THE IMPORTANCE OF THE RIGHT CHOICE OF COMMUNICATION FLOW

Elvira KUHN
University of Applied Sciences
Schneidershof, Trier 54293, Germany
elvykuhn@aol.com

Abstract. *To make sure team members know the targets, to act in terms of the enterprise, the communication flow is essential. Which is the right choice of the communication flow to achieve the ultimate efficiency, effectivity and agility? What kind of information is to be transported to support these goals? Who is integrated in the communication flow? Is it enough to separate in material flow, cash flow, control flow, information flow as usually used within workflow management systems? Do we have to take specialised communication flows? If so, what is the reason? To find an answer we have to address the targets systems from the perspective of all involved players like management, agent and principal, team members, clients and service provider. All of those targets need to find one common denominator. The next question: Where does the communication flow influence these targets systems? So we address organisational structures to enhance and encourage the members self-organising abilities and to increase the speed of transactions. In conclusion we will demonstrate different organisational forms by an example and we will show a table of the characteristics of the underlying communication flow. Using this table the management will be able to choose the right organisational forms for the existing players - within or outside the enterprise. The right choice means to generate new advantages in competition and this is only possible if the enterprise is able to quickly implement solutions of identified problems of clients into products or to create new products or to offer new services and sell these solutions to customers. A company has to fulfil these requirements – also called innovation process - while in actual operations. In conclusion, not only the learning organization will be addressed, but also the strategy of optimizing process management with the help of planning improvement, direction of performance, error and problem prevention, improvement of competences as well as all agile values. In doing this all, players will accept that changes happened. The changing environment is taken standard and will be content with work on adaption to changes or creating new solutions. They will have an identification with their enterprise, they will be invested to do a good job and they will recognize the necessity of double-loop learning and sharing their knowledge. All of these will lead to a higher intellectual capital and to a longer staying within the enterprise.*

Keywords: *business communications; research of acceptance; research of happiness; change; agility.*

Introduction

The main objective of the management of an enterprise is to sell products or services to customers. To ensure a company is able to exist and act on markets for a long time, it is necessary to know the risks like new wishes of clients, technical possibilities, the political influences or the needed-based public opinion. In order to transfer the recent piece of information to all players involved in the workflow, it is necessary to ascertain an excellent communication flow. The prospect of this article is to discuss several ways to ensure an efficient and socially agreeable manner of communication flow. Especially the frictions of global and local economic strategies will receive extensive attention.

Methodology

To find out the right manner of communication flow, we have to consider the underlying organisational form of the specific enterprise. That is important because, with the help of an organisational form, the leadership defines structures like work-groups, teams, processes, responsibilities and person in charge, subagent, and scope of action, authority (Schreyögg, 1999) or others to coordinate multiple people.

On the basis of information about the different organisational forms and their special communication flow, we are able to separate the different aspects of the discussion into efficiency aspect, social aspect, local and global aspect. Under the efficiency aspect we will address the correctness of information, the actual information, the rapidity and the information symmetry as a condition, in which all relevant information is known to all parties involved. The social aspect is discussing the acceptance and happiness factors as well as the environment of the workplace in the context of human engineering. The local aspect describes the knowledge about the region and culture, the involvement and individuality of the customers and others factors like competition, public opinion or financial market. The influence of this knowledge on the communication flow is to be discussed. With the global aspect we will learn to anticipate the increasing competition and unknown influences and a fast changing environment. That´s why it is important to have high capacity team members. Every step depends on the communication flow.
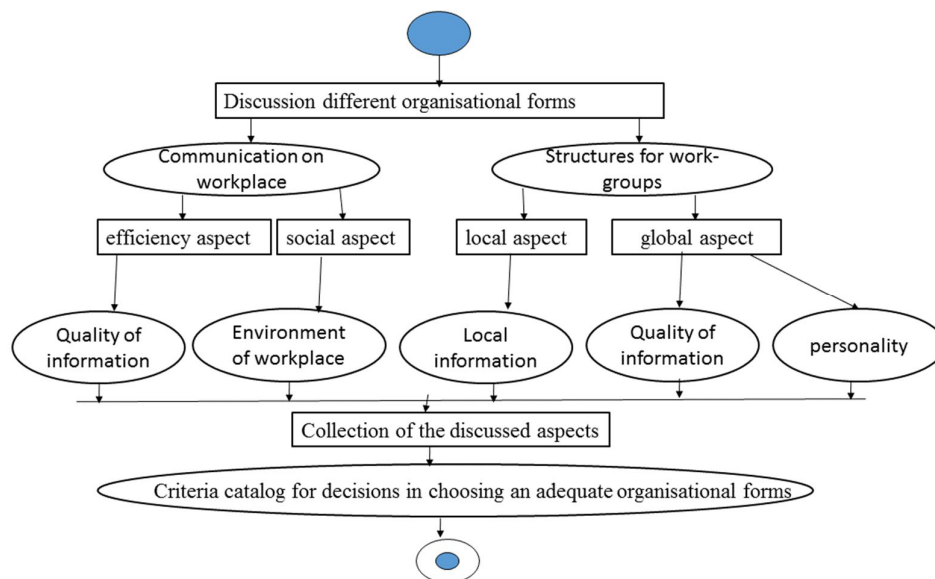

Figure 1. Methodology to find the best communication flow within given organisational forms

As you can see in Figure 1, with the help of our methodology we are able to find needed criteria for having the best communication flow within a given organisational form. As a result we will offer a helpful table to support management decisions in choosing an adequate organisational form which can fulfil all desired criteria.

Communication flow within different organisational forms

The main task of top management is to establish general rules for allocation of tasks, for coordination, guidelines for processing, providing a handling of complaints and suggestions, define areas of competence, define rights to issue directives, define signature authorization. The forming of these rules is very different, depending of the underlying business organisational form. Below we will focus our discussion on the support of communication flow as it is usually the case. The business organisation forms are divided in classical, neo-classical, modern as seen in (Schreyögg, 1999) and postmodern organisation forms (Kuhn, 2015).

Classical organisational forms

Bureaucracy approach (Weber, 1976, cited in Schreyögg 1999), administrative approach (Fayol, 1841-1925, cited in Schreyögg, 1999) and human engineering approach (Taylor, 1856-1915, cited in Schreyögg, 1999) belongs to the classical organisational forms. These types of organisational forms are characterized by multilevel hierarchy, a high degree of functional work division and specialisation, as

well as a distinct formalisation and bondage to rules. The top management as well as all participants are bound to stick to the rules. Authority and those responsible have to communicate the plans and rules as well as the fixed conditions like quality of materials, use of methods, technics and machines. All activities will be administrated within (e)-document. Decisions are made by specific deciders, so if changes will happen, only the new orders need to be communicated, the receptor has only to execute the orders without changes, without discussions, without their own initiatives or ideas. The leader is like an omnipotent patriarch. He is the direct boss, the communication way is short. Everybody knows what to do, in order to catch the internal goals the boss set. It is based on the idea that companies know best what is good for the customers. Figure 2 shows all of this.
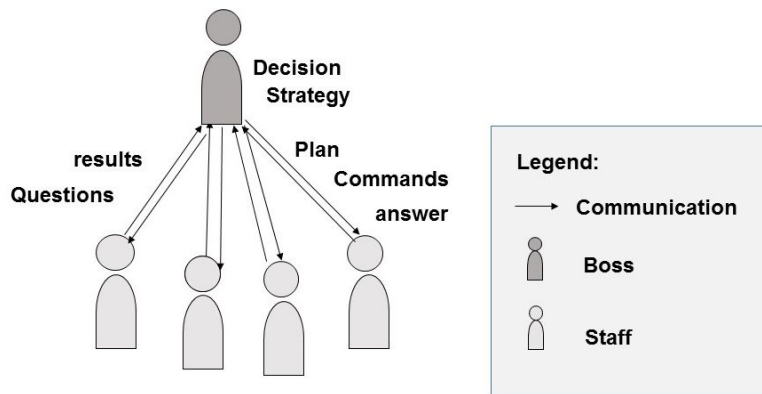

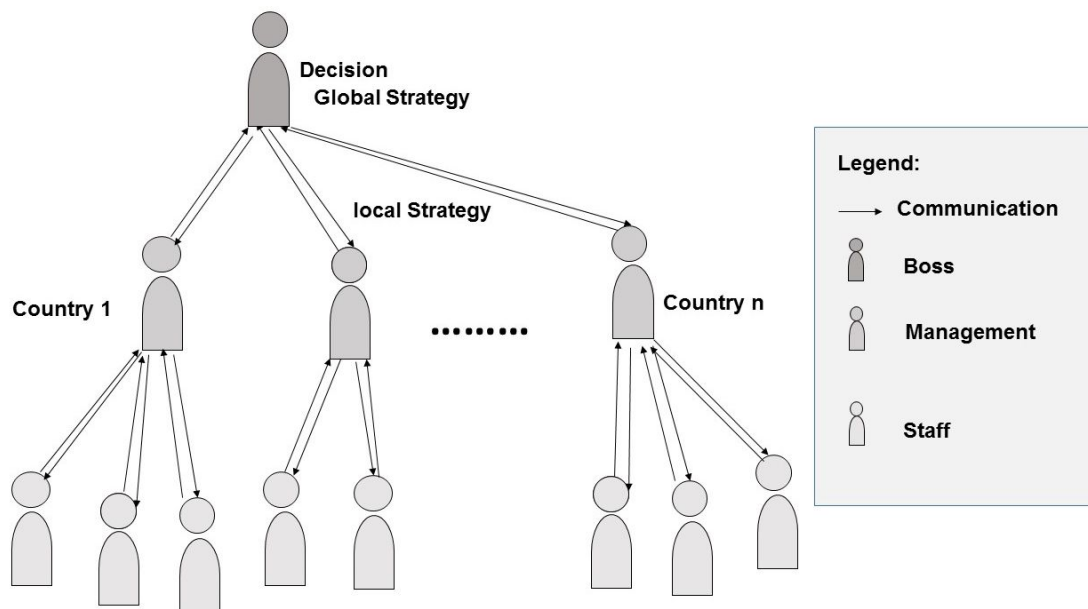*Figure 2. Communication flow within Classical organisational forms (local)*

Figure 3. Communication flow within Classical organisational forms (global)

From the point of view of the communication flow it is important to separate the line of command from planning. This line will be standardized to activate if necessary. This form is only fit for local use because "in a local company the employees identify with the boss or the unit or the internal goals in which they work. They are internally focused and there is a strong social control to be like everybody else", as seen in Hofstede, Hofstede and Minkov (2010). Based on this consideration in a globally acting company you can only act this way, if you have people in local management who are able to understand the specific country and its people. This is shown in Figure 3 Neo-Classical organisational forms.

The human-relation approach (Hawthorne-Experiments, 1924-1932, cited in Schreyögg, 1999) with the idea that emotions are a crucial factor of productivity is one of the two neo-classical organisational

forms. In this approach the behavioural perspective is very important and the communication is changed from a task related management to a personal related management, from command and obedience to the principle of supportive relationships. In the second neo-classical organisational form, called the incentive-contribution-theory (Chester, 1886-1961, cited in Schreyögg, 1999), a company is understood as a cooperation between workers, customers, clients and capital providers. Incentives secure the willingness to cooperate to provide a good performance. The organization is interlinked with wishes and expectations of the participants as you see in Figure 4.
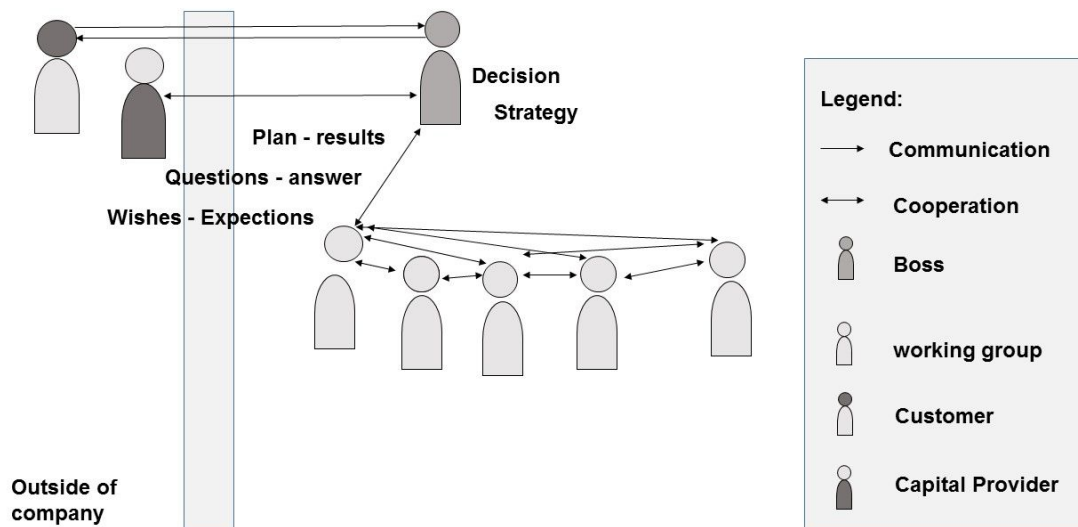

Figure 4. Communication flow within Neo-Classical organisational forms

Measurements are needed to introduce to meet the goals of the participants in efficient and effective way. To have a say in tasks (methods, materials, guideline optimizing), in working time, or sometimes to offer on the job training the communication flow has more feedback and discussion loops as before. For a global acting company the organisation is the same as before shown in Figure 3.

Modern organisational forms

In modern organisational forms a long term strategy as well as human resources are very important. These are based on the knowledge that traditional structures detain people from capture initiative. People want to be responsible and therefore should be responsible for their goals. There are existing a lot of modern organisational forms like human-resource-approach, cognitive-symbolic approach, system-theory approach, structural approach, empiric analyses, micro-economic approach or mathematic approach with different characteristics in details, but there are some equal characteristics concerning the information flow like this: Self-fulfilment at the job, the idea of personal "growth" (mature personality), communication, cooperation and trust, common goals with the emphasis on meeting the customer´s requirements and a pragmatic attitude are important to enrich the desired results, mutual acceptance, mutual responsibility, set method, talented persons and skills, so that in case of crises the problems can be solved within a team. The distribution of tasks addressed the solution of problems is according to interests, acquirements and aptitudes. Within teams people have to understand one another and respect each other (the social aspect is very important). So it is possible to act in an unknown situation very quickly because the most competent person will be responsible in a crisis and all other team members follow this person. If this is not as effective, as expected, a reaction and cogitation can follow and a new interpretation, patterns for orientation and initiatives can be developed.
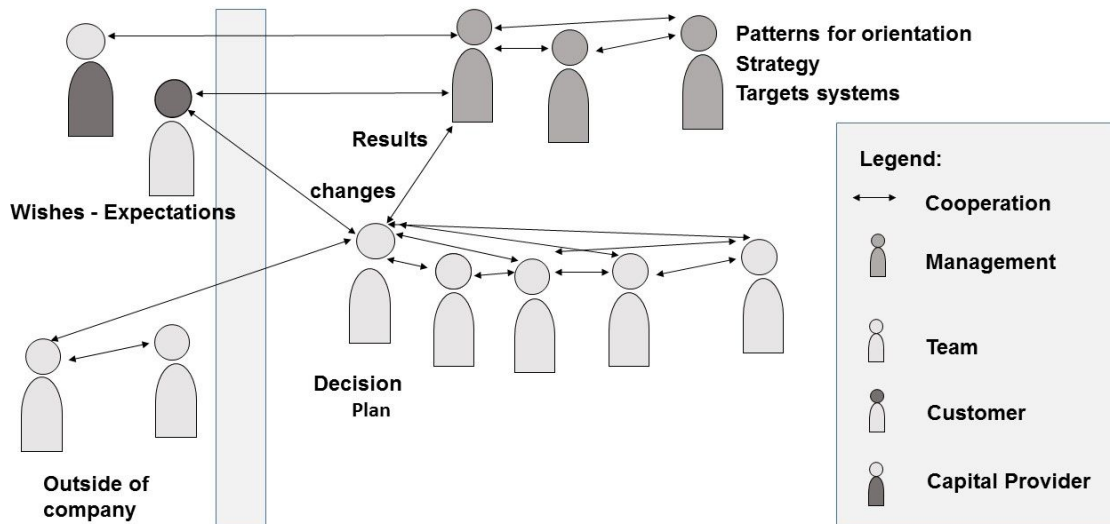
Figure 5. Communication flow within modern organisational forms

Every time the participants can have a small talk or discussion about their work, every time they can have an interruption and a proposed better way of work. To solve problems on different perspectives, mixed work groups think about and the relations between effects can be seen. A communication flow between the different departments also in case of problems has to be established. The assessment of alternatives has to be supported. A Stakeholder analysis can generate and make visible the different influences on enterprise, product, processes or projects. This leads to a better understanding of the changing environment and a better change management for transformation processes. The customer's feedback is to be integrated in the innovation process, acceptance factors need to be analysed and the decision makers. To solve problems, the person within the team with the best skills fit in the specific situation is taking responsibility. You see this network of information flow in figure 5.

Postmodern organisational forms

Postmodern organizational forms like highest performance organization, systemic management, agile approach, high reliability organization or virtual organizations are characterizes as working within an instable environment (awakening and upheaval). This means the company is of interactional nature to manage the changes: it can receive input from outside and react in short time, but it can also have a creative effect on environment and influence the market i.e. by creating initiatives, the meanings of citizens by using modern media, technology by supporting universities. So a company can act instead of the concentration of reaction. In highest performance organization the cooperation between team members is very important. The team works together on a common goal, as written in modern organisational forms. It is possible to communicate also the problems in an open way, without anxiety, having a trusted and familiar workplace. That's why it is not necessary to document all discussions. The team is mutual responsible. Each team member knows, what it has to do and what the others want to do and can do, if necessary. The distribution of tasks is according to interests, acquirements and aptitudes, so in case of crises the problems can be solved within the team (Haug, 2003). In systemic management the focus is laying on the social aspect: people need to understand one another and respect each other. Organisations can also be regarded as evolutionary systems, one should analyse what is developing, what can be done and what could be done but also what we cannot do" (Weick & Sutkliffe, 2007). Because of the directly reaction on problems grave errors can be avoided. Collective regard fullness protect an early detection of crises. Another postmodern organisational form is a virtual organisation: A virtual organisation is a set of independent enterprises that rely on multiparty co-operative relationships between people across structural, temporal and geographic boundaries. Flexibility is brought in by reconfigurable networks of computer based communications that allow organisations to co-ordinate their activities and by a management philosophy, based on collaboration and innovation. You can find this information in Figure 6.
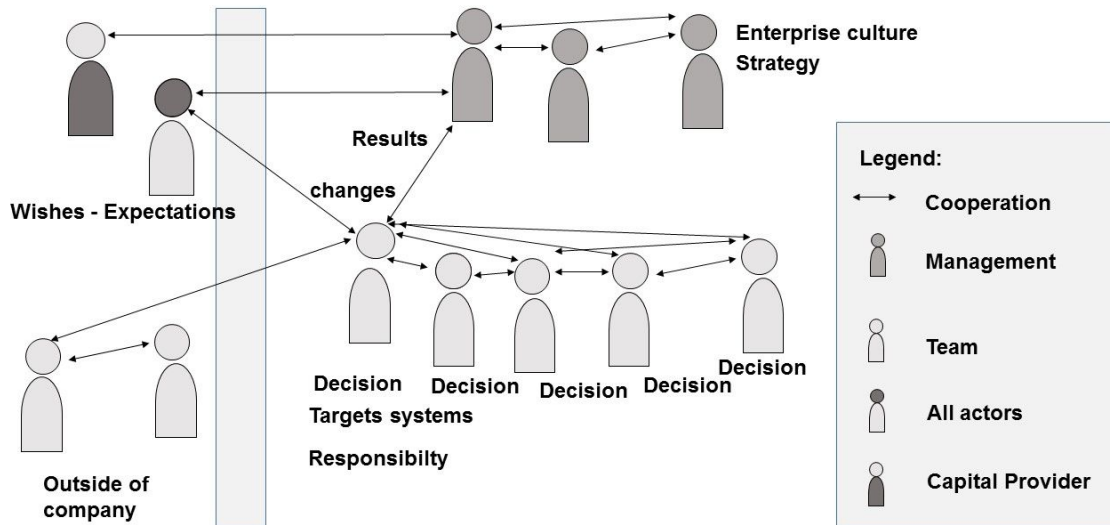
Figure 6. Communication flow within postmodern organisational forms

The information, which is necessary to act, is extended by the aspect of understanding. People want to know why it was decided in this way! This leads to the fact that basic conditions and procedures, which have led to the decision must be held, in addition, transparent. The well-being, life balance and factors of acceptance and happiness will be addressed by using one of the postmodern organisational forms. All workers know themselves what is to do, they are responsible for their work.

Discussion

Now we come to the 2-nd level of our methodology: the correlation between the problem areas of the different organisational forms and the communication flows. In order to be able to plan, prepare, and perform and to analyse operations, the support of information is relevant for decision and analyses. To the fastened political, social, economic and technological changes, suitable education and simulation models should guarantee the ability to the management of linked operations (Zandboer, Kuhn & Voigt, 2011). Based on the cognition we analyse the problem areas and in result we can define our criteria for the right choice of organisational form or communication flow.

Problem areas

Strategy: To decide about the right way of communication flow, we need the understanding of the strategic direction of an enterprise. The definition of a strategy is "the art and science of planning and marshalling resources for their most efficient and effective use". We can also understand a strategy as "a method or plan chosen to bring about a desired future, such as achievement of a goal or solution to a problem." In Business Dictionary (2015a) we have found both definitions. To support the strategy, we have to understand what kind of information is needed and how the information is transported and who is the receptor.

As we have described above in a classical organisational form the goals are communicated directly to the employers and the strategy is hidden in the command line of the boss. The kind of information is divided in plan and command information. The description of the work is written in document (nearly almost integrated in a contract, in the case of changes, a new contract will be closed). In a neo-classical organisational form the target systems of the company has to be communicated, watched and developed. The participation of the employees is possible. The way to communicate and to cooperate is more complicated as before, discussions are possible, the understanding of the social human being is focused. Therefor the receptors are not only the leaders but also the staff as a whole, or even one employee if

necessary. In the modern organisational forms a high performance of the communication flow is necessary because, not only the flow is introverted but also all actors – inside or outside of the company are involved in the communication flow and participate in collaboration. No more only commands are addressed to an existing product or production, but also wishes and visions are welcome. A worldwide network is supported by a communication flow, in different languages with different understandings, in different times for different needs.

Expected labour turnover rate: To reduce the labour turnover rate you take into account for the choice of the organisational form, the distinguish between talented, pragmatic, creative and innovative persons, and the persons who are proud to be the best in their profession, and the persons who will create new incomes and the persons, who wants to be controlled and told what is to do (Scott-Morgan, Hoving, Smit & Slot, 2001). Every personality is different and if every person is on the right workplace, the labour turnover rate will be reduced. You cannot have a person, who needs to have some peace and a quiet, isolated workplace, if you know that on this specific workplace a lot of changes will happen in a short amount of time. On the other side you need a person with this character in the administration office.

Adapted for changing environment: we distinguish between the frequency and the deepness of changes on workplaces as seen in Scott-Morgan et al. (2001). In following we use the agile values (Business Dictionary, 2015b; Ward Cunningham, 2001; Wissen für Unternehmer und Manager, 2015) to show the problem areas in a high changing environment as we find always in a global oriented enterprise and sometimes a few of these values in a local oriented enterprise.

The fear of doing mistakes: In a global oriented enterprise you have different bosses and so the trust on your profession is needed. If somebody made a mistake, the person need to have the possibility to talk about the problem just in time without anxiety, because the problem needs to be solved in short time, before something worse will happen. Helpers are needed, so the organisational form with self-organisation within teams is the best. Skills as well as qualification are needed. In a local oriented enterprise, the staffs have the possibility of having a response of their direct boss.

No room for creativity: if there exist decision makers as positions and there is no possibility of the employees to participate in company decisions, then a manager takes away a lot of energy of their staff. In (Schreyögg, 1999) we read that no company can exist anymore without the initiative and ideas of their own employees.

No freedom of decision: In a global oriented enterprise, decisions are made where the best information is available. So the time of making decisions will be reduced and the reaction time is quicker.

Following a plan: If there is a plan, managers follow this plan in a strictly manner, then they have the problem of making needed adaption if changes arrive. New contracts need to be made as well as new discussions, new documentation – and the needed changes in the services or product have to wait: This is impossible for a global enterprise. Therefor an agile organisation is needed. As result of this discussion we obtain the table shown in Table 1.

Table 1 Table of criteria and the values addressed to the different organisational forms

Criteria:	Classical	Neo-classical	Modern	Post-modern
what kind of information	See Figure 2-6			
Strategy: how the information is to transport.	Direct from boss to staff	Direct in cooperation with management and staff	in collaboration management with team and actors	in collaboration with management, team and actors
Strategy: who is the receptor	staff	staff	All participants	All participants and management
Reduce labour turnover rate	like plans	builder for new incomes	best in his profession	talented, pragmatic, creative and innovative

Adapted for changing environment:	Not in consideration of staff	Not in consideration of staff	Speed is necessary, team is introduced	Agility – every team member can decide himself
Employee: Fear to make something wrong:	Yes	More or less	no	no
Room for creativity:	no	no	Yes	Yes
freedom of decision:	no	no	Yes	Yes
Following a plan	Yes (boss)	Yes (boss)	Yes (team)	No (only target oriented)

For the evaluation the correlation between the founded criteria describing the problem areas of the different organisational forms and the communication flows we use the factors of acceptance research (Schröter & Balfanz, 2010) and of happiness research (Kleist & Maetz, 2003). Acceptance research is the research to analyse the acceptance of innovations (to find out the reasons of accepting/ denegation of the potential customers. With the help of happiness research the comparability for pay will be given. There is a fiction in the sense of total target compensation: components of pay as a kind of currency for the personal management for a better comparability and used in law court.

The acceptance factors are:
- Relative Advantage: The user has to recognize a benefit in the new product.
- Compatibility: The innovation has to be consistent on the base with experience, values and needs.
- Complexity: The innovation has to be easy to use and to understand.
- Trial ability: Prototyping and adaption on the needs of users. So not only experts but everyday users should test the innovation.
- Observability: The Benefit of an innovation is easy to recognize. In this case the user is ready to adopt the innovation.

The happiness factors are:
- Family relationships: In Company the relationship to the close colleagues is very important. A poor privacy, thinking concurrency and no cooperation are counterproductive.
- Financial situation: The financial position is of significance, disturbances are dumping pay or unfair paying.
- Work: There is important the chance to career and employability, so only performance orientation, only training for the company´s benefit or a rigid job ladder are not good values.
- Community and friends: If there is egoism and no team spirit then people have no good feeling. But if people operate in groups then we are able to feel happy.
- Health: If people feel stressed, i.e. overloaded with work or being permanent contactable, health will be reduced.
- Personal freedom: Staff feels happy if they have the freedom of decision making within their work and being responsible for the results. Interdictions and regulations are counterproductive.
- Attitude towards life: for the employee team-orientation is much better then egoism or injustice.

Table 2. Table of the criteria and organisational forms

Criteria:	classical	Neo-classical	modern	Post-modern
Relative Advantage:	no	no	yes	yes
Compatibility:	no	no	yes	yes
Complexity:	no	no	yes	yes
Trial ability:	no	no	More or less	yes
Observability	No recognition	No recognition	recognition	recognition
Family relationships:	no	yes	yes	yes
Financial situation:	More or less	fair	fair	fair
Work:	More or less	yes	yes	yes
Community and friends:	Not in consideration	in consideration	in consideration	in consideration
Health:	Not in consideration	in consideration	in consideration	in consideration
Personal freedom:	no	no	yes	yes
Attitude towards life:	egoism	egoism	Team-orientation	Happiness factors

Local and global aspects: A global oriented enterprise will share projects across all teams for changing company processes. The need to be able to see market trends as well as the capability of rapid response to unexpected challenges are given. So the participative change management within the company is taken into account as discussed above. In addition it is necessary to find a balance between a lifelong and permanent learning, as well as working with pleasure and a familiar atmosphere. Psychological and sociological knowledge are necessary for the leadership to realize this.

Summary and outlook

Traditional structures detain people from developing initiative and take over responsibility – this fact is in correlation with the effort of communication and a high performance communication network is necessary. As we have shown, there are many possibilities to augment the performance of team members. The right communication flow can help. To answer the questions asked at the beginning of this paper, we have shown that the acting in terms of the enterprise is essential within all organisational forms. But the way to enrich this goal is very different. While in hierarchical and neo-classical organisational forms the management knows the targets and strategies only by themselves and therefore they communicate and command the work packages to their staff, whereas in modern and in post-modern organisational forms the building of targets systems is established and the staffs are involved in advancement of the strategy. In addition within post-modern organisational forms the teams can also make their own decisions if necessary. Based on this cognition we have to add on the usually used communication flows the information about acutely, correctness to targets systems (or if not the reasons) as well as the degree of importance. In conclusion the right choice of the communication flow to achieve the ultimate efficiency, effectivity and agility, is dependent on the trust to the staff and the degree of responsibility to the work. And at least the staff will stay in company, will work self-contained and will feel happy. Team members are a matter of valuable capital. Through falling labour turnover rates the enterprise saves cash and period of vocational adjustment. Think global act local is no more a dictum only for the ecologist but also for economist.

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