

# **Functionality and Interactivity of Internal Communication in a Multicultural Organisation**

**Case: Lufthansa Cargo Finland**

Laura Wild

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<b>Author</b> Laura Wild	<b>Group</b> IBd05
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<p>Organisational communication has become an essential aspect of corporate strategy, as customers and other important stakeholders have become more aware of their choices and demand for greater transparency and service. A company's own employees also expect to be kept up-to-date and be informed, and they often play a key part in a company's success, as well-functioning internal communication is the core and starting point for effective external communication. This, however, is not fully recognised or materialised in companies today. Furthermore, interactivity in internal communication has become a hot topic, and these facts justify the relevance and importance of this study.</p> <p>This study examines the effectiveness and efficiency of internal communication in Lufthansa Cargo Finland. The specific focus is on interactivity of the communication. The objective was to both detect the weak points and improvement areas in the communication processes and to provide recommendations to the management about actions to be taken to tackle these weak points and challenges. The study does not cover internal communication in the whole organisation, but is limited to the Helsinki office, and concentrates mostly on challenges and problems in internal communication.</p> <p>The study includes theories of internal communication with a focus on communication planning, barriers, best practices, and cultural factors. The study was conducted through qualitative research, as the author aimed to understand a specific phenomenon and wanted to proceed from specific to general, covering several simultaneous factors influencing the outcome. The data was collected through in-person interviews, as this allowed for freer discussion and deeper exploring of the topic. The study was conducted during a seven month period, of which two months were used for the data collection.</p> <p>During the study, challenges especially in relation to information flow and message coordination were detected. The communication was highly hierarchical, resulting in several relays and blocks in the message distribution chain. This resulted in delays and information gaps among other things. Furthermore, lack of chance for interactivity, especially bottom-up, was detected. These resulted in, for example, lower motivation and bad atmosphere. A need for greater transparency, possibilities to participate, locally adapted communication guidelines, training, and increased cultural awareness were seen as possible solutions to the problems and challenges.</p>	
<b>Key words</b> Internal communication, organisational communication, interactive communication, intercultural communication, communication planning, communication strategy	

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# **1 Introduction**

Organisational communication has been studied for at least six decades, and it has grown in importance significantly since the early years (Miller 2009, xv). As information and communication technologies develop with an incredibly fast pace, the consumers are more aware of their choices, and globalisation poses threats with regard to more intensive competition, organisational communication has become an essential aspect of corporate strategy to boost the success of a company. We live in the age of communication, which justifies the importance of the topic of this study.

## **1.1 Background to the study**

The thesis is commissioned by Lufthansa Cargo Ag. The topic area is internal communication in Lufthansa Cargo Finland. Several multicultural teams function in the case company, which poses challenges for effective internal communication. Also, the effectiveness and the direction of developments in internal communication from the employees' perspectives have not been thoroughly investigated since 2007. Thus, research about perceptions of the current situation and the recent developments is necessary.

The focus of the research is on the interactivity of internal work process related communication and especially on the problems occurring in everyday communication within company. The purpose of the research is to try to find out how to ensure all parties within the Helsinki office receive all the information they need, to identify the underlying reasons for the problems, and to give suggestions for organising and managing internal communication to make it as fluent, interactive and efficient as possible.

The findings will benefit the management in mapping the current situation and further information needs among various parties, and in disclosing the challenges occurring in internal communication and possibly pointing out solutions to them. The whole area office will benefit from more effective solutions to internal communication. Other companies with similar challenges in internal communications can also benefit from the research. Finally, the author will benefit from the research through the learning process.

## **1.2 Research problem and international aspect**

The research problem is rather unstructured, as it is not completely clear which issues cause the actual problems and challenges in internal communication in the case company. Thus, exploratory research is used to gather information and to gain insights into the underlying reasons for the problems (Malhotra & Peterson 2006, 72). The main research question is: “How effective and efficient is internal communication in the case company and what are the communicational weak points?” From this the author has still drawn a sub-question: “Which advice could help the management improve internal communication?”

The author has formulated four investigative questions (IQ's) to address the research problem. They are as follows:

1. What are the problems and challenges in internal communication?
2. What are the current internal communication guidelines, strategies and objectives, including responsibilities of each team and the employees within the teams?
3. What are the employees and management's feelings and views about the interactivity of internal communication?
4. What are the concrete development ideas and suggestions to improve internal communication?

The overlay matrix with investigative questions is presented in the Appendix.

The international aspect of the research embodies itself in studying and researching communication within and between multicultural teams. Challenges related to differing cultural habits and expectations in communicative practices are investigated. The author will study theories about organisational communication within multicultural parties and investigate the cultural issues in internal communication in the target company.

## **1.3 Scope of the study**

As mentioned earlier, the aim of the research is to find out the underlying reasons to challenges and inefficiencies emerging in internal communication and how the problems could possibly be solved. The author investigates internal communication within the Helsinki office and thus communication to and from, for example, Lufthansa Cargo headquarters in

Frankfurt will not be included. The study concentrates on the communication aspect only, and in principle will not cover areas of, for example, motivation, organisational culture, work satisfaction or retentions.

The specific focus of the study will be on the interactivity of communication, as this area of communication studies has gained more attention lately. The author will explore whether the communication is primarily one-way, or if the message flow is two-way or rather like a communication network. The directions of information flow, possibilities to influence from bottom-up as well as being heard in various kinds of situations are examples to be investigated in the study.

The author chose a wider focus in the research as the current situation and the problems are rather complex and unclear. Furthermore, the author will investigate what kind of information is sent, how, by whom, and through which channels, but only as far as is required to disclose the reasons for the problems. She will interview the employees about whether they feel they receive enough information and what additional information they would require still.

In addition, the management wants to uncover what the current situation concerning effectiveness of internal communication is from the employees' viewpoint. The author will investigate whether the development of the situation is considered to have worsened or improved during the past years, or whether the situation is perceived to have stayed the same. The areas where improvement or worsening is perceived to have taken place will be investigated more in detail. (Seppälä, M. & Fischer, A. 9.3.2010.)

## 1.4 Key concepts

**Communication** is one of the basic key concepts in the study. Here, communication refers to exchange of meanings between two or more parties, where a sender encodes and sends a message through the selected communication channel to a receiver, who decodes it. The purpose of communication is to transmit information, to share meanings, and to create common understanding. Communication is effective and successful when the receiver decodes the message so that it is understood the way the sender intended. Efficient communication, then again, refers to communication which is effective and the best efficiency is achieved through minimum required level of effort and time. Leif Åberg (2000, in Juholin 2009, 23) defines communication as a process where the situation is interpreted through

meanings, and where this interpretation is transmitted to others through an interactive communication network.

**Organisational communication** covers communication in an organisation, also including in- and outward flows of information. According to Keyton (2005, 12), an organisation cannot exist without communication, but organisation emerges from communication.

Communication in an organisation must occur with all stakeholder groups. This includes communication on the employee and management level within the organisation as well as communication with the current and potential clients, suppliers, partners, etc.

**Internal communication** refers to communication within an organisation, excluding communication with external stakeholders. The direction of the communication flow can be top-down, bottom-up, or horizontal. According to Juholin (2009, 35) internal communication on a daily basis occurs between management and teams or departments, within teams, and between teams or departments. Here, however, any work-related communication between individuals in an organisation is taken into account, including also communication between managers and employees on an individual level.

**Intercultural communication** takes place when persons with different cultural backgrounds communicate with each others. Here, for example, cultural values, expectations and habits with regard to communication affect the communication process and can pose challenges to successful or effective communication. For example, differing preferences in direct and indirect communication, in communication priorities and the use of verbal and non-verbal language affect the intercultural communication process. The term “intercultural” is not used synonymously here with “multicultural”, as with “multicultural organisation” the author refers to the fact that the employees in the company come from different cultures.

**Channel** refers to the media through which a message is sent, for example email, telephone, face-to-face conversation, notice board, memos, etc. The channel selection affects the efficiency of the sending and receiving process, and the understanding and effectiveness of a message. Miller (2009, 30) argues that written mode of communication is the most prevalent in organisational communication. One of the reasons for this is the permanence of written messages, which in many situations increases especially the long-term effectiveness of the message.



**Message** comprises of the information the sender wishes or aims to pass on to the receiver. The way the message is formed, together with the channel through which it is sent, significantly influence whether the message is understood by the receiver. Message contents and types vary according to the meaning and purpose of the message, and this affects, for example, the choice of channel when sending the message.

## 2 Theories of organisational and internal communication

In this section the author will go through several communication theories. She will start by defining the communication process, and then covering general organisational and internal communication, communication planning, and challenges and best practices in internal communication. She will also cover challenges in intercultural communication. The theories were chosen based on the informal management interview in the preliminary research phase about the current situation of internal communication in the case company.

### 2.1 Definition of communication process

Several definitions for communication process have been suggested throughout the decades. Communication process can be described as an exchange of meanings between two or more individuals. Communication can be either verbal or non-verbal, and it is often said that a person cannot avoid or stop communicating at any one time, as even silence or not acting upon a message or an event always communicates something about the person.

The communication process model created by Shannon and Weaver (1949, in Huczynski & Buchanan 2007, 178-179), presented in Figure 1 below, is widely used to define the communication process. It describes the sending and receiving of a message, taking into account the context and perceptual filters.

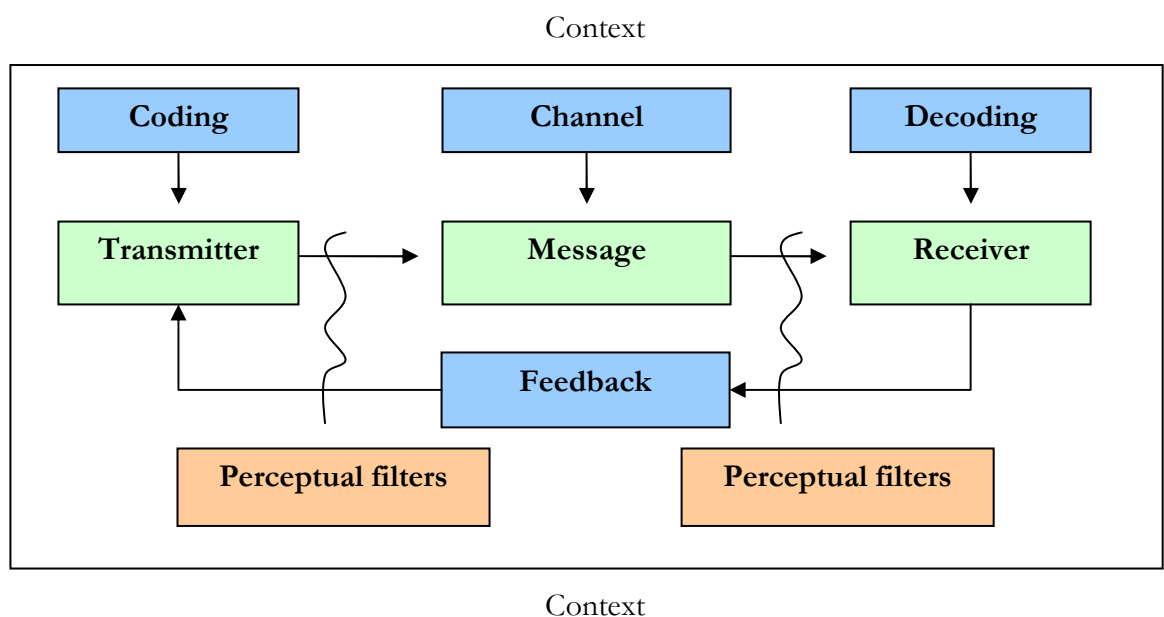


Figure 1: A model of the communication process

The process starts with the *transmitter*, i.e. the sender or encoder, *coding* or encoding the message. This means that the intended meaning is coded into a form, including choice of language and words, in which it can be sent to the *receiver*. The transmitter also chooses in which manner the message is expressed to the receiver. (Huczynski & Buchanan 2007, 178; McKenna 2006, 178.) The message is sent through a selected oral or written communication *channel*, for example face-to-face, over a telephone, or through email.

Even though traditional communication theories focus on message transmission, perhaps even more important is the message *decoding* process. As Huczynski & Buchanan (2007, 178) point out, we do not receive communication passively, but participate actively in the communication through decoding the message. That is, we process the message and interpret it the way we understand it within the given *context*. The decoding process is heavily affected by what Shannon and Weaver call *perceptual filters*. Perceptual filters include issues such as predispositions to hear or not to hear, preoccupations diverting our attention elsewhere, or even cultural background.

A broader concept, *noise*, is often used instead of perceptual filters, as it includes also physical noise, such as loud sounds, or anything else that interferes with the accurate decoding of the message (Huczynski & Buchanan 2007, 181). Perceptual filters or other noise can distort the decoding of the message to the extent where the meaning is not fully or at all understood, or the message is decoded incorrectly, hindering effective communication.

Finally, the transmitter receives information about, for example, the successfulness of the communication process through *feedback* from the receiver. If the message was decoded successfully, the receiver usually reacts to it in a way that makes sense, typically either agreeing or disagreeing. Confusion, or delayed or absent feedback might indicate that the message was not fully understood and thus the decoding process was not successful. In such a situation we tend to try to recode the message in a clearer way. Feedback also allows us to gain information about the receiver's attitude and opinions through gestures and body posture. Feedback is vital when evaluating the successfulness and effectiveness of the communication process. (Huczynski & Buchanan 2007, 181.)

Curtis and Detert (1981, in McKenna 2006, 179) have turned the communication process into a communication cycle, where the original receiver becomes the sender of a return message, and the original sender becomes the receiver. This model demonstrates two-way

communication better than Shannon and Weaver's model and sees communication as a continuous process which does not end with the decoding and the feedback.

## **2.2 Principles of organisational communication**

Organisational communication has gained attention in the past decades, and the importance of planning and managing communication in an organisation is nowadays more widely acknowledged than before. All organisational operations involve communication, including hiring and training employees, purchasing, dealing with customers and other stakeholders, and building a company strategy, to mention but a few (Huczynski & Buchanan 2007, 175-176). The core of organisational communication lies in internal communication, that is, within the formal structure of the organisation. Before being able to communicate successfully with external stakeholders, the members of the organisation must communicate with each other.

Keyton (2005, 13) defines organisational communication as “a complex and continuous process through which organizational members create, maintain, and change the organization.” The responsibility for communicating does not lie solely with the management, but all members of the organisation must participate in the communication process. Furthermore, as communication always needs a sender of a message and at least one receiver, it is a mutual process where active participation from both sides is required.

According to Juholin (2009, 22), organisational communication covers all communication within an organisation, external and internal, both formal and informal. Internal communication refers to interaction inside the organisation, between the employees and management. The direction of communication can be top-down, bottom-up, or horizontal. The ways of communication can take various forms; the message can be sent in a direct face-to-face situation, or through a telephone call, meeting, memo, email, website or notice board, to mention but a few.

External communication covers communication to all stakeholders outside the organisation, including current and potential customers and suppliers, other partners, investors, the mass media, etc. The purpose of external communication is to maintain the already established relationships, create new ones, and keep the public informed of the organisation's processes. In addition, effective external communication can be a key to developing more intensive relationships with, for example, suppliers to gain competitive advantage.

As the focus of the study is on internal communication, this area of organisational communication will be explored more in detail below. The author will first cover some basic internal communication theories. Then, she will discuss Redding's postulates on organisational communication, as they actually focus on internal communication and provide an alternative approach to classical transmission-centred and sender-focused communication approaches.

### **2.2.1 Basic internal communication theories**

Internal communication plays an important role in the competitiveness and successfulness of an organisation. Employees are motivated to work towards common goals through communication, and by keeping everyone informed of the state of business, objectives, etc., the efficiency in task performance can be improved. Welch and Jackson (2007, 188) argue that the purpose and role of internal communication is to “promote commitment to the organisation, a sense of belonging to it, awareness of its changing environment and understanding of its evolving aims.” Because of the central role of communication, communication strategy and objectives should be included in the strategy plan. This will be discussed later in chapter 2.3.

The traditional communication process model (Figure 1) was discussed in chapter 2.1. This model is still widely used in organisational and internal communication theories. However, many argue that the model is outdated. According to Miller (2009, 11), as the world has become more complicated due to, for example, globalisation, and as the information communication technologies keep developing rapidly, more complicated and comprehensive communication models are needed to describe the process. She argues that communication is no longer just a one-way process, or two-way when the feedback loop is taken into account. She takes Curtis and Detert's communication cycle theory even further and talks about communication systems and intricate networks where everyone is linked to each other and where common meanings can be created and shared. Miller's view is backed up by Vesala-Varttala and Varttala (2010, 26). They argue that, especially in multicultural settings, creating an internal communication network becomes crucial to successful communication.

This broader model does not, however, completely substitute the traditional transmission model of communication process. Miller (2009, 12) argues that both models can be used in an organisation, depending on the situation and the content of the message. In some situations

communication is best done by passing information from one individual to another or to several receivers. In these cases the traditional process model can be applied. Still, more often it is necessary to share meanings with the whole community, and here the broader model about communication networks is more suitable and effective.

Miller (2009, 23-30, 49-51) presents two different approaches to internal communication. In classical approaches, internal communication is seen to be focused on task-related topics. Social communication is not encouraged, as it is seen counterproductive to reaching common organisational goals. The direction of communication is usually seen as vertical and more specifically top-down, managers communicating to their subordinates about task-related topics. Written mode of communication and formal style are also commonly used. It is easy to see that this kind of approach seems old-fashioned and rather inefficient, as it is very mechanical and does not encourage free flow of information or innovativeness.

In the other end is the human resources approach. Here, in addition to the task-related communication, social and innovation-related communication is encouraged. The direction of communication is not only limited to vertical and not even to vertical and horizontal, but communication to all directions and between all members of the organisation is encouraged. In this approach, communication is often team-based and a variety of channels are used to maximise the effectiveness of communication and to optimise the free flow of ideas. Both formal and informal styles of communication are used, but especially informal communication plays a major role, as fulfilling of human needs is important besides enhancing organisational effectiveness. Table 1 below summarises the differences between the two approaches.

Table 1: Communication in classical and human resources approaches.

	<b>Classical Approach</b>	<b>Human Resources Approach</b>
<b>Communication content</b>	Task	Task, social and innovation
<b>Communication direction</b>	Vertical (downward)	All directions, team-based
<b>Communication channel</b>	Usually written	All channels
<b>Communication style</b>	Formal	Both, but especially informal

Huczynski & Buchanan (2007, 199) list a range of mechanisms through which communication takes place in an organisation: the management chain of command; regular meetings with senior and/or middle managers; in-house newspapers and magazines; notice boards; videos;

conferences and seminars; employee reports; team briefings; and email and intranets. This list focuses on more formal top-down and one-way communication. Examples of two-way communication mechanisms include 'speak out' programmes concentrating on dealing with problems; suggestions or 'bright ideas' schemes; open door policies; appraisal systems; quality circles; attitude surveys; and interactive email.

When choosing the channel, it is important to take a look at the content and urgency of the message. Various channels can also support each others. It should be determined which kind of messages require face-to-face communication, and which messages are suitable for virtual communication or communication through telephone or non-virtual written communication, such as memos or letters. Furthermore, certain messages should be handled more interactively among two or more communicating parties, for example, individual face-to-face discussions or emails. Other messages are more suitable for communication that is primarily one-way informative communication, such as meetings, reports or announcements in Intranet.

### **2.2.2 Redding's ten postulates on organisational communication**

W. Charles Redding, a well-known academic among the communication scholars, created his ten postulates on organisational communication in the 1970's, and they are still very valid today. Tompkins and Wanca-Thibault (2001, xviii-xx) present them in their article *Organizational Communication, Prelude and Prospects*. The postulates look at organisational communication from a different perspective than most of the other contemporary communication theories, focusing on reception and decoding of messages rather than the encoding and sending process. Redding also included organisational climate and its relationship to effective communication in his theory. As expressed by Tompkins and Wanca-Thibault (2001, xviii), Redding's postulates "presented a way to reframe the relevant research from organizational communication perspective, and in doing so, to point to potential future areas of study". They focus on internal communication, and thus they are included here.

Redding's first postulate concentrates on the meaning of a message from the receiver's point of view. Traditionally, communication is seen as an exchange of meanings (Huczynski & Buchanan 2007, 178). Redding claims that meanings are not transferred, and a failure to interpret messages correctly leads to what he calls *content fallacy*. The focus, in comparison to other contemporary studies on communication, is shifted from sending the message to receiving it and making an appropriate response. A message should be decoded and

interpreted so that the intended meaning is understood correctly and the response of the receiver is in accordance with the message content. Thus, it is not enough that the sender understands the message, but the encoding should be done with regard to the receiver's understanding and interpretation of the message.

According to Redding's second postulate, anything is a potential message. Here, Redding includes the nonverbal message in communication alongside with the verbal message. This approach is, however, widely used in communication studies and the importance of nonverbal communication in message interpretation is generally acknowledged (see Huczynski & Buchanan 2007, 178; McKenna 2006, 172). Especially in multicultural companies or companies with cultures where indirect communication plays a significant role, the value and importance of nonverbal messages is high.

The third postulate emphasises the importance of input and listening. Redding highlights that managers should listen to their subordinates. Thus, the information flow should be two-way, instead of the information only coming from top down, as the employees can also provide valuable information upwards to the management, and the feeling of being heard tends to improve work motivation.

Redding's fourth postulate relates to acting upon messages. Here he points out that people respond to messages based on their personal frames of reference. The reason for this is that the messages are also interpreted in accordance with the receiver's personal frame of reference. Thus, the receiver might not act upon the message the way the sender intends him to, as their personal frames of references might differ.

In his fifth postulate, Redding emphasises the importance of feedback. He talks about *feedback receptiveness*, with which he refers to the extent to which the management is open to subordinate feedback. With *feedback responsiveness* he refers to the extent to which the management give feedback to subordinates. He also points out that being a receptive feedback receiver is not the same as responding to feedback, and this difference is a crucial point that should be recognised. If feedback is only received but not acted upon in the correct and required manner, the communication remains ineffective.

Redding's sixth postulate refers to the "cost factor" relating to the efficiency of communication. McKenna (2006, 178) argues in his FIDO (frequency, intensity, duration and over again) principle that frequent repetition of a message results in more effective



communication. However, communication requires expenditure of energy and time, and possibly money, and in that sense efficient communication contradicts with frequency-based effectiveness of communication. Redding has created a simple formula for communication efficiency, which is as follows:  $\text{efficiency} = \text{effectiveness} / \text{cost}$ . This indicates that more communication is not necessarily better, as the cost factor is higher in more frequent or extensive communication. The higher the effectiveness factor and the lower the cost factor, the more efficient is the communication.

The seventh postulate discusses the balance between social need for redundancy and economic need of efficiency. It supports the notions in the sixth postulate. Too much information can result in boredom or inability to use all the information effectively. However, too little information can result in the message being inadequate or incomprehensible.

The eighth postulate relates to the two previous ones and refers to communication overload. Communication overload leads to problems related to an individual's channel capacity and the limits of message processing. These two issues should be taken into account when planning communication and encoding the messages, as too much information can, again, lead to inadequate message interpretation, incorrect filtering, and inefficient use of the information.

Redding's ninth postulate discusses a phenomenon he calls "serial transmission effect". This refers to changes of meaning due to filtering or distortion. The challenge is to find out what the optimal number of "relays" in serial transmission is to avoid significant changes of meaning. Here, the emphasis is again on message reception rather than sending.

Finally, Redding's tenth postulate is about the importance of organisational climate. He claims that the climate is more important than communication skills and techniques. He argues that an ideal managerial climate consists of supportiveness, participative decision-making, trust, confidence and credibility; openness and candour, and emphasis on high performance goals.

### **2.3 Internal communication planning and communication strategy**

The importance of internal communication planning has grown together with the increased attention given to organisational communication. It is claimed that communication should be integrated into an organisation's strategic planning. These claims have their foundation in the fact that we live in the age of information, and information and communication technologies

develop with an extremely fast pace, creating and growing the demands related to communication and information needs. (Ferguson 1999, 11.)

Ferguson (1999, 11) identifies strategic planning as the first and the highest level of organisational planning. Strategic plans form the basis for operational plans, and work plans are derived from the operational plans. Finally, support plans and plans for crises are created based on these three plans, but these two shall not be discussed further here.

Ferguson (1999, 12) argues that communication should not serve the whims of individuals, but instead it should support organisation's efforts to achieve its strategic goals and to fulfil its mission. For this reason she sees communication as a management function. This notion also justifies the claim that communication planning should be integrated in strategic planning. Juholin (2009, 99-100) supports this view by stating that communication strategy or communication plan should help the organisation to achieve its goals. However, she does not see communication or communication planning only as a management function, but argues that it should be a common activity in an organisation. As every member of the organisation participates in communication, the planning should also be conducted jointly, allowing everyone to participate in the discussion.

The environment in which the organisation operates together with the character of the operations determines how often the communication plans should be renewed, i.e. if they should be renewed on an annual or multiyear basis. If there are frequent changes in the operations due to, for example, fast developing and changing industry environment or changing patterns in behaviours, the communication plans should also be revised on a more frequent basis. This ensures the plan is up-to-date and in compliance with the changing strategies of the organisation.

The strategic communication plan supplements the corporate plan. The communication plan should include at least background statement, corporate objectives, policy issues, external and internal environment, windows of opportunity, communication objectives, themes and messages, communication priorities, performance indicators, and anticipated financial resources with regard to the budget required, etc.

As every organisation and all the members of the organisation partake in organisational communication, setting common objectives is vital for the communication to support organisational functions effectively (Juholin 2009, 99). Special attention should be given to

formulating the communication objectives. Often the communication objectives are “to communicate”, which is inadequate in terms of taking concrete actions to enhance the effectiveness of communication. The objectives should not be based on previous years’ priorities nor be arbitrary. Rather, they should be derived directly from corporate or business objectives, policy issues, and external and internal environment. (Ferguson 1999, 14, 37.) Objectives targeted in internal communication can include issues such as satisfaction to ease of access to information, possibilities to influence, knowing company strategy and objectives, and improving company atmosphere (Juholin 2009, 101, 103).

Setting objectives is not as easy as it often may seem. Many organisations may define their communication objectives very well, but the will to achieve them and making concrete plans to do it is often missing. For this reason the objectives remain just some abstract objectives. (Juholin 2009, 99-100.) Thus, communication priorities must be set to support the achievement of the objectives. Communication priorities are the starting point for operational planning exercises. They determine which areas of communication should be emphasised in the coming year. However, more concrete actions required for realising the priorities are first outlined in the operational and work plans. (Ferguson 1999, 41-42.)

Juholin (2009, 108-109) presents a model of the types of professionalism in communication, illustrated in Figure 2 below.



Figure 2: Types of professionalism

Professionalism in communication is affected by the presence of communication plans and strategic objectives. It is derived from drawing the plans and objectives from the organisational strategy. In addition, how well the communication plans are realised with regard to the communication strategy affects the professionalism in communication. Having existing communication plans but no strategic objectives result in practical and reactive communication. When the objectives are defined but there are no plans as to how to communicate and how to reach these objectives, the communication strategy and practice remain incoherent and thus ineffective. Finally, communication is seen as amateur-like or intuitive if lacking both strategic objectives and communication plans.

In the operational communication plan, the communication priorities are reviewed with regard to the emphasis on the different areas. The strategic communication objectives are restated to point out the linkages to the communication priorities. All communicational activities dealt with in the operational planning should support the overall organisational objectives. Complementary activities and services contributing to achieving these objectives, for example, reports, materials, etc., are listed. In addition, the key client groups are identified both on external and internal level. Finally, the plan for allocating resources to support the communication activities is drawn up, also identifying what is required to carry out the operational communication plan. (Ferguson 1999, 53-54; Juholin 2009, 100.)

When the operational plan is ready, a work plan can be drawn up. Work plan includes the concrete activities to be performed to implement the operational plan. It lists the products and services to be delivered, responsibilities determining who delivers what, and setting milestones and deadlines. In addition, performance indicators are specified, and they will be used to identify when the milestones and final communication objectives are achieved. Finally, the work plan identifies evaluation methodologies for measuring the achievement of goals. (Ferguson 1999, 57, 59; Juholin 2009, 102).

Mapping the current communication situation helps to develop new communication plans. The more accurate and precise information is available the more appropriate objectives can be set. It is also important to determine how well the current communication processes support the organisation strategy. (Juholin 2009, 101.) The communication strategy and objectives should be communicated to the members of the organisation clearly. If they are not aware of those, it is difficult to reach the objectives and implement the strategy in daily communication practices. Furthermore, it is vital to agree what is communicated, when and how often. The employees can better orientate themselves for regularly occurring communication situations,

such as weekly meetings, when they are well informed about when these take place, what will be handled, and what the reasons and benefits of these meetings are. (Juholin 2009, 111.)

Having a clear division in communication responsibilities has become crucial in the past years as the importance of communication processes in organisations has gained more attention. Juholin (2009, 129) lists several ways how to divide these responsibilities. The communication objectives should influence the way the responsibilities are divided so that the overall communication processes can serve the strategy and objectives set out in the communication plan. The communication responsibilities can be divided based on, for example:

- the department divisions
- issues communicated in accordance with substance experts
- the importance of the issues communicated, i.e. who is allowed to give what information
- stakeholders and teams, i.e. who is responsible for informing and interacting with different groups
- timing, i.e. experts inform about new things first and later the responsibility is shifted to another person, for example manager.
- professional skills, i.e. communication professionals are responsible for different areas.

## **2.4 Challenges in communication processes**

McKenna (2006, 179-181) identifies some basic barriers to communication. First of all, the communicator might be unable to think clearly what he wants to say and thus cannot form the idea well enough. The encoding problem might persist even if the communicator does have a clear idea what to communicate. As people interpret messages in different ways, it is a challenge to encode a message so that the receiver understands it the way it was intended. Here, the encoder should be able to put himself into the decoder's position and understand his frame of reference.

In addition, noise, already discussed earlier, can become a barrier to communication. Aside from physical noise and distraction, psychological noise, i.e. biases, attitudes, and beliefs of the communicating parties can cause distortion of the message to the extent that it is misunderstood or not understood at all. Additionally, information overload, discussed together with Redding's postulates, can be seen as noise in communication process.

Furthermore, selectivity in reception, interpretation and retention of information poses challenges to effective communication. Concentrating on certain issues and ignoring or paying less attention to others is related to what a person judges to be important. Relevant and significant information might thus be missed through selectivity. In addition, if the receiver makes too quick conclusions, he might become defensive. This and possible strike-back can undermine the quality of the communication.

Finally, incomplete feedback and rumours pose further challenges to successful communication. Incomplete or missing feedback about the message received denies the sender an insight into the position of the receiver and breaks the communication cycle, possibly making further communication ineffective. Rumours, then again, often arise when there already are problems in the communication, as people are not kept informed well enough about important matters. Rumours feed false information into the organisation's communication network.

Huczynski and Buchanan (2007, 198, 200) discuss outcomes from several studies about problems and expectations in internal communication. The importance of communication activities is nowadays recognised by many managers, and communication is often also seen as a major problem in organisations. It is more common that communication processes are one-way and top-down, where the management distributes information to the employees without further interaction where the employees could express their views of the issue.

Many employees also feel that they do not receive enough information about, for example, management plans or organisational changes. This can cause dissonance and decreasing motivation within the organisation. Employees also expect to be kept informed of things. They expect they can participate in and contribute to various issues, which is forestalled by the traditional top-down way of primary communication. Poor communication can result in absenteeism, turnover, and low efficiency in task performance due to lack of information.

Employees' personal interests do not always coincide with the interests of the organisation (Huczynski & Buchanan 2007, 198-199). Thus, it is a challenge to motivate the employees to work towards common goals. March and Simon (1958, in Huczynski & Buchanan 2007, 199) argue that the management cannot change the behaviour of individuals directly, but it must be done more subtly through, for example, pay basis or employee evaluations and appraisals.

McKenna (2006, 181) mentions that communication within single business functions, for example, departments, is often better than between two groups drawn from different business function units. Furthermore, communication between people within one geographical location tends to have fewer problems than communication between different locations. That is to say, the closer the communicating groups are located physically, the fewer problems are assumed to arise in communication. This is backed up by the perception that face-to-face communication should be preferred as it is in many cases said to be the most effective way to communicate. Large geographical distances make frequent face-to-face communication situations very difficult if not impossible.

## **2.5 Best practices in internal communication**

Effective communication takes place when the message is understood by the receiver, producing resultant action. It can be distinguished from communication in the sense that effective communication leads into action or decisions. Communication as such does not necessarily result in this. Furthermore, effective communication and communication can be distinguished from informing in the sense that informing happens only one-way and often top-down in organisational settings, whereas communication, and especially effective communication, is always a two-way process. (Kalla 2005, 303.) In internal communication, one further criterion for effective communication is that the work-related tasks can be performed effectively and trouble-free (Juholin 2009, 111).

Huczynski & Buchanan (2007, 183) have created guidelines for improving communication. They argue that face-to-face communication should be used whenever possible, as the effectiveness of the communication can be monitored through the feedback from the receiver, and possible misunderstandings or mistakes can be corrected immediately. Face-to-face communication often also results in faster reacting upon the message than, for example, written communication. However, Welch and Jackson (2007, 189) point out that it would be unrealistic especially in larger organisations to communicate principally face-to-face, although it might be economically possible in very small organisations.

The second item in the guidelines involves reality checks. This means that the sender or the transmitter should check in which way the message was decoded. Often we might automatically assume that others decode our messages the way we intend, but as we have read before, this is not always the case.

Also the time and place chosen for the communication affects the decoding of the message. If the right message is sent at a wrong time or in a wrong place, the decoding process is typically affected in a negative way or the message might be completely ignored. Thus, selecting the right time and place for communication is crucial for the effectiveness of communication.

The final item in the guidelines emphasises empathetic listening. More effective coding of a message could be achieved if the sender is able to put himself in the receiver's position, trying to see things from his point of view and understand his way of thinking and decoding. This is more easily achieved through active listening of the feedback from the receiver.

An open communication climate encourages effective communication, as was mentioned in Redding's tenth postulate in chapter 2.2.2. In an open climate, the employees feel secure and confident about communicating not only about positive issues or issues that are advantageous to themselves, but also about negative issues. They feel they can contribute freely without reprisal and mistakes can be used as opportunities for learning. The atmosphere is more caring, solution-oriented and forgiving. A closed communication climate is the opposite of this. Negative issues are held back, and secrecy and distrust often prevail. The atmosphere tends to be judgemental, controlling and even hostile. (Huczynski and Buchanan 2007, 201.)

McKenna (2006, 182-183) lists some factors in effective internal communication based on a study of companies with very successful internal communication. The factors are as follows:

- Chief executives committed to communication, skilful at relating to people and allocating sufficient time to them
- Actions supporting what is communicated
- Encouraging the employees to communicate upwards, with a striking balance between downward and upward communication
- High emphasis on face-to-face communication, especially in times of uncertainty
- Minimising ambiguity and uncertainty through a high level of information sharing among managers, supervisors and their work groups
- Encouraging employees to also inform about negative things beside positive things, not punishing for bringing bad news
- Giving thought to most effective ways of getting a message across, paying attention to the employees' general information needs and the relevance of the message
- Putting effort in faster communication, informing about relevant things quickly.



Additionally, the employees of an organisation should be aware of how the internal communication function works and how they can contribute to the communication process. It is not enough to have the skills for communicating, but a thorough understanding of the whole communication system and the role of communication as a core competence is required. Communication should be viewed as a strategic rather than skill-oriented function, and everyone should have the capability of detecting weak points in communication and the authority to bring these weak points forward. (Kalla 2005, 312; Vesala-Varttala & Varttala 2010, 29.)

Team briefings are excellent ways of communicating. It allows the manager or supervisor to share information with the team and the team members have the chance to ask question, thus two-way communication is encouraged. Team briefings help to keep the team members up-to-date and encourage employee involvement. However, whether the briefings are successful depends heavily on the briefing skills of the supervisor, and therefore he should be properly trained for briefings. (McKenna 2006, 183.)

It is also becoming more common to have a full-time communication coordinator in an organisation to take charge of the communication processes, allowing for systematic management of the messages sent. Effective coordination and management of the information flows is especially important in multicultural organisations to reduce uncertainty and distrust, and to enhance learning, understanding and communication. (Vesala-Varttala & Varttala 2010, 26-27.)

## **2.6 Cultural aspects in communication**

As mentioned earlier, organisations are founded on day-to-day communication practices which influence and are influenced by connections between individuals (Stohl 2001, 351). When these individuals have different cultural backgrounds, the communicators often face challenges due to differing expectations and habits in communication. The importance of the management paying attention to this has grown together with globalisation and greater international mobility of labour force around the world. Organisations with multicultural workplaces have become common as multiculturalism also offers many great opportunities to organisations; however strategies for tackling the challenges arising from different cultural

backgrounds, habits and expectations should be developed. The aspects of culture in communication processes are investigated in the chapters below.

### **2.6.1 Culture and intercultural communication**

Culture can be described in many ways; in fact, there is no one absolute definition of culture. As an example, by mid-50's, two scholars, Kroeber and Kluckhohn, had collected over 300 definitions of culture (Stohl 2001, 336). Culture affects the way we think and function, and our attitudes, values and beliefs, and the way we perceive the world, are shaped by it.

Hofstede (2001, 11) has defined culture as “the collective programming of the mind that distinguishes the members of one group or category of people from another.” Culture is something we learn through shared meanings, perceptions and values. Stohl (2001, 341) states that “culture shapes behaviour and influences communication because it structures one's perceptions and ideas of the world”. According to him, culture can be seen as cerebral or aesthetic, as a concrete artefact, complex social pattern, or communicative practice, or as a combination of these (Stohl 2001, 341-351).

In this study, culture will be studied from the communicative practice point of view. Culture is reflected in the meanings transmitted in communicative activities. Hall (1959, in Stohl 2001, 351) formulated the famous sentence often used in this approach: “culture is communication and communication is culture”. It means that on one hand culture shapes the way we communicate both verbally and non-verbally, and what we expect when communicating. On the other hand, communication is culture in the sense that we create culture and keep cultural traditions, expectations and habits alive through communication. Stohl (2001, 351-356) presents Hall's framework for the relationship between communication and culture consisting of six elements: time, context, space, message flow, language and communicative effectiveness.

*Time.* Time is perceived either as monochronic or polychronic in different cultures. The perception of time influences among other things tempo, scheduling, and pace of negotiations. For example, in many monochronic cultures, such as in most Northern European cultures, time is perceived to be linear and material, and punctuality and deadlines are seen as important. People in monochronic cultures also tend to deal with one thing at a time. In polychronic cultures, for example Latin cultures, time is seen as non-linear and insubstantial. People from these cultures tend to do many things at once. Schedules and deadlines are not as important,

but relationships are cherished and time is taken to one's partner. The time-concept is one of the main issues causing challenges in intercultural communication, as people with different cultural backgrounds might have different understanding of the time required for task completion or of how accurately one should comply with the deadlines, to mention but a few.

*Context.* Communication contexting refers to “the types of messages employees create, design and understand” (Stohl 2001, 352). People from high-context cultures tend to code less in a message, as lot of the information is already in the person or the relationship. Asian cultures are typically high-context cultures, as relationships and networks are highly important there. The relationships carry a lot of information with them, so that, for example, very little or no background information is needed in communication. In low-context cultures, the information transmitted is highly focused and controlled. More information is expected by the receiver and most of it is coded in the message. Also, high-context cultures typically value building relationships more than doing business, and usually a relationship is a prerequisite for doing business, whereas in low-context cultures people tend to go straight to the business (Huczynski & Buchanan 2007, 194).

*Space.* The importance of space in communication depends on the culture. The space is about proxemics, which relates more to non-verbal communication. It refers to the “social distance” people prefer to have in interactions, and the size of this space varies according to culture. We can talk about several personal spheres, and the intimacy of the relationship determines which of the spheres one may enter without causing feelings of discomfort. The more intimate the relationship, the smaller the distance required. People from cultures with smaller personal spheres might interpret it arrogant if someone constantly wants to keep distance in interactions and retreats when someone comes closer. (Huczynski & Buchanan 2007, 190.)

*Message flow.* This element refers to what is considered appropriate in interpersonal communication in different cultures. For example, in those cultures which attempt to protect the face, like in China and many other Asian cultures, open contradiction or negation is not appropriate, as it causes a loss of face. Also, on a smaller scale there are significant differences in what is considered appropriate and what not, and differences in the perceptions can result in negative atmosphere in interactions among other things.

*Language.* In multinational companies, language differences at workplace have become everyday life. Good linguistic communication between all members of personnel is essential, and it has often been reported as the most serious source of difficulties in intercultural

interactions. Many companies have chosen one single language as the “official company language” as a solution to avoid costly and time-consuming translations. Altman (1989, in Stohl 2001, 353) argues that, in addition to saving in translations, the use of one language minimises cycle time and awkwardness of interaction. Chan (1995, in Stohl 2001, 353) adds that it also “builds social cohesion and trust, allows people to do their jobs better, and makes the work environment safer”.

However, the reported challenges related to language in multinationals come from differences in language competence, level of comfort in using non-native language, and non-transferability of some concepts from one language to another. Furthermore, Hofstede (2001, 425) argues that having to use the language of someone else, i.e. not one’s own native tongue, problems may arise from the fact that the speaker has to enter someone else’s frame of reference. A lot of understanding of the culture and its values and history is required to be able to use the language of that culture effectively.

*Communicative effectiveness.* There are several approaches to how communicative effectiveness can be attained in multinational environment. Some scholars argue that this can be done through building and reinforcing cultural synergy or aiming at third-culture building, a third culture being a new, blended culture with its own values and ways of working. In both of these different cultural backgrounds are commingled to combine strengths and skills, creating interdependence. The culturalism approach, then again, aims to preserve cultural identity, and interdependence, compromise, cultural adaptation and consensus is needed only in the task domain. Cultural identity, values and behavioural differences should be retained in the socio-emotional level. Culturalism thus celebrates cultural differences and aims at turning them into a positive force. The opponents of culturalism, however, highlight the challenges embodied in tensions arising from, for example, differing individual and group identities.

These two approaches can also be examined through convergence and divergence approaches. According to Stohl (2001, 325-326) convergence approach focuses on creating organisational structures that work across nations. Cultural differences are minimised and structural adaptation emphasised. Divergence approach, on the contrary, stresses the advantages of cultural differences, highlighting the communicative diversity in organisations. Effectiveness is created from the ability of people from different cultures to work together.

Convergence approach assumes similarities in organisations across nations, including structural and communicative practices. These practices are also said to converge due to the

developing communication technologies and global economy among other things. Common markets appear, characterised by common behaviours. This leads to harmonisation of many organisational practices across cultural borders. (Stohl 2001, 327-328.)

Stohl (2001, 333) writes about “global network organisations”, originally identified by Monge and Fulk in 1955. The main features of these global network organisations include flexible communication networks replacing traditional hierarchies where local country-bound networks are transcended. Flexibility and flattening the hierarchy are key elements and they can be used to increase convergence. This also links to Miller’s and Vesala-Varttala and Varttala’s views about the necessity of creating and applying communication models that base on networks instead of the traditional transmission model, discussed in chapter 2.2.1.

However, Stohl (2001, 355-356) argues that working together intensifies and highlights cultural diversity. That is to say, cultural differences become more apparent and visible in everyday interactions between individuals. This is backed up by Hofstede (2001, 424), stating that intercultural communication “confirms the groups involved in their own identities and prejudices”. The organisation, when clever, can attempt to maximise the advantages and minimise the disadvantages arising from cultural differences. This becomes a crucial point in the divergence approach.

It is also necessary to train people in intercultural competence when working in a multinational company. Being aware of cultural issues and the differences in cultures and their values and norms can help the employees cope with intercultural encounters better. Hofstede (2001, 427-428) identifies three phases: awareness, knowledge and skills. The process starts from recognising that people’s minds are “programmed” in different ways, heavily influenced by the culture, and goes from knowing things about the other party’s culture, for example, symbols, heroes and rituals, to understanding the culture and using this understanding successfully in encounter situations.

### **2.6.2 Cultural dimensions**

There are various ways to try to understand cultures. The best way is to live in the culture and study the people and the history, and to try to find out the underlying values shaping the behaviour and way of thinking in that particular culture. Researchers and scholars of culture

have often tried to capture these things into words, describing different cultures as accurately as possible.

Twelve orientation dimensions of culture have been identified that affect organisational communication practices. They are orientation to nature, human nature, time, action, communication, space, authority, community, goals, structure, formality, and needs. (Stohl 2001, 337-338.) A simpler but still very practical model can be found in Hofstede's theory of cultural dimensions. The model is widely used in human resource management, communication, and intercultural studies, just to mention but a few areas. The model with three countries, Finland, Germany, and Italy are presented in Figure 3 below.

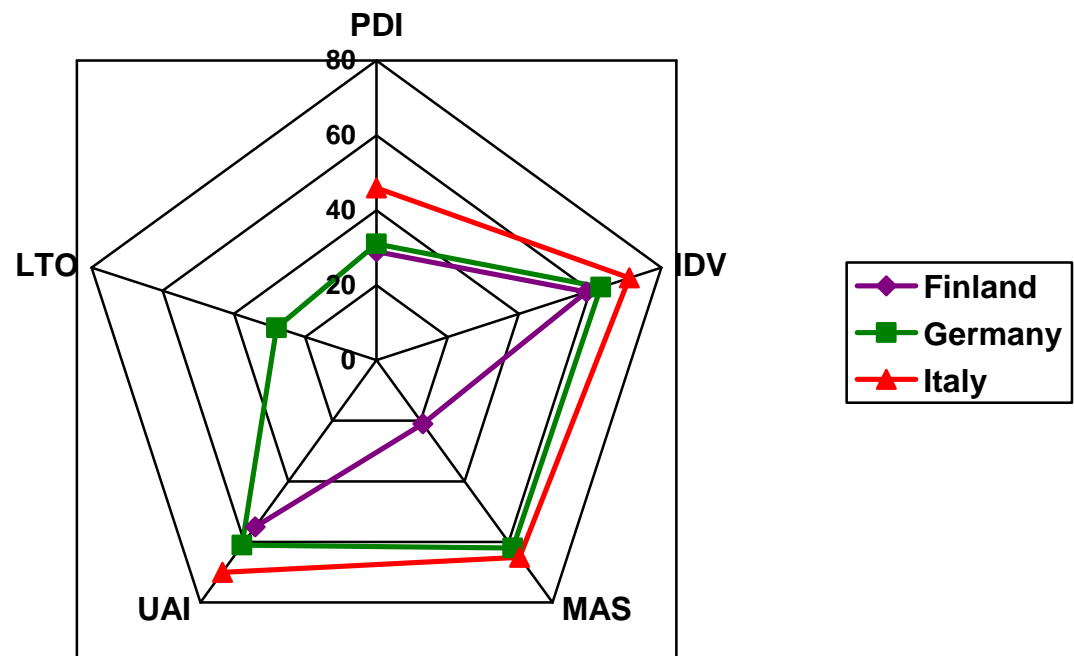


Figure 3: Hofstede's Cultural Dimensions: Finland, Germany, and Italy.

Source: [www.geert-hofstede.com](http://www.geert-hofstede.com) (2010), Huettinger (2008, 368)

The reason for choosing these three countries in the model is the personnel of the case company consisting of Finns, Germans, and one Italian. *Long-term orientation* (LTO) is not discussed here as the scores for it from Finland and Italy were not available, and no significant or important issues were found in the interviews in relation to long-term or short-term orientation.

*Power distance* (PDI) is the first dimension in the model. This covers the issue of human inequality, i.e. how humans are handled in different cultures. Inequality can relate to prestige, wealth, and power, and these are emphasised in different ways in different cultures. Thus,

power distance measures the interpersonal power of influence between two individuals from the view point of the less powerful person. The gap in between the two persons illustrates the inequality in the relationship. (Hofstede 2001, 79, 83.)

It is probably not incorrect to say that in almost every organisation power is distributed unequally: there are always those who lead, being the key decision-makers, and those who work as subordinates. This kind of power distribution is necessary to make an organisation functional and orientated to common goals. However, the degree to which inequality in power distribution exists depends on the culture as well as on the organisation itself.

Communication in organisations where the power distance is high tends to be more formal than and not as interactive as in organisations with low power distance. Inequality generally does not encourage free exchange of information, as the top-down direction becomes more important and bottom-up direction is not as typical in interpersonal communication. As can be seen from the model in Figure 3, the power distance in Finland and Germany is fairly similar, but Italy scores higher than those two. Finland and Germany have relatively low power distance, which means that humans are treated relatively equally, which at least in theory means that communication can flow rather freely among individuals in organisations and the direction of information flow is often two-way. The higher power distance score in the case of Italy can mean that the communication is more formal, typically top-down and thus less interactive.

*Individualism and collectivism* (IDV) form the next dimension in the model. This refers to the preference of humans to do things individually or collectively and it influences the values and behaviour of individuals (Hofstede 2001, 209). In individualistic cultures, personal goals and achievements are important, and people are usually alone responsible for what they do. In collectivist cultures a person is seen as a part of a social network, achievements are never contributed to one person only but to a group of people, and also the whole group is responsible for what happens. The USA is a good example of an individualistic country, whereas many Asian countries represent more collectivist culture.

When it comes to communication, in individualistic cultures things need to be explained explicitly (Hofstede 2001, 212). In collectivist cultures, a lot of information can be found in the context and the relationships, and thus less needs to be said. It often poses challenges in intercultural communication if the communicating parties are from both individualistic and collectivist cultures, and misunderstandings are common. However, as all of the three

countries in Figure 3 are quite strongly individualistic, this should not create major difficulties in communication between the parties.

*Masculinity and femininity* (MAS) form the third dimension in Hofstede's model. These refer to emotional and social values in a culture. Many studies have shown that women tend to think social goals and relationships as more important than more egoistic goals, such as money and career, whereas the situation among men is often vice versa. In masculine cultures, achievement, advancement and self-reliance are emphasised, and in feminist cultures compassion, responsibility, and obedience are important. (Hofstede 2001, 279-280.) Masculinity and femininity should not, however, be confused with individualism and collectivism, as the former do not relate to whether the individual or the group plays the key role, but to which kind of issues people attach most value and what is seen socially appropriate.

Whether a company is dominated by a masculine or feminine culture defines the general atmosphere and objectives of the organisation as well as the ways of working. In masculine lead organisations, achievements, hard work and goal-setting are in the centre of the activities, whereas in feminine lead organisations more emphasis is put on "softer" aspects, such as interpersonal relationships, cooperation, and work satisfaction.

In communication situations masculinity and femininity affect what is seen as most important in the communication process. Masculine cultures might see the message content and acting upon it as most important, whereas in feminist cultures the interaction and the relationship might take over the actual "hard" information in importance. In masculine cultures, the purpose of communication is highly informative, whereas in feminine cultures communication is seen as a social activity.

Of the three countries in Figure 3, Germany and Italy stand out being highly masculine countries. Finland has a very low score compared to the other two, being driven mostly by feminine values. Thus, differences in communication priorities might occur between Finns and the rest in the working place in the case company. For example, a German person might deliver a highly informative message about an action to be taken, and the receiver, being a Finn, might see the communication situation as more important than the message content, and might not immediately act upon the message. However, this is also highly dependent on the organisational culture and the individuals at work.



*Uncertainty avoidance* (UAI) is the fourth dimension in the model and refers to how comfortable people are in uncertain situations. In cultures where the uncertainty avoidance is high, people are more comfortable and secure when they can do things the familiar way and do not generally embrace change, as change often involves higher uncertainty of the future. Furthermore, in cultures with high uncertainty avoidance, everything is more controlled with, for example, laws and rules, and precise instructions of ways of doing things are given.

As Hofstede (2001, 146, 166) expresses it, the way we cope with and adapt to uncertainty is reflected in our values, leading to certain behavioural patterns. These patterns rational in one culture may seem “non-rational” in another. They also affect communication situations and message content. Higher-UAI countries tend to be more short-term oriented, and details and short-term feedback are seen as important in messages. Rules and regulations are called for, and clear information how to, for example, perform tasks are expected.

All the three countries in Figure 3 scored relatively high in uncertainty avoidance, and thus expectations with regard to communication and rules should be about the same. However, high score in UAI is often connected with xenophobia (Hofstede 2001, 424). People from high uncertainty avoidance cultures tend to reinforce their familiar learnt traditions, habits and behaviour, thus becoming more intolerant of different ways of doing things. When the values and behavioural patterns differ, challenges in communication processes might occur.

As a conclusion, major differences in the cultural dimensions of the three countries in question occur only in masculinity and femininity. Theoretically, difficulties with regard to these differences might appear in communication situations. In practice, though, challenges in all of the areas may occur, as individuals vary within cultures and might not follow the typical behavioural pattern of the culture in question. Differences in expectations and views of the role of communication as well as message content can pose challenges to effective communication. Emphasising different things in the communication process and message content can distort the understanding of the meaning of the message.

### **3 Case company: Lufthansa Cargo Finland**

In this chapter, the author will present the case company, which is Lufthansa Cargo Finland. Then, the author will briefly go through the key points of the previous study on internal communication conducted in the case company in 2007. Finally, the author will present the results from the preliminary interview with the management that was used as a basis for the primary research together with the information from the previous study.

#### **3.1 Company introduction**

Lufthansa Cargo Ag was founded in November 1994 as it became autonomous within the Lufthansa Group. The company is fully owned by the Deutsche Lufthansa Ag and has a capital of 100 million Euros. Lufthansa Cargo's core competency is airport-to-airport business, and the company positions itself as "one of the world's leading air cargo carriers in international air traffic". (Lufthansa Cargo Ag 2010.)

In 2009, Lufthansa Cargo transported 1.52 million tonnes of freight and mail. This generated sales revenues of 1.951 billion Euros, ranking Lufthansa Cargo among the world's biggest air carriers. The company headquarters are located in Frankfurt, and the administration is further divided on a regional basis. The average annual number of employees at Lufthansa Cargo in 2009 was 4568. (Lufthansa Cargo Ag 2010.)

Lufthansa Cargo markets its own freighter capacities as well as the belly capacities of all Lufthansa Group passenger aircraft. The company's own fleet consists of 19 MD-11 freighters and Lufthansa belly capacities. Lufthansa Cargo also offers capacities on its cooperation partners Jade Cargo International, of which it owns 25%, and Aerologic, of which it owns 50%. On July the 1<sup>st</sup> 2010, Lufthansa Cargo started cooperation with Austrian Airlines, further expanding its capacities by 92 aircraft. (Lufthansa Cargo Ag 2010.)

Lufthansa Cargo's target customers are various forwarding companies. The company's product portfolio consists of several time-definite services, where the customers can select the time frame specifying the latest acceptance time for their shipment and the time it will be available at the destination. There are three product categories: td.Pro for general cargo, td.Flash for the express segment, and Specials. The Specials include, for example, dangerous

goods, temperature-sensitive goods, live animals, valuable and theft-endangered items, and customer-definite solutions with immediate delivery of the consignment.

Lufthansa Cargo's office in Helsinki, HEL FG/A, is part of the regional area under Stockholm, STO FG. The STO FG, including offices in Stockholm, Oslo and Copenhagen beside the office in Helsinki, is part of the area Europe and Africa, F/G2, together with regions under Johannesburg, London, Madrid, Milano, Moscow, Paris and Vienna. The organisational charts showing the wider and the narrower area-specific divisions can be seen below in Figure 4 and 5.

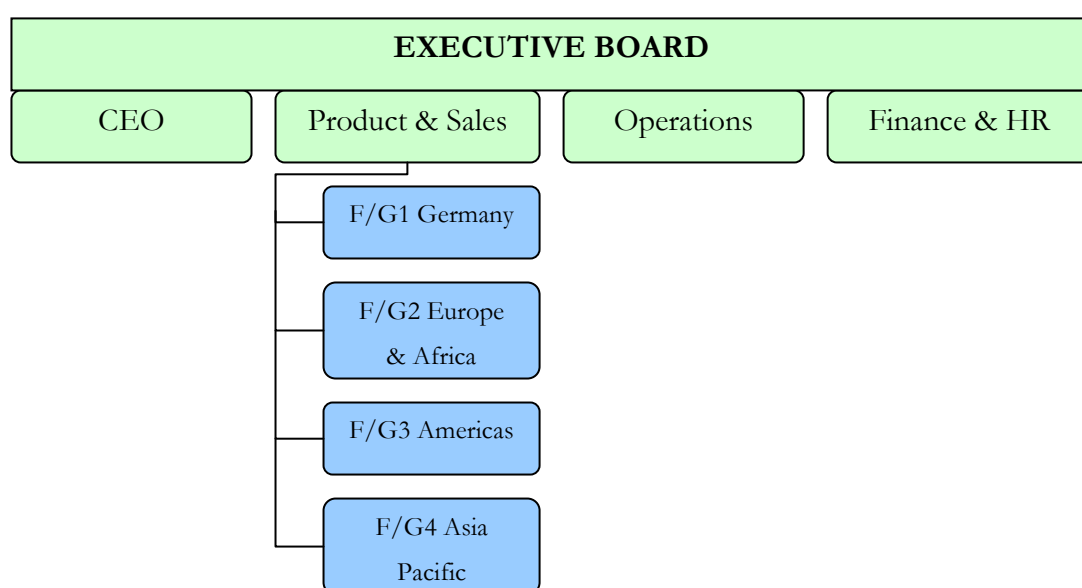


Figure 4: Organisational chart with regions

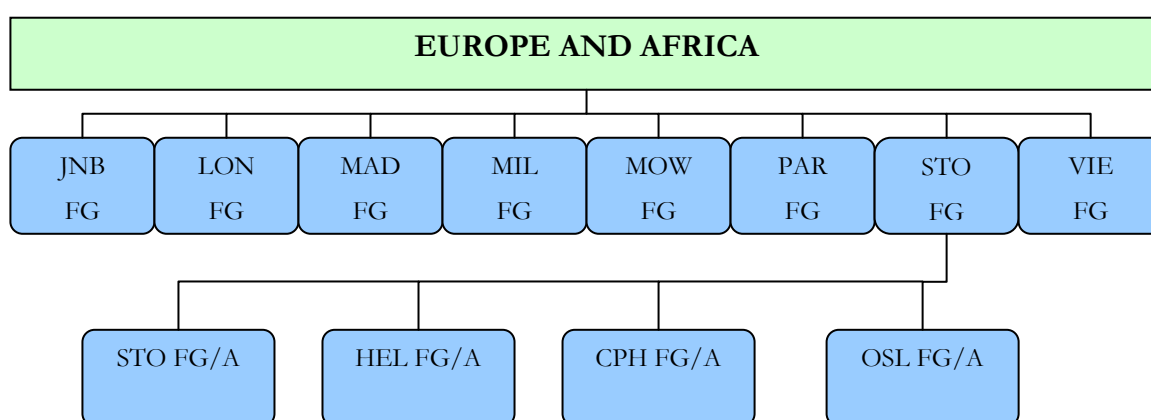


Figure 5: Organisational chart: Europe and Africa, with detailed division in region STO FG

The office in Helsinki has 12 employees. The Country Manager is the head of the regional office. Five of the employees work in the Customer Service Centre (CSC) responsible for bookings and proactive sales calls. One person is responsible for the sales steering and two for the customer development function. Two people working under the ground handling agent Servisair form the Service Operation Group (SONG) and are responsible for all the handling operations together with the Handling Manager.

The organisational chart for the Helsinki office can be seen in Figure 6 below.

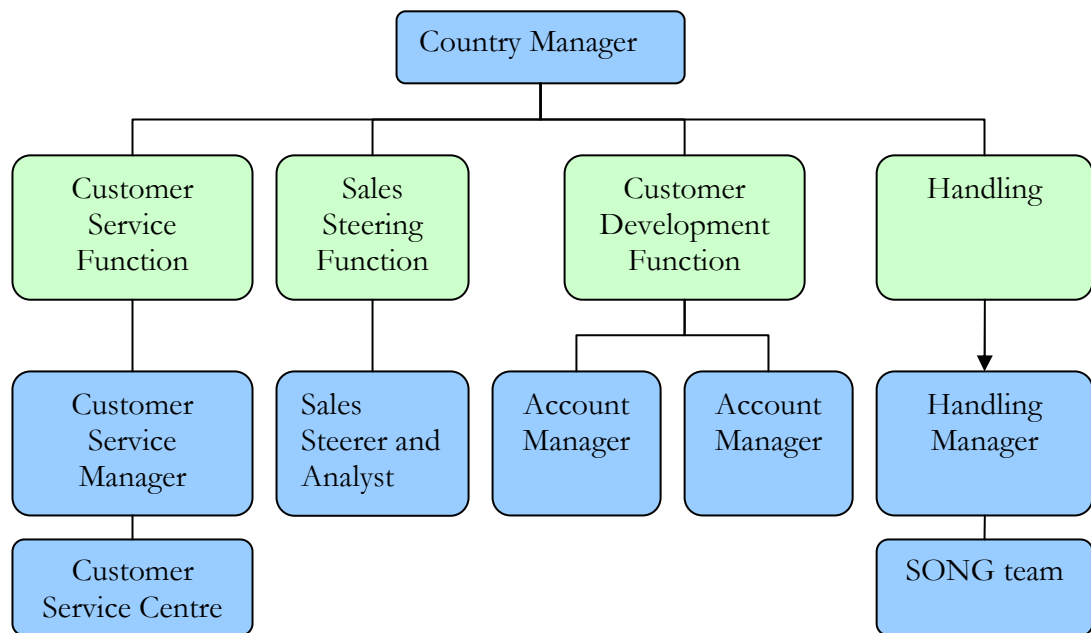


Figure 6: Organisational chart HEL FG/A

### 3.2 Previous research on internal communication

In 2007, a study on internal communication in the case company was conducted by Ulla Nyyslä for a Bachelor's thesis in Tampere University of Applied Sciences. The English title of the thesis was *Internal communication channels and their functionality: Case Lufthansa Cargo*, and its focus point was slightly different from the focus point of this thesis. Ms Nyyslä concentrated on finding out how well the internal communication functions in the Helsinki office between the managers and the subordinates as well as among the subordinates. Furthermore, the purpose of her thesis was to find out which communication channels were used in the office and how effective they were.

The research was stated to be qualitative and the data was collected through structured interviews handed out to the employees on a paper to be filled in. Some of the questions were multiple choice questions and some open-ended questions. All the 12 employees working in the Helsinki office at the time of the research took part in it.

In 2007, the most used communication channels in the Helsinki office were email and face-to-face communication. When asking with which channels to improve internal communication, the two mentioned above and meetings received the most answers. These three were seen as the most important communication channels in the office. The greatest improvement needs with regard to these channels were in the coordination of emails to target them to the right persons and in the development of oral communication, informing, and meetings.

All employees of the Helsinki office were satisfied or relatively satisfied with the internal communication situation in 2007. The best information sources for internal information were reported to be the colleagues in the office. All employees responded that they are well or relatively well aware of what is happening in the company. Most employees also mentioned that they received positive or neutral feedback, and only a few received negative feedback from their colleagues.

50 % of the interviewees reported the possibilities to influence in work issues and planning to be moderate. 33 % saw their chances to influence as good and 17 % very good. For improvement, the employees wished to have more meetings, more teamwork, more local decision-making, and listening to everybody's opinion before making decisions.

The problems reported in the research were related to limiting information flood and targeting messages to the right persons. Needs to cooperate more and be familiarised with each other's work tasks were also brought up. Furthermore, problems in the information flow were perceived, as certain information did not always reach the persons who would have needed it or who would have been interested in it.

The employees' improvement suggestions included having a person responsible for communication in the office to coordinate and filter the information flow. In addition, improvements in interpersonal communication and oral communication as well as meetings were seen necessary.

Ms Nyysölä's suggestions for tackling the problems and for improving internal communication in the case company included, first of all, increasing the minimum amount of development discussions from once a year to twice a year. Secondly, general communication guidelines should be created to bring clarity and structure to the communication processes to help limit information flood and to coordinate information flow. Third, meetings and briefings should be reorganised so that all those and only those needing the information would be present, and the contents and time-management in meetings should be planned with more care and accuracy. Finally, Ms Nyysölä suggested regular monitoring of internal communication processes.

### 3.3 Management perspective to problems and challenges in internal communication

Due to the small number of employees in the Helsinki office, much of the internal communication takes place face-to-face. In addition, email is used regularly. Especially in the case of SONG team, which is not physically located in the same office rooms, telephone is used for daily communication in addition to email. Very little face-to-face communication is used between the SONG team and the rest of the employees. The main communication flows can be seen in Figure 7 below.

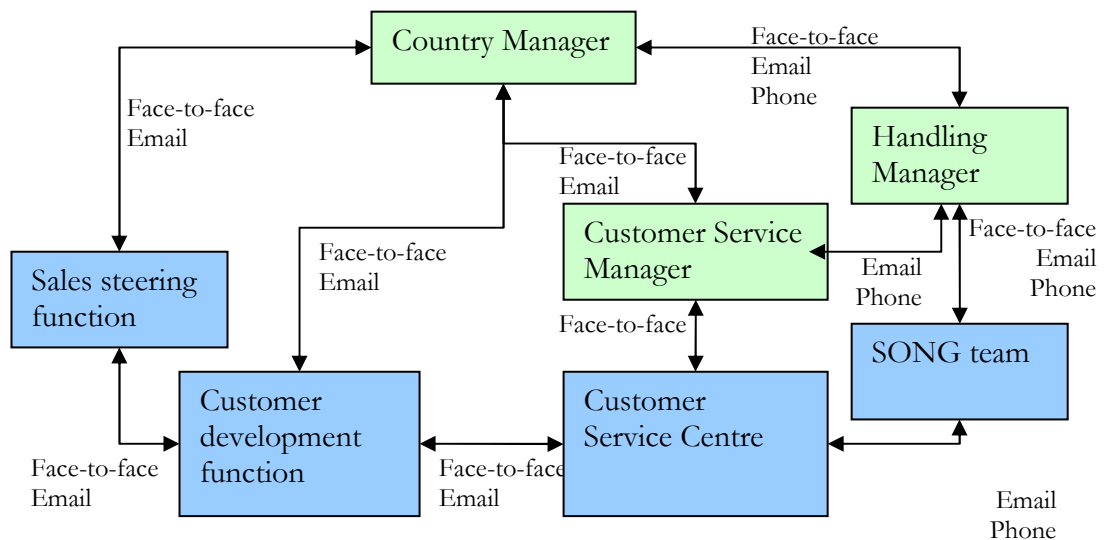


Figure 7: Main daily communication flows in the Helsinki office

In addition to the daily communication flows and channels, sales meetings are held weekly and strategy meetings monthly. The Country Manager, Customer Development Function, Sales

Steering Function, Customer Service Manager and Handling Manager participate in these meetings. The Customer Service Manager is responsible for informing the CSC and the Handling Manager for informing the SONG team about the issues handled in the weekly and monthly meetings.

Intercultural communication takes place mainly between the CSC and the SONG team, the Handling Manager and the SONG team, the Country Manager and the Handling Manager, and the Handling Manager and the Customer Service Manager. On an informal level, intercultural communication takes place between all of the employees within the office due to the small size of it and close interaction between the employees. The formal intercultural communication flows are illustrated in Figure 8 below.

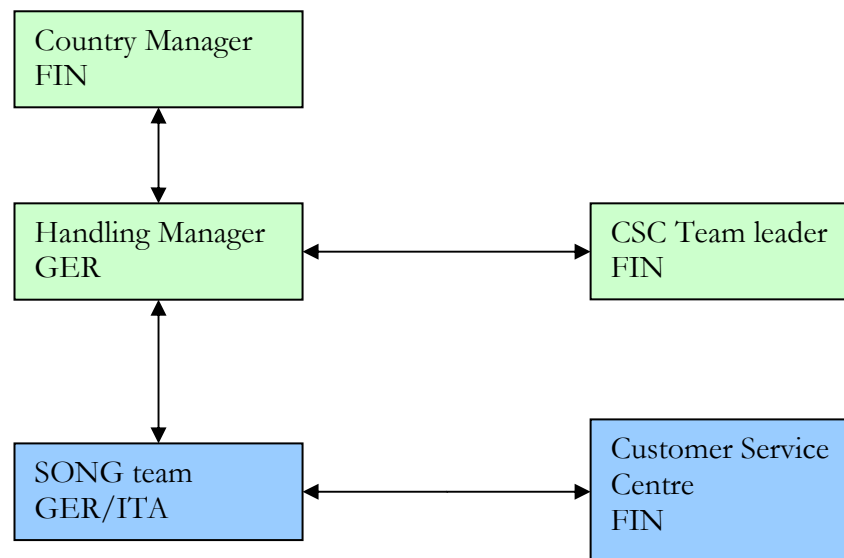


Figure 8: Formal intercultural communication flows in HEL FG/A

There are no comprehensive guidelines for how to communicate internally. Some kinds of guidelines have been formed for emails, but they are not actively applied by the employees. The most used channels, from management perspective, were email, phone, Intranet and meetings. However, Intranet is not actively used to inform someone of something, but provides more general information about the company and its operations.

On the local company level, the problems and challenges from the management's perspective include issues such as sending irrelevant information, or sending information to wrong people. In some cases the information is not sent to everyone who needs it, resulting in some people not having heard of certain issues in due time. Sometimes the messages are sent to too many

people, resulting in unnecessary information flow and inefficiencies in communication, and in involving too many people in the matter. Double communication is also often necessary, as the content of an email message is not understood by the receiver, and therefore an additional phone call is necessary to clarify the message. (Seppälä, M. & Fischer, A. 9.3.2010.)

The challenges and problems on a team level include messages not always reaching the people who need the information. There are also inefficiencies in communication between some teams or functions, as not everyone is up-to-date of what is going on in other teams. These can be due to individual or team level reasons, or perhaps due to some other reasons relating to location. (Seppälä, M. & Fischer, A. 9.3.2010.)

The management reported that the attendance in the CSC team briefings is low, and expressed their wish to know the reason for this. Furthermore, most complaints of not receiving enough information came from the CSC team members. The management's aim was to figure out how to best arrange the CSC briefings so that the attendance would be high and everyone would get briefed. (Seppälä, M. & Fischer, A. 9.3.2010.)



## **4 Empirical research**

This thesis is a research-based study. In this chapter the author will explain the research approach and the data collection methods. Furthermore, the author will assess the reliability and validity of the research.

### **4.1 Research approach**

The study was conducted through qualitative research. The reason for choosing a qualitative approach relates to the information needs and the nature of the study. As Ghauri and Grønhaug (2005, 31) express it, when the problem is not clearly understood and the researcher aims to understand a specific phenomenon, qualitative research is usually used. Quantitative research, then again, often aims to describe causal relations or disclose attitudes and opinions of the respondents (Hirsjärvi & Hurme 2009, 22).

Furthermore, Creswell (1994, in Hirsjärvi & Hurme 2009, 25) has listed some key points that are different in quantitative and qualitative methodology. Quantitative research is typically based on a deductive process, proceeding from general to specific. It investigates relationships and the data collection is often highly structured, aiming to forecast or describe and explain with the help of generalisations. Qualitative research, on the contrary, is based on an inductive process, proceeding from specific to general, covering several simultaneous factors influencing the outcome. The data collection is rather unstructured and flexible, and the research aims at general and broad understanding of the situation.

The author felt that less structured research, allowing for free flow of information, exploration and deeper insights was required to uncover the reasons for the problems in internal communication in the case company. The author aimed to investigate the specifics, then making generalisations based on them, trying to create a better picture and understanding of the whole situation. Thus, qualitative research was seen as more appropriate than quantitative in this study.

The investigative questions were already discussed in the section 1.2. In the start of the research the author found out what the current internal communication problems were from the management's point of view, and these were discussed briefly in chapter 3.3. This was to

give the author a starting point for the primary research, giving a framework for the theories to be included in the research. The preliminary research was conducted through discussions and an interview with two of the three managers responsible for internal communication, the Country Manager and the Handling Manager.

The author built the theoretical frame of reference mostly on the information gained in the informal management interview. The topics for the employee interviews were, then again, built on the informal interview and the theoretical framework. Furthermore, the author designed the research partly based on the previous research done by Ms Nyssölä on internal communication in the case company. The author wanted to map how the situation has changed from those times to gain a better understanding of the problems and possible reasons that lead to them. However, unlike Ms Nyssölä, the author decided to use interviews as data collection method instead of a questionnaire to gain more accurate information and on a wider scale, not limiting the answers to certain forms. This, the author believes, can provide a better starting point for addressing the research question and analysing the problems in internal communication.

## **4.2 Data collection**

As mentioned earlier, the primary data was collected through interviews. The freer and less structured data collection in qualitative interviews, not being limited to the specific questions and the given options for answers typical in quantitative research, allowed the author to ask for more information and clarification in the interview situation. She was also able to go deeper into the matter, possibly gaining completely new insights into the research problem. Open-ended and unstructured questions allowed for revealing various perspectives and views about the current situation and the challenges.

The interviews were not, however, completely unstructured, as the author wanted to secure that all necessary and relevant information with regard to the study and the research problem was obtained. Thus, the author used semi-structured interviews, where the main questions were planned beforehand. Ghauri and Grønhaug (2005, 132) define semi-structured interviews as interviews where the topics to be covered are determined and the respondents will not be chosen at random but they are determined beforehand. The author determined the topics and issues to be covered in the interviews, but any specific sub-questions were not pre-determined, and the course of the interviews was relatively free within the given topics.

The individual in-depth interviews were anonymous and they were conducted face to face. The questions were open-ended to allow for various kinds of answers and free discussion on the issue. Age, sex, or other demographics were not asked as they were not seen as relevant to the research. This was also to protect the anonymousness of the respondents, thus encouraging sincere communication during the interviews. Furthermore, cultural issues were taken into account in the data analysis, but the issues arising from different cultural backgrounds are reported in the manner that answers to other questions cannot be connected to any certain respondents.

The data collection was done in two months in the office of the case company. The interviews were recorded for the author's personal use for transcribing and data analysis. The recordings were used only for these purposes and they will not be published with the research. The reasons for recording the interviews were to make the data analysis more effective and to increase the validity. The author offered the interviewees a chance to proofread the transcript before the data analysis; however none of them saw it necessary.

The author interviewed all of the 11 employees who had been working in the company for at least several months before the interviews. As the answers varied a lot in certain issues, the author felt it necessary to have full coverage to be able to analyse the situation more accurately. This also allowed the author to give more detailed and targeted recommendations to the management, presented towards the end of the study.

### **4.3 Reliability and validity**

The reliability and validity in qualitative research is more concerned with trustworthiness of the research and appropriateness of the research methods used. As was mentioned earlier, the author chose to use exploratory research as the original research problem was not clear. To increase the reliability and validity of the research, the author decided to gather preliminary data about the issue through an informal management interview to be able to decide on the content of the theoretical framework. Based on the interview and the theoretical framework, the author then formed the interview topics and question areas.

The author saw that interviews would give the most reliable answers, as they allow for free discussion and clarification of issues discussed. Thus, the author does not give the target

audience options for answers predetermining the possible answers and perhaps limiting the reliability and validity of the outcome, but the respondents could answer freely, emphasising various aspects of the issues discussed. When new issues, not thought about by the author before the interviews, were brought up, these could be explored further.

The author recorded the interviews for more efficient data analysis. This way, the author made sure that important information was not dropped out by accident. This allowed also for a more precise and accurate use of quotations in the data description and analysis. Furthermore, the author transcribed each interview to allow for more effective comparison and detecting of analogy.

The interviewees' fears of revealing information that might have a negative impact in them can distort the reliability and validity of the research. To prevent this, the author assured the interviewees of full anonymity. The interviewees were further ensured that their comments could not be connected to them in the reporting, and the interviews were conducted in a private place where no one could overhear the interview.

The interviewees' own interests can further distort the reliability and the validity. In case an employee would get personal benefits from something being changed, he might highlight this issue and emphasise the problems and the need for change more than necessary. As an example, getting better benefits by being hired under Lufthansa Cargo contract could tempt the interviewee to exaggerate the challenges in communication caused by being hired under a contract of another company. The author took these issues into account in the data analysis, viewing them more critically, reducing the negative effect of them on reliability and validity.

The use of non-native language in the interviews can affect the reliability and validity of the research. All the Finns, i.e. 8 out of 11 interviewees, could do the interview in their native language. This increases the reliability and validity of their answers. Two Germans and one Italian did the interview in English, a non-native language, which could affect the reliability and validity in a negative way. However, as all the three were competent in English and use it daily at work and in private, the author does not believe this to affect the reliability and validity heavily.

Furthermore, the interviewees' understanding of communication processes and models can result in them not fully understanding the topics or the questions, and thus not being fully able to answer the questions. Only two employees had received training in communication, and the

rest might have difficulties in understanding the full extent of the concepts and ideas. The author tried to make the questions as explicit as possible, elaborating them with examples, to make the interviewees better able to give accurate information about the topic.

Finally, the author's own aims and connections can affect the reliability of the research. The author has been working for the case company during most of the time of the research, including data collection, analysis and finalisation of the report. Thus, the author might be tempted to make the results look more favourable not to put herself in a position less favourable for herself. However, the author thinks that honest and reliable results are the most advantageous to the company, and thus aims to give as realistic a picture of the situation as possible, and as effective and useful recommendations as she is able to, to enhance the possibilities to improve internal communication in the case company.

## **5 Results**

In this chapter the author will present the results from the interviews. First, the author will go through the perceived developments and improvements since the previous study discussed in chapter 3.2. Then, the author will go through the results IQ by IQ, presenting the most important and relevant findings.

### **5.1 Improvements and developments since previous study on the topic**

Since the previous study, the situation concerning internal communication was seen to have mostly worsened. The crucial turning point in the Customer Service Centre (CSC) was often mentioned to be the change of team leader, i.e. the Customer Service Manager. The CSC team members felt the amount of information passed on to them had gone from information overload to too little information. However, in general the employees, especially in the other business functions, such as sales steering and customer development functions, were in overall very satisfied with the improved filtration and coordination of information since the previous study.

Another change since the previous study was increasing employee cooperation and familiarisation with each others' tasks. The purpose was among other things to create better understanding of the information needs among the employees and especially between the employees from different functions. The employees seemed to be satisfied with the idea of increased cooperation and familiarisation, but as this has been implemented only recently, it is still to be seen whether it is successful or not.

Furthermore, in the previous survey the employees said that they received mainly positive or neutral feedback. However, during the interviews the author found out that most employees considered the feedback to be mostly negative and not very constructive. The reason for this was speculated to be bad atmosphere at the work place and inability to give constructive feedback.

Finally, the previous study reported that 33 % of the employees saw their chances to influence in work issues to be good, and 17 % saw the chances to be very good. None of the employees thought they could influence things, or they felt they had very little chance for it. Now, as the

author found out, only a few saw a chance to influence. This was partly due to the fact that information was simply passed on top-down in an informative manner, and interactivity was not encouraged. Furthermore, as the CSC members felt they were not kept up-to-date, they did not know where they could have a chance to influence.

## **5.2 Problems and challenges in internal communication**

The first investigative question aimed at disclosing the problems and challenges in internal communication from the employee perspective. The answers and the emphasis on the gravity of the problem varied according to the position of the interviewee in the company. When asking about the general challenges in internal communication, the employees working in the CSC saw the biggest problem to be the blocks in the information flow. They did not feel they received enough information about what is going on in the company or in the markets, or the information came with a great delay. In the interview it was said that “the message does not always go to those people who should get it, and it does not go in time. There are kinds of blocks in the communication that some people get the message, some people do not”. The CSC team members said that this affected their job negatively and they felt they could not serve the customers as well as possible or otherwise perform their tasks as efficiently as they could have, were they kept informed of all of the important developments within and outside the company.

As mentioned in connection with the earlier research on internal communication three years ago, one of the biggest problems had been information overload. Since those times the company had taken measures to limit the amount of information and to coordinate it better, filtering the incoming information first through the Country Manager and then through the team leaders, i.e. the Handling Manager and the Customer Service Manager. In the case of CSC, the filtering was seen to be “too effective”, leading to lack of information instead of information overload.

It was admitted, though, that “it requires, from the team leader, a vast amount of effort and work to ensure the communication would work and everyone would be briefed”. From the management perspective it was also seen that “because there is so much information within the company, it is a challenge to solve how to get the right information in time to those who need it”. Thus, filtering and coordinating the information, but at the same time ensuring that

everyone gets the information they need, was seen as perhaps the greatest challenge within the Helsinki office of the company, especially the CSC.

The weekly updates on the developments within the company as well as in the markets are given in the sales meetings, where all the other functions, except for the CSC and the SONG teams, take part. The CSC and SONG team leaders are responsible for informing their teams about the contents of the meeting afterwards. It is not possible to have all the employees attend the sales meetings due to space limitations and the fact that, especially in the CSC, a few employees need to be taking the incoming calls not to lose business. As one of the employees expressed it, “the hallway group<sup>1</sup> goes to the weekly meetings, the CSC...and also that belongs to the SONG team, they are sometimes left out. They are always the last ones to get the information. And it feels almost like they never get the full picture. They only get a word here and a word there”. The CSC team members also reported that rumours often went around as a result of lack of information and company updates, affecting the atmosphere and common spirit.

The situation escalates in the CSC as the weekly team briefings about the issues discussed in the sales meeting do not take place. The team members have agreed that the briefings would be held on Tuesdays in two groups so that there would be always people available to answer the telephone. However, these briefings have taken place only occasionally and not on a regular basis. The reasons for not having the briefings are not entirely clear to the team, but it has been speculated that “[the team leader] does not always remember, have time, or does not consider it necessary” or “[the team leader] has had some motivational problems to one direction or to another already for some time and he has various reasons for that...he has only lately started to be more actively like a team leader and superior should be.”

The SONG team, on the other hand, seemed to be more satisfied with the amount of information they receive. They felt they receive enough information from briefings from their superior as well as through searching for information proactively. As was expressed, “in this company you must be able to search for your information quite a lot, especially about what is going on in this company, so you must be willing to dig in all kinds of manuals and Intranet and whatsoever to get your information. There are persons who are doing it, but I guess there

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<sup>1</sup> ”Hallway group” refers to the Country Manager, sales steering function and customer development function sitting in a long corridor in the office, excluding the SONG and the CSC.



are other people who are not doing it and then they complain they are not getting information”.

However, some challenges, especially from SONG team’s perspective, were seen in the communication within the SONG and the CSC. The SONG team often requires information from the CSC related to the bookings in order to optimise the bookings on the flights, and often the information need is urgent. In many cases, the information was not seen to be coming fast enough from the CSC to the SONG team. As expressed from the SONG team’s perspective, “...the people [in the CSC] do not realise that it is important in a certain moment to have certain information. And it, then again, takes a while before you get that information. [...] So it is all the time pushing pushing pushing for a certain information”. CSC mostly saw the information flow between itself and SONG to be working well, only a couple of CSC team members recognising the delays in their communication towards SONG.

One reason for the challenges in the inter-team communication from the SONG team’s perspective was speculated to be that the teams are not physically located in the same place and do not see each other’s work in practice. More integration was called for to create a better understanding of the information needs, priorities, and the urgency of receiving certain kind of information. This was also seen as a potential culture-dependent challenge, as “with Finns you really have to dig for information, it is just in their nature that they do not want to talk”. The information was seen to be easier to obtain when dealing with a German or an Italian, is it did not have to be continuously pushed for. Furthermore, Germans were said to react to messages and to pass on urgent information faster than the Finns.

Communication within the CSC was seen to be relatively good and well-functioning. The team felt the members of the team share information freely and actively with each others. However, space for improvement was recognised. Some felt it is the responsibility of the team leader to pass on the information to the rest of the team. As was expressed, “it is the superior’s duty to inform the team about new issues, and, for example, if someone gets information about something, it is not his task to pass on the information to the team, but to the superior who forwards it to the rest of the team”.

Very few culture-related challenges were perceived in communication, and they were seen to be rather on an individual level than on a cultural level or alternatively depending on the position. One interviewee explained that “we see things in such a different way if we are in handling or if we are in sales, or in something else. So I think that is where the differences

become obvious, as everything in this company is so far processed and standardised. It is not so much about the cultural differences”.

Cultural differences regarding, for example, ways of working, were recognised, and the foreigners felt they had adapted to the Finnish customs and ways of working rather well. The Finns, then again, felt they were familiar with and had got used to the German style of managing and running a company. The employees saw that the experience in dealing with other cultures had helped to overcome potential culture-related challenges, and as was expressed by an interviewee: “I’ve been living with people from different backgrounds and different nationalities and different stereotypes and different ways of perceiving the reality. No, I don’t think it is a challenge [in the communication process]”. Adapting was seen as the key factor, as it was expressed that “it is just the way how you get used to it, you have to adjust yourself. If you are living in this country then you have to adjust yourself to the way how people are communicating.”

The use of a non-native language was seen to bring only minor challenges to the communication. It was still recognised that “maybe it is easier to communicate with a native language [...]. I mean they understand better what I mean because it is in their native language. Of course sometimes maybe some meanings in between the sentences get lost if I do it in English”. Furthermore, it was expressed that “of course the language barrier can cause problems. There are a lot of misunderstandings, but in my opinion not really devastating ones.”

The employees did not see any significant culture-related challenges were seen with regard to status differences. In cultural terms, the employees felt they are treated equally regardless of their status, but some felt they were treated unequally depending on their position in the company. As an example, some people have different benefits than the others, such as either paid or unpaid over hours. Some employees felt this inequality sometimes brought discrepancies in the interactions, affecting the common spirit and atmosphere.

The employees had different preferences regarding having precise instructions or freedom of performing their tasks in their own way. Some felt they needed more precise instructions, some felt more comfortable with having freedom to perform their tasks the way they saw the best and easiest. One interviewee expressed that “I do certain things because I think they are the best for the company or for my way of working, and I feel very overruled when there is someone giving me extra precise instructions how to do certain things”. Another one, then

again, felt that more precise instructions were necessary, as “the problem is that if I have too much freedom, I could have problems in prioritising, setting definite deadlines. [...] I would say that probably all things in this office should be more or less organised things anyway. I do not want to sound too harsh against freedom but I would say it is probably better in order to do things more efficiently”. In general, rough framework for tasks was required, but more commonly freedom within that framework was preferred. The pattern here was relatively well in accordance with the uncertainty avoidance index in Hofstede’s model of cultural dimensions.

### **5.3 Internal communication guidelines, strategies and objectives**

When the interviewees were asked about the communication guidelines, strategy and objectives on the local level, all expressed confusion and admitted to be ignorant about them. In fact, the company does not have any comprehensive guidelines or strategies how to communicate internally on the local level. Most admitted they knew there was a communication strategy on the corporate level, but did not know what it included or what were the communication objectives or priorities.

All employees said they recognise the importance of well-functioning internal communication. However, when asked about own responsibilities with regard to internal communication, many were baffled. The most common answer was to pass information around if hearing or reading something new. Some said they had nothing to do with internal communication, and very few, mainly managers, had anything about communication responsibilities in their job descriptions.

With regard to coordinating communication, in addition to getting the right information to the right people in time, getting contrasting information from different instances was said to be a problem. Also, getting the same message from several instances was said to be common, demonstrating unnecessary communication. As one of the interviewees expressed it, “sometimes it is just shooting at random, the message comes from here and there, and the same information comes from two instances in slightly different variations, and it is relatively chaotic”. Another one talked more about excessive and unnecessary communication, explaining that “the team leader forwards a certain message to us, another person in another function gets the same message from another source and forwards it to us, and the country

manager gets it from his superior and forwards it to us. So we might get three emails containing the same message”.

Most employees thought the message relevancy was taken into account in most communications. They felt that in most cases people know who needs what information, even though the messages do not always reach those who need the information. Nevertheless, some employees still brought up examples of situations where “I sent a message to that person and that person, and then later found out that also a third person would have needed the information but I did not know that he is in any way involved in the matter”. Sometimes the solution to this was to send the message to several people to be on the safe side. However, this was seen problematic, as “when you send messages to everyone just in case, it results in information overload. And at that point the information that you get suffers from inflation, you don’t read any messages anymore”, or “it results in no one reacting to the message, if it is sent to several people”.

The employees said that follow-up and monitoring of internal communication activities is not frequent or routine-based. Internal communication is touched upon in the annual Employee Commitment Index (ECI). This was not seen as adequate among the employees, but more efforts on improving and monitoring internal communication was seen as necessary.

Most employees were also interested in getting training in internal communication or communication in general. Some had already received training in communication before, but mainly in external communication. The training was also suggested to be combined with training in other issues: “as we are doing ten things at once, the training could be combined with training in managing doing multiple tasks at once”. Those not interested in receiving communication training were mostly the same people that did not feel they had any great responsibilities in internal communication in general.

#### **5.4 Interactivity of the internal communication**

When asking the interviewees about the usual direction of the communication flow, most perceived it to be principally top-down, with little chances for effective bottom-up communication and even less chances to influence things within the company. Most employees did not see the communication environment as encouraging. They felt they could speak up and express their opinions, but did not see it leading to anything, and thus many had

given up trying to influence things. As one interviewee put it, “they do not encourage us from the top level to communicate, and they do not really listen to us either.” This feeling was especially strong among many CSC team members, as it was felt that “we are not given the possibility for interactivity or to influence, and it is already too late when they come to ask us, as by that time they have already made the decisions”. Some felt comfortable expressing also negative ideas or opinions, but others were afraid it would affect other things and put them into an unfavourable position. This partly depended on the position of the person, as persons in higher positions generally felt more comfortable in bringing up also negative issues.

Even though increased interactivity and listening from the management’s side was called for, very few recognised it as their responsibility to communicate bottom-up. Most expected to be encouraged and asked actively for their opinions. One interviewee expressed it as “I do not really accept it that some say that they are not listened to and they cannot communicate upwards or give suggestions. It is, of course, possible for everyone, but some are not willing to do that for one reason or another, and then they complain afterwards about it”.

In general, bottom-up communication, or rather the lack of chance for it, was seen as the biggest problem with regard to information flows, and horizontal communication was seen to work relatively well. There was also a request from other functions to get information upwards from the CSC, as they are an important contact point to customers, and they often have the best touch to what is happening in the customer markets.

Most of the employees were satisfied with the balance between task-related and social communication. They perceived that the amount of task-related communication was higher than the amount of social communication, but this was seen as a positive thing. However, some did not see a greater need for social communication, some, then again, wished more social interaction among the colleagues to reach better common spirit and to increase the efficiency of communication. “The major thing why it is very difficult to communicate efficiently between the SONG team and the CSC is that, of course we are very far away from each other, but we do not know each other very well. So I think it would be good to make more things in private together [...]. It is still definitely a way of improving communication”.

The employees did not feel the amount of feedback was sufficient or that it was constructive often enough. When asking them if they receive enough feedback, one replied “No, or if I do get feedback, it is often unclear and not necessarily from the person it should come from”. Another one replied “I think there could be more feedback. Of course one always wants positive feedback, but I think there could be more of negative feedback, too. [...] I think

people could come and tell directly if you do something wrong, because next time I will do it the same way if no one ever tells me I did it wrong or in a stupid way”.

Many also felt it is difficult to give negative feedback to others, as “some take it personally, and I think it is the biggest problem in our working community, that you do not see the forest from the trees. This is, after all, work and one should deal with these things as matter-of-facts and not take them personally”. Still, it was seen that most feedback given was negative and it was not put into a constructive form, creating bad atmosphere. Most feedback was given to the closest colleagues or to own superior or subordinates, and many realised they could give more feedback, especially of the positive kind, and also to others than just the closest colleagues.

### **5.5 Development ideas and improvement suggestions**

The most common channels used for communication were face-to-face, email, and telephone. Face-to-face and email were seen as the most effective channels for communication. When communicating important matters, the employees wished to receive the message both face-to-face and via email. As was expressed by one interviewee, “The most effective way of communicating is face-to-face, if you have to choose one, because then you can [...] go through all the things and discuss them immediately, and ask questions. But I think a kind of combination of written and oral communication is, in my opinion, definitely the most effective one”. Communication from and to the SONG team was best done by telephone, even though wish for more face-to-face communication was expressed but not seen as possible due to the different location.

Amongst the greatest advantages of face-to-face communication was that the sender of the message could see that the message was received and if the message was understood or not. If action was needed to be taken immediately, face-to-face communication was seen as the ideal channel. Furthermore, the positive effect on socialising at work place was attributed to face-to-face communication. The CSC team members expressed a wish to have more face-to-face communication, whereas the other functions were satisfied with the current situation concerning the channels used.

Email was seen as the best way to communicate when sending around information that is needed constantly and contains a lot of detailed information, for example price lists or work

instructions. Also general “for your information” types of messages were seen as best communicated by email. Some preferred email as the primary communication channel, as “it waits for me there, so that, in a way, I receive and process the message when I have the time for it”.

The greatest criticism towards emails was that, when receiving too many emails, the important ones got lost in the mass and were not necessarily reacted upon in due time. This was also seen as the possible cause to people not being aware of certain issues. If a certain thing was communicated by email, it might have gone unnoticed due to excessive amount of emails, and thus the person thought he had never been informed of the issue in the first place.

Furthermore, as one employee expressed, “I think email is not a good way to communicate because there is too much of it, it is old-fashioned and difficult, and you do not pay enough attention to it if you get 500 emails a day. No one will read them all.” It was suggested to have an intra-office instant messenger type of communication tool for faster and more efficient communication. Additionally, the interviewees pointed out that emails often left some questions open and the receiver of the email needed to call the sender or ask him face-to-face for clarification, resulting in double-communication.

Some of the employees also used forums for communication and interactions. However, only a few saw this as an effective way of communication, whereas most thought it was too complicated and too time-taking. As one employee expressed it, “I think they are totally unnecessary, because within my normal work day I do not have the time or the resources to browse some company forums, so in that sense I think it is a bad idea”.

Overall, most employees suggested that there should be as much face-to-face communication as possible, and emails were to be used when something needed to be remembered. Important, urgent or complicated matters were to be communicated both face-to-face and via email. The CSC wished to have more information about the issues dealt with in the sales meetings, about customer visits and about what is happening in the company. It was seen as important that the CSC briefings would take place weekly and that all members of the CSC could be briefed at once, as “people have different things in mind, and some things are then not necessarily gone through with the other half of the team. [...] if in the second group something new comes up, it should somehow be communicated still to the first group”. Some suggested SONG team to answer the telephone during CSC briefings so that the whole CSC could attend the briefings at once. The team members also wished to have guest speakers from other functions in their

briefings, and they wanted to have a chance to express their own ideas and opinions, which the team leader could then take up in the next sales meeting.

There was also wish that the Customer Service Manager would brief the SONG team about the customers and about booking to keep the SONG team more up-to-date. This would be especially important in case the SONG team was supposed to take the customer calls during CSC briefings. The employees also wished more familiarisation in each other's tasks and overall social interaction to enhance good team spirit and feeling of belonging to the work community. Hiring the SONG team under Lufthansa Cargo contract was brought up to integrate the team members better to the work community and to prevent leaving the team out of certain things and activities.

Finally, some employees suggested that there would be a person responsible for coordinating communication within the office. The person should be specifically responsible for filtering and thus preventing information overload, but at the same time ensuring everyone gets the information they need in due time. The person should also make the information easily available so that it would be accessible with fewer efforts, leaving time for other tasks and duties.



## **6 Discussions**

In this chapter, the author will first discuss the data presented in the previous chapter in light of the theoretical framework presented in chapter 2. The discussion is built on key problem areas dealt in connection with the IQs. Based on the results and the theoretical framework, the author will draw conclusions and summarise the key findings of the research. Then, the author will give recommendations to the management on the possible courses of action to tackle the challenges in internal communication, based on the theories, the data analysis and the conclusions. Finally, the author will assess her own research and learning processes as well as professional development and usefulness of the research process to her career.

### **6.1 Problems and challenges in internal communication**

With the first IQ, the author aimed to uncover the most significant challenges and problems in internal communication from the employee perspective. This included also challenges arising from cultural differences. Furthermore, the author wanted to find out in which kinds of situations these challenges and problems typically occur.

The greatest problem seemed to be the information not always reaching the Customer Service Centre (CSC) team members. This problem was also recognised by those employees who were not working in the CSC, and thus were not faced with this problem directly. Some of them were sceptic whether the problem originated from the employees in the CSC, speculating that they were not proactive enough in searching and asking for information, or that they simply lacked motivation to put effort on getting informed of things. The CSC team members, then again, attributed the information gaps mostly to the team leader filtering out too much information, not having the time to share information due to the nature of their work, and them not being able to participate in the weekly sales meetings, except for the team leader.

The challenge here was to coordinate and filter the information effectively, ensuring everyone receives the information they need and in due time. There is a vast amount of information available in the whole organisation, and the messages often pass through many relays. This combination leads to either important information dropping out from messages or the message getting entirely blocked somewhere in the distribution chain. This results in lack of knowledge and not being up-to-date, or in information overload, as so much information is

passed around and the same message might come from multiple sources, perhaps slightly modified.

Information overload leads to challenges in prioritising messages, reacting to them in due time, and remembering the information what is necessary to be remembered and applied in work tasks. Those responsible for passing messages on to their subordinates should have plenty of time to familiarise themselves, first, with the exact content of their subordinates' information needs, and secondly, with all the message contents to be able to pass on the messages that are relevant to the subordinates. As this is very time-consuming, it is difficult to pass on the messages fast, and the more there are relays, the slower the messages reach the last audience. The necessity for increased familiarisation in each other's work tasks to effectively coordinate and filter the message flow is supported by the notion that the communication within the CSC was perceived to be rather well-functioning. The team members are doing relatively similar tasks and are thus aware of what the others are doing and what could be their information needs, enabling them to send information to the other team members more effectively.

The majority of the employees did not perceive any major challenges in intercultural communication, but said that they had recognised the differences and adapted their ways of working accordingly. However, the more subtle issues that were not noticed might affect the communication processes between the nationalities. The expectations with regard to communication differ from culture to culture, and these, even when not consciously connected to the culture of the communicators, can bring problems and challenges to the communication. This was illustrated by the fact that the Germans, emphasising the message content, did not feel they received a response to their messages fast enough from the Finns, who, according to Hofstede's model, would rather emphasise the communication process than the message content. Furthermore, proactiveness in searching for information might be related to culture, as most of the Finns expected that the information was brought to them instead of actively searching for it, but all foreigners searched for information proactively. However, both of these issues could be also due to the position and the nature of the tasks of the employees in question, rather than due to cultural factors.

These challenges will be discussed more in detail in the chapters below. First, the author will concentrate on information overload and lack of information. Then, the author will look into difficulties in understanding messages. Finally, the author will discuss challenges in intercultural communication.

### **6.1.1 Communication blocks, information overload and lack of information**

One important factor to consider, when looking at the results presented in chapter 5, is that the other functions, i.e. sales steering, customer development and the Service Operation Group (SONG), recognised the fact that there was too much information available, but they were relatively satisfied with the situation. The employees in these functions saw that they received enough information and were able to look for information in case they felt they needed it. The SONG team members were the only ones in addition the CSC not attending the weekly sales meetings. Still, they felt they received enough information from the Handling manager and by searching in, for example, the Intranet, which shows proactiveness. They also mentioned that in the case company, one has to be ready to search for information, as in such a big organisation with so many employees with different information needs, it becomes nearly impossible to coordinate the information flow and to always get the right messages to the right people in the most effective way. Only the CSC team was very dissatisfied with the situation, and the concerns and complaints from other functions regarding communicational challenges were mostly connected to the CSC.

The great challenge is to filter the vast amount of information that is available in the whole organisation, trying to prioritise and pick up what is important and to whom. It requires a lot from a manager to filter all the information that comes in or is made available, judging what is relevant and necessary to the team and what not. When too much information is passed on, the situation leads to information overload. As was discussed in Redding's postulates in chapter 2.2.2, in the case of information overload, the receiver is not anymore able to process the messages efficiently, and due to limited channel capacities, the message might go completely unnoticed or it is not seen as important.

Furthermore, with too much information, it becomes challenging to pick out the important points of the messages, which leads to inefficient use of the information, as was discussed by McKenna in connection with barriers to communication in chapter 2.4. Additionally, if receiving dozens or even hundreds of emails per day, the receiver might only browse through the messages superficially, missing important issues communicated within the message or failing to prioritise them. Failing to see what is important or not having enough time to dedicate adequate time to processing each piece of information might lead to the receiver claiming he has never heard of the issue, not being able to remember the message anymore.

When the CSC team leader is flooded with information, it becomes extremely difficult for him to manage, coordinate and filter the information, putting into the kind of form that it can be easily used and processed in the CSC. The challenge is greater as the CSC team members have to be ready to answer the telephone at all times, not necessarily being able to concentrate on processing a message at once and acting upon it immediately even if required. Thus, the access to the information has to be the kind that supports this way of working. As was mentioned in Huczynski and Buchanan's guidelines for improving communication in chapter 2.5, the time and place chosen for the communication become crucial. When the message is sent, for example, at the wrong time, it might be in the worst case completely ignored. If one or several of the CSC team members happen to be on the phone with a customer when the message is delivered, the message is very likely to be decoded inefficiently, if not even completely ignored.

Thus, coordination and filtering problems together with the nature of the work of the CSC might easily lead to messages not reaching the CSC team members. Noise, presented in Shannon and Weaver's model of the communication process (chapter 2.1.) as perceptual filters, includes anything distracting the receiver, for example telephone, and it affects the understanding of the message negatively. As also Redding and McKenna talk about this, concluding that when too little information is received, for example, due to noise, the message becomes inadequate or incomprehensible, and the noise can be seen as a barrier to communication.

As discussed in chapter 2.5, McKenna highlights team briefings as excellent ways of communicating, as it allows for efficient information sharing and interaction within the team members, encouraging two-way communication. These briefings are extremely important in keeping the employees up-to-date and increasing employee involvement, and thus they are crucial in internal communication. Thus, it would be important to have the briefings for the CSC that currently do not take place. Furthermore, as McKenna points out, the skills of the team leader heavily affect the success of the briefings, and thus the Customer Service Manager should have proper training for holding briefings.

As was discussed in chapter 2.2.1 about internal communication theories, the purpose of internal communication is to engage the employees in the company activities, creating commitment and devotion, and understanding of the company's aims and goals. The employees want and need information in order to work efficiently towards common goals. Malfunctioning or ineffective internal communication can create the opposite, leading, for example, to lack of motivation and absenteeism, which were recognised as problems by many

at least in the CSC. When the employees are not kept up-to-date, they, perhaps, do not feel valued enough. Rumours, which were also seen a challenge in the case company, start spreading fast when the employees hear bits of messages here and there, but never get the full picture. In chapter 2.4, McKenna identified rumours as one form of barrier to communication, feeding false information to the company's communication network.

Rumours are also counter-productive to building common spirit and positive atmosphere at the work place. This might lead to a situation where information is intentionally not passed around anymore, as people, due to lack of commitment and motivation, do not care enough to deliver the message further. Furthermore, as the author found out in the interviews, some employees search actively for information and some do not. Unwillingness to search for information might be due to lack of motivation as well, as the employees do not see it worth the effort anymore.

Good ways to increase employee motivation and commitment is to increase transparency, as was indicated in McKenna's list of factors in effective communication in chapter 2.5. High level of information sharing minimises ambiguity and creates security, as the employees feel they are kept aware of what is going on in the company. The management allocating sufficient time for their subordinates helps in keeping the employees up-to-date and in creating commitment. Furthermore, putting effort in faster communication and that way ensuring the employees get messages in time often increases motivation and security.

### **6.1.2 Difficulties in understanding messages**

When increasing transparency and enhancing internal communication flows, it is important to pay attention to understanding messages. As we saw in chapter 2.2.2, Redding puts emphasis on receiver-oriented approach, where messages are encoded with regard to the receiver's understanding. It is not enough to communicate or encode the message so that the sender understands it, but the communication is successful only if the message is interpreted correctly. This is especially important when communicating in a non-native language. McKenna recognised this as a challenge and a barrier to communication, as was discussed in chapter 2.4. The key is, when encoding the message, to try to put oneself into the receiver's position, understanding his personal frame of reference. As the management brought up in the preliminary interview, messages are often not understood in the case company and double

communication is needed. This could be due to more sender-focused approach than receiver-focused approach when encoding messages.

As came up in the interviews, there is too little integration between the various functions, and the employees fail to see the priorities of those working in other functions. The SONG team members brought up the fact that the CSC team members do not respond to their information requests as fast as they would like to, and thus incoherence in understanding and prioritising exists. Therefore, not only the personal frame of reference, touched upon in Redding's fourth postulate in chapter 2.2.2, should be considered when encoding the message, but also the position of the employee. Things should be viewed from the receiver's perspective, as the receiver might see different points of the message as important than the sender does, and the message should be built around that knowledge and constructed so that the receiver can understand it correctly. Further integration and familiarisation in each other's tasks might help to understand the perspective and priorities of employees from other functions, thus helping to construct cross-functional messages more effectively.

Furthermore, the issue of the SONG team being located in a different place was brought up several times in the interviews. Most employees found it relatively easy to communicate with them by telephone, but the lack of integrity and shared understanding of the tasks was lacking. As it was already discussed in chapter 2.4, communication within one location tends to be more effective and efficient than between different locations. Not being able to physically sit with other colleagues might create a feeling of being left out, and working under a different contract increases the feeling of inequality, which can cause discrepancies. Additionally, not being constantly reminded of the presence of the SONG team by sitting physically in the same location, as well as not seeing their daily work, putting oneself into their position and viewing things from their perspective might prove to be more difficult, which, then again, provides further challenges in trying to encode messages with a receiver-focused approach.

Huczynski and Buchanan mention reality checks in their guidelines for improving communication, discussed in chapter 2.5. They highlight the importance of the sender checking whether the message was decoded accurately. The actions of the receiver should be followed up, seeing if they are coherent with the intended message, and if not, the sender should reassess the effectiveness of the way the message was encoded and take this into account in further communications. Training and educating the employees to do this might prove to be helpful and advantageous.

Face-to-face communication is the ideal form of communication when doing reality checks on the effectiveness of the communication. The sender immediately sees the reaction of the receiver of the message, and the situation provides an opportunity for questions and further clarifications. The employees, especially the CSC team members, expressed a wish for more face-to-face communication. As was discussed in chapter 2.5, Huczynski and Buchanan's guidelines for improving communication highlight the fact that face-to-face communication should be used whenever possible. This notion supports the requests for increased face-to-face communication in order to enhance the effectiveness of communication within the case company. In his lists of factors in effective communication, McKenna mentions that especially high emphasis should be put on face-to-face communication in times of change and uncertainty. The recent financial crisis and the perceived inadequate level of face-to-face communication particularly in the CSC has most likely contributed to the bad atmosphere and spreading of rumours due to uncertainty and speculation.

In chapter 2.2.2, Redding talks about the "cost factor" in communication efficiency in his sixth postulate. More frequent communication usually enhances the understanding of a message, as was argued by McKenna in his FIDO model, but this increases the cost factor as more resources and time are required for more frequent communication of a certain message. When communicating messages with high importance or priority, it might be worth it to have a higher cost factor in order to ensure the message is understood and processed.

One further point in Redding's postulates concerning understanding a message correctly is to find the optimal number of relays. The case company has a very high hierarchy, which is also reflected in the communication. Messages come through several relays. As an example, a manager in the headquarters in Frankfurt wishes to communicate an important matter, and sends the message to another person responsible for distributing the message. That person distributes it to the area manager responsible for the matter, who then distributes it further to the regional managers. The regional managers distribute the message to the local country managers, who distribute the message to the responsible team leaders, who finally distribute the message to their respective team members.

Such an extensive number of relays not only results in great delays until the message reaches the last ones, but also in possible changes of the meaning, as was discussed by Redding in his ninth postulate. Some important information is at risk to drop out at some point of the distribution chain if there are several relays. In this case, the last recipients do not receive a full picture and the decoding and understanding of the message gets distorted. Furthermore, the

more there are relays, the more likely it is that the message gets stuck in some part of the distribution chain due to, for example, vacations or sick leaves.

When the message takes a long time to reach the final audience, it might be already too late to take action. This is also disadvantageous when the personnel is supposed to know about a certain issue before it is communicated to the external audience, but due to the long distribution time internally receives the information only after the external audience. Ignorant personnel can damage the image of the company. Furthermore, the possibility to influence issues that are communicated becomes limited when the message takes a long time to arrive, as at that point the crucial decisions might have already been made.

### **6.1.3 Intercultural communication challenges**

In the interviews, culture-related issues were seen as only minor factors in internal communication challenges and problems. Most attributed the reasons for the problems or challenges to the individual's own attitudes or characteristics, or to their position in the company. However, if not fully aware of the cultural differences, especially the most subtle ones, the employees might not see the connection. It is easy to see the most obvious, stereotypical cultural differences, and once recognised, it is easier to adapt to them than to the more subtle differences that often might go unnoticed but still affect the interaction.

Culture still shapes our expectations about others, even if we are willing to adapt to the customs and ways of working of the other culture we are dealing with, as was discussed in chapter 2.6.1. In the case company, the Germans were said to react very fast on messages, whereas some Germans brought up the fact that the Finns take a long time to respond to their requests for information. This could be due to the differences in seeing what is more important. In Hofstede's model on cultural dimensions, presented in chapter 2.6.2, Germany scored high on masculinity, whereas Finland scored rather low. In high masculine cultures, people tend to see the content of the message as more important, and wish that it is acted upon. Finns, being from a more feminine culture, might not prioritise the message content as much as the act of communicating, and thus they might not see the need to respond as fast the Germans expect.

Furthermore, differences in time-perceptions, discussed in Hall's framework in chapter 2.6.1, might lead to similar results. Northern Europe is generally considered to be a monochronic



culture where time is seen as linear and material, and deadlines are important. However, it might be that Germans are more strongly monochronic in their time-perception than Finns, and thus the perception of the time required for task completion and necessity to comply with deadlines might differ. These differences can lead to frustration and reduced efficiency both in performing tasks and in communication.

Furthermore, as Hall mentions in his framework for culture and communication, the needs with regard to the context affect how we construct our messages. Low-context cultures tend to prefer messages with lots of details and precise information. As Germany is a typical low-context culture, and the case company is very much influenced by the German culture, it seems logical that the company struggles with information overload. Furthermore, all the three countries scored high in being individualistic in Hofstede's model on cultural dimensions in chapter 2.6.2. As was discussed in connection with that, highly individualistic countries tend to prefer to have everything explained explicitly. Everything is coded in the messages, and so much information is made available within the whole organisation that it becomes impossible to manage efficiently. This creates difficulties in finding the right information, prioritising messages accordingly, and being able to find and pick out the right information at the right time, being aware in due time of all the issues necessary for effective task-performance.

As the theory explains, building relationships is seen as more important in high-context cultures than in low-context cultures. A need for more integration was perceived among the employees, and more social interaction was welcomed with a wish to learn to know each others better and to build relationships. Still, action to realise this was rarely taken, or taken by only a few employees. Some were not even interested in social interaction or relationship-building, especially not outside work. However, better integration and familiarisation with each others might help to build good common spirit, encourage interactivity at work place, and increase motivation to work towards common goals as a team.

Furthermore, increased integration and socialising among the employees could increase understanding of the cultural differences, also the more subtle aspects of them. These could, then, possibly be used as a source of a positive force through utilising the strengths of each, turning the differences into a competitive advantage, as was discussed in the culturalism approach in attaining communicative effectiveness in chapter 2.6.1. The ideal situation in divergence approach would be to maximise the advantages and minimise the disadvantages arising from the cultural differences within the company.

As was expressed in Hall's framework in chapter 2.6.1, language is typically the most serious source for communication difficulties, especially when using a non-native language. In the case company, even though the official company language is English, a non-native language to all of the employees, none of them saw the language as a great challenge in communication. Even so, if the sender is not fully confident with the use of the non-native language, some points of the message might not be communicated at all. The message might also be communicated ineffectively, either being encoded or decoded in an ineffective way. Misunderstandings arise easily from the use of a non-native language, and that can often lead to a need for double communication, an issue brought up in the interviews. This, then again, results in increase cost of communication, mentioned in Redding's postulate on communication efficiency in chapter 2.2.2. Furthermore, even though the misunderstandings might seem small, they may have a greater impact than the communicators perceive.

According to Hofstede's model on cultural dimensions (chapter 2.6.2), low power-distance cultures should make the possibility to participate and communicate interactively relatively easy. However, in the case company, the employees do not feel encouraged to participate or to be interactive, trying to influence issues. This contradicts with the low scores all the three countries had in the PDI. Nevertheless, many employees did think they can express their views, but the discouragement to interactivity resulted rather from the perceived ineffectiveness of their feedback. The perception might be different if the CSC briefings were held as agreed, giving the CSC team members the possibility to receive company updates and communicate in the same connection their opinions upwards, and if action was taken upon bottom-up feedback more visibly from the management's side.

As mentioned in the end of chapter 2.6.1, it is necessary to train people in intercultural competence. This might increase the awareness of cultural differences in addition to the most obvious once already perceived among the employees in the case company. In addition to knowing how to cope with these differences and how to adapt to them, learning how to make the best out of them can bring a great advantage to a multinational company, and the competence starts from the employees.

## **6.2 Lack of planning and coordination of communication activities**

The second IQ explored the current communication guidelines, strategies and objectives in the case company, i.e. in the local office where the internal communication was being

investigated. The result was that there were no clear guidelines about how to communicate, and no communication strategy, objectives or priorities set on the local or even regional level. Most employees were aware of the existence of corporate-level communication strategy, but were not familiar with the content.

The lack of effective strategy, objectives and guidelines on a local level makes the effective coordination of the information flow more difficult. Moreover, as none of the employees was familiar with any communication guidelines or strategies within the company, the coordination becomes nearly impossible. In such a big organisation operating in so many countries and in so many different levels, local communication strategy, objectives and guidelines adapted to the local needs could help improving the effectiveness and the efficiency of internal communication. Careful planning of the communication activities is essential, and where possible, the employees should be able to expect what is communicated and when in order to be able to prepare for it.

The fact that there is no communication strategy, no objectives and no priorities for communication on the local level would characterise the communication as amateur-like or intuitive according to Juholin's model on types of professionalism, discussed in chapter 2.3. Furthermore, the employees were either not aware at all of the corporate communication strategy, or they were not familiar with the content of it. All employees saw the vitality of functioning internal communication, but none of them had paid much attention to communication planning and coordinating.

As was discussed in chapter 2.3, the communication strategy should support the goals of the company. The strategy as well as the objectives and priorities, together with the action plans how to reach the objectives, should be communicated to the employees clearly and frequently to keep it fresh in the mind. This had not been done in the case company. The challenge is to make the strategy and the action plans concrete and easily applicable in everyday work tasks. Most employees were baffled in the interviews when asked about their own responsibilities in internal communication, and many saw their responsibility to be very limited. Convincing employees of their role and responsibilities in building a functioning strategy and putting it into practice becomes crucial.

As Juholin had expressed it, communication planning should be a common activity. This would help to engage the employees in the internal communication processes and make them aware of their own roles in the communication processes. Communication training might

prove to be advantageous in increasing awareness with regard to internal communication processes, and in making the process within the company more effective. Training the employees in communication competence and convincing them of the extent of the importance of internal communication are crucial parts of improving communication. Furthermore, as was stated in chapter 2.5, it is not enough to have the skills for communicating, but a thorough understanding of the communication system and the role of it, shared by every employee, is of utmost importance. Providing the employees both with the knowledge and skills to communicate internally and with the understanding of the whole system can even bring the company a competitive advantage.

As was discussed in chapter 2.5, when looking for best practices in internal communication processes, a fulltime communication coordinator can be used to manage internal communication. This might not be required in the case company due to the small size of the office, but responsibilities with regard to communication should be communicated clearly to each employee. Especially as some employees proactively search for information, but others expect to get the information brought and presented to them, and there is no unity in this, it should be determined whose responsibility it is to ensure everyone gets the information they require.

In chapter 2.3, it was mentioned that it is important to agree what is communicated, when, and how often, and the employees should be made aware of this so that they better can orientate themselves to the regularly occurring communications. A further point that is important and came up in the interviews was that these agreements should be held onto. The CSC briefings, agreed to take place weekly, have not taken place on a regular basis, giving empty promises to the CSC team members of receiving information and company updates. This can undermine the credibility of the internal communication, and the employees are left disappointed and without information or possibility to share their views and ideas. This, then again, discourages effective bottom-up communication and interaction, and undermines motivation.

All the three countries scored high in Uncertainty Avoidance Index (chapter 2.6.2), a component in Hofstede's model on cultural dimensions. In cultures where the UAI score is high, precise instructions and guidelines how to do things are usually needed and wanted. Thus, creating local communication guidelines that can be easily used in the daily work could help to make the processes more effective and efficient.

### **6.3 Lack of interactivity in internal communication**

With the third IQ, the author aimed at uncovering the employees and the management's feelings and views about the internal communication, with a focus on interactivity. As the employees put it, a lot of the information was passed down on them in a highly informative manner, ending the discussion there and leaving no chance to communicate bottom-up about the issue. Wherever bottom-up communication was possible, the employees did not see their feedback to managers leading to any significant actions or results. Most felt they generally could express their feelings and views, but saw hardly any impact on the decisions, and often the decisions had already been made. Most felt they could not take part in communication or any other kind of planning in the company. This indicates that the communication in the case company is not very effective.

To allow for more effective sharing of ideas and to take the full advantage of the human capital at work place, interactive communication should be encouraged. For example, the CSC team members can provide important insights into various issues arising from the knowledge they gain in their daily work, not seen or thought of by the management. Furthermore, fully utilising the knowledge within the company can bring up completely new ideas leading to more efficient processes and performance. This also applies to knowledge originating from different cultural backgrounds, which can be a valuable source for new ideas and ways of working.

The lack of interactivity often leads to lack of motivation, absenteeism and lower productivity among the employees who feel they are not able to contribute and participate. The CSC had suffered from these issues during the past, and enhancing possibilities to influence and participate could solve the problem. Bottom-up communication should be encouraged from the management level, creating an open communication climate where feedback can flow to all directions and visible action is taken upon it. Common brainstorming sessions and also possibility to participate in, for example, communication planning can increase employee motivation and commitment, as it gives the feeling of working together towards common goals that everyone feels are his own goals as well.

As mentioned above, the employees saw the communication in the company to be mainly top-down. Especially in the CSC, the employees saw little chance for effective bottom-up communication. This represents more the classical approach to internal communication, presented in Table 1 in chapter 2.2.1. The employees recognised that the communication is

more task-related and vertical. However, there was more variation in communication channels and the formality of the communication style, which brings elements from the human resource approach to the communication processes within the company. Miller recognises the classical approach to be old-fashioned and inefficient, and even though the approach in the case company is not strictly fitting to this category, movement towards human resource approach in internal communication could be advantageous in increasing the efficiency and interactivity of the communication.

The top-down way of communicating reflects the traditional transmission-centred model of communication process presented in Figure 1 in chapter 2.1. To encourage bottom-up communication, the idea of a communication cycle, presented by Curtis and Detert and discussed in chapter 2.1, should be put into practice. Bottom-up communication becomes effective only if the original sender in the top-down communication becomes the listener and the original receiver the sender in the communication cycle. A functioning communication cycle allows for interactive communication.

However, even more ideal for creating interactive communication flows is to have a communication network instead of settling for two-way communication, as was discussed in chapter 2.2.1. The employees generally felt the communication was not very interactive, and moreover, that they were not listened to or action was not taken based on their feedback, undermining the interactivity. Furthermore, as was discussed in chapter 2.5, communication can be seen as effective only if it leads to resultant action. As especially in multicultural settings this kind of network is crucial to successful communication, the communication network model could be more effective than a traditional top-down model. Communication networks unite and create better understanding among employees across functions, resulting in better integration and more effective task-performance.

As was discussed in chapters 2.2.2 and 2.5, open communication climate together with active management support is vital to encourage bottom-up communication and interactivity. Both Redding and McKenna highlight the importance of listening. In bottom-up communication situations, many of the employees said they did not feel they were listened to, or that their message had any impact on anything. If no action is taken upon feedback, it discourages further communication attempts to that direction and often demotivates the employees. Nowadays employees expect to be able to express their views, they expect to be listened to and to be able to participate and contribute. The traditional top-down style of communicating

collides with these expectations and the setting might create dissonance, as was discussed in chapter 2.4.

Thus, listening to the subordinates and especially acting upon their messages encourages interactive communication and feeling of belongingness and ability to contribute. This, then again, motivates the employees to work more efficiently towards common goals. Lower level employees might also provide valuable information to the managers from their perspective, opening an opportunity to increase efficiency in work-tasks.

The fact that the employees do not perceive to be listened to or feel their feedback leads to actions might be also due to the fact that the management does not always have the possibility to act upon the employees' requests or suggestions, or action can be taken only on part of the issue. If the employee do not see the result or are not informed about the inability to take action or to find a solution to the problem, the situation might be misinterpreted as lack of will to act upon subordinate feedback. Thus, also these issues should be communicated to the employees and in the case of lacking ideas to solve problems or to fulfil requests, common brainstorming sessions together with the subordinates could help to find the solution. Thus, interactivity also in these cases increases the efficiency and effectiveness of communication.

The employees also requested for more feedback in general, both from team colleagues and from superiors or subordinates. When asked whether they themselves give feedback, the response was often slightly baffled, stating that they probably could give more. Here, again, the employees had not necessarily fully recognised their responsibilities in interactive internal communication, which includes actively giving feedback to all directions, both to encourage and appraise, and to remove inefficiencies where detected in a constructive way. It was largely recognised that especially negative feedback often creates negative tensions, even though the feedback should be handled on a professional level and not taken personally. Getting and giving more feedback can lead to optimising task-performance, increased integration and familiarisation in each other's work tasks, and, when done and interpreted successfully and constructively, in better common spirit.

## **6.4 Recommendations**

In this section the author will first go through the development ideas and improvement suggestions from the interviewees. Then, the author will give recommendations to the

management about the courses of actions that, based on the outcome of the research, could help to improve internal communication in the case company. At the end of the chapter the author will give suggestions for further study.

#### **6.4.1 Development ideas and improvement suggestions**

The fourth IQ, being the final investigative question, explored the employees' views about how the communication problems could be solved and internal communication improved. Most suggestions concerned improving communication to and from the CSC. The employees wished that the weekly CSC briefings would take place as they were supposed to, and that the team leader would be well-prepared for them, going through the issues dealt with in the weekly sales meetings. Furthermore, to enhance the bottom-up communication, the CSC team members wished that the team leader would note down their ideas and opinions in these briefings and bring them up in the next sales meeting with the other functions and the management.

This is, perhaps, the most crucial point in improving internal communication. Especially as the employees wanted to have more face-to-face communication, the weekly briefings would give a chance for this, providing also the opportunity to ask questions and to give feedback when the whole team is present. The issue to be solved here is how to get the whole CSC sitting together at once when the telephones need to be answered. Some suggested that the SONG team could take the calls during the team briefings, which seemed to be a reasonable suggestion and worth trying.

There was quite a lot of unity in the preferences of the channel use, and aside from wishing more face-to-face communication, most were satisfied with the channels used in communication. Some had differing preferences mainly related to the nature of the work, as they, for example, wanted the information to be available to them when they had the time to look into it, and thus preferred emails. Nevertheless, interpersonal communication was seen as extremely important, also due to the social aspect of it, and for this reason it was to be used whenever possible.

Furthermore, the employees suggested having more integration and familiarisation with each other's tasks. This would help to understand the other's priorities and information needs better, helping to shape the messages and choose the channel and timing in the most effective



manner. Increased social interaction in and outside of the work place could help the employees build more positive common spirit and sense of unity, and understand the more subtle cultural differences better, leading to more efficient communication processes.

If we take a look at the original research question, “How effective and efficient is internal communication in the case company and what are the communicational weak points”, it is easy to see that there are quite many areas where the effectiveness and efficiency can be improved. The communication is not very effective, as bottom-up communication does not lead to action often enough, some of the employees are not up-to-date of what is happening in the company, and there are block and several relays in the information channels. Need for double communication, several relays and information overload are signs of inefficiencies in the communication processes.

The weak areas comprise of the local office lacking communication strategy, guidelines and objectives, most of the employees not being fully aware of their responsibilities in internal communication or lacking skills and knowledge for effective internal communication, lack of encouragement or possibility for interactive communication, and too little understanding of the tasks, priorities and information needs of other functions. The sub-question, “Which advice could help the management improve internal communication” will be answered in the next section.

#### **6.4.2 Management recommendations**

As the biggest challenge seemed to be to coordinate and filter information efficiently, still ensuring that the relevant information goes through to those who need it, this is the issue in which most effort should be put. The first step would be to create a local communication strategy stating the objectives and priorities, and from that to draw the action plans and guidelines for communication. These should be communicated to the employees clearly and also regularly to keep them fresh in the mind. To ensure the guidelines are being applied, the management should monitor the situation and encourage the use of the guidelines through, for example, employee appraisals. The employees should also be made familiar with the content of the corporate-level communication strategy, explicitly explaining how it affects their tasks. The employees should also be informed what the consequences of not applying the communication guidelines are, further convincing them to use them. The strategy and

guidelines should be also reviewed and revised regularly for them to best apply to the current situation of the company.

The communication responsibilities with regard to who is responsible for informing, whom, and about which issues should be clear to everyone. The responsibilities should be analysed carefully, determining, among other things, what the responsibilities are, who should be responsible for what, and how often certain issues should be communicated. Flattening the hierarchy and reducing the relays could make the communication process more efficient, ensuring that everyone gets the information. This is, for example, the case in communication within CSC. The team members could always communicate directly to other team members about all kinds of issues instead of using the team leader as an intermediary, creating an extra relay.

Fewer relays would result in faster communication and reduction of contrasting information. Furthermore, the problem of getting the same message from several sources could be solved by reducing the relays in the message distribution. This, however, requires that the person distributing the messages knows thoroughly the information needs of each employee or of each position, and this would possibly require having a separate person responsible for communications and doing the filtering.

In addition, meetings, particularly the CSC team briefings, should be coordinated and planned more effectively. The Customer Service Manager, being the team leader, should make sure that the briefings take place when agreed, and the situation should be arranged so that the whole team is able to attend the briefings at once to ensure all issues are covered with everyone present. As the CSC team members wished, guest speakers from other functions should be used as often as possible to give better insights to their own specific issues.

As was suggested by the CSC team members, the SONG team could be used to answer the telephone during the briefings to free the CSC team members from this task. The agenda for the meeting should be planned before the briefing and a tentative agenda could be sent to those attending the meeting beforehand to allow for more effective preparation and noting down further issues to be discussed in connection with the topics on the agenda. The CSC team leader should encourage the team members to bring up their views and opinions and bring them forward in the sales meetings with other functions and the management. Even more ideally, if possible, the CSC team and the SONG team should be able to attend the weekly sales meetings to reduce relays.

To enhance interactivity, the management should encourage the employees to participate and contribute. The pre-requisite for this is increased transparency and that the employees are informed of things and kept up-to-date to make them aware of the things to which they can contribute. To make the communication climate more open and to encourage the employees to communicate bottom-up, the management needs to make it visible to the employees that their opinions and views are listened to and reacted upon.

The employees' suggestions and requests could be put on the Open Item List used in the case company, where they can follow the progress of what is done about the issues. Any progress could be also communicated separately, and the management could ask the employees for ideas to solve problems in common brainstorming sessions. Encouraging bottom-up communication and letting the employees from all levels participate and contribute to, for example, planning, would also increase motivation and commitment to work towards common goals. Bottom-up communication can be encouraged through, for example, "speak out" programmes, suggestions or "bright ideas" schemes, open door policies, appraisal systems, attitude surveys and interactive emails.

The management should also see that the employees are all made aware, not only of the true importance of well-functioning internal communication, but also of how it works and how they can and should contribute to it. As the individual's responsibilities in internal communication were not necessarily clear to each employee, this should be highlighted and emphasised to convince each employee to take responsibility in developing and working for effective and efficient internal communication. This could be done, for example, through training in internal communication, especially since nearly all employees were interested in receiving training in the subject. As was suggested by some employees, this training could be combined with training in task coordination and management.

The management should also highlight the importance of the employees' own responsibilities in searching for information in case they feel they are not receiving enough. However, tailor-made approaches might provide the best solution here. As most of the employees that did not search for information proactively, but expected to be informed of things by someone, were working in the CSC, it might be easier in their case to try to arrange for this, as it is easier to change one person's, i.e. the team leader's, behaviour than the behaviour of several people. Thus, more effort should be put on keeping the CSC informed through well-planned and coordinated CSC briefings and more frequent interpersonal discussions with the team leader.

When the employees are required to search for information proactively, the information has to be made easily accessible. The employees could be consulted about what is the easiest way for them to access information.

To enhance integration in the work community and socialising with colleagues, team events could be arranged more often. Someone should be elected to be responsible for organising these events to ensure they will not be forgotten. Doing things together also outside the workplace, can increase openness and comfortableness in bringing forward weak points and critique or negative feedback.

Further integration and familiarisation in each other's work tasks, also across the functions can help the employees to understand each other's priorities and decisions better. It helps the communicators to see things from the other person's point of view, enabling more efficient encoding of a message. It also helps to understand who needs what kind of information and what information is urgent in other functions. Further familiarisation could be done by sitting in other functions to concretely see their daily work, and through, for example, PowerPoint presentations and explicit illustrations through examples. The tighter integration of the SONG team to the work community would require a location change from either side, but as this seems to be very difficult to realise, hiring the SONG team under Lufthansa Cargo contract could still improve the situation from now. Feeling more concretely that the team works for the same company, with the same conditions and receiving the same benefits, would make them seem a tighter part of the work community.

To get the most out of the multiculturalism in the office, the management could attempt to take a middle-way between convergence and divergence approach. The convergence approach could be used in processes that can be easily standardised, and guidelines for doing these processes could be given to all employees. The management should, still, recognise the differences originating from the various cultural backgrounds, and this knowledge could be used to maximise the advantages of these differences by coordinating the cultural strengths to those tasks where they produce the highest benefits.

As the employees use a non-native language daily in their work, as much as possible of the communication should take place face-to-face to minimise misunderstandings. Especially when complicated, very important or urgent matters are communicated, the management should encourage face-to-face communication to see that everyone understands the message, to allow for questions, and to see that the message is acted upon. To optimise communication

efficiency with regard to effectiveness and cost, more important issues should be communicated more frequently and through multiple channels, accepting a higher cost for these communications. The compensation and the resources should be taken from less important communications where, for example, one email is enough to deliver the information.

The management should also increase cultural awareness within the local office through, for example, training. This training could also include language training or training in communicating in a non-native language to make the employees even more competent in communication. Better cultural awareness together with the familiarisation in each other's tasks and training in task coordination could solve problems with, for example, response times. Refresher trainings should be used on a regular basis to see that the employees do not fall back to their old habits.

#### **6.4.3 Recommendations for further study**

As a recommendation for further study, the author suggests that the development of effective communication plan and strategy could be investigated further. The study could be based on this study, which maps the current situation of internal communication in the case company. As the weak points are detected, the strategy and guidelines should be built on tackling the weak points. Furthermore, the strengths of the communication processes could be fostered more with effective guidelines. The processes and components of a communication strategy and a communication plan, presented in chapter 2.3, could be used as building blocks for developing the strategy.

In addition, motivational issues could be investigated further, as they were in principle not included in the scope of this study. The interviews showed that some of the problems in internal communication could be related to motivational issues, and thus further study on this subject might prove to be useful and fruitful. The causes and origins of motivational problems, as well as their impact on internal communication and task performance could be the focus areas.

In addition, a follow-up study on the improvements and developments in internal communication processes within the case company could be conducted in, for example, two years' time. As it is important to monitor the situation, the effectiveness of the

recommendations given to management in this study could be measured and evaluated, and possible revised if seen necessary.

## **6.5 Self-assessment**

In this section the author will reflect upon her own learning and professional development during the thesis process. One of the greatest benefits for the author during the process was to learn more about the topic itself. As the author wishes to work with corporate communications in the future, possibly specialising in internal communication, the author sees the knowledge gained through the process of the topic very useful. She learned a lot about challenges in internal communication, best practices, and what is seen as specifically important in internal communication while studying the theories and analysing the situation in the case company.

Moreover, the author became more aware of how all the processes within a company are influenced by the effectiveness of internal communication. It is the core of corporate communication and activities, and thus well-working internal communication can lead to success, and poor internal communication can become fatal to the company. A lot of effort should be put on improving and maintaining functionality and interactivity of internal communication, and unfortunately this is recognised and realised in too few companies.

The author also learned discipline and time-management, as the thesis process was relatively rough and required a lot of effort, and the author was determined to keep to the deadlines. In fact, she managed to finish nearly all parts of the process earlier than planned due to effective time-management and hard discipline. The author learned that only this way she could really bring the process to an end successfully.

One difficult thing for the author to learn was to know how to prioritise information according to relevance, and to delete parts that had required a lot of effort but in the end proved to be irrelevant for the study. Some parts of the theoretical frame of reference seemed useful and important in the beginning of the thesis process, but when the author had the results, she realised some theory parts were unnecessary for the data analysis and the conclusions. The author did her best in including only the relevant theories in the theoretical frame of reference, although in this issue she might have still room for improvement.

Furthermore, during the data collection process, the author learned to view things more critically. As the author learned to know the backgrounds of the employees in the office, she could view the information given in the interviews more critically. Some employees could have had personal motives to emphasise things in a subjective way, and the author attempted to detect these aspects and take them into consideration in the data analysis.

The study proved to be useful for the author. She learned a lot about the company itself while conducting the study, and as she will continue working for the company, she can use this knowledge in the future to communicate more efficiently and effectively with her colleagues and to take into consideration important points in internal communication brought forward in this study. Furthermore, as the author considers doing a Master's Degree specialising in International Business Communications, the knowledge and skills gained during the study are of advantage for the author.

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## Appendix: Overlay matrix and interview framework

Table 1: Overlay matrix of investigative questions and data collection

How effective and efficient is the internal communication in the case company and what are the communicational weak points?				
Investigative questions	Relevant theory	Data collection	Interview topic areas	Results
IQ1: What are the problems and challenges in internal communication?	2.1, 2.2, 2.4, 2.5, 2.6	Informal management interviews Individual in-depth employee interviews	Practicality and functionality of communication Challenges in intercultural communication	5.2
IQ2: What are the current communication guidelines, strategies and objectives?	2.3, 2.5, 2.6	Informal management interviews Individual in-depth employee interviews	Communication planning, communication strategy and coordination	5.3
IQ3: What are the employees and management's feelings and views about the interactivity of internal communication?	2.1, 2.2, 2.4, 2.5	Individual in-depth employee interviews Management interviews	Practicality and functionality of communication Interactivity of communication and possibility to participate	5.4
IQ4: What are the concrete development ideas and suggestions to improve internal communication?	2.3, 2.5	Relevant theories applied to the current situation in light of the data collected.	All interview topics	5.5

Table 2: Interview framework

Topic area	Individual interviews
<p><b>Practicality and functionality of communication (IQ1)</b></p>	<ul style="list-style-type: none"> <li>- general challenges and problems in internal communication</li> <li>- differences in effectiveness of communication within teams and between teams</li> <li>- challenges from language used</li> <li>- attention paid to cultural issues and challenges</li> <li>- difference in status or power</li> <li>- acting upon messages</li> <li>- precise instructions or freedom of doing things preferred</li> <li>- emphasis on short-term or long-term results</li> </ul>
<p><b>Communication planning, communication strategy and coordination (IQ2)</b></p>	<ul style="list-style-type: none"> <li>- communication responsibilities and coordination</li> <li>- awareness of strategic objectives and priorities, communication plans</li> <li>- updating communication plans and monitoring</li> <li>- actions supporting what is communicated</li> <li>- training</li> </ul>
<p><b>Interactivity of communication and possibility to participate (IQ3)</b></p>	<ul style="list-style-type: none"> <li>- role of internal communication in the company</li> <li>- direction of communication flow, interactivity, and nature of communication (tasks-related, social purposes, etc)</li> <li>- listening, acting upon messages</li> <li>- feedback, does it lead to concrete actions</li> <li>- communication climate (mistakes and negative news allowed, appraisals)</li> <li>- possibility to participate in planning and contributing to communication</li> <li>- employees bringing weak points forward</li> </ul>

<p><b>Interactivity of communication and possibility to participate (IQ3)</b></p>	<ul style="list-style-type: none"> <li>- too little or too much communication</li> <li>- speed of communication in urgent matters</li> <li>- keeping employees up-to-date, rumours</li> <li>- consideration of message relevance to recipients</li> </ul>
<p><b>Improvement suggestions (IQ4)</b></p>	<ul style="list-style-type: none"> <li>- message types and channels used, communication frequency, degree of formality</li> <li>- most effective channel for various message types</li> <li>- concrete improvement suggestions</li> </ul>