LEARNING OBJECTIVES

After studying this chapter you should be able to:

- Explain the different types of channels that can be used in organisational communication
- Describe the nature of upward, downward and horizontal communication patterns
- Explain how organisational design factors (flat versus tall, centralised versus decentralised, mechanistic versus organic) affect organisational communication
- Explain network organisations, network roles and networking strategies
- Describe aspects of the informal organisation and communication system
- Identify different aspects of organisational culture, including silos and silence
- Explain the relationship between knowledge management and organisational communication
Organisations: systems of communication effectiveness and communication breakdown

In chapter 1, we saw that different areas of communication could be meaningfully analysed as a series of concentric circles (see figure 16.1). As we shall see, there are numerous interconnections between this chapter — dealing with communication in organisations — and nearly every chapter in this book, especially those dealing with interpersonal communication.

This means that, increasingly, there is no clear line of demarcation between where the organisation ends and where the outside world begins. Argenti and Haley (2006) point out, for example, that organisations need to align their communication messages to external and internal audiences, not only because it is professional and systematic to do so, but because all audiences, through a variety of formal and informal communication channels have unprecedented access to what has been said to the other audiences. Communicating with external audiences or publics, such as customers and/or the community and/or the media, needs thus to be consistent — to be aligned with — communication with the audiences or publics internal to the organisation. If there is no alignment strategy — if this is not done — the managers of an organisation may be seen at best as inconsistent and at worst as hypocritical and manipulative.

An organisation consists of a group of people who work together to achieve a common purpose. It can consist of two people or two million people, and can be structured as a small business or an army, corporation, government or church. An organisation is bigger than the individuals and groups that comprise it, but smaller than the society that gives it its context and environment.
What is organisational communication?

Organisational communication is difficult to define. Richmond and McCroskey (2009) describe it as ‘the process by which individuals stimulate meaning in the minds of other individuals, by means of verbal and nonverbal messages in the context of a formal organisation’. Pace and Faules (1994, p. 20) suggest it is ‘the display and interpretation of messages among communication units who are part of a particular organisation. An organisation is comprised of communication units in hierarchical relations to each other and functioning in an environment’. Miller (2006, p. 1) has this to say:

Most scholars would agree that an organisation involves a social collectivity (or a group of people) in which activities are coordinated in order to achieve both individual and collective goals. By coordinating activities, some degree of organisational structure is created to assist individuals in dealing with each other and with others in the larger organisational environment. With regard to communication, most scholars would agree that communication is a process that is transactional (i.e., it involves two or more people interacting within an environment) and symbolic (i.e., communication transactions ‘stand for’ other things, at various levels of abstraction). To study ‘organisational communication’, then, involves understanding how the context of the organisation influences communication processes and how the symbolic nature of communication differentiates it from other forms of organisational behaviour.

In this chapter we will examine what makes communication work within an organisation, and what prevents or distorts communication within an organisation. You may note the links to discussions elsewhere in this book on group or team communication, feedback, intercultural communication, gender communication, leadership, influencing and persuasion, and dealing with conflict. Because the organisation is not sealed off from the outer world, we may also see overlaps in content and approach between this chapter and the coverage on customer communication, public communication and mass communication.

Here we will consider a number of different aspects of organisational communication, including structures, channels, culture, roles, and the management of information, data, knowledge and learning.

Choosing the most appropriate channel for your message will help it reach the right audience.

Communication channels

Numerous pathways, channels or media can be used to convey messages within organisations.

In chapter 1, for example, we considered the strengths and weaknesses of workplace communication channels such as memos, email, voicemail, instant messaging, formal and informal meetings, noticeboards, suggestion boxes, 360° feedback, focus groups, plenary briefings, supervisor or team leader briefings, closed-circuit telecasts, video recordings, newsletters, charts and posters, management by walking around (MBWA), the grapevine or rumour mill, position papers, ombudsmen, blogs and websites. We learned how different channels, pathways or media can offer one-way, two-way or multidirectional communication that may be mediated or nonmediated, synchronous or asynchronous, involving individuals or groups.

When we want to send a message within an organisation, we need to consider channel, message type and audience or target. Choosing the right channel to get a certain message
through to a certain audience can be more difficult than is first apparent. Clampitt (2000, p. 108), for example, notes:

- A **memo** is a poor choice whereas a small group meeting is a better choice in a situation where a midsize construction firm wants to announce a new employee benefit program (because the memo does not offer synchronous two-way or feedback potential to explain what may be seen as arcane information; some employees may have literacy problems).
- The **phone** is a poor choice whereas **email or voicemail** is a better choice in a situation where a manager wishes to confirm a meeting time with ten employees (because there is no need to use a rich and synchronous medium for a simple message).

Lewis (1999, p. 75) makes the following observations about channel choice:

- **Interpersonal channels** are more likely to meet specific needs of organisational members in overcoming risk and complexity associated with a change. When high risk or complexity are not major factors, **mediated channels** are more effective in providing general information.

Most **mediated communications** (e.g. reports, newspapers, videos, posters, chief executive officer’s (CEO’s) presentations, closed-circuit TV shows) are centred on the CEO’s message, which can be counter-productive: much research suggests that employees will change only if they receive rationales for change from their **immediate supervisor** rather than others further up the food chain of the organisation.

- Following from this, not enough organisations take advantage of the credibility that lower-level supervisors have: they are not briefed adequately, possibly because they are not trusted, or because the lower-level details of change programs have been insufficiently well thought out.

Thomas et al. (2006) note in relation to **email** that:

- It has become the channel of choice for many people in organisations, irrespective of the status or position of those people, with messages not being read once and deleted but rather filed and used as work tools.
- It threatens many with information overload, because:
  - inherent in the discourse or word patterns used in many emails is the expectation of immediate response: thus, while email is asynchronous in one sense, in another it is synchronous with a vengeance
  - when email is often copied to more than one person, duplication of tasks may occur when more than one person ‘drops everything’ to respond to the request or command in the text
  - the portability of computers and hand-held devices may entice some to do emailing while involved in other tasks (e.g. participating in meetings); such multitasking is often futile, dissipating concentration from one task to several
  - universal access to computers may generate an expectation that people will respond to email anytime, anywhere (weekends, holidays, out-of-work hours).

It has been said that the main cause of problems are solutions. The ‘solution’ to quick and widespread communication by email has led to some organisations implementing a ‘no email Friday’ policy to partially overcome the overcommunication caused by email (see chapter 6).

The best channel through which to convey information will depend on the situation. Effective organisational communicators use a number of channels, taking care to ensure that messages are repeated and reinforced in different ways.

We also need to take account of our own communication style, to ensure both that we choose channels we can work with and that we do not reject effective channels with which we are less comfortable. Practice in the use of new channels should help eliminate any shortcomings in delivery.

As we saw in chapter 1, using channels effectively therefore depends on four strategies. These four strategies are outlined in greater detail in figure 16.2.
Organisational communication

**Strategy 1:** Match the channel to the message and the audience or target.

**Strategy 2:** Repeat and vary the message via different channels to reinforce the message.

**Strategy 3:** Be ready to step outside our comfort zone to use the channels we are not necessarily comfortable with.

**Strategy 4:** Be aware that the channel chosen may transform the content of the message.

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**ASSESS YOURSELF**

Think of an organisation you are familiar with — perhaps a workplace, an educational institution, or a public transport or recreational facility. What channels of communication does this organisation use? How effective or ineffective are these channel choices?

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**Structures: organisational design**

Organisations, like the buildings in which most of them are housed, have structures. Organisational structure is sometimes referred to as **organisational design**, although some organisations are not so much designed as evolve in logical or not-so-logical ways over time. In order to understand why communication works or why it breaks down in organisations, we need to review a few basic ideas about organisational design.

Most organisations are **hierarchies** — that is, they are structured in ranks or levels, with each level having power or influence over the level immediately below it.

Most hierarchies resemble pyramids, with a few people at the top and many at the bottom (figure 16.3). Generally speaking, the people at the top of the pyramid have more power and are better rewarded than those at the bottom of the pyramid. The process of power and control flowing between the different levels of a hierarchy is sometimes known as the **chain of command**. The term has a military flavour, and it means that each level in a hierarchy is less powerful than the one immediately above it, and that information, decisions and authority or delegation of authority tend to flow downwards, with accountability flowing upwards. People within the chain of command usually stay in rigid, protocol-driven hierarchical roles, deferring to those in the next level above them. The chain of command is violated when someone ‘goes above the boss’s head’ and communicates directly with others at least one level directly above their immediate superior. Reference to the chain of command can be a conflict resolution strategy.
The pyramid or hierarchy, we need to remember, is the image of the **formal organisation** — what the world thinks the organisation is really shaped like. Before we truly understand organisational communication, however, we need to consider the **informal organisation** (see ‘The informal organisation: I heard it through the grapevine’ later in this chapter) to see whether the formal and informal organisations work with each other or against each other.

### Communication flows

In understanding organisations and the patterns of communication within them, one of the critical concepts is directionality. **Vertical communication** refers to sending and receiving messages between the levels of a hierarchy, whether downward or upward. **Horizontal communication** refers to sending and receiving messages between individuals at the same level of a hierarchy.

**Downward communication**, used mainly to communicate messages from the more powerful to the less powerful, is perhaps the most common form of communication in organisations. Such communication involves instructions, budget approvals or nonapprovals, policy statements, variations in standard operating procedures and notification of other changes, general announcements, briefings, and expression of goals, objectives and mission statements. These messages may be transmitted via memos, email, notices and other individual-to-group or individual-to-individual channels; or they may be conveyed indirectly, passed on by others in the hierarchy. During the transfer, the original message may be edited, augmented, reduced, explained or distorted.

Time and again, however, top-down communication attempts fail, and that failure is often not grasped by those at the top of the hierarchy. Figure 16.4, which presents responses from two surveys of personnel in US organisations, shows how a top-management perception of getting messages through to lower ranks was wildly at variance with perceptions held by those in the lower ranks.

**FIGURE 16.4** People operating in different layers of a hierarchy may have very different views on the effectiveness of top-down communication

**Upward communication** may in some circumstances be even more important than downward communication. Upward communication channels convey data about and from customers, data about production of goods and services, and the intelligence that is needed in the day-to-day operation of an organisation.
This intelligence can be gathered if those at upper levels of an organisation are skilled in listening and gathering feedback (see chapter 10), and are committed to ‘strategic listening’ to customers and to organisational transparency. If there is no commitment to such approaches, then a ‘culture of silence’ and/or a ‘culture of silos’ will probably prevail, which may well have serious consequences for the organisation: with no early warnings of impending disaster, it may even result in large-scale crisis. In such situations, no news is definitely bad news, and bad news is no news: staff at lower levels will be loath to give bad news — which may be vital to the organisation’s survival. If it will not be listened to, or worse, will attract criticism — a ‘shoot-the-messenger’ culture or ethos in which those who point out truths are punished for their efforts will develop.

Upward communication can also be a fertile source of new ideas and creative problem solving, primarily because people in the lower parts of a hierarchy are closer to specific problems and may be more aware of practical solutions than people further up the hierarchy.

Lateral or horizontal communication takes place primarily at one level of the organisation — for example, within teams, among heads of department, among others in coordination and liaison roles, or among virtually everyone at the lower levels of the pyramid (Adams 2007). As Richmond and McCroskey (2009: 30) point out:

There is much more horizontal communication in organisations on a daily basis than there is vertical. This is a function of two things: (1) there are more employees than managers, and (2) employees at the same level feel more comfortable talking with each other than with people at different authority levels … it is through the horizontal channels that you are likely to increase your knowledge, communication skills, and socialization skills. This is often where you can establish long-lasting interpersonal relationships that can assist you in becoming a better employee with a better chance of survival in the organisation.

It is sometimes quicker and more effective for messages to travel horizontally than upward, downward or across an organisation. Nevertheless, good horizontal communication is often impaired by rivalry, territorial behaviour and over-specialisation of job functions, which erects barriers leading to in-group/out-group exclusion, the use of jargon and other excluding codes, and a reluctance to share information.

**Diagonal communication** cuts across vertical and horizontal dimensions. For example, a junior staff member may ‘go over the head’ of his or her immediate superior and telephone, email or visit a senior technical expert in another area to get information (note in particular these interactions in the informal organisation). Wilson (1992) found that in low-performing organisations, staff used diagonal communication to seek information on the proper application of existing job procedures, while in high-performing organisations, staff used diagonal communication to seek information needed to solve complex and difficult work-related problems. While diagonal communication may be a sign of flexibility — for example, in organic organisations — it will obviously cause problems and perhaps chaos if taken to extremes.

In chapter 17 we will consider public communication, but here let’s note that people working for an organisation routinely communicate with the outside world, and that these communications are often part of what is — and is not — communicated within organisations. Such external communication can be official, such as press releases, letters or boundary spanning, or unofficial, such as whistle-blowing (making public the details of unethical practices), industrial espionage or websites run by disaffected ex-employees (see figure 16.5 overleaf).

Let’s now turn to some different aspects of organisational design. As we learn to distinguish between flat versus tall and centralised versus decentralised structures, remember that these are not mutually exclusive categories: for example, a flat organisation may also be decentralised.
<table>
<thead>
<tr>
<th>DOWNWARD COMMUNICATION</th>
<th>UPWARD COMMUNICATION</th>
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</thead>
<tbody>
<tr>
<td>Job instructions and descriptions</td>
<td>Meetings (face-to-face, electronic)</td>
</tr>
<tr>
<td>Policies and procedures manuals</td>
<td>Participative decision making (teams, projects)</td>
</tr>
<tr>
<td>Appraisal and performance feedback</td>
<td>‘Captain's table’ lunches — executives meet staff</td>
</tr>
<tr>
<td>Official briefings</td>
<td>Upward appraisal/360° feedback</td>
</tr>
<tr>
<td>Orders and directives</td>
<td>Suggestion systems</td>
</tr>
<tr>
<td>Meetings (face-to-face, electronic)</td>
<td>Anonymous graffiti boards/intranets</td>
</tr>
<tr>
<td>New employee induction programs</td>
<td>Email</td>
</tr>
<tr>
<td>Memos and emails</td>
<td>Telephone</td>
</tr>
<tr>
<td>Telephone</td>
<td>Ombudsman/ombudswoman</td>
</tr>
<tr>
<td>Intercom and public address systems</td>
<td>Counsellors</td>
</tr>
<tr>
<td>Notice boards and intranets</td>
<td>Grievance procedures</td>
</tr>
<tr>
<td>Newsletters</td>
<td>Union newsletters</td>
</tr>
<tr>
<td>Annual reports</td>
<td>Training programs</td>
</tr>
<tr>
<td>Posters, calendars/planners</td>
<td>Grapevine</td>
</tr>
<tr>
<td>Training programs</td>
<td>Social activities (in-house sports teams, exercise programs, water cooler and cafeteria, end-of-week party)</td>
</tr>
<tr>
<td>Nonverbal communication of culture (open plan/democratic work space, segregated ‘mahogany row’; presence of/lack of status indicators — parking spots, privileges, secretaries etc.)</td>
<td>Open-door policies</td>
</tr>
<tr>
<td>Social activities (in-house sports teams, exercise programs, water cooler and cafeteria, end-of-week party)</td>
<td>Opinion surveys and communication audits</td>
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<td>Blogs</td>
<td>Exit interviews</td>
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<td>Podcasts</td>
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<td>Wikis</td>
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<thead>
<tr>
<th>HORIZONTAL COMMUNICATION</th>
<th>DIAGONAL COMMUNICATION</th>
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</thead>
<tbody>
<tr>
<td>Meetings (face-to-face, electronic)</td>
<td>Telephone, email</td>
</tr>
<tr>
<td>Grapevine</td>
<td>‘Going over the head of those immediately in chain of command’</td>
</tr>
<tr>
<td>Cross-departmental, cross-divisional, cross-site projects</td>
<td>Social activities (in-house sports teams, exercise programs, water cooler and cafeteria, end-of-week party)</td>
</tr>
<tr>
<td>Telephone</td>
<td>Informal organisation — personal contacts</td>
</tr>
<tr>
<td>Email</td>
<td>Staff personnel (legal, IT, training/human resources) communicating with line (mainstream workflow) personnel</td>
</tr>
<tr>
<td>Social activities (in-house sports teams, exercise programs, water cooler and cafeteria, end-of-week party)</td>
<td>Expertise-to-expertise communication — ‘authority of knowledge’ instead of ‘authority of position’ — internal networkers, boundary spanners</td>
</tr>
<tr>
<td>Training programs</td>
<td></td>
</tr>
<tr>
<td>Staff personnel (legal, IT, training/human resources) communicating with line (mainstream workflow) personnel</td>
<td></td>
</tr>
<tr>
<td>Messages defining territorial rivalries/silos</td>
<td></td>
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<tr>
<td>Instant messaging</td>
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<td>Texting</td>
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<tr>
<td>Blogs</td>
<td></td>
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<tr>
<td>Wikis</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>EXTERNAL/PUBLIC COMMUNICATION (OFFICIAL)</th>
<th>EXTERNAL/PUBLIC COMMUNICATION (UNOFFICIAL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Press releases, conferences</td>
<td>Whistleblowers, media leaks</td>
</tr>
<tr>
<td>Speeches</td>
<td>External grapevine</td>
</tr>
<tr>
<td>Advertising, marketing</td>
<td>Insider trading</td>
</tr>
<tr>
<td>Letters, email</td>
<td>Industrial espionage/intellectual property theft</td>
</tr>
<tr>
<td>Meetings with community and other stakeholders — boundary spanning</td>
<td>Blogs, complaints/’flaming’ websites</td>
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<tr>
<td>Blogs</td>
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</tbody>
</table>

**FIGURE 16.5** Organisational communication networks and channels  
*Source:* Adapted from Harris and Nelson (2007); Hodgetts and Hegar (2008); Goldhaber (1990); Pace and Faules (1989); Wilson (1992); Tourish and Robson (2006); Aamodt (2010).
Flat versus tall organisations

We have considered directionality of message sending in organisations. Related to this factor is the concept of span of control. Span of control simply means the number of people who report directly to the person immediately above them in the hierarchy. If only three people report to the supervisor immediately above them in the hierarchy, then that supervisor has a narrow span of control; if 50 people reported to one person immediately above them, he or she could be said to have a wide span of control. Figure 16.6 shows spans of control of five and 25. Both organisations have 625 staff at the lowest level, but the organisations have different shapes: one is a tall and narrow pyramid, while the other is a flatter pyramid; one has two layers, while the other has four.

The past few years have seen a tendency in some organisations to ‘flatten the pyramid’ in order to create a ‘flat organisation’ (Dive 2003; Daft 2006). This has led to a number of developments, including:

- a reduction in the number of levels or layers within organisations — a process sometimes referred to as de-layering
- a reduction in staff numbers, especially at the middle levels, driven by the belief that if the prime task of middle managers was to move information up and down the hierarchy, and if computerisation could now automate that information flow, then many middle management positions were redundant and could be dispensed with — a process sometimes called downsizing
- a real or perceived shift of decision-making power to groups or teams to reduce the decision load on supervisors with wide spans of control — a process known as empowerment.

Tall organisations with narrow spans of control are not all bad, of course (see table 16.1 overleaf). If a manager, supervisor or team leader has only a few staff to supervise, those staff members may benefit from greater personal attention, just as a low student–teacher ratio may provide a better learning environment for students.

Tall organisational design may also encourage centralisation, which can mean more control and uniformity over work outputs, rather than less control and more inconsistency. Having a tall organisation may mean that paths of communication, especially up and down the hierarchy, are more clearly delineated. This also helps decision making. Close supervision can be particularly helpful where the work being undertaken is nonroutine, and where subordinates are inexperienced or in training. Always having a boss around can be useful too, when mistakes are potentially expensive. Organisational scholars sometimes distinguish between placid and turbulent environments: in a placid environment the rate...
Communicating in the 21st Century

Turbulent environment: a situation, society or market in which the rate of change is high and the future is uncertain (see ‘Organic vs mechanistic organisations’ later in the chapter).

<table>
<thead>
<tr>
<th>Tall organisations (narrow span of control)</th>
<th>Flat organisations (wide span of control)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For</strong></td>
<td><strong>Against</strong></td>
</tr>
<tr>
<td>Close supervision can be supportive,</td>
<td>Close supervision can be intrusive:</td>
</tr>
<tr>
<td>permitting more intimate communication</td>
<td>back-seat driver bosses can dampen</td>
</tr>
<tr>
<td>Encourages centralisation</td>
<td>initiative, autonomy</td>
</tr>
<tr>
<td>Establishes clear lines of communications,</td>
<td>Encourages decentralisation</td>
</tr>
<tr>
<td>especially vertical communication</td>
<td>Encourages self-control, autonomy</td>
</tr>
<tr>
<td>Decision-making channels clearly</td>
<td>Simplifies vertical communication by</td>
</tr>
<tr>
<td>understood</td>
<td>stripping out layers</td>
</tr>
<tr>
<td>Useful where work is nonroutine</td>
<td>Allows greater horizontal communication</td>
</tr>
<tr>
<td>Useful where subordinates are</td>
<td>Useful where work is routine</td>
</tr>
<tr>
<td>inexperienced or in training</td>
<td>Useful where subordinates are</td>
</tr>
<tr>
<td>experienced</td>
<td>experienced, needing minimal supervision</td>
</tr>
<tr>
<td>Useful where mistakes will be costly</td>
<td>Good in turbulent environments: task</td>
</tr>
<tr>
<td>Good in placid environments: clear task</td>
<td>roles are fluid and specialisation does not</td>
</tr>
<tr>
<td>roles, specialisation works well</td>
<td>work well</td>
</tr>
</tbody>
</table>

Sources: Adapted from Eunson (1987); Daft (2011).

Tall organisations operate more effectively in placid environments, where clear task roles and specialisation work well. There are many disadvantages to tall organisations, however. Close supervision can sometimes be intrusive, discouraging initiative and independent thought. Tall organisations tend to encourage centralisation, which can sometimes lead to excessive head office control and an insensitivity about local conditions far from the centre. Communication and decision making can become bogged down because so many levels have to be passed through, with an increased chance that the relayed messages are distorted. With so many levels, promotion may be slow too.

Flat organisations have a number of virtues. Flattening the pyramid or hierarchy encourages decentralisation, which may mean that local outposts can respond more flexibly to the changing local scene. This means an increase in self-control and autonomy, which can be very motivating for most people. Flatter organisations, with fewer layers to contribute to message distortion, may thus encourage quicker and more accurate communication. Better horizontal communication may also result, allowing empowered teams. Flat organisational design works well where work is routine, and where subordinates are experienced and can operate with minimal supervision and maximum empowerment. They also may cope well in turbulent environments, where task roles may need to be fluid and flexible, and where role specialisation may not be effective.

Although decentralisation can be a virtue, it can also cause difficulties in some circumstances, leading to inconsistent policy interpretation and product creation. To the extent that flat organisations lead to decentralisation, this can be a problem. Not every employee necessarily wants empowerment and freedom to make decisions: some can feel under-supervised in flat organisations. Flat organisations tend to stimulate horizontal
communication, but horizontal communication is not always as efficient as vertical communication. Supervisors, managers and team leaders, with so many people reporting to them, sometimes experience task and role overload, and this can lead to decision-making and communication bottlenecks. Finally, because there are so many people at each level, and because the number of levels has been reduced, there may be reduced opportunities for promotion.

Toffler and Toffler (2004) have argued that current world conflicts can be partly understood in terms of flat and tall organisations (see also Friedman 2006). They suggest that the conflict between the US government and the Al Qaeda terrorist network is the battle between a tall organisation (the United States) and a flat one (Al Qaeda), and that in such a conflict, the flatter organisation has the advantage (but see ‘Networking: group process and interpersonal strategies’ later in the chapter):

The United States and Al Qaeda are seen as unevenly matched, which is why think-tank experts and TV pundits call the conflict ‘asymmetric’. In fact, Al Qaeda’s strength derives precisely from the fact that it is small, fast, flexible and pancake-flat, while the North American government is huge, slow, sclerotic and pyramidal.

Huge and pyramidal worked for World War II. It worked in the Cold War when the United States opposed an even more bureaucratic foe. But attempting to fight the deadly, fast-flitting, flea-sized terrorist enemy with yet another pyramidal bureaucracy, as the White House proposes, is a blueprint for failure. (Toffler & Toffler 2004)

**Centralised versus decentralised organisations**

Centralisation/decentralisation is another aspect of organisational design. Extreme decentralisation can occur when the organisation becomes ‘virtual’. The main advantage of centralising an organisation’s communication, decision making and production is that it becomes easier to impose uniformity (table 16.2). Close control and coordination become simpler. Wasteful duplication of resources can be eliminated, and economies of scale become possible. Some functions of an organisation, such as industrial relations, and financial and legal matters, benefit from being consolidated at a central point. Centralisation also works well when a ‘big picture’ or strategic approach to planning is needed.

<table>
<thead>
<tr>
<th>Centralisation</th>
<th>Decentralisation</th>
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<tbody>
<tr>
<td>For</td>
<td></td>
</tr>
<tr>
<td>Produces uniformity of message communication</td>
<td>Shortens lines of intra-unit communication</td>
</tr>
<tr>
<td>Produces uniformity of policy, action and standards</td>
<td>Increases participation in decision making, delegation</td>
</tr>
<tr>
<td>Enables closer control and coordination</td>
<td>Increases morale, reduces feelings of alienation (‘we’re just cogs in the machine’)</td>
</tr>
<tr>
<td>Maximises economies of scale: eliminates duplication</td>
<td>Allows top management to concentrate on policy issues</td>
</tr>
<tr>
<td>Some functions (financial, legal, labour/management negotiations on wages/conditions etc.) better handled from central point</td>
<td>Allows flexible, quick response to local issues</td>
</tr>
<tr>
<td>Best when ‘big picture’ perceptions and planning needed</td>
<td>Suited to fast change, dynamic growth</td>
</tr>
<tr>
<td></td>
<td>Accountability clear</td>
</tr>
<tr>
<td></td>
<td>May promote healthy competition among units</td>
</tr>
<tr>
<td></td>
<td>Eggs in many baskets — creative redundancy built in</td>
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</table>

(continued)
Centralisation has its disadvantages, however. Without alternative channels through which to transmit messages, communication breakdowns may occur, with messages being distorted. Upward communication may become distorted, with those on the periphery, away from the centre, feeling disempowered and tending to discount even valid messages from the centre as ‘just more head office propaganda’. Top management may have too heavy a load to bear, and may be insensitive to local conditions. Because so many resources are concentrated in the one area, with little redundancy built in, the system may be vulnerable to unlikely but destructive events such as sabotage or the breakdown of a central computer.

Decentralisation shortens lines of communication within units and is more conducive to increased delegation of tasks and participation in decision making, which may improve morale. No longer preoccupied by operational details, top management can concentrate on policy issues. Decentralised organisations can respond more flexibly and quickly to changing local conditions and adapt more readily to rapid change and dynamic growth. Accountability can be clearer in decentralised organisations. Healthy competition may develop among decentralised units. Also, in the event of a disastrous event, all the organisation’s eggs are not in one basket — creative or protective redundancy is built in.

While decentralisation can shorten the lines of intra-unit communication, it may also lengthen the lines of inter-unit communication. This can lead to problems such as slow response and lack of coordination in situations that spread over many areas.

Decentralisation may lead to jurisdictional or territorial battles, and may cause conflicts over priorities. Economies of scale (e.g. general access to one big computer or one big laboratory) may be lost. Budgets may be squandered on needless duplication of resources. Competition between different decentralised units can be good, but it can also be wasteful. Finally, decentralisation creates a work style that most benefits workers who are self-motivated and desire empowerment, but not all workers share these drives, and such individuals may feel cast adrift and directionless.

**Organic versus mechanistic organisations**

Another way of looking at organisations is to classify them into having what Burns and Stalker (1961) called **mechanistic** and **organic** organisational designs or structures. Characteristics of these organisations are shown in figure 16.7. Burns and Stalker argued that mechanistic or bureaucratic organisations operated fairly well in placid environments, but that when the environment became turbulent, another form of organisational design — the organic model — became more effective, as it was able to cope more flexibly with such an environment. The mechanistic/organic model has had a profound impact on thinking about
organisations and the experience of the world of work, not least because it seems to suggest that work environments that do not depend upon fear, control and rigid procedures are not only pleasant places to be in, but may also be more effective than bureaucratic organisations. In reference to the perceived flexibility of organic structures, some analysts have renamed it the ‘adhocracy’ (Bennis 1973; Robbins & Barnwell 2007).


<table>
<thead>
<tr>
<th>Profile</th>
<th>Mechanistic</th>
<th>Organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control</td>
<td>Centralised</td>
<td>Decentralised</td>
</tr>
<tr>
<td>Rules and procedures</td>
<td>Many, specified</td>
<td>Few, broad</td>
</tr>
<tr>
<td>Communication</td>
<td>Mainly vertical, mainly downwards</td>
<td>All directions, flows either way</td>
</tr>
<tr>
<td>Standards</td>
<td>Rigid</td>
<td>Flexible</td>
</tr>
<tr>
<td>Roles</td>
<td>Specific</td>
<td>Broad</td>
</tr>
<tr>
<td>Delegation</td>
<td>Little</td>
<td>Much</td>
</tr>
<tr>
<td>Leadership style</td>
<td>More autocratic; legitimate, coercive, reward power bases</td>
<td>More democratic, expert, referent power bases; team-based</td>
</tr>
<tr>
<td>Job specification</td>
<td>Stress skills</td>
<td>Stress potential</td>
</tr>
<tr>
<td>Source of motivation</td>
<td>Extrinsic (money, promotion)</td>
<td>Intrinsic (the job itself)</td>
</tr>
<tr>
<td>Check on performance</td>
<td>Frequent</td>
<td>Infrequent</td>
</tr>
<tr>
<td>Management of risk</td>
<td>Not so good; inflexible responses</td>
<td>Good; flexible responses</td>
</tr>
<tr>
<td>Optimal environment</td>
<td>Placid</td>
<td>Turbulent</td>
</tr>
</tbody>
</table>

Nevertheless, as we have seen, flat and decentralised organisations are not utopias, and have problems which seem intrinsic to their very structure, and organic organisations are flatter and more decentralised. There may also be a problem with terminology here: ‘mechanistic’ and ‘bureaucratic’ have negative connotations for most of us, while ‘organic’ sounds wonderfully utopian and problem-free.

Following from this, there may also be a teleology problem here. Teleology means that final goals or developments proceed and reveal themselves inevitably (see online chapter 6 ‘Scientific and technical writing’), and some discussions of the mechanistic/organic model may lead us to believe that mechanistic organisations are really the ‘dark, Satanic mills’ of the crude and violent past of industrialism, while organic utopias await all of us in the future.

Yet mechanistic organisations or bureaucracies have not ended up on the scrapheap of history, and are still very much with us. Not only have they survived, but they may be flourishing, suggesting that – in some circumstances at least – bureaucracies may not be such bad places to be:

- Like elephants being able to dance, they may in fact respond flexibly to turbulent environments (Kanter 1990; Gerstner 2004).
- They may be able to bring role clarification, useful formalisation and greater communication efficiency than is the case in organic organisations (Sine, Mitsuhashi & Kirsch 2006).
- They may present a more natural way of structuring workflow and allow clearer accountability (Jaques 1990).
They may be more secure places for employees who do not wish to participate in decision making (Eunson 1987).

There is also the possibility that most organisations start out small and organic, but as they grow larger, may need to become more mechanistic simply to get things done. The trick is, perhaps, to try and create workplaces and organisations that are creative syntheses of the best of the mechanistic and organic models — to see the mechanistic–organic distinction not as comprised of polar opposites, but in fact as the extreme points on a continuum.

Networking: group process and interpersonal strategies

We have begun to understand the effects different organisational designs can have on communication. Again, we need to note that these are not mutually exclusive categories, and that one organisation may have different mixes of span of control and centralisation at differing phases of its development. We will now consider what happens when an organisation becomes thoroughly decentralised, so that it resembles a dispersed network rather than a monolithic hierarchy. We will also consider another network pattern — the network roles played by individuals predominantly at the intra-organisational levels. We will then consider the concept of networking — a set of interpersonal strategies that can benefit the organisation and the individual who deploys them. All these variations on the theme of networks touch on the interconnectedness of people, sometimes in the most surprising way. According to the small world phenomenon, for example, any person on the globe may be separated from any other person by no more than ‘six degrees of separation’ (Watts 2004).

Network, boundaryless, telecommuting and virtual organisations

An organisation can be described as a network. The demands of technology and globalisation, and the lifestyle preferences of employees, are driving changes in the structure or design of many organisations, some of whose employees are increasingly working at a geographic distance from one another. Employing different mixes of communication channels, increasing numbers of people now work in ‘virtual teams’ within a boundaryless or networked virtual organisation. Such telecommuters work out of their homes, connected to a central workplace via computer, phone and video links (Clarke & Nichols 2002; Illegams & Verbeke 2004; Stephenson 1999; Ashkenas et al. 2002). These working patterns can involve fragmentation in time as well as in space, with employees working across time zones and in temporary project constellations of individuals, as the following excerpts illustrate:

Virtual teams are an ad hoc collection of geographically dispersed individuals from different functions, specialties, or even organisations (inter-institutional virtual teams are becoming more common) constituted to complete a specific, complex task. Advanced computer and telecommunication technologies provide the primary media for interaction between and among team members. Aside from the commonality that organisational culture can provide, these individuals initially have little in common except a shared purpose or tasking and the interdependencies that purpose creates. Since these teams are project or task focused, they are transient; they disband or are significantly modified once the team’s job is completed. (Suchan & Hayzak 2001, p. 175)

Virtual organisations and working provide new challenges, not least of which is working out the optimal mix of human and mediated communication experiences that units or teams need to function. Thus, virtual teams or telecommuters may rely on email, voicemail, instant messaging, social media, fax and videoconferencing, but may still crave and need
human contact in project commencement meetings, quarterly liaison or update meetings, and annual retreats (Suchan & Hayzak 2001).

Critical commentators such as Thorne (2005) see nothing new or infallible in virtual organisations. However, they note that criminal and terrorist organisations, such as the Mafia and Al Qaeda, use flat organisational structures, communication networks and information technology to create toxic and unacceptable outcomes, and that — on the other side of the ledger — US intelligence agencies may have failed to detect terrorist activity, culminating in the 9/11 atrocity, because they are too virtual; too dependent on web and digital surveillance and simulation technology rather than human intelligence agents in the field, acting as part of a physical organisation. Thorne also notes that existing business organisations might well use virtual technologies to disempower, rather than empower, virtual employees working in teams. The central contradiction of virtual teams, he suggests, is that the ideal of knowledge workers moving from one project to another connected to each other via cyberspace means that the virtual organisation sees people as both essential and disposable, and the central norm which binds organisations together, and makes any type of output possible — trust — becomes compromised.

Network roles

Let’s now look at another variation on the network theme — the roles people play within (and sometimes outside) organisations.

Research has established that basic networks of communication, power and problem solving can be classified into different types of interaction (figure 16.8) (Bavelas 1950; Leavitt 1951; Freeman 1978–1979; Mantei 1981).

The wheel or star network has an individual at the hub of the wheel. All individuals subordinate to that hub person have the role of channelling information and opinions to the hub. The flow of information and opinion is sometimes one-way and sometimes two-way. As Mears (1974) points out, however, the wheel could simply be part of the pyramid of the traditional hierarchy, with the number of spokes in the wheel merely being another way of viewing span of control.

The chain network can take two forms: a vertical one and a horizontal one. The vertical chain is in fact the traditional chain of command in a hierarchy, and again, the vertical chain could simply be the traditional hierarchy, with a very narrow span of control, or a even a span of control of one. The horizontal chain could be simply a work group in which the two outer individuals are so introverted that they only speak to the person next to them, while those in the middle may be prone to interact with each other (Mears 1974).

The circle network is a leaderless group in which each individual only communicates with the two others immediately adjacent. When all members of a circle network can communicate with each other, then the circle becomes a free circle or all-channel network. All-channel networks have the advantage of multiple interactions between all members of a group, whether actual or virtual: in effect, the all-channel network is a leaderless group. The potential for brainstorming and maximum interchange of information is
greatest in this model, but so too are the possibilities of information overload, paralysis by analysis, and difficulty in reconciling differences by consensus or other decision-making methods. McAllister, in analysing all-channel dynamics of terrorist groups, points out that the leaderless nature of this model makes it very hard to destroy. (While conventional armies become dysfunctional after 30 per cent losses, networks of terrorist cells will need to sustain losses of 70 per cent.) However, it also makes the network prone to loss of control and coordination, damage sustained by incompetent cells, and interception of coordinating messages transmitted by various technologies (McAllister 2004). Jones (2007) has noted the use of asymmetrical warfare, or conflict between two sides with one side having a massive conventional weaponry advantage and the other needing to improvise, using command structures that are both ‘acephalous’ (headless) and ‘polycephalous’ (multi- or Hydra-headed). Jones noted Israeli tactics against Palestinian combatants in 2002 led to the Israelis realising that the only way to fight a network is with another network. This involved decentralising decision making to junior officers in the field, with the entire armed force becoming a ‘learning organisation’.

Thus, while the wheel network may appear to be unduly restrictive, Nemiro points out that ‘creativity’ in teams may in fact simply be an aggregation of creative interactions or brainstorming between isolated individuals and the hub or manager, and that creativity may be equal to or superior to all-channel or wheel interaction (Nemiro 2002). Also, new communication technology using computer networks may also mean that the wheel can be more effective than the circle (Belanger 1999).

Circle and chain, and sometimes wheel networks, also have the disadvantage of being prone to message distortion — as a message is passed from one individual to another, and sometimes from one level to another, the message is edited or mangled by the message sender in each interaction. Free circle or all-channel networks at least have the opportunity to correct distortions emerging in collective message formation — except of course if distorting mechanisms such as groupthink, conformity and cognitive dissonance are in operation.

There is also sometimes a gap between the official view of what communication networks are operating and what networks are actually operating. Thus, when participants in an experiment were led to believe that participation in decision making would be high, but in fact were excluded from decision making, their productivity dropped dramatically. They were, in other words, promised an all-channel network, but were in fact given a wheel (and performed worse than not only those participants working in an all-channel situation, but those in a conventional wheel situation) (Boggs et al. 2005).

Network analysis

**Network analysis** has revealed much about how people within work organisations interact with others in groups. Sometimes these groups are formally sanctioned; sometimes they are informal. One type of group is called a **clique**. A clique is a group of individuals at least half of whose work-day contacts are with each other. Clique members will probably work closely with one another, like one another and find these close contacts satisfying (Pace & Faules 1994).

Within cliques, people tend to play the following roles:

- **Bridge**. Bridges are members of cliques who create connections with other cliques.
- **Liaison**. Liaisons link cliques but are not members of cliques. Liaisons are often gregarious and influential, and have been with the organisation for some time (Goldhaber 1993). If a liaison is a bottleneck for data and workflow, however, the whole organisation can suffer (Pace & Faules 1994).
- **Gatekeeper**. Gatekeepers are people who ration access to other members of the clique and to resources. A typical gatekeeper is an executive secretary who has considerable say on who sees the executive, when and under what conditions, and who may also control the flow of communication through certain channels — for example, by screening mail.
Isolate. Isolates are positioned outside the main interaction of cliques and the wider organisation. Isolates tend to be younger and less experienced, have less power, are often dissatisfied with the organisation and tend to withhold information rather than pass it on (Goldhaber 1993).

Opinion leader. Opinion leaders, or stars, are influential people who interact a lot with others. They are not necessarily in official leadership positions, but may exercise expert and referent power bases.

Cosmopolite. Cosmopolites are also known as boundary spanners. They are often the main link between the organisation and the outside world (see the following boundary spanners feature).

Power behind the throne. These people often do not interact much with the rest of the clique, but exert influence over the opinion leaders or stars. Figure 16.9 shows how these roles can be mapped to help us better understand the patterns of organisational communication.

Are such roles permanent? Not necessarily. For example, anyone can become a gatekeeper by choosing to pass on or not to pass on information. An opinion leader or star in one set of circumstances, dealing with one set of work processes, may be an isolate in another set of circumstances, dealing with another set of work processes. Gatekeepers, liaisons or bridges may restrict information merely to demonstrate their power, or perhaps through incompetence, and may be challenged and either replaced or persuaded to perform more effectively.

The applications of network analysis are many. For example, Ennett et al. (2006) used network analysis to determine whether group pressure would be likely to induce members of a network or group to engage in substance abuse. They found that isolates were the group members most likely to abuse substances, and that group ‘embeddedness’ was more rather than less likely to lead to individuals abusing (see also ‘Norms’ in chapter 18). Wilson (1997)
found that many African Americans found it hard to find employment because the culture of ghettos lacked the informal network connections that transmit information about job availability beyond the boundary of the ghettos.

### Boundary Spanners

A **boundary spanner** or cosmopolite is someone who operates at the interface of the organisation and the society or environment of stakeholders surrounding it (Manev & Stevenson 2001; Miller 2008).

Boundary spanners tend to comprise:

- salespeople, public relations people
- customer support staff
- people who have ongoing and close liaison with stakeholders, and who often leave the internal territory of the organisation to travel to the external territory of stakeholders and the wider environment
- people who liaise on an ongoing basis with peers in the same profession outside the organisation
- people who have a specific brief, caseload or job role that places them in contact with clients and others; they sometimes spend more time with people outside the organisation than those within it
- people who are the public face of multinational organisations working in other cultures.

Boundary spanners fulfil the following specific functions:

- They gather strategic information about inputs and outputs of the organisation — they are its eyes and ears, or 'strategic listeners'.
- They gather managerial and technical information.
- They control the flow of information back to the organisation.
- They absorb some of the uncertainty of the external environment.
- They protect people inside the organisation by acting as a buffer from forces that might influence the behaviour of the organisation.
- They represent the organisation and influence how the organisation is perceived in the external environment.
- They act as a reality check when the organisation is tending to become too internally focused.

Boundary spanners can also operate inside an organisation by working for much of the time out of their home base with others in different parts of the organisation. They thus tend to be 'cosmopolitans' rather than 'locals'.

Boundary spanners are ideally situated to be the eyes and ears of the organisation because they are able to plug into external grapevines and networks. Much of the information they bring back is anecdotal, however, and may not be acted on by organisational managers.

In order to maximise the quality and quantity of information provided by boundary spanners, effective organisations tend to formalise this process, asking their boundary spanners to document their findings, or at least to report orally. In effect, boundary spanners fall somewhere between reporters and spies, although without the negative and manipulative sense that the latter role implies.

Boundary spanners tend to have a different set of experiences from other staff in an organisation. For example, they often experience divided loyalties or role conflict; do they completely identify with the organisation, or do they identify with others? This conflict can take several forms, such as:

- spanners taking on an advocacy role for clients, even when the best interests of the organisation may be compromised
- spanners being 'pirated' by other organisations, who view their talents as eminently transferable
- clients moving with spanners to another organisation; a client's loyalty, in other words, often lies with the spanner as a person rather than with the organisation.

### Networking

**Networking** has become something of a buzz word in the past few years (Fisher 2001; Kahn 2002; Cope 2003; Crainer & Dearlove 2002; Warner 2004; Bjorseth 2009). The term commonly refers to people communicating with others outside the organisation in order to cultivate contacts and tap into information sources that would otherwise not be available to them.
Networking can take many forms, including:
- establishing communication links with other people at formally structured social gatherings at which ‘shoptalk’ is the primary focus
- relationship-building behaviour at formal gatherings such as conferences, professional association meetings, and social activities associated with lectures and presentations and similar gatherings
- relationship-building behaviour within organisations such as service clubs, religious groups and lodges that often bind members together with rituals for the purpose of fellowship and, sometimes, creating systems of reciprocal preference for professional opportunities or the sharing of confidential information
- relationship-building at social occasions such as luncheons, dinner parties and golf matches that provide circumstances for professional payoffs
- loose coalitions of organisation representatives that meet on an ongoing basis to exchange information and work towards unofficial, and sometimes official, cooperation.

The idea of such networks has been around for a long time. People sometimes speak derisively of ‘old boys’ networks’, referring to informal networks whose members attended the same private school or association, and who, in the view of some, use such affiliations to give unfair preference, access, opportunities and information to fellow members of that in-crowd or clique. Some groups, such as women and ethnic minority groups, have deliberately set out to create their own networks to counter the influence of such exclusionist associations (Fraser 2004; Tung 2002; Huffman & Torres 2002; Whitely, Duckworth & Elliott 2004).

Effective networking involves a mix of communication skills such as assertiveness, listening, feedback and questioning. Would-be networkers who see networking solely in terms of personal gain without reciprocation – that is, as ‘all take and no give’ – will be seen (correctly) as self-serving manipulators who fail to grasp the cooperative dynamic of networking. Warner (2004) suggests that effective networkers are notable for:
- being able to initiate conversations with complete strangers
- being able to listen attentively and empathically
- thanking others when they offer support
- offering support to others
- maintaining a manual or computerised database of all contacts
- thinking carefully about who could assist them when they are faced with a major task
- demonstrating complete integrity in personal interactions.

Anand and Conger (2007) identify four capabilities or skills of consummate networkers. These are:
1. **Seeking out the kingpin.** This entails finding a person who seems to be in charge. This person is, or these persons are, not necessarily officially in charge, like the CEO (chief executive officer) in a corporation. They may well be a person who is particularly well informed and is respected and trusted within informal networks of friendship and solidarity.

2. **Matchmaking people to get the right things done.** People who are good at this are like marital matchmakers or gifted dinner party hosts – they seek to build synergy in the wider organisation by acting as a bridge between different areas, introducing people to each other and acting as a facilitator of communication and internal boundary spanners.

3. **Proactively enhancing network access.** People who are good at this work tirelessly to cultivate connections that will give them maximum flow of information. This may mean not only talking to immediate subordinates but also drivers and catering staff, taking the dog for a walk so that a mobile phone call can be made to another time zone, playing golf with others, and building friendships with colleagues on one board of management to make it easier to get nominated to other boards of management. People who are good at this are often fairly extroverted and like social situations and social media.
4. **Interacting amiably with others to build positive relationships.** People who are good at this work hard at conveying positive emotions and interpersonal support. They are astute at soft, or communication, skills such as reading nonverbal communication or body language, and resist pressures (work deadlines, temperamental inclinations to be unapproachable, arrogant or haughty) to be anything less. The role demands and intended outcomes of each of these capabilities are shown in figure 16.10.

<table>
<thead>
<tr>
<th>NETWORKING CAPABILITY</th>
<th>ROLE DEMANDS</th>
<th>INTENDED OUTCOMES</th>
</tr>
</thead>
</table>
| **Seeking the kingpin** | - Gather information in uncertain situations  
- Obtain multiple interpretations of ambiguous events  
- Generate accurate knowledge of how power is distributed  
- Recognise pivotal decision makers and understand their perspectives, concerns and needs | - Greater influence across and upwards in your organisation  
- More favorable decisions  
- Getting your tasks done more effectively and efficiently |
| **Matchmaking** | - Build deeper relationships between departments or business units, or between vendors, suppliers and customers  
- Explore the possibility of mutual interests, benefits and common ground between unfamiliar parties  
- Spark creative joint outcomes from two parties that normally do not interact with each other | - Achieving better coordination of cross-organisational tasks and cross-departmental activity  
- Obtaining access to information, ideas, resources and talent that are not accessible through normal channels  
- Creating synergy between individuals and groups  
- Deepening connections within and across your business community |
| **Increasing access** | - Connect with a large and diverse audience  
- Spend time ‘in the field’ or engaging in ‘face time’  
- Model trustworthiness, candor and openness to all forms of information | - Strengthening decision quality with more up-to-date and accurate information  
- Accessing information from the ‘front lines’ and social media  
- Enhancing your public reputation as a leader |
| **Amiability** | - Focus on relationship building  
- Ability to read body language  
- Comfort with discussing personal issues  
- Need to be plugged into the informal or gossip network  
- Need to obtain social support from friends and well-wishers | - Fostering the sharing of sensitive and personal information  
- Strengthening the morale of a team or organisation  
- Increasing the number of individuals that can turn to you for support during stressful or sensitive times |

Networking, at least in its more reputable forms, benefits networkers in two ways. At the organisational level, it is a legitimate way to develop contacts in the world outside the organisation, and a source of valuable information that can be useful to the organisation. At the personal or individual level, it can open up connections and career opportunities.
These areas are not always in harmony with each other: a person networking on behalf of an organisation may be offered an alternative career path that would lead to severing ties with the organisation.

The informal organisation: I heard it through the grapevine

We have seen that the formal organisational structure, most clearly seen on an organisation chart (figure 16.3), helps to give us a framework for understanding just how communication works — or breaks down — in organisations.

Now, after having considered networks, let’s go further, and consider the ‘unofficial’ organisation — the informal organisation.

Organisation charts and diagrams such as those we have looked at so far show us the official structures, but often conceal as much as they reveal (Mintzberg & Van Der Heyden 1999; Rosner 2001; Rummler & Brache 1995). For example, they do not show customers or other stakeholders, the patterns of power and influence, or the pathways of unofficial communication. Figure 16.11, for example, gives us another view of figure 16.3, showing what are almost certainly only several of the unofficial pathways of communication that deviate from the top-down chain-of-command model of information and power implicit in the official structure. The informal organisation can in fact be a ‘shadow’ organisation, a site of countervailing power and resistance — a shadow with a lot of substance, an anti-empire within an empire (see also the discussion of organisational silence to follow) (Gossett & Kilker 2006; Thomas & Davies 2005; De Maria 2006; Brown & Coupland 2005; Groat, 1997; Katzenbach & Khan, 2010).

The informal organisation differs in a number of different ways from the formal organisation. Formal and information organisations are compared in table 16.3.

The major part of the informal organisation is the informal communication system, sometimes called the grapevine or ‘the rumour mill’. It’s interesting to look at the derivation of some of the words that describe informal communication channels.
### TABLE 16.3 Formal and informal organisations compared

<table>
<thead>
<tr>
<th></th>
<th>Formal organisation</th>
<th>Informal organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication pace</td>
<td>Slow</td>
<td>Fast</td>
</tr>
<tr>
<td>Communication focus</td>
<td>Deliberate</td>
<td>Spontaneous</td>
</tr>
<tr>
<td>Communication channel</td>
<td>Mainly written</td>
<td>Mainly oral</td>
</tr>
<tr>
<td>Communication status</td>
<td>On the record</td>
<td>Off the record</td>
</tr>
<tr>
<td>Communication orientation</td>
<td>Towards things</td>
<td>Towards people</td>
</tr>
<tr>
<td>Control of communication</td>
<td>By management</td>
<td>By employees</td>
</tr>
<tr>
<td>Power bases used in communication</td>
<td>Legitimate, coercive, reward, expert</td>
<td>Expert, referent, informational, connectional</td>
</tr>
<tr>
<td>Norms present</td>
<td>Formal</td>
<td>Informal</td>
</tr>
</tbody>
</table>

**Source:** Adapted from Hodgetts and Hegar (2008); Andrews and Baird (2005).

**Grapevine.** This term is said to have been first used for the temporary telegraph wires, often strung from trees, used during the North American Civil War. The information carried via this system was not always accurate.

**Scuttlebutt.** The scuttlebutt is a drinking-water barrel on board sailing ships where sailors would congregate and pass on information and rumour.

**Furphy.** The water cart (first produced by Victorian, John Furphy) was a centre of gossip for Australian soldiers in World War I. The term came to be used to describe an unreliable rumour.

The three situations embodied in these terms capture the context for so much of gossip and rumour — high-stress situations, with little in the way of accurate downward communication. The lack of downward communication creates a knowledge vacuum, and the grapevine is the only plant known to flourish in a vacuum.

Hodgetts and Hegar (2008) define rumour thus:

\[
\text{Rumour} = \text{interest} \times \text{ambiguity}
\]

In other words, people will engage in rumour-mongering when they have an interest in the topic and when information about that topic is inadequate or ambiguous. Michelson and Mouly (2004) argue that the functions of rumour and gossip are to inform, to influence and to entertain.

Hellweg (1987) notes the following about grapevines or informal organisational networks:

- Five out of every six messages in the organisation are transmitted by the grapevine.
- Secretaries play a key role in grapevine communication.
- Liaisons play a key role in grapevine communication.
- As the size of the organisation increases, grapevine activity increases.
- Grapevine communication is fast.
- Grapevine information generally is incomplete.
- Rumours are more prevalent in organisations that foster secrecy.
- Once a rumour is assigned credibility, other events in the organisation are altered to fit in with and support the rumour.
- Employee gender is not a predictor of participation in grapevine communication.

Gossip, or the exchange of anecdotal information, appears to be a deeply ingrained human behaviour that fulfils the needs of reinforcing group solidarity, extending influence, and managing anxiety and uncertainty (Bordia et al. 2006; Dunbar 1997; DiFonzo & Bordia 2002; Michelson & Mouly 2002; Greengard 2001). Some of the different types of rumours or gossip are shown in figure 16.12.
<table>
<thead>
<tr>
<th>Rumour/gossip type</th>
<th>Background</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>'Bogey'/anxiety</td>
<td>Primarily driven by fear — create unease among recipients</td>
<td>Move towards privatisation of sanitation services in a local borough or council and the prospect of layoffs</td>
</tr>
<tr>
<td>Anticipatory</td>
<td>Often precipitated by situations of ambiguity</td>
<td>Will a new chief executive officer come from within the organisation or be appointed from elsewhere?</td>
</tr>
<tr>
<td>Aggressive</td>
<td>May damage reputation of individuals</td>
<td>Are nurses in an acute hospital ward romantically involved with doctors so that they can advance careers?</td>
</tr>
<tr>
<td>'Pipe dream'/wish</td>
<td>Express the hopes of those who circulate them</td>
<td>Possible solution to a work problem that an employee wants changed</td>
</tr>
</tbody>
</table>

Nevertheless, the grapevine can do much harm if not controlled or at least influenced in some ways. There are no certain ways to manage the grapevine, because it has a life of its own, but Crampton, Hodge and Mishra (1998) suggest the following approaches can work:

- Increase the levels of participation in decision making, so that an information vacuum will be less likely to form. Likert (1976) suggests that in truly participatory organisations the informal organisation will simply wither or merge with the formal one.
- Reduce or eliminate secretive communication, and abolish information vacuums.
- Be aware of unclear communication (vague words) that may lead to misinterpretation; encourage two-way communication and ensure that information exchanged is accurate.
- Send out messages using more than one channel.
- Resist the temptation to hide bad news from employees. Don’t censor reality and thus sacrifice credibility.

The informal organisation goes beyond the grapevine, however, to:

- work as a sounding board, allowing staff to let off steam and reduce stress
- create a socialisation milieu in which new staff learn about informal group norms
- give a sense of belonging to staff who may feel alienated in a bureaucratic environment
- process information not handled by formal channels
- help to get work done, when official channels and chains of command are too bureaucratic and slow, by using connections, influence and ‘quick and dirty’ methods and other types of knowledge
- demonstrate that staff are actually interested in their jobs and shoptalk
- act as a countervailing restraint on management, who may take extra pains in planning for fear the informal organisation would passively resist ill-considered initiatives (Hodgetts & Hegar 2008; Davis & Newstrom 1989).

We earlier considered the idea of alignment, or the notion of ensuring that all messages communicated to audiences within an organisation are consistent with messages communicated to audiences outside the organisation. Chan (2002), in looking at means of aligning information technology and business strategies, quotes Nadler and Gerstein (1992) on an approach that may help both such types of alignment: ‘We “engineer” and “build” the formal organisation; we “plant” and “cultivate” the informal organisation’.

![Figure 16.12](image-url) Some types of rumour/gossip in organisations

Source: Adapted from Michelson and Mouly (2004).
Blackboard/whiteboard jungle: the classroom as an informal organisation

McFarland (2001), in analysing school classroom dynamics, notes the presence of formal and informal norms or rules — in fact, of an informal organisational structure. The official view of what takes place in the classroom is that there is the quiet and professional transfer of information from an authority figure — a teacher — to a body of receptive students, with the power of the teacher to do just this being unquestioned. McFarland, in contrast, sees that many classrooms are in fact sites of conflict and struggles for control, in which students set up a parallel, countervailing informal organisational structure of networks and cliques to challenge the authority of the teacher.

Students with dense friendship networks, rebellious friends and prominence in the classroom friendship network were more likely to disrupt work activities, and these tendencies were largely unconnected to variables such as race or socioeconomic class. Disruption tended to occur more often when work was student-centred rather than teacher-centred, and when the relevance of class work to the outside world was not immediately apparent (McFarland suggests that teachers exert counter-counter-control by making tasks more teacher-centred [which, he concedes, is not always a good learning strategy] and by rotating students through task groups to break up existing affiliations and create new ones).

ASSESS YOURSELF

Think of a current or past learning situation you have been in. What formal and informal norms were present in the classroom? How were informal norms and behaviour used to challenge the formal norms of the classroom? How successful or unsuccessful were these tactics of challenge?

Organisational culture and communication

In chapter 15, a distinction was drawn between macro-cultures and micro-cultures. Macro-culture was defined as the all the arts, beliefs and social institutions of a community or race, while micro-culture was defined as the predominating attitudes and behaviour that characterise the functioning of a group or organisation.

Let’s now explore the idea of organisations having cultures, and what impact this might have upon communication within those organisations, and indeed in the communication of organisation to organisation.

In the past few decades researchers have suggested that organisations do indeed have their own cultures, and that these have a dramatic effect on communication patterns and practices. An organisation’s culture is its ‘personality’, its feel, what distinguishes it from other organisations, a coding of ‘the way things get done around here’. An organisation’s culture is most apparent to an outsider interacting with the organisation for the first time, or when two organisations merge or experience a takeover.

Robbins and Barnwell (2007) suggest that the following are key characteristics of organisational culture:

1. Individual initiative. The degree of responsibility, freedom and independence that individuals have
2. Risk tolerance. The degree to which employees are encouraged to be aggressive, innovative and risk seeking
3. Direction. The degree to which the organisation creates clear objectives and performance expectations
4. Integration. The degree to which units within the organisation are encouraged to operate in a coordinated manner

Macro-culture: all the arts, beliefs, social institutions, etc. characteristic of a community, race, etc.
Micro-culture: the predominating attitudes and behaviour that characterise the functioning of a group or organisation
5. Management contact. The degree to which managers provide clear communication, assistance and support to their subordinates.

6. Control. The degree to which rules and regulations, and direct supervision, are used to oversee and control employee behaviour.

7. Identity. The degree to which members identify with the organisation as a whole, rather than with their particular work group or field of professional expertise.

8. Reward system. The degree to which reward allocations (i.e. salary increases, promotions) are based on employee performance criteria.

9. Conflict tolerance. The degree to which employees are encouraged to air conflicts and criticisms openly.

10. Communication patterns. The degree to which organisational communications are restricted to the formal line hierarchy of command.

Culture is also transmitted in other ways, such as:

- **Rituals**: recognition and reward ceremonies, Friday afternoon or after-hours socialising, annual company picnics, contests, initiations.

- **Stories**: myths, gossip, jokes, anecdotes, narratives about people, events and things.

- **Material symbols**: the nonverbal communication of clothing, grooming, furniture, vehicles, parking, perks.

- **Language**: specialised language, jargon, nicknames and so on.

Some of these expressions are initiated and maintained by the formal organisational system, while some are also initiated and maintained by the informal organisational system.

Artefacts, or tangible and manufactured objects, and espoused values convey culture; all have basic underlying assumptions. Some examples of these assumptions are outlined in Table 16.4.

### Table 16.4 Expressions of culture and basic underlying assumptions

<table>
<thead>
<tr>
<th>Artefact/espoused value</th>
<th>Basic underlying assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>All the cars in the parking lot are oriented exactly the same way.</td>
<td>Conformity and order are important, extending even to the parking lot.</td>
</tr>
<tr>
<td>No visitor parking is available in the parking lot.</td>
<td>No special effort is made to take care of customers and suppliers.</td>
</tr>
<tr>
<td>The reception office is closed in, at the end of a long, dirty hallway, and is also unfriendly.</td>
<td>Visitors and customers are not welcome.</td>
</tr>
<tr>
<td>‘If only those production people weren’t so lazy.’</td>
<td>A ‘we/they’ mentality prevails on production floor.</td>
</tr>
</tbody>
</table>

Source: Adapted from Buch and Wetzel (2001).

Culture can also be expressed in other ways, such as:

- **Status/formality rituals**, such as the use of first names or of formal titles (Morand 1996).

- **The structure of buildings and the nature of workspace layout** (Parker & Hildebrand 1996; Adams 2002; Baldry 1999).

- **Casual or formal dress codes** (Wood & Benitez 2003).

- **Values and conformity pressures** that repress individuality and diversity and act to disempower rather than empower (Ogbor 2001).

- **Attitudes and mindsets** (blokey: dominated by male interests such as sport and male banter; hubris: proud and dismissive of other organisations; complacent, sluggish and inward-looking: uncaring of the organisation’s environment and not prepared to change) (Robbins & Barnwell 2007).

Culture in itself is neither good nor bad; there can be negative as well as positive expressions of culture. Aspects of an organisation’s culture may indeed be its biggest problem, causing enormous damage, and even becoming the main cause of that organisation’s demise. Equally, the culture of an organisation may be the ‘glue’ that holds it...
together, the secret of the organisation’s success and what makes it an enjoyable place to work. Thus, a mismatch between the culture of an organisation and the values and work styles of an individual (Del-Campo 2006) may lead to the individual leaving because ‘I just feel I don’t belong here’. On the other hand, it may well be that a person who does not share the dominant paradigms and worldviews of the organisation’s culture may just be the very person that that organisation needs to shake it out of its complacency and its over-homogeneous culture.

Cameron and Quinn (2006; see also Yu & Wu 2009) have developed a model of culture based on competing values, in which they distinguish four different micro-cultures — clans, adhocracies, hierarchies and markets (see figure 16.13).

<table>
<thead>
<tr>
<th>Culture type</th>
<th>Features</th>
<th>External focus and differentiation (EFD)/internal focus and differentiation (IFI)</th>
<th>Flexibility and discretion (FD)/stability and control (SC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clan</td>
<td>• emphasis on loyalty, mutual trust, commitment&lt;br&gt;• like an extended family&lt;br&gt;• leaders are mentors, parent figures&lt;br&gt;• flexible operating procedures</td>
<td>IFI</td>
<td>FD</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>• emphasis on innovation and development&lt;br&gt;• risk-taking valued&lt;br&gt;• leaders are visionary and innovative&lt;br&gt;• focus on unique and new products or services</td>
<td>EFD</td>
<td>FD</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>• emphasis on formal rules and policies&lt;br&gt;• focus on smooth scheduling, low cost&lt;br&gt;• leaders need to be good coordinators and toe the party line&lt;br&gt;• focus on economy, formality, rationality, order</td>
<td>IFI</td>
<td>SC</td>
</tr>
<tr>
<td>Market</td>
<td>• emphasis on achievement, goal accomplishment&lt;br&gt;• focus on market share and penetration&lt;br&gt;• leaders are hard drivers, competitors&lt;br&gt;• aggressiveness, personal initiative favoured</td>
<td>EFD</td>
<td>SD</td>
</tr>
</tbody>
</table>

The OCAI (Organisational Culture Assessment Instrument) developed by Cameron and Quinn asks respondents to analyse the culture of their organisation according to a number of variables, and according to the way it is now as perhaps distinct from the way respondents would like it to be. Igo and Skitmore (2006) surveyed 113 staff in an Australian engineering consultancy using the OCAI model, with some of the data being shown in figure 16.14.
Organisational communication

Flexibility and discretion

External focus and differentiation

Internal focus and integration

Stability and control

Adhocracy

Clan

Market

Hierarchy

N = 113

Now

Preferred

Silo culture: a culture of noncommunication between separate parts of one organisation

Such data shows, in this instance, that while the organisation is currently perceived to have hard-driving market culture, staff would prefer the culture to be more that of a clan. Cultures are sometimes determined or affected by the nature of the industry the organisation is in. In this case, that of engineering/construction, the nature of that work is project-driven and ad hoc. In these circumstances, the clan model might be better than the other three, or at least better than the market model, where the adversarial and competitive dynamics might not suit project teams that might benefit more from cooperation and consensus (Ito & Skitmore 2006). The alignment — or misalignment — of an organisation’s culture with, on the one hand, its external environment, and on the other hand, the values and perceptions of its employees, will give us clues as to whether the organisation’s culture is functional or dysfunctional.

Let’s now see how cultures can be dysfunctional when looked at from the perspective of organisational communication. We will look at two ‘bad cultures’ — the culture of silos and the culture of silence — that have much in common with each other and are both bad news for organisations that suffer from one or both.

Bad culture 1: silos

In World War II, posters in allied countries advised people that ‘Loose Lips Sink Ships’ — that is, talk about sensitive military intelligence could be overheard by enemy spies. In today’s world, the opposite — tight lips sink ships, or kill or injure people — could also become a motto for those dysfunctional organisations with what is sometimes called silo culture (Lencioni 2006; Bundred 2006; Hopkins 2005, 2006; Segal, Dalziel & Mortimer 2009). The term is a metaphor for over-compartmentalised and over-territorial organisations whose sections, departments or divisions stand aloof and apart from other sections, departments or divisions, like monolithic grain silos. The ‘us versus them’ climate means that communication between areas that should be communicating is minimal, or does not take place at all. Nobody talks, nobody listens and everybody pays.

Silo cultures are characterised by communication breakdowns, turf-war territorial behaviour and energy-sapping politicking between areas that should be cooperating rather than competing. Thus, in the UK, two schoolgirls were murdered by a man who had a previous history of sex offences, and a girl was tortured and abused (and subsequently...
died), because different parts of the UK public sector (police, local government, hospitals, social services, and even the managers of a specific child protection database) failed to communicate with each other (Bundred 2006). In the United States in 2001, different intelligence agencies had gathered data which could well have prevented the 9/11 terrorist attacks, but inter-service rivalry prevented information sharing (Gottschalk 2006).

Hopkins (2005, 2006) analysed several incidents where there were serious injuries or deaths caused by the conflict between safety concerns and organisational culture.

For example, in one situation, more than 400 maintenance personnel in the Royal Australian Air Force became ill or injured from chemical exposure after working on and in the fuel tanks of fighter-bomber aircraft from the late 1970s to 2000. Investigation revealed that workers were exposed to toxic chemicals — that is, normal safety routines were ignored — because of a series of attitudes or mindsets; that is, culture. These included:

- placing priority of platforms (war-fighting hardware) over people
- military command and discipline, which meant that workers might face disciplinary action if objectives were not reached (despite resources and safety procedures being inadequate) (Hopkins 2005, 2006).

Hopkins also examined the dynamics of the Glenbrook train crash of 1999, in which a New South Wales commuter train smashed into the Indian Pacific interstate train, resulting in the loss of seven lives. Hopkins found that a silo culture was prevalent within the system. This silo culture was characterised by:

- Public pressures to make trains run on time, even at the expense of safety considerations (the culture of OTR, or on-time running). Train drivers would face direct pressure from supervisors if a train ran late, and this predisposed drivers to perhaps take risks that they would otherwise not have taken — a risk-blind culture (similar dynamics prevailed in the Ladbroke Grove rail crash in London in 1999).
- A culture of disempowerment and overly-restrictive rules, wherein drivers were discouraged from taking initiative, in a manner similar to the way in which the US space shuttles Challenger and Columbia sustained catastrophe because engineers close to the problems were overridden by rule-bound NASA administrators. This is a contrast to the culture of other organisations, such as the ‘stop and think’ and ‘take time, take charge’ protocols prevailing in the Western Mining Corporation or even on board US nuclear aircraft carriers, where routine tasks are controlled centrally but in emergency situations lower-level personnel are allowed to make decisions. The disempowerment leads to a sense of fatalism, a psychological defence mechanism developed by some occupations, such as miners, to deal with a ‘culture of danger’ in which accidents are seen as unavoidable.
- Evolution of a communication style among workers that was notable for carelessness and informality — a style completely in contrast to that of other professions, such as air-traffic control. The use of ‘buddy’ and ‘mate’ in radio transactions between drivers and signal controllers may have led them to believe that: ‘It’s a code for saying, we know that sometimes this doesn’t mean what it says … that we are sharing the same sort of understanding about the ambiguity of the sign’ (Thomas 2000).
- A culture of blame, based on inadequate documentation making rules difficult to apply (a critical rule, Rule 245 — passing an automatic signal at stop — was four pages long), combined with a tendency of inspectors to turn a blind eye to violations, leading to the suspicion of some staff that some rules were set up primarily to allocate blame and punishment.
- Absence or failure of communication systems and on-board control systems.
- Organisational restructuring and disaggregation of rail bureaucracies, resulting in a silo culture of noncommunication between different groups of transport managers.
Hopkins argues that for cultures of organisations whose operations involve risk, new practices need to be put in place, such as:

- a culture of reporting, in which all staff feel confident and competent to document problems, near-misses and other issues
- a just culture, in which people are not punished for reporting problems (see ‘shoot-the-messenger’ ethos)
- a learning culture, in which reports are taken seriously
- a flexible culture, in which lower-level personnel are empowered to respond rapidly to problems.

**Bad culture 2: the culture of silence**

It is vital that there is sufficient trust and transparency within the organisation to allow the upward communication of bad news, for example about customers or production. If the organisation has a **shoot-the-messenger ethos** or culture or climate, punishing individuals who point out bad news, then — logically enough — little or no bad news will move up through the hierarchy, and rather than an organisational ‘voice’, there will be a culture or climate of **organisational ‘silence’** (Milliken, Morrison & Hewlin 2003; Perlow & Williams 2003; Tourish & Robson 2006; Gergen & Thatchenkery 1996; Edmonson & Munchus 2007) or a ‘spiral of silence’ (Bowen & Blackmon 2003). These concepts have much in common with the ‘groupthink’ phenomenon and organisational transparency.

Morrison and Milliken have developed a model of organisational silence (figure 16.15).
Morrison and Milliken suggest that a culture of silence is more, rather than less, likely to prevail in a given organisation if certain background conditions exist, such as:

- dominance of the senior management team by individuals with economic or financial backgrounds (who may be more prone to believe in Theory X rather than Theory Y, and therefore may be prone to distrust subordinates)
- members of senior management having been together for a long time, and thus perhaps having evolved a homogeneous set of beliefs (compare the groupthink phenomenon)
- staff at all levels coming from high power distance and collectivist cultures (compare Hofstede’s model of cultural communication)
- top management and lower-level employees being dissimilar in terms of gender, race, ethnicity and age
- a commitment to cutting costs, and the presence of a reduced resource base (‘low munificence’), which may exert pressures on senior managers, making them less likely to tolerate dissent and consider new ideas welling up from lower levels
- a mature and stable industry setting, which may make the need for innovative ideas less pressing
- tall organisational structures, the tendency to bring in top managers from outside rather than hiring from within, and the tendency to hire contingent or temporary workers, who may have less loyalty, commitment and self-interest than longer-term employees
- the tendency of upper-level staff not to seek feedback from lower-level staff
- lower-level staff who are similar to each other, who work in stable work roles, who are interdependent with each other, and who have strong network connections, all of which may predispose them to reach a consensus that it does not do much good to have and to use organisational voices to give upward communication or feedback.

The end products of organisational silence will therefore include a lack of critical analysis of ideas and alternatives, less effective organisational decision making, poor error detection and correction, low motivation and satisfaction, withdrawal, turnover, sabotage and deviance (Morrison & Milliken 2000).

**Communication and knowledge management**

Communication within organisations is also related to ideas about organisational learning and knowledge management. All organisations have physical assets, such as buildings, furniture, equipment, information technology and other things that can be touched, but they also have intangible assets. Intangible assets include (Rumizen 2002, p. 242):

- **Human competence.** The people within an organisation and their capacity for action to generate value. This capacity includes assets such as values, experience, social skills and educational background. No organisation ‘owns’ human competence — it can walk out the door any time.
- **External structure.** How the organisation is regarded externally, including trademarks, brand names, image, relationships with customers, suppliers and partners. Owned by the organisation.
Internal structure. What is left at work when the people go home, including databases, processes, models, documentation, patents, trade secrets and other intellectual property. Owned by the organisation.

In knowledge-based economies, it is becoming increasingly apparent that intangible assets are the key drivers of organisational success. This comes as a surprise to many managers, who in the past tended to concentrate on tangible assets. While lip service is usually paid to clichés such as ‘our people are our most important asset’, in practice such sentiments are rarely acted on. It seems much easier to manage tangible assets than intangible ones.

Organisations strive to create new products and improve old ones, to reach old and new customers, and to manage processes. Enormous resources are invested in finding out why things are or are not running well. When things go wrong, enormous resources are put into undoing the damage and ensuring it doesn’t happen again. Time and again, however, employees observing such efforts will remark:

- ‘We could have told them that, but no-one ever bothered to ask.’
- ‘What’s the point in trying to tell them? Nobody ever listens anyway.’
- ‘There’s an easier way of doing that, but I doubt they’d consider that.’
- ‘I could tell you how to do it in half the time at a quarter of the cost, but if we made that public they’d probably just lay ten good people off.’
- ‘We predicted that would happen, but the report was ignored.’
- ‘Joe showed them how to do that, and they made millions from it. And what did Joe get out of it? A few measly bucks.’
- ‘Nobody told us.’

Most employees within organisations already know how to do things better than they are currently being done, but for a variety of reasons that experience is not tapped into. As Lew Platt, former chief executive officer of Hewlett-Packard put it, ‘If H-P knew what it knows, we’d be three times as profitable’ (quoted in Dearlove 2000, p. 152).

Knowledge management is concerned with reversing this trend and tapping into the vast intangible assets of the organisation to systematically collect, categorise, fuse and disseminate the pool of perceptions, insights, experiences and skills of the people who are already there — in other words, to avoid the need to reinvent the wheel (unnecessarily repeating ourselves) by determining just what knowledge about ‘wheels’ already exists (Asllani & Luthans 2003). An organisation may be awash with data, but unless that data can be organised into information, and unless human minds can synthesise and learn from that information to create knowledge, then very little advantage is made of it. An example of this is captured in technology analyst Bill French’s observation, ‘email is where knowledge goes to die’ (quoted in Venolia 2005, in her analysis of silos). See chapter 3 for a discussion on the distinction between data, information, knowledge and wisdom.

Following are some examples of knowledge management strategies that appear to be paying off for organisations:

- Xerox has a database known as Eureka to which all service technicians can contribute. When technicians discover a problem or situation that has not been anticipated in product design and recorded in documentation such as manuals and instructions, they enter a description and analysis of the problem or situation into the database via laptop computer. The knowledge-sharing system has more than 25 000 items, which are tapped into by 25 000 representatives worldwide. As a result of Eureka, Xerox now saves between 5 per cent and 10 per cent on labour and parts costs (Kermally 2002, pp. 162–3).
- Information technology company EMC is using ‘social media’ technologies to share knowledge: recently it had 10 000 wiki-based documents and 3000 blogs across 150 topical communities (Parise 2009).
- Over three days in May 2001, IBM held WorldJam, a global in-house brainstorming session. About 52 000 of a total of 320 000 employees contributed more than 6000 ideas,
which went into an online archive that has since been tapped into by many staff (Figallo & Rhine 2002, pp. 56–7).

- An Australian employee of Accenture, a consulting and technology firm, trained in the Malaysian branch to acquire technology consulting skills, and then went on to create a blog upon returning, sharing learning by posting a summary of the skills. The information was widely shared and other employees began to contribute to the blog, giving examples of solutions to problems they had encountered with clients. As the employee sees it, ‘blogging (is) a positive cycle of learning that goes on and on’ (Zhang, Zhu & Hildebrandt 2009, p. 117).

- A British company set up a ‘what’s hot and what’s not’ interactive voicemail system. Sales representatives dropped in ‘hot news’ in the form of ‘micro stories’ about customers, technology and products. Each story was less than one minute long, and representatives tapped into it via mobile phones (Cook 1999, p. 103).

- A small printing company consisted of three founding partners and four managers, who work with many associates and contract staff. Because the central decision-making group was so close-knit, there seemed no need to document anything about processes and products. Then one manager with a key client base died, and another left hurriedly. Knowledge was ‘walking out the door’, and the remaining group members found it difficult to conduct effective induction for two new staff members. The company is now documenting its key processes and achievements at the end of each project to build up a knowledge databank (Kermally 2002, p. 55).

Knowledge management thus understood has much in common with the idea of the ‘learning organisation’ developed by Argyris (1999) and Senge et al. (1999), in which intellectual capital is the key driver of growth, and the ability to learn from the past is the main predictor of how it will fare in the future (Frahm & Brown 2006).

How does knowledge management work, and what relationship does it have to organisational communication? Let’s consider two models of knowledge management and see what relationships there might be.

**Knowledge management model 1: the knowledge spiral**

Takeuchi and Nonaka (2004) have developed a spiral model of knowledge acquisition, which moves through a SECI (Socialisation–Externalisation–Combination–Internalisation) sequence (figure 16.16). The sequence draws a distinction between explicit knowledge — knowledge in the public domain that ‘everyone knows’ — and tacit knowledge, or knowledge that has become second nature to those who hold it, but that they initially might find hard to explain to others (Nezafati, Afrazeh & Jalali 2009).

![The SECI knowledge spiral](Source: Rumizen (2002, p. 21).)

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In this system the first phase of knowledge acquisition is socialisation. Here knowledge transfer is *tacit-to-tacit*. An example is Matsushita’s efforts to create an automatic bread-making machine. The software engineers at the company were not expert bread makers, but the head baker at a hotel was, so the engineers worked with the baker to see how he stretched and twisted dough to achieve success. The engineers were then able to transfer this knowledge into the design of the bread-making machine. In the socialisation phase, tacit-to-tacit transfer of knowledge can be made systematic through brainstorming, informal meetings, discussions, dialogues, observation, on-the-job training, customer interaction, coaching, mentoring and learning groups (Kermally 2002, p. 61).

In the second phase, externalisation, the transfer process is *tacit-to-explicit*. For example, Canon engineers were trying to work out how to reduce costs on a new mini-copier. Engineers were discussing the issue over some beers, when peripheral data — the beer cans in their hands — became their central data: they thought of a way to use aluminium to produce disposable copier drums, and thus solved the problem. In the externalisation phase, tacit-to-external knowledge transfer can be put on a systematic basis through meetings, building hypotheses and models, cartoons to communicate, after-action reviews, workshops, master classes, assignment databases and best practice exchange.

In the third phase, combination, the transfer process is *explicit-to-explicit*. For example, Kraft Foods uses data from supermarket electronic point-of-sale transactions not only to find out what sells well but also to plan new ways of marketing products to customers. In the combination phase, explicit-to-explicit knowledge transfer can be put on a systematic basis by exploiting virtual libraries, publications and conferences.

In the final phase of the SECI sequence, internalisation, the circle is completed (and the cycle is set up for another iteration) by *explicit-to-tacit* transfer of knowledge. General Electric compiled a database of customer complaints, which design engineers were able to tap when creating the next generation of products (for a discussion of complaints, feedback and strategic listening). In the internalisation phase, explicit-to-tacit knowledge transfer can be put on a systematic basis by exploiting the potentials of facilitation skills, client–customer feedback reviews and development counselling (Kermally 2002, p. 61). While it has not always proven to be universally applicable (see Tong and Mitra 2009), the SECI model remains a powerful concept when discussing and applying knowledge management concepts.

**Knowledge management model 2: the knowledge management technology stage model**

Gottschalk (2006; 2009) suggests that knowledge management can best be understood in terms of four different stages or phases, namely:

1. **Person-to-technology stage.** In this stage, tools for end users are made available to knowledge workers in the simplest form. This means a capable networked PC on every desk or in every briefcase, with standardised personal productivity tools such as word processing, spreadsheets, legal databases, presentation software and scheduling programs. The dominating strategy is a tool strategy, while the predominant attitude towards the value of information technology in knowledge management processes is that of scepticism.

2. **Person-to-person stage.** In this stage, information about who knows what is made available to all people in the organisation and to selected outside partners. What people know in any given organisation is mapped into a directory or ‘Yellow Pages’, which might live on an intranet. This is ‘metadata’, or knowledge about knowledge, allowing individuals to contact other individuals to tap into their knowledge, which might just as easily be tacit knowledge as explicit knowledge. The dominating strategy at this stage is a flow strategy, while the skeptics of stage 1 might become conservatives.
3. **Person-to-information stage.** In this stage, information created by knowledge workers is stored and made available in the form of documents to those inside and some outside the organisation. Such documents might be contracts and agreements, reports, manuals and handbooks, business forms, letters, memos, articles, drawings, blueprints, photographs, email and voicemail messages, video clips, script and visuals from presentations, policy statements, computer printouts, and transcripts from meetings. Lawyers in a law firm might write up case notes in databases, while police forces might use relational databases for crime-specific cases (the Tucson Police Department keeps approximately 1.5 million incident record sets, which can be used to track approximately 1200 individuals suspected of being responsible for a majority of major crimes). The dominating strategy at this stage is a stock strategy, while the conservatives of stage 2 might now become early adopters of information technology in knowledge management.

4. **Person-to-system stage.** At this final stage, information systems solving knowledge problems are made available to knowledge workers and solution seekers. Artificial intelligence approaches such as neural networks, data mining, expert systems and business intelligence now come into play. The knowledge that was codified in stage 3 is now explicated and formalised (although tacit knowledge is difficult to codify). The dominating strategy at this stage is a growth strategy, while the early adopters of stage 3 might now become innovators in information technology in knowledge management.

The application of this model to police investigations is shown in figure 16.17.

![Figure 16.17](image-url)

**FIGURE 16.17** Stage of growth model for police investigations

### Level of IT-supported knowledge management in the organisation

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>STAGE I</td>
<td>Person-to-technology End-user-tool systems</td>
</tr>
<tr>
<td>STAGE II</td>
<td>Person-to-person Who-knows-what systems</td>
</tr>
<tr>
<td>STAGE III</td>
<td>Person-to-information What-they-know systems</td>
</tr>
<tr>
<td>STAGE IV</td>
<td>Person-to-system How-they-think systems</td>
</tr>
</tbody>
</table>

- **Use of IT tools that provide personal efficiency, e.g. word processing, spreadsheets, presentation software**
- **Use of IT to provide access to stored documents, e.g. databases, emails, contracts, articles, photographs, reports**
- **Use of IT to find other knowledge workers, e.g. intranets, yellow-pages systems, staff profiles**
- **Use of a specific IT system designed to solve a knowledge problem, e.g. expert system, business/criminal-security intelligence**

### Knowledge management: the new and the old

Knowledge management thus conceived has enormous potential to facilitate development of any organisation, and creates exciting new perspectives. Expert power becomes the primary power base, and mentoring and coaching are vital. Listening and feedback skills are central to tapping the knowledge pool that already exists before any new knowledge is created. But knowledge management is not an entirely new concept; rather, it revives
the decades-old debate about motivation, compensation, job security and natural justice in the workplace, along with the idea of an organisational culture in which the ‘soft skills’ of listening to people may be more important than the ‘hard skills’ involved in setting up a technology network to capture this knowledge. These dilemmas are crystallised in the following viewpoints:

- Companies install email or collaborative software and expect knowledge to flow freely through the electronic pipeline. When it doesn’t happen, they are more likely to blame the software or inadequate training than to face a fact of life: people rarely give away valuable possessions (including knowledge) without expecting something in return (Davenport & Prusak 2000, p. 26).

- While technology can facilitate the exchange of ideas, sometimes it can block such exchanges. Many people prefer face-to-face interaction, but this may be ignored if there is too much emphasis on technological systems (Tong & Mitra 2009).

- Modern technology makes transmitting information easy, but companies have to create the right environment and incentives to persuade individuals to share what they know. The trouble is that knowledge, as the old adage tells us, is power. One of the greatest barriers to effective knowledge management lies in the basic insecurity and fear that prevails in many companies.

- The real issue for companies is: how do you persuade individuals to hand over their know-how when it is the source of their power and the only guarantee of their continuing employment? Until companies address this, for most, knowledge management will remain a pipe dream (Dearlove 2000, p. 155).

- The inescapable conclusion of this analysis of the ‘knowledge management’ idea is that it is, in large part, a management fad, promulgated mainly by certain consultancy companies, and the probability is that it will fade away like previous fads. Whatever businesses claim about people being their most important resource, they are never reluctant to rid themselves of that resource (and the knowledge it possesses) when market conditions decline. We have to ask, ‘If getting promotion, or holding your job, or finding a new one is based on the knowledge you possess — what incentive is there to reveal that knowledge and share it?’ (Wilson 2002; see also p. 628).

In other words, the problem is not the human-to-machine or machine-to-machine communication systems, but rather the human-to-human communication systems. Unless these are properly addressed, then the promise of knowledge management will remain unfulfilled.
SUMMARY

In this chapter we considered how communication channels can help or impede the flow of messages through organisations. We looked at the strengths and weaknesses of, and the interconnections between, upward, downward and horizontal communication. We examined organisational design factors such as flatness and tallness, centralisation and decentralisation, and mechanistic versus organic, and speculated on how these factors affect communication patterns and behaviour. We looked at network organisations, network roles and networking strategies, and assessed the importance of the informal organisation and the grapevine. We considered the idea of organisational culture and its impact on communication, noting the concepts of organisational silence and organisational silos. Finally, we focused on the idea of knowledge management and its dependence on the soft or interpersonal skills involved in effective organisational communication.

KEY TERMS

- alignment strategy p. 510
- asynchronous communication p. 511
- boundary spanner p. 526
- chain of command p. 513
- clique p. 524
- de-layering p. 517
- diagonal communication p. 515
- downsizing p. 517
- downward communication p. 514
- empowerment p. 517
- flat organisation p. 517
- formal organisation p. 514
- hierarchy p. 513
- horizontal communication p. 514
- informal organisation p. 514
- knowledge management p. 539
- macro-culture p. 532
- mechanistic p. 520
- micro-culture p. 532
- network analysis p. 524
- networking p. 526
- organic p. 520
- organisation p. 510
- organisational design p. 513
- organisational silence p. 537
- placid environment p. 517
- shoot-the-messenger ethos p. 537
- silo culture p. 535
- small world phenomenon p. 522
- span of control p. 517
- synchronous communication p. 511
- tall organisation p. 517
- telecommuting p. 522
- the grapevine p. 529
- turbulent environment p. 518
- upward communication p. 514
- vertical communication p. 514
- virtual organisation p. 522

REVIEW QUESTIONS

1. Name at least five organisational communication channels.
2. ‘Horizontal communication is always more effective than vertical communication.' Discuss.
3. What is the relationship between span of control and the ‘height’ of an organisation?
4. Is it possible to have a flat and centralised organisation?
5. ‘Organic organisations are the future; mechanistic organisations are the past.' Discuss.
6. Name at least two functions performed by a boundary spanner.
7. ‘The informal organisation is just another term for the grapevine.' True or false?
8. What is the relationship between organisational silence and organisational silos?
9. How do artefacts give insights into an organisation’s culture?
10. What are the four phases of the knowledge spiral?
11. What are the four stages of the knowledge management technology stage model?
**APPLIED ACTIVITIES**

1. Draw a formal organisation chart for an organisation you are familiar with. How would you classify it in terms of flat/tall and centralised/decentralised? What impact does this organisational design have on communication within the organisation?

2. Re-draw the formal chart to show informal relationships that you are aware of. If possible, get at least one other person to do the same. Compare results.

3. Consider an organisation, part of an organisation or a friendship group you are familiar with. Analyse communication patterns in terms of cliques and roles (gatekeepers, liaisons, bridges, isolates, opinion leaders/stars, cosmopolites/boundary spanners, powers behind the throne). Create a diagram of the communication system, and discuss it with others. (Such an exercise can elicit strong reactions from those being ‘analysed’, so approach the task with foresight, sensitivity and tact.) Allow those ‘analysed’ to return the favour.

4. Compare two organisations you are familiar with. How do their cultures differ, and in what ways are their cultures similar?

5. Using the knowledge management spiral model, analyse how you gained (or did not gain) certain aspects of knowledge in your personal or private life, and how you then passed on (or did not pass on) that knowledge.

6. Using print and online resources, research the topic of communication audits. What value might such an audit have in analysing communication patterns in an organisation?

7. Using print and online resources, research the topics of departmental, divisional, matrix and staff/line organisational structuring. What impact might these structures have on analysing communication patterns in an organisation?

**WHAT WOULD YOU DO?**

You run the information technology section of your organisation. Your previous boss, John, asked you six months ago to set up The Grapevine, a chat-room section on the organisation intranet where employees can post anonymous comments. Anyone could enter anything they liked on the site, on a completely anonymous basis. Some of the material was nonsense, and some of it was offensive, but a number of things emerged that were more positive: industrial action was averted when chatters started complaining about the air quality down in the basement, and action was taken to clean it up; some of the best salespeople were kept on after complaints about commission rates were noted; intervention by government health officers was averted when gossip about the café food was acted on; the loss of one of your biggest customers was avoided when a number of its complaints were identified by chatters (complaints that were quickly attended to); and improvements in two product lines were made after faults in design were discussed by chatters.

John left two weeks ago, and his replacement, Jane, has just walked in. She has a cold expression on her face, and is visibly irate. ‘Have you seen the quality of the information that is being put up on the site? I could sue over a number of the things they’ve said about me, and about the C-600 – I designed that myself. And it’s all wasting too much time – they need to get off this site and back to work! I want you to set up a program
that will identify all chatters, and get it to me by the end of the week. If people want to communicate with each other, they can just reacquaint themselves with the phone. And if they want to whine, they can do that with the others down at the employment agency!

What will you say to Jane?

SUGGESTED READING


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