

Anna Rogala, MBA

Poznan University of Economics, Department of Marketing Strategies

Al. Niepodleglosci 10

61-875 Poznan

Poland

+48 61 854 37 76

anna.rogala@ue.poznan.pl

The influence of internal communication on different aspects of company functioning.

Abstract

Internal communication plays a vital part in the functioning of every organisation. Nevertheless, many managers consciously focus on external communication strategy building, forgetting about having customers not only outside, but also inside the company. Well-informed, satisfied and appreciated employees very often become the most reliable source of information about the enterprise and its products. Apparently, a substantial role in the process of recruiting workers as advocates of the company, is played by the effective internal communication. It is justified to claim that moulding positive connotations amidst external customers without creating a good image inside the organization is a very difficult task.

The main purpose of these reflections is to analyze tasks of internal communication and its impact on different aspects of company functioning. Special attention is to be given to issues concerned with corporate image building, internal brand and manager-employee communication.

Key Words:

internal communication, corporate image, manager-employee communication, internal branding, employer branding

Introduction and Objectives

Undoubtedly, communication constitutes an integral element of every organization functioning. The majority of enterprises take care of communication directed to external groups of auditors such as customers or suppliers, at the same time attaching little significance to the communication with employees. Meanwhile, not only does a good internal communication enable the realization of company's strategy and the acceptance of management decisions, but it is also a very important element of motivation for personnel. Moreover, it is frequently a key success factor of holistic communication organization activities nowadays.

The main objective of the following paper is the analysis of internal communication tasks, while focusing on its impact on various aspects of company performance. Moreover, particular attention is to be given to the problems of corporate image building, internal brand and manager-employee communication. The author aims at systematizing knowledge about the roles and tasks of internal communication, with highlighting crucial areas of its influence. The paper is based on critical analysis of subject literature, taking into consideration publications related to the practical dimension of the problem.

Process of internal communication

Literature concerning the meaning of internal communication is not wide. Most authors focus on its particular influence areas, e.g. internal public relations (e.g. Rozwadowska, 2002), stakeholder public relations (e.g. Theaker, 2004) internal marketing (e.g. Olsztyńska, 2005; Dunmore, 2002; Ahmed & Rafiq, 2002), human resources marketing (e.g. Baruk, 2006) or organization communication management (e.g. Jablin & Putnam, 2002; Manning, 1992). There are a few publications regarding internal communication as relevant, individual process and not only as an instrument of different processes happening in a company. Particularly, issues related to management role in this aspect are marginally treated. Amidst publications about internal communication, there are those which describe it as a complex process with numerous areas of impact (e.g. Bartoli, 1994; Clutterbuck et al., 2003; Lesca & Lesca, 1995; Quirkie, 2008; Scholes, 1997; Smith & Mounter, 2008; Wright, 2009).

Towards understanding the peculiarity of communication in organization, it is indispensable to clarify the concept of internal communication, to separate its roles and goals, and to define its channels and instruments. Internal communication is a process of transferring information, which aims at raising understanding amongst personnel for all decisions taken by managers in the area of company management and building loyalty and identification with corporation (Olsztyńska, 2002, p. 167). According to Eileen Scholes (Scholes, 1997, p. xviii) it is 'the professional management of interactions between all those with an interest – or a 'stake' in a particular organization'. In the opinion of Michael Dunmore (Dunmore, 2002, pp. 133-134), internal communication supports the 'living' of organization's strategy, values and personality, having a significant part to play in creating competitive advantage. Therefore, it cannot be identified only with sending e-mails or holding briefings – culture, leadership and behaviour should be taken into consideration as well.

Efficient communication is always a two-way process, connected both with sending a message and receiving it. This process should take place between all members of the organization. Owing to communication, employees recognize the mission and goals of the company, it also contributes to moulding its unique culture. If internal communication is managed appropriately, it has a positive impact on efficiency of the whole organization (Szymańska, 2004, p. 266). Therefore, communication programs should be carefully planned as an answer for employees information needs, facilitating information flow between an employee and a manager.

One of the crucial aims of communication is creating work atmosphere which enables:

- developing strong organizational culture founded on commonly accepted values,
- facilitating work process,
- establishing work conditions that stimulate the growth of employees' effectiveness and creativity,
- optimizing the use of knowledge available in the organization (knowledge management),
- directing managers towards personnel needs,
- improving communication and relationships between supervisor and employees plus between colleagues,
- increasing personnel's motivation and commitment by delivering credible, authentic and comprehensible information,
- preparing employees for incoming changes in order to gain their acceptance and diminish resistance connected with implementing them (Olsztyńska, 2002, pp. 168-169; Dunmore, 2002, p. 134).

To sum up, the goals of employee communication are to 'identify, establish and maintain mutually beneficial relationships between the organization and the employees on whom its success or failure depends' (Theaker, 2001, p. 165). According to William Quirke (1995, pp. 71, 75) 'the flow of ideas, information and knowledge around the organization [is] crucial to success. The role of communication as the process by which this flow is achieved, is central to the management of the organization. Employees should have their energy pointed in the same direction as top management does. Moreover, they should know goals and ambitions of the company and be aware of their own contribution to the organization success. Therefore, the objectives of communication should be well-defined, known by all employees and compatible with strategic organization goals.

Executives responsible for internal communication have a range of information management methods and instruments at their disposal. Its composition depends inter alia on: the peculiarity of the company, its size, financial means, market on which the organization operates and the direction of information flow. In discussions about internal communication, it is very frequently identified only with downwards and upwards communication (i.e. supervisor-employee communication). Meanwhile, the horizontal and diagonal communication should not be underestimated (Rozwadowska, 2002, p. 120). Communication operates in many ways within a company, it flows downwards from management to workers, upwards from workers to management and between groups and individuals (Theaker, 2001, p. 165).

Face-to-face conversation is the best and the most effective internal communication instrument. It does not demand financial resources, nonetheless it is not being used frequently. The main cause of this situation is that managers constantly work under time-pressure and they do not want to spend too much of it on talking with employees. Moreover, in majority they are not great supporters of this communication tool or the company is simply too large so they can use face-to-face talk appropriately. In connection with the above, the usage of other formal communication instruments is inevitable. Managers and their subordinates have at their disposal:

- informative face-to-face conversations during systematic, frequent employees meetings,
- board consulting hours,
- information boards,
- in-house journals,
- Intranet,
- printed materials,
- annual reports about company performance,
- suggestions boxes,
- professional, cultural or sport courses,
- cultural, sport or entertainment events,
- instruments promoting creating good atmosphere in the workplace e.g. celebrating fetes, social benefits (Rozwadowska, 2002, pp. 124-130).

Communication tools must be adequate to the information given which in turn should be authentic, well-balanced and comprehensible (Bsoul, 2003, p. 442).

Every internal communication program has three essential areas of interest:

- hierarchical communication – a key role in the communication process is played by chief executive officers, vice presidents, directors, managers, and frontline supervisors;
- mass media communication – newsletters, e-mails, videos, blogs, and other vehicles reach broad employees audiences;
- the informal networks of invisible communicators that exist in every organization (Withworth, 2006, p. 205).

All areas should be taken into consideration while preparing frames for an internal communication program in the organization, with special attention given to the last one. A coordinated internal communication program helps developing a culture of communication that a company will benefit, especially, during informing about the major change within the organization. If all information is given from trusted internal media on every-day basis, employees will look to the same media during times of change. Thereby, these media will become most valuable news' sources while preparing and nurturing employees through major change initiatives and times of incertitude (Gillis, 2006, p. 259). Moreover, research indicates that there is a direct connection between employees' job satisfaction and the amount of communication they receive from their employer. Job satisfaction is higher if he/she receives regular and trusted communication from the company about his/her contribution to corporate performance (ibidem).

There is a necessity of differentiating between formal and informal channels of communication in the company. In formal communication, information is transferred through the ways established by organizational procedures (those procedures can be the result of commonly accepted practices and corporate culture, not obligatory described in company's documentary) (Olsztyńska, 2002, p. 171). Apart from formal communication, informal communication can be observed in every organization. According to the employees, frequently, this is the most reliable channel of information flow. Taking into consideration companies with strong corporate culture based on open two-way communication and trust, informal communication influences personnel positively and increases its creativity. On the other hand, if there is unclear information flow or wrong atmosphere in the organization, informal communication can intensify bad relations between departments, employees and their supervisors which decreases work efficiency. A lot of company news spread naturally through the networks of employees e.g. people who regularly eat lunch together or smokers

from different departments who meet around ashtray. They all discuss the information they have been given and frequently find inconsistencies. Building these networks does not cost anything, at the same time they are efficient, quick, and highly credible (Withworth, 2006, p. 211).

There are following instruments of informal communication:

- rumours and gossips that cannot be controlled by managers but make one of the most reliable channels of information;
- unofficial after-work meetings which promote honest expression of opinions and integration between employees and managers;
- supporting workers initiatives concerning local community life, charity, sport, culture or education;
- workgroups;
- Management by Walking Around (MBWA)¹ – visiting employees at the workplace by manager to enhance open discussion about their work problems and to encourage them to share their opinions about company performance (Olsztyńska, 2002, pp. 174-175).

Vital part among instruments mentioned above is played by rumours and gossips that show as a reaction to situations which are interesting, important or distressing for employees. There is no chance to avoid or eliminate gossips from organizational life, therefore internal communication specialists should attempt to constrict its role by creating good communication network. The employees will not search information in informal conversation if they have open access to all information needed. Management by Walking Around which is a very important instrument of informal communication will be described in a section **‘Manager –employee communication’**.

Efficient organization communication system is the basis of effective company functioning. By enabling free information flow and ensuring order in relations between all organization members, it facilitates internal problems solving. Internal communication includes both, interpersonal and team communication (Szymańska, 2004, p. 29). Coherence of communicating is obligatory to value as an information, and up-to-date informing is the main task of communication process. The employees should know not only where the company is going, but also what are the requirements and expectations about their work and how they

¹ Which is also known as Management By Wandering Around

contribute to meet organization plans. The key to communication success is informing about how the job is done, how people fulfil their duties and what the current company position on a way to achieve its goals is. Information creates favourable work atmosphere, raises discipline in organization and increases effectiveness (Majewska-Opiełka, 1998, p. 190).

Relation between business strategy and internal communication

Many employees encounter a sense of disappointment with the organization they work for. People become uncommitted in fulfilling their duties. Poor managers and a lack of leadership are two major reasons to blame for this situation. While working in constantly changing environment, there is an essential need to build solid business strategies understood, accepted and implemented by employees. It is worth remembering that personnel want to feel a part of the process and understand their role and benefit from playing it. People who understand the vision of the organization and how they fit into it are in general more motivated to do their part, which influences implementing business strategies (Baron, 2006, pp. 93-94). Employers should always translate the strategy into action to enable employees understand their role. Unfortunately, in many organizations leaders communicate in the way which is opposite to employees' needs, they start by sharing the big picture and not by telling what will change for the employees who want to know e.g. whether they keep their job (Figure 1). After understanding what is in for them, they would like to be informed about the role they can play in the strategy. In the end, they are ready to find out more about the 'big picture'. Therefore, there should be better coherence between how employees want to receive information and how leaders deliver it. Personnel ought to get information needed to fulfil their duties effectively. Senior management should perceive communicators as enablers of business strategy – they facilitate sharing information so people can act on it (Baron, 2006, p. 94).

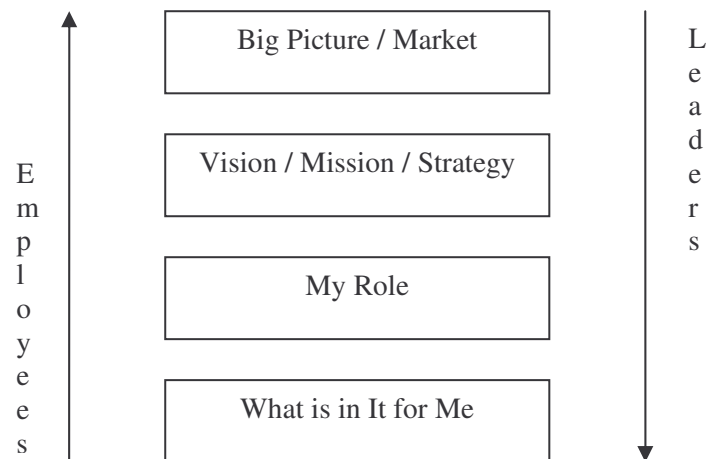


Figure 1. Better Alignment Is Needed Between Employees' Communication and Management, Baron, 2006, p. 94

The usage of internal communication channels is different, depending on the sort of information. Formal communication is usually used for official announcements, major policies, processes, reporting, and high-level communication from senior executives. It contributes to creating awareness, moreover, it can build understanding if it is effective. Informal communication plays a significant role in building commitment and helping employees translate the strategy to their duties. Face-to-face informal communication between a manager and an employee is frequently practiced. If sufficient efforts and resources are allocated for assuring that personnel manage to translate the strategy to their roles, the organization will have committed workforce who know how to execute the plan (Baron, 2006, p. 100). It is worth mentioning that employees get their communication from how the company operates as well, e.g. what is accepted, what is noticed, who was hired and who was laid off.

Communicating a business strategy to the workforce cannot be massive, contrary, it should be targeted and segmented. Appropriate communication plan always considers the way personnel prefer to be informed. Moreover, specific channels and instruments should be used,

while the information given ought to be comprehensible, consistent and relevant to an employee's situation (Baron, 2006, p. 102).

Manager – employee communication

There is a strong relationship between managers' behaviour, employees' feelings about the organization, and the organization's performance. Personnel who are convinced that the organization treats them well are more prone to give a better service to the client – in consequence, the client will probably spend more and return to the company's offer (Scarlett, 2006, p. 216). Internal communication has its role to play in this area of company's interest as well, while two of its principal goals are establishing work conditions that stimulate the growth of employees' effectiveness and increasing personnel's motivation and commitment.

All workers have their specific information needs and it is also a manager's job to meet them. Management has a significant contribution to creating positive atmosphere in the organization, as long as it understands three things:

- the importance of relationships and their impact on the workplace climate, the commitment of employees and business performance,
- what builds a strong working relationship;
- how to care for working relationships.

First of all, managers must be able to build good, solid and constructive working relationships. Secondly, they need to have the ability of engaging employees in company's activities and strategies. Managers should discuss with personnel and try to reach shared agreement to which workers will feel completely committed. What differs an excellent supervisor from an average one is that the first one recognizes that both sides of the relationship must feel they benefit. Therefore, a fine manager facilitates working together toward a common goal (Scarlett, 2006, pp. 217-218). Moreover, he or she understands main rules of good communication and is always compliant with them in his/her actions. Those rules are:

- to make the information meaningful to the employees;
- to listen – good managers know the importance of listening for their own benefit and for the benefit of the employee as well. Feeling that people are listened to make them feel appreciated and encouraged to share their ideas;

- to vary communication tone and style depending on the situation. Therefore, managers should think not only about what they want to say, but how they want their employees to feel and do. They should, and be able to, adapt their tone and style to suit the circumstance and the desired result (ibidem).

Employees are social beings and as such they want to be a part of a team or the company. Amongst other communication skills, good managers are able to make it happen. They are capable of translating strategies into clear information for the personnel, they can define goals and persuade people to achieve them. Research shows that the majority of workers expect that their immediate supervisors share important organizational information and put it in context. They should help in interpreting top-down messages and engage employees in dialogue about the importance of the information. Moreover, they need to ask members of their teams right questions to find out about the atmosphere in a group (Withworth, 2006, pp. 206-207).

All managers are employees at the same time so they are responsible for moving the information to their supervisors as well. Senior managers must know what is happening in the company, particularly where frontline people work with clients. The purpose of this two-way exchange is not simply to inform employees what their executives want them to do or report to executives what are clients' opinions. The crucial goal is to engage personnel and turn them into advocates for the organization (this aspect will be elaborated in an '**Corporate image building**' section). Managers and supervisors should create atmosphere that facilitates a dialogue moving organization to fulfilling goals set. Therefore, they ought to be skilled in all forms of interpersonal communication. The direct supervisor is the one for explaining changes to work assignments, setting individual goals, assessing individual performance, and establishing and delivering individual rewards (ibidem).

Employees expect from their employers and managers that their work will be not only valuable social experience, but also a chance for fulfilment. Favourable work atmosphere stands for: sense of justice, participation in profit sharing, consciousness of success and significance for the company and strengthening belief that employer takes care about the employees (Majewska-Opiełka, 1998, p. 182). There are numerous methods of building positive atmosphere at workplace, but they all have common goals – comfort of personnel and company benefit. It is justified to claim that organization not able to take care about its employees, will not be able to take care about its clients. The style of management and personality of manager are very important determinants of good atmosphere creation process.

Employees expect also their senior supervisors to share their ideas and vision for the company with the entire team. Personnel should know that their work is appreciated by senior leaders. Therefore, they expect an open, frank and trustworthy communication as well as visible, approachable, and conversational leaders (Withworth, 2006, p. 208).

Managers can communicate their expectations and requirements better during everyday, informal meetings with employees. It enables implementation of corporate philosophy and values on an informal basis as well as aids in building trust and devotion to the organization. Particular attention ought to be given to Management by Walking Around – the instrument of great significance for the managers. This tool was used for the first time by managers of Hewlett-Packard in 70s of XX century and popularized by Tom Peters in early 80s. MBWA became an important part of “The HP Way”, the open style of management pioneered by the HP founders – Bill Hewlett and Dave Packard. They encouraged managers of their company to get to know their workers, make themselves more visible and accessible. The idea boosted its popularity when Tom Peters and Robert Waterman wrote that all top managers from first-rate organizations believed in MBWA. In his second book ‘A Passion for Excellence’ Peters stated that MBWA was not only a basis of leadership, but also of excellence (Peters & Austin, 1995). Management by Walking Around requires manager’s personal involvement, listening ability and conviction that people want to contribute to the success of their company. MBWA allows to gain a new glance on different aspects of organization functioning, finding out interesting information, opinions and ideas. Consequently, it results in company performance improvement and services quality amelioration.

For top executives, MBWA is a chance to engage employees in talking about work-related topics and to get to know them as individuals. Moreover, it gives them the possibility to listen to personnel’s concerns and to share observations. The usage of MBWA should not be limited to the company’s chairman or chief executive officers, although it needs to start from them. All senior supervisors must take part in building the appropriate environment for communicating. They should ask questions and provide answers when asked (Withworth, 2006, p. 208).

There are two key parts of manager-employee communication: setting the context and having the discussions that result in understanding and action amidst workers. Even if there are very good communications media being used in the company, internal communication works well

only when employees have a manager they can talk to. Furthermore, personnel who have a good working relationship with their supervisor are more committed to the organization and more interested in its performance. This constitutes a crucial condition for creating working atmosphere and corporate culture that lead the company to the market success (Scarlett, 2006, p. 226).

Corporate image building

Developing corporate image is a long-lasting process which demands engaging significant input of work and financial resources. In the act of working for positive opinions amongst clients, organizations often forget about employees who are co-creators of company victory or failure. In the meantime, gaining their favour may become a crucial condition for the success of the whole process. The influence of: personnel's manners and behaviour, the way of receiving calls, negotiating or selling attitudes on corporate image building is unarguable.

Employees are the relevant channel of information flow from the inside to the outside of a company. They play a role of organization advocates in external surrounding, therefore, they should be well prepared to fulfil this duty. Workers are very often opinion leaders in different groups (e.g. family, sport team, local community) and as such, they can influence potential company's clients. People employed by the organization create its internal image. If it is positive, employees identify with a company eagerly, they are satisfied with their job and more effective. While contacting clients they are more convincing and have better results in selling products or services because they are certain about their uniqueness. Internal communication instruments should ensure efficient transfer of the information concerning all aspects of organization functioning to the employees (Rogala, 2010, p. 249).

Good internal communication influences positively corporate image creation process which is managed by workers outside the organization. Effective and clear information flow in a company ought to be based on two-way employer-employee communication and reliable and complete information. Owing to this, the mutual trust, faith in a success of commonly undertaken tasks and satisfaction from being a part of particular organization are being built. Personnel neglected by management will not fulfil their duties as the advocates of a company.

The majority of scientists and organizations give special attention to external communication which helps building corporate image and differentiating it on a market. Then again, the role of internal communication is frequently omitted, whilst the employees can be the most important receivers of company's effort in creating its image (Christensen & Askegaard, 2001, pp. 292 – 315). As mentioned before, personnel are the best source of information about the organization. They embody corporate brand, moreover, interactions between employees and external company's clients are the testimony of corporate values which are as important as traditional marketing communication. The employees who identify with organization's mission can contribute to building competitive advantage by their relations with buyers (Hardaker & Fill, 2005, pp. 365-376).

More and more frequently, companies compete against each other with the use of the declared values. Internal communication should make personnel aware of their role in organization and corporate goals. What is more, employees ought to pursue to achieving those goals with conviction. Companies giving special attention to information flow process can be proud of higher level of employees commitment (Thomson & Hecker, 2000) and better reputation (Dortok, 2006, pp. 322-338). It is necessary to stress again that transfer of messages in the company that wants to achieve success must be a two-way process. Managers should take care about compliance with basic corporate values and encourage personnel to share opinions about what is going on within the organization. Announcing company's mission with believing that employees will make it happen is insufficient. Moreover, it is worth remembering that lack of involvement in the organization's life is very often connected with lack of appropriate communication with managers (Liang, 2006, p. 4).

Internal communication is a substantial instrument in developing corporate image. The process of information flow in organization will not succeed if all messages sent to the inside are not coherent with those sent to the outside, and if internal and external clients are not treated equally. Employees contribute to creating corporate image in twofold. First of all, indirectly, because the company is assessed by its surrounding on the basis what and how it does. This message is a sum of abilities, efforts and work quality of the personnel. Secondly, directly, as clients opinions about organization are created by relations with its employees as well. It happens that good contact with company's representative is more important than the product or service it offers.

There are three main barriers hampering the creation of coherent and effective internal and external communication. They are related to: the structure of a company, managers attitude towards researches amongst workers and the process of information flow in the organization. Taking into consideration the structure of a company, communication and internal image were usually managed by human resources department. Meanwhile, external image was the occupation of marketing, sales or corporate communication department. All these departments co-operated very rarely, moreover, people working there differed in terms of experiences, attitudes and priorities. The second barrier is connected with the fact that organizations do not investigate its workers frequently. What is worst, when research is done and results are unsatisfactory, there is a tendency to keep them secret from managers. It can lead to negative discrepancy between internal and external communication, which is consequently harmful for corporate image as a whole. In many organizations information flow process and its instruments are highly imperfect. Companies are accused of not treating internal communication strategically – activities are not planned, instruments are not chosen adequately to achieving deliberated goals. Frequently, there are no departments or even an employee whose job is to coordinate information flow in the organization. Printing of information materials for workers is done by corporate communication department which not necessarily cares much about its contents. In many cases, editing statements for employees is treated as an unpleasant duty and is unfairly underestimated, contrary to preparing information sent to external clients (Williams, 1997, pp. 40-42).

Applying a few basic rules, companies may use good internal communication in order to create a positive image amidst both – clients and employees. Above all, a complete image should be managed. In practice, it amounts to looking after internal and external image and treating them as two elements of a wholeness. It is desirable that one department develops both images and is responsible for internal and external communication of the organization. Moreover, actions related to human resources management should be under special attention to know when and how to use it to create corporate image. Treating employees the same way as external clients is relevant. Their needs should be identified and satisfied if possible. Regular atmosphere and opinion research amidst employees allow to establish attitude towards an organization and to define whether personnel support or torpedo company's activities and goals to achieve (Williams, 1997, p. 42). At the same time, it should not be forgotten that not all trouble spots caught during this research can be fixed by internal

communication specialists. Sometimes problems demand the involvement of top management who disposes a complex view of the organization.

Complete corporate image is a compilation of its external and internal picture. Most often, managers prefer the opinions of clients to employees' organization perception. In the light of the above, this reasoning seems to be wrong, especially because the personnel constitute a significant communication channel between organization and the market, not only while fulfilling their duties but also by their non-professional contacts with surroundings. Taking into consideration widely understood interest of a company, equal treatment of internal and external clients and their communication needs is justified. This approach enables building coherent corporate image, influences moulding good company reputation and increases employees involvement in accomplishing organization's goals. Internal communication is still an underestimated but relevant instrument in all of the activities mentioned.

Internal branding

Creating a positive corporate image amongst employees is related to another important area of company's interest – internal branding, which is the process of building corporate brand inside the organization. It integrates activities from the fields of internal communication, personal marketing, internal marketing and brand management. Owing to them employees are aware which behaviors contribute to company success. Kai F. Mahnert and Ann M. Torres propose wider definition of internal branding which touches its three core elements: the reflection of brand values to consumers by committed employees, the realization of the brand promise communicated to the internal and external market, and the importance of multi-direction of its application at organizational levels. According to the authors internal branding is 'the concerted, inter-departmental and multi-directional internal communications effort carried out in order to create and maintain an internal brand. Internal branding attempts to achieve consistency with the external brand and encourages brand commitment and the propensity for brand championship amongst employees. To this end, internal branding is the reflection of the values and the realization of the promise of the brand internally and externally' (Mahnert & Torres, 2007, pp. 55-56). The main objective of internal branding is then to attain a competitive advantage not through business practices and policies that could be easily imitated but through the employees (Jacobs, 2003). Employee is, therefore, the most valuable asset of the organization and should be considered as an internal customer.

As mentioned before, an important role in internal branding building process is played by internal communication. It contributes by:

- delivering information about the key features of corporate brand;
- helping in understanding changes;
- building positive attitudes towards the organization;
- making people engaged into activities connected with corporate brand (Rostek, 2008, p. 30).

Many authors point out different factors of failure and success in internal branding. There are seven dimensions mentioned: organization, information, management, communication, strategy, staff and education. Kai F. Mahnert and Ann M. Torres listed all cited factors, grouped in seven dimensions (table 1.).

Dimension	Factor	Number of citations in the literature	Total amount of citations for the dimension
Organization	Structure	2	19
	Culture	9	
	Insular thinking and internal competition	8	
Information	Market research	16	30
	Measurement and feedback	13	
	Specific knowledge of brand direction	1	
Management	Jurisdiction	13	35
	Leadership support	12	
	Deeds communication	7	
	Brands teams	3	
Communication	Multi-directional communication	19	36
	Formality of message	2	
	Alignment of internal and external messages	9	
	Constancy and adaptation	5	
	Internal clutter	1	
Strategy	Alignment of business and brand objectives	6	12
	Budget	4	
	Timing	2	
Staff	Employee participation and support	13	40
	Recruitment	11	
	Remuneration	11	
	Segmentation	5	
Education	Legitimacy and acceptance	7	14
	Guidance	6	
	Mental models	1	

Table 1. Dimensions and Factors of Failure and Success in Internal Branding, (Mahnert & Torres, 2007, p. 56).

Communication is one out of three the most frequently mentioned dimensions influencing internal brand building, which general success depends on profound understanding of internal and external organization environment. Information should be available to all employees without overloading them with too much unnecessary details (Haynes et al., 1999, pp. 286-300). Moreover, internal and external communication must be coherent to avoid confusion (Yaniv & Farkas, 2005, pp. 447-461). Internal branding programs have to be aligned with the company strategy and appropriately introduced and explained to the personnel (Davis, 1996, pp. 14-18; Straughan & Cooper, 2002, pp. 253-265), only then the organization will succeed in achieving its goals (Ind, 2001; Mitchell, 2002, pp. 99-104; Turpin, 2003, pp. 1-4). Therefore, communication has its part to play in the process. Its effectiveness depends on the adaptation to internal and external changes, while simultaneously constantly reinforcing the flow of information in the company (Ind, 2001; Mortimer, 2002, pp. 20-22; Papasolomou-Doukakis, 2002, pp. 87-100).

Employer branding

The employer-employee relationship is one of the strategic areas of internal communication interest. It is about partnership based on a mutual trust, respect and dialogue. Employers expect their personnel to develop qualifications needed for profitable organization's performance and to demonstrate attitudes and behavioral competencies that are consistent with corporate culture. In return, companies offer challenging work, rewards for individual contribution and the possibility of personal development (Crozier, 2006, pp. 268-269). Organizations, as groups of social-beings, are about people who share common goals, therefore all employees should identify with the organization's vision and contribute to its realization. There are many factors that influence personnel's commitment and performance, but the management should always remember that employees differ one from the other and that one proposal may not suit all workers. Research has shown that organizations where the personnel are deeply engaged, have better return to shareholders in comparison to those where the level of commitment is lower. Employer branding enables building this engagement.

In the opinion of R. Alan Crozier, the conception of employer branding is about 'creating an identity and managing the image of a company or organization in its role as an employer' (Crozier, 2006, p. 271). The synergetic connection between the values, policies, behaviours and systems should be taken into consideration while pursuing its goals with the help of

employees. This process needs a holistic approach, that is the company must consider all its interactions with the personnel, ideally starting before the recruitment process and lasting after the end of employment. People expect interesting and important work, opportunity to develop and fair rewards for doing their best. Since an organization consists of many individuals who have different functions, duties and needs, the employer should recognize what is important for each member of the company's team. Only then can every single employee become an ambassador of the employer brand.

The power of the internal communication influence molding the employer brand may not be underestimated, since all its instruments are to drive desired behaviors, create positive atmosphere, build good employee-employer relationship and unite the personnel with the organization. As long as employer brand is being built systematically from the inside the organization on the basis of the reliable, coherent communication, it has a chance to turn into solid and significant one. The company is interested in attracting valuable employees, engaging them into organization's life, and using and retaining their talents in order to meet the external customers needs. Employer branding is about fulfilling those tasks.

Conclusion

In the light of the above, a role of internal communication in the organization functioning is vital and cannot be identified only with a simple transfer of messages, although, it constitutes one of its most important areas of activity. Internal communication which occupies professional management of interactions between all people having interest in a particular company, has a significant part to play in many aspects. First of all, it contributes to high performance and competitive advantage. Secondly, it helps build loyalty and identification with corporation and mould its unique culture. Appropriately given, information raises discipline in organization, creates work atmosphere that leads to increasing employees' effectiveness, motivation and creativity. If the organization disposes a coordinated internal communication program it will certainly help developing a culture of communication that the company will benefit especially during the time of changes or incertitude. Moreover, if suitable instruments of internal communication are used to translate the personnel the strategy to their roles, the organization will have a committed workforce who know how to execute the plan. Internal communication plays a vital part in a manager-employee relationship as well. Despite using good media, communication works well only when employees have a manager

they can talk to. Developing corporate image is also one of the areas of internal communication's impact. This influence is positive only if messages sent to the inside are aligned with those sent to the outside of the organization, and if internal and external customers are equally treated. As mentioned before, internal communication constitutes a factor of success or failure for both, internal and employer branding as well.

An efficient organization communication system is the basis of effective company functioning, unfortunately, it still stays undervalued. The following paper indicated the impact of internal communication on different aspects of company's performance, although, it does not cover the topic completely. The subject is worth exploring, therefore, the author's further research recommendations concern the factors of internal communication's effectiveness, its relation with the style of management and instruments designed to measure it. Another aspect worth investigating are determinants for appropriate use of MBWA instrument in competitive advantage building process.

References

- Ahmed P. K., Rafiq M., (2002), *Internal Marketing: Tools and Concepts for Customer-Focused Management*, Butterworth-Heinemann, Oxford
- Baron A., (2006), *Aligning Internal Employee Communication with Business Strategy* in Gillis T. L. (ed), (2006), *The IABC Handbook of Organizational Communication: a Guide to Internal Communication, Public Relations, Marketing and Leadership*, Jossey-Bass, San Francisco
- Bartoli A., (1994), *Communication et organisation. Pour une politique générale cohérente*, Les Éditions d'Organisation, Paris
- Baruk A., (2006), *Marketing personalny jako instrument kreowania wizerunku firmy*, Wyd. Difin, Warszawa
- Bsoul M., (2003), *Wewnętrzne public relations jako czynnik decydujący o rynkowym powodzeniu przedsiębiorstwa*, in Tworzydło D. (ed.) *Public relations – materiały z II Kongresu PR*, WSiIZ, Rzeszów
- Christensen L. T., Askegaard S., (2001), 'Corporate Identity and Corporate Image Revisited', *European Journal of Marketing*, nr 35 (3/4)
- Clutterbuck D., Hirst S., Cage S., (2003), *Talking Business: Making Communication Work*, Butterworth-Heinemann, Oxford

Crozier R. A., (2006), Internal Branding: Employer Branding in Gillis T. L. (ed), The IABC Handbook of Organizational Communication: a Guide to Internal Communication, Public Relations, Marketing and Leadership, Jossey-Bass, San Francisco

Davis, T.R.V., (1996), 'Developing an employee balanced scorecard: linking frontline performance to corporate objectives', in *Management Decision*, vol. 34, no. 4

Dortok A., (2006), A Managerial Look at the Interaction Between Internal Communication and Corporate Reputation, *Corporate Reputation Review*, no. 8 (4)

Dunmore M., (2002), Inside-out Marketing: How to Create an Internal Marketing Strategy, Kogan Page Limited, London

Gillis T. L., (2006), Internal Communication Media in Gillis T. L. (ed), The IABC Handbook of Organizational Communication: a Guide to Internal Communication, Public Relations, Marketing and Leadership, Jossey-Bass, San Francisco

Hardaker S., Fill C., (2005), 'Corporate Services Brands: The Intellectual and Emotional Engagement of Employees', *Corporate Reputation Review*, no. 7 (4)

Haynes A., Lackman C., Guskey A., (1999), 'Comprehensive brand presentation: ensuring consistent brand image', *Journal of Product and Brand Management*, vol. 8, no. 4

Ind N., (2001), Living the Brand: how to transform every member of your organization into a brand champion, Kogan Page, London

Jablin F. M., Putnam L. L. (eds), (2002), The New Handbook of Organizational Communication: Advances in Theory, Research, and Methods, Sage Publications Inc., London

Jacobs R., (2003), 'Turn employees into brand ambassadors', *Bank Marketing*, vol. 35, no. 3, April

Lesca E., Lesca H., (1995), Gestion de l'information. Qualité de l'information et performances de l'entreprise, Editions Litec, Paris

Liang D., (2006), 'Money Alone Can't Buy Happiness; Lack of Feedback Is Why Some Employees Are Unhappy', *Today*, 2 March

Mahnert K. F., Torres A. M., (2007), 'The Brand Inside: the Factors of Failure and Success in Internal Branding', *Irish Marketing Review*, vol. 19, no. 1/2

Majewska-Opiełka I., (1998), Umysł lidera: jak kierować ludźmi u progu XXI wieku, Medium, Warszawa

Manning P. K., (1992), Organizational Communication, Walter de Gruyter, New York

Mitchell C., (2002), 'Selling the brand inside', *Harvard Business Review*, vol. 80, no. 1, January

- Mortimer R., (2002), 'Stomach-churning strategies', *Brand Strategy*, vol. 158, April
- Olsztyńska A., (2002), Komunikacja wewnętrzna w przedsiębiorstwie, in Mruk H. (ed.) *Komunikowanie się w biznesie*, Wyd. AE, Poznań
- Olsztyńska A., (2005), Marketing wewnętrzny w przedsiębiorstwie: koncepcja i narzędzia wspomagające integrację działań wewnętrznych organizacji, Wyd. AE, Poznań
- Papazolomou-Doukakis I., (2002), 'Internal marketing: a meand for creating a sales or marketing orientation? The case of UK retail banks', *Journal of Marketing Communications*, vol. 8, no. 2, June
- Peters T., Austin N., (1985), *A Passion for Excellence: The Leadership Difference*, Collins, London
- Quirke B., (2008), *Making the Connections: Using Internal Communication to Turn Strategy Into Action*, Gower Publishing Limited, Hampshire
- Quirke W., (1995), Internal Communication, in N. Hart (ed.) *Strategic Public Relations*, Macmillan Business Press
- Rogala A., (2010), Rola komunikacji wewnętrznej w procesie kreowania wizerunku firmy in B. Pilarczyk, Z. Waśkowski (eds.) *Komunikacja rynkowa. Ewolucja, wyzwania, szanse*, Poznan University of Economics Publishing Mouse, Poznań
- Rostek R., (2008), 'Ambasadorowie organizacji', *Personel i Zarządzanie*, no. 11
- Rozwadowska B., (2002), *Public relations. Teoria, praktyka, perspektywy*, Studio Emka, Warszawa
- Scarlet H., (2006), Manager – Employee Communication in Gillis T. L. (ed), *The IABC Handbook of Organizational Communication: a Guide to Internal Communication, Public Relations, Marketing and Leadership*, Jossey-Bass, San Francisco 2006
- Scholes E. (ed.), (1997), *Gower Handbook of Internal Communication*, Gower Publishing Limited, Hampshire
- Smith L., Mounter P., (2008), *Effective Internal Communication*, Kogan Page Limited, London
- Straughan R. D., Cooper M. J., (2002), 'Managing internal markets: a conceptual framework adapted from SERVQUAL', *Marketing Review*, vol. 2, no. 3, Spring
- Szymańska A., (2004), *Public relations w systemie komunikacji marketingowej*, Unimex, Wrocław
- Theaker A., (2001), *The Public Relations Handbook*, Routledge, London and New York
- Thomson K., Hecker L.A., (2000), The Business Value of Buy-In, in *Internal Marketing: Directions for Management*, eds. R.J. Varey, B.R.Lewis, Routledge, London

Turpin D., (2003), 'Brand management: it's not only about products and services, it's also about people!', *IMD Perspectives for Managers*, vol. 105, no. 1, November

Williams J., (1997), Matching Internal and External Image, in Gower Handbook of Internal Communication, ed. E. Scholes, Gower Publishing Limited, Hampshire

Withworth B., (2006), Internal Communication in Gillis T. L. (ed), The IABC Handbook of Organizational Communication: a Guide to Internal Communication, Public Relations, Marketing and Leadership, Jossey-Bass, San Francisco

Wright M. (ed.), (2009), Gower Handbook of Internal Communication, Gower Publishing Limited, Surrey

Yaniv E., Farkas F., (2005), 'The impact of person-organization fit on the corporate brand perceptions of employees and of customers', *Journal of Change Management*, vol. 5, no. 4

Figures

Figure 1. Better Alignment Is Needed Between Employees' Communication and Management

Tables

Table 1. Dimensions and Factors of Failure and Success in Internal Branding