becoming involved, and deals with information flow and interaction patterns. They help establish a climate for shared participation in groups and organizations.

Systems Theory

The systems theory is the third school of organizational thought. Systems refers to any set of interrelated elements that form a unified whole. A total system of information flow provides communication feedback through various subsystems. Communication plays a central role in systems theory.

Chester Barnard viewed the organization as a cooperative system. He emphasized the importance of communication and leadership. Barnard also stressed the informal organization, and emphasized the fact that varied personal motivation exists within an organization. According to Barnard, the first executive function is to develop and maintain a communication system[15]. According to Barnard:

❑ Communication channels should be known. Clearly established authority lines should be developed.

❑ Formal communication lines must be established for everyone.

❑ Complete communication lines must be used.

❑ Competent people must serve as key communicators.

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[15] Lewis.

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❏ The more authority levels, the slower and less accurate information will flow from top to bottom.

Internal Communication Systems

An organization is dependent upon its communication patterns and activities. Organizational communication activities include communications about work goals, program establishment, coordination, evaluation, etc. Communication was not recognized as a critical organizational component until the 1940s[16]. Before World War II, little systemic attention was devoted to communication problems. Communication was taken for granted—a low management priority.

Communication usually occurs on three levels:

Level I-Intrapersonal involves communication with yourself. It is concerned with the thought process preceding effective transmission and interpretation of messages.

Level II-Interpersonal communication occurs when one person communicates with another. It involves face-to-face two-way discussion.

Level III-Group communication involves group to individual and group to group.

All levels depend on technology (Level IV). This level is concerned with equipment and formalized programs for generating, storing, processing, translating, distributing or storing data.

Interpersonal and group communication involve various interrelationships. They have implications for leadership, authority and influence. Several factors influence communication between organizational members:

❑ Relationships between sender and receiver

❑ Differences in status, education and experiences, feelings, attitudes and emotions.

Communication is also affected by the amount of support employees receive from their supervisors and peers. Many problems may influence communication—communication may influence many problems. As a result, managers must plan for effective communication.

Today, managers have complex multi-dimensional responsibilities. They must:

❑ Set objectives

❑ Organize work

❑ Motivate employees

❑ Evaluate performance

❑ Train staff

As a result, managers must have a clear understanding of communication fundamentals. Managers must establish a sense of commonness when they communicate. They must understand organizational communication flow in order to transmit clear, complete and accurate information.

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[16] Lewis.

As information flows upward, downward or horizontally (fig.2-2), it has implications for those who send and receive information. The goal of the communicator should be to convey information so the listener will hear, understand, agree and accept the message, and react as intended. The communicator will usually want to influence the receiver in order to maintain a positive relationship.

Figure 2.2 Internal Organizational Communication Flow
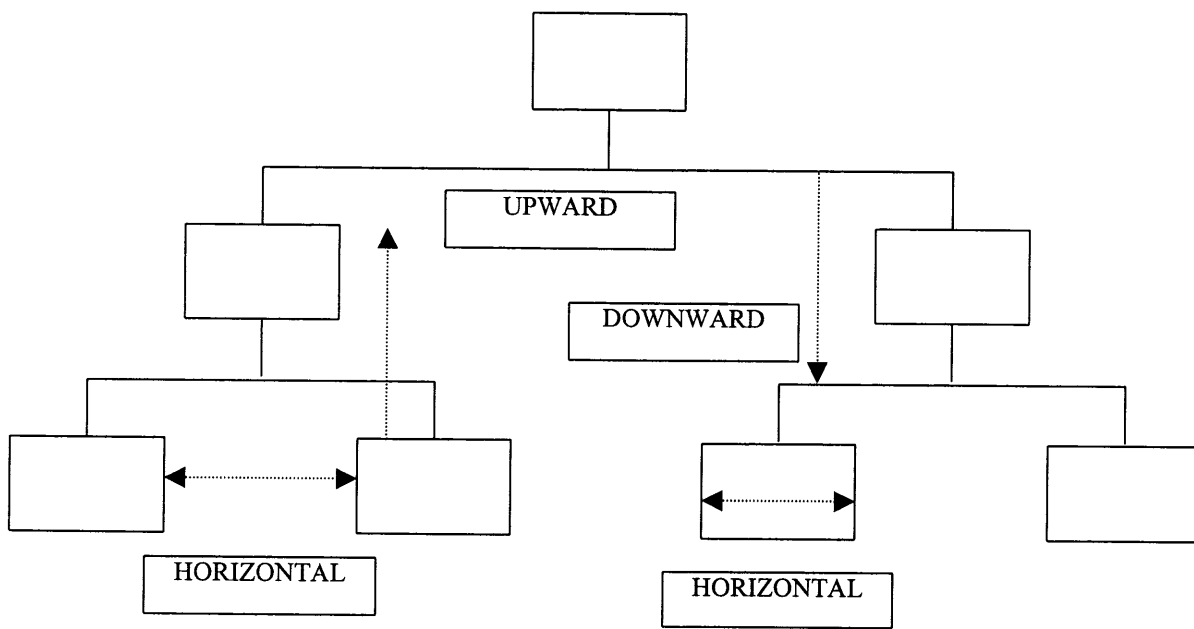
Downward communication is an integral part of traditional organizations. It is the most frequently used organizational channel[17]. Downward communication is often used to send directives, goals, policies and memos to staff at lower organizational levels. It allows management to:

❑ Communicate objectives

❑ Mold and change attitudes

❑ Diminish fear and suspicion due to misinformation

❑ Prevent misunderstandings from the lack of information

❑ Prepare for change

Downward communication is the most misused communication method because it does not provide for employee feedback. It is usually one way, and does not provide for employee feedback.

In response to increasing pressure, managers may distort, screen, withhold or manipulate information. Employees may attempt to fill in information gaps with rumors. They may also become apathetic. The result of this information distortion is a climate of mistrust and suspicion. Mistrust and apathy can have devastating effects on employees and the decision-making process.

Too much faith in downward communication may prevent management from being in touch with its employees. Managers don't always provide clear channels for funneling information and opinions up through the organization. One of the best ways to improve downward communication is to listen to upward communication. Management can also improve downward communication by:

❑ Practicing Management By Wandering Around (WBWA)

❑ Establishing communication training programs for all management staff

❑ Conduct regular supervisor/employee discussion groups (participative management).

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[17] Lewis.

Upward communication includes messages from subordinate to supervisor used to provide management feedback. It suggests that employees should be treated as respected partners in searching for better ways to achieve organizational goals. Employees have an opportunity for making their ideas and opinions known. Organizations that promote organized upward communication, or consistent two-way information flow, usually improve employee attitudes and morale[18].

Managers should encourage upward communication to learn how their employees feel about their jobs, associates and the organization. One of the most effective upward communication forms is employee meetings because employees have the opportunity to express how they "really" feel[19]. Other types of upward communication include:

❑ Formal attitude surveys

❑ Grievance or complaint procedures

❑ Counseling

❑ Talks with union representatives

❑ Discussions with employees and line supervisors

Most employees do not want their supervisors to learn about anything that may damage their career. As a result, detrimental items will be screened or filtered out. When

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[18] Lewis.
[19] Lewis.

a subordinate believes disclosure of opinions may lead a superior to block the attainment of a personal goal, they will distort the message.

Employees tend to distort upward communication more under autocratic leadership structures. Arbitrary or inflexible authority structures tend to increase anxiety. Anxious climates tend to accentuate feelings of insecurity and lead to further distortion. Employees tend to distort upward communication less under participative leadership structures.

Regular upward communication indicates that staff are receptive to downward communication. It provides feedback and encourages ideas. It also releases anxiety, and provides employees with a sense of personal worth. People feel important because their managers listen to them.

Management must provide for continuity in order to make an upward communication program effective. Information flow cannot be turned off arbitrarily. If used correctly—effective upward communication can yield many benefits. They include:

❑ Improved picture of work accomplishments, problems, employee attitudes and feelings

❑ Individuals, policies, actions, or assignments that are likely to cause problems can be identified

❑ Employee ideas can be tapped

❑ Better answers to problems can be received

❑ Responsibility can be eased

❏   Downward communication is more acceptable.

Occasionally managers fail to encourage upward communication. As a result, they find themselves isolated from what is happening at lower organizational levels. They lose touch with reality. Unfortunately, managers don't recognize the problem until it's too late.

Several factors lead to executive isolation. They include:

❏   The over emphasis on downward communication . Managers fail to listen to subordinates.

❏   Managers fail to see first hand what is going on in an organization. They stay in their offices and read reports.

❏   Delegation without proper follow up can put managers out of touch with the chain-of-command. They become unaware of a project's progress.

Management can prevent executive isolation by:

❏   Practicing Management by Wandering Around (MBWA). Managers should be visible and observe workers.

❏   Cultivating the desire to hear bad as well as good news.

❏   Meeting regularly with employees to discuss operations and/or problems.

Horizontal communication is probably the strongest of all information flows in terms

of information and understanding[20]. It is also known as lateral or across-line

communication. It usually occurs across lower organizational levels and

provides a bridge between heiarchial lines (fig. 2.3). Organizational research shows that

people who work closely together on the same levels rarely have trouble understanding

each other[21]. Horizontal communication provides peers with emotional support and task

coordination.

Figure 2.3 Horizontal Communication Bridge

```
                    ┌─────┐
                    │  A  │
                    └──┬──┘
          ┌────────────┴────────────┐
       ┌──┴──┐                    ┌──┴──┐
       │  B  │                    │  C  │
       └──┬──┘                    └──┬──┘
       ┌──┴──┐                    ┌──┴──┐
       │  D  │                    │  E  │
       └──┬──┘                    └──┬──┘
       ┌──┴──┐                    ┌──┴──┐
       │  F  │·····················│  G  │
       └─────┘   ┌───────────┐    └─────┘
                 │ (BRIDGE)  │
                 └───────────┘
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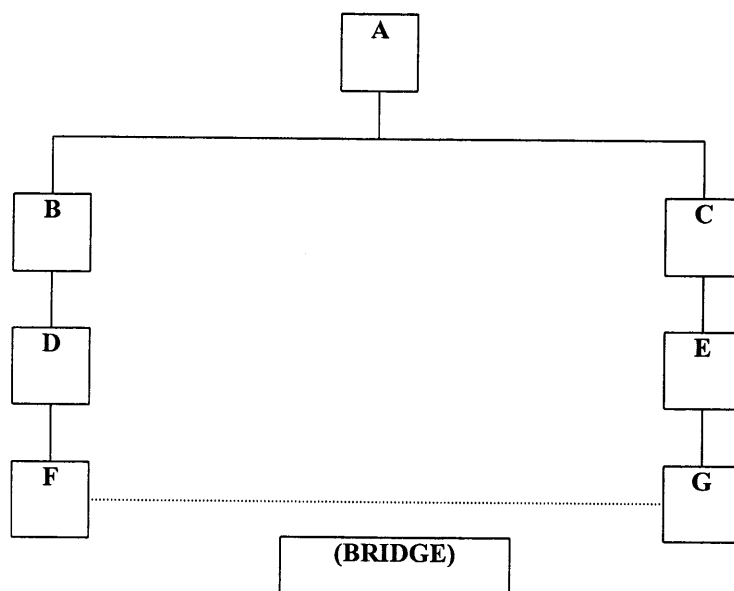
According to surveys, grapevines are the number one source of employee

information[22]. However, employees prefer to get information from their boss—they do

not prefer the grapevine. Grapevines occur in all organizations, and do not conform to

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[20] Lewis.
[21] Lewis.

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organizational patterns. Studies show that five of six messages are carried by the grapevine[23].

The manager's challenge is to integrate formal information with grapevine information. Managers need to manage, adapt to and control the grapevine. They should:

❑   Open communication lines.

❑   Fight rumors with facts.

❑   Prevent employee idleness and boredom through better job design.

❑   Develop long-term credibility.

Managers should feed the grapevine so it has something useful to carry. It can be desirable because it informs management about employee attitudes, provides an emotional release and helps spread useful information. It is undesirable because it can spread false rumors. Its speed, influence and versatility can have both positive and negative impacts.

Developing and Improving Internal Communication Programs

In 1985, the International Association of Business Communicators (IABC) Research Foundation began the largest research project in the history of public relations—the excellence project[24]. Under the direction of James E. Grunig, journalism professor,

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[22] D'Aprix.
[23] Lewis.
[24]   Grunig, James E. (1992). <u>Excellence in Public Relations and Communication Management</u>. New Jersey: Lawrence Erlbaum Associates.

University of Maryland, the project attempted to answer two fundamental questions about public relations:

1. What are the characteristics of an excellent communication department?

2. How does excellent public relations make an organization more effective, and how much is that contribution worth economically?

The Excellence project identified three factors that have a critical influence on whether or not an organization will have an excellent communication program:

1. **The value placed upon communication by the CEO and senior management.**

   CEOs of organizations that have excellent communication programs tend to believe that communication should develop mutual understanding between organizational management and key publics. They want two-way communication based on research.

2. **The role and behavior of the top communicator.**

   In an organization with an excellent communication program, the top communicator makes communication policy decisions and actively participates in the organization's strategic planning and decision-making process. The top communicator also works closely with top management to solve organizational problems that involve communication and relationships.

3. **The corporate culture of the organization.**

   A participative culture fosters excellent communication. This decentralized culture emphasizes shared power and decision making.

An effective internal communication program should start with a communication audit. They can give an accurate picture of how employees view management, and how these views influence their work attitudes and behavior. The following 10 questions should be included in a comprehensive communication audit:

1. Will you describe the goals of this organization? (use the company name)

2. Can you describe your job responsibilities?

3. What do you need from other people within the organization to do your job?

4. What do you need to do your job that you currently don't have?

5. What do you like best about this company?

6. Can you give me an example of something good that recently happened?

7. If you could name something bad about the organization, what would it be?

8. Can you give an example of something that happened that you didn't like or agree with?

9. If you could make one recommendation to improve the company, what would that recommendation be?

10. Would you like to tell me anything else?

After the audit is complete, an internal communication plan can be developed effectively. Every company should not use the same plan. The following steps should be considered when developing a plan:

❑ Determine the characteristics of an effective manager. Select and protect the manager.

- Sell management on the need. Determine the organization's information needs.

- Identify the audiences you need to reach. Establish the plan.

- Keep management support.

- Keep audience support.

Internal communication programs are one of the best tools used to help accomplish organizational goals because they encourage respectful dialogue that fosters trust, faster decision-making and improved performance[25]. Good internal communication starts with senior executives. It must be every manager's responsibility—not just public relations or human resources.

Employees prefer to get information from their immediate supervisor[26]. Ongoing communication training is needed to ensure front-line supervisors communicate effectively. Training should include: how to hold effective meetings, promoting two-way dialogues and effective listening skills.

Face-to-Face communication should be the backbone of internal communication programs. Face-to-Face sessions provide opportunities for employees to give feedback, ask questions and offer opinions. Print, video and electronic communication tools should be used to reinforce face-to-face sessions.

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[25]   Howard, Carole M. (1996, Spring) . Face-to-Face Communications: Payback is Worth the Effort, PR Quarterly, 41, 11-14.

[26]   Howard.

CEOs must be directly involved in this process. Their involvement can improve internal communication[27]. According to Brian S. Morgan and William Shiemann of Opinion Research Corporation, Princeton, NJ four strategies will help improve face-to-face communication[28]:

1. Managers should hold regular staff meetings. They should be trained on how to hold effective meetings.
2. Senior managers should maintain daily contact with employees. They should not limit their exposure to formal meetings.
3. Managers should be held accountable for communicating effectively.
4. Senior managers must ensure that middle managers have the information they need to communicate with employees.

Senior executives use voice and e-mail to receive information directly from their staff. This information is usually unfiltered by secretaries or supervisors. This tends to be more effective than face-to-face because staff may be more willing to discuss sensitive issues while typing on their PCs than while facing the boss.

Today, CEOs are more visible and approachable. They tend to use an interactive management style. This two-way style welcomes employee input and opinions. Two-way

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[27]   Goodman , Ronald and Richard S. Ruch. (1981, February). The Image of the CEO, <u>Public Relations Journal</u>, 14-19.

[28]   Bagin.

dialogues are the most effective kind of employee communication[29]. Employees must be actively involved. When employees are involved through interactive communication vehicles, they tend to communicate and accept information more freely. Management should consider the following suggestions when attempting to improve employee communication:

- Relay clear, concise expectations. Get to the main points first.

- Choose your words with confidence and authority.

- Make eye contact and greet people with a smile. A smile injects a warm voice tone. Studies show that smiling relaxes the vocal cords and promotes a friendlier tone of voice[30].

- Listen actively—especially during times of change. Give employees undivided attention, and listen for the underlying message.

- Ask questions.

- Seek clarification through feedback.

- Beware of surveys and focus groups. They often aren't conducted in atmospheres of trust. They should not be used if you are not willing or able to address issues. Ignoring issues is worse than not asking at all.

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[29] The Future According to Davis-Hays. (1997, December). Communication Strategies: Published by Davis-Hays & Co, 2-3.

[30] Hurt, James W. (1996, May 10). Better Communications leads to Satisfied Workers. Wichita Business Journal, 11, 12-15.

Relevant Studies

The Hawthorne Experiments (1924-1932)

The Hawthorne studies were the most famous studies conducted during the human relations movement[31]. George Elton Mayo and Fritz Jules Roethlisberger conducted this study at the Hawthorne Works of Western Electric near Chicago. These experiments had a tremendous impact on organizational behavioral science research.

Mayo and Roethlisberger conducted a series of studies in a bank wiring room. They represented the first attempt to study how physical and social environmental factors influenced employee productivity and morale.

Mayo and Roethlisberger collected data on worker attitudes, morale, informal work groups, and social relations. Experiments focused on: job monotony, length of the work day and rest periods, wage payment methods and amount of lighting.

The experiments revealed no relationships among variables. The need for upward communication was highlighted by these studies. Results emphasized the fact that employee sentiment needed to be recognized, and included in information provided to upper management.

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[31]   Lewis, Phillip V. (1987). <u>Organizational Communication:The Essence of Effective Management</u>. New York: John Wiley & Sons.

The final results of the Hawthorne experiments was a social-system organizational viewpoint. The Hawthorne experiments had a major impact on subsequent thought regarding working conditions.

Morale and Communication (1955)

Dallis Perry and Thomas A. Mahoney found support for the hypothesis: morale is related to the amount of information given to employees as opposed to the amount they retained. They did not find a significant relationship between employee attitudes toward a company and their knowledge of the company.

Sandborne (1961)

Sandborne studied national retail organizations. He was concerned with communication procedures and the media. Sandborne attempted to determine the attitudes of employees at different levels toward communication practices. He also attempted to determine the relationship between communication satisfaction and morale.

He concluded that employee communication satisfaction was related to the degree that desirable communication practices were used within an organization.

CHAPTER III

STUDY DESIGN

DATA NEEDED

This study was designed to determine the correlation between employee morale and the use of internal communication programs. It identified the ingredients of an effective internal communication program.

Interviews were conducted to reveal communication strategies used by different companies. Responses determined:

- whether the company had an internal communication policy

- whether supervisory staff were trained to communicate effectively

- whether supervisory staff were held accountable for communicating with its subordinates

- the perceived benefits to internal communication programs.

DATA SOURCES

This study primarily includes information gathered via telephone interviews or mailed questionnaires from large and small New Jersey companies. The author also consulted employers in Maryland, Texas, New York , Delaware, Pennsylvania and Michigan.

RESEARCH PROCESS

The author used quantitative and qualitative explanatory research methods to establish a correlation between the independent variable (effective internal communications programs) and the dependant variable (employee morale).

SAMPLE SELECTION AND SIZE

A purposive sample of 53 communication professionals from large and small organizations were selected.

METHODS OF ACQUIRING DATA

The author used the two principle methods of message/artifact research to obtain both historical and current data. Archival (Library)/Documentary research strategies were employed to acquire relevant historical subject matter.

Survey/ Interview techniques were employed to acquire new data. A 13-question survey was mailed or administered during telephone interviews.

CHAPTER IV

DATA ANALYSIS

Twenty-two responses (42 percent) were received from 53 inquiries. Forty-six surveys were mailed. Seven phone interviews were attempted. Sixteen mail surveys (37 percent) were completed and returned. Five phone interviews (71 percent) were also completed.

KEY SURVEY FINDINGS

❏ Twenty-one respondents (95 percent) felt that there is a direct correlation between internal communication and employee morale.

❏ One respondent (5 percent) felt there is an indirect correlation between internal communication and employee morale.

❏ Twenty-one respondents (95 percent) indicated that their company used face-to-face communication strategies One respondent (5 percent) was unsure.

SUMMARY OF QUANTITATIVE FINDINGS

	YES	NO
Does your company have an internal communication policy?	77%	23%
Are supervisory staff held accountable for communicating with their staff?	77%	*18%
If supervisors are held accountable for communicating with their staff, are they trained to do so?	64%	**18%
Do you feel there is a direct correlation between internal communication and employee morale?	95%	5%

* 5 percent were unsure   **18 percent did not answer

SUMMARY OF QUALITATIVE FINDINGS

A sample of individual responses are included under each question.

Briefly describe your company's internal communication policy?

❑ Communicate frequently, honestly, and whenever possible, face-to-face.

❑ We will communicate with employees:

1. First, before we communicate with outside audiences

2. In plain and simple and language

3. Openly and effectively

4. Regularly, objectively, and in a timely manner.

❑ We will seek to maintain a positive and productive communication environment

where the guaranteed flow of timely, accurate and candid information fully meets the

requirements of employees and contributes to the achievement of the company's vision, goals and guiding principles.

- ❑ To promote awareness of the company's diverse operations and to report on recent news developments and employee activities.
- ❑ Tell people what is important
- ❑ Small companies do not have, or need formal policies

How do you define an effective communication program?

A symmetrical system that encourages employee participation which is based on the Human Relations Participatory Model —James E. Grunig, professor, University of Maryland.

- ❑ Information should flow upward and sideways as candidly and as openly as it does downward. All employees should be made to feel an integral part of the team. They should also feel that their ideas and observations are listened to—Carole M. Howard, retired vice president, Public Relations, Reader's Digest Association.
- ❑ A constant program that reaches all with the need to know. It must be two-way— Todd Hunt, acting dean, School of Communication/Information and Library Studies, Rutgers University.
- ❑ Programs that recognize the legitimate interest of employees to be kept informed, and recognize that by doing so, the company is making itself more competitive and more productive. The internal communication program needs to be ongoing, candid, timely,

and more rather than less—John Moscatelli, APR, senior vice president, Earle Palmer Brown.

- ❑ It allows information to flow to and from staff. It ensures that employees feel empowered to help the company achieve its goals—Nessa Forman, vice president, Corporate Communication, WHYY, Inc.

- ❑ Informative, timely, credible, team-building, value-internalizing, perspective enhancing and entertaining—Linn A. Weiss, staff vice president, Schering-Plough.

- ❑ A program that allows for a two-way flow and ultimately creates an environment in which employees fully understand their company's strategic goals—Michael J. McGowan, vice president, Communications, The CIT Group.

- ❑ The program is aligned with business goals and objectives. It has a research component and follows a strategic plan. It involves senior and intermediate management levels (with emphasis on the functional manager), involves a specific role for the receiver of information and employs a number of media channels. The program must also be measurable and operate against a specific desired result—Steve Biederman, corporate director, Employee Communications, Motorola.

- ❑ It is tied to business strategy. It is planned. It is integrated (consistent) with communication to other constituents. Goals are <u>measurable</u>, and results are <u>measured</u>— Craig MacQueen, vice president, Corporate Communication, Conrail.

- ❑ Effective internal communications do two things: they meet the communications needs of employees, and they deliver key organizational messages, which support the organization's strategic goals—Peter A. Eschbach, manager, Global Communication, Celanese.

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What areas if any, do you feel need improvement?

Face-to-face, since it is that segment that is least controllable and yet most effective. The quality of our briefings, resources and collateral materials to those conducting face-to-face sessions is key. Also key is the ability and willingness of those presenting messages. Feedback and coaching are competencies that are involved in the quality improvement process—Steve Biederman, corporate director, Employee Communication, Motorola.

❑ There is a lack of trust in and respect for employees evident by current management's lack of candor and timely communication. Employees are currently being treated like sheep and, information is not conveyed clearly or accurately.

❑ More face-to-face sessions

❑ Management needs to improve its approach to sharing information, perhaps through corporatewide emails, memos or quarterly meetings. Knowledge of important events is assumed.

❑ Speed and consistency, combating the rumor mill

❑ Communication: president to faculty and staff.

❑ You can always improve on refining and delivering the message. Individuals can always improve on communication skills.

❑ In any communication plan, there is a need to increase communication. In other words—there is not enough.

❑ Supervisors need to be better informed.

- Managers are routinely under pressure. As a result, communication can find itself at the bottom of the priority list. They need constant reinforcement.

- More funding, frequency.

- Manager's accountability for communication.

- We need to do a better job of staying on schedule in getting our tactical vehicles out. We also need to improve our multicultural/global perspective.

What do you consider to be the benefits of an effective internal communication program?

> Companies need all the good ideas they can get. All ideas need to be evaluated. "Wisdom flows in all directions"—Carole M. Howard.

- Espirit, loyalty, productivity, commitment, focus on mission, more fun.

- People find out things.

- Lower turnover, increased productivity

- Better results and increased employee morale

- Dispel rumors or misinformation by ensuring that all employees are "on the same page". Also helps develop and reinforce a more cohesive company spirit (internal) and positive corporate image (external).

- Productivity and pride

- Productivity and high morale

- Clarity of vision, Broader understanding of the company's progress in achieving its vision.

- Employee satisfaction

- Although employees might not like what they hear communicated, knowing where the corporation stands mitigates the fear of knowing.

- Company success

- The benefits are a work force that is aligned with where the organization needs to go. The organization has not wasted time or resources. Desired results are measurable and the communicator can report back to senior management what actions are being taken as a result of what was heard.

- It allows employees to feel empowered to help the company achieve its goals.

- Productivity—if people have adequate information, they can do their jobs. People waste time looking for information that should be available.

- Competitive advantage, employee "ownership" and morale, speed and efficiency, internalized values.

- Increased momentum toward achieving strategic business objectives.

- A workforce that actively supports organizational objectives.

- Higher productivity, happier employees and better profits

CHAPTER V

SUMMARY AND INTERPRETATION

CONCLUSIONS

The purpose of this study was to determine whether or not a direct correlation exists between the use of internal communication programs and employee morale. Based on this study, the following conclusions may be drawn:

- ❑ Ninety-five percent of the respondents felt there is a direct correlation between internal communication and employee morale.

- ❑ Five percent of the respondents felt there is an indirect correlation between internal communication and employee morale.

- ❑ Ninety-five percent of the respondents indicated that their company used face-to-face communication strategies.

- ❑ Seventy-seven percent of the respondent had an internal communication policy.

- ❑ Seventy-seven percent of the respondents stated that supervisory staff were held accountable for communicating effectively.

INTERPRETATION

All respondents felt a correlation exists between internal communication programs and employee morale. All but one felt the correlation was direct. According to James Grunig,

University of Maryland professor, it is difficult to determine the direct results of internal communication programs. According to Grunig, because communication tends to build relationships it reduces the likelihood that employees will engage in negative actions.

The respondents clearly acknowledged the need for face-to-face communication to promote two-way communication. The majority recognized the need for internal communication policy. They also recognized the importance of holding supervisory staff accountable for communication.

Probability sampling techniques were not employed during this study. Quantitative results were not statistically validated. As a result, generalizations cannot be derived from this study. However, valuable insight can be derived from both qualitative and quantitative survey results. Clearly, the vast majority of respondents emphasized the need for effective communications programs.

FURTHER RESEARCH

The following recommendations should be considered for further research on the correlation between internal communication programs and employee morale:

- ❑ Statistically-validated research should continue in this subject.
- ❑ Respondents of future research should include a broader range of professionals (this study was limited primarily to communication professionals)
- ❑ Further study should include respondents from both large (over 100) and small (over 100) companies.

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