

The principles and goals of communication



This report has been made in order to demonstrate principles, goals and importance of organizational communication by using practical examples.

The structure of this report is based upon eight key elements of organizational communication, which will be explained in further text.

The content is adapted to meet the needs of younger audience without previous knowledge or experience in business. In order to make this topic clear and interesting for young students of Healthcare Level 5 at the Auckland Goldstar Institute I chose one of the biggest companies in the world especially known among young people: PUMA AG Rudolf Dassler Sport.

PUMA AG Rudolf Dassler Sport, known worldwide as PUMA is German international brand that produce sportswear as well as fragrances and accessories. Two brothers Adolf and Rudolf Dassler had established the company almost hundred years ago, in 1924 as Gebruder Dassler Schuhfabrik. After 1948, brothers split and formed two famous brands, ADIDAS and PUMA (Wikipedia, on-line).

The PUMA AG is based in Herzogenaurach, Germany. Main products of the company are sports shoes, lines of sport clothes and other accessories. Ordinary people as well as famous names of sport consume all those products worldwide (Puma. com, on-line). However, this report is not made to discuss products and quality of those products, but to show types, structure and implementation communicational key elements and skills within such a successful company.

BUSSINES DEMOGRAPHICS

Definition: “ A statistical view of a population generally including age, gender, income, schooling, occupation and so on” (Entrepreneur, on-line).

Obviously, the big company such as PUMA AG is fully familiar with demographics of their customers, which is essential for successful business. The main goal of acknowledging and understanding demographics characteristics of targeting population is to provide exactly what customers need in order to strength business. All those characteristic have to be considered within local; national or international level.

Puma is famous in the United States mainly for basketball shoes, which is good example of demographics importance for business considering the fact that USA is basketball nation (Wikipedia, on-line).

Regarding to demographics it has been outlined importance of Asian market for PUMA AG. Due to that fact there is interesting article published on web which states: “ Asia is a very diverse region and we can` t look at it is as a whole. Japan and China for example are at completely different stage economically. The Japanese consumer has a long history with luxury goods and with sports goods, while the Chinese consumer is just building purchasing power in order to get in touch with those types of business and products”(Credit-suisse, 2007, on-line). In the same text has been outlined importance of India market as a fast growing market.

Ordinary people can understand business demographics by looking at shops in big and smalls cities. It is obvious that brand as PUMA has shops mainly in big cities with higher standard of living, where lifestyle demands are higher

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according to busy schedules and stressful, competitive environment. After stressful day at work, many people find pleasure in healthy lifestyle, which needs sportswear, and there is PUMA AG to meet those needs.

Good knowledge of business demographics and proper use of that knowledge increases the income of company, but also challenges and demanding organizational structure. Company is present worldwide through shops in almost every country in the world. PUMA AG has headquarters in Herzogenaurach (Germany), Boston (USA), London (UK) and Hong Kong as well as branches and stores in over the 80 countries. Well-organized communication within this chain is necessary for effective business (PUMA.com, on-line).

ORGANIZATIONAL GOALS

Definition: “ A goal or objective is a projected computation of affairs that a person or a system plans or intend to achieve-a personal or organizational desired end-point in some sort of assumed development” (Wikipedia, on-line).

In other words, organizational goal is aim and purpose towards which organization runs business. PUMA AG has long-term goal to achieve company’s mission and vision. Due to that fact the base for PUMA AG activities is PUMA VISION which states:” FEIR HONEST POSITIVE CREATIVE” (PUMA VISION, on-line).

In order to achieve those goals PUMA AG focuses on issues related to environment and society, involves in activities, which support global peace, art and creative individuals and organizations. In terms of goals and

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achieving vision and mission, communication of organizational goals is crucial. PUMA AG has been developed norms and expectations, individual as well as group norms. There are established explicit norms regarding to acceptable behavior patterns within group. There are also implicit norms, which refer to timetables for using coffee breaks, meeting time, dress code and language. All of those norms are precisely described in policies within PUMA AG. Those norms have been established in order to encourage openness among employees (e. g introduction between employees); reflective thinking and feedback. Issues discussed on meetings have to be clear and understood by all members. There are established norms that shape conversation such as assertiveness, empathy and acknowledging person`s point of view. Norms are also established to meet the needs of dealing with conflict and disagreement among employees with agenda to treat conflict productively. It is important that those norms be established in a way that meet needs of distributed teams depends on location (where the branch is situated). (Sustainability Report, Puma. com, on-line).

“ PUMA AG has long-term mission of becoming the most desirable and sustainable, sport lifestyle company” (PUMA. com, on-line).

Within the PUMA AG different talking styles such as discussions and dialogs are used during meetings in order to achieve compromises and agreements that lead to company`s goals. As talking styles, there are posters, symbols, brochures etc. Those styles are available within all PUMA facilities communicating with employees as well as customers. All those activities that has been taken with purpose to achieve company`s goals are well-coordinated by managers at different levels of organizational structure. Two

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main bodies that control company are Board of Management and Supervisory Board. There are also chairman, representatives, managers and ordinary employees in the branches worldwide. Correctly established organizational goals, communication and norms resulted in fact that PUMA has multimillion profits every year (PUMA. com, on-line).

ORGANIZATIONAL CULTURE AND ETHICS

The term ORGANIZATIONAL CULTURE could be explained by values, believes, behavioral patterns within group members that shape the working environment as well as presentation of group in public (Wikipedia, 2010).

Clearly defined organizational culture is necessary for controlling behavior of employees especially in big companies such as PUMA AG.

PUMA AG has more than 9. 000 employees from different countries as well as cultural backgrounds and age groups. In order to achieve good environment for employees PUMA AG established cultural norms, which has to be followed without exceptions. Some of those norms are already presented in this report.

Interview with Jochen Zeits, chief executive officer of Puma published on the web (Credit-suisse, on-line) argues about difficulties PUMA AG had been faced during the 90`s. One of the actions that had had been changed in order to achieve status that PUMA AG has now refers to organizational culture. “ We have established a corporate culture and anybody who joins the team, regardless of age, must fit into that culture”. In the same text has been said that those years PUMA AG decreased staff number for 30% and gave opportunity to younger generations with open-minded approach to <https://assignbuster.com/the-principles-and-goals-of-communication/>

fashion and lifestyle. As an answer on question about defining of PUMA`s corporate culture Zeits says that working together as a team, openly sharing thoughts and ideas, confidence and absence of politics are key for successful culture of the company and brand it- self.

Organizational ethics is another crucial key element of successful business. Honesty, justice and respect are the valuable ethics dimensions that have to be follow within PUMA AG. It is especially important for maintaining employee`s satisfaction and sense of purpose in work so they can be able to achieve company vision, mission and goals. Good ethical policies can improve whole business. In term of that PUMA AG has established Code of Conduct, Handbook for Social standards, Handbook for Health and safety as well as Handbook of Environmental Standards. Aim is clearly stated as effort to achieve high social standards, decrease negative environmental impacts and obtain respect of rights, cultures and values of all employees, customers and shareholders. PUMA AG had established 10 years ago “ SAFE” concept, which contains five core pillars as a foundation for company`s Corporate Social Responsibility Policy which states “ Transparency, Dialogue, Evaluation, Social Accountability and Sustainability (Workplace/Puma Safe, 2010., PUMA. com, 2010).

MANAGEMENT OF KNOWLEDGE RESOURCES

Knowledge Management is significant part of management, which refers to human sources as well as technology sources within the company necessary for profitable business (Wikipedia, 2010).

In term of that, it is clear that knowledge management obtain technology resources, creativity, and intellectual capacity of people involved in company. This will enable company to give the customers products of latest development and therefore maintain its position on market. Due to that, communication is major skill for managing of knowledge resources.

PUMA AG uses various methods of communication such as training programs, orientations, annual reports, seminary, conferences etc. The structure of the PUMA AG is decentralized within headquarters supported by new update information technology, which allows such a decentralized structure. That structure is based on communication activities that are conveyed inside the company in order to increase multiculturalism, local, national and international efficiency. That is the reason for employing young people from all over the world capable of dealing with new technologies and communicational channels of 21th century (Sustainability Report, PUMA.com, 2010).

GROUP DYNAMICS

Definition: “ In organizational development (OD), or group dynamics, the phrase GROUP PROCESS referrers to the understanding of the behavior of people in groups, such as tas groups, that are trying to solve a problem or make a decision” (Wikipedia, 2010).

Group dynamics within PUMA AG is composed upon principals that encourage assertiveness, open-mind, reflective thinking, active listening and sharing ideas among all employees. The company is mainly made of positive, young and creative people who share their ideas. From the employees within

the company has been expected to respect each other, share concerns, ideas and views that can benefit for entire company as well as for employees. That would be the main tools for achieving positive results on global market.

PUMA AG is responsible for environment in which employees do their work, so in that sense PUMA AG established social and environmental standards and principles. Open and active approach within the company supports dialogue and regularly meetings, external and internal trainings. As they has always been outlining, “ Questions and problems regarding environmental and social matters are the best resolved within a team, by way of constructive dialogue” (Sustainability Report, PUMA. COM, 2010). They also state that they have constant dialogue and share views and ideas not only between employees but also with all groups involved in their business.

MEETING MANAGEMENT

Definition: “ The process of planning, monitoring and coordinating all components of a meeting including date, destination, value, invitations, registration, speakers, etc” (CVENT, Meeting Management, 2010).

Which type of meeting will be held is determinate by its aim. It is very important to establish agenda of meeting, which regards to purpose of meeting, the issues that should be covered and period for every issue. Aims of meeting should be established by cooperation between all participants. Questions and topics should be prepared and clearly presented. Timetables and punctuality are necessary for successful meeting.

PUMA AG has Board of Management and Supervisory Board on the top of the company. Shareholders have a general meeting once a year where they discuss their points of view, ideas, ask questions and open some issues that should be discussed.

All meetings within PUMA AG have as agenda gathering information necessary for further development of company. All Board members are responsible for obligations, timetables and managing the meetings. There has been established Code of Conduct, which need to be followed and respected by every employee within a company including Board members.

During the meetings, cultural diversity and different opinions have to be acknowledged and respected due to fact that PUMA AG operates worldwide and for instance in main had office work staff from 19 different cultures.

Very important is fact that PUMA AG operates worker councils composed of worker representatives, which send three of their members to participate in Supervisory Board. Such a good communicational structure is base for success of PUMA AG (Sustainability Report, PUMA. com, 2010).

STAKEHOLDERS

Definition: “ Person, group or organization that has direct or indirect stake in an organization because it can affect or be affected by the organization`s actions, objectives, and policies. Key stakeholders in a business organization include creditors, customers, directors, employees, government (and its agencies), owners (shareholders), suppliers, unions, and the community from which the business draws its resources” (Business Dictionary. com, 2010).

From the definition above is clear that maintaining the positive and active communication with stakeholders is crucial for successful business. Communication has to be achieved through regularly meetings with stakeholders, as well as notifications and statements conveyed through media. In addition, one of the crucial parts in this chain of communications is financial reports, which demonstrate power of the company.

Good example for successful communication with stakeholders is certainly PUMA AG, who has been established tradition of “ PUMA`s Annual Stakeholder Dialogues” (PUMA. COM, 2010).

On referred site can be found an article, which states that in 2008 PUMA AG arranged dialog with all stakeholders, critical groups as well as people with expertise in that field of business with agenda to achieve positive and productive dialog, find solutions for concerns and obtain the best results for all participants involved in business. Meeting has been last for two days and covered different issues and agendas (PUMA`s Annual Stakeholders Dialogues, PUMA. com, 2010).

NETWORKS

The term NETWORK in Business concept means, “ A socioeconomic activity by which groups of like-minded business people recognize, create, or act upon business opportunities” (Wikipedia, 2010).

Business networks refer not only to organizational network of human resources (structure of organizations) but also to technology networks and communicational channels.

PUMA AG is based on decentralized network, where communication is conveyed in all directions of organizational structure although there has been established clear hierarchical pyramid. The main reason for maintaining decentralized network is fact that ordinary employees are involved in the highest levels of company through members of Work Council. Vertical and horizontal communication channels convey communication. Vertical communication refers to e-mails, memos, newsletters, reports, etc. Horizontal communication refers to meetings face to face and telephone communication. Technology infrastructure is also highly developed within the company through LAN, video conferences etc (PUMA. COM, 2010).

CONCLUSION

This report illustrates organizational structure regarding to communication within company. From the report, we can acknowledge importance of good communicational structure in order to achieve best possible results.

Organizations such as PUMA AG has successes worldwide, obviously because of established procedures and processes that must be followed. They use highly developed organizational management and all communicational resources in order to achieve high standard goals, which obtains them status of empire in the world of business.

RECOMMENDATION

From data above, it is clear that for successful running a business companies have to:

Have a highly profiled organizational structure

Good management regarding to all levels of company`s structure

Provide good control of resources

Provide excellent communicational management

Makes knowledge and information available and clear

Promote open-minded, assertiveness, respect and manage conflicts

Have well established, high standardized and transparent procedures and policies

Promote and offer skill specialization and trainings, encourage development of employees, creativity, positive moral and rational decision making

Highly organized meeting management

Maintain good relation with all stakeholders

Encourages team work and establish organizational culture and ethics

Promote delegation of authority and responsibility

Highly develop organizational goals, vision and mission

Establish highly developed network