

## ***THE ROLE OF INVESTMENT MANAGEMENT IN EFFECTIVE COMMUNICATION INSIDE THE ORGANIZATION***

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*Abstract: Communication inside the organization is necessary not only for people's motivation and satisfaction, but also for the effectiveness of accomplishing the organization's current and strategic objectives. This paper is aiming to underline the role of investment in the communication inside the organization. The research is based on a questionnaire applied to a group of employees of three large companies involved in the gas industry in Romania, emphasising some of the employees' perception regarding the communication inside the organization, as basis for the investment management.*

Keywords: communication, employees' perception on communication, investment, organization, management

### **1. Introduction**

There is no doubt that communication is important in our life, as it permits the information exchange and it constitutes the mechanism through which human relations exist and develop. Communication is indispensable for the personal and social progress.

Communication may use the four models: 1) the arrow model (communication on one direction); 2) the circle model (both sides' directions, including feedback); 3) the interactive model and 4) the behavioural model (Popa & Filip, 1999). The interactive model stimulates the employees' participation to problem solving and the creativity. The behavioural model facilitates an open communication between managers and subordinates and helps the managers to obtain a positive feedback from people.

These models are used in organizational practice depending on the form of communication: written (as directives, rules, reports, memos); oral/verbal (using face-to-face rhetoric) and nonverbal (the body language).

Apart from the traditional communication system, the ITC revolution has facilitated the communication through cyber channels (intranet, internet, messenger, chat, Facebook and so on).

Changes in the communication process have been possible because of the management decision to invest in communication infrastructure, channels and methods according to the organizational communication system (Doval, 2014).

This paper is aiming to underline the role of investment in communication inside the organization. This analysis is based on a questionnaire about communication applied to a group of employees working in the gas industry in Romania.

## **2. Briefing about surveys on communication**

The literature on communication offers plenty of researches, studies and opinions. “Organizational communication research is vital for understanding and addressing workplace bullying, a problem that affects nearly half of working adults and has devastating results on the employee’s well-being and on the organizational productivity” (Lutgen-Sandvik & Tracy, 2011). The relationship between theory and practice may also contribute to the effective communication with positive outcomes of the organization’s activity (Canary et al., 2013).

Communication inside the organization is influenced by the managers and leaders behaviour affecting the employees’ satisfaction and motivation. Men (2015) examined the effectiveness of various internal communication channels. Through a web survey filled out by 400 employees working in medium-sized and large corporations in the United States, the study showed that transformational leadership positively influences the organization’s symmetrical internal communication and employee’s relational satisfaction.

However, managers and leaders need to accumulate special skills to avoid the negative or aggressive communication (Sollitto & Cranmer, 2015). The “inability to communicate about a particular stressor and functions to exacerbate negative outcomes related to the appraisal of that stressor” is the subject of a study that lead to specific themes about the nature and function of a new organizational variable, Communicatively Restricted Organizational Stress (CROS)” ([Boren & Veksler](#), 2014).

Positive communication has many constructive and effective aspects in the relations with the employees. It is usually reflected in activities like:

- Human resource selection (Berkelaar, 2014, [Berkelaar & Buzzanell](#), 2014);
- Human resource periodically evaluation;
- Understanding the tasks at the workplace (Johnson et al., 2015);
- Seeking information for innovative works ((Myers et al., 2015);
- Participating to the current and strategic objectives and mission and vision design (Sorsa et al., 2014).

The face-to-face communication in meetings or personal dialogue improves the tasks understanding and contributes to the quality and effectiveness of work. The managerial receptiveness to innovative effort, the employee empowerment, and the communication symmetry have been tested for their effects on the quality of the organization-employee relationship through a survey (Park et al., 2014).

Nevertheless the use of ITC inside the organization and outside work strengthens the relations among the employees and has a positive role on conflicts appearing. Wright et al. (2014) investigated employee perceptions of the influence of communication technology use outside of regular work hours on perceptions of work life conflict, burnout, turnover intentions, and job satisfaction. However, the positive attitudes toward communication technologies predicted decreased work life conflict, is the authors opinion.

Another study develops a multilevel model to advance research on interpersonal exchange relationships among supervisors, subordinates, and co-workers by integrating leader–member exchange, team–member exchange, and perceived cooperative communication... confirming the

central role of communication in leader–member exchange processes in workgroups (Bakar & Sheer, 2013).

### 3. Findings on the applied questionnaire

The questionnaire has been applied in March 2015 to a group of 54 employees that attended a training program regarding communication in the organization, prior to the program beginning.

The group consisted of people working in the gas industry in Romania. It involves three large companies that consider investment in people and infrastructure ways for development and employees and clients' satisfaction.

This application is not a survey and it has not the scope to generalize the results over all large companies. The results obtained by empirical statistics are giving an overall image of the employees' perception about the communication with their hierarchical superior and about the need for investment in people's communication.

The questionnaire (presented in appendix) has ten closed questions, out of which five Likert type questions.

The main findings emphasize the followings aspects:

- Very much importance to communication with the superior and colleagues for the realization of the individual or team objective is considered in 67% of the answers, much importance in 30% and poor importance in 3% of the answers;
- Communication with the hierarchical superior contributes very much in 82% of the answers and much in 18% of the answers, to the efficiency of problem solving;
- In 83% of the answers the superior feedback is helping very much to better understanding the tasks and in 17% of the answers the superior feedback is helping much;
- Regarding the need for periodically training and meetings for socialization to improve the communication, the answers are: much and very much 91% and few and so-so 9%;

- The investment in ITC infrastructure in the organization helped much and very much the improvement of communication in 96% of the answers and so-so in 4%.

The most relevant findings are presented in the figure 1.

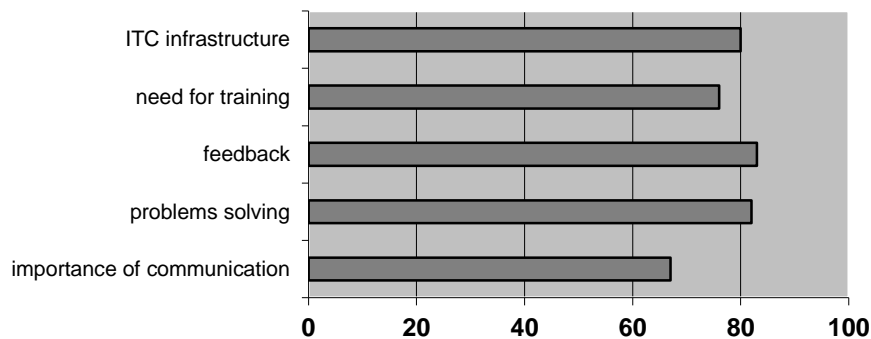


Fig. 1 Likert questions with answers “very much”

Communication with the superior is (fig.2):

- Unplanned communicational interaction with the hierarchical superior is usually realized in 74% of the answers and planned in 26% of the answers;
- In 89% of the answers the communication with the hierarchical superior is done freely and in 11% conventionally.

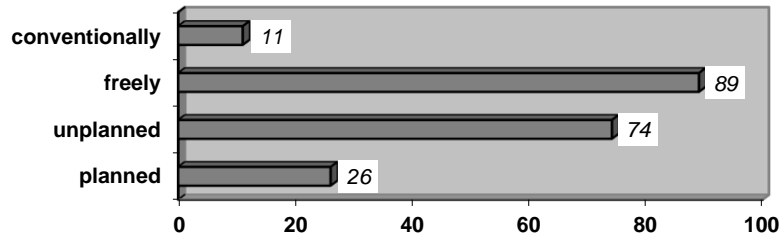


Fig. 2 Communication with the superior

About the channels often used in the communication with the superior, the answers reported that: in 31% of the cases the face-to-face is preferred; in 26% of cases emails are preferred; in 19% of cases telephone is preferred; in 15% of cases the traditional written memo; in 6% of cases the meetings and in 4% of cases other channels (fig 3).

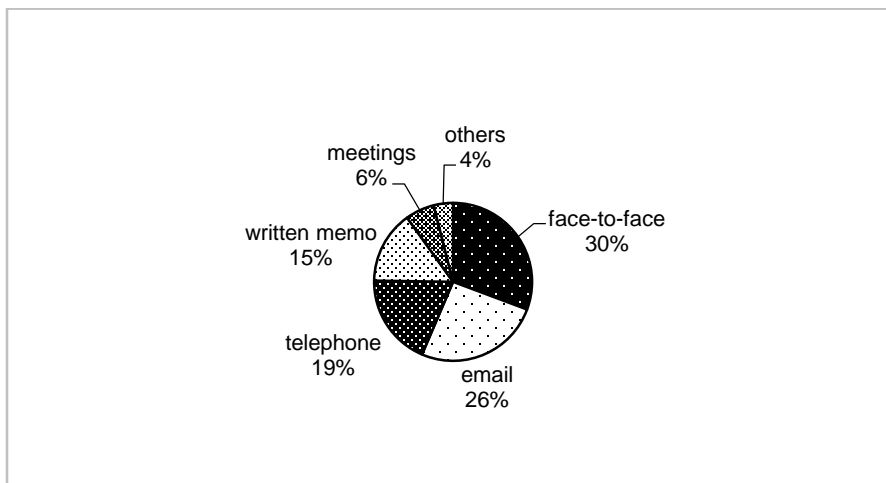


Fig. 3 Communication channels with the superior

Last two questions are related to the superior listening to contrary opinions and the team members' contribution to the communication with the superior:

- Regarding the superior listening the answers show that in 59% of cases the superior never listens to contrary opinions, in 35% cases the superior listens sometimes and in 6% of cases the superior frequently listens to contrary opinions;
- The contribution more than 50% in the communication with the superior is considered to be 82% and less than 50 % in 18% cases.

The conclusion of this analysis is that in organizations where the management is focused on the investment in ITC infrastructure and human resources and training programs, communication between managers/leaders and subordinates is more affective.

#### **4. The investment's role in communication**

The role of investment in communication might be seen from three points of view: the contribution to the group cohesion, the contribution to the effectiveness of the organization accomplishing its objectives and the return on investment.

##### **1. The contribution to the group cohesion**

The investment in the training programs and other forms of socializing events is showing its efficiency on a short term. The communication among the participants and the knowledge acquired by training programs is facilitating a positive working atmosphere and a friendly relationship with the hierarchical superior (supervisor, leader or manager). In this respect, the inhibition and scare disappear, making place to innovative contribution of all employees.

##### **2. The contribution to the effectiveness of the organization's objectives accomplishing**

The investment in communication offers a large framework for a better understanding of the organization's strategy and facilitates the effective realization of current and long term objectives.

##### **3. The return on investment**

The investment managed in an organization is showing its efficiency in time. The ITC return on investment increases the profit in any industry and the investment in people is developing the employees' skills and knowledge. The improvements achieved after investment may be

evaluated by using different methods (Philips & Philips, 2015) and it may be forecasted the necessary funds.

Nevertheless, these benefits are bringing new organizational competences and are developing the organization's competitive advantage.

## Conclusions

The communication concept is "the flood of the organization", transporting the directives, rules, messages, opinions, ideas and knowledge all around. Being related to the people and their interactions and relationship it is very important for the organization's success to study the different aspects of this concept. However, there are plenty of researches in this field, but the subject is still in the analysing process.

Based on a questionnaire applied to a group of trainees belonging to a large company that is investing in people and ITC infrastructure, a general conclusion is coming out of this paper, i.e. the investment in this field has always the opportunity to bring success and competitive advantage to the organization.

Human resource training and other social meetings will never to be enough, as it has been seen in the questionnaire findings, the superior is generally not accepting contrary opinions.

Organizations running in any industry have to give attention to and invest in communication.

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The questionnaire applied

1. On a scale of 1 to 5, how important do you consider the communication with your superior and colleagues to the realization of individual or team objectives?
2. Communicational interactions with your hierarchical superior are usually achieved: a) planned, by programmed meetings; b) unplanned, by spontaneity
3. How is the communication with your hierarchical superior? a) freely; b) conventionally
4. Regarding to the communication with your superior, how much is your contribution in percentage? (0-100%)

5. On a scale of 1 to 5, how efficient is the communication with your superior regarding your work problem solving? (1 = very poor; 5 = very good)
6. Is your superior listening to opinions, which are contrary to his/hers? (never; sometimes; frequent)
7. On a scale of 1 to 5, how much do you consider that your superior feedback is helping you to better understand your tasks? (1 = very poor; 5 = very much)
8. On a scale of 1 to 5, how much do you consider that you, your colleagues and your superior need periodically training in communication? (1 = very few; 5 = very much)
9. On a scale of 1 to 5, how do you consider that the investment in ITC infrastructure in your organization helped the communication improve? (1 = very poor; 5 = very much)
10. Which of the following channels do you often use to communicate with your superior? (a. face-to-face communication; b. traditional written memo; c. e-mail; d. meetings; f. telephone; g. others)