

14.8: Communication and Management

Learning Outcomes

- Describe the components of the communication-process model.
- Recognize common missteps in communication.
- Differentiate between formal and informal communication networks.

Mathias Mendez had recently been hired as the manager of the purchasing department of an online retailer. His appointment was announced through an e-mail to all company employees, and his department was expecting his arrival. His managers told him his first task was to try to cut costs in the department. Mathias hadn't determined exactly what to do, but he had determined that he could reach the target cuts through a combination of a freeze on new hiring, cutting all but critical travel, reducing training, and cutting back on the use of temporary and contract workers.

He was anxious to show his superiors that he was working on the problem, so he sent an e-mail to his managers and employees that said he would be announcing cost-cutting measures soon. Unfortunately, employees interpreted this to mean there would be layoffs. Rumors soon started flying about how “Matt the Knife” had been hired to outsource the department and that everyone was going to be laid off. Morale plunged and people started using their time to polish their resumes and apply for jobs. The employees distrusted Mathias and he was cut off from all but routine communication with them.

Communication and management are closely linked. **Communication** refers to the process by which information is exchanged between two or more people (increasingly, machines are also included in communication, but we limit the discussion here to communication between people). Each of the management roles—planning, organizing, leading, and controlling—depends on effective communication. Managers must be able to receive accurate information to determine plans, and they must be able to send accurate information for the plans to be implemented. When information is accurately sent and received, everyone in an organization can be informed. As we see in the earlier example, however, when information is misinterpreted or when incorrect information spreads, communications can create significant problems in organizations.

The Role of Communication in Management

The role of management is to accomplish the goals of an organization. To do this, managers create a plan that defines what needs to be done, when it will be done, and how it will be done. To implement the plan, managers must convey this information to everyone in the organization. That is, they must communicate the plan to members of the organization. However, managers need to do much more than just inform people what they need to do to support the plan. They also must motivate people to support the plan, build commitment to the organization, establish rapport and collaboration, and keep everyone informed of events and actions that affect the organization. Good communication not only informs but also helps to create a culture that makes people feel like they belong to and want to support the organization. The opening example shows what can result from poor communication. Following are some of the benefits of effective communication.

- **Provides clarity.** Confusion, uncertainty, and ambiguity make people uncomfortable and uncooperative. Making roles, responsibilities, and relationships clear gives everyone the information they need to do their jobs and to understand their contributions to the organization. Effective communication reduces the cost associated with conflicts, misunderstandings, and mistakes.
- **Builds Relationships.** A culture that promotes open communication reduces tension between hierarchical levels of employees, both professionally and socially. In a trusting and collaborative culture, people are more likely to seek help with problems and to suggest solutions and improvements. Effective communication creates a collegial culture that fosters teamwork and encourages cooperation.
- **Creates commitment.** Effective communication involves not only sending information but also receiving it. By listening to employees' concerns, allowing them to have input on their work and their workplace, and giving consideration to their suggestions, managers can make everyone in the organization feel like they are valued contributors. When employees feel like they are valued in the organization, they will likely be more engaged and motivated. Effective communication creates support and commitment.
- **Defines expectations.** When people are uncertain about what is expected of them and how they will be evaluated, they can't do their jobs well. Performance reviews are difficult because the employee does not know the performance standards they are expected to meet. And if corrective measures are necessary, the employee may be resentful if he can't see how his behaviors

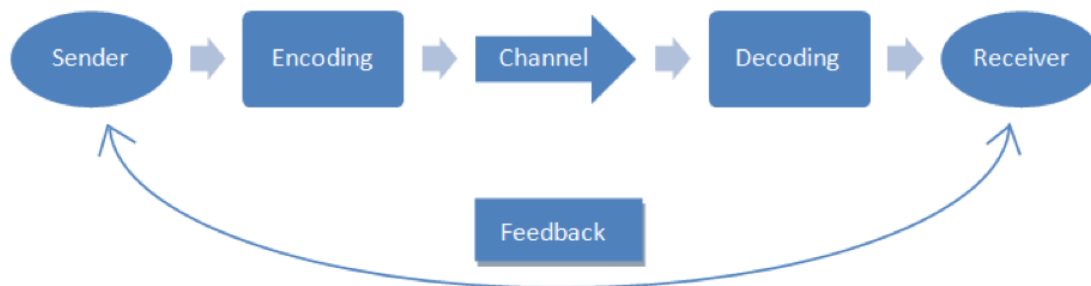
reduced his effectiveness. When expectations and standards are clear, employees know what they need to do to get a positive review and the benefits that come with it.

These are just a few of the many benefits that come from effective communications. Managers can only reach organizational goals when the people in the organization are committed to the goals. People perform much better when they are informed and involved.

The Communication-Process Model

The communication process may seem simple: one person sends a message and others receive it. The process becomes more complex, however, because the information in the message must be sent and received accurately. The communication-process model describes how the *information* is sent and received.

The following diagram shows this model.



The communication-process model

It is easiest to understand the model when one person is communicating with another person. The person initiating the communication, the **sender**, has information he wants the other person, the **receiver**, to know. However, before it can be sent, the information has to be encoded into a form that can be transmitted. In a simple case, the information is put into words spoken to the receiver. Or the information may be converted into printed text, tables, charts, or graphs given to the receiver. In a more complicated case, the information is encoded into words or images that are then converted into electronic signals sent to the receiver. The **channel** is the medium through which the information is conveyed. It could be air conveying sound waves, paper conveying text and images, or wires or magnetic fields conveying electronic signals. (We will discuss channels in more detail later in this module.) In the opening example, the management had information that Mathias had been hired and when he would start. They wanted the employees in the company to have that information so they put it in a message and sent it to employees.

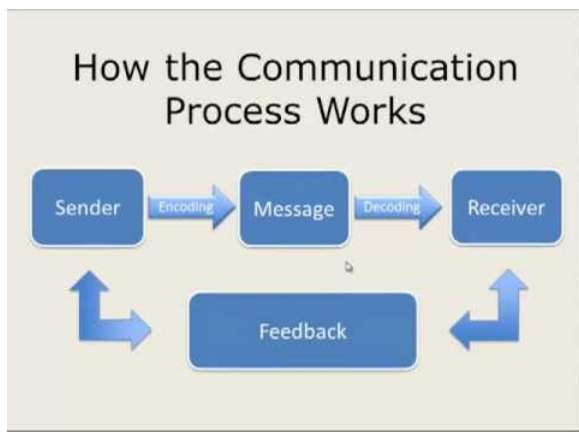
The receiver reverses the process. She receives the encoded message and then decodes it. That means she converts the message back into information that can be understood. In the opening example, an employee reads the message and knows who has been hired and when he will start. Information has been transferred from managers to employees. In an interactive communication process, the receiver can send **feedback** to the sender to indicate that the message has been received and how it has been interpreted. This can start an interactive back-and-forth exchange that can assure the sender that the message has been received and understood correctly.

The two-person model can be generalized to the case of one person communicating with many others. It could be a person making a presentation to a roomful of people, a manager sending an e-mail to employees, a Facebook post to friends, or a tweet to hundreds of followers.

? Practice Question

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The following video provides a helpful overview of the communication process and some of the barriers that can arise during communication:



A YouTube element has been excluded from this version of the text. You can view it online here: <http://pb.libretexts.org/pom/?p=504>

You can view the [transcript for “How the Communication Process Works” here \(opens in new window\)](#).

Common Missteps in Communication

Each step in the communication-process model introduces the potential for missteps to occur. In the opening scenario, two e-mail messages were described. They were both internal to the company, but they achieved much different results. What was different about the messages that caused the different outcomes?

The first misstep can occur when the information to be communicated is not encoded correctly. Consider the e-mail sent by management to announce Mathias’s appointment. Management had clear information to convey, and a simple e-mail conveyed it.

Mathias’s e-mail had a different purpose. He wanted to convey to his superiors that he was following their directions and was working on a plan to cut costs. But when he put the information into text, he didn’t encode it well. He wanted to convey that he was working on the problem but had not made any decisions. What he actually conveyed was that he was going to cut costs by whatever means necessary and soon. Because the information was not encoded accurately, the wrong information was sent.

The first step in good communications is being able to clearly and concisely convey information, whether written, spoken, graphic, or numerical. If information is not encoded properly, nothing else matters. Later on we will look at specific suggestions for how to tailor messages to take the needs of the receivers into consideration

Missteps also occur during decoding when the receiver interprets the message differently than the sender intended. In Mathias’s case, the message he sent was “I’m thinking about ways to cut costs and I will let you know when I have a plan.” But employees interpreted the message as “I’m going to do whatever I have to in order to cut costs.”

Because feedback is a message sent in the opposite direction, from the receiver to the sender, all of these problems can occur during feedback. In many cases feedback is not important and is not wanted. Much information that is communicated is intended to keep people informed, and acknowledgement or response is not expected. When management sent the notice about Mathias’s appointment it did not expect every employee to respond. Sometimes, though, feedback is important to be certain that both the sender and receiver have the same information and interpret it the same way. The initial sender must be sure that she understands the feedback provided by the sender, asks questions to clarify any misinterpretation, and responds to any questions. The last step in good communication is to be a good listener. In the following sections we will look more closely at the issues of miscommunication and ways to collect feedback.

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Formal and Informal Communication Systems

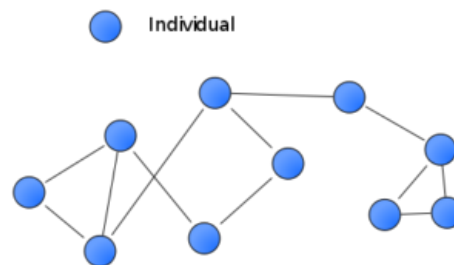
In most organizations there are both formal and informal information systems. **Formal communication systems** are the methods used to convey information necessary for conducting the business of the organization. Formal communications conform to rules and regulations prescribed by the profession or law (for example, formal reporting procedures for tracking injuries in the

workplace). This is information that flows within the chain of command or within task responsibilities. The message may be procedures to provide regular progress reports to managers. It may be scheduled meetings to exchange information on the status of a project. Human resources may arrange seminars to convey new policies and procedures. The formal communication system makes sure necessary information flows through the organization and that dissemination of this information is controlled. Not everyone in an organization has access to progress reports or attends project meetings. Formal communication systems ensure that information is available to those who need it and not to others.

Not all communication in an organization is formal, and not all communication is controlled. **Informal communication systems** are outside of the formal system. Informal systems can connect almost anyone in an organization to anyone else. They skip over hierarchical levels and between departments and functions. In the opening scenario we saw how misinformation spread through the informal system can harm an organization. However, informal communication systems are not necessarily disruptive. In many organizations, the informal network is the primary way information is spread and work gets done. There are some organizations where getting a job done depends more on who you know than what you know.

There are two main types of informal communication systems: **social networks** and the **grapevine**.

A **social network** is a system of personal relationships that cross hierarchical, departmental, and organizational boundaries. A simple social network system is shown in the following diagram.



In this diagram of social networks, each circle represents an individual.

In a social network, an individual can reach out to anyone else in his network for information or assistance. Through the linking member, he can also seek help from another group. People with large social networks have access to much information, and linking individuals can spread information through an organization. Linking individuals can be very influential in an organization.

The **grapevine** is how gossip is spread through an organization. Another term for a grapevine is a rumor mill. Almost everyone engages in gossip in some manner, so it is a very effective way of spreading information. In fact, information often spreads faster through the grapevine than through formal information channels. Unfortunately, the information is not controlled, and it can be distorted or even totally fabricated. The grapevine is particularly important when formal communications are inadequate. People don't like to be uncertain about conditions that affect them. When information is not provided by the formal system, they seek and spread information through the grapevine.

Unlike a social network, a grapevine is unstructured and transitory, although the grapevine can follow social network links. Information flows in the grapevine through chance encounters, informal meetings, and overheard conversations. Electronic communication and social media has greatly increased the speed and spread of grapevines.

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