Research on the Mode of Internal Communication of Enterprises in a Transformation Period

Qiao Yunli, Yan Laishi
School of Management, Wuhan University of Technology, Wuhan, P.R.China, 430070
(E-mail: qyl605@126.com)

Abstract   Business transformation is one of the important ways for an enterprise to seek development, and internal communication is a key factor which determines whether the enterprise will succeed in transformation. This paper redefines the meaning of enterprise transformation and divides it into several different stages: awakening and thaw stage, reconstruction and internalization stage, and integration and freezing stage. It also puts forward different communication modes at all these stages of enterprise transformation: linear communication, "four in one" communication and three-dimensional communication.
Key words   Enterprise transformation; Linear communication; "Four in one" communication; Three-dimensional communication

1 Introduction

With the accelerated pace of economic globalization and technological innovation, the enterprise managers have embarked on a business transformation path to gain new competitive advantages and core competencies. If business transformation is expected to succeed, it requires business stakeholders of this enterprise to adapt and achieve new business goals with new behaviors. Therefore, the key to the success of enterprise transformation is communication, and the process of transformation is that of communication. Communication is the best weapon breaking the barriers between leaders and employees as well as a basis of obtaining support. Only all stakeholders resonate, reach consensus can it be possible to achieve the success of business transformation. Therefore, the author attempts to explore the different modes of communication at all stages of an enterprise transformation, helping enterprise managers achieve business transformation successfully.

## 2 The Concept of Enterprise Transformation and Stage Analysis

Table 1   Characteristics of Each Stage in Enterprise Transformation and the purpose of communication

stage in enterprise transformation	characteristics	the purpose of communication
awakening and thaw stage	Corporate survival is at stake, and it must implement transformation to get through and make new development. There exists inertia and resistance from organizations and individuals in the enterprise which makes it difficult to start transformation.	Try to change the old habits of employees and motivates them to feel the urgency of transformation, to recognize that they can not achieve the desired result with past practice. Thus, achieve transformation of staff awareness.
reconstruction and internalization stage	Staffs recognize that old practice and habits must change, but the individual's ability cannot adapt to the new system requirements temporarily. Members in the organization need to know the direction and requirements of transformation and are constantly encouraged and trained.	Point out the direction of transformation and make the staffs feel motivated and have high spirits. Help them form new attitudes and behaviors, thus achieving the transformation of staff behaviors.
integration and freezing stage	New methods and new system has been implemented successfully and new perception has gradually come into being. Transformation achievements need to be solidified in the organization system in order to fulfill the real transformation of enterprise culture.	Use necessary strengthening methods to make the new attitudes and behavior fixed and persistent.

Business transformation is that an enterprise's external environment and internal environment (or the interaction of the two) encourages the enterprise to make strategic adjustments so that the enterprise's operation has a fundamental change, particularly adjustments or changes in the direction of its development. Business transformation has to go through a long complicated process consisting of transformation planning, implementation and the establishment. Based on characteristics of each stage in enterprise transformation, this paper classifies the enterprise transformation into three stages: awakening and thaw stage, reconstruction and internalization stage, and integration and freezing stage.

3 Modes of Internal Communication of Enterprises in a Transformation Period
3.1 The linear communication at awakening and thaw stage
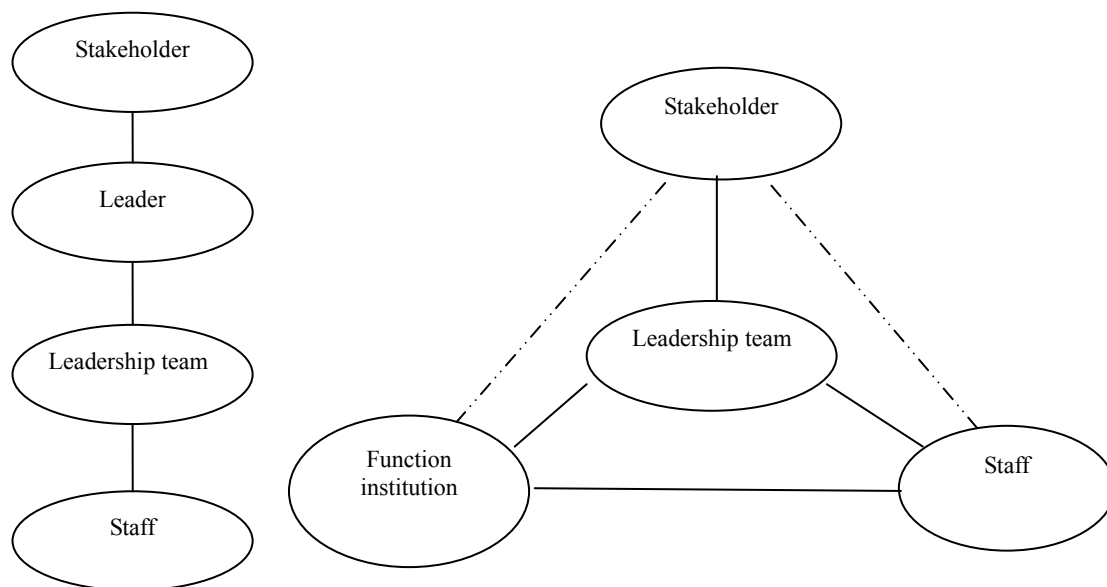
Figure 1   The Mode of Linear Communication   Figure 2   The Mode of "Four in One" Communication

At this stage, Business leaders are communication subjects in the communication process. They should communicate with the main objects, including shareholders, employees and other leadership team and explain reasons and purposes for transformation and other information. Meanwhile, the leaders should have effective communications with members selected from all teams and finally form a leadership team. Thus, the leaders, as the main internal communication subjects in awakening and thaw stage, have upward communication with shareholders, downward communication with team members, and then communication through the leadership team. This is a similar linear mode of communication (See Figure 1 above), in which the leaders play a decisive role.

3.1.1 Characteristics of the mode of linear communication

(1) The leader is primarily responsible for the communication task and is often the initiator of the transformation strategy. In order to truly achieve communication goals, leaders must report upward to win the support of shareholders, communicate with the enterprise members and win their trust, select and train its leadership team.

(2) The leader moves the enterprise members with the sense of crisis, guide them with the power of enterprise philosophy infect them with his own leading charm. This is the main thrust of linear communication.

3.1.2 Application of the mode of linear communication

(1) Creating a communication atmosphere

In order to force business stakeholders to see more problems and difficulties of the enterprise, create a tense work environment. Make each employee feel anxious and recognize that the company's current situation may affect their personal interests, so that they will believe only all staff keep united can a successful enterprise transformation be achieved and greater individual development be regained.

(2) Choosing communication channels and networks

In order to ensure that all members have a profound understanding of transformation and give sufficient support, two-way communication channels including top-down and bottom-up should be put into integrated use. The choice of communication networks, mainly depend on the vertical Y-type communication network, which has a high degree of concentration, high problem-solving speed and a higher forecast level of leaders in this organization.

(3) Specific communication methods

① Meeting communication

Leaders should arrange special report meetings for shareholders, and carry out regular and irregular scheduled opinion exchange discussion meetings with team members. They should also hold frequent meetings with middle management and some targeted staff meetings to convince shareholders and the majority of employees, helping them understand the reality of enterprise development.

② Face-to-face communication

For those subordinates and staff who oppose and resist the transformation, because of their strong mood of resistance, and thus, the leader can use a separate face to face communication.

③ Media communication

Internal publications and intranet sites: A number of thematic sections should be opened up in the enterprise's internal publications. At the same time, add some external information feedback conditions to the internal publications and intranet sites, so that every employee can get more outside feedback.

Enterprise radio and television station: radio and television station within the enterprise are also effective means to promote the transformation strategy. It can use radio and television to broadcast difficulties facing the enterprise, as well as enterprise transformation programs, corporate goals to be achieved, staff's good ideas and so on in a fixed time every day. Thus, staff's awareness of transformation can be continually strengthened from both auditory and visual sense.

④ For the purpose of fully enhancing the leadership and management skills of team members, establish appropriate courses and a training system according to the requirements of transformation goals. A planned intensive training can give team members necessary help to address the shortage of their skills.

3.2 The mode of "four in one" communication at reconstruction and internalization stage

The reconstruction and internalization stage is a key stage of transformation. It is the stage of strategy implementation and new stage formation. In this stage, there are crisis and challenges everywhere and it would need up to the shareholders, the new leadership team and down to staffs to fully participate in communication. All members need to actively involve themselves in the communication process and implement the transformation strategy step by step. Only by acting like this can the enterprise realize its phased transformation goals. Only by establishing such a four in one communication mode (depicted in Figure2)in which shareholders, business leadership team, function institutions and enterprise employees are involved with a scientific division, mutual cooperation can the enterprise ensure smooth channels and the smooth implementation of transformation strategies.

3.2.1 Characteristics of the mode of "four in one" communication

(1) Leadership team is at the axis position. It has support and understanding from the upward shareholders while embracing assistance and support from the lower managers, as well as trust and cooperation of employees.

(2) Function institution should play a transmit role in the implementation process of strategic plans. It should keep giving feedbacks to the leadership team about newly observed problems. Different departments ought to coordinate and discuss to generate a solution. And the function institution also should go deep into the production line and inform each employee of the transformation plans and objectives to help staff successfully complete the plan.

(3) Every employee is proposed to participate in the implementation process of transformation strategies. That fully reflects the principles of humanistic management.

3.2.2 Applications of the mode of "four in one" communication

(1) Creating a communication atmosphere

Help employees get rid of their fear at the first stage and create a working environment in which everyone wants to say and really dare say. To put it short, that is to construct a cultural atmosphere full of trust.

(2) Choosing communication channels and networks

Make integrated use of two-way and multi-way communication like top-down, bottom-up, parallel and inclined communications. To some extent, encourage inter-departmental communication and bottom-up skip-level communication to reflect problems.

In order to ensure the accuracy of decision-making and improve the problem-solving speed of the leadership team, round-based networks and network-wide access type should be combined. This on the one hand let all members of the enterprise participate in the communication process, and on the other hand, guarantee a comparative high degree of centralization.

(3) Specific communication methods

① Meeting communication

Except for normal working arrangement meetings, other meetings mainly aim at communication and coordination. As there will be a lot of unexpected events in the transformation process, many information needs regular communication and coordination. Therefore, this stage calls for more forms of informal, short meetings - brief meeting, the process of which is shown in Figure 3:
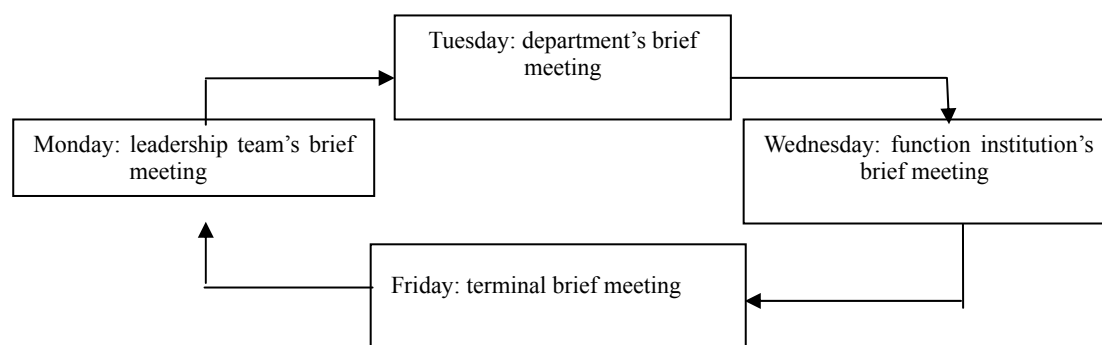
```
                    ┌──────────────────────────┐
                    │  Tuesday: department's   │
                    │      brief meeting       │
                    └──────────────────────────┘
                         ↑                    │
                         │                    ↓
┌──────────────────────────┐          ┌──────────────────────────┐
│ Monday: leadership team's│          │ Wednesday: function      │
│        brief meeting     │          │ institution's brief      │
│                          │          │        meeting           │
└──────────────────────────┘          └──────────────────────────┘
         ↑                                       │
         │       ┌──────────────────────────┐    │
         └───────│ Friday: terminal brief   │←───┘
                 │        meeting           │
                 └──────────────────────────┘
```

Figure 3   The Process of Brief Meetings

② Face-to-face communication

To help employees improve their job performance, it is necessary to know your staff and obtain first-hand information on their work. The leader must fit into employees, get informed and individualized instruction.

③ Media communication

Electronic media: Business leaders and employees can communicate via email. Employees can also skip levels to ask leaders for advice or reflect problems. Enterprises can also create their own new world of corporate culture via intranet.

CEO website: Enterprises can build their own CEO website, publishing the president's speeches and working plans, etc. The president is also likely to answer staff's questions on line.

Corporate media and cultural activities: At this stage, it is better to make full use of internal publications, radio or TV station to promote communication between employees and enterprise. Enterprises can also organize various cultural activities.

Suggestion Box: Decision-making team can understand staffs' ideas by setting the suggestion box. Adequate attention should be given to staffs' comments or suggestions. No matter whether or not they are used, response should be made in time.

④ Special relevant training

At the reconstruction and internalization stage, it is a must to add some training in a variety of specific topics to enhance the skills of employees and help them improve their working abilities.

⑤ Other communication methods

Letters and visits reception day: Decision-making team should increase the amount of time of letters and visits reception days at this stage to listen more voices from employees.

Bulletin board and visual plate: Announce related progress, achievements and problems of the transformation in the bulletin board and give compliments to those staffs that have made great progress. Front-line staffs face the visual board every day in the workshop. Therefore, mark every day's objective in the visual board to give employees a clear day, forcing them to finish everything they should on that day.

3.3 The mode of three-dimensional communication at integration and freezing stage

To ensure that the results can be solidified within the organization system to make it persistent and stable, the mode of three-dimensional communication should be established at this stage. It is composed of the leadership team, middle managers of the function institution and corporate staff. The three parts cooperate with each other. The leadership team is responsible for supervision, and middle managers are

responsible for implementation and evaluation. Staffs have to seriously practice and put the new system as well as process into effect in daily work. Through this mode of communication, the enterprise can build the culture of system implementation.

3.1.1 Characteristics of the mode of three-dimensional communication

(1) The leadership team and administrative managers of function institutions should firstly improve requirements of themselves. They must conform to the new disciplines and demands and become models for employees by practicing themselves.

(2) The middle managers of function institutions ought to constantly inspect and supervise staff's work under the new system specifications and continuously improve the evaluation and incentive mechanism.

3.3.2 Applications of the mode of three-dimensional communication

(1) Creating a communication atmosphere

Enterprises should create an advantageous business environment and atmosphere to achieve new goals. Through creating a culture of executive power, change the behaviors of corporate staff, enabling them to put the company's strategy, goals and plans into implement effectively in their respective posts and daily work. It is proposed to form a harmonious cultural atmosphere which is customer-oriented, performance-oriented, learning innovation, weighing teamwork, pursuing development, seeking breakthroughs and maintaining the pursuit of excellence.

(2) Choosing communication channels and networks

As to the choice of communication channels, the enterprise should focus on the top-down communication. When it comes to communication networks, the enterprise should mainly adopt the vertical Y-type communication network, thus increasing the degree of centralization on decision-making.

(3) Specific communication methods

① System Handbook. Compile the enterprise's new systems and processes in a handbook and each employee has a copy. So employees can constantly learn it at any time, anywhere.

② Leader as an example. Company leaders and managers should be the inventors, advocates and practitioners of business execution culture. In practice, the company leaders and managers should set an example: conscientiously strengthen the awareness of implementation and improve their executive power of system so as to serve as a model for employees.

③ Scenario intervention. The concept of system executive power culture has some material expressions, such as slogans, logos and activities. Within the space and time region that staffs are working and living, it is suggested to set all kinds of signs, organize thematic activities, thus making employees continually influenced by the culture of execution power.

④ Enhance learning and training to improve staff's knowledge, skills and qualities, and include learning and training in staff's career development plans.

4 Conclusion

Faced with the fierce market competition, enterprises must implement transformation strategy attain sustainable development. In the process of transformation, whether or not communications between members are successful is a key factor to a successful business transformation. Only by applying the appropriate communication modes and methods, can it be possible to receive understanding and support from organization members and ultimately obtain the success of transformation.

References

[1] Cheng Yanxia. Management Communication[M]. Wuhan: Wuhan University of Technology Press, 2005.196- 237 (In Chinese)

[2] Cui Jiaying. Management Communication of Organization[M]. Beijing: China Development Press, 2007:46- 79 (In Chinese)

[3] Xiao Zhennan. Trial on the Construction of Internal Communication Mechanism of Modern Enterprise[J]. Enterprise Development, 2007 (3): 52- 53 (In Chinese)

[4] Richard • Luc. Change and Transformation in Management[M]. Beijing. China Machine Press, 2005:37- 61

[5] Dong Yufang, Da Wei. Management Communication Problems and Countermeasures for Chinese Enterprises[J]. Economic Issues, 2005 (3) (In Chinese)

[6] Wang Jifa, Qin xiaming, Li Hanling. Research on Enterprise Transformation Paradigm Based on Competitive Advantage[J]. Enterprise Economy, 2006 (1): 19- 33 (In Chinese)