Saimaa University of Applied Sciences
Faculty of Business Administration, Lappeenranta
Degree Programme in International Business

Viivi Mentula

Project Communications in Two Case Organizations

Thesis 2015

Abstract

Viivi Mentula
Project communications in two case organizations, 56 pages, 1 appendix
Saimaa University of Applied Sciences
Faculty of Business Administration, Lappeenranta
Degree Programme in International Business
Bachelor´s Thesis 2015
Instructor: Mr Timo Saarainen, Senior Lecturer, Saimaa University of Applied Sciences

The objective of the study was to find out how organization and type of projects conducted affect communications management in the project manager's work. The study is focusing on how project managers complete their work and what is the organization's role in supporting them.

The information for the theoretical part was gathered from books, articles and journals, and internet sites. The empirical part was based on interview results of six project managers from two case organizations from the field of education and business. Interviews were conducted in person with open-ended questions. This allowed project managers to reflect on issues that were important from their point of view.

The results of the study show that organization and project type affect project communications management and stakeholder communications in case organizations. In the Educational organization the open style of communication supported project communications management. In the Business organization, project managers felt that the information flow was not sufficient enough and organizational procedures did not enhance communications in their work.

Keywords: project communications, project communications management, organization

Table of contents

Appendices

1 Introduction

Effective communication is the life blood for a project. It is said, that 90% of a project manager's time is spent on communicating (Schwalbe 2013, p. 191). Project manager is in charge of all the aspects of a project which include initiating, planning, executing, monitoring and closing out the project. The key to performing all these above mentioned responsibilities of a project manager is communication. (Sanghera 2009, p. 39-40.)

Project communications is challenging. From the beginning of a project to the very end of it, project managers must communicate with various individuals and project stakeholders. In addition to a challenge of communicating with a number of individuals and stakeholders, all these people want to be communicated with different ways. (Abudi 2013.) Project manager is the primary interface between a project and organization. Thus, he/she has to possess excellent communication skills in order to interact with stakeholders. (Orridge 2009, p. 61.)

Project manager has to navigate through the project environment which consists of realities inside and outside the organization. Organizations can structure their business in different ways, and this structure can either facilitate communications in a project environment or it can hamper it. Project management success is greatly based on communication capabilities of an organization. (Loo 1995; Sanghera 2009; Project Management Institute 2013.)

1.1 Research objectives

The aim of this thesis is to find out how organization and project types affect project communications management. The study is focusing on how communications in a project is managed by project managers, and how this management process and stakeholder communications is affected by the organization and project types in two case organizations.

The aim of the theoretical part is to provide an overview and key elements of project communications management based on literature. Empirical part focuses on describing how two very different organizations and the type of projects

they are conducting affect project communications and project managers' communications management.

The primary research question of the study is "How do the organization and type of projects affect project manager's communications management?"

1.2 Method of study

The qualitative approach was chosen for the theoretical part of the study. Therefore, data was gathered mostly from books. Also articles and journals, and internet sites were used for collecting information. As a main source of information for describing the process of communication management in the third chapter of the study is the book "Project Management Body of Knowledge" (2013) by Project Management Institute. When reading through references at the beginning of the study process, it was discovered that this piece was cited by various authors in their works, and for this reason, it was used as a base for describing the communication management process for this study as well.

The qualitative approach was used also for the empirical part. Data for the empirical part was collected by conducting interviews in two case organizations. These organizations were an educational center operating nationally and a business organization operating globally. In total of six (6) project managers were interviewed. Interviews were conducted in person and with open-ended questions. Therefore, project managers could address issues that were important from there point of view.

1.3 Delimitations

The study focuses on the project communications in project manager's work including the aspect of working with the project team and project stakeholders. The study does not focus on organizational communications but this aspect has to be taken into consideration since organizations create an environment that influences project manager's work.

The study does not take into consideration how the size of an organization affects project communications management. It does not study differences of small, medium or large organizations. The study does however take into con-

sideration the effect of organization's structure and how it supports the communications process.

Different types of projects are not described in detail in this study. The type of projects conducted by case organizations of the study and their effect on project communications management are considered in the empirical part of the study. In addition, the study does not examine differences between men and women, and for this reason all the interviewees are addressed as "he" no matter their gender.

2   Communication makes a difference

2.1   Organizations and communication

Communication is crucial for organizations, and when managed well it offers various benefits. Employees are the key audience for organizational communication, and a link to other external audiences. Setting clear expectations and building strong relations between individuals in an organization and with external stakeholders is done with the help of effective communications. Employees need to know how they are expected to perform in order to receive positive feedback. Also customer expectations are managed by clear communications. When communication is focused on individual needs and provides information and feedback, it boosts trust and loyalty which are key elements of building strong relationships. (Richards 2015.)

Employees can discover opportunities for innovation if an organization provides an open channel for communication. Employees are more willing to express their ideas if they know that those ideas are being acknowledged, and treated with an open mind. The more the organization offers information about its products, services, and culture, the better job employees do as spreading out positive information about their organization to various audiences. (Richards 2015.)

Communication is also an effective tool for organizations to improve their performance. According to Matha, Boehm & Silverman (2008) organizations with an open communication profile outperform others in key performance catego-

ries of growth and profit. Communication is a notable driver for organizations to perform better. Highest performing organizations have an open flow of communication, and an attitude of "*Talk to me, I'm listening*". Organizations with a command communication profile of information moving top down in tell-and respond style perform the worst. In this type of organizations employees are commanded to perform, and they do not ask why. If these two types of organizations are compared, it is obvious that communications makes a difference. (Matha et al. 2008.)

According to the Project Management Institute (2013) effective communication serves as the bedrock for business. Organizations which are effective in communications perform better by 80% of them reaching their goals. They also deliver projects on time and within budget. Figure 1 shows the organizational differences between highly and minimally effective communicators and how they affect delivering projects. (PMI 2013.)
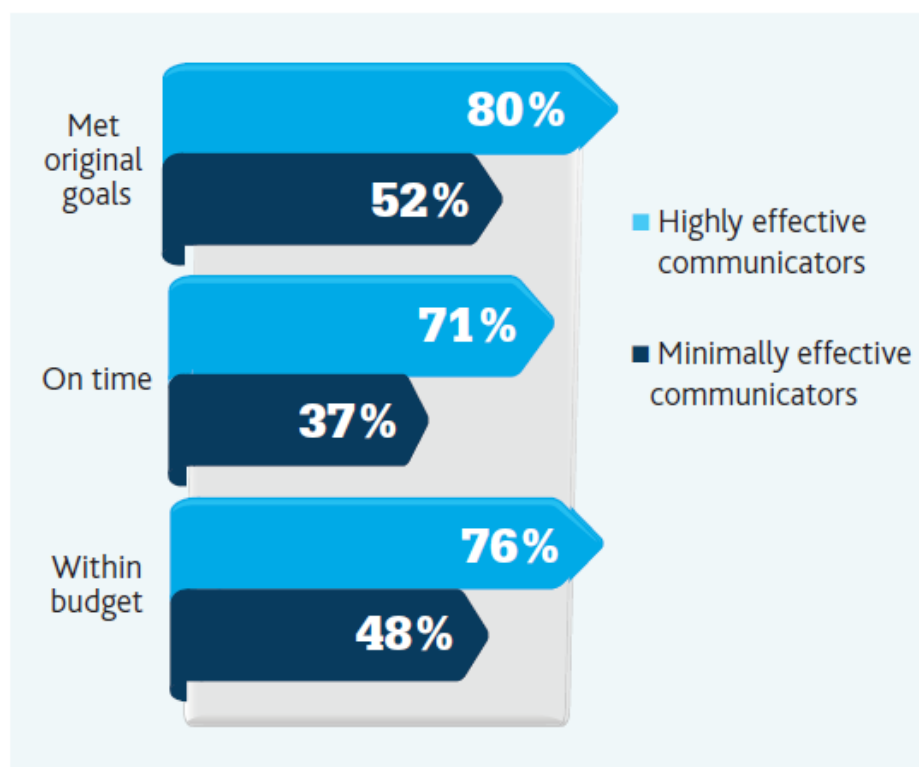

Figure 1. The effect of highly and minimally effective communicators on project delivery (PMI 2013.)

Communication alone cannot improve organization's performance but it is one of the performance drivers. Smart leaders, resources and hard work are required for good performance, and communication enhances all of these. Communication influences employees in the organization contribute their thinking, and in this way, improves the strategy and makes leaders smarter as they have more information to base decisions on. (Matha et al. 2008.)

2.2 Projects and communication

Managing projects is challenging. A project manager is in charge of every aspect of a project, and this includes the following:

1. Initiating: Laying the foundation of a project by determining objectives, requirements and constraints.
2. Planning: Setting the project on track by developing plans to meet project objectives and requirements.
3. Executing: Managing the project execution according to a project plan.
4. Monitoring and controlling: Assuring that the project stays on track by monitoring and controlling project progress, risks and changes.
5. Closing: The project is closed according to the plan, and the outcome is handed over to stakeholder groups.

A common thread running through the lifecycle of a project, and a key to performing all these above mentioned responsibilities of a project manager is communication. (Sanghera 2009, p. 39-40.)

Campbell (2009) gives an example in his book about the importance of communications in projects and for project managers. His company MCA International conducted several workshops for project managers for an oilfield services company that was situated in many different locations. 500 project managers taking part of workshops were asked to assess what caused a project to fail and what made it to succeed. Communication was the number one success factor identified by a diverse group of project managers representing over thirty different countries. Poor communication was also identified as a critical factor when the project was not a success. During these workshops Campbell (2009) discovered that projects were nearly always successful when communications were

strong among project team members and between the project team and cus-
tomers. (Campbell 2009, p. Introduction.)

Another example about the importance of communication in projects was the
results of an investigation carried out by Norwegian oil company Statoil Hydro in
2007 about the problems and challenges encountered most often within their
projects. Communication topped the list of the 1647 report reviewed. Time, cost
and quality – the classical values associated with projects- were ranked farther
down in the list (Sandberg 2007 cited in Johannessen & Olsen 2011). When the
communication was functioning efficiently it was the most important factor for
achieving results (Flyvberg 2007, 111 cited in Johannessen & Olsen 2011).

2.3   The basics of communication

According to Campbell (2009) no matter the type of communication (written or
verbal) there are three elements of communication that a project manager uses
during a project. Those are (1) analyzing the target audience, (2) planning the
approach and (3) delivering the message.

The first question to address when determining the aim of any communication is
who will receive the message. In a project environment a stakeholder analysis
which identifies relevant stakeholders is conducted. (Campbell 2009, p. 60.)
This study does not include describing the process of stakeholder analysis in
detail but the needs and concerns of project stakeholders should be recognized.
Messages should be targeted those in mind, and determine what is the purpose
of communication (Campbell 2009, p. 60).

The second step is to plan the approach that helps a project manager to get to
the purpose of communication. The information can be presented to stakehold-
ers by using different strategies such as a problem/solution approach describing
the projects various issues and solutions to them or using a big picture/small
picture approach that explains how the data and information collected by a pro-
ject manager is applied to meet organizational goals. The best strategy is the
one that suits the communication purpose. Thirdly the message is delivered to
the audience by choosing from variety of tools and techniques. (Campbell 2009,
pp. 64-65, 68.)

2.3.1 Basic communication model

The most basic form and a building block of communication is information exchange between two entities (Sanghera 2009, p. 165-166). The basic communication model presents the information sending between two parties –the sender and the receiver (Project Management Institute 2008, p. 255). The sender encodes a message via chosen channel and the receiver decodes the message (The Communication Process 2015). Figure 2 below presents a basic communication model.
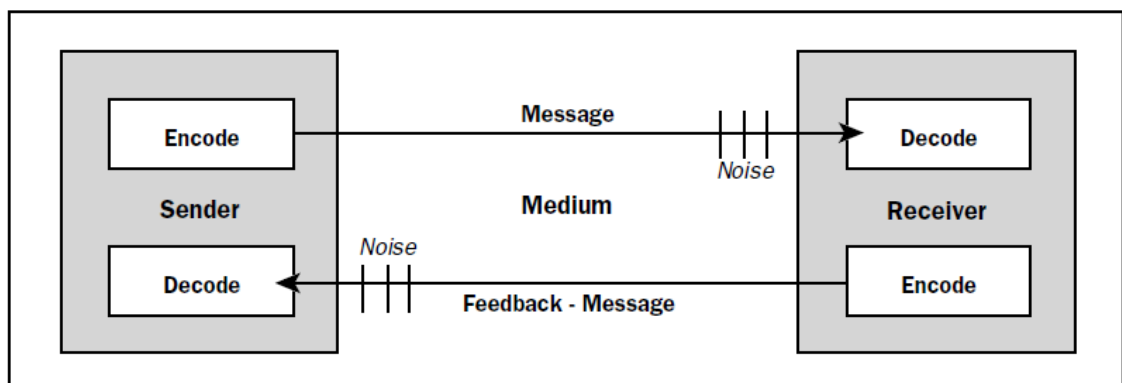
Figure 2. The Basic communication model (Project Management Institute 2008, 255.)

Activities of transforming information into messages are the part of encoding. In communication these activities are speech and writing. The activities of decoding -transformation of sensations into meaning- are listening and reading. In the process of communication, it is the responsibility of a sender to send a clear message and confirm that a receiver understands it. The responsibility of a receiver is to acknowledge the message and understand it correctly. Elements that effect the encoding and decoding of messages are experiences, culture, word choices, values and judgements. These are perceptions that affect the encoding and decoding processes. From the standpoint of project communications, these components should be acknowledged because a failure in this process can have a negative effect to the project. (Little John 1983 cited in Henderson 2008; Project management Institute 2008, p. 255; Campbell 2009, p. 116.)

3 The process of communications management

This chapter is mostly based on the latest publication of a book called "Project Management Body of Knowledge (PMBOK)" written by the Project Management Institute (2013). PMBOK gives a profound overview of project management and several authors have referred to this piece in their books. The processes of communications management described in PMBOK (2013) are planning, managing, and controlling communications.

3.1 Planning

Determining what information stakeholders need and defining a communication approach is the process of planning project communications (Project Management Institute 2008, p. 251). In order to respond to the needs of project stakeholders, one must think of the following; what information people need, when will they need it, what is the best medium for delivering it, who should deliver the information, what might hamper the flow of information, and how should "I" (as project manager) deliver the message (Martin 2006, 130; Project Management Institute 2008, p. 251; Campbell 2009, p. 115).

To ensure that appropriate information reaches the people who need it, the flow of information needs to be planned. There are barriers to effective communication in projects but they can be avoided if communication is planned carefully (Martin 2006, pp. 125-126). Tailoring communication can improve ability to contribute to the project, and decisions made about communication processes and communication environment of teams determine the project outcome (Phillips 2014, pp. 14 & 19). Thus, communication planning is essential to project success.

3.1.1 Organization and enterprise environmental factors

Organization's structure and enterprise environmental factors are strongly related to the process of communications planning and will have an effect on communication requirements of the project. Previous projects and information gained from them can be used as a guide for planning communications of a current project. Especially important are lessons learned and historical data. Deci-

sions made in the past in similar projects can provide an insight for the decision making process regarding communication issues in the present moment. (Project Management Institute 2008, pp. 252-253.)

Communication plan usually outlines what should be communicated and to whom, how often and with what format. In addition to these elements, the communication plan should be customized to suit the organization. Communication roles, responsibilities and governance should be part of the project plan itself. Major projects could have a formal communication plan including checkpoints; progress updates with steering committees, risk management reviews, team meetings and communication with end-users. (PMI 2013.)

3.1.2 Communication management plan

Communication management plan is the outcome of the planning process of project communications. It defines the boundaries for how the communication should happen, sets expectations, and adds more control and stability to deliver projects (Phillips 2011, p. 222). It can be formal or informal, detailed or widely framed and should be based on the needs of the project (Project Management Institute 2008). According to Dinsmore & Cabanis-Brewin (2014) the following elements should be included:

- Audience: Determine the audience for each communication by checking project documents (project charter, project scope, work breakdown structure etc.).
- Message: What message does the project need to communicate to the audience?
- Intent: What is the purpose of communication? What is expected to achieve by communication?
- Media: Choosing the media or a combination of media depends on the project phase, audience and other factors.
- When: To determine a communication approach and timing, the scope statement, project plan, and advice from project leaders and key stakeholders should be considered.

- Frequency: Preparing a schedule for communication, and determine how often it should occur.
- Responsibilities: The responsibility of preparing a message, developing a media, coordinating a delivery, and sending a message should be assigned for each message in the communication plan.

Above mentioned are the minimum to include in the communications management plan (Dinsmore & Cabanis-Brewin 2014, p. 132). Figure 3 is an example of a communication plan template.

PROJECT COMMUNICATIONS PLAN TEMPLATE

Attachments to each communication should include:
■ List of recipients   ■ Media requirements
■ Message text   ■ Delivery schedule and who delivers

AUDIENCE	MESSAGE (WHAT)	INTENT (WHY)	MEDIA (HOW)	WHEN	RESPONSIBILITIES

Figure 3. Project communication plan template (Dinsmore & Cabanis-Brewin 2014, p. 133.)

According to Project Management Institute (2013), in addition to the above mentioned elements, the communications management plan also includes following:

- Method for updating the communications management plan us the project is making progress;
- Definitions of common terminology;
- Allocated resources for communication activities, such as time and budget:
- Communication constraints due to legislation or regulation, technology and organizational policies. (Project Management Institute 2013.)

According to Schibi (2013) communication plan should cover all aspects of a project, and include more than just reporting lines and delivery of formal infor-

mation. In addition to this, the plan should guide how team members and stake-holders interact with each other, provide behavioral guidelines, define practices how to manage expectations and facilitate information exchange among stake-holders, and issues regarding communications risks. (Schibi 2013, p. 257.)

3.1.3 Communication techniques

Methods to transfer information among the project team (and stakeholders) can vary greatly. Techniques from short conversations to planned meetings or from simple written documents to online material are used (Project Management Institute 2008, p. 254). Team members and stakeholders are engaged by using multiple communication activities. They can be formal or informal, and some can be either formal or informal. These communications activities are listed in the figure 4.

Formal Communication	Informal Communication
Meetings*	Conversations
Reports*	Phone calls
Presentation*	E-mails*
Plans*	One-on-one chats
Information gathering*	Conflict management*
Training*	Estimating*
Status updates*	Negotiations*
Changes	Assumption/issue/risk management*
	Escalation*
	Discussions related to motivation, buy-in, fact checking, clarifications

*Can be either formal or informal.

Figure 4. Formal and informal communication channels (Schibi 2013, p. 264.)

3.2 Managing and controlling the flow of communication

After project information is gathered in the form of plans, it has to be shared and prepared in a way that people who need that information can understand it. In order for the information to be in high quality it has to be relevant, clear, accurate, complete, timely and appropriate. (Martin 2006, p. 131.) The process of managing communications is not just distribution of information. It is the process of *creating, collecting, distributing, storing, retrieving, and the ultimate disposi-*

tion of project information done in accordance to the project management plan (Project Management Institute 2013, p. 297). Efficient and effective flow of information between stakeholders is the key benefit of this process. Information communicated to stakeholders should be appropriately generated, received and understood, and this is the aim of the process of communications management. (Project Management Institute 2013, pp. 297-298.)

3.2.1 Reporting performance

Stakeholders, particularly business owners and customers, are interested in knowing how the project is performing. Project manager's task is to communicate with these stakeholder groups, and report performance and project progress. Information should be gathered from key personnel of the project such as team members and vendors. The project team is responsible for contributing accurate information about work execution, and vendors have to provide information about their work status, delivery and progress. (Heldman 2003, p. 238; Phillips 2011, p. 224.)

According to the Project Management Institute (2013) performance reporting is the collection and distribution of performance information. In order to understand and communicate project progress and performance, and also forecast results, one must collect and analyze the basic level and actual data periodically. The information about performance should be provided with an appropriate format for different audiences. The format can vary from a simple status report to a detailed version. (Project Management Institute 2013.)

Information about the project progress can be collected from team members. In order to do that, a place for storing project documentation should be provided. This should be a central place for entering information on project milestones and deliverables, due actions, issues and risk items. Another important source of information is meetings. Meetings allow team members to express their concerns, participate in risk evaluation, and coordinate actions of other team members. (Binder 2008, p. 110.)

3.2.1.1 Status reports

Performance reports or status reports are regular and formal, written reports. Depending on the project, they are normally produced quarterly, monthly or even weekly. Data about project status should be accurate and available on a real-time basis. In the case of information being delayed for weeks, there is no possibility for taking corrective actions. (Heldman 2003, p. 238; Martin 2006, p. 132; Heagney 2011, p. 117.)

Heldman (2003) suggests that a project manager should require status reports on a weekly basis from team members. In this way, the project manager is able to summarize and process the information for stakeholder meetings and communicate overall progress to the team. Various project manager software programs have built in features for status-reporting. Following could be included to a status report:

- General information
- Progress made since last reporting period
- Schedule and completion dates
- Expected progress during this period that has not been completed
- Expected progress for the next reporting period
- Issues (Heldman 2003.)

3.2.1.2 Forecasting

Forecasting is to determine the possible outcome of the project within the terms of a project budget (Saladis & Kerzner 2011, p. 195). Forecasts are made based on past performance, and include estimates of total costs occurred during the project completion and how much costs occur to complete the remaining project. Forecasts are updated as new performance information is available. (Sanghera 2009, p. 320.)

3.2.2 Meetings

In order to control communications a dialogue and discussion is required with the project team and stakeholders. Meetings facilitate updating and communi-

cating project performance, and responding to stakeholder requirements about receiving information. (Project Management Institute 2013, p. 307.)

Meetings are essential for the project team building and group activities, such as solving problems, making decisions and achieving consensus. Management of meetings is an important skill for a project manager. Holding an effective meeting requires preparation and planning in order to make it an efficient use of time of everyone attending. It is a forum for discussion, and for coordinating and improving communications between individuals and departments. (Richman 2002, pp. 231-232; Kerzner & Belack 2010, p. 135.)

Depending on the meeting format, frequency and audience a suitable communication mean is chosen. Meetings can be held face-to-face or via audio, video or web-conferencing. An agenda for a meeting should be formal and exact as the project grows in size and in complexity. For an informal meeting with team members the agenda can be written in a simple form. Distributing the agenda a few days prior to the meeting enables stakeholders to prepare for identified problems before attending the meeting. (Richman 2002, 231-232; Binder 2008, 91; Kerzner & Belack 2010, 135.)

4 Organizations behind projects

According to Sanghera (2009) in order to lead a project to success a project manager has to navigate through project environment consisting of realities inside and outside of organization. Culture, style, organizational structure and maturity of the organization influence how projects are performed. From a project perspective two types of organizations exist: project based and non-project based. Project based organization have tools and systems for supporting project management. They are divided into subcategories of (1) projects whose revenue comes from performing project to others, and (2) in house projects delivering products and services to customers. (Sanghera 2009, p. 49.)

Project manager deals with following three major organizational elements which should be understood in order to navigate one's own way to manage a project to success:

- Organizational culture: Organization's culture develops in the course of time by practice and common usage. It affects how projects are initiated, planned and executed, and determines decision making authorities. Common experiences that shape the organizational culture are e.g. vision, mission, values and beliefs, policies and methods, view or hierarchy and leadership, and code of conduct.
- Organizational communications: The success of project management in organizations depends greatly on organization's communication profile. Communications capabilities of an organization have a high impact on projects, and can facilitate project manager's communication and decision making with relevant stakeholders.
- Structure of the Organization: It is important for the project manager to understand the structure of the organization he is working in. Three organizational categories are functional, projectized, and matrix organizations which are described next in more detail. (Sanghera 2009, p. 49; Project Management Institute 2013, pp. 20-21.)

4.1 Structure of the organization

The structure of an organization can facilitate communications in a project environment or it can hamper it. In general, a rigid, tall, hierarchical structure in an organization does not facilitate communications, and for this reason it can be suggested that organizations should create a more organic, flat structure where self-managed teams are promoted and managers develop to act as coaches instead of autocrats. (Loo 1995.) Companies can structure their business according to a functional structure or projectized structure. Functional structure has a hierarchical chain of command, and resources are grouped into functional units. In an organization that has a projectized structure resources are allocated to every project completed by the organization. These projects are managed separately as independent 'units'. (Thamhain 2014.)

In reality, organizations cannot operate as having a pure functional or a pure projectized structure. They include elements from both organizational structures. Organizations have support services and infrastructure that are the components of a functional structure, and organizations are usually involved in pro-

ject activity which is an element of a projectized structure. This is when the matrix structure is created. It is a hybrid between these two structures. (Thamhain 2014.) Figure 5 is presenting the relation of organizational structures to project characteristics.

Organization Structure / Project Characteristics	Functional	Matrix			Projectized
		Weak Matrix	Balanced Matrix	Strong Matrix	
Project Manager's Authority	Little or None	Low	Low to Moderate	Moderate to High	High to Almost Total
Resource Availability	Little or None	Low	Low to Moderate	Moderate to High	High to Almost Total
Who manages the project budget	Functional Manager	Functional Manager	Mixed	Project Manager	Project Manager
Project Manager's Role	Part-time	Part-time	Full-time	Full-time	Full-time
Project Management Administrative Staff	Part-time	Part-time	Part-time	Full-time	Full-time

Figure 5. Organizational structures and project characteristics (Project Management Institute 2013, p. 22.)

4.1.1 Functional organization

A classic functional organization has a basic hierarchical structure. It can be described as a pyramid structure with the highest management at the top, and mid-level management continues to spread down in the pyramid. Organization is grouped into functional units such as engineering, manufacturing, marketing, and so on, with accounting at the top level. These functional units perform their work independently. (Youker 2015.)

A disadvantage of organization grouping into different functional units is that these units can form a narrow departmental focus and do not appreciate organizational focus and goals. Working across units can be a challenge for managers. From the point of view of project management and communications, a challenge in a functional organization is to improve lateral or horizontal communications. Information flow is not fluent between disciplines and departments, and formal communication links are not strong (Oosthuizen 1995). Approaches to

enhance lateral communications and breaking down barriers of different departments in a functional organization include the following:

- To create procedures e.g. plans, schedules and review meetings
- Have direct contact between managers
- Develop team work
- Informal roles to connect and communicate (Oosthuizen 1995; Elsaid, Okasha & Abdelghaly 2013; Youker 2015.)

4.1.2 Project organization

A project or projectized organization is an opposite of a hierarchical, functional organization. This structure is best fitted for high technology projects, research and design projects and long duration projects (Oosthuizen 1995). A majority of the organization's resources are used in project work. In this type of organization resources to complete a project are set up as an independent unit in the organization lead by a project manager. The project manager has a great amount of independence, and is in charge of the personnel and has authority over the project and acquiring recourses for it. Internal structure of the project unit is, in fact, a functional structure and project team members present various functional areas. (Oosthuizen, 1995; Project Management Institute 2013, 25; Youker 2015.)

A project organization has an advantage of focusing on a single objective. The purpose is clear and understood. The project manager has the control over needed resources. Project team morale is built on a clear purpose, and the team is usually close-knit which supports effective informal communications. (Youker 2015.)

4.1.3 Matrix organization

Matrix organization is a combination of functional and projectized organizations that is trying to utilize the strengths and reduce the weaknesses of both organization structures. According to Youker (2015) *the matrix organization combines the standard vertical hierarchical structure with a super-imposed lateral or horizontal structure of a project co-ordinator*.

The matrix structure in an organization enhances co-ordination between functional departments. Visibility of project objectives is also optimized through the project manager in a matrix organization. A disadvantage of a matrix organization is that employees are reporting vertically and horizontally; to a functional department and to a project coordinator or project manager. Therefore, conflict situations can be challenging for employees. This causes problems for the project managers as well. They often feel having little authority over the functional department. Roles and responsibilities, or authority of project actors are not clearly defined. (Youker 2015.)

Management by matrix organizations is contradictory. Experiences of operating in a matrix structure organization are both good and bad. When a matrix structure is chosen authority and responsibilities should be carefully defined. Functional structure goals and objectives of a project are continuously balancing in a matrix organization. (Youker 2015.)

The matrix structure is divided into three categories of weak matrix, balanced matrix and strong matrix. Terms of weak and strong refer to power and influence between functional and project managers (Project Management Institute 2013, p. 23). The weak matrix is leaning towards the functional structure. The project manager is a coordinator who cannot enforce decisions. They have only a little authority over the project. At the other end of the matrix structure is the strong matrix with features of the projectized structure. Project managers have a noticeable amount of authority and a full-time project staff. In the middle is the balanced matrix where the need for a project manager is recognized, but he does not have complete authority over the project or its funding. (Project Management Institute 2013, p. 23.)

4.2 Projects and organizational structure

None of the above mentioned organizational structures is perfect for managing projects (Youker 2015). However, some of them are more suitable or effective for corporate communications and performing project management functions. According to Oosthuizen (1995) and a study conducted that analyzed all organizational structures in terms of relative effectiveness of communications in pro-

ject management functions, the most suitable structure for effective corporate communications and project management functions is the project matrix structure (strong matrix). The project matrix structure is most suitable for high technology projects and research and development projects, and is used successfully by medium and large organizations. The project manager is mainly responsible for project success in this structure. When analyzing the relative effective communications the functions of Human Resources, Time Management, Contract Procurement and Quality Management were executed better than in any other structures described. Also Scope Management and Cost Management processes are managed particularly well. (Oosthuizen 1995, Youker 2015.)

4.3 Organizational standards

Organizations can provide standards and guidelines to follow that help managing project functions. These standards and guidelines can be very simple such as standard forms and templates for project documents provided by the organization, or guidelines to how to hold a kick-off meeting or report about project progress. A new project manager is not familiar with communicating with several projects stakeholders. Therefore top management should provide support for acting upon these standards and guidelines. (Schwalbe 2013, p. 83.)

5 Managing project people

People who are involved in or are affected by the project are stakeholders. They include individuals and groups, such as project sponsor, project team, staff, customers, users and suppliers. (Schwalbe 2013, p. 8.) Stakeholders are the ones who create an idea of a project, design project plans and approve and execute those plans and close out the project. As projects are temporary in nature, project stakeholders may come and go during the project lifecycle. This requires project managers to be adaptable and always alert to understand the stakeholder environment. (Roeder 2013, pp. 3-4.)

5.1 Transmitting a message

Referring to the basic communication model described in the second chapter, three elements of effective communication are:

1. Selecting a right message to stakeholders
2. Choosing a right medium and/or messenger
3. Preventing "noise" during transmission

The "right" message is a message that is relevant to the receiver. It is a message that the receiver is prepared to receive. It should not be something that the sender wants to send, but instead, it should be in terms of the stakeholder issues and interests. A sender should place himself in to the position of a stakeholder and think from a stakeholder perspective. If the needs of the project are not linked to the needs of the stakeholder, the possibility of a message not being listened or acknowledged will grow. (Weawer 2007.)

The second point that the sender should think of is the correct medium for the message. The message should be formed so that it is easily accessible for the receiver. In order to do this, the sender of the message should think from the perspective of the receiver. If the receiver prefers to communicate in person, it is effective to do so instead of sending key project data by using a text message. (Weawer 2007.)

The third element of effective communications is to minimize noise that distracts the receiver from understanding the content of a message. The effectiveness of communication is reduced when there are unnecessary elements involved such as adding too many graphics and colors to reports, or by having background noise during a presentation. An effective, well-designed message is clear and free from additional embellishments. Additional elements should strengthen the impact of a message, not distract a receiver from it. (Weawer 2007.)

5.2 Methods of communication

The project manager chooses which method or type is used, and how and when it is used based on the communication requirements (Project Management Institute 2008, p. 256; Sanghera 2009, p. 167). A hybrid approach of mediums such

as project management software, email, project website, web-based communities (e.g. Sametime or Lync), teleconferencing and web conferencing, is normally used (Sanghera 2009, p. 167). From the point of view of this study, it is not important to describe every single method in greater detail but to discover whether project managers plan beforehand which method is used, and how and when it is used or do they make the choices in the execution phase of a project or use a similar approach with every stakeholder.

Methods or types of communication can be broadly classified into interactive communication, push communication and pull communication.

- Interactive communication is a type of two-way communication, where the sender and the receiver exchange information, and then reverse the roles. Sender turns into a receiver, and receiver turns into a sender. E-mail or telephone conversation is an example of interactive communication.
- Pull communication is a type of one-way communication. Pull communication is suitable for a large volume of information or a large audience. The information is 'pulled' from an information pool, and an access to communication content is a responsibility of the recipient. Examples of a pull communication are e-learning, downloading from websites, and intranet sites, etc.
- Push communication is also a type of one-way communication. Information is sent to recipients who are in the need of that information. This method of communication does not certify that the information was reached. It only makes sure that it is distributed. Examples of push communication are letters, reports, e-mails, and voicemails, etc. (Project Management Institute 2008, p. 256; Sanghera 2009, p. 166; The Communication Process 2015; Bourne 2015.)

Methods to transfer information among a project team (and stakeholders) can vary greatly. Techniques from short conversations to planned meetings or from simple written documents to online material are used. Factors that may affect the project are such as availability of technology, urgency of the need of infor-

mation, or project environment - meeting face-to-face or working virtually with the team. (Project Management Institute 2008, p. 254.)

5.3 Communicating with stakeholders

It seems obvious that stakeholders should come first when the content of communication is considered but this is easily forgotten in a project environment. Taking a stakeholder-centered approach is to tell people what they want to know instead of telling what you (project manager) want to tell. (Pilkington 2013, p. 92.) Whatever the goal of the project is, it will always require carefully planned communication with project stakeholders. Poor communications may hamper information sharing between stakeholders and people who work for the project. It is essential that stakeholders receive relevant information on time. Information should be complete, and revealed to the right audience. Information needs, aim of the communication and characteristics of stakeholders should be identified and addressed while planning stakeholder management. (Eskerold & Lund 2013, p. 53.) According to Pilkington (2013) and Campbell (2009) issues to be considered when communication is designed are:

- Considering stakeholders carefully: Who is receiving this message, and what are they concerned about?
- What information stakeholders need, and how they want to receive communications?
- What could be preferred style of communications for stakeholders?
- Barriers for communications
- Timing of communications
- What issues from the stakeholder point of view might impact this message?
- Being careful not to use jargon or acronyms (Campbell 2009, p. 128; Pilkington 2013, p. 93.)

5.3.1 Segmenting stakeholders

Stakeholder communication is the foundation for stakeholder management. This communication can take several different forms from face-to-face communication to one stakeholder at a time to mass communication to many stakeholders

simultaneously. Stakeholders are not always committed to every issue during the project lifecycle. They also differ on level of interest and knowledge concerning the project. Resources do not allow tailoring communication to each stakeholder about all of the issues, and for this reason project manager should categorize stakeholders into groups with the same characteristics in order to manage them strategically. Communications can be targeted to one category or one stakeholder group which is a more effective way for a project manager to share information for stakeholders compared to one-on-one communications with each stakeholder. Some stakeholders require a close dialogue and continuous interaction to take care of their own interests, and some require only information about project progress. (Eskerod & Lund 2013, pp. 47- 57; Roeder 2013, p. 5.)

A project manager may deal with a variety of individuals from different stakeholder groups. It is important to speak to in the language of the individual, and be able to wear different communication "hats" depending on the individual the project manager is communicating with. The goal of wearing these communication hats and ability to switch them quickly depending on the audience is to fill a language gap between different functional groups and prevent miscommunication. (Sanghera 2009, p. 40.)

5.3.2 Creating communication content

Objectives of each communication should be clear for the project manager. According to Müller & Turner (2010) the following are possible communication objectives:

- bring about awareness of the project and keeping other business areas informed about a project;
- getting people to commit to the project and demonstrating commitment to the project requirements
- promoting key messages;
- gaining support;
- ensuring that stakeholders have a common understanding of the project;
- creating a two-way communication. (Müller & Turner 2010, pp. 72-73.)

Choosing the right media shows your sensitivity for the situation and your competence in managing resources, such as stakeholders (Müller & Turner 2010, p. 73). The communication media is chosen by considering the severity of the message and the schedule of the communication (urgency of the message) and whether the media allows for interaction with the stakeholder or is it meant for only one-way communication. Choosing a suitable media supports project manager's ability to influence and shows self-awareness. E.g. face-to-face meetings should be chosen when there is a case of highly serious issues or problems, and the interaction with stakeholders is needed. This allows a project manager to impact the credibility of the message by using body language and communication style. (Müller & Turner 2010, p. 73.)

5.3.2.1 Technical communicator

Technical communication skills are needed when communication content (written, visual or verbal) is generated. Technical communication skills include e.g. written communication skills, managing the range of communication channels and tactics, working accurately with attention to detail and understanding project methodology. The outcome of technical project communication is newsletters, briefings, intranets, magazines, notice-boards and reports. (Pilkington 2013, pp. 9-10.)

Pilkington (2013) describes a technical project communicator as follows:

- Technical project communicator is able to create a story and think about the audience by writing clearly and staying away from jargon. Good writing skills remain important for communicators.
- Technical project communicator manages a variety of tactics and channels that are involved in project communication, such as '*organizing focus groups, workshops or events, setting up web pages, producing e-bulletins or newsletters and managing social media channels*' (Pilkington 2013, p. 9).
- Technical project communicator should work accurately by having attention to detail. The credibility of project communication can be questioned by having inaccurate information.

- Technical project communicator should learn to understand project methodology, which is to *work in a planned way, appreciating the dependencies that communication has on other parts of the project and the dependencies that there are on communication* (Pilkington 2013, p. 10). Project documents should be delivered on time and created with required standards. (Pilkington 2013, pp. 9-10.)

5.3.3 Stakeholder dialogue

Stakeholder dialogue is the flow of information between entities and happens all the time during the course of business; managers are communicating with their staff, and with other internal and external stakeholders. According to Andriof, Waddock & Husted (2003) a management issue of creating a proactive and structured stakeholder dialogue has become important in the turn of the 21st century, and should be shortly mentioned in this study for that reason. There are two issues that have affected to the growing interest towards stakeholder dialogue; (1) the perception of a modern corporation has changed within the society and the private sector and (2) management acknowledging how intangible assets affect corporate value and profitability. Stakeholder dialogue can be approached in many ways. It can be aimed at defending the organization's position against stakeholders who are seen as threats offering no potential for future cooperation. It can also be aimed at gaining from stakeholders who possess low threat and high potential for cooperation. (Andriof et al. 2003.)

5.4 Communicating with project team members

Project manager has two parallel communication tracks to keep informed during the project. The first one is informing the people in the business (stakeholders) about what occurs and when, and the second one is providing information to the project team in order for them to stay engaged with those people. The team needs the same information as stakeholders do. (Campbell 2009, pp. 47-48.)

According to Saladis et al. (2011) project managers state that one of the major reasons for project failure is undefined roles for the project team members and key stakeholders. If roles are not clearly defined it will cause confusion, and sometimes even a breakdown of the whole team. Team members have to know

their assignments and responsibilities. The project manager should also focus on understanding of how team members interact with each other. Their personality and communication styles affect the whole team. This is again the matter of wearing several communication 'hats'. Changing a communicator role daily is typical for project managers. (Saladis et al. 2011.)

In addition to defining roles and responsibilities of the project team, the project manager should clarify the goals and business case of the project. The rationale of the project should be defined to key individuals in the project, and this is the job of a project manager. (Campbell 2009, p. 50.)

5.4.1 Trust building

One of the essential elements of a functioning team is trust which is built by consistent and organized interaction. Project manager should enable equitable, regular and predictable communications among team members. (Rad & Levin 2003, p. 50.) Trust is developed if team members feel comfortable and free to openly share their insights and concerns. (Comstock & Fox 1995 cited in Holton 2001.)

In order to understand precise and unspoken components of interacting with people, it is essential to know the identity of a person one is communicating with. A traditional team offers the possibility to interpret clues from facial expressions and general body language. This way a team member can determine one another's personality. (Rad & Levin 2003, p. 49.)

Gaining trust of team members is done by listening to them (Bucero 2012). One of the most important skills of a project manager is the ability to listen. If a project manager does not listen, he cannot determine whether communications are understood in a way it was supposed to or not. (Campbell 2009.) According to Mersino (2007) a project manager should be able to distinguish the content of what is being said and the emotion beneath the content. Responding to the emotions is more suitable in various circumstances than focusing on the actual words and responding to them. (Mersino 2007, p. 162; Campbell 2009; Bucero 2012.)

Campbell (2009) suggests the following to become a better listener:

- Project manager should let others finish what they are saying. Interrupting prevents a project manager to hear person's complete intent.
- He should give his full attention to a person who he is having a discussion with, and prevent distractions.
- Paying attention to a person's body language can reveal dissatisfaction or issues that should be addressed. (Campbell 2009, p. 56.)

5.4.1.1 Face-to-face communication

The most effective form of internal communication in an organization is face-to-face communication. It engages both sides for two-way communication that requires reaction and motivation to action. When issues are communicated face-to-face both parties can make sure everything is understood at that moment. Most people prefer face-to-face communication when discussing with a manager or supervisor about issues happening in the organization, and when communicating feelings and ideas. (Farrant 2003, p. 50.)

Face-to-face communication can be forgotten while new technology enables other ways to communicate. When internal communications in an organization is not effective it can be for the reason that people do not communicate enough person-to-person, or communication between managers and their staff is not meaningful face-to-face communication. Sending emails as replacing face-to-face communication does happen in organizations. Talking with another person in the same room is the way relationships are built and maintained. (Farrant 2003, p. 52.)

Communicating face-to-face with a project team is important. The immediate manager is the most reliable source of information. For the project team it is the project manager. Employees want to know how their work is linked to the big picture of the organization. When this information is given by another human, and in addition, with other team members present, it is the most economical and emotionally strong way to communicate. (Farrant 2003, p. 52.)

6 Empirics and results

The data for the study was gathered by interviewing project managers from two case organizations. Interviewee questions were open-ended and the interview was carried out in Finnish. Carrying out interviews in person allowed interviewees to freely address issues that they think were important to mention. Interview questions in Finnish are presented in the Appendix 1.

Six project managers from two Finnish organizations were interviewed for the bachelor's thesis. These two organizations were an educational center (Organization 1) and a globally operating business organization (Organization 2). They differed greatly as organizations and as the nature of projects they are delivering. The Educational center is operating at the field of research and development projects and the Business organization was producing physical products, and operating at the field of equipment-delivery projects.

The educational organization is focusing on finding educational benefit through conducting research & development projects. It does not seek for profit but it does require funding from financing organizations. These projects are completed only if the funding is granted. Organization 1 operates nationally without having offices situated globally. The projects are both national and international.

The business organization is delivering projects based on customer orders and the goal is to make profit through product manufacturing. This organization operates globally, and has several offices situated around the world. Projects are technology-based and customer-oriented, and initiated only if the organization receives an order from a customer.

6.1 Interviewees

Three project managers from both case organizations agreed to act as interviewees for the thesis. An equal number of interviewees from these organizations were interviewed in order to compare project managers' opinions concerning how they manage project communications, and how organization and type of projects affect project communications in their work.

All the interviewees were working as project managers at the moment. Their experience as projects managers varied from 2 to 25 years. Figure 6 shows the amount of experience of interviewees as project managers. Only 2 of the interviewees had training or education in project management. None of the interviewees had training or education in communications.
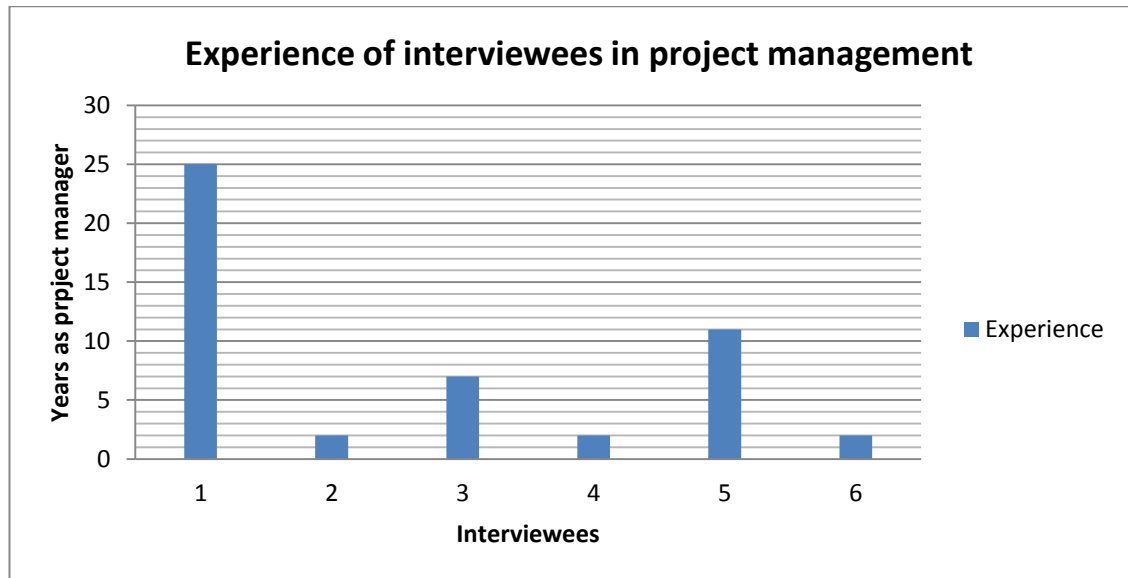

Figure 6. Experience of interviewees as project managers

Five out of six interviewees described the role of the project manager with similar words and phrases. The role was described as supervising the whole frame of the project and "keeping it together" or holding the balance of the project. Only one of the interviewees did not mention the aspect of managing the whole picture of the project but instead, described the role shortly as "making sure that both parties of the contract fulfill their obligations". Three of the interviewees mentioned also the importance of financial management of the project when describing the role of the project manager.

The author asked the interviewees to evaluate the importance of communications in their work on a scale from 1 to 5 (5 being the number describing the highest value given to the importance of communications). Everyone evaluated the importance of communications as 5 meaning that communications represents an important part in their work. The interviewees described communications as an absolute for their work. Three of the interviewees argued that com-

munications is the foundation for their work and without it the project cannot be completed satisfyingly.

6.2   Educational organization 1

The author asked project managers from Organization 1 to determine the project phase where communications matters the most. Two of the interviewees agreed that communications is emphasized at the planning phase but is important throughout the entire project lifecycle. They described planning phase is important for communications due to the following reasons:

- If responsibilities are not defined at this phase it will negatively affect the following phases and cause extra work.
- Social networks and understanding of others (team members) are built at this phase.

One of the interviewees emphasized the importance of communications at the starting or planning phase of the project. He stated that it is important to build trust among different stakeholders at the beginning of the project. The starting phase is essential also for the reason that it gives a chance to a project manager to steer stakeholders to a wanted direction. If the beginning phase is not managed well, it causes difficulties later in other project phases.

According to the interviewees the project plan includes a communication management plan. One interviewee explained that communications plan is not included if the financer of the project does not require it. Communications management plans are built based on every project, and vary in the level of detail. The organization provides a clear procedure for project communications. Roles and responsibilities for project people are determined beforehand in the communications management plan. The communications management plan can include the following:

- Project communication platform; what information project people are expected to deliver to that platform
- Electronic platform where project material and data is collected

- Meeting schedule; timetable for meetings and what is covered in every meeting
- Steering group meetings and delivered material
- Guidelines and schedule for media handouts and publications; when handouts are completed and what they include
- Communications with different stakeholders

Though the organization supports communications planning well, the interviewees –in addition- plan their communications independently. The interviewee with the longest experience in project management states that he creates the first communications plan independently and delivers the plan for the project team in order to reveal her thoughts about communications. It is important to go through what communications should be like and when information should be communicated with the project team, and also acknowledge that the initial plan is exposed to changes during the entire lifecycle of the project. Another interviewee says that as a project manager he feels responsible for informing everyone about project progress, and in order to do this it is sometimes necessary to deviate from the communications plan by delivering information more often than defined in the schedule. The third interviewee states that great amount of information coming from various sources requires that communications should be planned in order to create messages that are appealing enough for the receivers to pay attention to them. "Getting a message through" is very challenging. This indicates that project managers in Organization 1 value and invest in communications planning, and the organization supports the communications planning phase.

According to two of the interviewees communications is open and the information flow in the organization is rather fluent. According to one of the interviewees the project operation system and proactive work from the organization's side supports his work, and is highly valuable. The interviewee continues that the importance of communications is highlighted in the organization. One of the interviewees disagreed with others. According to him communications within the organization is not clear enough. The organization is reporting via email, and is lacking an internal information channel. He also stated that it is not al-

ways clear who should be reached with information provided within the organization. The interviewee agreed with other interviewees on the matter of project communications being fluent in the organization. According to him project communications within the actual project is mostly dependent on the project manager.

6.2.1 Communicating with stakeholders

Due to the nature of development projects, the following several stakeholder groups were listed during the interviews:

- Public sector
- Other educational institutions
- Research centers
- Congress men and –women
- Political ministry
- Companies
- Municipalities
- Individuals who are not directly linked to the actual project, but are important contacts from the point of view of future
- Project steering group
- Project sponsor
- Public audience reached by publication plan

One of the interviewees who is responsible for leading several project simultaneously added that the number of stakeholders or stakeholder groups grows as current stakeholders are linked to a list of their own stakeholders. This extends the effect of project communications to various stakeholder groups.

The communication methods to reach stakeholders are email, meetings, phone conversations, internet website and spokespersons of different organizations. One of the interviewees added that communication methods are not usually defined in the communications management plan. The decision about choosing an appropriate method for each stakeholder is made in the execution phase of the project. The decision is not made spontaneously but with analyzing the cur-

rent situation and timetable, and content or meaning of the message and whether the communication should be formal or not.

The most common method of communication is email according to the interviewees. Positive elements of using an email as a communication method is that the message can be planned carefully and it can be checked before it is sent to the receiver. An email can be checked afterwards, and it leaves a 'mark'. Though email is the most common method of communication it is not the most effective one according to the interviewees. Interviewees emphasized face-to-face communication above all the communication methods.

Interviewees were asked if communications is planned according to different stakeholders, and if stakeholder perceptions are taken into account while planning. All of the interviewees were considering the view of the stakeholders. One of the interviewees explained that communications should happen in a way stakeholders can easily revert to the information later. Communications should enhance stakeholders' operations during the project and in the future, and it is the project managers' responsibility to create information that stakeholders can utilize without any effort. Another one stated that messages have the same content which is modified according to stakeholder groups. Interviewees described that they tend to place themselves into the position of a stakeholder, and think what content and information is relevant from stakeholder perspective. One of the interviewees continued that communications is pointless if correct information from stakeholder point of view is not highlighted. Their view should be understood.

Interviewees were asked to describe how they can recognize when the communications with stakeholders has succeeded. One of them told that stakeholder feedback is important in order to find out if the project communications was a success. If communications leads to cooperation with the stakeholders in the future, it has been fluent. Feedback is not always straightforward. Also criticism given by stakeholders indicates that communications has an impact on the audience, and it is followed and reacted by the stakeholders. The interviewee continues by emphasizing the personal relationship between the sender and the receiver. If a relationship is formed during the project, the communications has

succeeded. According to another interviewee signs of successful communications are project progress and meeting the schedule, and having a good team spirit during project meetings with team members and stakeholders. People are continuously communicating with each other and asking questions from each other.

Interviewees were also asked if they were able to recognize situations where communications had clearly failed. One of the interviewees feels that he has not faced clear communication failures during his career in project management. Another interviewee explained that he is not always capable of recognizing those situations but when a moment of miscommunications occurs, it is essential to address it with openness and honesty. This usually will lead to cooperation. He continues by adding that these situations are inevitable and could be avoided by proactive communications and careful preparation.

Reporting is done mostly according to financer's requirements and plan. The financer determines how often project information should be reported. The reports are written and formal. Other stakeholder groups are reported when necessary. The steering group is informed by creating informal reports. The project manager receives information from the project team, management and project- and research partners.

6.3   Business organization 2

Project managers in Organization 2 stated that communications matters the most at the starting phase of a project. One of the interviewees stated that when initial data is not correct and perceptions towards a project are not realistic, the possibility of negative effects will grow. Another interviewee added that the contract between the customer and the organization is created at the starting phase of the project, and with poor communications the project manager can have a negative effect to the overall delivery of the product.

According to the interviewees, communications for projects are not planned beforehand. The project plan does not include a profound communication management plan. It does however include guidelines for project progress reporting and a schedule for documenting. Interviewees were asked if they plan the

communications independently and two out of three told that they do not spend time on planning project communications. One of the interviewees was planning communication and said, that it is done based on every project and the needs of the project. The communication based on different stakeholder groups is not planned either according the all three interviewees.

Organization determines where the information about a project is saved and stored. In this organization information is stored in a project file and to information management systems. Different departments have their own information management systems, and they also share same systems, such as the ERP used within the organization. Project team members have access to a project file, and they can update information there.

Organization also determines how often project information is reported to the higher management. The interviewees are reporting to the superior on a monthly basis. The customer is informed when necessary. According to one of the three interviewees, the organization is requiring more and more inner reporting and this hampers effectiveness of the project manager's work.

All three interviewees agreed that the information flow and communications in the organization is not fluent. They argued that the organization and its processes are complex, and difficult to follow. According to the interviewees, internationalization and changes in the organizations structure have affected internal processes, and these processes have not developed at the same pace as the organization has. The organization was described as a matrix organization which is a challenging structure from the communications point of view according to one of the interviewees. The organization does not determine the responsibilities and roles clearly regarding communications. According to one of the three interviewees this was the biggest problem with the communications within the organization.

The centralized control in the organization does not support open flow of communication. Communication is affected by the inner "delivery process" which requires permission to exchange information between directions in the organi-

zation, and according to one of the interviewees this can even block communication flow. This has a negative influence on project manager's work.

Interviewees also mentioned the difficulties of communicating with different offices in the organization. They felt that every office (within this organization) in different location has their own ways of operating.

The following stakeholder groups were mentioned by the interviewees:

- Management and reporting line
- Departments; sales, production, project engineering, manufacturing, financial management
- Project team
- Suppliers
- Customer

Only one of the interviewees told that he tries to familiarize himself with issues from the stakeholder's viewpoint. He is thinking how the customer would want communications to happen and aims to act accordingly. Other two interviewees did not mention that they would 'step into the stakeholder's shoes' while communicating.

According to two of the three interviewees, the customer is seen as the most important stakeholder of the project since projects are based on customer orders. These two interviewees described the role of a project manager as making sure that both parties of the contract fulfill their obligations, and keep the customer satisfied. They see themselves as the messenger between the organization and the customer. Also meeting the customer face-to-face was described as very important and beneficial. The most common method for communicating with stakeholders (including the customer) is email but face-to-face communications is the most effective one according to all interviewees. Email was described as a slow and impersonal way of communicating.

Two of the interviewees were able to describe when the communications has been managed successfully. Whether the communications has been successful or not can be determined by the number of questions been presented by differ-

ent stakeholders at the beginning phase of the project. Having several questions at the starting phase is a sign of uncertainty according to one of the interviewees. Another interviewee stated that communication has succeeded when both the sender and the receiver end up having a similar perception of issues being discussed. One of the interviewees could not define if he was able to recognize the signs of successful communications. The sign of managing communications unsuccessfully is unawareness and uncertainty of stakeholder groups according to the interviewees.

6.4 Discussion about interview results

6.4.1 Differences between organizations

Interviewees revealed that project managers' opinion about organizations they are working in differed greatly. In general, project managers from Educational organization 1 were content on how communications were supported in their work on behalf of the organization. Project managers from Business organization 2 felt that information flow was not sufficient enough and organizational procedures did not enhance communications in their work.

Project managers from organization 2 were not satisfied with the information flow within the organization. One of them stated that organization is requiring more and more reporting done according to internal procedures. It can be concluded that these procedures do not support communications in project managers' work. Instead they are time-consuming and do not enhance the flow of communication. According to Kelso (1997) several organizations make the mistake of institutionalizing communication processes by creating hierarchies and procedures. The foundation for communications is a collaborative culture where every voice is heard and taken into account. It includes interaction and two-way communication between management and employees. (Kelso 1997.)

One of the interviewees described Organization 2 having a matrix structure, and that it is problematic from the viewpoint of internal communications. According to Oosthuizen (1995) the most suitable structure for effective organizational communication is the projectized (strong) matrix structure which leans to the pure project structure. Also Sy & D'Annunzio (2005) state in their study that ma-

trix structure increases the internal communication flow in an organization through lateral communication channels. When going through the study conducted by Sy & D'Annunzio (2005) one of the challenges in a large matrix organization was silo-focused employees who view themselves as part of a single department. One of the issues related to this challenge was *insufficient communication between different business units* (Sy & D'Annunzio 2005).

According to these two references (Oosthuizen 1995; Sy & D'Annunzio 2005) the lateral communication channels in a matrix organization increases communication flow, but communication between business units is not sufficient enough. Interviewees did not clearly state that the problem is insufficient communication between departments in the organization. They were referring to organizational procedures determined at the top of the organization which define how information should be distributed in the organization as a major problem for communications and information flow. It can be that these procedures created complicate communication flow of a matrix structure.

According to one of the interviewees the organization is not defining communication roles and responsibilities. He stated communication responsibilities are not clear. In most matrix organizations, clear description on roles and responsibilities is not well defined and this causes confusion, and employees do not know who to contact for information (Lawrence, Kolodny & Davis 1977 cited in Sy & D'Annunzio 2005). Roles are established at the top level but not in the lower or mid-level in the organization (Sy & D'Annunzio 2005). This seems to be a problem in this case organization.

Project managers from organization 1 were satisfied with how communications is supported by the organization. Communication was described as open and supportive though there were some issues that could have been changed in order to enhance information flow.

All though none of these project managers referred directly to any specific organizational structure, it can be concluded based on the interviews that this organization has some characteristics of a projectized structure. These project managers are leading project teams which are accountable for them, and or-

ganization clearly has an independent unit or a department for projects. In this type of structure the project manager can create an effective informal communication network between project team members (Youker 2015).

6.4.2 Stakeholders

There were two issues that were clearly different between project managers from Educational organization 1 and project managers from Business organization 2. Those were the communications planning and communicating with stakeholders. Communications was nearly always planned beforehand in organization 1, and in addition, interviewees planned communications themselves while as interviewees from organization 2 did not plan communications beforehand, although two of the interviewees did mention that messages (such as emails or presentations) are formed by thinking of the audience. Communications plan was part of the project plan in organization 2. As mentioned earlier, project managers from organization 1 were investing communications planning.

Project managers from organization 1 were dealing with research & development projects with a variety of stakeholders such as public authorities. Stakeholder communication has a special role in managing these projects. The aim of the projects is not profit-making but instead creating benefit for educational purposes. Stakeholders are those through who you can affect by communications as a project manager, and gain from it. Therefore, project communications is invested in. Two of the interviewees stated that the financer is the most important stakeholder. The financer is requiring visibility through the project, which is created by communications throughout the project. The significance of creating a meaningful stakeholder dialogue is emphasized in research and development projects. In order to lead the project to success involves a great amount of cooperation with several partners and the trust is built by two-way communication and dialogue.

Project managers from organization 1 are involved with several stakeholder groups. This means that they also receive a lot of feedback from those groups and the fact of having a supporting organization behind them, gives these project managers a chance to develop as communicators.

Project managers form organization 2 have a different view on stakeholder communication due to the projects they are leading. The aim of these projects is to deliver a product to a customer, and gain monetary profit for the organization in order for it to operate. The contract between the organization and the customer sets the foundation for project operations. The customer is the most important stakeholder according to two of the interviewees. Two of the interviewees told that when interacting with the customer words are chosen carefully, and the information communicated to customer should be relevant and positive. The approach with customers should be diplomatic.

Other stakeholder groups apart from the customer were not mentioned when the interviewees were asked if they are considering stakeholder perceptions about communications. Communications with other stakeholder groups such as manufacturing, engineering or external suppliers is not as well considered as communications with the customer. These stakeholder groups do not necessarily require communications that is designed. It does not mean that communications with other stakeholder groups would not matter but it is more focused on issues related to the product such as timetable, requirements concerning quality etc. The role of communications with other stakeholders groups is different compared to communications with customers.

6.4.3 Importance of communications

All the interviewees agreed on communications being very important for their work. However, the interview results of project managers from Educational organization 1 were different compared to interview results of project managers from Business organization 2.

As mentioned before, all three interviewees from organization 2 acknowledge that communications is highly important in their work. They could not, however, explain why communications is meaningful. This can be due to the fact that these projects do not require communications that is well-planned and customized for every stakeholder group.

Project managers from organization 1 were able to answer interview questions in more detail and in a more thoroughly way than project managers from organ-

44

ization 2. The communications in organization 1 was planned, and project managers placed themselves in the position of stakeholders (the receivers of the message). In organization 2 only one of the interviewees thought of stakeholder viewpoint when communicating. The fact that project managers from organization 1 being able to describe their answer indicates that communications is an important part of their work which is consciously managed.

Communications plays a bigger role in organization 1, and it is most probably due to the type of projects conducted. Stakeholders are in a different position in research & development projects compared to technology-based and customer-oriented projects. Communications with stakeholders must be emphasized when conducting a research & development projects. Research & development projects reach a great number of stakeholders, and through communicating with them the image of the organization can be built. In organization 2 stakeholder communication does not have such an extended affect to several other organizations and public sector. The goal of the communications is to deliver a product according to conditions determined in the contract and respond to customer needs. Stakeholders hold very different positions in technology-based projects and research & development projects and that impacts stakeholder communication requirements and project manager's communication.

6.4.4 Interaction

Communicating with the project team relies mostly on the project manager. It is also interesting to find out if the project managers value the importance of interaction, and if they indicate any signs of being a good communicator in their work, since communications with the project team lies mostly on the shoulders of the project manager's communication skills.

The interviewees were asked if the following attributes in a project manager were important from the point of view of their work:

- Being a good listener;
- Is easy to discuss with;
- Expresses own thoughts clearly and is easy to understand;
- Writes in a clear way;

- Pays attention to what is being told to him/her. (Henderson 2008.)

All the interviewees agreed on these attributes of a project manager being important in their work. Four out of six of the interviewees gave reasons why these attributes matter, or emphasized the importance of a single attribute:

- The ability to write clearly was emphasized
- The ability to express own thoughts clearly and being easy to understand was also underlined
- One of the interviewee added that in addition to the above mentioned attributes it is important to be patient and have ability to build trust in others
- According to one of the interviewees these are attributes of a project manager who is always attuned to times and gets along with people, and is easily approachable.

According to the interviewees in organization 1, creating human relations is extremely important for communications. One of the interviewees mentioned that in order to communicate effectively it is important to recognize how you act and communicate yourself, and understand that others have different ways to act and communicate. This creates the foundation for mutual respect.

The way project managers gave answers to the interview questions indicated that they valued communication skills and building personal relationships. They emphasized face-to-face communication above all communication methods. Two of the interviewees want to communicate in a way that creates a feeling to project people that the "door is always open". One of the project managers told that team communication is the foundation for project work. Two of the interviewees recognized the need to develop themselves as communicators which indicates that they have been observing their own ways of communicating, and want to improve.

The interview results of project managers from organization 2 were similar compared to organization 1 regarding how interaction between people is valued in project environment. Face-to-face communication was said to be the most

effective method to communicate. Trust between people facilitates communication. When project managers were asked what is considered to be important when communicating with team members, two of them replied similarly as emphasizing respect and treating everyone as equal. One of them said that it is important to understand that team members have more knowledge about their area of specialty than project managers do.

6.4.5 Development needs

Interviewees were asked if there is something that could be developed in communications from the viewpoint of their work. All interviewees from Business organization 2 agreed that communications in the organization should be developed. One of the interviewees stated that if there would be more focus on communications, various things could be done with less work. He also proposed a question of how to break down invisible walls and create a cohesive organizational culture? In addition one the interviewees wanted the organization to develop a more effective meeting practice, and another wished that there would be guidelines for how to create effective emails within an organization.

Project managers from Educational organization 1 did not have a clearly solid view on what should be developed as project managers from organization 2 had. One of the interviewees stated that it would be beneficial to use new development of the digital media, and provide training for how to improve selling skills related to communications. According to another interviewee the openness of communication was at a good level but an organized approach to communications could be developed. When dealing with several projects there is not enough time to focus on communications. He also added that the communication plan should include guidelines for how to act when a crisis situation occurs. The third interviewee was content on internal communications and the development needs was related to his own ways of acting –how to perform better yourself.

7 Summary

The interview results indicate that differences between the two case organizations are significant. Project managers from Educational organization 1 were content on how the organization supported project communications management in their work. In contrast, project managers from Business organization 2 criticized how communications were carried out in the organization, and felt that organizational communications complicated their work as project managers.

Case organizations cannot be categorized into having a certain organizational structure based on the interview questions. However, some characteristics that referred to the matrix structure or projectized structure were recognized as a result of the interviews. Organization 1 has characteristics of a projectized structure. It has a department for projects, and project managers have their own team whose members are accountable for them. Based on the interview results, the organization has an open and supportive style of communication and the communication between project manager and team members is effective. The communication style of an organization cannot be strictly related to the structure of the organization but having an effective informal communication network with the project team members is a result of a having a projectized structure. Organization 2 has characteristics of a matrix structure, and one of the interviewees stated that the organization is structured as a matrix. The problem of a matrix structure is that communications between business units is insufficient. Project managers from organization 2 did not refer to this challenge during the interviews but instead, they described the difficulty of following procedures determined at the top of the organization as a major problem for communications. It can be that these hierarchical procedures complicate the communication flow in this organization. In addition, communication roles and responsibilities were not clearly described in the organization which is a problem of a matrix structure.

Case organizations differed in the type of project they were conducting, and this affected to stakeholder communications. The role of stakeholder communication is special in Educational organization 1 that is conducting research & development projects. These projects are not seeking for profit in the value of money,

but instead a benefit for educational purposes. The goal is to cooperate with stakeholders, and can be done through two-way communication and meaningful dialogue. Project managers from Business organization 2 have a very different starting point for stakeholder communication due to technology-based project that are seeking for monetary profit. The customer is the most significant stakeholder, and the contract between the customer and the organization creates the framework for every project and project communications. Needs and concerns of the customer as a stakeholder are carefully considered when communicating.

The interviewees all agreed on two matters; communication is very important from the viewpoint of their work and creating personal relationships makes communications easier. Project managers from Educational organization 1 were able to justify the importance of communications in their work better than project managers from Business organization 2. This indicates that project communications is consciously managed by project managers in organization 1. Stakeholder communication has an extended effect to 'stakeholders of stakeholders'. This effect is acknowledged when conducting a research and development projects. Interaction and creating human relations mattered to interviewees. Elements of respect and trust were mentioned by nearly all of the interviewees. These matters are not related to how the organization affects. They refer to the fact that project managers value personal interaction, and communication skills.

Interview results show that organization and the project environment created by an organization affect project communications management. Organization provides general guidelines and tools for managing project communications. But the thing that affects project communications and project managers' work most is how the organization is communicating with employees (including project managers) and if communications is valued in the organization. The organization provides a framework for conducting projects. If communications within an organization is not effective and open, and responsibilities and roles are not clearly defined, it causes confusion and project managers have to work for the information. This takes time away from concentrating on the actual work that is, managing projects successfully.

Figures

References

Abudi, G. 2013. Managing Communications Effectively and Efficiently. Project Management Institute. Home. Learning. http://www.pmi.org/learning/managing-communications-effectively-efficiently-5916. Accessed 12.11.2015

Andriof, J.,Waddock, S. & Husted B. 2003. Unfolding Stakeholder Thinking, Volume 2: Relationships, Communicating, Reporting and Performance. UK: Greenleaf Publishing Limited.

Binder, J. 2008. Global Project Management. England: Gower Publishing Limited. USA: Gower Publishing Limited.

Bourne, L. 2015. Communication Planning – Series on effective stakeholder engagement. PM World Journal. Volume IV. Issue 10. http://pmworldjournal.net/wp-content/uploads/2015/10/pmwj39-Oct2015-Bourne-communication-planning-stakeholder-Series-Article8.pdf. Accessed 12.11.2015.

Campbell, M. 2009. Communication Skills for Project Managers. USA: AMACOM Books.

Comstock, D. & Fox, S. 1995. Computer conferencing in a learning communities; opportunities and obstacles. Team Performance Management: An International Journal. Volume 7. Issue ¾. http://ezproxy.saimia.fi:2073/doi/full/10.1108/13527590110395621. Accessed 12.11.2015.

Dinsmore, P. & Cabanis-Brewin, J. 2014. AMA Handbook of Project Management (4th Edition). USA: AMACON Books.

Elsaid, N., Okasha, A. & Abdelghaly, A. 2013. Defining and Solving the Organizational Structure Problems to Improve the Performance of Ministry of State for Environmental Affairs – Egypt. International Journal of Scientific and Research Publications, Volume 3, Issue 10, October 2013. http://www.ijsrp.org/research-paper-1013/ijsrp-p2244.pdf. Accessed 12.11.2015.

Eskerod, P. & Lund Jepsen,A. 2013. Fundamentals of Project Management: Project Stakeholder Management. England: Gower Publishing Limited. USA: Gower Publishing Limited.

Farrant, J. 2003. Internal Communications. UK: Thorogood.

Flyvbjerg, B. 2007. Megaprojects and risk. Cambridge: Cambridge University Press.

Heagney, J. 2011. Fundamentals of Project Management 4th Edition. USA: AMACOM Books.

Heldman, K. 2003. Project Management JumpStart. USA: SYBEX.

Henderson, L. 2008. The Impact of Project Managers' Communication Competencies: Validation and Extension of a Research Model for Virtuality, Satisfaction, and Productivity on Project Teams. Project Management Journal. http://www.ccunix.ccu.edu.tw/~kcchen/PM/Presentations/2012.06.01/Team7.pdf . Accessed 12.11.2015.

Johannessen, J. & Olsen, B. 2011. Projects as communicating systems: Creating a culture of innovation and performance, International Journal of Information Management 31 (2011) 30–37.
http://www.sciencedirect.com/science/article/pii/S0268401210000617.
Accessed 12.11.2015.

Kelso, J. 2007. No Matter Your Title, Effective Communication Is Vital. Project Management Institute.Home.Learning.
http://www.pmi.org/learning/matter-title-effective-communication-vital-5130.
Accessed 4.11.2015

Kerzner, H. & Belack, C. 2010. Managing Complex Projects. USA: John Wiley & Sons, Inc.

Lawrence, PR., Kolodny, HF. & Davis, SM. 1997. The Human Side of Matrix. Organizational Dynamics (Summer): 43-61.

Littlejohn, S.W. 1983. Theories of human communication (2nd ed.). Belmont, CA: Wadsworth.

Loo, R. 1995. Effective Interpersonal Communications In Project Environments. Project Management Institute. Home. Learning.
http://www.pmi.org/learning/effective-interpersonal-communications-project-styles-669. Accessed 12.11.2015.

Martin, V. 2006. Managing Projects in Human Recourses, Training and Development. UK & USA: Kogan Page Ltd.

Matha, B., Boehm, M. & Silverman M. 2008. Beyond the Babble: Leadership Communication That Drives Results. USA: Jossey Bass.

Mersino, A. 2007. Emotional Intelligence for Project Managers: The People Skills You Need to Achieve Outstanding Results. USA: AMACOM Books.

Müller, R. & Turner, R. 2010. Advances in Project Management: Project-Oriented Leadership. England: Gower Publishing Limited. USA: Gower Publishing Limited.

Oosthuizen, P. 1995. Effective Corporate Communication As A Function Of Organization Structures. Project Management Institute. Home. Learning.
http://www.pmi.org/learning/effective-corporate-communication-organization-structures-702. Accessed 12.11.2015.

Orridge, M. 2009. Change Leadership. England: Gower Publishing Limited. USA: Gower Publishing Limited.

Phillips, J. 2011. Project Management for Small Business: A Streamlined Approach from Planning to Completion. USA: AMACOM Books.

Phillips, M. 2014. Reinventing Communication: How to Design, Lead and Manage High Performing Projects. England: Gower Publishing Limited. USA: Gower Publishing Limited.

Pilkington, A. 2013. Communicating Projects: An End-to-End Guide to Planning, Implementing and Evaluating Effective Communication. USA: Ashgate Publishing.

Project Management Institute 2008. Project Management Body of Knowledge 4th edition. USA: Project Management Institute.

Project Management Institute 2013. Project Management Body of Knowledge 5th edition. USA: Project Management Institute.

PMI Project Management Institute 2013. Communication: The message is clear https://www.pmi.org/~/media/PDF/Knowledge%20Center/Communications_whit epaper_v2.ashx. Accessed 12.11.2015

Rad, P. & Levin, G. 2003. Achieving Project Management Success Using Virtual Teams. USA: J. Ross Publishing, Inc.

Richards, L. 2015. How Effective Communication Will Help an Organization. Small Business. Business Communication Etiquette. Effective Communication & Organization. http://smallbusiness.chron.com/effective-communication-organization-1400.html. Accessed 12.11.2015.

Richman, L. 2002. Project Management Step-by-Step. AMACOM Books.

Roeder, T. 2013. Managing Project Stakeholders: Building a Foundation to Achieve Project Goals. USA: John & Wiley Sons.

Saladis, F. & Kerzner, H. 2011. Bringing the PMBOK Guide to Life: A Companion for the Practicing Project Manager. USA: John Wiley & Sons.

Sandberg, F. 2007. Interndokument StatoilHydro. Rapport till ledergruppen vedrorende problemen og ut fordringer i prosjekter, StatoilHydro.

Sanghera, P. 2009. 90 Days to Success as a Project Manager. USA: Course Technology, a part of Cengage Learning.

Schwalbe, K. 2013. Revised an Introduction to Project Management, Fourth Edition. USA: Schwalbe Publishing.

Schibi, O. 2013. Managing Stakeholder Expectations for Project Success: A Knowledge Integration Framework and Value Focused Approach. USA: J. Ross Publishing.

Sy, T. & D'Annunzio, L. 2005. Challenges and Strategies of a Matrix Organization: Top-Level and Mid-Level Managers' Perspectives. http://theleadershipedge.com/files/images/HRPS_Challenges_Strategies_Matrix _Orgs.pdf. Accessed 12.11.2015.

Thamhain, H. 2014. Managing Technology-Based Projects: Tools, Techniques, People and Business Processes. USA: John & Wiley Sons Incorporated. The Communication Process. Home. The Models of Communication: http://thecommunicationprocess.com/models-of-communication/. Accessed 12.11.2015.

Youker, R. 2015. Organizational Alternatives for Project Management. Project Management Institute.Home.Learning. http://www.pmi.org/learning/organizational-alternatives-project-management-techniques-strategies-5690?id=5690. Accessed 12.11.2015.

Weawer, P. 2007. Getting the "Soft Stuff" Right. Project Management Institute. Home. Learning. http://www.pmi.org/learning/effective-communication-successful-project-outcomes-7196. Accessed 12.11.2015.

Appendix 1: Interview questions

1. Oletko saanut projektinhallinnan koulutusta?

2. Oletko saanut viestinnän koulutusta projekteissa?

3. Kauan olet työskennellyt projektimanagerina?

4. Millaisia projekteja johdat nyt?

5. Mikä on mielestäsi projektimanagerin rooli?

6. Onko kommunikaation osuus merkittävä työssäsi?
   - Arvioi asteikolla 1-5
7. Missä projektin vaiheessa kommunikaatio on mielestäsi tärkeintä?
   - Voitko perustella miksi vastasit näin?

8. Onko tiedonkulku organisaatiossa mielestäsi sujuvaa?
   - Perustele

9. Sisältyykö projektisuunnitelmaan aina viestintäsuunnitelma?
   - Jos sisältyy, niin mitä siinä määritellään?
   - Jos ei sisälly, niin suunnitteletko itse kuinka kommunikoit si-
     dosryhmien kanssa eri projektin vaiheissa?
10. Onko kommunikaatioprosessin suunnittelu mielestäsi tärkeää?

11. Sidosryhmät, joille kommunikoit? Mikä on tärkein sidosryhmä?

12. Minkä välityksellä kommunikoit sidosryhmien kanssa? (esim. sähköposti,
    palaverit yms.) Miten tämä viestinnän väline valitaan?

13. Onko kommunikointi suunniteltu eri sidosryhmien mukaisesti?

14. Perehdytkö asioihin sidosryhmien kannalta? Pohditko sidosryhmien odo-
    tuksia ja käsityksiä kommunikaatiosta?

15. Milloin koet, että kommunikaatio on sidosryhmien kanssa onnistunutta ja
    tehokasta? Miksi?

16. Onko tilanteita jolloin kommunikaatio on epäonnistunut?

17. Miten projektin edistymisestä raportoidaan?

18. Miten saat tietoa projektin edistymisestä?

19. Miten tiimi saa tietoa projektin tavoitteista yms.?

20. Miten tiimi saa/löytää tietoa projektista? Mihin tämä tieto tallennetaan?

21. Mitä pidät tärkeänä tiimin kanssa kommunikoinnissa?

22. Miten kommunikointi eroaa eri sidosryhmien välillä?

23. Millä tavalla kommunikointia voidaan mielestäsi kehittää tai onko sitä tarvetta kehittää työsi kannalta?