

## Communication Networks

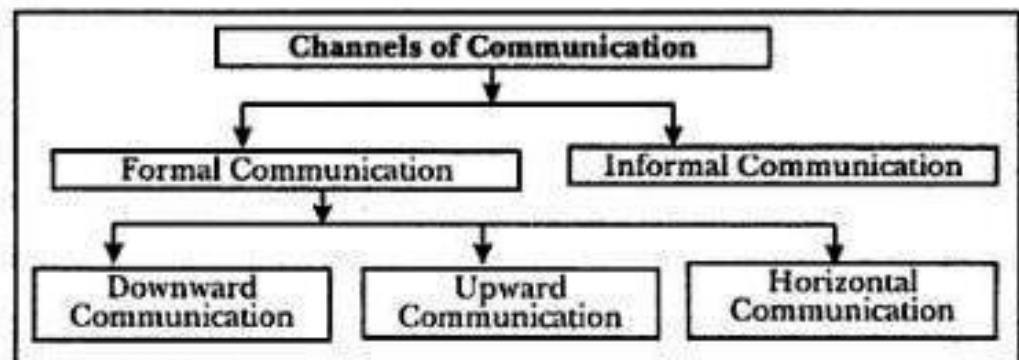
### ■ 1. Introduction

A corporate organisation is a little society. Communication is the bond holding that society together, enabling it to function. Through the process of communication, the members of the corporate organisation exchange messages using a common system of symbols, that result at least to some degree, in sharing the meaning of the message among themselves. Thus, communication has two important functions in a corporate organisation: (i) It enables people to exchange necessary information, and (ii) It helps to set members of the organisation apart from non-members.

Most organisations depend heavily on communication to accomplish their objectives. The approach to communication varies from one organisation to another depending upon their different requirements and characteristics. In a small business with only five or six employees, much information can be exchanged casually and directly. However in a giant organisation with hundreds or thousands of employees scattered around the world, transmitting the right information to right people at the right time is a real challenge. It requires a formal channel of communication. Thus, there are two types of channel of communication:

(1) **Formal channel of communication:** Formal channel of communication can be upward, downward or horizontal in direction.

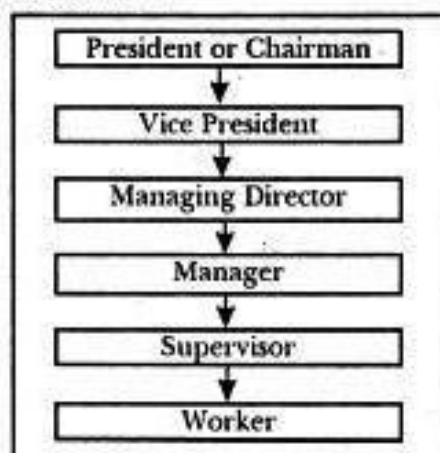
(2) **Informal channel of communication.**



## ■ 2. Formal Communication

**Formal communication is that communication which flows along a prescribed network.** The members of an organisation desirous of communicating with one another follow the formal communication network. In formal communication network, organisational hierarchical system is followed wherein every employee has a predefined position and status. For instance, a shop floor worker cannot speak directly to the managing director. He will speak to his supervisor, who in turn will talk to the manager (production) and the manager (production) will communicate to managing director. The level in hierarchical system increases or decreases depending on the nature and size of the organisation. A large organisation will have more number of hierarchical levels while a small organisation will have less number of hierarchical levels.

In every organisation there is a formal communication channel based on clearly defined rights, duties and responsibilities. Different levels and stages through which communication passes in an organisation is called communication channel. This channel is formed by the rules of the company. Knowledge of the nature and flow of formal communication can be had from the structural pattern of business organisation. This golden formula of communication can be expressed by the clause "Through Proper Channel".



### Definition

- (1) In the words of **Thill and Bovee**, "Formal communication is that flow of information which follows an official chain of command."
- (2) "Formal communication is a way of communication which passes through a formal and definite network."

### Characteristics

- (1) **Written and Oral:** Formal communication network may be both written and oral. Top level management normally communicates in the written form like memos, reports, notices, etc. While lower level of management adopts oral form of communication.
- (2) **Formal Relations:** In formal communication, there exists an official relationship among the sender and the receiver.
- (3) **Prescribed Path:** The total communication follows a prescribed path and any type of deviation from this path is not allowed. For example, if a shop floor worker wants to communicate something to the general manager (production), the path for the same may be as follows:  
Worker → Supervisor → Manager → General Manager.
- (4) **Organisational Message:** This network is concerned with the authorised organisational message only personal messages are out of its jurisdiction.
- (5) **Vertical Communication:** Formal communication is mainly vertical. Vertical communication refers to that communication wherein flow is from superior officer to the subordinates and vice versa.
- (6) **Definite and Direct:** Formal message is definite and direct. It flows through the specific channels as per the rules of the corporation.

### Advantages

Formal communication has the following advantages:

- (1) **Maintenance of Authority of Executives:** Formal communication helps in maintaining the authority of line executives over their subordinates. The line executives are responsible for getting work done through their subordinates. If a formal communication system is efficient, the responsibilities of subordinates can be fixed easily.
- (2) **Clear and Effective Communication:** In formal communication system, the process of communication is well defined. There is no ambiguity in this regard. This well defined system helps in carrying out clear and effective communication within the organisation. This helps in reducing the possibility of distortion of communication to the minimal.
- (3) **Orderly Flow of Information:** Under formal communication system, there is an orderly flow of information according to the rules of the companies.
- (4) **Wider Scope:** Formal communication is wide in scope. Branches and centres established in different departments can be easily contacted through it.

**(5) Filtering of Communication:** Another advantage of formal communication is constant filtering of the messages. Objectionable matter, if any, is deleted by different authorities. Thus, communication becomes clear and understandable.

### **Limitations**

**(1) Increased Workload:** It increases the workload of the line executives because all communications are transmitted through them. Thus, it consumes much of the time of the superiors and they are left with little time to perform other organisational functions well.

**(2) Possibility of Leakage and Distortion of Communication:** There is a long line of superiors in formal communication network and this increases the possibility of leakage and distortion of communication.

**(3) Dilution of Accuracy of Message:** In formal communication there is a chance that accuracy of information may be diluted. It is because of the chances of filtering of the information at a large hierarchical level of communication network.

**(4) Overlooking by the Officers:** There are more chances of red-tapism and delay tactics in this method because executives generally overlook the interest of the subordinates. Any information upward or downward favouring subordinates is more often suppressed or delayed by the superiors.

## **■ 2.1 Downward Communication**

**Downward communication is a network of communication where flow of information is from top to bottom. For instance, when a manager transmits information to a subordinate, communication is flowing downward.** The message might take the form of a casual conversation or a formal interview between a supervisor and an individual employee; or it might be discussed with a group through a meeting, workshop, or video tape. On other occasions, the message might be a written memo, a training manual, newsletter or bulletin board.

### **Merits**

**(1) Explanation of Policies and Procedures to the Subordinates:** Downward communication helps in explaining policies and procedures to the members of the organisation. The superiors perform this job with letters, circulars, house journals, manuals, memorandums, etc.

**(2) Control:** Downward communication helps in controlling the activities of subordinates. Subordinates are informed by their superiors at regular intervals about the former's performance. If there is any shortcoming in

their performance, subordinates can be asked to improve their performance.

**(3) Planning:** Downward communication helps subordinates to understand about their duties. Accordingly, they can plan their activities. Downward communication also puts a check on the unreasonable demands of the superiors.

### Limitations

**(1) Loss of Information:** The information in downward communication passes through various levels. It is interpreted and reinterpreted at each level. In the process, the message does not reach the bottom level in its proper way and there is loss of information.

**(2) Delay:** The lines of communication are very long in downward communication. Thus, transmitting messages to the workers at the bottom of the hierarchical level is a time consuming process.

**(3) Lack of Participation:** Downward communication means lack of participation. It does not allow subordinates to contribute to the communication. They are required to follow what they have been told by their superiors.

**(4) Distortion:** Under downward communication, there are many channels of communication. At every level, it is considered. Consequently, it is distorted and by the time it reaches the receiver, it undergoes considerable change.

**(5) Lack of Feedback:** It lacks feedback. Senior officers never come to know of the reaction of the subordinate employees.

## ■ 2.2 Upward Communication

**Upward communication is a network of communication where flow of information is from bottom to top.** In this communication network, information is sought by top management from lower levels of management.

From the organisation's standpoint, upward communication is just as vital as downward communication. To solve problems and make rational decisions, management must learn what is going on in the organisation. Because they cannot be everywhere at once, executives depend on lower-level employees to furnish them with accurate and timely reports.

### Merits

**(1) Feedback:** Upward communication provides the top management with necessary feedback. The top management is able to understand whether the directives issued by it to the lower level workers have been

clearly understood and followed. It also gets a feedback on what the employees think of the policies and procedures formed and issued by the top management.

(2) **Constructive Suggestion:** The lower level employees know the working conditions of the organisation more closely. In this regard, they can give very constructive suggestions to the top management on how to improve production process, how to avoid material wastage, etc.

(3) **Greater Harmony and Cohesion:** Upward communication develops confidence among subordinates that they can convey their feelings, grievances, complaints, suggestions, opinions, etc. to the top management. This makes the organisational atmosphere more congenial and creates greater harmony and cohesion between the management and the employees.

(4) **Release of Tension:** Under upward communication, subordinate employees succeed in forwarding their grievances to superior officers. When the managers listen to their grievances sympathetically and seek solutions of the same, then the employees are relieved of their tension and feel satisfied. As a consequence, they work hard and efficiently.

(5) **Change:** When employees communicate freely with their superior officers, they do not oppose new ideas. They adopt positive attitude. They not only accept new plans but also endeavour to make them successful.

### Limitations

(1) **Possibility of Distorted Message:** In the upward communication the information is sought by top management from lower level management. The lower level management, for its own benefit may furnish wrong or distorted message to top management.

(2) **Proper Channel of Communication is not followed:** In upward communication, managers seek information from lower level employees. In the process, managers may leave one or two hierarchical levels thus not following the proper channel of communication system.

(3) **Lack of Free Expression:** Often subordinate employees hesitate to converse freely with their superior officers.

## ■ 2.3 Horizontal Communication

In addition to transmitting messages up and down the organisation, the formal communication network also carries messages horizontally from one department to another. For example, the marketing director might write a memo to the production director, outlining sales forecasts for the coming period.

The amount of horizontal communication that occurs through formal channels depends on the degree of interdependence among departments. If the business requires coordinated action by its organizational units, horizontal communication may be frequent and intense. But if each department operates independently, official horizontal communication is minimal.

### **Merits**

- (1) **Co-ordination:** Horizontal communication helps in coordinating business activities in an organisation. Two managers at the same level may communicate with each other to ensure the success of business activities.
- (2) **Faster Communication:** Due to the absence of superior-subordinate relationship, communication flows faster in horizontal communication network. The existence of equal level of hierarchy makes the whole communication process smoother and faster.

### **Limitations**

- (1) **Difference in Approach:** In horizontal communication, every member involved may have different approaches. They advocate things on the basis of their own thinking. This affects the productivity and efficiency of the organisation adversely.
- (2) **Lack of Motivation:** Due to the absence of superior-subordinate relationship, there is no authoritative figure to control and operate the communication system. This causes lack of motivation among employees and they communicate only when they wish to.
- (3) **Presence of Physical Barriers:** In horizontal communication, physical barriers like noise are always present. Communication being at the same level, these barriers are very difficult to remove and thus distortion of the message is possible.