

Improving
communication
channels with
employees in
multinational
organization man...



**ASSIGN
BUSTER**

Communication is one of the essential components in Multinational Corporation. However, MNCs devote considerable resources for having external communication through sales, marketing, and advertisement; these communication channels affect the bottom-line of organizations. The way MNCs communicate message with their distributors, retailers and customers affect the success of organization at attracting the customers and promoting customers satisfaction (Mark, 2005). Considering the effects of external communication, internal communication can also have great impact on the bottom line of company including communication with employees which affects the employee engagement, satisfaction, productivity, retention, and loyalty. Substantially effective communication with employees can serve as an effective risk management in MNC. With such importance of effective communication with employees, corporations apply wide range of communication channels. With the decentralized management, MNCs are more operating in multiple cities, states and countries which make it difficult for them to take updates and reports from employees. In addition, diversification of employees' characteristics such as employees is different by age, race, gender, ethnic background, religious orientation, marital status, language and mental capabilities, as well as educational and social-economic background. All these factors largely affect the way organizations strategize their communication channels with employees. Therefore, even though there is essential technological advancement for sharing the information yet for a multinational organization communicating with employee has become more challenging. According to Cook (2004), recent survey of US workers shows that employees believe that their companies are more communicative with shareholders and customer than their

<https://assignbuster.com/improving-communication-channels-with-employees-in-multinational-organization-management-essay/>

employees. According to a study by Watson Wyatt Worldwide (Connecting Organizational Communication to Financial Performance – 2003/2004 Communication ROI Study™), with improved and effective communication channels with employee organizations have observed a significant increase in market value of 29.5%. Furthermore, organizations with the highest level of effective communication channels have experienced total return of 26% to their shareholders. Considering such importance of effective internal communication channels in MNC this paper aims to propose undertaking of research identifying the relative theories and studies for improving the effectiveness of internal communication channels within MNC.

Research Aim

The aim of this research paper is to examine the ways communication channels can be improved with employees in multinational organization.

Research Objective

The objectives of this research are as follows:

To analyze the internal communication channels used to communicate with employees in multinational organization

To observe and investigate the efficiency and effectiveness of various communication channels in multinational organization

To learn and discover the advantages and disadvantages of different types of internal communication channels in multinational organization

The aim of the paper will help to find the ways multinational organization can improve the effectiveness of communication channels with employees within organization. The aim of the paper will be achieved by identifying and examining the internal communication channels used within multinational organization with employees. Moreover, these communication channels will be evaluated for their efficiency and effectiveness in terms of the achievement of their goals. Paper will conclude the findings by considering the advantages and disadvantages of the communication channels in the context of corporate communication theories.

Research Significance

Organization usually functions and operates with communication by consuming valuable resources for developing vertical, downward, upwards and lateral communication with their employees-management structure. If proper communication channels are not used to communicate information and instructions it can produce mediocre results and loss of revenues. Other than that, if upward communication channels are not used appropriately it can create limitation to exchange of ideas. With absence of effective lateral communication there is possibility of waste of organization assets. For making the communication channels effective for increasing the productivity of organization, organization strategizes communication structure. With the passage of time, the communication means and needs change and organization has to respond to such change by improving the communication channels. This paper is significant for multinational organization for understanding level of communication required in organization between employee and management.

Research Scope

In order to conduct this study Coca Cola Company has been chosen. The Coca-Cola Company is a beverage retailer, manufacturer and marketer of non-alcoholic beverage syrups. The company operates a franchised distribution system and sold to various bottlers throughout the world (<http://www.coca-cola.com>, Accessed on January 6, 2011). The study will be conducted for identifying the communication channels used with employees by Coca Coal Company. The communication channels will be further evaluated and analyzed for their effectiveness and efficiency. Since Coca Coal Company is one the world's largest Multinational Corporation, paper will examine the communication channels used with employees, including the efficiency and effectiveness of those channels and advantages and disadvantages of communication channels.

CHAPTER 2: LITERATURE REVIEW

Introduction of Literature Review

Communication commonly refers to exchange of information and ideas. Such exchange involved sender and receiver between whom communication occurs. Communication is defined as two way process as it forms a dialogue rather than a monologue (Fiske, 2002). Thus information can be of many types including text, voice, and data (Buckland, 1991). Organizational communication is broadly divided into two types; internal and external communication (Manning, 1992).

To Manning (1992) in organization the concept of information can be defined as anything that reduces uncertainty. In organization, communication is

collective representation of ideas and it also includes interpretation of thoughts and actions. From a formal point of view organizational communication is a process of data into a message form into through and out of channels formally designated within definite organization including non-informational matters that forms a message. Organizational internal communication includes all form of communication within specific organization. Organization employs various channels and forms to communicate with their employees. Thus, internal communication is communication of information developing understanding within an organization. It is mostly involved strategy, policy and integrated use of multiple communication channels (Smith & Mounter, 2008). This literature review aims to find out internal communication channel within multinational organization and relevant theory of corporate communication.

Internal Communication

Internal communication which refers to organizational communication with employees provides employees a means of communication through which information and instructions are exchanged and enable organization to perform its functions efficiently. Thus employees and employers both are aware of developments. Internal communication usually involves provision of information, channels of communication and the way communication occurs. Effective internal communication channels enable employees to perform their job towards fulfilling the organizational goals.

Moreover, communication between management and employees encourages the employees by explaining him directions to head which also helps in decision making of organizational decision body. The importance of internal
<https://assignbuster.com/improving-communication-channels-with-employees-in-multinational-organization-management-essay/>

communication can be explained to give instructions regarding job, organizational values and visions.

Therefore, internal communication is an important element in keeping the employees engaged and also keeping them focused towards being productive and committed towards organization.

An effective and clear communication channel in organization is substantial which keeps employee and employer both as a support for business purpose, supporting all business activities and giving them motivation to improve performance levels. In consequence of using internal communication channels, employees tend to be engaged with the business values and goals of organizations by offering them submitting their feedback and other innovative ideas. In today's globalization, where multinational organizations are more engaged in expansion and innovation, they are likely focus on applying the effective internal communication channels as most important mean in organization. Using communication channels organizations are able to share their visions and stimulate their workforce. Internally communication is characterized as vertical, horizontal and diagonal. In the beginning there is more stress on the vertical organizational communication with comparison to lateral communication. Nowadays, more emphasize on the diagonal communication as organizational communication. Vertical communication in organization takes place between hierarchically positioned persons. Vertical communication on hierarchical basis flows both downwards and upwards. Downwards communication is considered as more prevalent than upward communication.

Studies have suggested that downwards communication is more effective such as managers communicate with supervisors and immediate supervisor Larkin and Larkin (1994). Evidence demonstrates that increasing use of power by supervisors is possibly helpful to improving satisfaction and performance of employees.

As far as vertical communication is concerned, according to Morgan and Schieman (1983), there is few evidence of organization using downwards communication which shows lack of popularity of this channel among employers.

In downward communication employers are required to communicate with employees directly such as top managers directly communicate with the supervisors. According to Gibson and Hodgetts (1991), upwards communication is not intended to give more satisfaction to employees than downwards communication. Lateral communication usually occurs in non-hierarchical relation. Frank (1994) has found that there is higher level of employee satisfaction with lateral communication than vertical communication. It is also found that lateral communication is less problematic within functional areas. As a result of great importance of higher level of productivity multinational organizations are more likely to use lateral communication. According to Wilson (1992), diagonal communication is channel of communication that occurs between managers and workers located at different functional areas. Communication occurring vertically and horizontally both are important.

Internal Organization Communication Channel

Communication channel can be defined as stabilized connection for communication. Personally people have number of information channels or source of information. Medium of communication is commonly a technological tool used for the transportation of communication. Communication occurs through technological medium creates a communication chain where information is transferred from sender to receiver. It makes communication vulnerable and can have distortion (Åberg, 1999).

Multinational or large organizations employ multiple internal communication channel to reach the right person is an easy way. This is remarkable that various communication channels are used as each other's complement rather than alternatives (Ikävalko, 1996).

Many organizations believe that richness of communication channels within organization strengthen and improve communication satisfaction because information is valuable in such organization. Communication Channel within organization can be divided into two mediated and direct communication. These differences are made on the basis of their distribution methods.

Mediated and Direct Communication Channels

Mediated communication involves use of media or a form of media for the distribution of information. Direct communication channels; on the other hand, is always based on verbal and face-to-face communication (Lohtaja & Kaihovirta-Rapo 2007).

Mediated communication channel is further divided into two kinds: electronic distribution channel and printed distribution channel. Electronic distribution channel includes e-mail, phone, internet and radio (Juholin 1999).

Direct communication is divided into two types: personal communication and event communication. Personal communication channel refers to face-to-face communication, work briefing and shared meals. Event communication refers to communication occurs during meetings and conferences, presentation and speech, workshop and seminars and so on (Juholin 1999).

Formal and Informal Communication Channels

Internal communication channels are also divided into formal and informal communication depending on the types of information, methods of information distribution and manners in which communication is formulated.

Informal communication channel refers to flow of information in non-official environment such as friendly discussion in cafeteria, at coffee machine and at smoking.

Formal information, on the other hand, refers to channel through which communication is flowed using organizational resources such as office notice, or bulletin boards on the intranet.

Through informal communication information that is distributed using formal communication channel is analyzed and complemented. Informal communication channel sometime create trouble if formal communication channel is not thoroughly used.

Theory of Corporate Communication

According to corporate communications theory, which is based on the advance theory of the firm and value based management; firms are such institutions acting in a defined environment which is economical system and cultural rules (Cornelissen, 2004). Such rules and structures are reproduced and modified in business. In order to achieve economic and cultural values firms usually employ strategic communication channels both internally and externally (Cornelissen & Cornelissen, 2008).

According to this theory effective corporate communication can generate product and service values by creating economic value such as motivating employees, generating their interest, and influencing the organizational goals including profit and loss account, and potentials and immaterial assets (Goodman, 1994). Under the theory of corporate communication the purpose of internal communication is to achieve production based on divisions of labors by communicating substantiating unspecified contractual relations such as corporate culture and work instructions (Belasen, 2007).

CHAPTER 3: METHODOLOGY

This chapter discusses the research method that used as guidelines for information gathering and processing. It further discusses in detail the research approach, research strategy, including sample techniques, types of data and sources used, data collection methods, techniques of data collection and techniques of data analysis. Furthermore, it includes types of presentation data selected, research limitation, ethical implication of research, research schedule and at last reflection on personal development.

Research Methods

Research Approach

The research approach refers to using such research method that helps in conducting the research. Apparently, there are four different types of research approaches including: Quantitative, Qualitative, Pragmatic and Advocacy research approaches. Choosing a research method widely depend on the purpose of the research and question of the research. In order to choose research approach for this study all research approach will be reviewed.

Quantitative Approach

The quantitative research approach is used to be associated with positivist or post-positivist paradigm. The quantitative research approach further entails the collection of data and conversion of data into numerical data. Then from numerical the result in statistical information is developed and a conclusion is drawn.

According to Vanderstoep and Johnston (2009), quantitative research is used to demonstrate the findings from the samples used in the study and gives accurate reflection of the research participants from which the sample is drawn.

Qualitative Approach

The qualitative research is used to be associated with social constructivist theory and it pursues the socially constructed nature of the truth. The Qualitative research approach includes recording, analysis, and discovering in-depth objective and significance of nature, conflicting beliefs, emotions,

<https://assignbuster.com/improving-communication-channels-with-employees-in-multinational-organization-management-essay/>

and behaviours. The qualitative research approach also shows thorough and complex understanding of the study.

Pragmatic or Mixed Methods Approach

Pragmatic research approach of research provides such a research process which entails both quantitative and qualitative research characteristics, methods and procedures which is used for recognizing the limitations of the research determined by each method. .

Advocacy or Participatory (Emancipatory) Approach

Advocacy approach is used to respond to the need of marginalized. Thus, this type of approach is used when there is a political agenda and the aim of the study is to bring positive change to the people participating in the study.

For conducting this result, quantitative approach is proposed through which data will be collected from previous literature that helps to find the appropriate and most suitable strategy to improve the communication channels with employees in multinational organization.

Research Strategy

The research strategy provides a plan to research study about how to answer the research question by fulfilling the research objectives. There are different research strategies present such as experiment, survey, case study, grounded theory, and ethnography and action research. The research strategies that may be employed as follows:

Experiment

Experiment from of strategy is a classical research strategy and it is used for natural science, social science, and particularly psychology. For this research study, experiment study is not suitable.

Survey

Survey approach is used in business research which allows for large amount of data from sample of high population. This approach usually involves questionnaire which enables easy comparison of data.

Case Study

Case study is useful for gaining rich data as it provides systematic methods of observing methods and collecting data, and analyzing data.

Grounded Theory

Grounded theory entails the data collection that is formed from theoretical framework. Thus data is generated from observation and it lead to predictions that can be tested further.

Ethnography

Ethnography entails data collection through the observing the participant, interviewing them, and questioning them.

Action Research

Action research entails research in which researcher is part of organization and intend to carry out research within his area. The research strategy adopted for this research paper is case study because for this paper there is need to collect data from previous literature and analyze them by

<https://assignbuster.com/improving-communication-channels-with-employees-in-multinational-organization-management-essay/>

incorporating with current knowledge of organization. The selection of case study as research strategy will help in analyzing the data.

Sampling Techniques

There are two types of sampling techniques: random and non-random techniques available. According to Vanderstoep and Johnston (2009), random sampling is a simple way in which participants have an equal opportunity of being selected as a participant of the study. Non-random sampling, on the other hand, is sampling which does not give equal chance for participant for being selected for the study. Since this research study aims to identify the ways by which multinational organization can improve internal communication with employee, study will be conducted through collecting data from previous literature. Thus, sampling technique suitable for this study is non-random in which samplings will be done using previous literature review and thus particular studies will be selected for using in the study.

Types and Source of Data

There are two types of data used in academic literature primary and secondary data. The primary data is such data that is collected particularly for practical research and includes, interview observations and survey. The secondary data, on the other hand, is collection of data using previous literature using various documents, books articles, periodicals etc. The data collection type selected for this research paper is secondary data.

This includes collection of data using different websites, books, journal, e-books and Company information using different journal database such as EBSCOHOST and JSTOR.

Data Collection

There are two types of data collection method: primary and secondary data. The primary data collection involves collecting data through both questionnaire and interview. The quantitative technique will be used for collecting the data for this study because quantitative technique is appropriate for collecting previous literature and analyzing the data with current information of company.

Techniques of Data Analysis

Quantitative data will be analyzed using the Content Analysis technique, which is inconspicuous technique of analyzing the literature and interpret the literally statements extracted from the literature.

Presentation of Data

According to Nicol & Pexman, (2010), data is best understood when it is shown using graphs and tables. The findings of study will be presented in data form through graph and table. Using graph and table in presenting research data findings makes it easy for reader to evaluate the result of study.

Research Limitation

The finding of the research is limited to large organization rather small enterprises because corporate communication culture in SME is different

from MNC. In addition, the findings indicate the internal communication channels of organization with employees and does not include external communication channel of organization.

Ethical Implication of Research

According to Barnbaum & Byron, (2001), the ethical implications of research involve conflict of interest, confidentiality and data protection.

Conflict of Interest: This study does not involve any interest conflict and is being conducted for submitting to academic college. Thus, no personal or professional interest is related to research. Moreover, for this research primary data is not being used and paper does not hold responsibility for any type of conflict resulting in the interpretation of previous literature or data.

Approval: The data that will be used for the study will be accessed from online public libraries and database while Coca Cola Company information about internal communication channels will be gathered using online journals and archives. Thus, all data and source used in the study will no need any personal approval of individual or group.

Confidentiality: This research will largely base on the use of previous literature and company information about internal communication channel used by organization with employees for which online sources will be used. Thus, no data in this study will be used that requires being confidential.

Data Protection: In order to conduct the study, secondary data will be used through accessing online journal database and e-books therefore there is no need of data protection.

Research Schedule

The proposed research after approval will be carried out from February 1st 2011. All basic and initial research will be done from scratch including literature review. Since no primary data will be gathered for concluding the research findings therefore paper will be completed in 15 days.