Chapter 1

THE INTRODUCTION OF BUSINESS

COMMUNICATION

Lasswell (1948) classic definition of communication defines communication as: who (source or sender), says what (message), in which channel (medium), to whom (audience or receiver), with what effect. In other words this model is about process of communication and its function to society.

Target customers (receivers) have particular preferences for the message channels. Discrete types of messages are received differing in their various uses. Furthermore the ways that receivers could respond to these messages or those senders of messages will occur in different paths, depend on detached preferences (Westmyer et al., 1998). The classic model of effective communication recommends the highest impact of the message that the sender sends occurs when the sender has thoroughly understood the demands and desires of the receivers. In other words, as Shannon and Weaver claims (1949): communication occurs when the sender encoding of the message corresponds with the receiver decoding of it (Shannon and Weaver, 1949). Message is the main target of the Shannon-Weaver model of effective communication. To make it clear, Shannon-Weaver model is about inter-personal communication that composed of eight principal components that are needed for information transmission or communication to be occurred: source, encoder, message, channel, decoder, receiver, noise and feedback.

1.1 Business Communication – an introduction

Kotler claims that companies must ask not only how can we reach our customers but also, how can our customers reach us. (Kotler, 2009, p.564).This shows the importance of communication marketing between company and its customers. According to Kotler today communication is an interactive dialogue between the company and its customers

that it takes place in all the stages i.e. pre-selling, selling, consuming and post-consuming. Moreover Kotler claims that technological advances had a great impact on the means of communication. People can communicate through traditional media (newspapers, radio, TV), as well as through newer media (computers, internet). By decreasing communication costs, the new technologies have encouraged more companies to move from mass-communication to more targeted communication and one-to-one dialogue (Kotler, 2009, p.564)

The American Marketing Association (AMA) (2008) has provided a clearer definition of marketing as an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.

Importance of Communication in Business

Communication plays a vital role in the fulfillment of all marketing objectives. Understanding communication is essential since it is the basic process through which managers specifically and organizations in their entirety accomplish their set objectives culminating in their success. Smith, Berry and Pulford (1997) describe communication as the act of sending information from the mind of one person to the mind of another person. Similarly, Churchill Jr. and Peter (1998) describe communication as the transmission of a message from a sender to a receiver, such that both understand it the same way. Mcshane and Glinow (2000) in turn, define communication as the process by which information is transmitted and understood between two or more people.

Types of Communication tools

Communication tools can be divided into two types:

Personal communication tools: Personal communication tools are those in which two or more people communicate with one another. Word of mouth is the primary means of personal communication. There are various other Medias of personal communication also such as e-mail.

Non-personal communications: Non-personal communication tools are those in which communication do not occur in person-to person but occur through some other media. National and regional newspapers and magazines, television, satellite, and cable television are some of the means of non-personal communication.

Components of Communication:

For effective communication to occur, Dubrin (1997) stipulates that six components must be present: a communication source or sender, a message, a channel, a receiver, feedback and the environment.

The source (sender) is the initiator of a communication event who is usually a person attempting to send a spoken, written, sign language, or nonverbal message to another person(s). Here, the perceived authority and experience of the sender are important factors influencing how much attention the message will receive.

Message is the purpose or idea to be conveyed. Many factors influence how a message is received. Among them are clarity, the alertness of the receiver, the complexity and length of the message, and how the information is organized.

Channel (medium). This concerns the way the message is transmitted. In organizations,

several channels or media are usually available. More often than not, messages are either written or spoken or a combination of the two. In addition, nonverbal cues such as a smile and body gestures accompanies most spoken messages. For example, there is heavy reliance on electronic transmission of messages (email) in today's business environment.

Receiver is the other party for whom the message is intended. Communication can only be deemed to be complete when the receiver receives the message and understands it properly.

Feedback is a message/response sent back from the receiver to the sender. Without feedback, it is difficult to know whether a message has been received and understood. Thus, if the receiver takes action intended by the sender, the message is deemed to have been received satisfactorily.

A full understanding of communication requires knowledge of the environment in which messages are transmitted and received. For example, the organizational culture is a key environmental factor that influences communication. It is important also to mention that distractions have a pervasive influence on the components of the communication process. In this context, noise is anything that disrupts communication, including the attitude and emotions of the receiver. Noise includes work stress, fear, ambivalence, blurred visibility and strong advocacy for an opposing position.

1.2 Elements of Business Communication

According to Kotler and Killer following are the six major elements of communication:

Advertising: Advertising is one of the elements of the promotion mix which is considered

prominent in the overall marketing mix. This attribute is as a result of its visibility and pervasiveness in all the other marketing communication elements. Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor (where the source is the sponsoring organization) (Kotler & Armstrong, 2010)

Sales Promotion: Sales promotions are short-term incentives to encourage the purchase or sale of a product. Blythe (2006) describes sales promotion as any activity intended to generate a temporary boost in sales. This includes several communications activities pursued in an attempt to provide added value or incentives to consumers, wholesalers, retailers, or other organizational customers to stimulate immediate sales. Such efforts are usually geared towards stimulating product interest, trial, or purchase. It is specifically designed to boost quick sales and ultimately create loyalty.

Publicity and Public Relations: Publicity is the disseminating of information by personal or non-personal means, which is not directly paid for by the organization, nor is the organization the source. Grasby et al (2000) describe publicity as the use of the media to provide free coverage in their stories related to their product. Unlike advertising that relies on purchasing power to get a message across, publicity relies solely on the quality of content to persuade others to get the message out.

Public relations (PR), on the other hand is the overall term for marketing activities that raise the public consciousness about a product, an individual or issue. Shimp (2000) explains PR simply as an organizational activity involved with fostering goodwill between a company and its various publics. Research has indicated that promotional budgets have recently increased tremendously. In Ghana, budgetary allocations on
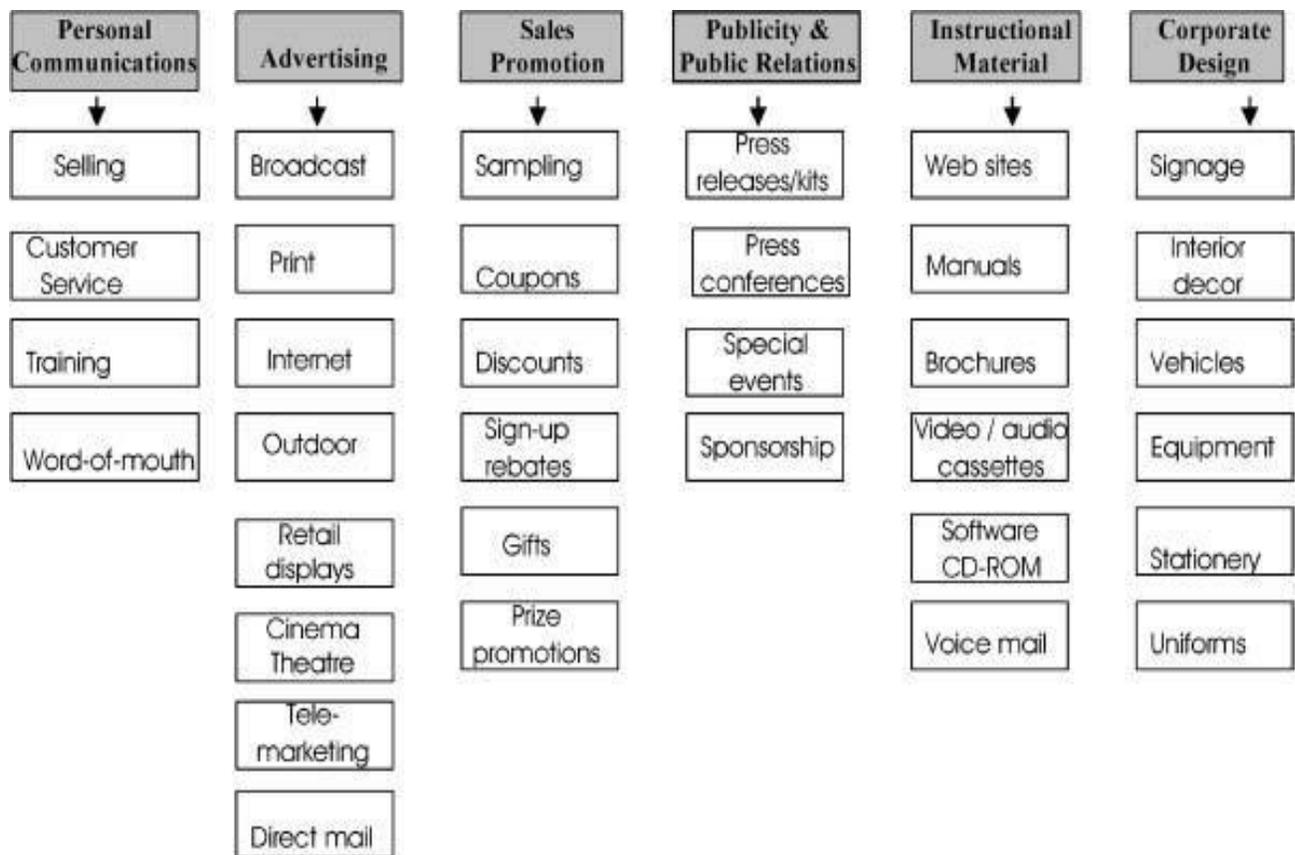
promotions have equally risen steadily over the years.

Personal Selling: Personal selling which involves personal contact is gradually becoming the backbone of service marketing. If promotion is communicating with potential customers, then, personal selling is perhaps the best way to do it. Kotler (2006) defines personal selling as face-to-face interaction with one or more prospective purchasers for the purpose of making presentations, answering questions, and procuring orders. Jobber (2007) also describes personal selling as the marketing task that involves face-to-face contact with a customer. Unlike the other tools of the communication mix, personal selling permits a direct interaction between buyer and seller. This two-way communication means that the seller can identify the specific needs and problems of the buyer and tailor the sales presentation in the light of this knowledge.

Sponsorship: Since traditional media have become more expensive, sponsorship is viewed by marketers as a cost-effective alternative, (Lee et al., 1997). Events and experience or sponsorship is another marketing communications tool comprising company-sponsored activities and programs designed to create daily or special-related interactions. In other words, a company can build its brand image through creating or sponsoring events. According to Arens (1999), sponsorship is a cash or in-kind fee paid to a property (which may be a sports, entertainment, or non-profit events or organization) in return for access to the exploitable commercial potential associated with that property. Palmer (2005) describes Sponsorship as getting involved and/or investment in events or causes in order that an organization can achieve objectives such as increased awareness levels, enhanced reputation, etc.

Direct Marketing: Direct marketing specifically ensures sending a promotional message directly to consumers rather than via a mass medium. It is aimed at creating and exploiting a direct relationship between producers and their customers. The Direct Marketing Association (DMA) has defined direct marketing as an interactive system of marketing that uses one or more advertising media in acquiring a measurable response and/or transaction at any location. Similarly, direct marketing is described as the use of mail, fax, e-mail, or internet to communicate directly with or solicit response or dialogue from specific customers and prospects (Kotler & Keller 2006; Kotler & Armstrong, 2010).

Fig 1.1 Marketing Communication Mix

Personal Communications	Advertising	Sales Promotion	Publicity & Public Relations	Instructional Material	Corporate Design
Selling	Broadcast	Sampling	Press releases/kits	Web sites	Signage
Customer Service	Print	Coupons	Press conferences	Manuals	Interior decor
Training	Internet	Discounts	Special events	Brochures	Vehicles
Word-of-mouth	Outdoor	Sign-up rebates	Sponsorship	Video / audio cassettes	Equipment
	Retail displays	Gifts		Software CD-ROM	Stationery
	Cinema Theatre	Prize promotions		Voice mail	Uniforms
	Tele-marketing				
	Direct mail				

1.3 Challenges for Business Communication in India

- Lack of strategic consistency

- Lack of needed skill sets among marketing staff

- Scarcity of creativity and innovation

- Insufficient marketing budget

- Lack of a standard measurement process

- Lack of technology advancement support

- Ambiguity on the issue

- Complex cultural and social values

1.4 Business Communication Strategy

A strategic communication plan is one of the key elements in Business Communication. It allows marketers to build a synchronized communication strategy that reaches every market segment with a single, unified message. (Tri-Media, 1999) The objectives of any promotional strategy can be to increase sales, maintain or improve market share, create or improve brand recognition, create a favorable climate for future sales, inform and educate the market, create a competitive advantage relative to competitor's products or market position and to improve promotional efficiency. Marketing Communications Strategy determines the message or sequence of messages, which should be shared with specific target audiences through the optimum communications mix. Strategy summarizes how objectives will be achieved (Smith et al, 1997:77).

Communication strategies nowadays differ broadly from the ones in former times or

offline times. It is important to understand the relationship between digital communication and traditional communication (Internet Marketing 4th edition, Dave Chaffey). In the old media; for example, TV, radio, newspapers, magazines and billboard ads, the communication model was and is one-to-many compared to the one-to-one or many-to-many communication model in digital media, like blogs, social networks, wikis and every form of vital marketing campaign. The best consideration nowadays for a company-to-customer communication is the one-to-one or the one-to-many model (Hoffmann and Novak 1996). These models speak of a monologue in the old media and a dialog in the new media, because of the interactivity of social-network and forum users. Resulting from this, the goal in traditional media was branding by convincing the customer of a strong brand. In contrast the digital media is about communication with the potential customer or user in a dialog to create interest by using a pull strategy. In addition it can be said that it is a supply-side thinking communication in the old media compared to a demand-side thinking in the digital media, where customer pull becomes more important (Internet Marketing, Dave Chaffey, 4th edition). Besides this, in old media communication, the customer is a target in comparison to the digital media communication where the customer is a partner, by answering surveys and product rankings (Internet Marketing (Table 1.5), Dave Chaffey, 4th edition). Therefore, communication strategies can be divided into five step model as follows:

Fig 1.2 Components of Communication

Benefits of Communication Strategy

Smith et al (1997:88) outlined the benefits derivable from communications strategy as follows:

- It enables each tactical activity to build on the others creating strength of communications through continuity and consistency;

- It helps to create sharper selling messages appropriately directed to target customers at various stages in their buying process;

- Tactical planning of each communications tool is made that much easier and quicker when clear strategic direction is agreed;

- It facilitates integrated marketing communications (IMC) which saves time, money and stress as well as providing IMC? other associated benefits of consistency and clarity;

- It can facilitate the development of joint promotions and strategic alliances;

- It can encourage the development of hybrid marketing systems. The addition and integration of new communications tools/channels (for example, telemarketing) to existing communications tools/channels (for example, advertising or the sales force) can create such a hybrid marketing system.

As well as driving the external communications, a good communications strategy (when communicated internally) creates a bond within an organization so that everyone knows what everyone else is trying to achieve.

Stages in designing communication strategies

Rowley (1998) has formulated the following stages in designing communication strategies

- Identify target audience

- Determine communication objectives

- Design the message

- Select communication channels

- Establish promotional budget

- Decide on promotion mix

Measure results

Similarly, Czinkota and Ronkainen (2001), follow a five basic step model. This can be illustrated as follows:

- Step one: Assess Marketing Communications Opportunities

- Step two: Analyze Marketing Communication Resources

- Step three: Set Marketing Communications Objectives

- Step four: Develop/Evaluate Alternative Strategies

- Step five: Assign Specific Marketing Communications Tasks

Effect of communication strategies on consumers:

- Providing product information

- Creating Customer Awareness

- Changing Customer Attitude

- Building company Image

- Enforcing brand loyalty

- Creating Brand Image

- Customer Response

- Literature review

- Communication

Van Staden et al., (2002) define communication as a two-way process whereby information (the message) is sent from one person (the sender) through a channel to another person (the receiver) who in turn reacts by providing feedback.

Since communication requires converting the original concepts into symbols that can transmit the desired message (Blythe, 2006) the individual or organization who communicates has to transform first the concepts in a set of symbols that can be transferred to the receiver, who need to decode the symbols, in order to understand the original message. A correct decoding can take place only if the participants in the communication share a common experience, with at least one common language.

Palmer (2005) posits that the message is presented according to a simple "master formula" (model) which is: Attract the "attention" of your prospect; "Interest" your

prospect in the product; cause your prospect to "desire" the product, and demand "action" from the prospect. This is known as the AIDA concept.

1.5 Substance of Business Communication

Marketing communication is a process that consists of a series of decisions made to find the most optimal way(s) to deliver the message to a target audience (Sissors & Baron, 2002; Sissors and Bumba, 1996). According to Rouse and Rouse (2002), effective communication means that the information is received accurately in terms of content and meaning as intended by the sender. According to Duncan (2002:8), marketing communication is a process for managing the customer relationships that drive brand value.

Developments taking place in digital media has lead to increasing ways in which companies can communicate with consumers (Crosier et al., 2003). Grimes (2004) does not share the idea of advertisers appointing a main agency among their network of agencies and advises that? Operation across a range of parties is at the heart of successful marketing communication campaigns."

Churchill Jr. & Peter (1998) maintain that arousing the prospects desire to buy a particular product is one of marketers most difficult tasks. An advert, for instance, must convince customers that the product can meet their needs. Getting the prospects action is the final requirement and definitely not an easy task. Prospective customers must be led beyond considering how the product might fit into their lives but to actually trying it or allowing for product demonstration. Arens (1999) emphasizes that appealing to important needs can get more action and provide the kind of information buyers need to

confirm their decisions. In a general sense, to obtain optimum results from promotions, the activities must highlight strongly felt customer needs that can only be uncovered through careful research.

According to Paul Smith (1998) Promotion is consisted of following stages (different organization of promotions subsidiaries): Sales Promotion (Sample drop, Competition, Collection), Advertising (TV- Press), Direct Marketing (Mail shot, Telesales), Publicity (and PR), Sponsorship, Exhibitions, Packaging, Point-of-sale and merchandising, Internet, Word of Mouth, Corporate Identity. This is called the communication mix and is the ingredients of Paul Smiths communications model.

In a global market characterized by high dynamism and fierce competition, organizations try to find the most efficient way to get their word out so that customers understand the benefits that can be obtained by consumption or use products or services (Clow, 2010). Consequently, marketing communications have become a fundamental aspect of marketing, a business vision and an essential factor in successful marketing communication. Its importance have increased dramatically in recent decades, considering that the marketing and communication are inseparable, all organizations business areas using various forms of marketing communication to make their offer and to meet financial or non-profit targets (Shimp,2003). Hart (2003:144), outlines a number of organizational attributes of service providers that may help foster sustainable customer relationships.

An organizational culture & business communication

Employees that have good interpersonal communication skills since these influences how service providers interact with customers.

Employee motivation and training which is very important especially in services that involve high employee/customer contact, where social benefits are valued and where technology plays a significant role in building and maintaining relationships, for e.g. service providers contacting customers via sms.

Developing an ability to calculate relationship performance and assess the impact of marketing strategies on customer satisfaction, trust, commitment and loyalty.

Wells et al. (2000) are categorizing all the sources of messages that communicate with the customers into planned, unplanned and often unconsidered tools. The planned are almost always used or at least considered, while the unplanned and often unconsidered are less frequently used.

The planned tools include the traditional marketing tools such as advertising and sales promotion, and are controllable by the company itself.

The unplanned tools consist of media that are mostly uncontrolled by the company, such as gossip and chat groups. These are often not considered to be important in the coordination of marketing communication tools, although they may be of vital importance when it comes to the publicity of a company.

The often-unconsidered tools are messages delivered by other aspects of the marketing mix, such as price, product, and distribution. The price of a product signals a level of

quality. The product itself and the distribution of it communicate reliability and can together with price build up a good image for the company.

Van Staden et al., (2002) cite the following advantages of communicating effectively with customers:

- Better customer relationships

- Saving time and money

- More effective decision-making

- Successful problem-solving

Business Communication Strategy formulation

Every firm needs strategy to make its products acceptable by the consumers at the right time. Marketers need marketing mix to produce desired response from the market (Kotler & Armstrong, 2010). An element of marketing mix that communicates companies marketing message to its target consumers is promotion, also known as integrated marketing communication (Wells et al., 2007). An effective integrated marketing communication enables the company to grow continuously, to be known by the public, and to build its brand equity (Madhavaram et al., 2005). According to Amoako-Gyampah and Salam (2004), effective communication seeks to influence the receivers knowledge, attitude and behaviors.

Arens (1999) emphasizes that appealing to important needs can get more action and provide the kind of information buyers need to confirm their decisions. In a general sense, to obtain optimum results from promotions, the activities must highlight strongly felt customer needs that can only be uncovered through careful research.

Communication is believed to directly affect the building of long-term relationships with the stakeholders of an organization. It is therefore, necessary to acknowledge the role of communication in building relationships between the various activities in the organization and between the organization and its stakeholders (Rensburg & Cant, 2003:120). Schultz et al. (1995:85) are of the opinion that it is the rapport, the empathy, the dialogue, the relationship and the communication that the marketer establishes with the prospect that makes the difference.

The decision-making perspective holds that buying behavior results from consumers' engaging in problem-solving task in which they move through a series of stages. Decisions involving extended problem solving correspond most closely to the decision making perspective. At this level, the consumer has no established criteria for evaluating a product category or specific brands and needs a great amount of information to establish a set of criteria on which to judge specific brands and a correspondingly large amount of information concerning each of the brands to be considered (Schiffman and Kanuk, 2009).

The tools of integrated marketing communication, called as promotional mix, consist of personal selling, advertising, customer relations, sales promotion, direct marketing to consumers, and others associated with advertising and bidding. Advertising is a one-way and non-personal communication from an organization using mass media (Kotler et al., 2009; Solomon et al., 2009). Price promotions, often known as price-off deal (Belch & Belch, 2007; Solomon et al., 2009; Wells et al., 2007), is a promotional strategy in which consumers receive a temporary reduction from products normal price.

When developing a communication strategy, according to Czinkota and Ronkainen

(2001), a marketer should access what a company or product characteristics and benefits should be communicated to the market. This requires constant monitoring of the various environments and target audience characteristics. In evaluating resources to be allocated for communication efforts, certain things can be taken under considerations. A sufficient commitment is necessary which means a relatively large amount of money. The company has to operate according to the rules of the market place due to monetary constraints most companies face and promotional efforts should be concentrated on key markets.

According to Czinkota and Ronkainen (2001), the international marketer has to form a communication program using the tools shown below.

- Advertising which consists of print, broadcast, electronic media, direct communication.

- Personal selling with person-to-person communication with intermediaries and/or final customer.

- Publicity that is any form of non-paid, commercial news or editorial comment about products, ideas.

- Sales promotion, providing extra value to the product or gives incentive to the salespeople, intermediaries, or ultimate consumers.

- Sponsorship which is promoting the company? Interest by associating it with a for example sport event or charity/ social interest.

According to Rowley (1998), when determining the communication objectives the importance lies in identifying whether the objective is to draw to attention, develop

interest, stimulate desire or provoke action. Furthermore, Wells et al. (2000) argue that objectives should be S.M.A.R.T: Specific, Measurable, Actionable, Realistic and Time Specific.

Although advertisement and other communicative options play an important role in the marketing plans, development of brand equity is the main goal. Because of flexibility, marketing communications effect on brand equity in different ways. Marketing communications play an important role in development of brand equity by providing information about brand, positive associations in memory of the consumers, empowerment of judgment and positive feelings relative to brand and finally facilitation of shaping powerful relationship between consumers and conformity with brand (Keller, 2008).

Consumer response reflects the state changes that a consumer experiences either temporally or on a more permanent basis - as a result of exposure to a marketing communication. Consumer response to any marketing communication can be broken down into a host of different categories reflecting the process or outcome associated with exposure to the communication. In terms of processing, both cognitive and affective responses can occur. These responses may vary in terms of their level of abstraction (specific vs. general), evaluative nature (negative, neutral, or positive valence) (Keller 2001, 828-829).

There are several important benefits when having successful brand image and it is no surprise why branding is one of the most important aspect in marketing communications (Murphy, 1987). The list below show what companies aims to achieve with corporate identity based on Olins (1989).

- A strong brand influences the buying decision and shapes the ownership experience.

- Branding creates trust and an emotional attachment to the product or company.

- A strong brand can command a premium price and maximize the number of units that can be sold at that premium.

- Branding helps make purchasing decisions easier.

Branding help the company to fence off the customers from the competition and protect the market share while building mind share. Once the company has a mind share, customers will automatically think of that specific product first when they think of the product category.

A strong brand can make actual product features virtually insignificant. A solid branding strategy communicates a strong, consistent message about the value of the company. A strong brand helps to sell value and the intangibles that surround the products.

A strong brand signals that the company wants to build customer loyalty, not just sell product.

Branding builds name recognition for the company or the product.

The customer's response to different marketing communications instruments can be put into three functional phrases: framing perception, enhancing experience, and organizing memory (Hall 2004). The marketing communications theory implies that studying the effects of individual marketing communications requires understanding how different types of consumers respond to different brand or communication-related tasks or measures.

Kitchen and Schultz (2003), emphasize that "strategically oriented integrated brand communications can help businesses move forward in the highly competitive world of the 21st century". For Schultz (1998), brands are central to this integrated marketing communication. Keller (1993) points out that customer-based brand equity emanates from the consumer's familiarity and strong, favorable associations with the brand. For Keller (1993), "marketing communications represent the voice of a brand and the means by which companies can establish a dialogue with consumers concerning their product offerings" That is, marketing communication may provide the means for developing strong, customer-based brand equity (Keller, 2003).

The consumer has no established criteria for evaluating a product category or specific brands and needs a great amount of information to establish a set of criteria on which to judge specific brands and a correspondingly large amount of information concerning each of the brands to be considered (Schiffman and Kanuk, 2009).

An element of marketing mix that communicates companies marketing message to its target consumers is promotion, also known as integrated marketing communication (Wells et al., 2007). An effective integrated marketing communication enables the company to grow continuously, to be known by the public, and to build its brand equity (Madhavaram et al., 2005).

Brand equity is influenced by marketing communication activities through the creation of brand awareness, the construction of right associations in consumers mind, the facilitation of stronger consumer-brand connection, and the formation of brand loyalty (Kotler et al., 2009; Leone et al., 2006).

1.6 Communication Strategy Theories

Undoubtedly, communication proves to be of the most significant tools in social life and business management. It also plays a pivotal role in collaborate of all human activities that link people together and create relationships (Duncan and Moriarty, 1998). Moreover, in the organizational level, Barker and Camarata (1998) assert that communication is embedded in every aspect of becoming an effective organization and of continuing to be a learning organization. As such, organizational communication is essentially viewed as the collective interactive process of generating and interpreting messages between people within the organization through either directional (one-way) or bidirectional (two-way) manner of communication (Stohl, 1995). For instance, the nature of hierarchical relationships with communication patterns is examined in the research of Stohl (1995). It is found that a high bureaucratic organization tends to shape its communication practices in a vertical formal way, such as a top-down chain of command through written forms of communication, while personal interactions may not be well exposed.

Originally, Kreitner and Kinicki (1995: p. 368), quoted from Bowditch and Buono (1994), define communication as "the exchange of information between a sender and a receiver, and the inference (perception) of meaning between the individuals involved" so as to reach a common understanding (George and Jones, 1998).

Recently, a description of communication theories has expanded to cover more of psychological and cognitive aspects. In the literature of Weiss (2001) and reitner and Kinicki (1995), a perceptual model of communication is basically elaborated from a

traditional communication process model (Schermerhorn, 1998; Baguley, 1994). In the perceptual model, the cognitive interpretation of messages is focused by which the miscommunication becomes better understood (Kreitner and Kinicki, 1995).

According to the work of Kreitner and Kinicki (1995) in Figure 6, a perceptual model of communication begins with a sender cognitively encodes an idea or thought by using verbal and non-verbal cues, including attitudes. The output of encoding is a message transmitted on medium selected by the sender. Then the receiver cognitively decodes that idea or thought based on his/her understanding and perception toward the message. A message for feedback is created and transmitted on medium of the new sender (receiver)'s choice. The process of communication tends to be completed after the original sender interprets the message received and acts upon. Barriers of communication, such as loud noise, poor handwriting, and inaccurate statistics in a memo, can distort the quality of the perceptual communication process at any stages.

The Elements of Effective Communication Strategy

Effective communication is important for both managerial and organizational success (Dawson, 1996; Kreitner and Kinicki, 1995). It can be witnessed from the viewpoint where employees collaborate, interact, and engage with others in ways which help them understand the importance and meaning of the engagement and achieve certain goals. According to the literature, the notion of effectiveness communication is not merely confined with an interactive collaboration between employees, but it also has an impact on organizational issues. For instance, Clampitt and Downs (1993) demonstrate a close link between effective communication and productivity. Whereas Pettit et al.

(1997) examine how effective organizational communication relates to job performance and job satisfaction. Moreover, an empirical study shows that employees' commitment to the organization correlates positively with organizational clarity and is maintained even when changes are occurring in the organization (Guzley, 1992). As such, the communication strategy can be perceived as a mechanism to clarify the facts to various stakeholders of what is going to change, why, and what benefits they can expect to derive from the change.

Partially drawn from the marketing communication literature, the underlying philosophy of effective communication strategy is held true and proves to be literally practical to other contexts. With this regard, Mohr and Nevin (1990) define a communication strategy as the use of a combination of communication facets, which include frequency and formality of communication (Maltz and Kohli, 1996; Mohr and Nevin, 1990), and content of communication (Mohr and Nevin, 1990; Jablin et al., 1987), and channel of communication (Carlson and Davis, 1998).

For example, one communication strategy might be frequent communication through informal modes, with indirect content. In the following section, each facet of communication strategy will be elaborated as part of the key constructs for this study

Frequency of Communication

Normally, dissemination frequency is measured as the number of dissemination events or the amount of communication between a sender and a receiver during a given period of time or duration of contact (Maltz, 2000; Maltz and Kohli, 1996; Mohr and Nevin, 1990). In assessing the frequency of communication, one should examine the amount

of contact necessary to achieve a particular activity, not simply including the amount of contact person. Because most empirical research has used frequency as the indicator of the amount of communication, the author tends to adopt the frequency of communication rather than the duration of contact.

Formality of Communication

Maltz and Kohli (1996: p. 48) comment that the dissemination formality has not been empirically explored in the communication literature; though a number of researchers have noted that organizational "intelligence may be disseminated through formal or informal channels." Moreover, some scholars might not explicitly define what is meant by formal and informal channels. Johnson et al. (1994) address the issue of distinctive clarification between them. Formal communication basically refers to communication that flows through written channels, though "formal" meetings or training sessions also may be considered a formal mode. Whereas, informal communication refers to communication as that occurs in a nonstructural manner, such as normal conversation and social discussion.

The aforementioned definitions have been reiterated in the findings of the research work conducted by Johnson et al. (1994). Such a project is studied in a large mid-western state governmental agency to compare formal and informal organizational communication structures, specially focusing on salience, channel factors, and channel usage.

Content of Communication

The content of communication refers to "the message that is transmitted - or what is said" (Mohr and Nevin, 1990: p. 39). It can be verbal or non-verbal, intentional or unintentional. Shelby (1998) points out that the content in the message is considered the central part of the communication. Furthermore, the complexity of the language appeared in the message can determine the success or failure of the communication effort (Anonymous 2000). As such, simple words and clear structures of the context can essentially overcome the complex issues.

In relation to that, Mohr and Nevin (1990) and Frazier and Summers (1984) attempt to distinguish between direct and indirect influence strategies embedded in the exchanged information. Direct communication strategies are designed to change behaviors of the target by implying or requesting the specific action that the source wants the target to take. For instance, recommendations, requests and appeals to legal obligations fall into this type of influence strategy. Whereas indirect communication strategies are designed to change the target's beliefs and attitudes about the desirability of the intended behavior; no specific action is requested directly. An example of indirect communication content is information exchange, whereby the source uses discussions on general business issues and operates procedures to alter the target's attitude about desirable behaviors.

Sengupta et al. (2000) address that the communication quality, which refers to the content of the communication received and understood by the other party in the relationship, marks a desirable outcome of communication. It also associates with the

context of developing and maintaining personal relationships. However, Shelby (1998) comments that "appropriate choices of channel communication" are those most likely to result in communication effectiveness and efficiency - for both message senders and receivers; they are those that provide perceived quality to communication processes

Channel of Communication

Channels of communication are regarded as the vessels of the message delivery (Anonymous, 2000). According to the literature, they have been broadly discussed in the notion of the flow of information (Johnson et al., 1994) and information richness (Kreitner and Kinicki, 1995). Editorial tone and communication potentials are of important characteristics determining the flow of information (Johnson et al., 1994). Basically, editorial tone mirrors an individual's perception of the credibility and trustworthiness of the source, which has an impact on the upward flow of information in the organizations (Glauser, 1984). Here the communication potential refers to "an individual's perception towards the manner in which information is presented." (Johnson et al., 1994: p. 114) This is relating to issues of styles and comprehension of the documents, such as newsletters.

Information richness is the amount of information carried out between senders to receivers to reach a common understanding (Carlson and Davis, 1998). Media that are high in information richness are capable of transmitting more information and are more likely to generate a common understanding than are media that are low in richness (George and Jones, 1998). For example, if a wink provides substantial new understanding, it would be considered rich (Kreitner and Kinicki, 1995; Daft, 1984).

Thus, selecting the proper medium significantly impacts the receiver's perception and acceptance of the message (Weiss, 2001). Kreitner and Kinicki (1995) propose the contingency model for selecting media, which is graphically depicted in Figure, can help the sender to balance between the choice of communication medium and the complexity of situations. The model also illustrates other communication problems where the messages transmitted through an inappropriate medium of communication may result in information overload or information inadequacy (Shelby, 1998). Notably, effective communication occurs when the richness of the medium is properly matched with the intricateness of the problem or situation.

As for the above constructs, some empirical evidence on communication strategies, especially associated with the issue of change, are discussed. In the work of Lewis (1999), it is suggested that general informational meetings and small informal discussions are the most common channels for disseminating information regarding change; line supervisors are rarely used. In the extant literature, line supervisors play a significant role in affecting the attitudes of employees toward change initiatives (Larkin and Larkin, 1994; Baronas and Louis, 1988).However, some key components of implementation efforts, such as disseminating information, reinforcing goal and vision information, gaining and giving feedback, and maintaining high levels of commitment to the programs might not be well carried out by line supervisors.

Moreover, Lewis (2000a) notes that until the importance of mission statements, vision statements, goal statements, plans for implementation, and channels used to disseminate them are understood, it will be difficult to assess the usefulness of formal communication about planned change programs. Practitioners will continue to be in

need of advice about what to communicate, when, to whom and through what channels. Sufficient evidence to date can suggest that receivers of formal communication in change formulate their own ideas about what a change means and what its purposes might be. And it is at the manager's discretion to choose an appropriate channel of communication to convey a message for its best effectiveness (Anonymous, 2000).

Issues of Communication for Change

Organizational scholars have long acknowledged the importance of communication processes in explanations of organizational change processes (Lewis and Seibold, 1996; Rogers, 1995; Fairhurst and Wendt, 1993). Nonetheless, Lewis (2000a) argues that the systematic research about the effectiveness of communication strategies about change is scant. Carmichael (1996) supports Lewis's argument by depicting that academics and practitioners have tried to search for a complete, well-grounded definition of communication for change, but their efforts primarily have focused on the invention, design, adoption, and responses to planned organizational change, as well as outcomes of change efforts. In addition, central communication processes involved in the implementation of planned changes within organizations have received far less attention by communication scholars (Lewis, 2000a).

Impediments of Communication for Change

Communication problems are commonplace when changes are not clearly identified (Lewis, 2000b). Not only do they because a drain on profitability, but also the effectiveness of management declines (Gilsdorf, 1998). In the work of Dawson (1996: p. 192), many underlying reasons why communication often falls short of the ideals,

which are accuracy, reliability, validity, adequacy, and effectiveness," are addressed with some general issues within the relationship between information and communication in organizations. According to Lewis (2000b)'s research findings, the most frequently noted categories of problem encountered by the company in transition are "communicating vision" and "negative attitudes." If an organization's management does not consider which communication behaviors it wishes to foster for its success, the signals it sends to employees may be inconsistent or counterproductive. Thus, managers should consider conveying clear communication-behavior expectations as a fundamental element of strategy. In doing so, firms might pursue communication audits which involve ethnographic analysis, including observation and interviewing, to learn exactly what organizational policies are operating (Gilsdorf, 1998). Moreover, Gilsdorf moves on to argue that analysis of organizational culture should be conducted in order to help determine the communication strategy used to solve the problem.

Formulation and Implementation of Communication for Change

At the outset of the business competition for the 21st century, there is a trend of increasingly rapid change in organizations. Viable communication counts for an increase in not only individual receptiveness but also organizational change preparedness (Sinetar, 1988). It is axiomatic that good communication has become an essential component in successful change (McGill, 1996). Because any change schemes require ample communication to reduce confusion and to realign structural patterns to support the new direction (Bolman and Deal, 1999), both formulation and implementation plans of communication in change plays a crucial role in helping navigate change to the planned direction (Axley, 2000).

The formulation of communication change plans seems to be relatively scarce in academic research journals. Since there is no clear distinction between the formulation and implementation planning in principle, the formulation part is included into the notion of the implementation plan of communication change.

Tornatzky and Johnson (1982), quoted by Lewis (2000a: p. 193), define implementation as "the translation of any tool or technique, process, or method of doing, from knowledge to practice. It encompasses that range of activities which take place between "adoption" of a tool or technique (defined as a decision to use the technology) and its stable incorporation into on-going organizational practice."

The importance of communication for change is not only informing, motivating and coordinating but also managing employee expectations (Heracleous and Langham, 1996). Covin and Kilmann (1990) suggest that it is critical to communicating information (e.g., mission statements and goal achievement status) during change. They find that "failure to share information or to inform people adequately of what changes are necessary and why they are necessary viewed as having a highly negative impact." Feedback gathering from employees, which is pertinent to implementation issues, serves a significant evaluative function for organizational leaders. Additionally, it may be radical for managers to provide channels and opportunities for employees to gather feedback about their own participation in change programs (Lewis, 2000a). In relation to that, face-to-face communication in seeking employees' views and concerns is highly recommended (Heracleous and Langham, 1996). By the same token, Sinetar (1988) suggests the informal communication program, which refers to a mechanism to help various corporate stakeholders become comfortable with change and with the

organization's long-term goals, to be extensively conducted so as to create mutual

understandings among change agents and employees.