Quality Communication for Organizational Flexibility and Competitiveness at Corporate Level: Opportunities and Issues

L. Ceneviz[1], K. Momaya[2] & Sushil[3]

ABSTRACT

Communication is essential in many contexts, from personal, team, corporate to country. It is gaining increasing importance as organizations strive for competitiveness through enhancing capabilities on key processes. Number of forces are increasing complexity of communication. There is need to understand the relationship of communication with other veriables leading up to organizational flexibility and competitiveness. Recognizing the gaps in comprehensive frameworks for effective communication, an attempt has been in our research to evolve one. Preliminary findings of an effort to understand the opportunity of effective communication and key issues are given in this paper. Conceptual framework linking key veriable is also given and will be tested empirically in global context. The practical framework will help professionals with key issues of communication for business performance and competitiveness,

Keywords: Communication, quality, organiazational flexibility, competitiveness, corporate perform-ance, business excellence, India

Introduction

Communication is a context-specific concept having relevance for competitiveness at many levles. It may be a factor for slow competitiveness journey of India despite independence and more than a decade of liberalization and globalization. While the ranks of India might have improved a little in some competitiveness reports, overall rank remains beyond 40 in most ranking (Table 1). There is considerable scope of improvement in country com-petitiveness for India and efforts should be made at relevant levles by stakeholders. Issues of communication, gaps and the need for simple but effective communication to involve masses in development in country context have been implicitly addressed by Maira (2005) in country context. Considering the increasing role for corporations in continuing globalization, we will focus on corporate communication in our research.

Table 1 Competitiveness Ranking of Select Countries

Country	2003-04	2002
USA	1	1
Singapore	5	5
Japan	19	30
Korea	25	27
Malaysia	28	26
China	32	31
India	42	42
Out of No. Countries	68	56

Source: National Competitiveness Report (NCR)

Progressive organizations are identifying importance processes and improving them to

1   Luis Cesar Ceneviz, Chief Executive, South Pacific Tyres
     178-180 Hume Highway, Somerton, Victoria, 3062, Australia
2   Corresponding Author: Dr. K. Momaya, Department of Management Studies, IIT Delhi,
     Vishwakarma Bhavan, New Delhi-110016 E-mail: momaya@dms.iitd.ac.in
3   Professor Sushil, DMS, IIT Delhi.

enchance competitiveness. Communication is emerging as an important process as stakeholders and their diversity increases in tune with increasing level of globalization. Organizational communication has been viewed highly significant by all the respondents withour exception in a recent empirical study (Dholakia, 2002). While commenting on the significance of communication at the workplace, many respondents observed that communication is the lifeline of the organization. Increasing number of formal corporate communication positions and groups is an indication of rising need for quality communication in corporate world.

Organizational flexibility can be an important enabler of competitiveness. Flexibility is perhaps the most talked concept in the emerging management scenario (Sushil, 2000). It is an important underlying feature of the new management approaches, such as TQM, BPR, knowledge management, learning organization, world class organization and virtual organization. It's importance is being increasingly realized.

Communications are of many kind and need to be understood properly. Communication, the process of transferring meanings from sender to receiver, appears to be a fairly strainght forward process. On analysis, however, there are great many problems in the international arena that can result in the failure to transfer meaning correctly (Hodgetts and Luthans, 2003). They have given examples of business failures due to gaps in inter-cultural communication in context of international management. Corporate communication will become more important as firms expand beyond borders are recruit human resources from many cultures.

Corporate communication has man facets that need to be addressed depending on context. One of the simple classifications can be external and internal. Project communication management is other important area, where excellence is based on successful execution of many projects. For instance, lot of work in emerging industry of India such as software is done in project mode. Poor communication was identified to be a major cause for slow scale-up of Indian software firms in Japan and many failures from project to relationship level.

Corporate communication is becoming very ciritical for responsive firms and there is need for a framework to link communication to performance. Today, a company;s ability to deliver its message and to communicate with investors, prospects, customers and the media depends not so much on the subtle intangibles of "positioning". but rather on measurable immediacy of responsiveness (Wreden,1999). Survey of internal corporate communication trends in 123 large US, European and Asian companies paint a picture of wodespread spending without a coherent communication strategy and tracking systems to ensure that the economic potential is realized (BCG, 2002). Worse, it appears that the availability of new communication technologies, and not the business case for their usage, is driving corporate initiatives. Given these trends. It is clear that companies require an organized framework and approach to link internal communication initiatives to business strategy and efficiency programs. The research in the area is limited; luckily few recent research-based books (Clampitt 2004, Cornelissen 2005, Fernandez 2004) are indicative of growing research and its dissemination.

Many such opportunities for improved communication and its leverage have been identified in many other contexts as well. For instance, many professionals in India have shown Communication has always been given due importance in project context. For instance, communication has been important knowledge pillar of body of knowledge in most project management societies.

Definitions

It will help us understand the concept and issues better, if simple definitions of key concepts are known. Give below are few definitions.

Communication: It is process of transferring meaning from sender to receiver. There are five important things for effective communication: Source, message, channel, listener and feedback.

Context: Information that surrounds a communication and helps to convey the message.

Project Communication Management: It is the process to glue together increasingly borderless professionals and its proper use or otherwise can influence project success (PMC2002).

It plays vital role in predicting problems occurring in the project and helps project management trigger measures against problems proacitvely. It also deals with cross-cultural communications.

India has historically rich knowledge about communication, but we needs to resolve complex issues in modern context. Rishis and gurus have given deep knowledge about thought, words and deeds. Complete harmony among the three was considered essential for happy results. Mahatma Gandhi's narration of three monkeys has lot of relevance. He was right in spirits, but in modern times, we must be prepared to "See the Evil", "Hear the Evil" if not "Speak the Evil", to establish full and proper communication (Bindu, 1999). Let's evolve few issues to get the feel for problems and opportunities for improvement.

Key Issues about Communication

Communication gaps have and can play havoc in management and society; it is imperative that we understand the real issues and think about enhancing the quality and effectiveness of Communication at relevant levels. Reflection on subject and interactions with professionals indicated existence of many complex issues about Communication. They are classified here for easy comprehension.

Nature, content and Outcomes

Overall effectiveness depends critically on the nature, content and outcome of organizational Communication (Dholkia, 2002). Most of the employees face the problem of Communication goof-ups regardless of the level or the category. They are not so satisfied with dealing with the boss. What may be reasons for poor Communication? What

role hierarchy plays and how can its role can be leveraged for enhanced effectiveness Communication ?

Barriers to Communication

Identification of barriers to Communication and their root causes can help select remedial measures. Barriers can be there in any Communication, but they become complex in international arena. Some of the most important are language, perception, culture and nonverbal Communication.

Effectiveness

Effectiveness of communication is a desirable in all walks of life; it is a necessity in corporate Communication. Increasing number of professionals with formal roles of Communication is just one indicator of increasing importance. Hodgetts and Luthans (2003) have listed feedback systems, language training, cultural training, flexibility and cooperation as mechanisms to enhace effectiveness. Are these the relevant mechanisms for internal communication also? If not, what else can help?

Quantity and Quality

Easy access to communication due to proliferation of devices might have enhanced quantity. Now issues of quality and balance have become more important. If not well planned, the issues of consistency, frequency can becom major problems and can adversely affect quality.

Communication Styles: Explicit/Implicit

Context can play a key role in explaining many communication differences. In high-context societies, such as Japan and many Arab-countries, messages are often highly coded and implict (Hodgetts and Luthans, 2003). This style is in sharp contrast to low-context societies such as the Unites States and Canada where the message is explicit and the speaker says precisely what he or she means.

Similarly there are issues of indirect and direct styles, elaborate and succinct styles, contextual and personal styles, affective and instrumental style. A

useful comparision of verbal styles used in 10 select countries is given by (Francesco and Gold, 1998). Interestingly. Japan and the US were placed at opposite poles on all four styles. This partly explains the major communication gaps when western experienced professional were asked to do business in Japan without being given enough orientation. Here, a key issues is, whether person with rich experiences in one context can adapt to very opposite context? If so, how fast and using what approaches?

Cross-cultural management

Cross-cultural management is becoming very important, particularly in organizations that have people from many countries. Internal corporate communication can become quite important to build trust and teamwork for competitiveness in such contexts. How to examine communication and its relationship with organizational culture becomes an issue.

Technologies

Despite loads of promises, proliferating ICT technologies have not been very effective in enhancing communication. In fact, in number of contexts they are becoming a cause of less effectiveness communication due to problems such as information overload, clogged channels, security threats due to viruses. Reducing effectivenss of e-mainl is just an example. While developed countried with superior knowledge of communication and technology may be more successful in leveraging technology-enabled communication for perform-ance, most firms in India seem to be far behind. How can developed countries can leverage technology for effective communication?

Framework Linking Communication to Performance

It is important to evolve frameworks so that the processes and linkages of corporate communi-cation can be better understood and improvements planned. Based on extensive interactions with professionals across the countries, and literature review a exploratory conceptual framwork of linkages among key variables related to

communication was developed (Figure 1). The framework has five macro variables. The linkages and presumed directionality of the influence is also indicated. Competitiveness is captured in terms of organizational performance. Micro variables were identified and are listed in Table 1. Attempts will be made to examine relationships among variables through global questionnaire survey and case studies using emerging paradigms such as flexible systems management (Sushil, 2000).
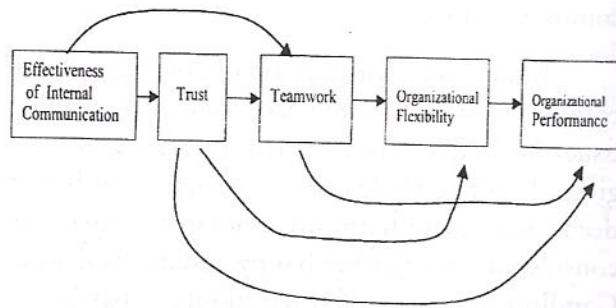

Table 1 Macro and Micro Variables

Macro Variables	Micro Variables
Effectiveness of Internal Communication	• Communication Leadership • Communication Channels Communication Content Feedback
Trust	• Strategic Trust • Personal Trust • Organizational Trust
Teamwork Organizational Flexibility	• Customer Orientation • Employee Empowerment
Organizational Performance	• Finance Perspective • Internal Business Perspective • Innovation and Learning Perspective • Customer Perspective

Concluding Remarks

Communication is important at multiple levels in different contexts. Its importance at the corporate level for organizational flexibility and competitiveness is increasingly realized. Communication becomes more complex as companies evolve on the stages of globalisation from dominantly local companies to truly transnational corporations. When viewed in narrow perspective in the world of fast emerging ICT technologies and services, it seems that you can communicate with anyone at a touch of few buttons. In reality, effectiveness of communication may not have even improved at all, when viewed holistically. Myriad of problems exist when we beign our journey from definition to implementation of strategies enhance effectivenss of internal communication. One important cause of slow competitiveness journey of India may be gaps in collective communication among key stakeholders: masses, workers, professionals, entrepreneurs, bureaucrats and politicians. There is a need to evolve simple yet effective mechanisms of communication to take relevant message among the stokeholders and evolve collective understanding about opportunities/problems, alternatives, vision and actions to enhance competitivenss. There is also a need for research and development of concepts, constructs and frameworks and communicate the results to professionals.

Acknowledgements

References

BCG, 2002, Company Communication Trends: Growth of new communication Technologies demands rethink of companies' internal communication strategies, A Survey Report by the Boston Consulting Group,

Bindu Sai, 1999, Scientific Management: Spiritual Way, Jayalakshmi Publications, Bangalore.

Clampitt P., 2004, Communicating for Managerial Effectiveness, Sage Publications, London.

Cornelissen J., 2005, Corporate Communications: Theory and Practice, Sage Publications, London.

Dholakia J., 2002, Some Aspects of Organizational Communication in India: An Empirical Study, Working Report, IIM Ahmedabad, India.

Fernandez J., 2004, Corporate Communications: A 21st Century Primer, Sage Publications, New Delhi.

Francesco A.M. and Gold B.A., 1998, International Organizational Behavior, Prentice-Hall, p.60.

Hodgetts R.M. and Luthans F., 2003, International Management: Culture, Strategy, and Behaviour, Tata McGraw-Hill, New Delhi.

Maira A., 2005, Remaking India: One Country, One Destiny, Sage Publications, New Delhi.

PMCC, 2002, P2M: A Guidebook of Project & Program Management for Enterprise Innovation, Summary Translation, Project Management Professionals Certification Centre, Tokyo.

Sinha D.P., 2004, Cross-cultural Management: Issues and Challenges, IFTDO Conference, New Delhi, Nov. 22-25, p.67-69.

Sushil, 2000, Flexibility in Management, Global Institute of Flexible Systems Management (www.giftsociety,org), Vikas Publishing House.

Wreden N., 1999, Responsiveness: The Key to an Effective Corporate Communication Effort, Harvard Management Communication Letter, April.