

THE WAY TO ORGANIZATIONAL EXCELLENCE OF INNOVATIVE ENTERPRISES THROUGH COMMUNICATION WITH STAKEHOLDERS

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Abstract. *The foundation of building the excellence in the organization is the knowledge creation and its diffusion process. Knowledge is, in fact, a kind of "lever" of an organization's development and a source of its widely understood potential. An organization's excellence grows from the knowledge management processes and can be a challenge for managers to satisfy stakeholders. To create excellence in the organization is to follow some key concepts: results orientation, customer focus, leadership and constancy of purpose, management by processes and facts, people development and involvement, continuous learning, innovation and improvement, partnership development, corporate social responsibility. Many contemporary organizations try to find many potential solutions on the market to create good relations with stakeholders. The very important factor in the process of creation the excellence between the enterprise and its stakeholders is the effective way of communication. This is a theoretical and empirical article and its objective is to place the communication process in the contemporary innovative enterprise, as well as specify the role and importance of organization's excellence in the development of good relations with stakeholders. The article tries to answer to, among many others, the following questions: (1) What are the elements of the organization' excellence model? (2) How to build the communication process with stakeholders in the contemporary innovative enterprise? (3) What are the means of the communication in the process of building relationship with stakeholders? The research is based on own research made with top and middle managers in the innovative contemporary enterprises form Poland (listed on the NewConnect market).*

Keywords: *organization; excellence; communication; NewConnect; stakeholder.*

Introduction

Nowadays, the global world systematically "obliterates" geographic and demographic boundaries, because the information and communication technologies (ICTs) has created a new model of inter-organizational communication. The new balance of forces radically creates various relationships that "vertically" transform into "horizontal" relations, integrating various entities on the principles of "equality" and cooperation (including social ties). Contacts between various interest groups (stakeholders) affect many aspects of their business, e.g. economic activity. Despite the fact that today's enterprises focus in most cases on reducing operating costs, they must be reliable to

their nearest stakeholders, that is investors, customers or suppliers. Spontaneous contacts, for example in the form of mailing, telephone conversations or helpline, are the basis of modern communication of enterprises with its stakeholders.

The use of modern information and communication technologies, including the Internet, allows enterprises to design effective advertising campaigns or to improve supply and distribution channels. It is a derivative of the fact that these technologies allow, among others, for interactive and two-way communication between key stakeholders and the organization, for example in the form of asking questions or direct contact with a consultant, as well as creating knowledge (see: Janasz & Janasz, 2018). Striving for excellence, modern enterprises are outdoing themselves in their accessibility to clients, investors, suppliers, etc. – at the communication level, at the company-stakeholder level. This is mainly aimed at creating a competitive advantage and increasing the value of the company in the opinion of different classes of stakeholders (see: Gapinski, 2016; Beyer, 2018; Ziółkowska & Karbownik, 2018; Jabłoński, 2018; Grewiński, 2018).

The objective of the article is to place the communication process in the contemporary innovative enterprise, as well as specify the role and importance of organization's excellence in the development of good relations with stakeholders. The research is based on own research (using the CASI and IDI research methods) made with managers in enterprises listed on the NewConnect market in Poland. The paper consists of the two leading parts referring to the issues as follows: (1) theoretical part – the organizational excellence and building relationship by contemporary enterprises, as well as the main attributes of enterprises listed on the NewConnect market, and (2) empirical part – specification of the communication means used by enterprises in conducting the relationships with stakeholders.

Organizational excellence and building relationship with stakeholders

The concept of "excellence" from the management perspective can be considered in two ways – absolute and relative. In the case of the first approach, i.e. the absolute approach, one can describe the organization in a perfect condition, completely fulfilled on the market, which has no limitations. Of course, achieving such a state in the long run is simply impossible, and the pursuit of such a state may lead to the danger of activity due to the turbulent environment and the emergence of the risk of the organization itself. On the other hand, the relative approach of the organization's perfection describes not so much the state in which it should be found, but the situation in which the given entity is located, which is a kind of benchmark. This approach is related to building a competitive advantage and is a condition that can be achieved in the long run (Cyfert, 2013, pp.29-30). In reference to the organization's approach in the aspect of relativity, many theoreticians and practitioners of management created many business models defining the principles of excellence in organizations, based on the examples taken from the modern world of business. The principles of the organizational excellence model are presented below (Table 1).

Table 1. Principles of organization excellence model
(Farrar, 2004, pp.24-25; Steckel & Lehman, 1997; Yang, 2009, pp.931-943; Grunig & Grunig, 1998, pp.141-159)

Criterion	Explanation
Results orientation and mission fulfilment	Excellence is achieving results that delight all the organizations' stakeholders; employees are cultivated to achieve their maximum potential and recognize organization's stakeholders' needs.
Customer focus	Excellence is creating sustainable value and professional customer care before, during and after purchase.
Leadership and constancy of purpose	Excellence is visionary and inspirational leadership coupled with constancy of purpose (it must be a unique purpose for the each employee); constructive self-criticism is practiced and encouraged.
Management by processes and facts	Excellence is managing through a set of interdependent systems, processes and facts; doing the right thing is standard in the organization.
People development and involvement	Excellence is maximizing the contribution of employees through their development; there is a focus on staff training, besides employees matter in the organization and their needs are a high priority and they are promoted by management.
Continuous learning, innovation and improvement of intelligence	Excellence is using learning to create innovation and improvement opportunities; the organization easily "jump on" the technology and intelligence advanced levels to celebrate successes on the market.
Partnership development	Excellence is developing and maintaining value-added partnerships; the organization creates innovative strategies of cooperation for income generation and further development.
Corporate social responsibility	Excellence is exceeding the minimum regulatory requirements in which organization operates; organization takes care of different groups of employees and pays attention to ecological system of production and used resources.
Developed communication process	Excellence is using communication techniques to support processes within the organization and outside – with its stakeholders.
Continuous improvement of quality	Excellence is incorporating the critical success factors of TQM through quality control and assurance, quality information system, corporate culture committed to quality, quality objectives and strategy, etc.

Based on international literature Figure 1 shows model created by W. Wereda and J. Woźniak showing the main steps of process from learning organization to the intelligent one (more details in: Wereda & Woźniak, 2015, p.65, see also: Brzeziński, 2018). This model also highlights the differences between intelligent and learning and agile organizations, while pointing out that the basic model is the learning one – this framework introduces the basic mechanisms for creating and diffusing knowledge within the organization and between the organization and its external stakeholders. Knowledge management along with investing in human factor and initiating innovative processes in the organization are the foundations of building an agile organization model that stands out from the learning organization through increased operational flexibility (not only operational but strategic), high adaptability to changes in the environment, development of an early warning system, and blurring of organizational boundaries and virtualization of management processes. It is also important that risk management mechanisms are taken into account in the agile organization model. The very important factor in achieving by the organization level of excellence is the relative

approach and increase in intensity of bilateral communication and two-way relations with stakeholders (Fig. 1).



Figure 1. Basic steps of creating organization excellence model through building relationships with stakeholders (based on: Wereda & Woźniak, 2015, p.65)

According to many studies there are presented different aspects of successful stakeholder relationship management (SRM) in various types of organizations. Therefore, achieving success in managing stakeholder relationships is long-lasting and can be reached only by a long-term commitment to a structured process, which is focused on: identifying stakeholders, understanding their expectations, managing those expectations, monitoring the effectiveness of stakeholder engagement activities, as well as continuous review of the stakeholder community (Bourne, 2009, p.4). The whole process must be supported by clear and effective way of communication because both sides must respect mutual goals and accept risk possibilities during value creation delivering. Stakeholders in the contemporary turbulent time look for trust and rely on strong network communication in developing cooperation with any organization or individuals (Wereda et al., 2016, p.38).

Methodology of the research

The empirical study was carried out in three main stages. The first of these was a survey (using the CASI method) on a sample of 60 innovative companies listed on the NewConnect market in Warsaw. The second stage was to conduct 11 in-depth interviews among respondents previously included in the CASI study. The IDI research was aimed primarily at understanding the specific nature of the issues raised in the CASI study, with particular emphasis on respondents' opinions on the scale and scope of use of specific communication tools with different classes of stakeholders, as well as identification of motives for using or not using of specific communication tools in continuous development company. Quantitative research (CASI) has been supplemented with a qualitative study. In addition, the IDI survey's results were to additionally verify the observed trends demonstrated in the CASI study in the use of specific communication tools with stakeholders. An analysis of the market situation (value of shares) of 11 respondents (in the form of IDI) of enterprises was also made and they were referred to general trends in the use of modern or traditional communication tools with stakeholders – it was the third stage of the research.

Thus, the study used a triangulation method (see Mathison, 1988; Flick, 2004; McFee, 2006; Annells, 2006; Carter et al., 2014) on three levels specified by N. Denzin (2006): data triangulation – comparison of research carried out at different time intervals, triangulation of researchers – conducting research by various researchers, as well as

triangulation of methods – combining a variety of research methods (see Jick, 1979; Olsen, 2004).

The basic components of the survey methodology are presented in Table 2.

Table 2. Methodology of the research (own study)

The components of methodology	Specification
Research scope	The means of conducting the communication processes with stakeholders by the NewConnect companies.
Research objective	Identification of basic means used by NewConnect companies in the communication processes with stakeholders, as well as specification of the role and importance of those means in the organization's excellence development (in the framework of developing good relations with stakeholders).
Research tools	Computer Assisted Self-Interviewing (CASI), Individual In-Depth Interview (IDI), as well as market data/shares' value analysis.
Entity carrying out the study (CASI research)	Centre of Marketing Research INDICATOR Limited Liability Company with its registered office in Warsaw, ul. Świętojerska 5/7, 00-236 Warszawa.
Entity carrying out the study (IDI research)	Research Institute IPC Limited Liability Company with its registered office in Wrocław, ul. Ostrowskiego 9, 53-238 Wrocław.
Entity carrying out the study (market data analysis)	Workers of the Institute of Organization and Management (Military University of Technology in Warsaw): Jacek Woźniak, M.A., as well as Wioletta Wereda, Ph.D.
Period of study (CASI research)	2 months (November – December 2016).
Period of study (IDI research and market data analysis)	2 months (March – April 2018).
Scope of study (CASI and IDI researches)	The whole Poland (16 voivodships).
Respondents	Managers or managers responsible for IT, environment or innovation, employed in NewConnect-listed companies (1 respondent per business).
Criteria for selection of research sample (CASI research)	Systematic random sampling (including the criterion of the leading business profile indicated for the purposes of the NewConnect market record) in layers (layers correspond to enterprise size).
Criteria for selection of research sample (IDI research)	Enterprises chosen from the CASI research sample – the main criterion of choosing was the number of enterprises surveyed in CASI research according to the criterion of leading business profile. In the IDI research the chosen groups were: trade, computer sciences, manufacturing, financial services, advice and training, building & construction.
Groups of stakeholders in the survey (CASI and IDI researches)	4 groups: internal stakeholders, institutional clients, individual clients, as well as other entities, e.g. external processes' subcontractors, intermediaries, shareholders.
The size of the research sample (CASI research)	N = 60 enterprises (28% of the population – the population constituted of 214 companies, i.e. SMEs and large enterprises

The components of methodology	Specification
	from the NewConnect market, which are based in Poland and mainly operate in Poland).
The size of the research sample (IDI research and market data analysis)	N = 11 enterprises (chosen from the CASI research sample).
Structure of the questionnaire (CASI research)	The questionnaire included: 4 questions answered using a 5-point Likert scale) – each question dedicated to the specific group of stakeholders.
Structure of the questionnaire (IDI research)	The questionnaire included: 11 opened questions.

Among all 60 companies (CASI survey), 11 entities dealt with trade, 30 entities provided various types of services, while 19 enterprises operated in the industry or industrial processing. The research sample was dominated by small enterprises (10-49 employees) – there were 37. A little less were medium-sized or large enterprises – 23 entities. In terms of the age criterion, the "old" companies were dominant in the study, i.e. 25 entities were operating on the market over 15 years. The smallest group were "young" enterprises, i.e. operating on the market for less than 10 years – there were 16 in the sample. In addition, all surveyed enterprises operated on a regional and national scale – 60 entities, while only 25 entities operated on a European scale, and only 5 on the international scale (Woźniak, 2018) (Table 3).

Table 3. Specification of the research sample – CASI research (own study; N=60)

The basic criteria of the research sample's specification	The size of the enterprise		In general (number of enterprises)
	Small (10 - 49 employees)	Medium and large (≥50 employees)	
Leading business profile – NewConnect classification			
Trade	7	4	11
Services (computer science, advice and training, financial services, eco-energy, recycling, media)	21	9	30
Manufacturing/ industrial processing	9	10	19
In general	37	23	60
The age of the enterprise			
Less than 10 years	13	3	16
10 - 15 years	11	8	19
More than 15 years	13	12	25
In general	37	23	60
The scale of the business (multiple choice question)			
Local (1 city/municipality/district)	35	23	58
Regional (1-8 voivodships in Poland)	37	23	60
National/domestic (9-16 voivodships in Poland)	37	23	60
European (at least 1 country in Europe outside Poland)	14	11	25

The basic criteria of the research sample's specification	The size of the enterprise		In general (number of enterprises)
	Small (10 - 49 employees)	Medium and large (≥50 employees)	
International (at least 1 country in the world outside Europe, including outside Poland)	3	2	5

The IDI study included 2 enterprises conducting commercial activity, 5 enterprises providing services and 4 companies involved in industrial processing (Table 4). It is worth noting that the quantitative structure of enterprises in terms of the criterion of the leading business profile in the IDI study reflects the proportions of the quantitative structure of enterprises in terms of the same criterion for the CASI study (Table 3).

Table 4. Specification of the research sample - IDI research (own study; N=11)

Leading business profile (NewConnect classification)			In general (number of enterprises)
1.	Trade		2
2.	Services	Computer science	2
		Financial services	2
		Advice and training	1
3.	Manufacturing/industrial processing	Manufacturing	2
		Building & construction	2
In general			11

At this point it should be noted that the conducted study is treated as a pilot study, and the obtained results are only an indication of the direction for further research in the selected area and attention to the basic mechanisms of operation of the surveyed enterprises in the use of specific communication methods (to achieve the so-called excellence organization in shaping relations with stakeholders).

Innovative enterprises on the NewConnect market - the main attributes

The NewConnect market is an alternative market (i.e. Over The Counter - OTC) organized by the Warsaw Stock Exchange. Generally, it can be assumed that securities and money market instruments are traded on the OTC markets. Alternative markets offer investors the opportunity to allocate capital in innovative industries, and companies listed on these markets offer investors a high return on investment, while at the same time increasing the risk of investment (NewConnect, 2015; Woźniak & Wereda, 2018, p.418).

The NewConnect market was launched on August 30, 2007. It was created mainly for small and medium-sized enterprises with high growth potential. The main purpose of launching this market was to enable the development of teams that faced difficulties in obtaining financing for development (NewConnect, 2015, p.15). The NewConnect market offers cheaper capital acquisition, which companies use to implement the assumed development strategy. For many companies, this market is the beginning of the way to the Main Market of the WSE (NewConnect, 2015, p.15).

Companies listed on the NewConnect market are characterized mainly by (NewConnect, 2015, pp.9 et seq.; Woźniak & Wereda, 2018, p.419): (1) small or medium size; these are mainly new entities (start-ups) or enterprises in the early stages of development, looking for ways to build value on the market; (2) high growth potential and flexibility; (3) running business in innovative sectors and branches, including ecology, specialist services, advanced technologies and financial services; (4) the desire to quickly raise capital for development, including for improvement of specific production processes (know-how) and activities related to, among others with establishing business relations (B2B), clients (B2C) and with state and local administration entities (B2A); (5) difficulties in obtaining financing, resulting, inter alia, from the low level of development of the markets on which these enterprises operate, the low level of social trust in this type of activity, or the high cost of capital offered by banks.

Attributes of companies listed on the NewConnect market may suggest a high level of risk in operations – mainly operating. The level of operational risk in these entities is also influenced by the broadly understood environment - both internal and external. Limiting the "negative" as well as stimulating "positive" risk is associated with shaping relationships with various groups of stakeholders, both employees of companies, shareholders, clients, administration, etc. It is all the more important because it is generally assumed that the very nature of business operations from the NewConnect market requires entering into interaction with external stakeholders, e.g. in the area of acquiring resources, improving the flow of information, or establishing new and lasting relationships – to gradually reduce the level of uncertainty and risk in the environment, and to build the company's market value and provide the basis for further external financing by shareholders (Woźniak & Wereda, 2018, pp.418-419; Woźniak, 2018).

The pursuit of enterprises from the NewConnect market to organizational excellence – through shaping relations with stakeholders – is currently associated with the use of certain modern ways of communication (ICTs). Thanks to this, these companies can, among others (based on: Woźniak, 2018): (1) support planning and forecasting processes; (2) improve innovation activity, e.g. by supporting processes of knowledge creation and diffusion; (3) enter network structures (also virtual), e.g. in the form of industry clusters, thanks to which they may have access to rare resources of key importance for their development; (4) improve the efficiency of supply, production, promotion and distribution channels of products and services (including innovations); (5) increase the scale and scope of activity – thanks to ICTs, companies from the NewConnect market can operate globally – the criterion of geographical location of operations is not a limitation for their development.

At this point, however, it should be noted that communication with stakeholders not only with the use of ICTs can be the basis for the companies' striving for the so-called organizational excellence. Noteworthy are also traditional forms of communication, such as telephone conversations or traditional letter correspondence or the circulation of paper documentation. In the further part of the study, the results of the empirical study will be presented, showing which ways of communication with different classes of stakeholders are most often used by enterprises from the NewConnect market.

Innovative enterprises and their communication with stakeholders – results of the research and discussions

The empirical study (CASI) lists four basic classes of stakeholders, in shaping relations with which companies from the NewConnect market use specific communication methods (traditional and modern). These classes are: (1) internal stakeholders, (2) institutional clients, (3) individual clients, as well as (4) other entities, e.g. external processes' subcontractors, intermediaries, shareholders. In the case of the above-mentioned groups of stakeholders, 11 basic methods of communication were taken into account (Table 5).

On average, the surveyed enterprises use the following communication methods/tools in communication with internal stakeholders: (1) e-mail accounts – the average value of answers in a 5-point scale is 4.93, (2) traditional phone calls – the average value of answers is 4.48, (3) direct talks and meetings – the average value of answers is 4.43, as well as (4) paper documentation – the average value of answers is 4.40. In addition, in the case of the above methods/tools of communication with internal stakeholders, a relatively strong negative skewness of the response distribution can be observed, which indicates that the majority of respondents' answers are above average values for the frequency of use of particular communication methods – and thus confirms that in the opinion of the respondents, the four ways of communication indicated above are the most important in building relationships with employees and may potentially have the greatest impact on the improvement of the organization "from the inside" (Table 6).

Table 5. Basic means in communication with stakeholders used in CASI research (own study)

No.	Basic means of communication with stakeholders
1.	Traditional way of communication – in the form of paper documentation.
2.	Traditional way of communication – in the form of direct conversations (face to face) and team meetings.
3.	Telephone communication (i.e. traditional phone calls).
4.	Communication with the use of e-mail accounts.
5.	Communication with the use of traditional forms of promotion (advertising in the press, TV, radio, PR, sponsorship).
6.	Communication with the use of intranet (e.g. exchange of electronic documents, execution of orders, development of schedules with tasks, etc.).
7.	Communication with the use of enterprise's/corporate's portals (personalized user accounts).
8.	Communication with the use of teleconferences.
9.	Communication with the use of external messengers, e.g. Gadu-Gadu, GTalk, Hangout, Skype, etc.
10.	Communication with the use of external memory cases, e.g. for storing and sharing documents.
11.	Communication with the use of social networks, e.g. Facebook, Google+, LinkedIn, Twitter, etc.

In the case of shaping relations with external stakeholders – and more specifically institutional clients – the situation is similar. It is connected with the fact that the

surveyed enterprises most often use the following communication methods in communication with this class of stakeholders: (1) e-mail accounts – the average value of answers in a 5-point scale is 4.85, (2) traditional phone calls – the average value of answers is 4.75, (3) paper documentation – the average value of answers is 4.57, and (4) direct talks and meetings – the average value of answers is 4.30. In the case of the above-mentioned methods of communication with institutional clients, a strong negative skewness of the response distribution can be observed, which indicates that the vast majority of respondents' answers are above the average values for the frequency of individual communication methods – thus confirms that in the opinion of the respondents indicated above four communication methods are key in building relationships with institutional clients (Table 6).

Table 6. Leading means in communication with stakeholders used by the surveyed enterprises listed on the NewConnect market – CASI research (own study; N=60)

Leading means in communication	Average	Standard deviation	Skew	Coefficient of variation
Internal stakeholders				
Paper documentation	4.40	0.827	-1.619	18.80%
Direct conversations and team meetings	4.43	0.789	-1.165	17.81%
Telephone (traditional phone calls)	4.48	0.833	-1.854	18.59%
E-mail accounts	4.93	0.312	-5.114	6.33%
External stakeholders – institutional clients				
Paper documentation	4.57	0.945	-2.626	20.68%
Direct conversations and team meetings	4.30	0.997	-1.282	23.19%
Telephone (traditional phone calls)	4.75	0.728	-3.667	15.33%
E-mail accounts	4.85	0.685	-4.719	14.12%
External stakeholders – individual clients				
Direct conversations and team meetings	2.95	1.478	-0.302	50.10%
Telephone (traditional phone calls)	2.43	1.854	0.555	76.30%
E-mail accounts	2.52	1.944	0.504	77.14%
External stakeholders – other entities, e.g. external processes' subcontractors, intermediaries, shareholders				
Telephone (traditional phone calls)	4.80	0.443	-2.124	9.23%
E-mail accounts	4.83	0.615	-4.860	12.73%

However, in the case of shaping relationships with individual clients, the situation is slightly different. Despite the fact that the same means of communication prevail in the respondents' answers, the average values are much lower than for the two above-described classes of stakeholders. On average, the surveyed enterprises most often use the following communication methods in communication with this class of stakeholders: (1) direct talks and meetings – the average value of answers on a 5-point scale is 2.95, (2) e-mail accounts – the average value of answers is 2.52, as well as (3) traditional telephone calls – the average value of the answer is 2.43. In addition, in the case of the above-mentioned methods of communication with individual clients, either a weak negative or a weak positive skewness of the response distribution can be observed,

indicating that: (1) the slightest majority of responses are above average values, or (2) the slightest majority of responses respondents are below the average values for the frequency of use of particular communication methods. This means that it cannot be unambiguously assumed that the three ways of communicating with individual clients indicated above are crucial in building relationships with them. This is also confirmed by the high value of the coefficient of variation – which indicates that the respondents differed significantly in their assessment of the use of these communication methods. In the first two groups of stakeholders described, the coefficients of variation were at a much lower and acceptable level (Table 6).

On average, the surveyed enterprises use the most in communication with the so-called other classes of external stakeholders the following methods/communication tools: (1) e-mail accounts – the average value of responses on a 5-point scale is 4.83, and (2) traditional phone calls – the average value of answers is 4.80. In the case of the above-mentioned communication methods/tools, a strong negative skewness of the response distribution can be observed. Therefore, it is confirmed that in the opinion of the respondents, the two methods/communication tools indicated above are the most important in building relationships with this group of external stakeholders. Moreover, the coefficient of variation is relatively low, which indicates that the respondents did not differ significantly in their responses, i.e. in the assessment of the use of these communication methods (Table 6).

In the case of shaping relations with internal stakeholders, respondents most often declared (among the communication methods indicated in Table 5) that "very often" they use: e-mail accounts (95% of responses), traditional telephone calls (65%), direct conversations and meetings (60%) and paper documentation (57%). Respondents "often" use: paper documentation (30%), direct talks and meetings (22%) and traditional telephone calls (22%). On the other hand, respondents most often declared that they "sometimes" use: direct talks and meetings (22%), as well as traditional telephone calls and paper documentation (12% each). Answers "rarely" and "never" practically did not appear in the respondents' declarations for the indicated ways of communication with internal stakeholders (Fig. 2).

In the case of shaping relationships with institutional clients, respondents most often declared (among the modes of communication indicated in Table 5) that "very often" they use: e-mail accounts (95% of responses), traditional telephone calls (85%), paper documentation (75%), as well as face-to-face calls and meetings (60%). Respondents "often" use: paper documentation and direct talks as well as meetings (17% each) and traditional telephone calls (10%). However, respondents most often declared that they "sometimes" use direct talks and meetings (18%). Answers "rarely" and "never" appeared in the respondents' statements relatively rarely and did not exceed the 3% threshold for indicated ways of communicating with institutional clients (Fig. 3).

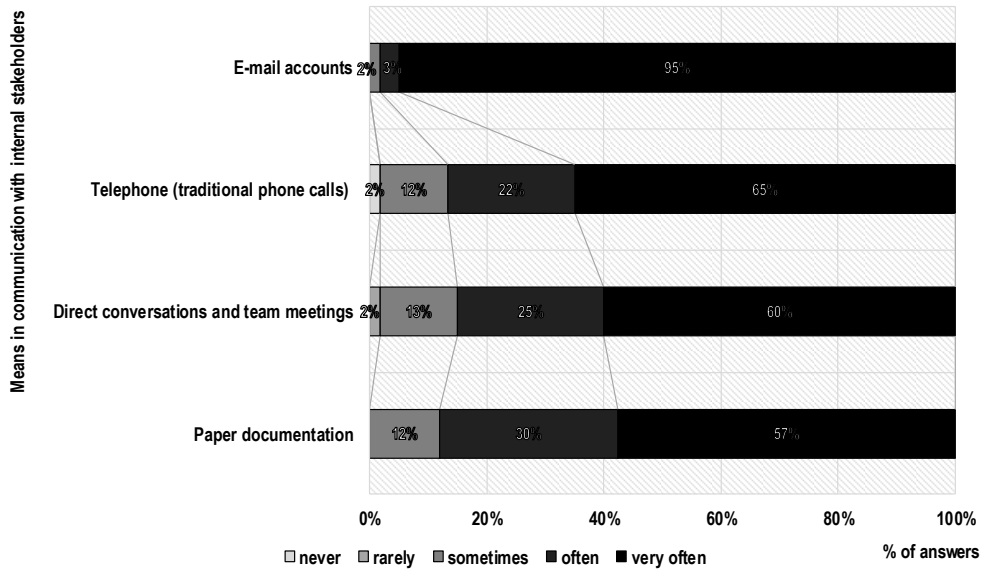


Figure 2. Means most commonly used by the surveyed enterprises in communication with internal stakeholders (own study; N=60)

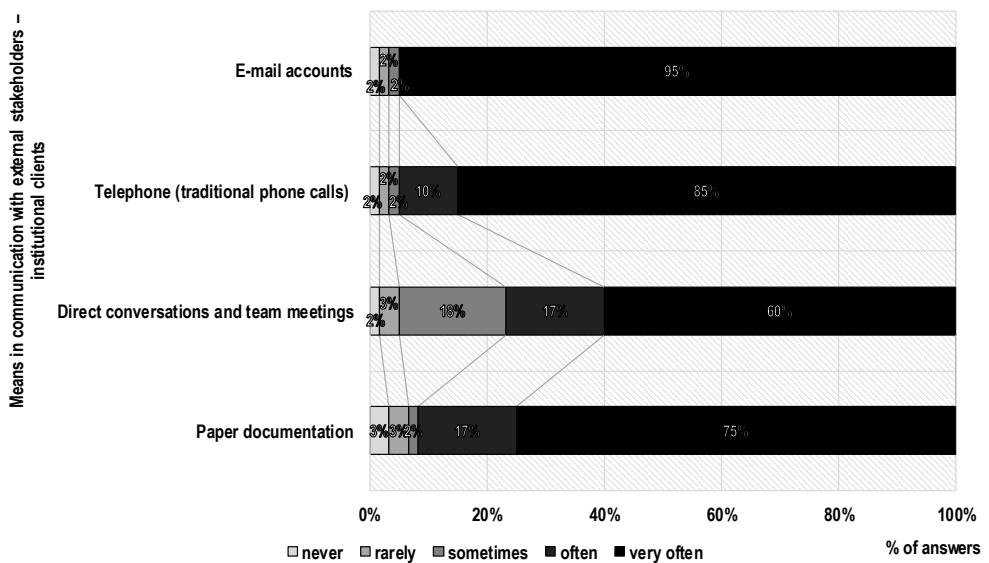


Figure 3. Means most commonly used by the surveyed enterprises in communication with external stakeholders - institutional clients (own study; N=60)

In the case of shaping relationships with individual clients, respondents most often declared (from among the communication methods indicated in Table 5) that they "very often" use e-mail accounts (37% of responses) and traditional telephone calls (28%). Respondents "often" and "sometimes" use primarily direct conversations and meetings (respectively: 38% and 15%). For this class of external stakeholders, the answer "never" is the most exposed – such a declaration of respondents usually appears for email and

traditional telephone calls (62% each), as well as face-to-face calls and meetings (32%) (Fig. 4).

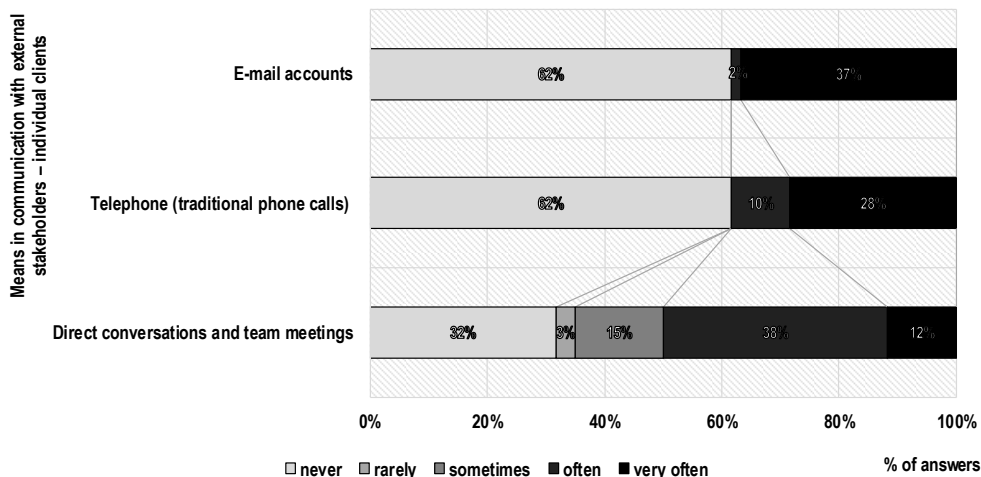


Figure 4. Means most commonly used by the surveyed enterprises in communication with external stakeholders – individual clients (own study; N=60)

In the case of forming relations with the so-called other classes of external stakeholders, respondents most often declared (among the methods of communication indicated in Table 5) that they "very often" use e-mail accounts (90% of answers) and traditional telephone calls (82%). Respondents "often" use primarily traditional telephone calls (17%). Answers "sometimes", "rarely" and "never" appeared in the respondents' statements relatively rarely and did not exceed the 2% threshold for indicated communication methods (Fig. 5).

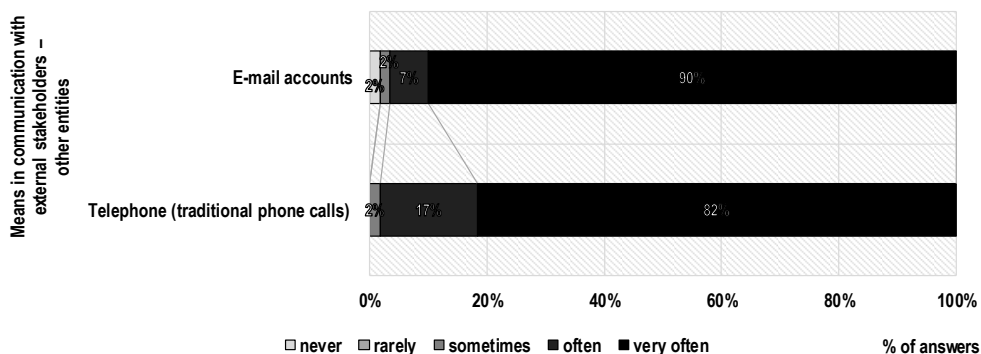


Figure 5. Means most commonly used by the surveyed enterprises in communication with external stakeholders – other entities (own study; N=60)

Taking into account the results of the CATI survey, it can be noticed that the surveyed companies apply in principle the same methods of communication with different classes of stakeholders – which may be somewhat surprising and puzzling. In addition, respondents declare the use of mainly traditional means of communication, putting much less emphasis on modern/innovative solutions, which in a sense are characterized by a high level of technological advancement. In order to better understand the

specificity of this phenomenon, in-depth interviews (IDI) conducted on a sample of 11 entities that previously participated in the CATI survey will be analyzed.

Based on IDI interviews, it is generally possible that enterprises use simple and traditional means of communication mainly because they are cheap to implement and maintain, can be easily and quickly acquired, and they are widely used – so there will be no problems with their technological integration with solutions used by stakeholders. In addition, the methods/tools of communication with stakeholders used in many cases mainly serve to support operational management and the ongoing exchange of information resources. Therefore, modern/innovative and technologically advanced solutions are not required. In addition, the surveyed enterprises are characterized mainly by either small or medium size, so there is no need for a strong development of IT infrastructure in the area of communication with stakeholders – mainly internal ones. In many of the cases studied, communication with stakeholders does not support the processes of knowledge management and innovation processes. Respondents also do not treat communication with stakeholders as a basis for creating enterprise value – which to some extent suggests depreciation of communication in managing surveyed entities, especially that the basis of their functioning (external funding) is communication with stakeholders, e.g. clients or co-developers of innovative basic processes. Improving/modernizing methods/tools of communication with stakeholders is usually a cost for the surveyed enterprises than the source of development, e.g. in the long run (Table 7).

**Table 7. General approach to conduct communication with stakeholders
– IDI research (own study; N=11)**

No.*	Branch/sector	General approach (opinions of respondents)
E1.	Financial services	"We mainly use simple tools and try to incorporate communication into strategic activity, but this is not a priority. We do not strive for a strong expansion of the IT infrastructure. We do not see the basis for communication of innovative processes. What counts is mainly the support of short-term goals by data analysis and information exchange".
E2.	Manufacturing	"We use simple, traditional means of communication – mainly in operational activities. We do not see the creation of a competitive advantage in communication. We have a strongly developed information asymmetry in the company – each employee has access to specific information resources".
E3.	Trade	"In communication, we use simple, ordinary tools that are widely offered by major global suppliers. We also work on our own software, which we create and develop. We do not see the need to significantly expand the technical infrastructure for communication – we mainly use external solutions. Communication with stakeholders is not a key element in shaping the company's strategy".
E4.	Advice and training	"In dealing with stakeholders, mainly customers, we use both simple, traditional and advanced, modern ways/ communication tools. We are mainly interested in ongoing communication with clients and promoting the market. However, we do not treat communication with stakeholders as the basis for building a competitive advantage in the market, at least not in the full sense of the word".

No.*	Branch/sector	General approach (opinions of respondents)
E5.	Manufacturing	"Communication is carried out practically with all stakeholder groups. For us, communication is the key, but we do not think it is the source of creating a competitive advantage. Communication improves the ongoing implementation of processes. For us, contact with employees and customers, contractors is crucial. We generally use relatively simple ways/communication tools – both developed for our order and generally available".
E6.	Computer science	"We treat communication with stakeholders as a source of competitive advantage. We use both simple and advanced communication tools – standard available on the market. We are also able to develop communication tools for ourselves, but it is not always necessary. On a large scale, we develop communication between employees, and in the case of communication with external stakeholders, we do not see the need to go beyond "standard" solutions, such as e-mails, websites and telephone communication".
E7.	Building & construction	"We are open to new solutions and opportunities offered by the market in the field of communication, mainly with clients. For us, this is the basis of business operations. We use both simple and advanced ways of communication. Communication is a source of competitive advantage".
E8.	Building & construction	"Communication with employees and potential clients is important to us. We mainly use simple solutions. Communication is not crucial in creating the value of a company and in the implementation of innovative processes".
E9.	Computer science	"Communication is an important process for us and it mainly concerns the exchange of data and information between us and our partners and clients. We use both simple (mainly in communication with clients, co-operators and employees in current affairs) as well as advanced communication tools (in communication with employees – to analyze and transmit data in the implementation of basic processes). Communication is important to us in innovative processes".
E10.	Financial services	"In communicating with stakeholders, we mainly use simple tools that we support over the Internet, such as instant messengers and spreadsheets. We do not need advanced technologies/tools. Communication is not the basis for creating a competitive advantage for us".
E11.	Trade	"We use technologies that are currently on the top and are used by young people 24 hours a day. Although our company is large and has a huge reach, we use the simplest communication tools because they reach all key stakeholders. Communication can be a source of enterprise's value".

* The names of the surveyed companies cannot be given to the public information.

Despite the fact that the enterprises use mainly traditional means of communication, and the communication itself is perceived through the prism of operational management and does not see a great potential for creating enterprise value, it is worth noting that both the scale and the scope of communication are shaped mainly at medium or high level – both for internal and external stakeholders (Table 8). This is important because it points to the fact that in the surveyed enterprises (Table 8): (1) processes of full and ongoing communication are covered by the majority of identified stakeholders,

i.e. there are stakeholders in the minority with whom communication is sporadic, substantively limited or "neglected" at all; (2) communication with key stakeholders concerns mainly basic processes (creating value for internal and external stakeholders), or both basic and auxiliary processes – therefore the level of complexity and significance (for the enterprise) of communication with stakeholders is high; in a minority there are sssssenterprises in which communication with stakeholders supports only auxiliary processes.

**Table 8. Scale and scope of communication with stakeholders
– IDI research (own study; N=11)**

No.*	Scale** and scope*** of communication		Change in the market value****
	Internal stakeholders	External stakeholders	
E1.	Scale: medium; Scope: big	Scale: small; Scope: small	Small increase ↑
E2.	Scale: medium; Scope: medium	Scale: big; Scope: small	No change
E3.	Scale: big; Scope: medium	Scale: medium; Scope: medium	Small decrease ↓
E4.	Scale: big; Scope: big	Scale: medium; Scope: big	Small decrease ↓
E5.	Scale: big; Scope: big	Scale: big; Scope: big	Small increase ↑
E6.	Scale: big; Scope: big	Scale: medium; Scope: big	Big decrease ↓↓
E7.	Scale: medium; Scope: big	Scale: medium; Scope: medium	Big increase ↑↑
E8.	Scale: big; Scope: big	Scale: medium; Scope: big	Small decrease ↓
E9.	Scale: big; Scope: big	Scale: medium; Scope: big	Small decrease ↓
E10.	Scale: medium; Scope: big	Scale: medium; Scope: medium	No change
E11.	Scale: big; Scope: big	Scale: big; Scope: big	No change

* The same numbers of enterprises like in Table 7.

** The scale is treated as the number of different stakeholders, covered by the full and current communication. Levels – small: ≤30% identified stakeholders, medium: 30-60% identified stakeholders, big: ≥60% identified stakeholders.

*** The scope is treated as the level of complexity and significance (from the enterprise's point of view) of activities/processes covered by communication with stakeholders. Levels – small: mainly the supporting processes, medium: mainly the basic processes, big: both the supporting and basic processes.

**** Value of the enterprise – in the last 5 years.

Among the 11 surveyed enterprises (IDI survey) one can observe mainly a decrease or no change in their market value in the last 5 years (Table 8). This may suggest in a somewhat (obviously simplistic way) that not always simple and basic communication methods and tools are sufficient to be able to develop properly, i.e. sustainably and structured in the long run. It is also worth noting that the depreciation of communication with stakeholders (and in particular its "maturity" and technological advancement) in the processes of creating the value of the enterprise is a mistake. The same applies to the implementation of advanced and complex substantive (also multilateral, involving various entities) communication in innovative processes. The NewConnect market is demanding in terms of business activity of companies that want to obtain external financing should engage in greater expenditure on improving communication with

stakeholders. Of course, the market value of the surveyed companies does not depend only on the processes of communication with stakeholders, but may be of great importance here. Taking into account the fact that the surveyed enterprises (IDI study) usually consist of ongoing and full communication the majority of their stakeholders, as well as communication with them concern both the basic and auxiliary processes, it is necessary to consider why the market value of these enterprises or it does not change significantly or decreases (Table 8). One of the reasons may be the "neglect" of communication with stakeholders and the lack of investment in this respect. The surveyed enterprises in many cases declare that in the communication processes they are guided by the needs of stakeholders, but this does not have to be true. Respondents also do not indicate how they verify the level of fulfilment of these needs. The main criteria for selecting communication methods/tools are cost and time. This may not always be the usefulness of stakeholders. Many needs in the field of communication, which may have an impact on organizational innovation and knowledge management, may not be noticed by the owners/management at all.

Conclusions

Communication with stakeholders (internal and external) is an important element in the development of activities by modern enterprises in various industries and sectors. Without efficient communication, it is not possible to create new, useful knowledge and to act with it with cooperating entities. Lack of communication "closes" enterprises and deprives them of key resources. The pursuit of the so-called organizational excellence therefore requires extensive communication with stakeholders – going beyond the scope of only acquiring or providing data and information resources. A wider perspective on communication is needed, which should be a "tool" for joint creation of knowledge and mutual improvement of enterprises through permanent and complex business and social relations. This is due to from the fact that modern enterprises operate under the so-called knowledge-based economy (KBE).

In the surveyed enterprises from the NewConnect market (which are treated as innovative entities operating in modern and future industries), one can observe specific technological shortcomings and organizational "negligences" in the implementation of communication processes with different classes of stakeholders. In addition, communication processes are given little importance in the processes of creating knowledge and in the innovative activity of the surveyed enterprises. On the other hand, a relatively large scale and a large scope of communication can be noted in these entities. This is a situation that mainly indicates the lack of awareness of the owners/managers regarding the potential from the development of communication processes, e.g. through the use of modern and advanced ICTs, or the lack of technological and financial opportunities for the development of IT infrastructure. Another explanation for this situation is simply the lack of needs of the surveyed enterprises in the field of modernization of the portfolio of communication tools with stakeholders, especially those crucial from the point of view of creating a market advantage. It may, however, reflect on the decline in their market value in most of the surveyed enterprises in the long-term. It may be (but does not have to) the effect of, among others "negligence" in the improvement of communication processes with stakeholders.

In summary, communication processes can have an impact (at least partial and indirect) on the value of modern enterprises and the pace of their development by shaping

relationships with various classes of stakeholders that are necessary, among others to create a positive and strong synergy effect and create knowledge. Without efficient and modern communication, it is difficult to reach the so-called organizational excellence – even enterprises founded on innovative, operating in modern industries with high technological potential.

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