# An Analysis of Internal Communications Within the Czech Company SIGMA GROUP, a.s.

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**ABSTRAKT** 

Tato bakalářská práce se zabývá vnitrofiremní komunikací ve společnosti SIGMA GROUP

a.s., kterou analyzuje. Snaží se vyhodnotit její silné a slabé stránky a upozornit na ně. To

má následně za cíl pomoci zlepšit úroveň vnitrofiremní komunikace ve společnosti.

Teoretická část vysvětluje základní pojmy komunikace a dále ji rozvíjí na úroveň

komunikace ve firmě. Ta je poté zaměřena na vztahy zaměstnanců, nástroje vnitrofiremní

komunikace, zpětnou vazbu a firemní kulturu. Praktická část představuje firmu jako

takovou a následně na základě dotazníkového šetření zjišťuje slabé a silné stránky týkající

se vnitrofiremní komunikace. Ty jsou poté důkladně rozebrány a vyhodnoceny. Na základě

zjištěných výsledků jsou prezentovány návrhy a doporučení, které mají za cíl zlepšit úroveň

vnitrofiremní komunikace ve společnosti.

Klíčová slova: interní komunikace, firemní kultura, zaměstnanci, analýza, dotazník

**ABSTRACT** 

This bachelor thesis deals with internal communication in company SIGMA GROUP a.s,

which is analyzed. It tries to evaluate its strong and weak areas and point to them. That has

subsequently the aim to help to improve the level of internal communication in the

company. Theoretical part explains basic terms of communication which is further

developed at the level of corporate communication. It is thereafter aimed on the

relationships of employees, internal communication tools, feedback and corporate culture.

Practical part presents the company as it is and subsequently on the basis of questionnaire

survey discovers strong and weak areas related to internal communication. These are then

thoroughly analyzed and evaluated. Suggestions and recommendations are presented on the

basis of established results in order to improve the level of internal communication in the

company.

Keywords: internal communication, corporate culture, employees, analysis, questionnaire

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#### INTRODUCTION

It might seem that external communications including communication with customers, vendors and other public are the most important in connection with business communications, but it is necessary to realize and understand that relationships with public are based on company culture, relationships between employees and other elements of company. If there are not good relationships in workplace and employees are not positively minded then there cannot be good relationships with the external colleagues, customers, vendors and public.

If we concentrate on internal communications, do our best and try to improve them, we simultaneously contribute to the development and improvement in external communications.

An analysis of internal communications within the Czech company Sigma Group, a.s. reveals strong and weak areas in order to work on the weak ones and use the strong ones appropriately, appreciate them and fight for them so that both areas contribute to improvement of internal communications and make them effective.

In the theoretical part the term communication is generally introduced and further this work is focused on business communication itself, especially on internal communication and its process, forms and objectives. In this part also appear selected examples of communication tools used in communication process. The term corporate culture and its elements are presented as well as their function in internal communication.

The analytical part presents the company Sigma Group, a.s. and its brief history, organizational structure and production program. The analysis itself consists of questionnaire survey and interviews with employees of this company as well as study of internal documents of the company. The progress of it is monitored simultaneously. Evaluation of this analysis comprises the relationships between employees, between supervisors and subordinates and also the effective use of communication tools in the company. At the end of analytical part some suggestions and recommendations are proposed.

I. THEORY

#### 1 COMMUNICATION

Communication as a term could be defined in many ways. First of all, it should be understood as a process. As it is well-known, every process has the start and the end. Without these two it would not be complex. Basically, by this it is meant that communication process starts with sending information by sender and ends with receiving the information by receiver. The most influential is the condition that both of them – sender and receiver – have to use the same code because it is needed for subsequent correct decoding of given information. The code could be seen as a language that is common for both sender and receiver (Adair 2004, 16).

Of course, there are many methods of sending and receiving the information. It could be transferred by word – as a means of speaking, by sign – as a means of writing. Both of them fall into the group of sending the information. On the contrary, listening and reading belong to the group of receptive skills where decoding is applied. To the right transfer belongs clear and understandable hand-over of the information in order to be correctly received, understood, interpreted and accepted (Adair 2004, 19, Ludlow and Panton 1992, 9).

#### 1.1 Verbal Communication

When considering the verbal communication, from the name it is seen and heard the word "verb". To analyze it, we can say that verb is one of the categories of words. Words are parts of sentences which are simultaneously elements of speaking and writing. As the definition of verbal communication says, the verbal communication is "oral communication" and "the process of sending and receiving messages with words, including writing and sign language (Allwords.com, English Dictionary – With Multi-Lingual Search, online)." According to research, we communicate 5 % verbally and 95 % non-verbally.

#### 1.2 Non-verbal communication

Again when thinking about the non-verbal communication, it is clearly understandable that it is communication without words. We can see it from the following definition which says it is "transmission of messages by medium other than speech or writing (Business Dictionary, online)."

Non-verbal communication is often called body language (Adair 2004, 23). When we consider how many parts of our body we have, it could be said that almost the same number of elements is used for non-verbal communication. Thus, "verbal communication includes pitch, speed, tone and volume of voice, gestures and facial expressions, body posture, stance, and proximity to the listener, eye movements and contact, and dress and appearance (Business Dictionary, online)." To be more accurate to above mentioned research, from the 95 percent which are connected with non-verbal communication, "45 percent are produced by the tone, inflexion, and other elements of voice, and 50 percent by body language, movements, eye contact, etc (Business Dictionary, online)."

#### 2 COMMUNICATION IN COMPANY

Communication in company is also known as corporate communication. It makes no difference which name it has but the heart of the matter is that it is communication realized by company itself. It could be divided into internal and external communication. This thesis focuses exclusively on internal communication but it is necessary to introduce the concept of corporate communication as well. According to Argenti and Forman "by corporate communication we mean the corporation's voice and the images it projects of itself on a world stage populated by its various audiences such as corporate reputation, corporate advertising and advocacy, employee communications, investor relations, government relations, media management, and crisis communications." It is also the process a company uses to communicate all its messages to key constituencies – a combination of meetings, interviews, speeches, reports, image advertising, and other online communications (Argenti and Forman 2002, 4).

#### 2.1 Internal Communication

In today's business world there is a big importance of internal communication in every company no matter what size. Not always the business communication is strictly good or bad. Mainly it is short of some details in the way how to be effective. Because not all companies could effectively work in present-day glutted business market, the internal or in other words corporate communication has its value. First of all, it is essential to introduce it.

The term internal communication covers communication process within the organization which is realized by individual employees of the company with their verbal as well as non-verbal communication. In connection with internal business communication there could be seen also the influence of company in the form of business culture which to some degree determines the employees (Hloušková 1998, 9). The idea of corporate culture is presented in the third chapter of this thesis in order to explain its value and to develop it into parts. The image of internal communication is created by every employee of the company. Every employee is a member of the company no matter what position he or she occupies. Of course, his role as well as his importance in the company is formed by his position in corporate hierarchy. The higher is his or her position in company hierarchy the greater influence on others he or she has (Horáková 2000, 144).

#### 2.1.1 Internal Communication Process

The internal communication process is a complex of information, communication skills, activities and tools that are proceed in the environment of the company (Janda, 2004, 13). The significant role in internal communication holds the reciprocity as the internal communication is understood as bidirectional process. The internal communication is everything what employees see, hear or read – it is process of transmitting and receiving the information and feedback (Horáková 2000, 134-35). The fact of its complexity means that all above mentioned items should be included in the internal communication process and they should be used together appropriately in order to guarantee the effectiveness of it.

#### 2.1.2 Relationships between Employees Themselves

Relationships between employees could be on positive as well as on negative level. When working on the relationships it is essential to bear in mind that without good relationships there could not be good atmosphere on workplace and further without good atmosphere there could not be seen high-quality performance done by employees. Not every employee has the same ideas as the other one and that is one of the reasons why conflicts between employees could arise. These problems not always help to create good working atmosphere and therefore it is crucial to learn how to respect opinions of other employees, colleagues, teams, departments or divisions. The contribution lies in development of relationships between the employees to such a degree that they lead to the improvement of internal communication in whole company and are one of the basics for the corporate good.

#### 2.1.3 Relationships between Supervisors and Subordinates

Relationships between supervisors and subordinates also very fundamental as the relationships described above. There could be seen the positive and negative attitude as well. Both of them influence mood on the workplace and also in the company as whole. With the positive attitude there is an option to develop motivation, trust, support and control of the employees but on the contrary, with the negative attitude it could happen to the supervisor as well as to the subordinate that whole effort will be destroyed. To develop the relationships between them both sides should be fully aware of their needs and expectations. The supervisor should know that he could rely on his subordinates and vice versa. Both supervisor and subordinate should find some topic or personal interest they have in common in order to develop their informal communication (Fritz 2006, 111-12).

#### 2.1.4 Feedback

It is important to bear in mind that communication requires two sides and that is the reason why well-known and constantly repeated feedback must be contained in the process of communication within the company. The feedback should be not only contained but also dynamically functioned in order to contribute to the whole internal communication process. The fact that the employees receive the feedback from their supervisor or from anyone else from company is very contributing for them. Through the feedback the employees are informed about themselves and their work and it means they can see the view of people giving feedback to them. The contribution lies in development of the employees because as far as they know what are their weak and strong areas like, they can make an effort to improve the weak ones and develop the strong ones. In receiving feedback the best thing to do is to ask for giving the feedback from person whom the employees believe. Although relationships should be based on mutual trust, not everybody is the right person to give the feedback (Theobald 2004, 44).

According to Medlíková, the right feedback should be given as information not as assessment. It should also describe factual behaviour of the employees. It should not describe employees themselves. Correct feedback does not use generalizations but is specific which means that it gives specific information about the behaviour of the employees. The person giving feedback presents his own ideas and opinions. It is inappropriate and inefficient to hide under opinions of other people. The right feedback should be brief and easy to remember (Medlíková 2007, 31). All these condition of giving feedback are vital in sense of its effective application in the process of internal communication.

#### 2.1.5 Objectives of Internal Communication

Companies which want to have their internal communication effective should meet the main objectives of internal communication. There are four main objectives. First of all, creating and changing the attitudes and the behaviour of its employees. Secondly, there is an important part that is based on mutual understanding. The third crucial item is the interconnection between information and motivation. The fourth main objective is connected with providing and adopting feedback. To achieve these aims, several conditions should be fulfilled. One of them is that employees should know the aims of the company. They should respect them and are obliged to realize them. This condition applies not only

to the whole company but also to the individual parts - divisions, departments as well as teams. The second condition which should be implemented is that every employee knows what his or her rights as well as responsibilities are. Next condition supports the fact that employees know the attitudes of the management to the current topics or questions and also to changes which are going to be made in future. There are other conditions such as positive attitude of employees toward the company as whole, a support of formal as well as informal industrial relations which contribute to the general improvement of internal communications within the company (Hloušková 1998, 44-46). These are the main views and conditions which support the fact that internal communication in company has its value.

#### 2.1.6 Effectiveness of Internal Communications

Every internal communication could be good or bad. To have internal communication good or in other words effective is not always easy. Companies that make internal communications a priority are more likely to reach their objectives. According to BDC, there are two main objectives that should be considered by every company that wants to have effective internal communications. The first one is "to create a sense of belonging" which means that employees feel they are part of the company. The second one is "to secure employee buy-in because employees who believe in company initiatives will realize them (BDC, online)."

#### 2.2 Communication Tools

Companies should do everything to make their internal communication effective. In order to make it effective, the companies should use all feasible communication tools. Here are many tools for internal communication. These are for example e-mail, intranet, report, notice boards, annual reports of employee, conference, competitions and many others. All of them have a strong impact on the employees of the company. One of many communication tools that are very common is a company newsletter or magazine.

It is well-known that communication could be realized in three main forms. These are personal, written and electronic. Examples of all three forms are possible to be seen in the communication tools.

#### 2.2.1 Intranet Site

It is one of the examples of the electronic communication which should have each company. This communication tool is very important because every employee should have an access to find strategic and mainly complete information in it.

#### 2.2.2 Company Newsletter

Company newsletter or magazine is another example of communication tools which is very common. It is one of the examples of written communication and from my point of view it has similar function with the intranet site.

The employees could find there strategic and complete information. At the same time there could be also employee success stories, company news and events included. If the information in the newsletter is strategic for the employees or is included in order to motivate them, it is the good one. On the contrary, there are a lot of companies that still have their corporate magazines similar to "hobby magazine" or "magazine for women" and it is the bad example. Simply, companies should include information which will be useful and contributing for the employees (Janda 2004, 91).

#### 2.2.3 E-mail

It is an example of both written and electronic communication. As every communication tool also e-mail has its strengths and weaknesses or in other words, advantages and disadvantages.

The first and the most evident advantage is that sending and receiving e-mails is very quick process. In nowadays business world it is very famous although it is not so formal as other types of written communication. It is also influenced by the fact that e-mails are used as the form of mass communication. Furthermore, it is very flexible because employees can send and receive e-mails from their homes as well. Other advantage is that e-mails could include attachments like pictures, charts, graphs, videos and other files. Next but not last advantage is that the sender has a feedback because he or she can see if the receiver has already read his e-mail. There are also disadvantages which include the fact that employees use e-mails instead of conversation between each other or the fact that they use it so much that they overburden their supervisors. The advantage connected with flexibility could be also disadvantage because the fact that the employees have the access to their e-mails at home is unfavourable for their private life. It is like all-day work instead of relaxation after their working hours (Theobald 2006, 91-94).

#### 2.2.4 Report

This communication tool appears mainly in written form and the basic aim of the report is to inform the supervisor of the daily plan of employee. The benefit for the employee is that he or she can get the overview of his or her results. The benefit for the supervisor and the company is that they have the ability to find out if the employee fulfils his position in company. This communication tool is used as a basis for inspection, evaluation, remunerations, development, planning and creating an organizational structure. Therefore it is considered to be one of the cornerstones of personnel department or in other words HR of the company (Janda 2004, 89-90).

#### 2.2.5 Conference

Conference is one of the examples of face-to-face communication which is the most effective form of verbal communication. In this communication tool it is crucial to bear in mind a clear agenda but it is also necessary to allow the participants to ask questions (BDC, online).

#### 2.2.6 Suggestion Box

Another communicative tool or method that is maybe not used in all companies but is vital part is suggestion box. This tool is very effective from the point of view of indirect communication.

People sometimes do not want or they cannot say things directly because they are shy or they think their ideas are not so important and therefore the suggestion boxes are the suitable means for these situations. It is vital for the employees to know they could express their ideas also by this way (Janda 2004, 91).

#### 2.2.7 Effectiveness of Using Communication Tools

As every communication tool has its place, timing and value, it should be implemented in the process of corporate communication in that way so that it fulfils the expectations and images in the closing stage. It is very inefficient to use communication tools only to have some. If company has its communication tools but is not able to use them appropriately, then the whole effort vanishes. They should be used in order to help in the process of corporate communication, make it easier and beneficial. Effective usage of communication tools contribute to effectiveness of whole communication process in the company.

#### 3 CORPORATE CULTURE

Every organization has its corporate culture which influences its employees. To what extent and if good or bad is the influence of corporate culture of a particular company to its employees is a question. As was already stated in connection with communication skills, it is essential to use the communication skills appropriately which is further seen as effective usage of them and they together contribute to the development in internal communications. The same it is with the organizational culture. It is not an artistry to have some organizational culture but to have good and developed one which is not only accepted by all employees of the company but also supported by them and further developed as was already said. First of all, the term corporate culture is introduced in order to understand its function.

The term corporate culture is also known as organizational culture. To deal with individual terms, it is seen that it is culture at the level of organization. The term culture refers to common phenomenon which includes values, opinions, suppositions, rules of behaviour, own rituals and ceremonies which operate their activity. It follows that the corporate culture includes all elements mentioned above which are common for the company. It is usual and traditional way of thinking and doing things which are common and which have to be known and learnt by new members of the company (Brooks 2003, 216-20).

Corporate culture could be also divided into internal and external. Internal corporate culture is characterized by internal atmosphere which is typical for the company. It is a pattern of images which is common to all or to most of the employees and which all employees share and agree on (Pfeifer 1993, 18-21).

It is important to bear in mind that corporate culture influences the culture of the company in the broad sense of the word. The values, traditions and patterns of the behaviour together with the image of the company and its presentation in public have the influence on transmission all mentioned above into external working surrounding (Šigut 2004, 18). From all these explanations it is clear that corporate culture covers significant part of corporate communication and it influences both the internal as well as external view on the company.

# 3.1 Function of Corporate Culture

Every element of internal communication has its function. Not any differently it is with corporate culture. Functions of the corporate culture could be basically divided into two.

These are external and internal functions. The external function covers the way of adaptation of the company to surrounding conditions. It means the way how the company manages to adapt to changes in surroundings and how quickly and flexibly manages to react on the market change. The external function includes also the image of the company and the way how it is presented externally as well as the way how is perceived from the outside. On the other hand, the internal function covers the way of integration inside the company. It includes the way in which new employees, new operation methods and new techniques fit in and are accepted or not (Pfeifer 1993, 33-34). Both of them are interconnected and related to each other and that is why both should be supported and developed as much as possible.

#### 3.2 Internal Influence

Every company is influenced by internal features which are typical for it. These features include history of the company, company size, property of the company, legal norm, subject of enterprise, used structures and processes, strategy of the company, management and employees of the company (Pfeifer 1993, 28).

#### 3.2.1 Historical Background of Company

Historical background is one of the features which have a significant influence on the corporate culture of a particular company. Every company has different historical background which includes time when the company was established which further uncovers company age, founder of the company and also the historical tradition of the company. Development stages which show the progress are parts of the process of building up the company.

#### 3.2.2 Company Size

As was mentioned at the very beginning of this thesis, in today's business world there is a big importance of internal communication *in every company no matter of size*. The same it is with corporate culture. The company size and the corporate culture are interconnected and influence each other. It is not always true that the big company has the big (understand developed) corporate culture.

#### 3.2.3 Subcultures

By subcultures it is meant cultures of particular groups, teams, departments or divisions of the company. As the company has its departments, each of them could have its own culture. Further, in each department there could be teams or groups which have some topic or project in common and together work on it and these could also have its culture within. There could be some differentiation. These could appear between different levels of management, between individual operating areas as well as between regionally distant workplaces. There is only one question. Do subcultures impede an existence of one united corporate culture (Šigut 2004, 88)? There should be respect and support in order to guarantee mutual ability to co-exist.

#### 3.2.4 Employees

Employees are the major items which have according to my opinion a significant influence on corporate culture in the company. Employees and their mentality, education, knowledge and their attitude to improvement and development influence the particular corporate culture of the company (Pfeifer 1993, 28). They are the ones who co-operate with all the elements and features of the particular corporate culture. They are the ones who do support the values or do not, have their opinions or have not, respect and honour the rules, ceremonies and rituals of the company or not.

#### 3.3 Parts of Corporate Culture

Corporate culture is a product of mission of the company. It is also very strong and long-running instrument but it is heavy-handed and hard to controllable. Corporate culture consists of three parts. These are intentional, unintentional and material parts. The intentional part covers ethical code, the unintentional part consists of tools, rewards and corporate design and the third part, material, comprises habitual ways of how the things are done in the company (Janda 2004, 23). As was already said, all items, parts or units of corporate culture together contribute and develop it. Moreover, as the corporate culture is developed, the internal as well as external communications are flowered.

II. ANALYSIS

#### 4 SIGMA GROUP A.S.

As presented on the Web site of this company, SIGMA GROUP a.s. is a modern and advancing join stock company heading a group of the most significant producers of pumping equipment in the Czech Republic. The main activities of this company are focused on the research, development and production of medium, heavy and unique pumps and pumping sets for industrial applications. In this field the company belongs to the top ones.

# 4.1 History

This company has very deep and rich history that goes back to second half of nineteenth century. That is the reason why only the main points and dates are presented in the form of history overview.

- Foundation of a pumping trade by Ludvík Sigmund (1836 1899). He was manufacturing wooden standing pumps and sinking wells.
- 1869 The trademark a trident and the word SIGMA is registered. Electricity powered pumps of all sorts start to prevail in manufacturing.
- 1932 Advertisement slogan "Sigmunds are good at making pumps". Orientation towards industrial goods.
- 1936 Ing. Jan Sigmund jr. (1895 1942) takes over the company. Offensive development of industrial pumps assortment.
- 1939 Military production prevailed.
- 1945 After WW2 military production was cancelled and the company started to manufacture pumps again.
- 1946 The new name of the now state company is SIGMA PUMPY.
- The company specializes on pumps manufacturing, mainly of industrial character.
- 1953 The company name is Sigma Lutín, national enterprise.
- An extensive production of processing pumps. New generation of cellular feed pumps started. The initiation of three and one spindle pumps development.
- The creation of a new manufactory-commercial unit Sigma-Závody for pumping devices and piping production in Olomouc. The company in Lutín is also a part of it and its name is SIGMA Lutín, national enterprise.

- 1968 This year it was 100<sup>th</sup> anniversary of the company.
- 1979 A transformation of the whole manufactory commercial unit into a concern (SIGMA concern Olomouc), bringing a new name SIGMA Lutín, a concern enterprise.
- SIGMA Lutín is fully independent as from April 1, 1990 and as commercial subject it is called SIGMA Lutín, state industry.
- 1993 SIGMA Lutín was to be transformed into an incorporated company.
- 1994 SIGMA Lutín a.s. is created January 1, 1994.
- On February 20, 1995 the registered trademark was declared "renown" by the Industrial Ownership Office in Prague.
- 1997 Registration of SIGMA GROUP a.s. in July, residing in Lutín. Its objective is to interconnect on the legal, business and technological level all SIGMA companies residing in Lutín and thus firming their position on the pumps market.
- The whole consumer assortment of pumps is moved to SIGMA Pumpy Hranice s.r.o.. SIGMA GROUP a.s. keeps only the industrial assortment.
- 2008 140<sup>th</sup> anniversary of the company foundation

From this historical overview is clear that this company still develops and tries to hold its place on the business market and it acts really successfully.

# 4.2 Organizational Structure

SIGMA GROUP a.s has three divisions – Industrial Pumps Division, Construction and Installation Division and Services Division. The number of employees is around 400 from which 55 % of the employees are workers and 45 % office workers. Each division has its departments. Industrial Pumps Division has four departments – technical, sales, production and quality department. Construction and Installation Division has three departments – economy, technical preparation and control and implementation department. Service Division has also three departments – technical service, ecology and waste dump and accountancy and economy. Each division as well as department has its director or leading person so the mutual interconnection between divisions, departments and the whole company is secured.

# 4.3 Production Program and Provided Services

SIGMA GROUP a.s. has well-developed production program which is presented in this chapter in more detail. This company produces more than 70 products families of medium-heavy, heavy and unique pumps of horizontal and vertical executions intended for use in all branches of industry, power generating plants, agriculture and water resources management. It has specialization on centrifugal spiral pumps with wide scale of operating pressures, sizes and technical and material designs for application in industry and power-generating and heating systems as well as on centrifugal sectional pumps particularly for thermal and nuclear power plants, water resources management, metallurgical plants, mines, chemical and petrochemical industries and agriculture. Its production program includes also production of welded components and respiration protection filters and respirations for military, industrial and civil applications.

This company also provides services such as cooperation on machining and further engineering works. It also very good at research, development, computing, design, and planning works in the branch of hydraulic machines. Other services include testing of pumps and fittings, including accreditation of the products for the market of the Russian federation, diagnostics of the pumps operation and also installation, repairs and putting the pumps into operation, including the supervision. Programming of CNC machines, professional advisory services as well as training and education in the field of welding (all methods of welding) are another important sections. Construction and deliveries of fullpackage-units in the branch of pumping equipment, including measuring and regulation, revisions, pre-complex testing, complex testing and putting into operation as well as installation and repairs of pumps, electric motors, pipes and valves, including the related construction works are services that support the production program as whole. Last but not least service includes diagnostics and monitoring of pumps, installation, maintenance, repairs and revision of specific dedicated electric devices and specific dedicated pressure devices. Next it covers piping systems installation and welding, coating and isolation works and technical consulting services, training of the pumps maintenance staffs.

#### 5 ANALYSIS OF INTERNAL COMMUNICATION

An analysis of internal communications within the Czech company Sigma Group, a.s. reveals strong and weak areas in order to work on the weak ones and use the strong ones appropriately, appreciate them and fight for them so that both areas contribute to improvement of internal communications and make them effective.

## 5.1 Aims of the Analysis

There are several aims of this analysis. First of all, it is crucial to find out what are the feelings of employees of the company and what they think about it. Secondly, there is a quest to find out the weak areas in internal communication and take them as important information, as data. Once these data are known, there is a chance that they would be taken into account and further developed.

# 5.2 Questionnaire Survey

The form of questionnaire survey was chosen for the analytical part. All questionnaires were in Czech because not all employees have the ability to speak and understand English properly. To ensure that every employee would understand exactly what is meant by the question, the Czech language as their mother tongue was chosen.

In the questionnaire there are questions which cover five main areas. The first area deals with relationships between employees themselves and between supervisors and subordinates. This area helps to find out what atmosphere dominates on the workplace and it could further help to understand the atmosphere in whole company. On the basis of these data there could be a chance to improve this essential component of internal communication. The second area is connected to feedback. The third area discovers using communication tools. The fourth area deals with information flow as well as knowledge. In the fifth main area there is a try to find possible problems of internal communication in order to work with them and improve the situation. There are also questions in the questionnaire which are connected with corporate culture or questions trying to find out the attitude of employees to work.

Respondents had the option to answer the questions by selection of more answers than one. That is why combinations of answers appeared and they are also presented in graphical illustrations.

#### **5.2.1** Questionnaire Survey Progress

The questionnaires were created from March 15 to March 17, 2010. They were distributed to the employees on March 22 and successively collected back up to March 30, 2010. It means that employees have about seven working days for filling the questionnaires out.

The questionnaires were delivered in the paper form by one office worker from sales department personally to each of the respondents. He also collect them and give them back to me. Total number of distributed questionnaires was 56. The recoverability of questionnaires was 98.2 %. It means that only one employee did not fill it out. His explanation of not doing it was connected with his lack of time. The recoverability of the questionnaires could be assessed as excellent.

#### 5.3 Evaluation

As was already said, the questionnaire survey covers five main areas. The evaluation of the questionnaires contributes to the evaluation of each area. It is further presented in form of graphs which are connected to particular questions from questionnaire. The respondents could choose more options for their answers and these are also included in graphs.

It is important to bear in mind that the questionnaires were distributed to different employees. Each of them is individual person with his or her individual states of mind, opinions, attitudes and other factors such as his or her position in company, age, qualification, loyalty to the company or the quest to contribute to something. All these factors influence how the filled questionnaires look like. Specifically, the questionnaires were given to employees from different departments. To Engineering which includes technicians, design and research employees were given 12 questionnaires, in Sales the number of delivered questionnaires was 13. In Quality it was 1 and in Service 1 as well. From Production it was 18 and from other departments which include assistants, supply, economic and non-production employees the number of distributed questionnaires was 11. As was already mentioned, the total number of distributed questionnaires was 56. From the total 56 distributed questionnaires were 16 of them given to employees in leading positions such as Technical Director, Production Director, Sales Director, Chief of Quality System, Chief of Export Department, Chief of Domestic Sales and others. The rest of the questionnaires which means 40, were distributed to ordinary employees.

# 5.3.1 Relationships between Employees

Question number one in questionnaire is connected to relationships between employees themselves. From the graphic representation it is seen that relationships between employees themselves are mainly positive. The respondents assessed their relationships with employees or colleagues positively by 72.7 % and neutrally by 27.3 %. Nobody from respondents chose the option "Negatively".

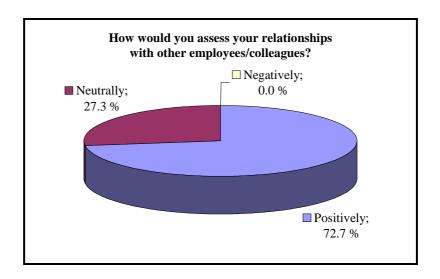


Figure 1 Result of the question number one

#### 5.3.2 Relationships between Supervisors and Subordinates

Question number two in questionnaire deals with relationships between supervisors and subordinates. The graph shows that relationships with supervisors are mainly positive. The respondents assessed their relationships with supervisors positively by 63.6 %, neutrally by 34.6 % and negatively by 1.8 %.

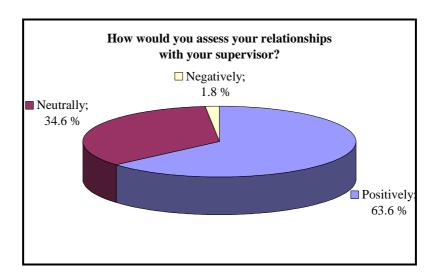


Figure 2 Result of the question number two

Although the relationships of the employees with their supervisors are mainly positive there are some nuances in the process of communication which have influence on it. The nuances are presented in Figure 3 which shows result of the question number three. This question tries to find out what is the communication of employees with their supervisors like. The respondents had four options to answer this question. The option "One-way without discussion" was not mentioned by anybody and that is why it has zero proportional representation in the graph. The option "Open (about problems)" was chosen by less than half of the respondents in contrast to the option "Open (about everything)" which was chosen by more than half of the respondents. 1.8 % of respondents chose the option "None". This value is low but from my point of view there should be zero proportional representation as it is with the option "One-way without discussion" because communication is vital part of the existence of the company and what is more, it is bidirectional process which means that both sides have to be involved. What is positive in connection with answers of the respondents is that almost all of them speak openly with their supervisors. More than half of them speak openly about everything which means that they do not deal only with problems.

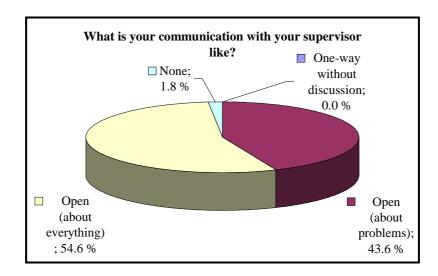


Figure 3 Result of the question number three

#### 5.3.3 Feedback

Questions number six to nine are connected to feedback. Respondents were asked about receiving feedback from their supervisors and regularity of the feedback. They were also asked about usefulness of the information contained in feedback.

From the Figure 3 it is seen that 76.4 % of respondents receive feedback from their supervisors. From my point of view it is not much because I think every employee no matter what is his or her position should receive feedback from his or her supervisor. It is crucial for them to know what is good and bad in connection with their work.

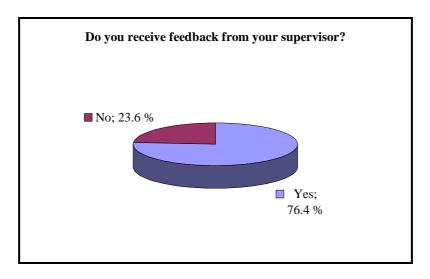


Figure 4 Result of the question number six

Concerning the regularity, from Figure 4 it is seen that only 53.7 % from those who receive feedback marked the feedback as regular. This should be one of the warning signals and supervisors should concentrate not only on providing their subordinates with feedback but they should also do it regularly.

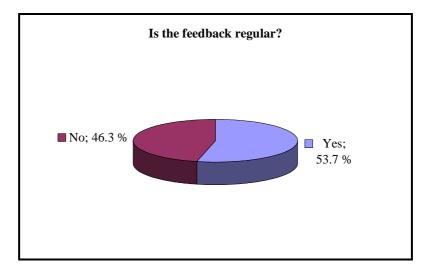


Figure 5 Result of the question number seven

When giving feedback it is important to bear in mind that information contained in it should have some value and relevance.

Question number eight asks if the information included in the feedback is useful for the employees. Respondents answered by 74.5 % "Yes". This piece of information shows that supervisors provide their subordinates mainly with relevant and valuable information.

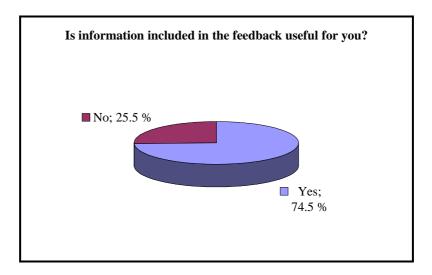


Figure 6 Result of the question number eight

What is the best in connection with feedback is the result of question number nine from which is clear that all respondents who marked information in feedback as useful further work with it for example for improving their weak areas. That contributes to the further development of employees.

#### **5.3.4** Forms of Internal Communication and Communication Tools

Question number ten is connected to forms of internal communication. The three basic forms are face to face or personal, written and electronic.

From the Figure 7 it could be seen that respondents chose only one option as well as more than one. That is why also combinations of answers were created. It is close to half of the respondents who chose only one option which was "face to face" communication – it is exactly 47.3 %. Nobody from respondents chose "written communication only" but 7.3 % of respondents answered they use only electronic form of communication. Further proportional representation is created by combinations of answers. First of all, 5.5 % of respondents created the combination from options "face to face and written" form of communication. Secondly, there was created the combination of "face to face and electronic" form – this combination takes the second largest part of graph, exactly it was mentioned by 32.6 % of respondents. The third and last combination was created as a choice of "face to face, written and electronic" forms of internal communication and it covers 7.3 % of the respondents.

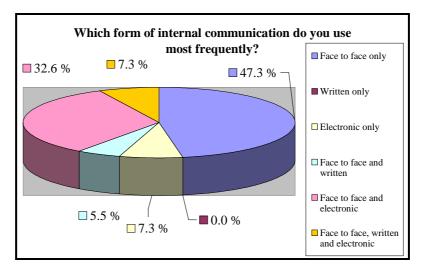


Figure 7 Result of the question number ten

Concerning the communication tools, there were two questions – number eleven and twelve – which had the aim to find out which tools are used in the company. There was one but very important thing in which these two questions differ. Question number eleven discovers which tools of internal communication are used in company or in other words it tries to find out if the employees know about the communication tools used in the company. In contrast to question number eleven, question number twelve tries to find out which tools of internal communication are preferred by the particular employee.

From the Figure 8 which shows the results of question number eleven it is clearly visible that no tool is mentioned by 100 % of respondents. That means not every employee knows about internal communication tools used in the company. What is very surprising is that four basic tools (face to face contact, e-mail, telephone and conference) do not have 100 % representation. The other tools of internal communication have the weaker representation probably because not all employees have the ability to use them, to work with them and that is why they cannot be familiar with the fact that they are used in the company. In two filled questionnaires there was a note in connection with intranet and both has the same meaning. The meaning was that even though intranet is used in the company, it has very poor and simple form. The last mentioned tool - suggestion box- was included in questionnaires because I wanted to know if there is an option to express opinions of employees indirectly or anonymously in the company. The fact that nobody from the respondents chose this option was in essence expected. There was also an option for respondents to mention another tool of internal communication which is not included in the questionnaires and can possibly appear in the company. Only one employee wrote that grapevine appears as another internal communication tool. He exactly wrote "one woman told something". That means that information in the company are also heard on the grapevine, they are not complete or they can be turned in meaning in contrast to what was originally said.

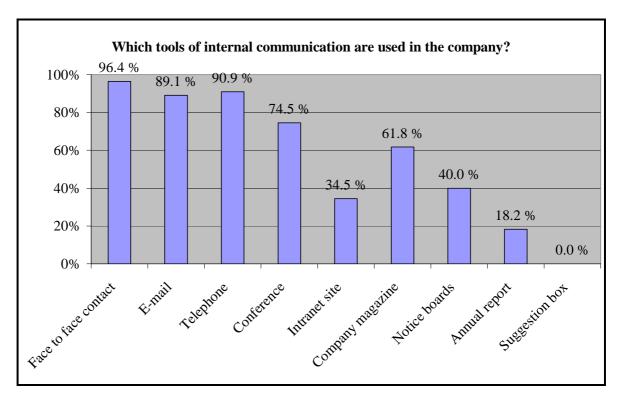


Figure 8 Result of the question number eleven

In contrast to the previous graph Figure 9 shows the results of the question number twelve which asks which tools of internal communication the employees prefer. From the graph it is clear that face to face contact has the leading position. There are also two almost even values which are represented by using e-mail and telephone. The fourth most common tool that is preferred by employees is the conference. The other tools of internal communication in the company are not preferred by employees so much. There could be also seen that annual report is never ever preferred. The suggestion box has zero proportional representation because it does not appear as internal communication tool in the company. As in question number eleven, also in this question the respondents have the option to mention another communication tool which is used by them. Only one employee chose this option and he wrote that he uses his personal mobile phone.

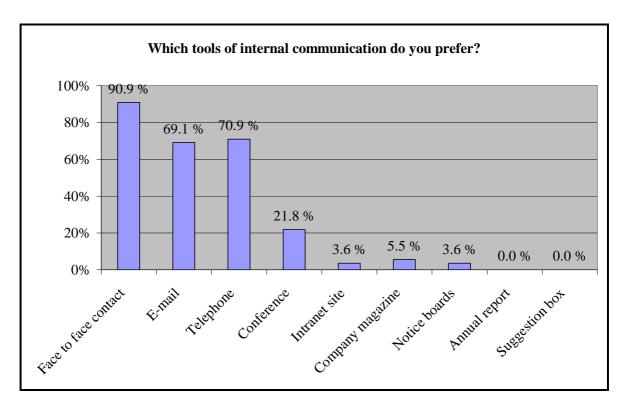


Figure 9 Result of the question number twelve

### 5.3.5 Information Flow and Knowledge

The fourth main area deals with information flow and knowledge. There are four questions which are connected to this topic. Two of them – question number four and five- try to find out how is the process of transmitting information realized. The other two questions – sixteen and seventeen- are interested if the employees are adequately informed about what is going on in the company.

Result of the question number four which is presented in Figure 10 shows that information flow is realized between colleagues, supervisors and subordinates. The respondents chose one option as well as combination of options. From the graphic representation it could be seen that the biggest part covers the combination "colleagues and supervisors" which means that employees exchange information mainly with supervisors and colleagues. The second biggest part of the graph takes the combination of options "colleagues, supervisors and subordinates". Nobody from the respondents chose the option "I do not receive information" or "subordinates only".

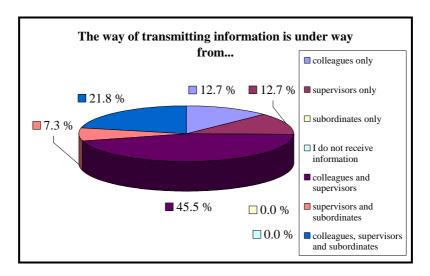


Figure 10 Result of the question number four

Question number five deals with the option to consult information. From Figure 11 it is clear that almost half of the respondents consult information with their colleagues and supervisors. One quarter of respondents consult information with colleagues, supervisors and subordinates. The third bigger part is represented by the option "colleagues only".

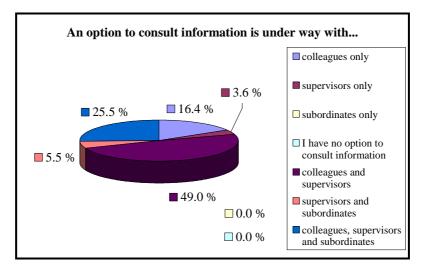


Figure 11 Result of the question number five

Question number sixteen which tries to find out if the employees feel adequately informed about what is going on in the company has its graphical representation in Figure 12. From this graph it is visible that more than half of the respondents feel rather informed. More than one quarter do not feel rather informed. Strictly "Yes" or "No" option was each

chosen by less than 10 % of respondents. It indicates that they are more or less informed about what is going on in the company.

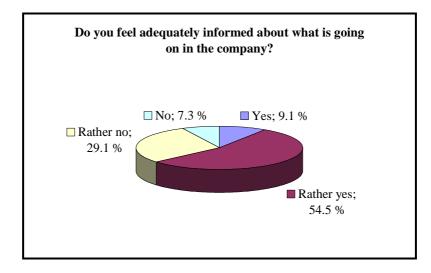


Figure 12 Result of the question number sixteen

Figure 13 depicts graphical representation of answers to the question number seventeen which asks if the employees feel adequately informed about what changes will be made in future. Almost half of the respondents chose the option "rather yes" and a bit less chose the option "rather no". There is no proportional representation of "Yes" option but 7.3 % chose the option "No". It indicates that it is almost half to half with information received by employees in connection with future changes of the company.

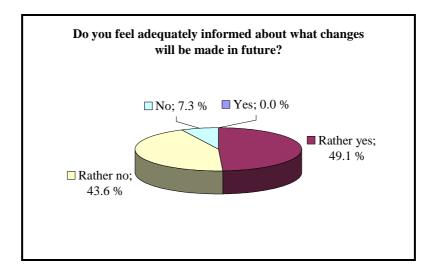


Figure 13 Result of the question number seventeen

The respondents had also the opportunity in question number eighteen to express which information they lack and in which form they would like to be informed. Only one fifth of those who do not feel adequately informed made use of this opportunity. Those who express their opinions have lot in common. They would like to be informed about personal changes, holiday plan, marketing plan and plan of development as well as about plans to the future. They also mentioned values, aims and visions of the company, information about the production and eating list. The form in which they would like to be informed was also mentioned repeatedly - by way of their supervisor, intranet, e-mail, company magazine, conference and they also mentioned that any of the form would be suitable for them.

#### 5.3.6 Problems in Internal Communication

Not every company is 100 % perfect in its internal communication. Weak areas can appear in the best one as well as in the ordinary one but the crucial thing is to reveal the weak areas in order to further work with them and try to improve the level of internal communication itself so it becomes effective. There were created three questions in order to find out if the employees are satisfied with the level of internal communication in the company and if they feel there may be any problems in connection with it.

On Figure 15 there is the result of the question number nineteen which tries to find out if the employees are satisfied with the level of internal communication in the company. It shows that almost two thirds of the respondents, exactly 65.5 % are partially satisfied. Only 20 % of respondents are fully satisfied with the level of internal communication in the company and 14.5 % are not satisfied.

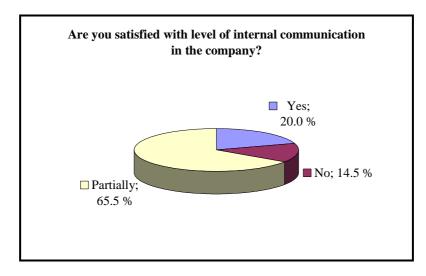


Figure 14 Result of the question number nineteen

It was expected that not all employees would be satisfied with the level of internal communication in the company and that is why question number twenty and twenty-one were included in the questionnaires. The aim was to find out if there are some problems and in which connection. Once the problems are known and identified, there is a chance they would be taken into account. The following questions are dealing with these issues.

From Figure 16 which shows the result of the question number twenty could be seen that almost half of the respondents rather feel some problems in internal communication in the company. 20 % of the respondents surely feel some problems. These two options of answers make together nearly two thirds of the graph which dominate the rest of the answers.

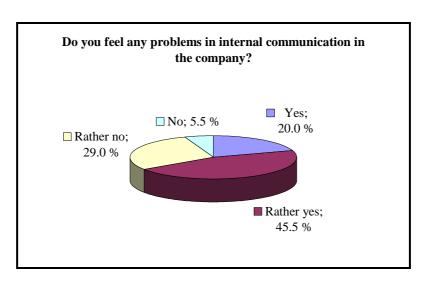


Figure 15 Result of the question number twenty

Question number twenty-one reveals in which connection the problems appear. Respondents selected more answers from offered which included unwillingness, lack of information, lack of time, unreliability, misunderstanding, company size and lack of motivation. The problems in internal communication have the origin mainly because the lack of information which was mentioned by almost half of the respondents. Next it is caused because of unwillingness, misunderstanding, lack of motivation, lack of time and unreliability. All these items have the value about 20 %. The fewest problems have the origin in connection with company size. The respondents had again the option to mention their own ideas. These were connected to information and its incompleteness and insufficiency from which the grapevine may arise. In connection with insufficient knowledge there was mentioned that information cannot get to all employees. Other opinions included prolonged transmission of important data or the way how the company is managed.

In addition to questions that fall into five basic categories which were already mentioned and evaluated, there is also one question concerning the attitude of the employees to their work. There are also two question connected to values, aims and visions of the company. Figure 17 shows the result of the question number thirteen from which is clear that more than 80 % of respondents has positive attitude to his or her work and only 16.4 % of respondents marked his or her attitude to work as "neutral". Nobody from respondents chose the option "negative". This result is very good.

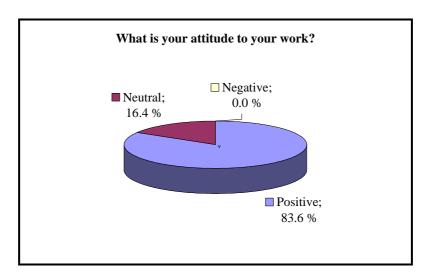


Figure 16 Result of the question number thirteen

Question number fourteen uncovers if the employees know values, aims and visions of the company. From Figure 18 it could be seen that about half of the respondents chose the option "rather yes" and more than one third of the respondents answered "yes". The options "rather no" and "no" have the same values – each 7.3 %. From this graph it is clear that employees mainly know values, aims and visions of the company which is good.

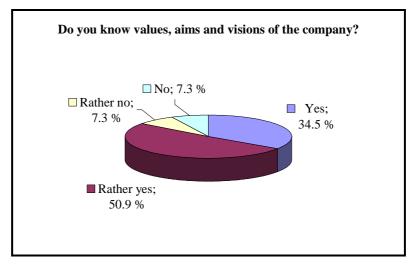


Figure 17 Result of he question number fourteen

Question number fifteen tries to find out if those who know the values, aims and visions of the company also identify themselves with them. From graphic representation of the results of question number fifteen is visible that those who mentioned the option "yes" or rather yes" in the question number fourteen also more or less identify themselves with the values, aims and visions of the company. Nobody chose the option "rather no" or "no" which is excellent because share and support of the basics of the corporate culture by the employees contributes to the whole issue of internal communication in company and its improvement.

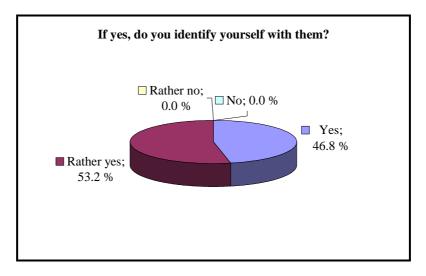


Figure 18 Results of the question number fifteen

### 5.3.7 Suggestions and Recommendations of the Respondents

Question number twenty-two which is the last question in questionnaire has open form. Its aim is to find out what suggestions and recommendations the employees of the company have in order to present them openly and thereby help to improve internal communication in company.

Only 21.8 % of respondents filled this question which projects very small proportional representation from all respondents but altogether it is at least some feedback from the respondents who want to contribute to improvement in internal communication in the company they work for. Their suggestions and recommendations were divided into four basic groups in order to understand in which connection they were.

First group could be collectively called "Improvement of usage of internal communication tools". This group of answers included suggestions:

- To use e-mail as an official tool of internal communication in order to speed up the communication process, to use it as easier form of archiving documents and to be environmental friendly (nowadays the official tool of internal communication in the company is paper letter)
- Better use of intranet and its further development
- Better use of e-mail
- All crucial changes should be presented on intranet or via e-mail in order to guarantee early delivery of important information
- More personal meetings

Second group of answers could be called "Friendly way of communication". This group of answers included recommendations such as "to communicate openly" and "to use helpfulness" in order to change formal way of communication into more friendly way which furthermore creates better atmosphere in the workplace.

Third group of answers could be called "Better knowledge". This group of answers has several ideas in common:

- To improve communication process between particular production units
- To find some official way of announcing information in order to avoid misunderstanding, misinformation and the rise of grapevine
- Problems should be solved by higher number of competent employees
- To involve ordinary employees into the awareness of the future plans of the company

Fourth and last group of answers could be called "Better usage of feedback" which is presented by the idea of detailed evaluation of work of the subordinates by their supervisors in the whole company structure – for example in the form of PowerPoint presentation.

### **6 SUGGESTIONS AND RECOMMENDATIONS**

In this last chapter some suggestions and recommendations will be proposed. The basis for them is formed predominantly from the results of questionnaires filled by the employees of company SIGMA GROUP a.s. as well as by additional interview with some of them. There will be presented suggestions to each area previously mentioned.

First of all, concerning the relationships between employees themselves which are mainly positive, it is needful to say that the relationships should be supported and there should be a try to keep them on the level they are as long as it is possible. The best situation would be when there are only positive relationships between themselves but the most important is that there are no negative ones. When dealing with the relationships between supervisors and subordinated which are also mainly positive, it is important to bear in mind the small but some proportional percentage of negative assessment which should be eliminated. The openness of both supervisors and subordinates should be increased in the most possible way. It is the same as with relationships between employees themselves – the fact that relationships must be supported by all possible tools and the communication between supervisors and subordinates should be open so that there is no fear to present ideas of the employees. The employees should understand and realize that positive relationships with other employees, no matter if it is supervisor, colleague or subordinate, as well as their attitude to their work create the atmosphere on the workplace and furthermore the atmosphere in whole company.

Secondly, when speaking about feedback, the most crucial thing to be improved is the regularity of it. The employees and their working processes should be evaluated regularly in order to guarantee stability and the possibility of progressive improvement in particular time unit. The information contained in feedback should be more detailed and no generalizations should appear so that employees know exactly what is meant by the information, what his or her weak areas are and thereby how these could be improved. There should be a possibility to give feedback in more interesting way which would be beneficial for employees in sense of better understanding and remembering.

Next, in connection with use of communication tools, not only the three most frequently used tools – face to face contact, telephone and e-mail - should be included in the process of internal communication. There should be a bigger chance to use other tools of internal communication. Intranet should be presented in more sophisticated form so that employees can find information they want to find. At recent times there is only telephone book and

two or three links which is honestly insufficient. There should be included information such as changes in organizational structure, plans of the company, company documentation including common documents, management announcements as well as documents and news of each department in the company. Another internal communication tool which should the company use is suggestion box. It is really needful to enable the employees to present their ides indirectly. Maybe they cannot be used so frequently as other tools but there should be just the possibility for them. What is very good in connection with tools of internal communication is the company magazine which should keep its face because it is full of interesting information and simultaneously is not oversaturated and so it is very readable.

The issue related to information flow and knowledge should be improved as well. The level of knowledge should be highly increased. The employees feel nowadays more or less informed about what is going on in the company and about future changes of the company but they should be informed as much as possible so that they feel they are part of the company and are relied on. There was also mentioned the existence of grapevine which is connected with inadequate process of announcing information. The information should be transmitted in an understanding way and with the feeling that given data are important and interesting for employees. Concerning the corporate culture, the employees should be familiarized with the values, aims and visions of the company during the interview for the job and furthermore as a good employee they should indentify with them as much as possible.

To sum up, it is strongly recommended to work on the internal communication in the company, try to improve the level and guarantee effectiveness of it in order to increase the value of company as whole.

### **CONCLUSION**

The aim of this analysis was to find out strong and weak areas in order to support the strong ones and try to work on and improve the weak ones. For these findings the method of questionnaire survey was chosen. Questions in questionnaire covered with relationships between employees themselves as well as between supervisors and subordinates. These were evaluated as very good and could be considered as one of the strong areas in internal communication in the company. Next, the questions asked on receiving feedback. This area has some weaknesses – it is especially the regularity. One of the most interesting topics of internal communication was the issue connected to information flow and knowledge. There the blind passages could be seen and there is a lot to improve but now the weak areas are known and openly presented so there is a big chance they would attract the attention and support to further improvement and development. Another part of internal communication to which the attention should be drawn is using of internal communication tools in the company. This is interconnected to the knowledge of the employees and maybe there would be repetition of ideas, but it is really essential to use internal communication tools appropriately an with the right timing in order to ensure the best flow of information without any loss so that it is beneficial for the whole company.

I have to admit that questionnaire survey was very contributing and illuminating for me and there is still lot of things and issues to be further discovered. I hope that at least some of the suggestions and recommendations will be taken into account so that it contributes to the improvement in internal communication within the company.

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# **APPENDICES**

P I Questionnaire

## APPENDIX P I: QUESTIONNAIRE

Dobrý den,

jmenuji se Michaela Kočí a studuji obor Anglický jazyk pro manažerskou praxi na Univerzitě T. Bati ve Zlíně. Prosím Vás tímto o vyplnění dotazníku, který je součástí mé bakalářské práce s názvem Analýza vnitrofiremní komunikace ve společnosti SIGMA GROUP a.s. Následující otázky se tímto tématem zabývají. V dotazníku můžete zatrhnout i více odpovědí.

Vyplněním dotazníku pomůžete nejen mně. Dotazník může zlepšit interní komunikaci ve vaší organizaci. Věnujte mi, prosím, deset minut Vašeho času, který jistě nebude zbytečný. Děkuji za spolupráci.

Jal	ká je vaše pracovní pozice?		
1.	Jak hodnotíte vztahy s ostatními zaměstnanci/kolegy?		
	☐ Pozitivní ☐ Neutrální ☐ Negativní		
2.	Jak hodnotíte vztahy s nadřízeným?		
	Pozitivní Neutrální Negativní		
3.	Jaká je Vaše komunikace s nadřízeným?		
	☐ Jednosměrná bez diskuse ☐ Otevřená (o problémech) ☐ Otevřená (o všem)		
4.	Způsob předávání informací probíhá		
	od kolegů od nadřízených od podřízených		
5.	Možnost konzultace informací probíhá		
	s kolegy s nadřízeným s podřízenými		
6.	Dostáváte od svého nadřízeného zpětnou vazbu (informace o tom, jak vykonáváte svoji		
	práci)?		
	☐ Ano ☐ Ne		
7.	Je zpětná vazba pravidelná?		
	☐ Ano ☐ Ne		
8.	Jsou pro Vás informace obsažené ve zpětné vazbě užitečné?		
	☐ Ano ☐ Ne		
9.	Pokud ano, pracujete s nimi dále (např. ke zlepšení svých slabých stránek)?		
	□ Ano □ Ne		

10. Jakou formu interní komunikace nejčastěji používáte?						
	Osobní Písemná Elektronická					
11. Které z nástrojů vnitrofiremní komunikace se ve vaší firmě používá?						
	Osobní kontakt	E-mail	Telefon			
	Porady	Intranet	Firemní časopis			
	Nástěnky		Schránka na nápa	ady a připomínky		
	☐ Jiné – prosím uveďte	e				
12.	12. Který nástroj vnitrofiremní komunikace upřednostňujete Vy osobně?					
	Osobní kontakt	E-mail	Telefon			
	Porady	Intranet	Firemní časopis			
	Nástěnky		Schránka na nápa	ady a připomínky		
	☐ Jiné – prosím uveďte	e				
13.	Jaký je Váš postoj k prác	i?				
	Pozitivní Ne	eutrální 🔲 N	egativní			
14.	Znáte hodnoty, cíle a vize	e organizace?				
	Ano	Spíše ano	Spíše ne	☐ Ne		
15.	Pokud ano, ztotožňujete	se s nimi?				
	Ano	Spíše ano	Spíše ne	☐ Ne		
16.	16. Cítíte se být dostatečně informováni o tom, co se děje v organizaci?					
	Ano	Spíše ano	Spíše ne	☐ Ne		
17.	Cítite se být dostatečně	é informováni o tom	, jaké budou v budo	ucnosti provedeny		
	změny?					
	Ano	Spíše ano	Spíše ne	☐ Ne		
18.	Pokud ne, jaké informace Informace:	e postrádáte a jakou fo	rmou byste byli rádi i	nformováni?		
	Forma:					
19.	Jste spokojeni s úrovní v	nitrofiremní komunika	ace v organizaci?			
	Ano Ano	☐ Ne	Částečně			
20.	Máte pocit, že se objevuj	í v rámci organizace r	nějaké problémy v inte	rní komunikaci?		
	Ano	Spíše ano	Spíše ne	☐ Ne		

21. Pokud ano, v jaké souvislosti?							
Neochota	Nedostatek informací	Nedostatek času					
Nespolehlivost	Nedorozumění	☐ Velikost organizace					
☐ Nedostatek motivace							
☐ Jiné – prosím uved	☐ Jiné – prosím uveďte						
22. Máte nějaké návrhy či doporučení na zlepšení úrovně vnitrofiremní komunikace ve vaší							
firmě? Prosím uveďte							