

THE IMPORTANCE OF INTERNAL CORPORATE COMMUNICATION: A PERSPECTIVE OF DURBAN EMPLOYEES

By

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DECLARATION

I Wendy Beato declare that:

- i. The research reported in this dissertation, except where otherwise indicated, is my original work.
- ii. This dissertation has not been submitted for any degree or examination at any other university.
- iii. This dissertation does not contain other persons' data, pictures, graphs or other information, unless specifically acknowledged as being sourced from other persons.
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Signed:

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ABSTRACT

The focus of this study revolved around the importance of internal corporate communication to employees within Durban organisations. The research objectives were to measure the importance of internal corporate communication to employees within Durban organisations; ascertain the reasons why employees attributed the identified levels of importance to internal corporate communication; and identify the methods of internal corporate communication that were most preferred by Durban employees.

The study analysed the data received from 165 respondents, who as a pre-requisite, were employed within the Durban area. The sample was attained with the use of the snowballing sampling technique.

A self-completion questionnaire, which was quantitative in nature, was distributed to the participants and a two week data collection period was allotted.

The collected data was analysed using SPSS statistical software, the results of which revealed that internal corporate communication was of significant importance to Durban employees. It further revealed that there was a direct relationship between a manager's communication skills and the confidence that subordinates place in the manager. Other positive relationships that evidently existed were between internal corporate communication and job performance; internal corporate communication and employee decision making ability; and internal corporate communication and team work. The findings revealed that by improving the effectiveness of the communication, employers would be able to improve employee morale, commitment, job performance and decision making. The research further revealed that email, face-to-face communication, and the sms were the most preferred mediums for internal corporate communication.

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CHAPTER ONE

Overview of the Study

1.1 Introduction

The practice of corporate communication has profound implications for organisations and their leaders. According to studies conducted by Goodman (2000), corporate communication is a strategic tool that corporations use to lead, motivate, persuade and inform employees and the public as well. This vital tool which allows for the sharing of knowledge and the fostering of trust has been identified as imperative for the maintenance of a competitive business (Murray & Peyrefitte, 2007; Goodman, 2006; Asif & Sargeant, 2000; and Davenport & Prusak, 1998) and a happy effective workforce. Argent (1998) cautions that as organisations become more focused on retaining a committed and effective workforce they are compelled to think more now, than previously about how they communicate with employees.

This introductory chapter provides an overview of the focus of the study and specifies the objectives of the research. It further details the motivation for this commission and details the specific limitations that existed.

1.2 Motivation for the Study

The undertaking of this study was firstly motivated by the desire to improve internal corporate communication within the workplace. The preliminary objective was to ascertain the value attributed by employees to such an initiative. This was followed by a desire to establish if the allocation of time and other limited resources on communication improvement initiatives was justified by a significant return on investment.

The second motivation for this study emanated from the review of a similar study that was conducted by du Plessis and Boshoff (2008). This study brought to the fore the importance of establishing a positive connection between the selected communication

medium and the employees preferred methods of communicating. This highlighted the fact that the methods of internal corporate communication most preferred by Durban employees needed to be more fully explored and understood. The study thus endeavoured to assist both employees and employers alike by providing answers to this critical question.

The benefits of this study are, however, not limited to employees and employers, but in fact extend beyond the confines of the organisation, resulting in consumers and investors alike becoming beneficiaries.

By ascertaining the methods of communication that are most preferred by employees within Durban, employers are able to make use of media that are in essence more effective in achieving the desired results. This minimizes the potential for disturbance and increases the effectiveness of the communication. Highlighting the significant importance of this strategic tool makes it apparent to business leaders that compromising in this regard would be to the detriment of the organisation.

Effective internal corporate communication has been proven to improve the morale, commitment and job performance of employees (Goodman; 2000). A happy, committed and competent employee will undoubtedly provide a more pleasing and efficient service to customers than an unhappy, anxious employee who is not committed to the strategic objectives of the business. It is thus apparent that by imparting the knowledge gained from this research, business leaders will be empowered to address the key issues raised and subsequently improve the effectiveness of communication within their organisations, for the benefit of the employee and the customer alike. Needless to say, improving customer and employee satisfaction will directly affect the financial performance of the business and impact its future sustainability.

The results of this study have thus made a significant contribution to the business world by providing answers to these essential questions that needed amplification. Employers within the Durban area are now aware of the importance of internal corporate communication to their employees, they understand why it is important to

them; they know which communication media are most preferred, and understand the crucial role that communication plays in building confidence, developing trust, enabling better decision making, and fostering a team spirit. This study has therefore reaffirmed that corporate communication is an intangible corporate asset that can be utilised for the furtherance of the business.

1.3 The Focus of the Study

The focus of this study revolved around the importance of internal corporate communication to employees within the Durban area. It specifically aimed to investigate envisaged dependent relationships between communication and confidence; communication and decision making; communication and team work; communication and employee morale; and communication and trust.

1.4 Problem Statement

Despite the wealth of knowledge that is available in this arena, it became apparent that there was no documented evidence purporting that the notions proposed by the various researchers are applicable to, or representative of Durban employees. It was repeatedly inferred that communication is important to employees and that it has an impact on various parameters of the employment relationship. This study therefore undertook to ascertain if such inferences are applicable to Durban employees and aimed to provide answers to a series of predetermined research questions.

1.5 Research Questions

This study was intended to provide answers to the following research questions.

- In what way is internal corporate communication important to employees within the Durban area?
- Why do employees assign the identified level of importance to internal corporate communication?
- What is the relationship between a manager's ability to communicate and the confidence an employee has in him/her?

- Which methods of internal corporate communication are most preferred by Durban employees?

1.6 Objectives of the Study

The objectives of this study were to:

- measure the importance of internal corporate communication to employees of Durban organisations,
- ascertain the reasons why employees attributed the identified levels of importance to internal corporate communication, and
- identify the methods of internal corporate communication that are most preferred by employees of Durban organisations.

1.7 Limitations of the Study

The fact that this study was conducted in the geographical area of Durban, KwaZulu-Natal, to the exclusion of all other regions within South Africa, was identified as a limitation.

As is evident from the results of the frequency analysis conducted on the demographic information of the participants (presented in Chapter 3), the number of management employees who participated in this research was nominal i.e. 9.7% and the results may therefore not adequately represent this population group.

1.8 Future Chapters

This chapter has provided a background review of the study that was conducted and included a look at the motivation behind the undertaking of this research as well as the specific objectives thereof. It has alluded to the importance of internal corporate communication, which has been further investigated in the subsequent chapter. Chapter 2 provides a review of a selection of the vast amount of literature that is available on the topic and therefore offers a comprehensive overview of the discipline of corporate communication.

Chapter 3 elucidates the research methodology employed, including the research design; the data collection strategies; and the techniques utilised to analyse the received data. A copy of the research instrument has been included, for review purposes as an addendum to this document.

The data received from the 165 respondents has been analysed and graphically presented by means of tables and graphs in Chapter 4. An explanation of the findings of this analysis is offered in Chapter 5. The 6th and final chapter provides a conclusion to this research and puts forward recommendations based on the findings.

1.9 Conclusion

In an effort to delve deeper into the value acquired from effective internal corporate communication and to establish if any significant links exist between internal corporate communication, trust, confidence, decision making ability, job performance, team work and employee morale, a review of a collection of literature was undertaken, followed by a study which entailed the distribution of a self-completion questionnaire to a sample population within the Durban area. The ensuing chapter presents a synopsis of the reviewed literature.

CHAPTER TWO

An Overview of Corporate Communication

2.1 Introduction

Corporate communication is a holistic axiom encompassing all of an organisation's endeavours to communicate effectively (Goodman, 2000). It involves the use of a medium to transmit messages between individuals and groups and is a means of relating with relevant stakeholders (du Plessis & Boshoff, 2008). This relation with stakeholders is instrumental to the success of a business. "The act of communicating and transmitting messages results in the exchange of information which facilitates a common understanding and the sharing of goals" (Leech, 2005, p.15).

In an effort to gain greater insight into the importance and mechanics of corporate communication, the succeeding sections of this chapter will review a collection of contributions made to this field of study, with specific focus given to the area of internal corporate communication.

2.2 The Mechanics of Communication

Effective communication is a vital tool for any organisation. "Every interaction with customers and stakeholders is an opportunity to further the achievement of the company's objectives. Equally, every interaction between the company and customer [stakeholder] that goes wrong may have adverse effects on the company's brand" (Malmelin, 2007, p.305). It is thus apparent that effective communication skills is a competency required by employees working at every level of an organisation and highlights the strategic importance of this skill set.

"Communication is a vital aspect in the labour relationship, aimed at ensuring that common understanding is achieved in the pursuance of a desired outcome" (Ferreira, 2006, p.274). It is a process whereby a sender transmits a message to a receiver, who then interprets the message and bestows it with meaning. The effectiveness of

this communication is determined by whether the receiver interprets the message as having the same meaning as intended by the sender (Ferreira, 2006).

Goodall and Goodall (2006) define the sender as the originator or source of the message and the receiver as the person for whom the message was intended. "The message is what is said and done during an interaction" (Goodall & Goodall, 2006, p.5) and includes both verbal and non-verbal cues.

The term "corporate communication" encompasses both formal and informal communication which "can flow vertically, horizontally, or through a network. In vertical communication, messages flow upward or downward along a path referred to as the chain of command. Horizontal message flow occurs between workers or units of comparable status who need to share data or coordinate efforts. In network communication, information flows freely among those who have a common bond that goes beyond the participants' role or unit within the organisation" (Krizan, Merrier & Jones, 2005, p.7).

Formal communication is specifically related to the business and can be in either written or spoken form (Leech, 2005). Formal messages that flow down the chain of command, from managers to subordinates, are referred to as "downward communication". This type of communication should ideally include such things as job instructions, job rationale, policies and procedures, employee performance appraisals and motivational appeals (Hamilton, 2005).

O'Rielly (1980) highlighted the importance of downward communication to employee satisfaction. He found that although organisations may run the risk of information overload as a result of disseminating large amounts of information to its employees, employees who were overloaded with information were not necessarily dissatisfied with their jobs. His research further revealed that all employees who were subjected to information under-load were extremely dissatisfied in their workplace (O'Rielly, 1980).

Of equal importance for the continued health of the organisation is the concept of "upward communication". This refers to the flow of messages in an upward direction

from subordinates to their managers. This notion was adduced by Hamilton (2005, p.28) who recalled that Mr. Bill Gates, the founder of the multi-billion dollar Microsoft empire, “credited an employee’s observation and concerned memo with changing Microsoft’s placement of the Internet from a low priority to a top priority, resulting in the company becoming a leader in this new technology.” Hamilton (2005, p.28) reiterated that “effective decision making depends on timely, accurate and sufficient information travelling upward from subordinates.” He cautioned that although such communication can be of tremendous value to the organisation it may be distorted and therefore inaccurate. Such distortion, he suggested, occurs when employees do not trust their supervisors and are not comfortable with the complete disclosure of all relevant information.

From the discussion above, it is evident that the various researchers concur with the notion that formal communication is of paramount importance to the organisation, and that such communication should hence be well planned to ensure that it is received and understood by the intended person (Leech, 2005).

Unlike formal communication, informal communication refers to the transmission of both business-related and personal information. It is not planned by the organisation and information flows in all directions along an informal network commonly referred to as the grapevine (Leech, 2005; Krizan, Merrier & Jones, 2005).

Research by Harcourt, Richerson and Waitterk (1991) revealed that middle managers often found informal communication to be a better source of organisational information than formal communication. Hamilton (2005) concurred and recommended that effective managers make use of the grapevine which he suggested served as a useful source of information, often revealing employee concerns and problems. He reiterated the importance of having open, effective channels of communication and cautioned that “when formal communication channels fail to do the job, the grapevine begins to carry information about the organisation” (Hamilton, 2005, p.29).

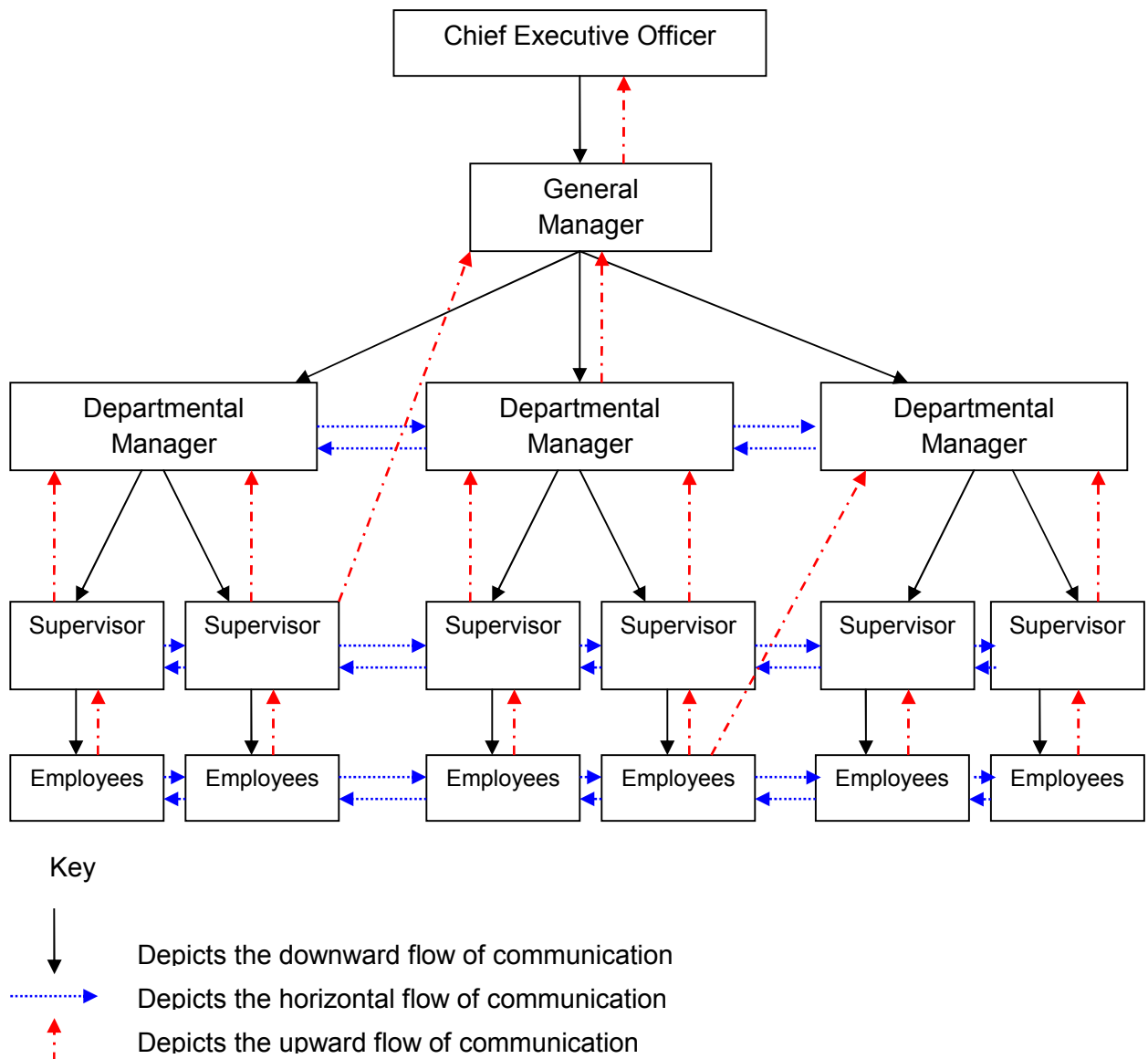


Figure 2.1: Communication Flow within an Organisation - adapted from Mellor and Dewhurst, 2009

It is evident from the above diagram that communication flow within an organization can follow both informal and formal networks and thus move in an upward, downward or horizontal direction.

2.3 Barriers to Effective Communication

Due to the fact that communication takes place between two distinct and separate parties, problems may arise (Ferreira, 2006). The two parties may attach different meanings to the words used in a message (Krizan, et al., 2005); the receiver may be unable to understand the language used; or the receiver may misinterpret the signals sent by the sender (Ferreira, 2006). “The ideas or thoughts that are communicated therefore need to be translated into a code or language that both parties are able to understand in order to avoid miscommunication” (Ferreira, 2006, p.273).

There are “several forms of barriers that can impede the communication process” (Guo & Sanchez, n.d., p.86) and hinder one’s ability to understand the message as intended. The most common barriers to effective communication are:

- Poor or inappropriate word choice;
- The appearance of the message;
- The capability of the receiver;
- The type of message or medium used;
- Punctuation, spelling and grammatical errors;
- Poor sentence structure;
- The appearance of the sender;
- Environmental factors;
- Not listening; and
- A lack of trust (Ferreira, 2006; Krizan, Merrier & Jones, 2005).

The use of words that are too complex or too technical to understand is one potential barrier to effective communication. Likewise, the use of words that are too simple may generate a lack of interest in the message or may be perceived as insulting (Krizan, et al., 2005).

“The appearance of a message affects its readability and influences a receiver’s acceptance of its content. Smudges, sloppy correction, light print, wrinkled paper, and poor hand writing may distract the reader and become barriers to effective communication” (Krizan, et al., 2005, p.19).

Incorrect grammar, spelling errors and poor sentence structure could negatively impact the receiver's understanding of the message (Krizan, et al., 2005).

"Presenting too much information at once may also contribute to misunderstandings or to the misinterpretation of communication" (Ferreira, 2006, p.279). The sender should be careful to disseminate only information that is relevant or of value to the recipient.

"The credibility of an oral message can be reduced if the appearance of the sender is unattractive or unacceptable to the receiver. In addition, unintended nonverbal signals can distract a receiver and influence the way an oral message is received" (Krizan, et al., 2005, p.19). The sender should therefore take cognizance of his/her body language when communicating and ensure that it is congruent with the message being relayed.

Physical barriers such as excessive noise emanating from another room may distract one from the speaker and therefore impede the effective transmission of a message. Environmental factors such as an uncomfortable room temperature, may further distract the receiver's attention, once again resulting in a barrier to effective communication (Ferreira, 2006).

Another important potential barrier to effective communication is the choice of communication medium. The medium "is the thoroughfare a message takes from sender to receiver. The choice of an appropriate channel for communicating influences the timing, reception, and understanding of a message" (Goodall & Goodall, 2006, p.7).

2.4 The Communication Medium

As stated by Goodall and Goodall (2006, p.3) "Business and professional communication...refers to all forms of speaking, listening, relating, writing and responding in the workplace, both human and electronically mediated." To reduce the barriers to effective communication that may arise in the workplace, business intellectuals must afford due consideration to the selection of an appropriate medium

for communicating the message. The medium used must be “dependent on the complexity of the message that needs to be transmitted and should be ideally suited to ensure that the message reaches the intended recipient within the desired timeframe and is easily understandable” (Krizan, et al., 2005, p.18).

The areas of business communication are associated with, but not limited to, the following technologies:

- Corporate information and communication technologies networks (websites, intranets and extranets);
- Voice communication technologies (telephone, cell phone, podcasts and Skype);
- Electronic communication technologies (e-mail);
- Enterprise 2.0 technologies (corporate blogs, Wikipedia’s);
- Conferencing technologies (telephone, cell, video and web conferencing, whiteboards);
- Electronic learning technologies (discussion boards, chat, individual and departmental profiles);
- Social networking technologies (online social networks), electronic communication technologies (e-mail); and
- E-commerce technologies (verification, digital signature) (du Plessis & Boshoff, 2008).

More traditional media for communicating include fax, face-to-face discussions and the use of written material such as memoranda, newsletters and letters, to mention but a few.

In deciding which medium is most appropriate for transmitting the message, the following factors need to be considered:

- The importance of the message. Important messages usually require the face-to-face channel.

- The needs and abilities of the receiver. Some people are able to work from memos and phone conversations; others are better at interpreting face-to-face messages.
- The amount and speed of the feedback required. Complicated messages and messages needing immediate feedback are normally best with face-to-face channels...Keep in mind that although e-mail allows for fast feedback, it is easy to misinterpret.
- The necessity of a permanent record. Written instructions, memos, and e-mail can be used to verify a conversation and to serve as a permanent record of what was said.
- The cost of the channel. In the business world, time and energy equal cost.
- The formality or informality desired. Although face-to-face communication can be quite formal, it is normally considered less formal than a newsletter or memo, but more formal than an e-mail (Hamilton, 2005).

Yates (2008) emphasizes the importance of knowing which technologies are preferred by employees. By utilizing technologies that are most preferred by employees, organisation's can increase the willingness of employees to engage in the communication process. This fact is crucial for the continued success of the business as improved communication practices directly affect market and shareholder value growth (du Plessis & Boshoff, 2008).

A limited selection of the multitude of communication mediums that are available have been discussed in further detail in the subsequent section.

2.4.1 Written Communication

Written communication includes the use of tools such as memoranda, standard operating procedures, policies, letters, faxes and emails to communicate written information to a receiver. Each tool in this medium is associated with advantages and disadvantages of use and these would consequently need to be considered.

2.4.1.1 Email

A vast amount of business communication “now occurs electronically, and this trend is certain to increase. The ability to transfer a document almost instantaneously from your computer throughout your company or around the world is altering not only styles of communication, but also the nature of the workplace itself” (Hattersley & McJannet, 2005, p.211). Communicating via e-mail has become standard business practice and operating without one has become unfathomable (du Plessis & Boshoff, 2008). Although it’s hard to imagine a world without e-mail, it too has its downside as is evident from the list of disadvantages stipulated below (Leech, 2005).

Disadvantages associated with the use of the email:

- It is overused;
- It can be intrusive;
- It can result in the dissemination of too much information; and
- It can be used as a tool to avoid face-to-face communication (Leech, 2005).

On the upside, the fact that its’ use allows for a “fast, efficient and relatively inexpensive method of exchanging messages” (Krizan, et al., 2005, p.140) with almost an unlimited number of recipients, have been identified as some of the advantages associated with its use.

2.4.1.2 Websites

Communicating with stakeholders through the use of a company website is a standard practice in the current technological era. “Websites are an increasingly important tool in business communication” (Hattersley & McJannet, 2005, p.214), that provide ease of access to relevant information without the constraints of time and place. The use of Intranets to disseminate information on company policies and procedures; and to share relevant information with employees has tremendous value for all involved in the communication process. Extranets are “a terrific way to provide regularly updated information to a dedicated audience” (Hattersley & McJannet, 2005,

p.214). The most crucial factors to consider when using this medium, is to ensure that the information provided is current and accurate, and that the tool is user-friendly so as to avoid any frustration that may arise from the use of this resource.

2.4.1.3 Fax

Despite the introduction of the e-mail, the use of the conventional fax system still has its place within the current workplace. The advantages associated with its use include its' ease of use; convenience and speed. It further provides documented evidence of the communication should this at a later stage be required for legal or official purposes (Hattersley & McJannet, 2005). Whilst this medium plays an important part in the rapid transmission of a document, the faxed copy tends "to be messy and hard to read which limits the distribution potential" (Hattersley & McJannet, 2005, p. 213).

2.4.1.4 Memoranda

In contrast, a memorandum is generally neatly presented, easy to read and therefore widely distributed within the organization. It too provides documented evidence of the communication.

In general, the use of a written medium for communicating, irrespective of the specific communication tool used, is accompanied by the following advantages:

- It "provides a permanent record that can be filed and referred to in the future;
- Can be reread and studied, which is important if a message is long, complex, or has been written in anger;
- Can be revised and edited to ensure that it adheres to the principles of business communication; and
- Can have legal value" (Hamilton, 2005, p.13).

The disadvantages of written messages are that they:

- Are generally transmitted slowly;
- Are more formal and impersonal;
- Do not allow for feedback; and

- Require storage, which is time-consuming and expensive (Hamilton, 2005).

2.4.2 Oral Communication

In contrast to written communication, oral messages can be transmitted instantaneously. They are considered to have a more personal tone and have the added benefit of allowing for immediate feedback from the recipient. This allows an opportunity for clarity to be obtained in an effort to alleviate potential misconceptions that may arise. Oral messages however do not provide a permanent record and therefore do not afford the receiver the opportunity to reflect upon them, making this medium of communication particularly unsuitable for the transmission of complex material (Krizan, et al., 2005).

Oral communication encompasses both face-to-face and telephonic methods of communicating.

2.4.2.1 Face-To-Face Communication

Communicating face-to-face with the receiver ensures that the personal touch is brought into the communication process. It allows both verbal and non-verbal cues to form part of the communication process and thus enhances the effectiveness of the communication.

2.4.2.2. Telephonic Communication

The telephone is a convenient medium for communicating, because it has the ability to abolish time delays and allows for the immediate transmission of the message. This medium can however be intrusive and does not allow for the transmission of essential non-verbal cues such as facial expressions and body language (Hattersley & McJannet, 2005).

Modern research has identified that “one of the factors that is considered to have an effect on an individual’s willingness to participate in tacit knowledge flow...is the employees’ preferences of communication technologies” (du Plessis & Boshoff, 2008,

p.12). It is therefore imperative that due consideration be given to this factor when engaging in the communication process.

2.5 The Importance of Corporate Communication

The act of communicating with stakeholders within a business is referred to as internal corporate communication.

External corporate communication refers to all communiqué with parties outside of the organisation. The importance of external corporate communication was highlighted by Malmelin (2007, p.306), who advocated that “business success...is increasingly dependent on how the company is perceived by customers, investors, the media and other stakeholders...” Fulk (1993), for this reason cautioned that an organisation’s success depends on the communication skills of all its employees. Every employee is a representative of the organisation and during his interactions with stakeholders has the ability to influence their perceptions of the organisation. This widely accepted view arose as is evident in the research conducted by Hattersley and McJannet (2008) whose findings concluded that business students rank communication skills amid the most important skills they have to master. Studies conducted by Belohlov, Poop and Porte (1974); Becker and Ekdom (1980); and Richmond and Roach (1992) all conclude that the vast majority of employers consider communication skills to be more important to job success than specific technical skills (Hamilton, 2005), thereby further supporting the findings of Hattersley and McJannet (2008).

Goodman (2006) proposed that to close the gap between the stakeholders’ perceptions of a company and its actual performance, organisations need to foster a relationship of trust with all stakeholders by ensuring that there is honest, open and effective communication (Goodman, 2006). These stakeholders, who include “customers, employees, investors, suppliers, and the general public, now expect a high level of communication and candor from the companies that operate in their community” (Goodman, 2006, p.200). “Strong and open dialog about...corporation beliefs and...values” (Goodman, 2006, p.202) is now an explicit expectation. It is thus apparent that effective communication channels are a prerequisite to ensure the

fulfillment of these expectations. Effective communication facilitates the creation and maintenance of strong internal and external relationships (Goodman, 2000) and may further be used as an instrument to “improve motivation and enhance productivity” (Venter, 2003, p.443 cited in Ferreira, 2006, p.282).

Another benefit associated with effective internal corporate communication is the sharing of knowledge. Effective communication allows for the sharing of information and the transmission of knowledge which provides the basis for growth in employee skills and competencies thereby enhancing employee productivity (Valente & Luzi, 2000).

Corporate communication has been found to have a direct impact on employee commitment. The research by Peters and Meijer (1995) revealed that in instances where there was effective communication, high interaction, and co-operation between employees and managers; and where employees were involved in the decision making processes, employees were more committed to the organisation and to the performance of their specific duties. They proposed that an open communication environment is an essential prerequisite for the establishment of a committed workforce. This notion was supported by Nijhof, de Jong and Beukhof (1998) who concurred with these findings.

A key factor that impacts the effectiveness of the communication effort is the accuracy and timeliness of the communication. To avoid misunderstandings, ambiguity and confusion, organisations must ensure that complete, accurate and timely information is provided to all relevant stakeholders (Hattersley & McJannet, 2008).

2.6 Trust and Communication

The establishment of a trustful relationship has been found to be a crucial prerequisite, as organisations attempt to build social capital, increase employee engagement, and improve knowledge sharing among employees (Abrams, Cross, Leser & Levin, 2003; Bachmann & Zaheer, 2006; Kramer & Cook, 2004; Kramer &

Tyler, 1996; Nooteboom & Six, 2003; Tsai & Ghoshal, 1998 as cited in Thomas, et al., 2009). “Trust is based on the beliefs one has about another and this is formed as a direct result of the assimilation of information that is gathered about that party. Providing accurate and timely information therefore gives an employee the opportunity to develop trust, and providing too little, untimely or inaccurate information can have the opposing effect “(Thomas, et al., 2009, p.290).

“To build trust, companies need to localize communications, be transparent, and engage multiple stakeholders continuously as advocates across a broad array of communications channels” (Goodman, 2006, p.200). Companies must engage the public, customers, employees, and business partners on the social, financial, and environmental accomplishments and actions of the corporation. They need to be transparent in their dealings in order to create and foster a trustworthy relationship.

2.6.1. Trust: A Prerequisite for Effective Communication

Several studies (Dirks, 1999; Dirks & Ferrin, 2001; Ellis & Shockley-Zalabak, 2001; Kramer, 1996; Pincus, 1986; Ruppel & Harrington, 2000) have demonstrated the central role that communication plays in developing and maintaining trust. This was evident in the findings of Krizan et al, who revealed that the quality of internal corporate communication was to the workers a reflection of whether their organisations trust, respect and value them. They proposed that to improve employee participation, trust and job performance, organisations should foster a climate of honest, open and respectful communication. This, they propose is vital, as “employees will exhibit higher levels of trust when they believe the information they are receiving from the other person is accurate, timely, and useful...” (Thomas, et al., 2009, p.290). In an environment of little trust, co-operation will be low and communication will become defensive (Leech, 2005).

2.6.2 Establishing Credibility

In the workplace, employees find that by developing their own personal and professional credibility, they subsequently influence others to affirm their identities. If we believe that an individual is a good person, knowledgeable about a topic, and

trustworthy, we tend to pay more attention to what he or she says and also tend to be more easily influenced by that person.

Communication is the basis for identity, and it is also the source of personal and professional power. Communication power refers to the perceptions that others have of one's ability to use "words and actions to obtain workplace results that would not have occurred otherwise" (Goodall & Goodall, 2006, p.4). It is imperative to remember that honest and useful communication affects the way employees perceive the integrity of new management (Schweiger & DeNisi, 1991).

2.7 The Role of Communication in Knowledge Sharing, Job Performance and Decision Making

A manager is endowed with numerous responsibilities including the creation of a climate which encourages and empowers employees to excel in the workplace.

Communication is a tool that can be used to facilitate the sharing of knowledge which will in turn empower employees to make better decisions (Cheng, Yeh & Tu, 2008).

This is crucial, as the day-to-day operations depend on the adequate exchange of information among employees. "Performance objectives, job instructions, financial data, customer orders, inventory data, production problems and solutions, and employee production reports" (Krizan, Merrier & Jones, 2005, p.18) are all examples of vital information that needs to be shared amongst employees in order to equip them with the ability to make well informed decisions. This decision making process involves the review and consideration of the various alternatives for the determination of the best route of action to be taken. "Knowledge sharing, especially tacit knowledge flow, is imperative to effective decision making..." (du Plessis & Boshoff, 2008, p.13). "According to Gemmelgaard and Ritter (2000), knowledge can be defined as a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information" (Al-Alwaai, Al-Marzooqi & Mohammed, 2007, p.5). "Effective communication brings knowledge into the organisation and disseminates it to employees who require that information. It minimizes the silos of knowledge problem

that undermines an organisation's potential and, in turn allows employees to make more informed decisions about corporate actions" (Guo & Sanchez, n.d., p.91).

Communication is "information in transit and employers and employees need to receive and transmit information to coordinate their activities and execute their tasks" (Ferreira, 2006, p.275). An analysis conducted by Career Development International in 2002 suggested that employees yearn for more than just information needed for them to execute their tasks. The analysis proposed that employees desire to be kept informed of the strategic objectives of their organisations. By ensuring that employees are kept abreast of the strategic objectives of the organisation, "employees will be able to discuss, engage with, and internalize the strategy so that they can bring it to life, understand what it means to them and translate it into everyday actions and behaviours" (Mellor & Dewhurst, 2009, p.19). Employees would subsequently understand the business strategy and be able to apply it to their part of the business. By so doing, they identify the implications of the strategic objectives to "their teams and themselves personally, so that they know what they need to do to deliver it" (Mellor & Dewhurst, 2009, p.18).

"Employees form the backbone of any successful organisation. Valued members of staff can make or break, a company's success, so it is essential that employers do their best to keep them happy. If staff are satisfied, they will work harder, more productively and ultimately more profitably for the benefit of the company" (Edmonds 2009, p.8). Providing free flowing, reliable and accessible information ensures that employees feel valued and reassures them that have access to the support required for them to perform their functions to the best of their ability and to be active participants in the workplace (Messmer, 2009).

"Employees...want more influence and control over their own work situation" (Ferreira, 2006, p.282) and therefore desire a participative management style. Venter (2003) defines this as a management style that "allows employees, either individually or collectively, to meaningfully participate in and contribute to the decision making and running of the organisation" (Ferreira, 2006, p.280). "For a team to make decisions

effectively in a dynamic decision environment, team members must collectively understand and communicate the structure of the decision and develop decision alternatives in an interdependent manner. Research indicates that teams that use efficient communication strategies and techniques achieve higher levels of decision making performance” (Jeffery & Maes, 2005, p.5).

As mentioned in the prologue of this sub-section, the empowerment of employees is one of the specific responsibilities of management. Rajib, Sanyal and Duvenlie (2004) have therefore aptly stated that “successful management is the empowerment of subordinates...through the delegation of authority.”

2.8 The Impact of Communication on Teamwork and Commitment

Kitchen and Daly (2002) proposed that effective internal corporate communication is the catalyst to organisational excellence and effectiveness. Internal corporate communication serves a number of important functions including the sharing of information and goals; motivating others; developing a sense of community and commitment; and creating a common understanding (Ferreira, 2006).

By promoting communication and encouraging worker participation, managers are able to “obtain greater commitment and cooperation from employees” (Bendix, 2004, p.652 as cited in Ferreira, 2006, p.282). “Corporate communication promotes: a strong corporate culture; a coherent corporate identity; a genuine sense of corporate citizenship; an appropriate and professional relationship with the press; a quick and responsible way of communicating in a crisis or emergency situation; an understanding of communication tools and technologies; and a sophisticated approach to global communication” (Goodman, 2000). Effective internal and external communication is therefore crucial for the continued success of any business (Krizan, Merrier & Jones, 2005).

In their writings, Thomas et al (2009) demonstrated their support for the establishment of effective internal corporate communication channels and highlighted its important role in the creation of a trustful relationship between manager and employee. They

warn that employees will be reluctant to support organisational goals if they “cannot trust their supervisors or if open communication is nonexistent” (Thomas, et al., 2009, p.291). Business intellectuals would hence do well to heed this warning and implement measures to foster a team spirit within their organisations.

Effective communication is further regarded as a key tool for the successful implementation of change management programmes. This tool is used to prepare stakeholders for the impending change by regularly explaining to all parties the effects and reasons for the change (Spike & Lesser, 1995). “Corporations are changing – reinventing, rethinking, transforming and reengineering themselves, and with change comes chaos, uncertainty, and renewal. Effective corporate communication is essential to ensure that this change management process is in fact a smooth transition because uncertainties are put to rest and all are kept well informed throughout the process” (Goodman, 2000, p.18). It can be used as a tool to increase understanding of the commitment to change and can thus reduce any confusion and subjugate resistance to it (Lippitt, 1997). This reiterates the importance of two-way communication, which facilitates discussion and feedback and provides verification of receiver understanding (Lloyd & Varey, 2003).

From the multitude of research conducted (DeCotiis & Summers, 1987; Mathieu & Zadjac, 1990; Postmes, Tanis & de Wit, 2001; Trombetts & Rogers, 1988; Thomas, et al., 2009; and Ferreira, 2006) the same findings are repeatedly evident. All authors concur that “if an organisation wants to improve employee commitment, satisfaction and retention” and if it wants to ensure its sustainability, “it should take a long, hard look at how it communicates with its employees” (People at Work Survey, 2002, p.1). “Success is really about building relationships that sustain and survive the good and the bad times. It’s all about open and honest communication...” (Shirley, 2010).

An important factor that affects the successful performance of a team, is the trust between the team and its leader. “Trust is expected to affect team members’ perceptions of the quality of the team leader’s communication such that the more the team members trust the team leader, the higher the satisfaction with the

communication” (Thacker & Yost, 2002). To improve performance, “teams should develop effective communicating and collaborating strategies that result in the creation of shared mental models that help team members perceive a common working framework for the task at hand” (Stout, Cannon-Bowers, Salas & Milanovich, 1999). Dunlap (2010) reiterated that it is a critical requirement that team leaders (managers) possess good communication skills. He cautioned that a team will fail miserably if they do not communicate. “Frequent communication between managers and staff is a way of ensuring all sides are working toward the same common goal. Managers who communicate how much they value their staff will have more success with retention and productivity. Managers need to engage their staff so they truly understand their importance...” (Dunlap, 2010, p.17).

Another crucial point that was noted in the People at Work Survey (2002) is that communication is a critical factor in engaging and keeping employees. Their findings suggested that communication is more important for retaining employees “perhaps even more important than pay” (People at Work Survey, 2002, p.1).

2.9 The Impact of Communication on Employee Morale and Job Satisfaction

According to studies conducted by Goodman (2000), corporate communication is a strategic tool that corporations use to lead, motivate, persuade and inform employees. This vital tool which allows for the sharing of knowledge has been identified as imperative for the maintenance of a competitive business (Murray & Peyrefitte, 2007; Asif & Sargeant, 2000; and Davenport & Prusak, 1998) and a happy effective workforce. “As companies become more focused on retaining a happy workforce...they have had to think more now than in the past about how they communicate with employees” (Argent, 1998, p.21).

This notion was brought to the fore in as early as the 1920's, when The Hawthorne studies, which were conducted by Elton Mayo and his colleagues between 1927 and 1932, found that workers in relaxed and congenial work groups with managers who “listened to them, are concerned about their needs and are supportive, are more

productive than other workers” (Hamilton, 2005, p.39). This concept was supported by Schweiger and Denisi (1991) who in their research identified a positive link between the flow of information within an organisation and the levels of absenteeism and productivity.

Nichols (1996) warned that people feel unappreciated when they are not listened to and therefore consequently assume that both they and their ideas do not matter to their employers. He deduced that listening to employees is, for that reason, a way of showing appreciation and support, and that this subsequently increases employee satisfaction, fosters a climate of effective communication and leads to an increase in productivity (Hamilton, 2005).

Phelps and DuFrene (1989) suggest that organisational success is influenced by the quality of the relationship that an employer has with his subordinates. They assert that the quality of this relationship “affects their [employee] job satisfaction, their access to the information and support needed to do their job, their willingness to provide information and support to coworkers, and their ability to understand and carry out messages from the boss” (Conrad, 1985, p.11). “In addition, strong peer relationships appear to reduce turnover (Kram & Isabella, 1985), enhance creativity (Yager, 1997), improve productivity (Ross, 1997) and even provide guidance and support with non-job-related problems (Sias, 1998)” (Hamilton, 2005, p.56). Crucial to this relationship is effective communication. It has been suggested by Chughtai and Buckley (2009) that employees who identify with an organization exert extra effort and exhibit higher levels of performance. By ensuring that employees are kept informed of the vision, values and strategic objectives of the organisation, employees are able to identify with the organisation and develop a greater understanding of how their job performance impacts on the achievement of the organisational objectives. Communication is therefore the key to employee engagement.

“Good internal communication is one of the most effective ways to build strong relationships, increase commitment and foster a sense of fulfillment” (Bambacas & Patrickson, 2007). Organizational commitment, job performance and job stress are

variables that have a significant impact on a company's overall performance. Poor organizational communication has been found to negatively impact organizational commitment resulting in the three basic components of organizational commitment: identification, involvement, and loyalty, being reduced. The level of organizational commitment has further been found to positively influence job performance (Yousef, 2000) and negatively influence job stress (Sager, 1990). These findings were supported by Chen (2005) who conducted a study in the USA and Taiwan that revealed that an increase in the level of corporate communication by one unit reflected a 0.17 unit increase in organisational commitment. This study further revealed that a one unit increase in corporate communication and commitment would result in an increase in job performance by 0.05 units and 0.26 units respectively. It is hence apparent that positive relationships exist between corporate communication, organizational commitment and job performance (Chen, 2005).

An employee's satisfaction with the quality of internal corporate communication also has significant influence on their job performance and the level of job satisfaction. This conclusion was proposed by Goris (2006), who validated this conclusion on the basis of the resultant correlation coefficients which assessed the strength of the association between: communication satisfaction and job performance; and communication satisfaction and job satisfaction. Satisfaction with communication was found to be significantly associated with the six dimensions of job satisfaction: Satisfaction with work (0.39), with supervision (0.38), with pay (0.25), with promotion (0.25), with coworkers (0.39), and overall satisfaction (0.40). Furthermore, communication satisfaction was found to be significantly related to overall job performance (0.12). Based on these findings, Goris (2006, p.3) proposed that managers would "do well when they invest time to promote satisfaction with communication in their work units".

It is hence apparent from the abundant evidence presented that "...the quality of communication between the people who make up an organisation is a crucial variable

determining organisational success” (Kitchen & Daly, 2002, p.4). Effective communication skills are thus inherent requirements of a successful manager.

2.10 The Manager as a Communicator

Hattersley and McJannet (2005, p.17) caution that “when people form groups and teams, misunderstanding and miscommunication becomes more likely – and so does conflict. Individuals may clash over contradictory goals for the group, differ in preferred methods and strategies for carrying out the groups work, and disagree about perceived individual realities. The stress, boredom, and frustration that can result seldom provide the necessary environment for creative group communication. Effective, conscious communication can help bring order to the chaotic environment in which many teams function.”

This extract from Hattersley and McJanner (2005) once again highlights the importance of internal corporate communication. This strategic tool is of significant importance to the organisation and it is therefore imperative that every manager make a deliberate, concerted effort to acquire the skills necessary to effectively communicate with all relevant stakeholders and to communicate “strategically, that is, consistently with the organisation’s values, mission, and strategy” (Guo & Sanchez, n.d., p.93). “Strategic communication is an intentional process of presenting in a clear, concise, and persuasive way” (Guo & Sanchez, n.d., p.93) and is aimed at working towards the achievement of the organisations strategic objectives.

Messmer (2009, p.58) advises that “communicating effectively entails much more than supervisors simply functioning as a conduit for dispensing information to employees from upper management. It involves using various strategies to create an atmosphere of mutual trust and transparency.” To achieve this end, it is imperative that managers verify the reliability and accuracy of all information prior to disseminating it to relevant stakeholders. Providing inaccurate information “will result in a loss of credibility”, for both oneself and the organisation that you represent (Hattersley & McJannet, 2008, p.58).

Another fundamental fact worth remembering is that “managers are responsible for providing information, which results in efficient and effective performance...” (Guo & Sanchez, n.d., p.77). Due consideration must therefore be afforded to this fact before deciding what will be communicated to employees and prior to selecting the medium most appropriate for the communication. According to Messmer (2009, p.58), “keeping employees well informed helps to ease any anxieties that may have arisen and allows employees to focus on meeting business objectives”. This important fact is well known to business intellectuals, however a recent study by Robert Half International cited shocking observations that are to the contrary. This study revealed that “nearly half of the executives (48%) interviewed by Robert Half International cited better communication as the best remedy for low morale. Yet one-third of the respondents acknowledged that the failure to openly share information tops the list of management missteps” (Messmer, 2009, p.58). This highlighted the fact that more focus needs to be afforded to the improvement of communication within the workplace. “Some managers may have the right intentions but lack the skill to be effective communicators” (Mellor & Dewhurst, 2009, p.18).

The prevailing trends in the business arena reveal that stakeholders exhibit a greater demand for transparency and the disclosure of information (Goodman, 2006, p.202). By being more open and transparent in their dealings, employers will nurture the development of a trustful business relationship which is quintessential for effective communication.

Dunn (2002) cautions that “although managers spend most of their time communicating (e.g., sending or receiving information), one cannot assume that meaningful communication occurs in all exchanges. Once a memorandum, letter, fax or email has been sent, many are inclined to believe that communication has taken place. However, communication does not occur until information and understanding have passed between sender and the intended receiver” (Guo & Sanchez, n.d., p.77). This once again highlights the importance of obtaining feedback from the receiver to ensure that the message is understood as intended by the sender.

Involving employees in decision making is yet another crucial activity that is facilitated by effective communication. "At a time when many business assumptions and expectations are being upended, it's especially critical for managers to seek greater employee input and collaboration in solving business problems...seek their help in brainstorming creative ways to solve everyday challenges. They will be energized by the chance to help influence business outcomes" (Messmer, 2009, p.59).

Due to the group dynamics which exist in all teams, it is inevitable that conflict may arise. "Whenever we deal with individuals or teams for any length of time, some kind of conflict is sure to occur. Fortunately, if managed effectively, conflict can result in improved group communication and productivity" (Frantz & Jin, 1995 cited in Hamilton, 2005, p.73). "Effective group participation requires members who know and understand their teams goals and are committed to them; are active listeners and open-minded; and who are aware of their functions" (Hamilton, 2005, p.232) within the business unit. Munter (2006) aptly stated that managerial communication is different from other kinds of communication. He proposed that in a business or management setting, a brilliant message alone is not sufficient and that the sender is only successful if the message results in the desired response from the receiver. This thus implies that employees need to know and understand what is expected of them and that they should be motivated to aspire for this achievement.

"Recent research evidence suggests that an effective manager is one who spends considerable time on staffing, motivating, and reinforcing activities" (Luthans, Welsh & Taylor, 1998 cited in Guo & Sanchez, n.d., p.91). These findings therefore suggest the need for an increased commitment to the improvement of internal corporate communication within organisations (Messmer, 2009). "Successful communication requires trust and respect between communicators" (Hamilton, 2005, p.145). Unfortunately, despite the fact that trust "may be one of the most important determinants of manager-employee relationships", 72 percent of employees in a study conducted by Kanter and Mirvis in 1990 felt that their managers were taking advantage of them and 66 percent believed their managers could not be trusted (Hamilton, 2005, p.146). This startling finding has been reiterated and unfortunately

strengthened by the flood of recent negative scandals that have occurred in the business arena including Enron, Fidentia and the Durban Ponzi Scheme by Ingede Mineral Holdings, which were all cases of white collar crime, where people in power abused their positions, and by their unethical behaviour, fostered the creation of an untrustworthy business environment. As mentioned by Hamilton (2005, p.146), "...the most important thing for managers to remember about their jobs...is that what they do is infinitely more important than what they say." Managers and employer's alike have a responsibility to their stakeholders to walk the walk and not just merely talk the talk. Hamilton advocated that "they [employers] can preach all they want, but unless they live that message, their people won't" (Hamilton, 2005, p.146). Business intellectuals are therefore cautioned to consider their own credibility and to take the necessary actions to enhance this perception (Hattersley & McJannet, 2008). "Even if your audience knows nothing about you in advance, your good ideas and your persuasive writing or speaking will help earn you credibility, the obvious way to heighten your credibility, therefore is to do a good job of communicating" (Munter, 2006, p.8).

"In as early as the 1970's, Henry Mintzberg identified 10 "working roles" that, in varying proportions, make up the manager's job: figurehead, leader, liaison, monitor, disseminator, spokesperson, entrepreneur, disturbance handler, resource allocator and negotiator...Every one of these tasks requires effective communication to succeed" (Hattersley & McJannet, 2005, p.4).

The perceived importance of a manager's communication skills was reiterated by employees in Israel, Slovenia and the USA, who ranked communication skills as one of the most important managerial characteristics. In this study conducted by Sanyal and Duvenli in 2004, employees were tasked with ranking 13 managerial characteristics in order of importance.

The top 5 managerial characteristics, as identified by the employees are reflected in Table 2.1

Table 2.1: Importance of Managerial Characteristics

RANK	ISRAEL	SLOVENIA	USA
1	Decision-making ability	Communication skills	Decision-making ability
2	Communication skills	Ability to choose key persons	Communication skills
3	Commitment to organizational goals	Ability to work with people	Ability to work with people
4	Ability to work with people	Business experience	Ability to choose key persons
5	Ability to choose key persons	Decision-making ability	Business experience

Adopted from Perception of Managerial Characteristics and Organisational Performance: Sanyal and Duvenli (2004)

In Slovenia, effective communication skills were ranked as the most important characteristic for a manager to possess. In the USA and Israel, communication skills were surpassed only by a manager's decision-making ability.

In 2000, the research conducted by Dickson revealed a similar finding. His research revealed that communication skills are the "most important transferable skill for graduates to have developed during their time at university" (Dickinson, 2000, p.2). This skill entails more than being just able to communicate meaning, but extends to being able to communicate in an effective and appropriate manner dependent on the time and place.

The link between trust and communication in the workplace is well-established (Butler & Cantrell, 1999). The amount of trust team members place in their team leader has a great deal to do with how members perceive the quality of communication with their leader (Muchinsky, 1977; Roberts & O'Reilly, 1974). Trust is enhanced when employees perceive that their managers provide feedback to them, offer sufficient explanations for their actions and discuss their ideas (Hart, et al., 1986; Konovsky & Cropanzano, 1991).

From the evidence presented, it is abundantly apparent that internal corporate communication is an essential aspect of any organisation. It is of paramount importance that specific focus be given to the improvement of communication skills of the people that manage and lead our organisations. As aptly stated by Hattersley and McJannet (2008), "...the best idea in the world can fail if it's not communicated effectively."

2.11 Summary

The authors of the extensive literature that has been reviewed for the purposes of this study have all concurred that corporate communication is a vital tool, that, if used effectively can reduce miscommunication and unhappiness in the workplace, and in fact foster trustful relationships, improve employee morale, and increase commitment to the organisation. These authors have declared that corporate communication is an invaluable strategic tool which can be used to lead, motivate, persuade and inform employees and that effective communication is both desired and valued by employees.

The subsequent sections of this study will delve into these presumed benefits, and attempt to establish if the employees within the Durban area agree with these notions, and the extent to which they believe that their employers and managers are communicating effectively. The results of this investigation will be revealed through the research data that has been collated, analysed and presented in Chapter 4.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

A vast amount of research has been conducted into the area of corporate communication. It has been identified that this vital tool, which allows for the dissemination of information and the sharing of knowledge is imperative for the maintenance of a competitive business and a happy effective workforce.

Based on the availability of various mediums for communicating, this research sought to better understand the preference of employees within the Durban area in applying specific technologies for the dissemination of information and sharing of knowledge. It furthermore aimed to determine how employees perceived the importance of internal corporate communication, and its relevance and effect on job performance and decision making. The study aimed to identify relationships between employees' perceptions of their managers' ability to communicate, and their confidence in them and their industry.

A sample population of 200 employees was selected to participate in this research. Within this population, the sample group comprised of employees from within the various hierarchical levels of numerous organisations, ranging from junior to senior members of staff. Only people employed within the Durban area were included in the study. The participants were selected on the basis of referral and were approached to participate (in this study) in their personal capacities. A total of 165 responses from participants within the health care, retail, banking and education sectors were received at the end of the data collection period.

3.2 Aim and Objectives of the Study

Due to the fact that numerous authors (whose findings have been discussed in Chapter 2) have attributed tremendous value and benefit (for both the employee and the organisation) to effective corporate communication, the specific focus of this study revolved around the importance of internal corporate communication to employees within the Durban area.

The objectives of this study which were decided upon at the onset were to:

- measure the importance of internal corporate communication to employees of Durban organisations;
- ascertain the reasons why employees attributed the identified levels of importance to internal corporate communication; and
- identify the methods of internal corporate communication that are most preferred by employees of Durban organisations.

3.3 Data Collection Strategies

For the purposes of data collection, a self-completion questionnaire which consisted of 23 closed ended questions rated on a five point Likert scale was distributed to 200 employed people within the Durban area. The snowballing technique, which is a form of convenience sampling, was used to acquire the participants for this research (Bryman & Bell, 2007). The participants were approached in their personal capacities and were informed of the purpose and objectives of this study. They were assured of anonymity and confidentiality and their rights to withdraw from participating in this research should they so wish (Appendix 1 – Informed Consent Letter).

Each participant was provided with a copy of the self-completion questionnaire (Appendix 2) and requested to complete it honestly and without the assistance of any other person in order to minimize any distortion of results that may have arisen as a result of the influence of a third party.

The participants were requested to complete the questionnaire at their convenience, and a two week deadline was provided for submission of the completed document. A courtesy follow-up call was made after one week to remind participants to complete and return the questionnaire. At the end of the two week period, the returned questionnaires (primary data) were coded, captured in Excel and analysed using SPSS software.

It was decided to make use of a self-completion questionnaire for this research because of the benefits associated with its use. These benefits included the fact that a self-completion questionnaire is relatively quick to administer; free from the interviewer effect; and is convenient for the participants.

3.4 Research Design and Methods

This study was based on a quantitative research design. Quantitative research “is a research strategy that emphasizes quantification in the collection and analysis of data” (Bryman & Bell, 2007, p.28). When using this technique, the acquired data is measured and quantified (Smailes & McGrane) and thus provides numerical measurements. In contrast, qualitative data “consists of attributes, labels or non-numerical entries” (Larson & Farber, 2006). Qualitative research usually “emphasizes words rather than quantification in the collection and analysis of data” (Bryman & Bell, 2007, p.28). In accordance with the process of deduction the various literature was reviewed, primary data collected, and this data was then coded and analysed to establish whether the propositions suggested by the previous researchers were applicable to Durban employees.

A self-completion questionnaire was finalized that enabled the researcher to ascertain answers to the research questions. By obtaining answers to these questions the researcher was able to satisfy the objectives of this research.

The research instrument used to collect responses for this study consisted of pre-coded questions that were worded in such a way that:

- they could be easily understood by all participants;

- they did not unfairly bias any participants;
- they did not allude to any particular answers;
- the responses could undergo analysis using the statistical techniques defined herein; and
- they enabled the researcher to satisfy the research objectives.

The questionnaire was delivered to employed people within the Durban area. A covering letter assured anonymity, explained the purpose of the research and obtained consent from the individual prior to them participating in the research. Two weeks was chosen as the data collection period, with a follow-up being made after week one. Completed questionnaires were hand delivered to the researcher or emailed, or faxed to a number dedicated for this purpose. A total of 165 responses was received, resulting in a 82.5% response rate. A 60% response rate was required in order for the findings of this research to be considered acceptable. The actual responses (82.5%) therefore exceeded this value and the findings are hence considered to be acceptable.

3.5 Reliability and Validity

“One of the most popular reliability statistics in use today is Cronbach's Alpha. Cronbach's Alpha determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability” (Santos, 1999). This test indicates whether the results of the research are consistent and therefore repeatable. When computed, the test provides a computed coefficient that will vary between 0 and 1. A score of 1 denotes perfect internal reliability and 0 denotes that there is no internal reliability. According to Bryman and Bell (2007), a figure of 0.80 is typically used to denote an acceptable level of internal reliability.

The results of the Cronbach's Alpha (reliability) test conducted on the set of data used for this research are reflected in Table 3.1.

Table 3.1: Cronbach's Alpha Reliability Test

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.810	.841	19

In an effort to identify suspicious and invalid variables and data values, the “validate data” activity was performed using SPSS. “The procedure produces lists of variables, cases, and data values that fail various checks, counts of violations of single-variable and cross-variable rules, and simple descriptive summaries of analysis variables” (SPSS). The result of this validation test is reflected in Table 3.2 below.

Table 3.2: Validation of Data Set

Some or all requested output is not displayed because all cases, variables, or data values passed the requested checks.

Table 3.2 extracted from the resultant output of the SPSS analysis.

3.6 Analysis of the Data

The data from the questionnaire was coded by the researcher and analysed using SPSS software. The following statistical techniques were utilized during this process:

- Cronbach's Alpha;
- Frequency Distribution;
- Measures of Central Tendency;
- Measures of Dispersion;
- Correlation Analysis; and
- Regression Analysis.

A frequency distribution can be described as a tabular arrangement of data in which the data is grouped into different intervals. The number of observations that belong to each interval is determined and summarized in what is known as a frequency table (Bryman & Bell, 2007).

“Measures of central tendency encapsulate in one figure a value that is typical for a distribution of values. In quantitative data analysis, three different forms of averages are recognized” (Bryman & Bell, 2007, p. 359). These are the arithmetic mean, the median and the mode. For the purposes of this study, the mean, which is the sum of all the values in a distribution divided by the number of values, was used as the measure of central tendency.

Standard deviation was used as a measure of dispersion to analyse the amount of variation in each data set (Bryman & Bell, 2007).

Correlation analysis was used to measure the strength of an association between two variables (Bivariate Correlation). For the purposes of this research, the strength of the relationship between “trust in employer” and “confidence in employer” was reviewed. An analysis of the strength of the association between the “managers ability to communicate” and the “confidence in the manager” and also between the participants’ “ability to communicate” and “confidence in self” was conducted.

The coefficient of correlation describes the strength of the linear relationship between the 2 variables. It ranges from -1 to +1 with -1 indicating negative association between the variables, 0 indicating no association between the variables and +1 indicating a positive association between the variables (Bryman & Bell, 2007).

The data set provided underwent the Spearman’s’ rho method of statistical analysis. Spearman’s rho is designed for the use of ordinal variables and when one variable is ordinal and the other is interval/ratio. The computed value is either positive or negative and varies between 0 and 1. The closer the coefficient is to 1, the stronger the relationship. The closer the coefficient is to 0, the weaker the relationship. A positive coefficient indicates that the relationship is positive and that an increase in one variable will result in an increase by the same amount in the other variable. A negative coefficient indicates that as the one variable increases, the other variable decreases.

Regression analysis is a search for variables that influence a dependent variable (Nieuwenhuis, 2009). This tool allows the researcher to “...predict values of the dependent variable from one or more independent variables” (Field, 2005).

3.7 Summary

The objective of this chapter was to describe the methodology employed to conduct this research. Using the snowballing technique, a self-completion questionnaire was distributed to 200 employed people within the Durban area. A two week data collection period was allowed, to afford participants sufficient time to complete the questionnaire. A total of 165 responses were received and the collected data was coded and then analysed using SPSS software. Frequency distribution, measures of central tendency, measures of dispersion, correlation and regression analysis were the statistical techniques employed for the analysis of the acquired data. The results of this analysis are depicted in Chapter 4 of this research document and explained in Chapter 5 which is entitled, Interpretation of Results. This chapter further discussed the reliability and validity tests conducted on the data set and presented the results thereof.

CHAPTER FOUR

Presentation of Results

4.1 Introduction

As discussed in Chapter 3, the rationale behind this study was to identify how employees within the Durban area perceived the importance of internal corporate communication and to ascertain which methods of internal corporate communication are most preferred. To achieve this end, a self-completion questionnaire was distributed to 200 employed people within the Durban area and the data from the 165 responses received, was then analysed using SPSS statistical software. The results of this analysis are presented by means of tables and graphs in the subsequent pages of this chapter.

4.2 Results of Research

The questionnaire which was used for the purposes of this research was distributed to both male and female participants. The composition of each gender is reflected in Table 4.1 below.

Table 4.1 – Frequency Table Depicting Gender of Participants

Gender	Frequency	Percent of Sample Population
Female	112	67.9
Male	46	27.9
Not specified	7	4.2
Total	165	100.0

As is evident from Table 4.1, 67.9% of the participants were female and 27.9% were male. The remaining 4.2% did not indicate their gender.

The second frequency analysis conducted was done to segment the participants according to age.

Table 4.2 – Frequency Table Depicting Age of Participants

Variable	Frequency	Percentage of Sample Population
18 - 25 years	38	23.0
26 -30 years	37	22.4
31 – 35 years	27	16.4
36 – 40 years	24	14.5
41 – 50 years	27	16.4
Above 50 years	10	6.1
Total	163	98.8
Not specified	2	1.2
Total	165	100.0

It is apparent from the results presented in Table 4.2 that there was a fair distribution of participants in terms of age.

The third frequency analysis conducted segmented the participants according to the type of employment held. Table 4.3 presents the results of this analysis.

Table 4.3 – Frequency Table Depicting Employment Positions of Participants

Employment Held	Frequency	Percentage of Sample Population
Office / Clerical	52	31.5
Technical	7	4.2
Professional	53	32.1
Sales	28	17.0
Manager	16	9.7
Total	156	94.5
Not specified	9	5.5
Total	165	100.0

Following the analysis of the demographic information depicted above, a frequency analysis was conducted on each of the 23 questions which constituted the research instrument. The results of this analysis are presented in the form of bar graphs in the subsequent pages of this chapter, and have been listed under each of the objectives of this study. For ease of reference, the questions from the research instrument have been used as the title of the individual bar graphs.

OBJECTIVE 1: To Measure The Importance of Internal Corporate Communication to Employees of Durban Organisations.

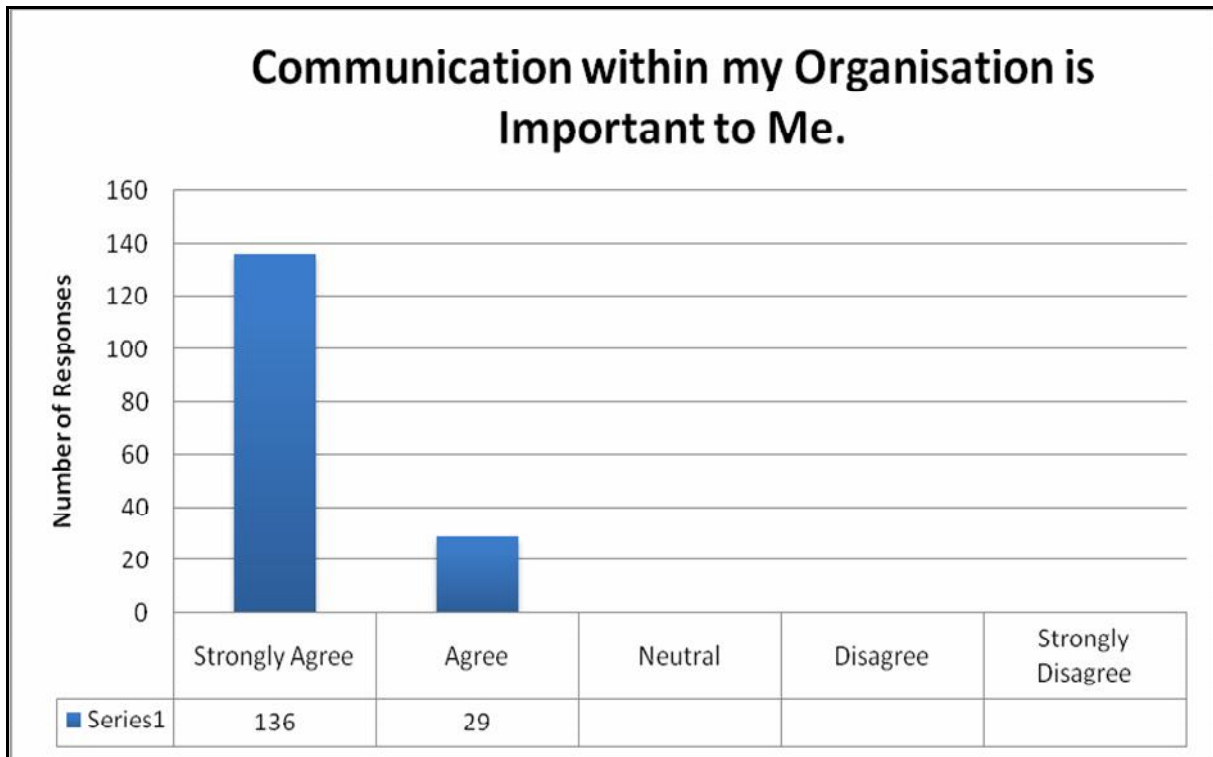


Figure 4.1 – Communication Within my Organisation is Important to Me.

It is abundantly evident from Figure 4.1 that employees within Durban organisations consider internal corporate communication to be of significant importance to them.



Figure 4.2 – The Preferred Frequency of Communication

The second analysis conducted further revealed that the said employees preferred to receive communication frequently and with a minimal lapse in time (Figure 4.2).

OBJECTIVE 2: To Ascertain the Reasons Why Employees Attributed the Identified Levels of Importance to Internal Corporate Communication.

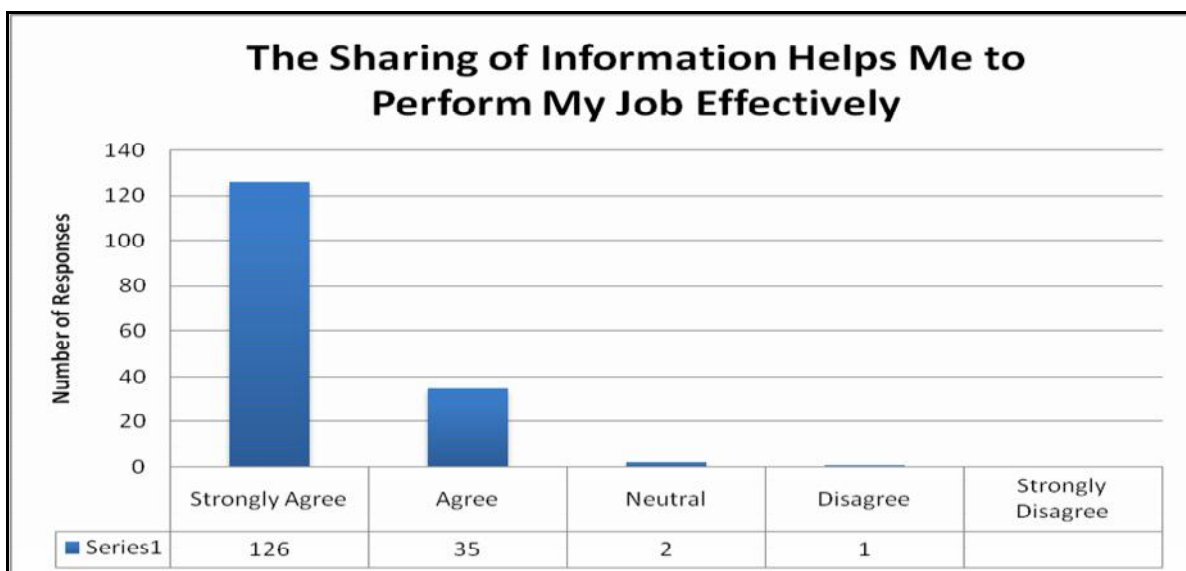


Figure 4.3 – The Sharing of Information Helps Me to Perform My Job Effectively.

One reason that Durban employees attributed significant importance to internal corporate communication, is that they are of the opinion that the sharing of information assists them to perform their jobs effectively (Figure 4.3).

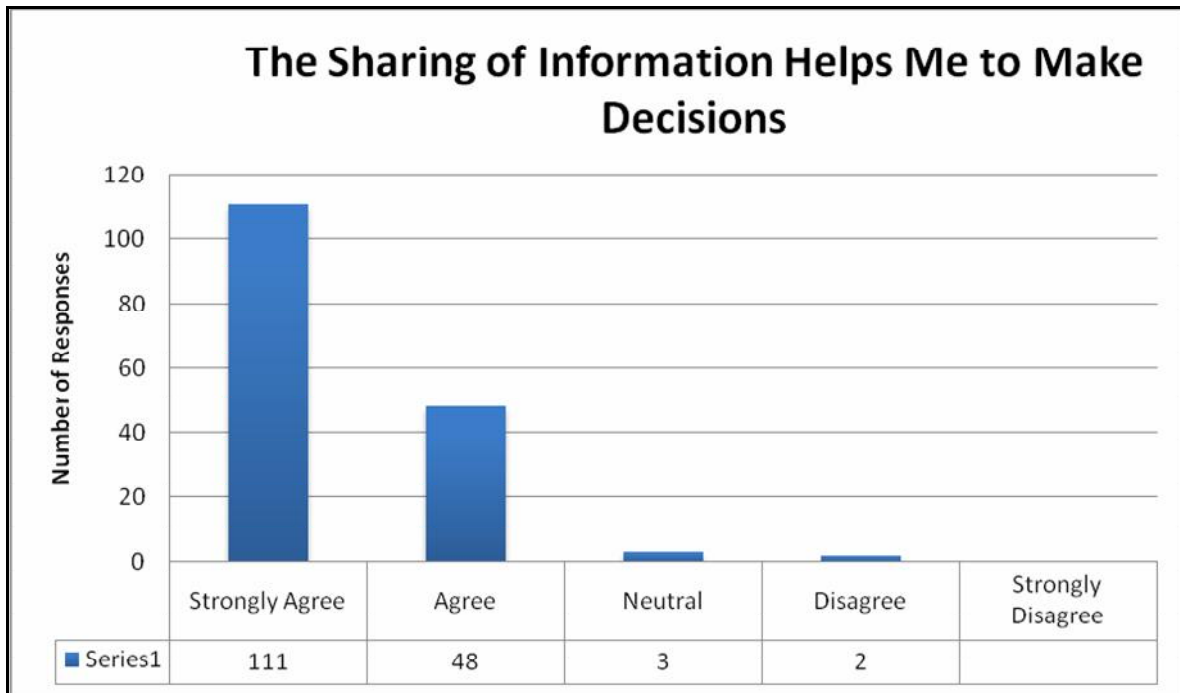


Figure 4.4 – The Sharing of Information Helps Me to Make Decisions

The results (Figure 4.4) further suggested that Durban employees believe that the sharing of information assists them in making decisions.

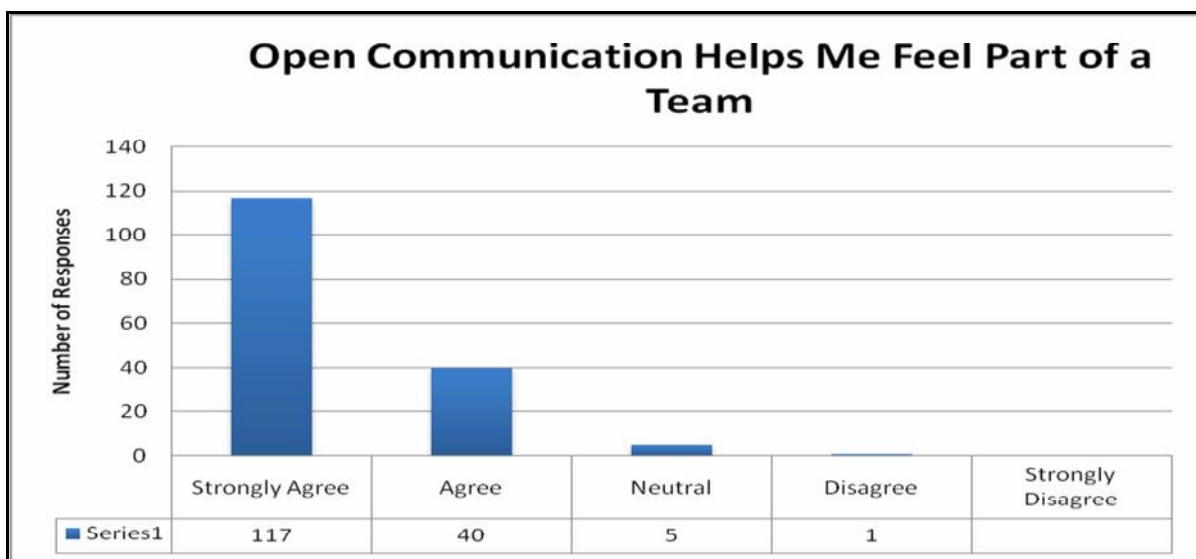


Figure 4.5 – Open Communication Helps Me Feel Part of A Team

In addition, the results (Figure 4.5) imply that open communication fosters a team spirit amongst Durban employees.

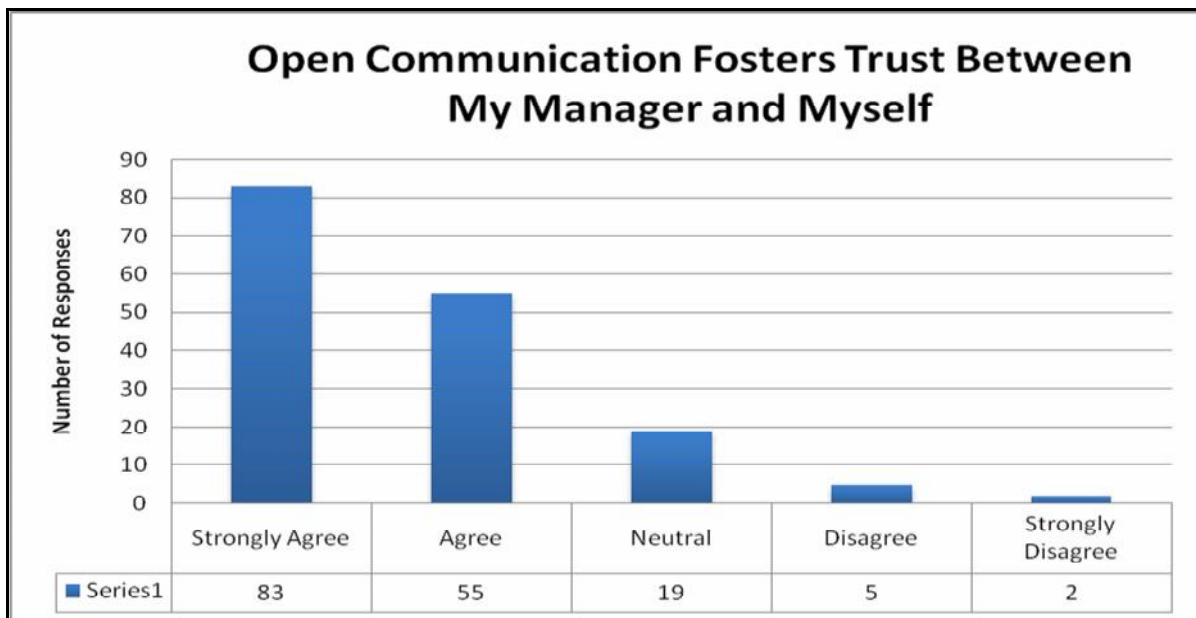


Figure 4.6 – Open Communication Fosters Trust between My Manager and Myself.

Open communication has also been found (Figure 4.6) to foster trust between the manager and the employee.



Figure 4.7 – My Manager is a Good Communicator

The majority of the respondents indicated that their managers are good communicators (Figure 4.7) and that they have confidence in them (Figure 4.8).

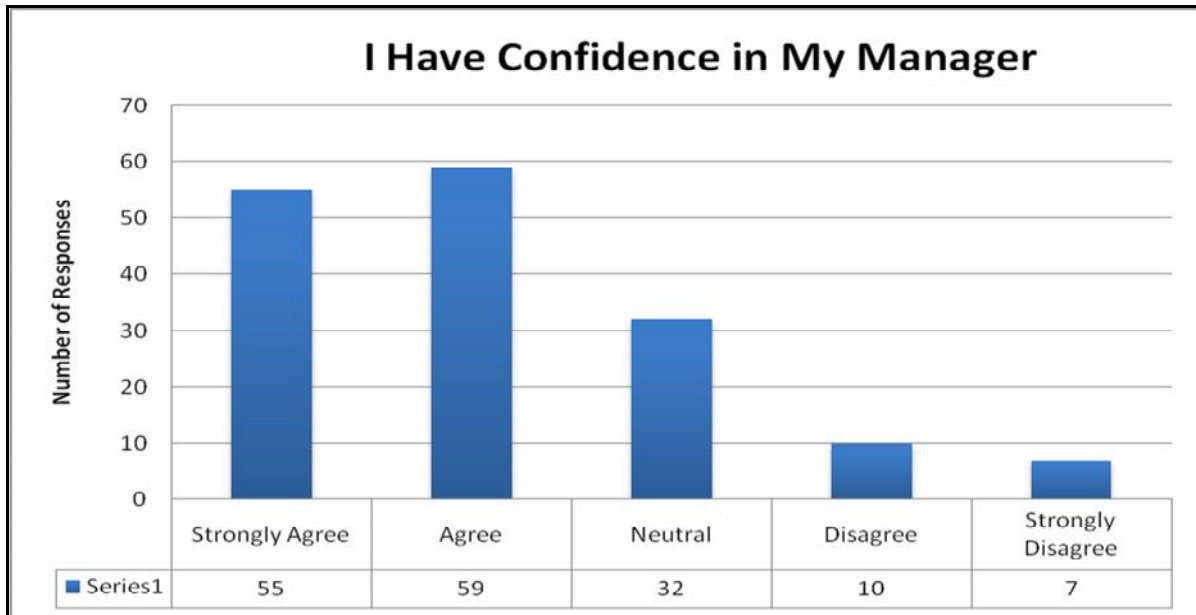


Figure 4.8 – I Have Confidence in my Manager

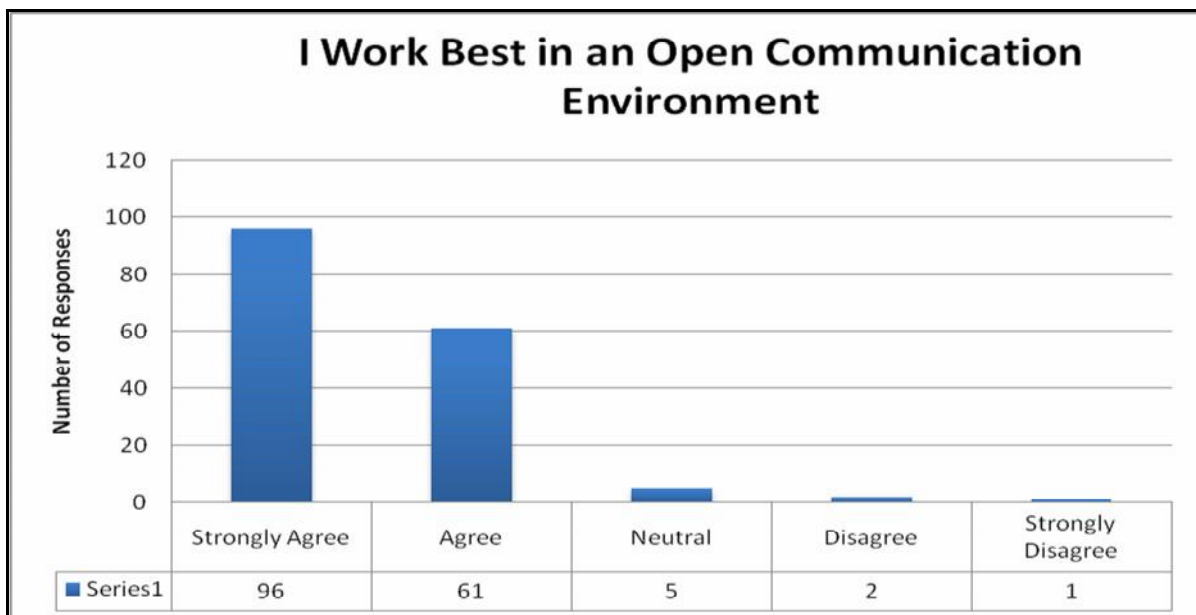


Figure 4.9 – I Work Best in an Open Communication Environment

As is depicted in Figure 4.9, it was abundantly evident that Durban employees are of the opinion that they work best in an open communication environment.

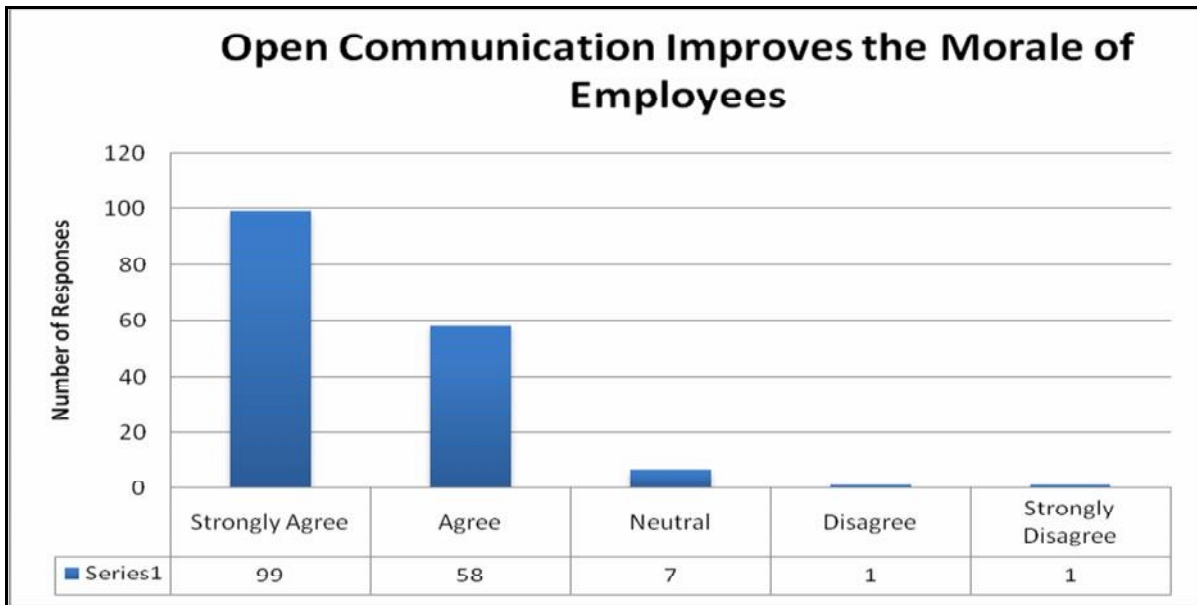


Figure 4.10 – Open Communication Improves the Morale of Employees

An open communication environment, they propose, improves the morale of employees within an organisation (Figure 4.10).

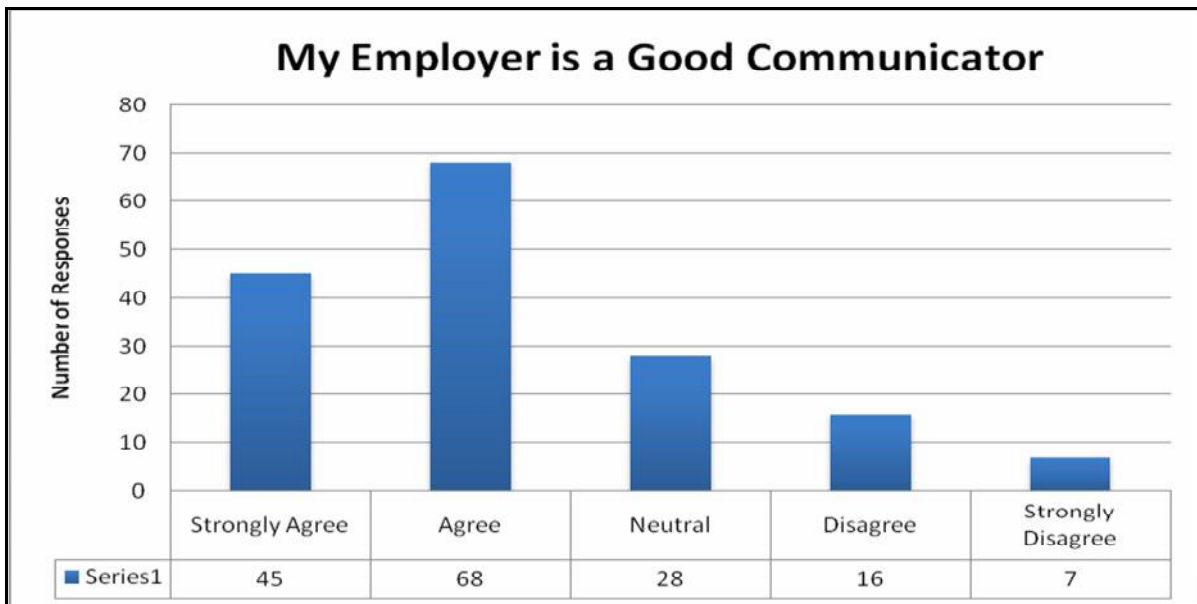


Figure 4.11 – My Employer is a Good Communicator.

The majority of the respondents indicated that they considered their employers to be good communicators (Figure 4.11).

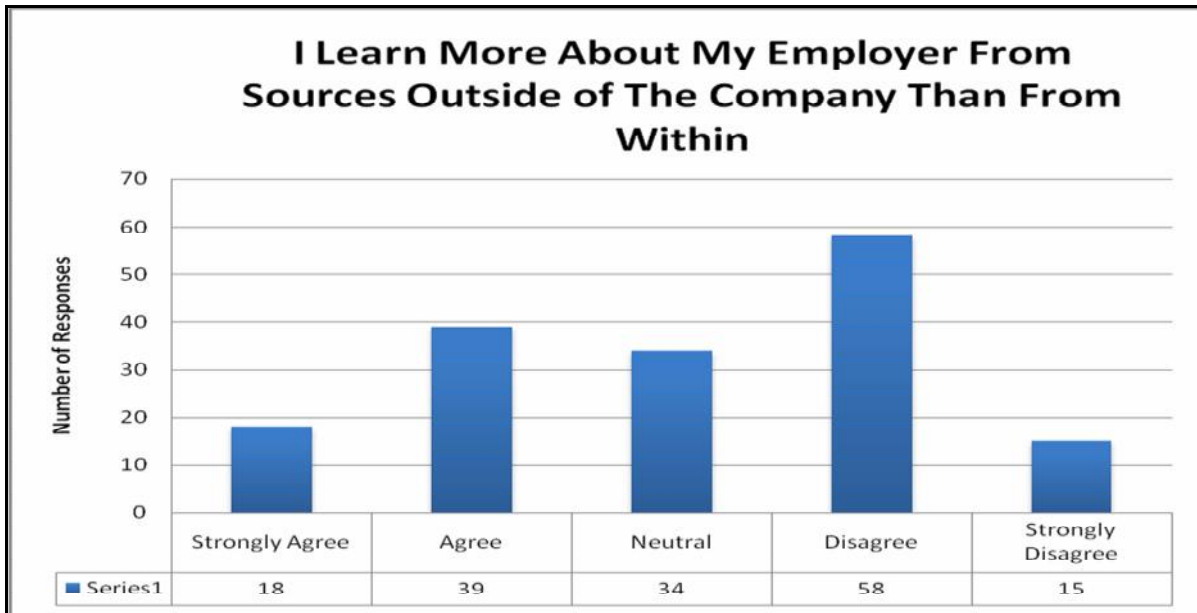


Figure 4.12 – I Learn More about My Employer from Sources Outside the Company than From Within.

The same result was evident in the subsequent analysis. This analysis (Figure 4.12) revealed that most Durban employees learn more about their employer from sources within the company rather than from an external source.



Figure 4.13 – I Have Confidence in My Employer

Durban employees further indicated that they do in fact have confidence in their employers (Figure 4.13).

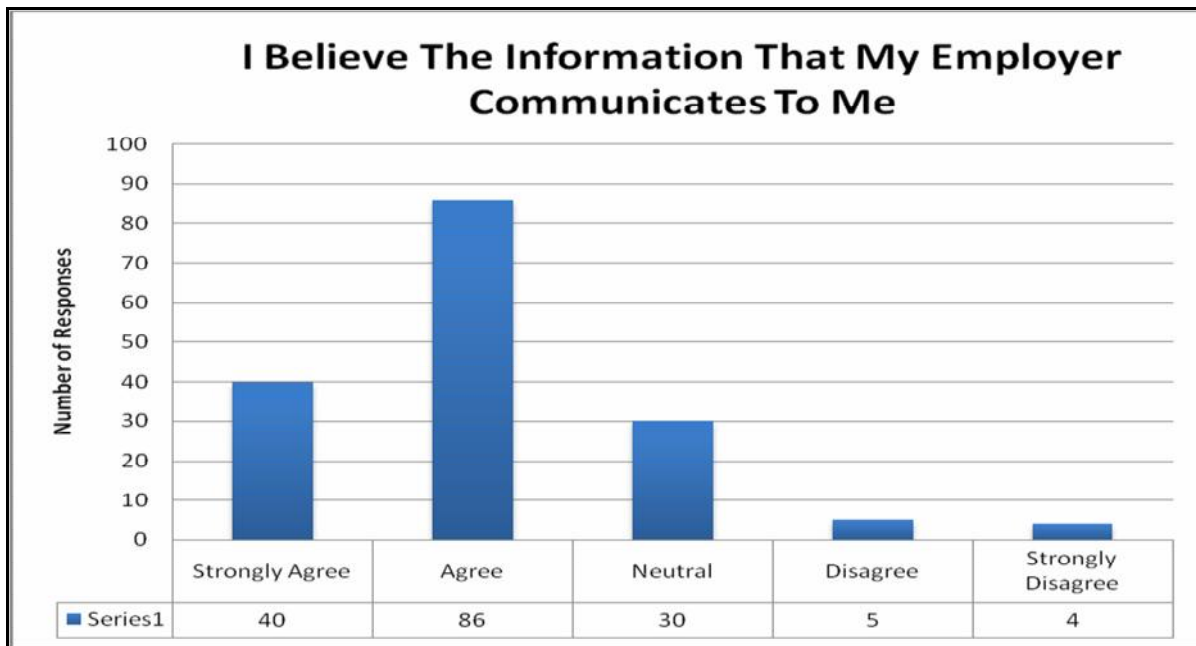


Figure 4.14 – I Believe the Information that My Employer Communicates to Me.

They denoted that they believe the information that their employers communicate to them, as is evident from the depiction in Figure 4.14.

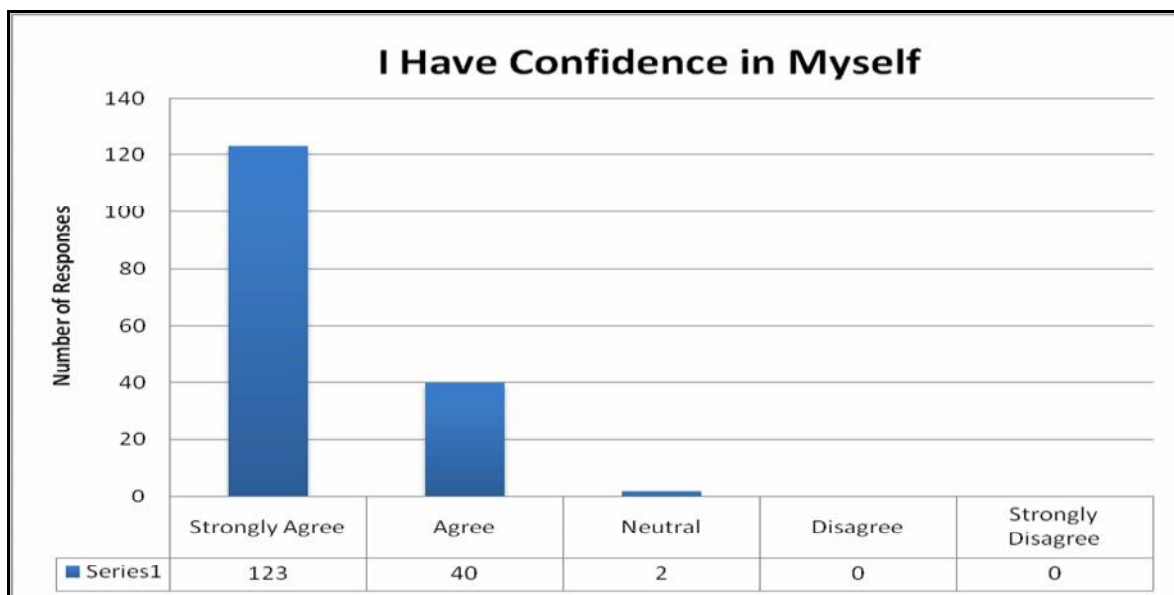


Figure 4.15 – I Have Confidence in Myself

Most of the respondents indicated that they are self-confident individuals (Figure 4.15) and good communicators (Figure 4.16).

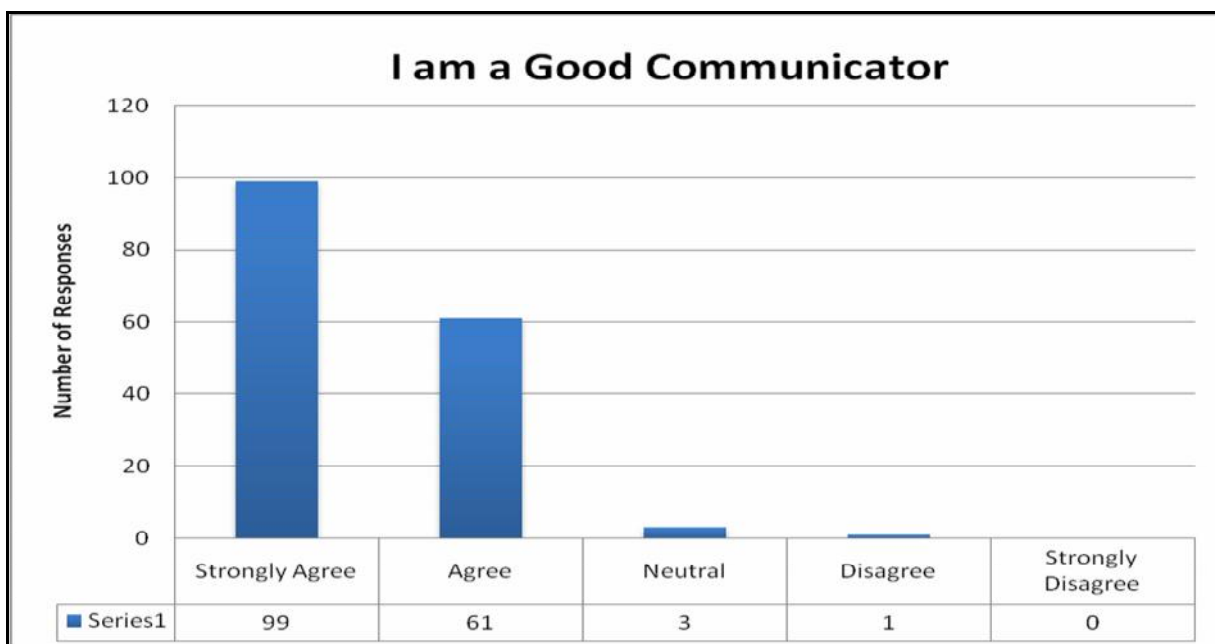


Figure 4.16 – I am a Good Communicator.

Following these frequency analyses, a series of correlation analysis (significant at the 0.01 level) were conducted to further ascertain the reasons why Durban employees perceived internal corporate communication to be of significant importance.

The first correlation analysis, using Spearman's rho, was performed to establish the strength of the relationship between "a manager's communication skills" and trust between the manager and the employee. The results of this analysis are reflected in Table 4.4.

Table 4.4 – Correlation Analysis of the Strength of the Relationship between the Managers Communication Skills and Fostering Trust

		Managers communication skills	Fosters trust	Significance
Managers communication skills	Correlation Coefficient	1.000	.339	0.00
Fosters trust	Correlation Coefficient	.339	1.000	0.00

This analysis revealed a correlation coefficient of .339, thus implying that while there is direct relationship between a managers communication skills and the trust that employees afford to him, the strength of the relationship is not particularly strong.

The second correlation analysis conducted was performed to establish the strength of the relationship between “communication” and “keeping employees informed”.

Table 4.5 – Correlation Analysis of the Strength of the Relationship between the Importance of Communication and Communication Ensures that I am Kept Well Informed

		Importance of Communication	Ensures Well Informed	Significance
Importance of Communication	Correlation Coefficient	1.000	.557	0.00
Ensures Well Informed	Correlation Coefficient	.557	1.000	0.00

It is evident from the correlation coefficient generated (.557) that Durban employees perceived communication to be crucial in ensuring that they are kept well informed (Table 4.5).

Table 4.6 depicts the results of the correlation analysis performed to establish the strength of the relationship between “communication” and “job performance”.

Table 4.6 – Correlation Analysis of the Strength of the Relationship between the Importance of Communication and Enables Effective Job Performance

		Importance of Communication	Enables Effective Job Performance	Significance
Importance of Communication	Correlation Coefficient	1.000	.409	0.00
Enables Effective Job Performance	Correlation Coefficient	.409	1.000	0.00

It is evident from these results (.409) that a definite positive relationship exists between effective communication and employee job performance.

The subsequent correlation analysis that was performed aimed to establish the strength of the relationship between “open communication” and “decision making”. These results are reflected in Table 4.7 below.

Table 4.7 – Correlation Analysis of the Strength of the Relationship between the Open Communication and decision making

		Well Informed	Decision Making	Significance
Well Informed	Correlation Coefficient	1.000	.388	0.00
Decision Making	Correlation Coefficient	.388	1.000	0.00

The resultant correlation coefficient (.388) provides an indication that although Durban employees perceived communication and the sharing of information as a factor that impacts on their ability to make decisions; it appears that this relationship is of minimal strength. The influence of communication on decision making was further investigated in the form of a regression analysis subsequently conducted.

A correlation analysis using Spearman’s rho was performed to establish the strength of the relationship between “manager’s communication skills” and “confidence in manager”. The results of this analysis are reflected in Table 4.8.

Table 4.8 – Correlation Analysis of the Strength of the Relationship between the Manager’s Communication Skills and Confidence in Manager

		Manager’s Communication Skills	Confidence in Manager	Significance
Manager’s Communication Skills	Correlation Coefficient	1.000	.756	0.00
Confidence in Manager	Correlation Coefficient	.756	1.000	0.00

In this instance, it was abundantly clear that a very strong relationship exists between a managers communication skills and the confidence afforded to him by his employees. A correlation coefficient of .756 resulted from this analysis.

The next analysis performed was done to establish the strength of the relationship between the “employer’s communication skills” and the employees belief in the information disseminated to them.

Table 4.9 – Correlation Analysis of the Strength of the Relationship between the Employer’s Communication Skills and Believe the Information

		Employer’s Communication Skills	Believe the Information	Significance
Employer’s Communication Skills	Correlation Coefficient	1.000	.580	0.00
Believe the Information	Correlation Coefficient	.580	1.000	0.00

It is once again evident (Table 4.9) that a relatively strong relationship exists between these 2 variables.

Table 4.10 reflects the results of the correlation analysis that was performed to establish the strength of the relationship between a “manager’s communication skills” and the employees belief in the information disseminated to them.

Table 4.10 – Correlation Analysis of the Strength of the Relationship between the Manager’s Communication Skills and Believe the Information

		Manager’s Communication Skills	Believe the Information	Significance
Manager’s Communication Skills	Correlation Coefficient	1.000	.426	0.00
Believe the Information	Correlation Coefficient	.426	1.000	0.00

It is evident from the results of this analysis that a managers communication skills impacts on the credibility of the message and hence the employees willingness to believe the information disseminated.

The subsequent analysis was conducted to establish the strength of the relationship between the employees “confidence in industry” and their confidence in their employer.

Table 4.11 – Correlation Analysis of the Strength of the Relationship between the Confidence in Industry and Confidence in Employer

		Confidence in Industry	Confidence in Employer	Significance
Confidence in Industry	Correlation Coefficient	1.000	.455	0.00
Confidence in Employer	Correlation Coefficient	.455	1.000.	0.00

It is apparent (Table 4.11) that a definite relationship exists between the confidence that employees have in their employer and the confidence that they have in their industry.

The final correlation analysis was performed to establish the strength of the relationship between the employee’s communication skills and their confidence in themselves. The results of this analysis are reflected in Table 4.12.

Table 4.12 – Correlation Analysis of the Strength of the Relationship between Own Communication Skills and Confidence in Self

		Own Communication Skills	Confidence in Self	Significance
Own Communication Skills	Correlation Coefficient	1.000	.561	0.00
Confidence in Self	Correlation Coefficient	.561	1.000	0.00

The correlation coefficient of .561 suggests that a relatively strong relationship exists between a person’s communication skills and their confidence.

A comprehensive breakdown of the correlation coefficient for each of the variables of the data set is presented in Table 4.13. The most striking correlation was found

between a manager's communication skills and the level of confidence that employee's afford him. It is abundantly evident that communication skills have a direct impact on confidence. The results reveal that an increase in a manager's communication skills significantly increases the confidence that he bestows in his employees. As his communication skills increase, so too does the confidence that his employees have in him.

The weakest positive correlation was found between the medium selected for transmitting the message and the employee's belief in the information that they receive. This therefore implies that the method chosen to relay the message does not significantly influence whether or not the employee's will believe the information.

Table 4.13 – Correlation Analysis of Each Statement

	Communication is important	Communication ensures informed	Knowledge helps job performance	Knowledge helps decision making	Communication and team spirit	My manager is a good communicator	Open communication fosters trust	I have confidence in my manager	Work best with open communication	Communication improves morale	My employer is a good communicator	I have confidence in my employer	Learn more from outside sources	Believe the information	Take advantage of poor communication	Medium important	Content important	I have confidence in my industry	I have confidence in myself	I am a good communicator	Read monthly newsletter	Preferred frequency	Preferred medium
Communication is important	1	0.565	0.415	0.284	0.301	0.034	0.228	0.135	0.254	0.284	0.068	0.108	0.031	0.108	0.155	0.091	0.200	0.174	0.179	0.103	0.228	0.256	0.231
Communication ensures informed	0.565	1	0.610	0.419	0.485	0.130	0.353	0.128	0.249	0.352	0.256	0.197	0.009	0.213	0.101	0.121	0.228	0.198	0.245	0.222	0.209	0.340	0.181
Knowledge helps job performance	0.415	0.610	1	0.595	0.537	0.140	0.294	0.151	0.225	0.307	0.166	0.121	0.125	0.163	0.142	0.051	0.229	0.130	0.234	0.101	0.298	0.196	0.173
Knowledge helps decision making	0.284	0.419	0.595	1	0.518	0.002	0.218	0.035	0.418	0.370	0.146	0.204	0.021	0.198	0.175	0.160	0.322	0.201	0.242	0.198	0.218	0.150	0.018
Communication and team spirit	0.301	0.485	0.537	0.518	1	0.115	0.268	0.115	0.515	0.428	0.214	0.268	0.145	0.206	0.146	0.059	0.256	0.201	0.346	0.269	0.283	0.230	0.039
My manager is a good communicator	0.034	0.130	0.140	0.002	0.115	1	0.371	0.759	0.078	0.059	0.711	0.523	0.056	0.446	0.085	0.068	0.108	0.288	0.001	0.025	0.116	0.027	0.093
Open communication fosters trust	0.228	0.353	0.294	0.218	0.268	0.371	1	0.405	0.344	0.179	0.279	0.097	0.107	0.187	0.175	0.195	0.071	0.247	0.043	0.014	0.074	0.118	0.041
I have confidence in my manager	0.135	0.128	0.151	0.035	0.115	0.759	0.405	1	0.178	0.049	0.633	0.521	0.047	0.371	0.127	0.037	0.118	0.279	0.009	0.033	0.068	0.013	0.124
Work best with open communication	0.254	0.249	0.225	0.418	0.515	0.078	0.344	0.178	1	0.475	0.170	0.170	0.125	0.207	0.252	0.161	0.225	0.369	0.237	0.190	0.127	0.276	0.058
Communication improves morale	0.284	0.352	0.307	0.370	0.428	0.059	0.179	0.049	0.475	1	0.044	0.115	0.034	0.075	0.120	0.244	0.298	0.144	0.213	0.168	0.211	0.254	0.062
My employer is a good communicator	0.068	0.256	0.166	0.146	0.214	0.711	0.279	0.633	0.170	0.044	1	0.690	0.067	0.583	0.077	0.014	0.050	0.401	0.164	0.178	0.167	0.050	0.111
I have confidence in my employer	0.108	0.197	0.121	0.204	0.268	0.523	0.097	0.521	0.170	0.115	0.690	1	0.047	0.781	0.026	0.019	0.101	0.394	0.164	0.177	0.135	0.151	0.062
Learn more from outside sources	-0.031	0.009	0.125	0.021	0.145	0.056	0.107	0.047	0.125	0.034	0.067	0.047	1	0.029	0.297	0.064	0.022	0.152	0.115	0.067	0.234	0.063	0.118
Believe the information	0.108	0.213	0.163	0.198	0.206	0.446	0.187	0.371	0.207	0.075	0.583	0.781	0.029	1	0.073	0.008	0.062	0.414	0.101	0.085	0.065	0.161	0.063
Take advantage of poor communication	-0.155	0.101	0.142	0.175	0.146	0.085	0.175	0.127	0.252	0.120	0.077	0.026	0.297	0.073	1	0.028	0.072	0.022	0.067	0.028	0.155	0.038	0.068
Medium important	0.091	0.121	0.051	0.160	0.059	0.068	0.195	0.037	0.161	0.244	0.014	0.019	0.064	0.008	0.028	1	0.497	0.171	0.074	0.064	0.029	0.259	0.013
Content important	0.200	0.228	0.229	0.322	0.256	0.108	0.071	0.118	0.225	0.298	0.050	0.101	0.022	0.062	0.072	0.497	1	0.185	0.181	0.329	0.112	0.177	0.031
I have confidence in my industry	0.174	0.198	0.130	0.201	0.201	0.288	0.247	0.279	0.369	0.144	0.401	0.394	0.152	0.414	0.022	0.171	0.185	1	0.205	0.269	0.154	0.146	0.072
I have confidence in myself	0.179	0.245	0.234	0.242	0.346	0.001	0.043	0.009	0.237	0.213	0.164	0.164	0.115	0.101	0.067	0.074	0.181	0.205	1	0.581	0.208	0.091	0.068
I am a good communicator	0.103	0.222	0.101	0.198	0.269	0.025	0.014	0.033	0.190	0.168	0.178	0.177	0.067	0.085	0.028	0.064	0.329	0.269	0.581	1	0.187	0.063	0.064
Read monthly newsletter	0.228	0.209	0.298	0.218	0.283	0.116	0.074	0.068	0.127	0.211	0.167	0.135	0.234	0.065	0.155	0.029	0.112	0.154	0.208	0.187	1	0.175	0.120
Preferred frequency	0.256	0.340	0.196	0.150	0.230	0.027	0.118	0.013	0.276	0.254	0.050	0.151	0.063	0.161	0.038	0.259	0.177	0.146	0.091	0.063	0.175	1	0.197
Preferred medium	0.231	0.181	0.173	0.018	0.039	0.093	0.041	0.124	0.058	0.062	0.111	0.062	0.118	0.063	0.068	0.013	0.031	0.072	0.068	0.064	0.120	0.197	1

Following the correlation analysis, a series of frequency analysis was again used in an attempt to fulfill the third objective of this study.

OBJECTIVE 3: To Identify the Methods of Internal Corporate Communication that are Most Preferred by Employees of Durban Organisations.

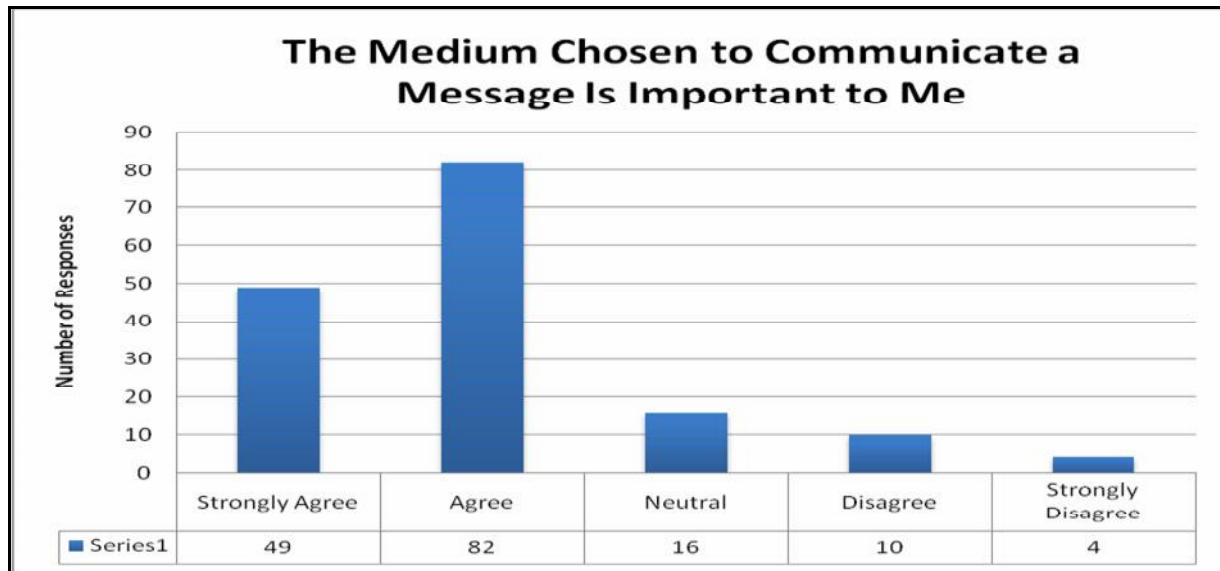


Figure 4.17 – The Medium Chosen to Communicate a Message is Important to Me.

This analysis (Figure 4.17) revealed that the medium chosen to communicate a message is in fact important to Durban employees. The specific mediums of preference are depicted below in Figure 4.18.

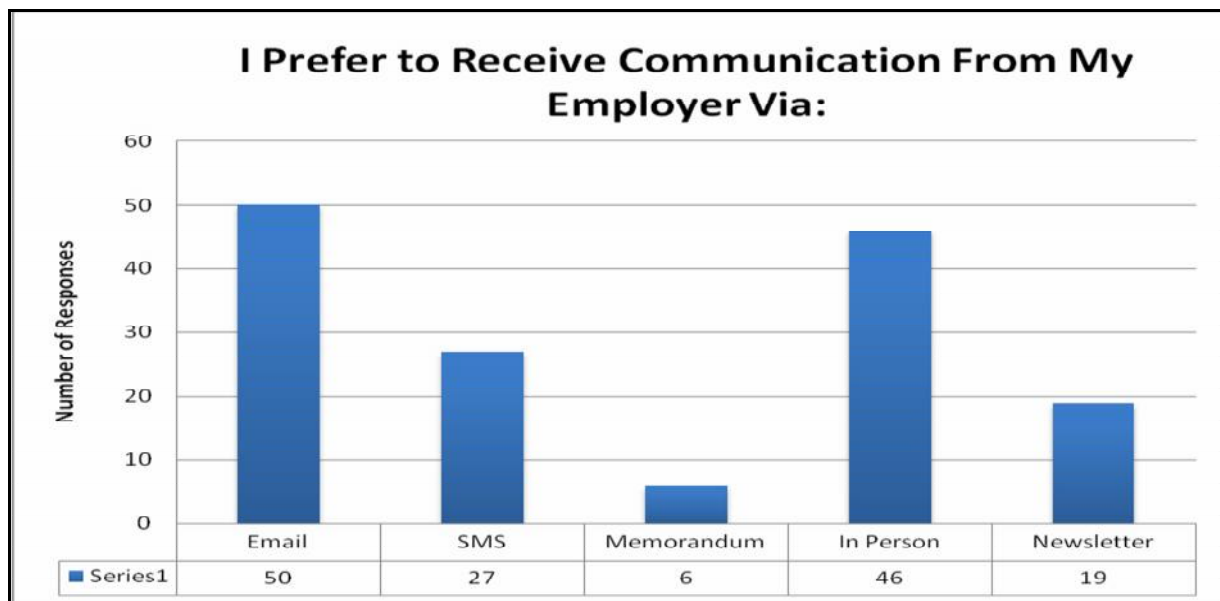


Figure 4.18 – Preferred Medium of Communication.

4.2.1 REGRESSION ANALYSIS

Following the frequency and correlation analyses, several regression analyses were performed to clarify the relationship between a range of independent and dependent variables. They were further conducted to identify any influence that these variables may have on the dependent variable.

The result of the analysis reviewing the influence that a manager's communications skills' has on the confidence that employees afford to the manager is reflected in Tables 4.14, 4.15 and 4.16.

Table 4.14 – Model Summary of Regression Analysis: Confidence and Communication

R	R Square	Adjusted R Square	Std. Error of the Estimate
.759(a)	.576	.573	.690

a Predictors: (Constant), Confidence in manager

Table 4.14 reveals that the correlation between a manager's communication skills and the confidence afforded to him is 75.9%. R square indicates that a manager's communication skills accounts for 57.6% of the variation in the confidence afforded to him.

Table 4.15 – ANOVA: Confidence and Communication

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	103.605	1	103.605	217.482	.000(a)
	Residual	76.222	160	.476		
	Total	179.827	161			

a Predictors: (Constant), Confidence in manager

b Dependent Variable: Management communication

The ANOVA result reflected in Table 4.15 reveals that the model results in a significantly good degree of prediction as is evident from the observed F-ratio.

Table 4.16 – Co-efficients: Confidence and Communication

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.595	.119		4.987	.000
	Confidence in manager	.744	.050	.759	14.747	.000

a Dependent Variable: Management communication

Table 4.16 proposes that increasing a manager's communication skills by 1 unit, will result in a corresponding 0.744 increase in the confidence afforded to him. It is hence forth apparent that a manager's communication skill has a significant impact on the confidence afforded to him.

The second regression analysis conducted reviewed the influence that a manager's communications skills' has on employee job performance. The result of this analysis is reflected in Tables 4.17, 4.18 and 4.19.

Table 4.17 – Model Summary of Regression Analysis: Job Performance and Communication

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.415(a)	.172	.167	.345

a Predictors: (Constant), Job performance

Table 4.17 reveals that the correlation between a manager's communication skills and employee job performance is 41.5%. R square indicates that a manager's communication skills accounts for 17.2% of the variation.

Table 4.18 – ANOVA: Job Performance and Communication

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.991	1	3.991	33.621	.000(a)
	Residual	19.229	162	.119		
	Total	23.220	163			

a Predictors: (Constant), Job performance

b Dependent Variable: Communication

The ANOVA result reflected in Table 4.18 reveals that the model results in a significantly good degree of prediction.

Table 4.19 – Co-efficients: Job Performance and Communication

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.780	.073		10.750	.000
	Job performance	.311	.054	.415	5.798	.000

a Dependent Variable: Communication

Table 4.19 proposes that increasing a manager's communication skills by 1 unit, will result in a corresponding 0.311 increase in employee job performance.

The subsequent analysis reviewed the influence that communication has on employee decision making. The result of this analysis is reflected in Tables 4.20, 4.21 and 4.22.

Table 4.20 – Model Summary of Regression Analysis: Decision Making and Communication

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.418(a)	.175	.170	.566

a Predictors: (Constant), Decision Making

Table 4.20 reveals that the correlation between the effectiveness of communication within the organisation and employee decision making is 41.8%. R square indicates that the effectiveness of internal corporate communication accounts for 17.5% of the variation.

Table 4.21 – ANOVA: Decision Making and Communication

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.999	1	10.999	34.367	.000(a)
	Residual	51.848	162	.320		
	Total	62.848	163			

a Predictors: (Constant), Decision Making

b Dependent Variable: Favour open communication

The observed F-ratio (Table 4.21) once again indicated that the model results in a significantly good degree of prediction.

Table 4.22 – Co-efficients: Decision Making and Communication

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.864	.112		7.700	.000
	Decision Making	.443	.076	.418	5.862	.000

a Dependent Variable: Favour open communication

Table 4.22 proposes that improving the effectiveness of internal corporate communication by 1 unit will result in a corresponding 0.443 increase in employee decision making.

The fourth regression analysis reviewed the influence that communication has on employee morale. The result of this analysis is reflected in Tables 4.23, 4.24 and 4.25.

Table 4.23 – Model Summary of Regression Analysis: Employee Morale and Communication

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.475(a)	.226	.221	.598

a Predictors: (Constant), Improves morale

Table 4.23 reveals that the correlation between the effectiveness of communication within the organisation and employee morale is 47.5%. R square indicates that the effectiveness of internal corporate communication accounts for 2.26% of the variation.

Table 4.24 – ANOVA: Employee Morale and Communication

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.004	1	17.004	47.595	.000(a)
	Residual	58.233	163	.357		
	Total	75.236	164			

a Predictors: (Constant), Improves morale

b Dependent Variable: Open communication

The F-ratio (Table 4.24) indicates that the model results in a significantly good degree of prediction.

Table 4.25 – Co-efficients: Employee Morale and Communication

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.722	.121		5.984	.000
	Improves morale	.528	.077	.475	6.899	.000

a Dependent Variable: Open communication

The results of the analysis presented in Table 4.25 advise that improving internal corporate communication by 1 unit will result in a corresponding 0.528 increase in employee morale.

The ensuing analysis reviewed the influence that communication has on employee trust. The result of this analysis is reflected in Tables 4.26, 4.27 and 4.28.

Table 4.26 – Model Summary of Regression Analysis: Employee Trust and Communication

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.344(a)	.118	.113	.639

a Predictors: (Constant), Fosters trust

Table 4.26 reveals that the correlation between the effectiveness of communication within the organisation and the trust that employees have in the organisation is 34.4%.

Table 4.27 – ANOVA: Employee Trust and Communication

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.865	1	8.865	21.723	.000(a)
	Residual	66.111	162	.408		
	Total	74.976	163			

a Predictors: (Constant), Fosters trust

b Dependent Variable: Favour open communication

The conducted analysis (Table 4.27) again revealed that the model results in a significantly good degree of prediction.

Table 4.28 – Co-efficients: Employee Trust and Communication

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.035	.109		9.473	.000
	Fosters trust	.265	.057	.344	4.661	.000

a Dependent Variable: Favour open communication

The results of the analysis presented in Table 4.28 propose that improving internal corporate communication by 1 unit will result in a corresponding 0.265 increase in employee trust.

The final regression analysis conducted assessed the influence that the employer's communication skills has on the employee's belief in the information that is communicated to them. The results hereto are reflected in Tables 4.29, 4.30 and 4.31.

Table 4.29– Model Summary of Regression Analysis: Belief and Employer Communication

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.583(a)	.340	.336	.885

a Predictors: (Constant), Believe the information

Table 4.29 reveals that the correlation between these two factors is 58.3%. R square indicates that the degree of employer communication accounts for 34% of the variation.

Table 4.30 – ANOVA: Belief and Employer Communication

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	65.264	1	65.264	83.360	.000(a)
	Residual	126.833	162	.783		
	Total	192.098	163			

a Predictors: (Constant), Believe the information

b Dependent Variable: Employer communication

The results of the ANOVA analysis (Table 4.30) reveal that the model results in a significantly good degree of prediction.

Table 4.31 – Co-efficients: Belief and Employer Communication

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.722	.178		4.058	.000
	Believe the information	.722	.079	.583	9.130	.000

a Dependent Variable: Employer communication

The results of the analysis presented in Table 4.31 imply that improving employer communication skills by 1 unit will increase the belief that employees have in the information disseminated to them by the employer by a corresponding 0.722 units.

4.2.2 MEASURES OF CENTRAL TENDENCY AND DISPERSION

The final statistical analysis conducted identified the measures of central tendency and dispersion for the responses received to each of the statements made on the research instrument. Table 4.32 details the statement made and provides the arithmetic mean and standard deviation for each of these statements.

Table 4.32 – Mean and Standard Deviation of Each Data Set

Statement / Question Asked	Mean	Std Dev.
I learn more about my employer from sources outside the company than from within.	3.20	1.146
My employer is a good communicator.	2.11	0.987
My manager is a good communicator.	2.08	1
I believe the information that my employer communicates to me.	2.04	0.829
I have confidence in my manager.	2.03	1.010
I have confidence in my employer.	2.02	0.978
The medium chosen to communicate the message is important to me.	1.96	0.898
I have confidence in my industry.	1.91	0.771
Open communication fosters trust between my manager and myself.	1.65	0.826
The content of the communication is important to me.	1.63	0.626
I work best in an open communication environment.	1.45	0.614
Open communication improves the morale of employees.	1.43	0.576
I am a good communicator.	1.43	0.564
The sharing of information helps me to make decisions.	1.37	0.601
Open communication helps me feel part of a team.	1.32	0.576
I have confidence in myself.	1.24	0.445
The sharing of information helps me to perform my job effectively.	1.23	0.486
Communication ensures that I am kept well informed.	1.22	0.447
Communication within my organisation is important to me.	1.18	0.382

4.3 Summary

In summary, this chapter has presented the results of the study in the form of statistics generated by SPSS. Descriptive statistics in the form of frequency distribution tables, measures of central tendency and measures of dispersion were depicted. Inferential statistics in the form of correlation and regression analyses were presented. A detailed interpretation and discussion of these results is presented in Chapter 5.

CHAPTER FIVE

Interpretation of Results

5.1 Introduction

In order to make the analytical results, which were presented previously in chapter 4, both meaningful and useful, an interpretation of them is now presented. This chapter provides a discussion and explanation of these findings, and draws comparisons between the various readings that have been reviewed during this study.

5.2 Results of Frequency Distribution Analysis

The frequency distribution analysis conducted on the data set providing the demographic information, revealed that 67.9 % of the participants were female and 27.9 % were male. Seven respondents did not specify their gender when completing the questionnaire and therefore constituted the remaining 4.8%.

The sample population was subdivided into six age groups. Office workers (31.5%) and professional people (32.1%) constituted the majority of the respondents (63.6%). Technical workers and sales people made up a further 21.2%, and managers formed 9.7% of the sample population.

The results of the frequency analysis conducted on question 1 of the research instrument, presented very clearly that internal corporate communication is of great importance to employees within the Durban area. All respondents unanimously agreed on this point, with 82.4% stating that they “strongly agree” with the statement provided and 17.6% stating that they “agree”. These results therefore concur with, and further support the various research which emphasises the importance of this strategic tool. As stated by Ferreira (2006), communication is a vital aspect in the labour relationship.

The second research question reviewed the role that internal corporate communication plays in ensuring that employees within an organisation are kept well informed. Goodman (2006) suggested that corporate communication is a strategic tool that is used by the organisation “to lead, motivate, persuade, and inform employees” (Goodman, 2006, p.200). The results of this analysis concurred with this statement, as hereto, the employees indicated that they believe that effective corporate communication is essential to ensuring that they are kept well informed. A total of 78.8% of the respondents “strongly agreed” with the statement provided, 19.4% “agreed” and a mere 1.2% were undecided.

In an attempt to establish whether the sharing of information had any positive effect on job performance, an analysis of question three was conducted. The analysis revealed that 76.4% of the participants “strongly agreed” with the statement which stipulated, “the sharing of information helps me to perform my job effectively”. Twenty one percent “agreed” with the statement, 1.8% were undecided and only 0.6% “disagreed”. The evidence supported the findings of Guo and Sanchez(n.d.,p.91) who have very aptly stated that “effective communication brings knowledge into the organisation and disseminates it to employees who require that information”.

The fourth question reviewed the concept suggested by Hamilton (2005) that “effective decision making depends on timely, accurate and sufficient information.” The participants were asked to rate the importance of knowledge sharing as a tool for decision making. The analysis revealed that 67.3% of the respondents “strongly agreed” with this statement, 29.1% “agreed”, 1.8% were undecided and 1.2% “disagreed”. It was evident that employed people within the Durban area are of the opinion that the sharing of knowledge is essential for better decision making.

In response to question 5, which referred to open communication encouraging a sense of teamwork, 70.9% of the respondents “strongly agreed”, 24.2% “agreed”, 3% were undecided and 0.6% “disagreed”. These results consequently showed support for Messmer (2009) who declared that to ensure that employees feel valued as a part of the team, managers should provide free flowing, reliable and accessible information.

After attempting to ascertain how employees perceived the importance of internal corporate communication, the focus of the research instrument shifted to the communication skills of the employers and managers of the respective respondents. Only 27.9% of the respondents “strongly agreed” with the statement “my manager is a good communicator”. Forty four point two percent “agreed”, 13.3% were undecided, 10.9% disagreed” and 3% “strongly disagreed”. This therefore implied that 27.2% of the respondents did not perceive their managers to be good communicators. This disturbing but crucial fact is thus a point that is well worth further consideration and careful introspection on the part of managers.

Question 7 of the research instrument aimed to establish if there was any relationship between open communication and the fostering of trust between a manager and the employee. The frequency distribution analysis revealed that 50.3% of the respondents “strongly agreed” that open communication fosters trust between the two parties. Thirty three point three percent “agreed” with the statement, 11.5% were undecided, 3% “disagreed” and 1.2% “strongly disagreed”. This evidence thus supported the notion purported by Thomas, et al., (2009) that communication plays an important role in the development of trust within an organisation.

The eighth question focused on ascertaining the level of confidence that the respondent had in his/her manager. The analysis revealed that a mere 69.1% of employees had confidence in their managers. Nineteen point four percent of the respondents were unsure and a total of 10.3% indicated that they do not have confidence in their managers.

It was highly apparent from the evidence attained that open communication is of considerable importance to employees. A total of 58.2% of the respondents “strongly agreed” that they work best in an open communication environment and a further 37% were in agreement. This therefore amounted to a staggering 95.2% of the sample population being in agreement and only 1.8% disagreeing.

This monumental result was once again achieved in response to question 10 which stated that open communication improves the morale of employees. Ninety five point

two percent of the respondents indicated that they perceive open communication as been important for improving the morale of staff. This consisted of 60% who “strongly agreed” and 35.2% who “agreed”. Four point two percent of the population were undecided and 0.6% “disagreed”.

The responses to question 11 highlighted that 68.5% of employees believe their employers are good communicators. 27.3% “strongly agreed”, “41.2% “agreed”, 9.7% “disagreed” and 4.2% “strongly disagreed”. In this instance, the finding that was most notable was that 17% of the respondents were undecided on this matter.

Linking in with the former question which focused on the employer’s communication skills, statement 12 on the research instrument attempted to ascertain how much confidence employees had in their employers. Thirty point three percent of the population “strongly agreed” with the statement, 43.6% “agreed”, 12.7% were undecided, 7.9% “disagreed” and 3% “strongly disagreed”. It was again apparent that a substantial percentage of the population were unable to adequately comment on this statement, thereby indicating that this confidence was either lacking or, at least questionable.

A total of 44.3% of employees stated that they learn more about the organisation from sources within the enterprise, rather than from external sources. Thirty four point five percent felt that more is learnt about the organisation from external sources and a staggering 20.6 were undecided. This was evident from the results presented in response to question 13.

Seventy six point three percent of employees indicated that they believe the information that their employers communicate to them. A mere 5.4% did not believe the information communicated to them and 18.2 could not decide whether they believed the information or not.

Of the responses, 15.2% acknowledged that they take advantage of poor internal corporate communication in order to best serve their own purposes. Sixty eight point five percent indicated that they do not do so and a large percentage (15.8%), were undecided.

Research has revealed that to reduce the barriers to effective communication, that may arise in the workplace, business intellectuals, must afford due consideration to the selection of an appropriate medium for communicating the message (Krizan, et al., 2005). This belief is strongly supported by employees within the Durban area, as, 89.4% have indicated that the medium for communicating the message is important to them. Eight point five percent did not consider the medium to be of importance and 9.7% were undecided.

An even stronger view that was evidenced in this study is that the actual content of the communication is important. This opinion was sounded by an incredible 92.7% of the sample population.

The general consensus given was that employees do in fact have confidence in their industries. A total of 78.2% of the respondents were confident and only 4.2% appeared to lack confidence in their industry.

The vast majority (98.7%) of the respondents indicated that they are self-confident, and 97% stated that they believe themselves to be good communicators.

The results of the research suggested that the distribution of a monthly electronic newsletter to the employees within a company is in fact advisable. Eighty eight point five percent have indicated that they would read such a newsletter as opposed to the 4.8% who indicated that they would not do so.

The importance of regular information sharing was highlighted by the fact that the majority of the respondents (33.9%) indicated that they prefer to receive information about the happenings within their organisation immediately. Thirty two point seven percent prefer to receive information on a daily basis, 18.2% on a weekly basis, 10.2% monthly and 0.6% prefer to receive information once every quarter.

As recommended by Yates (2008), it is essential to identify which mediums for communicating are most preferred by employees. One of the research objectives of this study was hence to identify the mediums of communication most preferred by Durban employees. The study revealed that in this advanced technological era, the

most preferred medium for internal corporate communication is via e-mail (30.3%). There is however still a strong desire for personal interaction, with face-to-face communication been ranked second (27.9%). The sms was identified as the third best method (16.4%) followed by the newsletter (11.5%). Only 3.6% of employee's favoured receiving communication via memorandum and 0.6% preferred the telephonic medium.

In summary of the findings based on the frequency distribution analysis, it is evident that employees within Durban perceive internal corporate communication to be of immense importance. They appear to attribute this importance to the fact that it ensures the sharing of information and knowledge which empowers them to perform their jobs more effectively, make more informed decisions and to feel a part of the bigger corporate team. It was identified that the three most preferred methods of internal corporate communication, in order of preference are; email, face-to-face and sms.

5.3 Results of the Measure of Central Tendency Analysis

The calculation of the mean provided at a glance the average response received to each question. This indicated whether the respondents were generally in agreement with the statement, whether they disagreed or if they generally took a neutral stance to a particular question.

The analysis revealed that the respondents were generally inclined to agree with the statements with the exception of question 13, in which they appeared to have taken a neutral stance. In this instance a mean of 3.20 was achieved. All the other questions had a mean ranging between 1.18 and 2.11. A score between 1 and 2 would indicate being in agreement with the statement, 3 would indicate neutrality and a score between 4 and 5 would indicate disagreement. The actual mean for each of the research questions can be reviewed in Table 4.32.

5.4 Results of the Measure of Dispersion Analysis

To determine the amount of variation in the sample, the standard deviation of each data set was calculated. The results of this analysis indicated that there were more variability in the responses received to the following statements on the research instrument:

- My manager is a good communicator.
- I have confidence in my manager.
- I learn more about my employer from sources outside the company than from within.

Each of these data sets produced a standard deviation of between 1 and 1.46 thus indicating that there were slight differences in opinion in this regard. The standard deviation for each of the other data sets was less than 1, thus indicating that there was minimal variation from the mean in these instances. The complete breakdown of the standard deviation for each data set is presented in Table 4.32.

5.5 Results of the Correlation Analysis

Using the Spearman's rho analysis technique, a correlation analysis was done on several of the data sets. This was done to establish the strength of the relationship between the two variables.

This analysis was conducted to determine the strength of the relationship between a "manager's communication skills" and communication as a tool to foster trust between a manager and his/her employees. The analysis revealed that there is a positive relationship between the two variables; however it suggested that this relationship is not a particularly strong one. The correlation coefficient in this instance was 0.339 indicating that a manager's communication skills does play a role in fostering trust with subordinates.

The analysis conducted to determine the strength of the relationship between "the importance of communication" and ensuring employees are kept informed, revealed

that this relationship is in fact a stronger one than the one prior. A correlation coefficient of 0.557 indicated that internal corporate communication is important for ensuring that employees are kept well informed of corporate matters that pertain to their areas of responsibility.

The correlation coefficient indicating the strength of the relationship between communication and job performance was 0.409. This consequently suggested that ensuring effective communication will result in more effective job performance.

When analyzing the strength of the relationship between information sharing and decision making, a correlation coefficient of 0.388 was achieved. This suggested that although this relationship is an important one, the two variables are in fact not particularly closely linked. As previously discussed, the closer the coefficient is to 1, the stronger the relationship. It would stand to reason that such a result could be expected, as one's decision making ability involves much more than merely having sufficient knowledge on the issue at hand. It entails consideration of the various factors and options available, assuming responsibility for the outcome of the decision, irrespective of whether this may be positive or negative, and been decisive enough to make the necessary decision.

The analysis of the strength of the relationship between a manager's communication skills and the confidence that employees place in him/her proved to be the most closely dependent. A correlation coefficient of 0.756 was achieved indicating that by improving one's communication skills, a manager would be able to increase the amount of confidence that his/her subordinates have in his/her ability.

A positive and relatively strong relationship (0.580) was identified between an employer's communication skills and the credibility of the information that is disclosed. The analysis revealed that by improving internal corporate communication, the employer would be able to enhance his reliability and credibility.

The correlation analysis conducted on a manager's communication skills and the employee's belief in the content of the communiqué revealed a similar but slightly weaker relationship with a correlation coefficient of 0.426 being obtained.

Table 4.11 reveals the strength of the relationship between the confidence in one's employer and the confidence in one's industry. A correlation coefficient of 0.455 was obtained, once again indicating that there is a distinct and positive relationship between the two variables.

The final correlation analysis conducted assessed the strength of the relationship between the employee's communication skills and the employee's confidence in self. It revealed that there is a 0.561 correlation implying that by improving one's communication skills, an employee would consequently increase his/her self-confidence.

5.6 Results of the Regression Analysis

The regression analyses conducted revealed that a manager's communication skills have a direct influence on an employees' confidence in their manager; employee job performance; and on their belief in the information disseminated to them. It purported the notion that an increase in a manager's communication skills (by 1 unit) will result in a significant increase in an employee's confidence (by 0.744 units) in that manager. It further suggested that such an increase in a manager's communication skills (by 1 unit) will result in an increase in employee job performance (by 0.311 units) and an increased belief in the information (by 0.722 units) that is disseminated to them by their manager.

The degree of internal corporate communication was found to have a direct influence on employee decision making, employee morale and employee trust. The regression analysis proposed that improving the degree of internal corporate communication by 1 unit will result in an increase in employee decision making (by 0.443 units); an improvement in employee morale (by 0.528 units); and an increase in employee trust in the organisation (by 0.265 units).

5.7 Summary

Chapter 5 has provided an interpretation of the results that were achieved from the analysis conducted on the set of data obtained from the respondents. The discussion

revealed that internal corporate communication is of great importance to employees within the Durban area and highlighted the reasons for this importance. It further identified the methods of communication that are most preferred and provided an analysis of the strength of the relationship between the different variables reviewed in this research. The sixth and final chapter will conclude this study, and provide recommendations to organisations regarding internal corporate communication based on the findings of this research.

CHAPTER SIX

Recommendations and Conclusion

6.1 Introduction

Internal corporate communication has been identified by various researchers as a strategic tool that can be used by organisations to lead, motivate, persuade and empower employees. It has been suggested that effective corporate communication improves employee morale, increases job performance, fosters a climate of trust and subsequently makes for a happier and more effective workforce.

The conducted study aimed to establish how important employees within the Durban area perceive internal corporate communication to be, its relevance and effect on their job performance and decision making, and which medium of communication is most preferred.

6.2 Findings of this Research

The results of the analysis revealed that the research had been successful in achieving the objectives of the study.

The research findings unequivocally revealed that the entire population were of the opinion that internal corporate communication is of paramount importance. It is therefore evident that internal corporate communication is of significant importance to all employees within the Durban area.

The evidence further revealed that internal corporate communication is of significant importance to employees because it ensures that they are kept well informed of the happenings within their organisations and consequently cultivates a climate in which individuals feel a part of the bigger team. Internal corporate communication has been shown to increase job performance, possibly as a result of the fact that employees are more informed of their tasks and responsibilities and hence had a better

understanding of how their performance impacts on the organisation at large. There is therefore improved morale and commitment to the organisation, hence employees strive harder to attain given objectives and to maximise their performance. The analysis indicated that employees of Durban organisations are of the belief that effective communication empowers and thus enables them to make better decisions.

Durban employees have indicated that the email is the most preferred medium for internal corporate communication. The second medium of preference is face-to-face communication, with the sms following suite.

Although not specifically identified as an objective of this study, the research revealed that there is a very strong relationship between a manager's communication skills and the confidence that subordinates place in the manager. Based on the regression analysis conducted, the researcher concluded that increasing a manager's communication skills could have a positive influence on employee job performance and also increase employees' confidence in their manager.

The findings suggest that companies strengthen their communication channels and processes in order to enhance employee morale; improve decision making ability; increase organizational commitment and augment job performance. It is thus purported that endeavors designed to increase or improve the levels of organizational communication have a direct and positive effect on both the employees and the organization.

6.3 Implications of this Research and Recommendations

The findings of this study have concurred with the findings of the numerous authors, whose work have been discussed in chapter two of this research. It is evident that internal corporate communication is an invaluable, intangible asset that organisations should utilise to maximize efficiency and improve internal operations.

Deliberate formal communication initiatives should be implemented to ensure that employees are adequately informed of all issues pertaining to their specific areas of responsibility.

Dependant on the complexity of the message and the speed at which transfer is required, employers should consider making use of email, sms and face-to-face communication mediums, as these have been identified as the most preferred.

Specific attention should be given to improving communication skills of all employees with particular focus afforded to people in supervisory and management positions.

To enhance the effectiveness of internal corporate communication, employers are advised to ensure that there is a regular flow of reliable, accurate and relevant information. They are further cautioned to create opportunities that allow for employee feedback in order to ensure that the message has been received as intended and that no miscommunication has occurred.

Business leaders are advised to renew their commitment to their stakeholders, and in particular to their employees, by implementing the above measures which will assist in improving the effectiveness of internal corporate communication

6.4 Limitations of this Study and Recommendations for Future Studies

The specific focus of this study revolved around the importance of internal corporate communication to employees within the Durban area. It aimed to ascertain the reasons why employees attributed the identified levels of importance to internal corporate communication and to identify the methods of internal corporate communication that are most preferred by employees within the Durban area.

It is therefore recommended that a similar study be conducted that will review internal corporate communication from a management perspective as opposed to an employee perspective.

The geographical area upon which this study was focused is Durban. It would be interesting to compare these findings with the results of a similar study conducted in other geographical areas.

Future studies may also expand upon this study and review the impact of external corporate communication.

6.5 Summary

The objective of this study was to determine the importance of internal corporate communication to employees within the Durban area. To this end, the results obtained with the aid of the SPSS statistical software revealed that internal corporate communication is of significant importance to Durban employees. It identified that employees value and appreciate being kept informed and that they yearn for knowledge which directly impacts their job performance and decision making.

The research revealed that there is a particularly strong link between a manager's communication skills and the confidence that employees have in that manager. It also brought to the fore the fact that employees prefer to receive communication via email, in person and via sms.

It is abundantly evident that effective internal corporate communication is a critical factor that should be afforded due consideration, in order to ensure the continued success of the organisation.

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INFORMED CONSENT LETTER

UNIVERSITY OF KWAZULU-NATAL SCHOOL

Dear Respondent,

MBA Research Project

Researcher: Mrs. Wendy Beato (073 241 6611)

Supervisor: Dr. M Challenor (031 260 8104)

Research Office: Ms P Ximba (031 260 3587)

I, **Wendy Irene Beato** am a MBA student at the **Graduate School of Business**, of the University of Kwazulu Natal. You are invited to participate in a research project entitled **The Importance of Internal Corporate Communication: A Perspective of Durban Employees**. The aim of this study is to determine how important internal corporate communication is; the reasons for the assigned levels of importance; and the methods of internal corporate communication that are most preferred by Durban employees.

Through your participation I hope to understand via which medium employees prefer to receive communication from their employers and the reasons for this preference. The results of this questionnaire are intended to contribute to the business world by informing employers of the most preferred methods of internal communication thereby offering them an avenue to improve the effectiveness of communication within their organisations.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this survey/focus group. Confidentiality and anonymity of records identifying you as a participant will be maintained by the Name of School, UKZN.

If you have any questions or concerns about completing the questionnaire or about participating in this study, you may contact me or my supervisor at the numbers listed above.

The survey should take you about **5** minutes to complete. I hope you will take the time to complete this survey.

Sincerely

Investigator's signature _____ Date _____

QUESTIONNAIRE

Gender:
 Female ☐ Male ☐

Age:
 18 - 25 years ☐ 36 - 40 years ☐
 26 - 30 years ☐ 41 - 50 years ☐
 31 - 35 years ☐ Above 50 years ☐

Within my organisation I am a:
 Clerical/Office Worker ☐ Professional ☐ Manager ☐
 Technical Worker ☐ Sales Person ☐

Number of years experience in current position: _____ years

- 1 **Communication within my organisation is important to me.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 2 **Communication ensures that I am kept well informed.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 3 **The sharing of information helps me to perform my job effectively.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 4 **The sharing of knowledge helps me to make decisions.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 5 **Open communication helps me feel part of a team.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 6 **My manager is a good communicator.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 7 **Open communication fosters trust between my manager and myself.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 8 **I have confidence in my manager.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 9 **I work best in an open communication environment.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 10 **Open communication improves the morale of employees.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 11 **My employer is a good communicator.**
 Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐

- 12 **I have confidence in my employer.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 13 **I learn more about my employer from sources outside of the company than from within.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 14 **I believe the information that my employer communicates to me.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 15 **I take advantage of poor communication within my organisation to serve my own purposes.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 16 **The medium chosen to communicate a message is important to me.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 17 **The content of the communication is important to me.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 18 **I have confidence in my industry.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 19 **I have confidence in myself.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 20 **I am a good communicator.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 21 **I would read a monthly electronic newsletter distributed by my company.**
Strongly agree ☐ Agree ☐ Undecided ☐ Disagree ☐ Strongly disagree ☐
- 22 **I prefer to receive communication about the happenings within my organisation:**
Immediately ☐ Daily ☐ Weekly ☐ Monthly ☐ Quarterly ☐ Never ☐
- 23 **I prefer to receive communication from my employer via:**
Please rank in order of preference from 1 to 6 with 1= most preferred method and 6= least preferred method
Email Memorandum Newsletter
SMS In person Telephonically

End of the Questionnaire

Thank you for taking the time to complete this questionnaire

ETHICAL CLEARANCE CERTIFICATE



**UNIVERSITY OF
KWAZULU-NATAL**

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09 April 2010

Mrs W Beato
33 E verton Road
Sydenham
DURBAN
4091

Dear Mrs Beato

PROTOCOL: The importance of internal corporate communication: A Perspective of Durban Employees

ETHICAL APPROVAL NUMBER: HSS/0165/2010 M: Faculty of Management Studies

In response to your application dated 07 April 2010, Student Number: **208526963** the Humanities & Social Sciences Ethics Committee has considered the abovementioned application and the protocol has been given **FULL APPROVAL**.

PLEASE NOTE: Research data should be securely stored in the school/department for a period of 5 years.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

**Professor Steve Collings (Chair)
HUMANITIES & SOCIAL SCIENCES ETHICS COMMITTEE**

SC/sn

cc: Dr M Challenor (Supervisor)
cc: Ms C Haddon