

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Management



DIPLOMA THESIS

The role of internal communication of business environment in a selected organisation.

Bc. Elena Shultceva

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DIPLOMA THESIS ASSIGNMENT

Bc. Elena Shultceva

European Agrarian Diplomacy

Thesis title

The role of internal communication of business environment in a selected organisation.

Objectives of thesis

The main goal is the creation of a mechanism for improving the state of internal communication, by carrying out an analysis of the internal communication system of a chosen specific business. Thus, the purpose is to find out how the company uses its internal communications, what tools it uses and how effective these tools are for achieving all the important goals of internal communication. The main task of literature research is utilisation of accessible sources, such as specialised publications, internet websites and technical papers and articles, as the basis of practical part of this thesis.

Methodology

In the process of writing the thesis the author resorted to various methods of research, such as: study and analysis of literature relevant to the topic of the theoretical section of the work, questioning, survey, observation, analysis of the organisation's work in the practical section.

After studying the theoretical material and information about the company and its elements, the author developed a campaign to improve the efficiency of intercorporate communications in the selected organization.

The expected effect of carrying out these internal actions, and actions within the framework of the campaign, is to improve the entire system of internal communications.

The proposed extent of the thesis

Approx 60 – 70 pages

Keywords

Management, communication process, business environment, types of communication, internal communication, corporate culture, communication skills, motivation, effective communication, intranet.

Recommended information sources

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The Diploma Thesis Supervisor

Ing. Richard Selby, Ph.D.

Supervising department

Department of Management

Electronic approval: 20. 2. 2019

prof. Ing. Ivana Tichá, Ph.D.

Head of department

Electronic approval: 20. 2. 2019

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 05. 03. 2019

Declaration

I declare that I have worked on my diploma thesis titled "The role of internal communication of business environment in a selected organisation" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on _____

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The role of internal communication of business environment in a selected organisation

Abstract

This topic begins with a theoretical part, which deals with the internal communication in the selected organisation. The main goal of this work is to evaluate and analyse the internal communication of the organization.

The theoretical part describes the nature of communication as such, its concept, types and basic functioning. Moreover, great attention is paid to internal communication, its goals and principles, forms and tools of internal communication, which the company uses to communicate with its employees.

The information obtained in the literature is used in the practical part. Selected organisation is presented as well as its setting of internal communications and the main tools used for this communication. Through the analysing of effectiveness company's functioning there will be set up the recommendations and proposal how to improve the communication process of the organisation.

The object of this course work is communication as the behavioural activity of subjects, and the subject is the skilful use of effective communications by managers to achieve the organization's goals.

Keywords: Management, communication process, business environment, types of communication, internal communication, corporate culture, communication skills, motivation, effective communication, intranet.

Úloha interní komunikace podnikatelského prostředí ve vybrané organizaci

Abstrakt

Toto téma začíná teoretickou částí, která se zabývá vnitřní komunikací ve vybrané organizaci. Hlavním cílem této práce je zhodnotit a analyzovat vnitřní komunikaci organizace.

Teoretická část popisuje komunikaci jako takovou, její koncepci, typy a základní fungování. Navíc se věnuje velká pozornost interní komunikaci, jejích cílů a zásad, forem a nástrojům vnitřní komunikace, které společnost používá pro komunikaci se svými zaměstnanci.

Informace získané v literatuře se používají v praktické části. Vybraná organizace je prezentována, stejně jako její nastavení vnitřní komunikace a hlavní nástroje používané pro tuto komunikaci. Prostřednictvím analýzy účinnosti fungování společnosti budou stanoveny doporučení a návrhy, jak zlepšit komunikační proces celé organizace.

Cílem předmětu je komunikace jako behaviorální činnost, zabývaným předmětem je využívání efektivní komunikace manažerů k dosažení cílů společnosti.

Klíčová slova: Řízení, komunikační proces, podnikatelské prostředí, typy komunikace, interní komunikace, firemní kultura, komunikační dovednosti, motivace, efektivní komunikace, intranet.

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Introduction

Admittedly, communications are of great importance for the success of enterprises and represent one of the most complex management problems. In essence, this is a kind of "circulatory system" of the company's single organism. Effective managers consider those who are effective in communications. Managers should perfectly master the art of communication, because, figuratively speaking, they do the work "by someone else's hands."

The role of communications is obvious both in small firms, and in powerful companies and corporations. The future of not only the enterprise, as an economic entity in the market, but also the people working at the given enterprise, and on the global level and the welfare of the whole country depends on the effectiveness of communication links and interactions.

The experience of many companies shows that the effectiveness of communications depends, first of all, on the psychological mood of the team. Where the leader uses the "whip and stick" method, the nervousness and fragmentation of the team are observed, and as a consequence of this - poor labour productivity, high staff turnover, lack of initiative, constant gossip, envy, etc. All these facts cannot lead to anything other than the decay of the enterprise and, in the long run, even bankruptcy.

However, if the leader conducts meetings in a team where various development issues are discussed, applies incentive methods for initiative, labour, etc., creates conditions for the free expression of his opinion, even if not coincident with the opinion of management, in this case the staff it is easy to work in this enterprise. People in this case realize their importance and try to use all their potential and intellect to achieve the prosperity of the organization. At such an enterprise, employees are confident of their future, that their problems can be discussed openly at the meeting, making some ideas for which they will be morally and materially rewarded. It is easier for such enterprises to endure economic and political crises in the country, since in a cohesive team the employees will help each other to survive the difficulties.

All this has long been realized by many managers. But how to achieve effective communication? How to acquire skills and ability to manage communicative processes? - these are the main issues that concern modern leaders.

In the foregoing, the relevance of the chosen topic is emphasized by the experience of managers, their interest in studying communication links and their effective development, because communication is one of the most important factors of management integration. (up to 80% of the working time of managers of all levels is spent on any types of communication).

Exactly through the communication is possible to find the right solution to many problems. The modern world is full of different international companies, in which people of different nationalities and professions, but they all have one goal - the development of their company. Therefore, a good leader should be able to convey any information to his employee or partner or client in so accessible and understandable way that he would be able to properly and efficiently work with it. It is important to consider many different factors and complexities, because everyone perceives information in different ways, and it is necessary to find personal approach to each person. Communication is the basis for business promotion.

The purpose of the thesis is to study the essence of communications, as well as what can be done to more efficiently exchange information among managers and outside their circle.

To achieve this goal, it is necessary to solve a number of tasks:

- 1) To study the essence, elements and stages of the communication process in a modern enterprise.
- 2) Analyse the communication system based on the selected organisation.
- 3) To make proposals and recommendations on improving the communication policy of the enterprise.

Thus, communication is a complex process consisting of interdependent steps. Each of these steps is necessary in order to make our thoughts understandable to another person. And each step is a point in which, if we are careless, and do not think about what we are doing, the meaning may be lost.

1 Objectives and Methodology

1.1 Objectives

The main goal is the creation of a mechanism for improving the state of internal communication, by carrying out an analysis of the internal communication system of the chosen specific business.

Thus, the purpose is to find out how company use its internal communications, what tools it uses and how effective these tools are for achieving all the important goals of internal communication.

The main task of literature research is utilisation of accessible sources, such a specialised publication, internet websites and technical papers and articles, as the basis of practical part of this thesis.

1.2 Methodology

In the process of writing the thesis the author resorted to various methods of research, such as: study and analysis of literature relevant to the topic of the theoretical section of the work, questioning, survey, observation, analysis of the organization's work in the practical section.

After studying the theoretical material and information about the company and its elements, the author developed a campaign to improve the efficiency of intercorporate communications in the selected organization.

The expected effect of carrying out these internal actions and actions within the framework of the campaign is to improve the entire system of internal communications, improve inefficient tools and maximize the use of others, and develop an updated corporate culture and broadcast employees the values, mission and goals of the company in order to increase loyalty and involvement in the labour process.

2 Literature Review

A literature review has been done by studying books, scientific works and articles, which the author of this thesis thinks to be appropriate. Accredited scholars and researchers published all of the resources that are listed.

2.1 Communication

The term "communication" comes from the Latin "communis", meaning "general": the transmitting information tries to establish a "community" with the receiving information. Hence, communication can be defined as the transmission of not just information but meaning or meaning in symbols. (Kaul 2006)

Effective interpersonal communication for a number of reasons is very important for success in management. First, the solution of many managerial tasks is based on the direct interaction of people (the boss with the subordinate, subordinated to each other) within the framework of various events.

Secondly, interpersonal communication is perhaps the best way to discuss and resolve issues that characterize uncertainty and ambiguity. (Thayer, Barnett, 1997)

2.2 Communication process

Communication is the exchange of information on the basis of which the manager receives the information necessary to make effective decisions and brings the decisions made to the employees of the organization. If communications are poorly set up, decisions can turn out to be erroneous, people can misunderstand what leadership wants from them, or, finally, interpersonal relationships may suffer from this. The effectiveness of communications is often determined by the quality of decisions and how they are actually implemented. (Thayer, Barnett, 1997)

Information is only an external manifestation of communication, its result. Information plays a central role in the communication existence of man and acts as a means of communication.

In the process of communication, information is transferred from one subject to another. Subjects can be individuals, groups and even entire organizations.

In the first case, the communication is interpersonal in nature and carried out by transfer of ideas, facts, opinions, allusions, sensations or perceptions, feelings and attitudes

from one person to another, either orally or by any other form (in writing, gestures, posture, tone of voice, time of transmission, understatement, etc.) in order to obtain the desired reaction in response.

Communication and information are different, but related concepts. Communication includes both what is transmitted and how it is transmitted. In order for communication to take place, it is necessary to have at least two people. (Mescon, 1988)

Communication requires each of the participants in management interaction. So, each of the participants should have all the abilities: to see, hear, touch, perceive the smell and taste. Effective communication requires each of the parties to have certain skills and abilities, as well as a certain degree of mutual understanding.

Managers spend 50-90% of their time on communication. This may seem incredible, but given that the manager has to communicate, acting as interpersonal communication, information roles and roles related to decision making, and to perform all managerial functions, everything falls into place. Precisely because communications are an integral part of all the main activities of a manager, they are called a connecting process.

All three of the basic role settings of managers and all four major management functions are aimed at formulating organizational goals and achieving them, and the extent to which these objectives are achieved, as a rule, directly depends on the quality of communications. Consequently, effective communication is simply necessary for the success of both the individual worker and the organization as a whole.

Although the crucial role of communications in the success of organizations is recognized by all, polls show that only 73% of American, 63% of British and 85% of Japanese managers believe that it is ineffective communications that are becoming the main barrier to achieving organizational goals. Another survey of almost 250 thousand workers from two thousand companies revealed that communication is one of the most serious problems of organizations. Having understood the essence of communication at the personal and organizational levels, one can learn to reduce the likelihood of ineffective communication and become a more effective manager. An effective manager is a manager who is effective in the field of communications. Such a manager is familiar with the nature of the communication process, has excellent oral and written communication skills, and understands how the quality of communications is affected by the environment. (Mescon, 1988)

The main task of management is to make a profit, which directly depends on the manager's ability to manage affairs. You can see the connection between communication, information and the ability of the manager to work. It is known that the exchange of information in organizations is not always as effective as it should be. In fact, people communicate with each other less effectively than they think.

This fact perfectly illustrated the study of R. Likert (1947)¹, who analysed the activities of the foremen and their subordinates of one of the public utilities:

While 85% of foremen believed that their subordinates were freely discuss important business problems, only 5% admitted that they really did. In another study, the department manager said that he had given instructions and informed the subordinate decisions on 165 specific points. However, according to his subordinates, they knew only about 84 of his orders. Moreover, another researcher analysed the activities of the Californian company in the field of health care and revealed serious discrepancies in the assessment of the effectiveness of communications by representatives of top, middle and lower levels.

In addition, the transmitted message is often misunderstood by its recipient, which is also a sign of ineffective communication. One of the outstanding researchers in the field of management, believes that only 50% of contacts in an organization result in mutual understanding between the parties. And, as a rule, the reason for this is the inability of people to consider the fact that communication is an *exchange*. (Mescon, 1988)

During the exchange, both sides play an active role. For example, if you, as a manager, tell a subordinate about the change in his work task, then this is only the beginning of the exchange process. In order for communications to be effective, your interlocutor must demonstrate that you understand your task and the results you expect from it. Communication is effective only if one side offers information, and the other perceives it correctly, and for this, this process must be treated with great attention.

Communication process - the exchange of information between two or more people.

The main goal of communication is to achieve an understanding of the information exchanged, i.e. messages. But the mere fact of sharing information does not guarantee that

¹ In 1947, Likert began to learn how to achieve optimal control over the efforts of individuals to achieve their desired goals and satisfy their needs.

the process was successful. Of course, you have come across examples of ineffective communications with friends, relatives or colleagues. In order to better understand the essence of this process and what determines its effectiveness, it is necessary to have an idea of what stages it consists of. (Mescon, 1988)

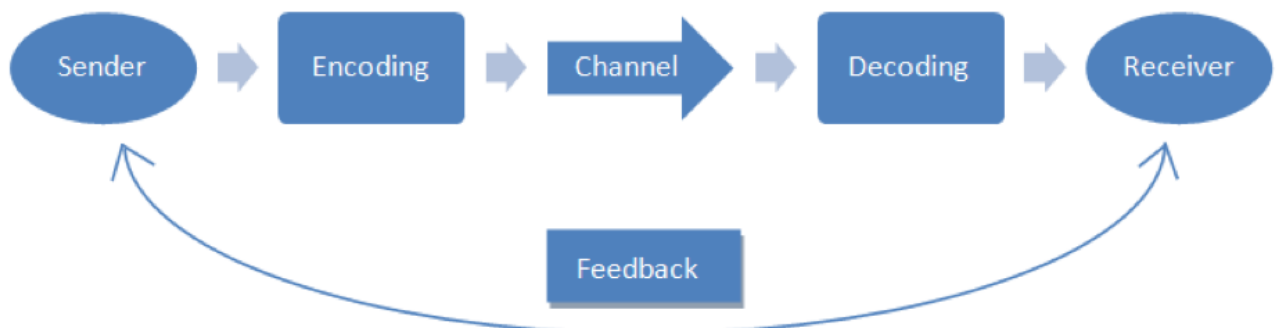
The communication process includes four basic elements:

- 1) Sender - a person who generates an idea or selects information for transmission.
- 2) Message - the actual information encoded in the characters.
- 3) Communication channel - a means of transmitting information.
- 4) Recipient - the person to whom the information is intended and who interprets it.

In the course of communication, the sender and recipient go through several interrelated steps. Their task is to compose a message and use the channel to transmit it so that both parties equally understand the original idea. This is difficult, because at each stage the meaning of the idea may be distorted and even completely lost. Here are the steps (Guffey, 2010):

- 1) Encoding – transforming thoughts of the information.
- 2) Channel of communication – the manner in which the message is sent.
- 3) Sending of message – by chosen channel
- 4) Decoding – when the receiver interprets the sender’s message and tries to understand it.
- 5) Feedback – goes from receiver to sender as an answer.

Figure 1 The process of communication



Source: Internet source

Although the whole process of communication often requires only a few seconds and, therefore, it is rather difficult to isolate the stages in it, it is necessary to analyze each of them and talk about the problems that arise at each of the stages. This analysis is similar to a frame study of a very short episode of a movie.

Idea generation – communication begins with the formulation of ideas or selection of information. The sender decides what important idea or message to convey. Unfortunately, many such attempts fail at the first stage, because the sender does not spend enough time thinking about the idea.

It is important to remember that at this stage the idea is not yet embodied in words or in another form in which it will be transmitted. The sender has only decided which concept he wants to convey. To do this effectively, you need to take into account many factors. For example, a manager who wants to inform people about the results of an assessment of their activities should clearly understand that he needs to convey to subordinates specific information about their strengths and weaknesses and how to improve the results. His message should not consist of vague general praise or criticism. This example also reflects the relationship between perception and communication. If the manager believes that his subordinates are able to develop and improve and, therefore, information about the assessment of the results of their activities will be useful to them, then he will most likely find positive constructive ideas. If the manager perceives subordinates as children who need to be told exactly what they are wrong in, and show them the right path, then most likely the messages they convey will be based on negative criticism, which is typical of this way of thinking. (Mescon, 1988)

Here is another example of potential problems at the stage of generating an idea: the director of the plant, who had just received a message from the company's management, that he should increase the output of video games by 6% without increasing payments to employees for overtime work. If the director does not consider how to convey this information to subordinates, and simply pass on the message received from above, misunderstanding may well arise, since the workers will at best understand only what changes are necessary. If the plant manager carefully considers the ideas that he needs to convey, he will most likely draw the following conclusions (Mescon, 1988):

1. It is important that workers understand exactly what changes are needed: an increase in production by 6% without additional overtime pay.
2. It is important for the workers to understand why these changes are needed, otherwise they can conclude that the company just wants them to work more and receive as much that will cause their indignation.
3. It is important that workers understand how to make changes; that it is impossible to sacrifice product quality in the name of increasing production, otherwise productivity will decrease, and not increase, as was implied in the original message of the management.

Managers who do not effectively act in the process of communication often act this way because this is what their superiors do to them, since senior managers often serve subordinates as role models. If our boss is acting according to the method of coercion or is not being honest with us, we will probably act the same way in the process of communication with our subordinates. But it should be remembered that your position is different from the position of your superiors, and it is not at all necessary to copy his style, even if it is effective. But what is really needed is to understand what idea you want to convey before you send the message and be sure that this idea is adequate and appropriate for your particular situation and goal (Mescon, 1988).

Encoding and channel of communication - before sending an idea, the sender must encode it into certain characters: words, intonation, and gestures (body language). It is this coding that turns an idea into a message.

It must also select a channel that is compatible with the type of symbols used for encoding. The most famous of them are oral speech, letter and electronic means: computers, e-mail, videotapes and video conferencing. If the channel is not suitable for the physical form of the selected characters, transmission is not possible.

If the channel is not too consistent with the idea developed in the first stage, the effectiveness of communication will also decrease. For example, a manager who wants to talk with a subordinate about the inadmissibility of serious violations of security measures, of course, can do so in the course of casual conversation over a cup of coffee or send him an informal note. But through these channels it is hardly possible to convey the idea of

how serious this problem is, just as effectively as through a formal meeting or a note (Mescon, 1988).

The choice of means of transmission of the message should not be limited to the choice of one channel. It is often desirable to use a combination of two or more means of communication. This complicates the process, since the sender needs to establish the sequence of using these funds and determine how much time they will separate. However, studies show that the simultaneous use of oral and written means of communication is usually more effective than the use of one of these means. Discussing the results of this study, professor Russell Mitchell (1986) notes: "The general conclusion of this work is an oral report in combination with a written one, as a rule, in most cases it increases the effectiveness of communication". Using both channels, one can find more complex approaches and register the situation in writing. But this does not mean that any communication process should include a written element, it leads to an uncontrollable paper flow in the organization.

The second stage will immediately become clearer if we present it as a packing operation. Very often, excellent goods are not sold until they are packaged in a manner that is understandable and attractive to the consumer. Similarly, people who have great ideas often do not know how to "pack" them with symbols and transmit them through channels that are meaningful and attractive to the recipient. In this case, even the best idea can "stale on the shelf."²

Sending of message - in the third stage, the sender uses the channel to deliver the message (a coded idea or a series of ideas). This is a physical message transfer, which many mistaken for the communication process itself. But it is clear that the transfer is only one of the important stages through which it is necessary for one person to go through in order to convey the idea to another.

Decoding - receiving the message, the recipient decodes it. Decoding is the process of translating the symbols of the sender into the thoughts of the recipient. If the symbols

² Marilyn Harris, Zachary Schiller, Russell Mitchell, and Christopher Power, «Can Jack Welch Reinvent G. E.», Business Week, June 30, 1986, p. 62–67; Marilyn Harris and Christopher Power, «He Hated Losing – Even in Touch Football», Business Week, June 30, 1986, p. 65.

chosen by the sender have the same meaning for the recipient, he will correctly understand what the sender had in mind when formulating the idea. If the reaction to the idea is not required, the communication process on this can be considered complete.

But for a number of reasons, which we will discuss later, the recipient may not give the message the meaning that the sender put into it. In management, the communication process can be considered effective if the recipient has confirmed that they understood the idea correctly, with real actions that the sender expected from him.

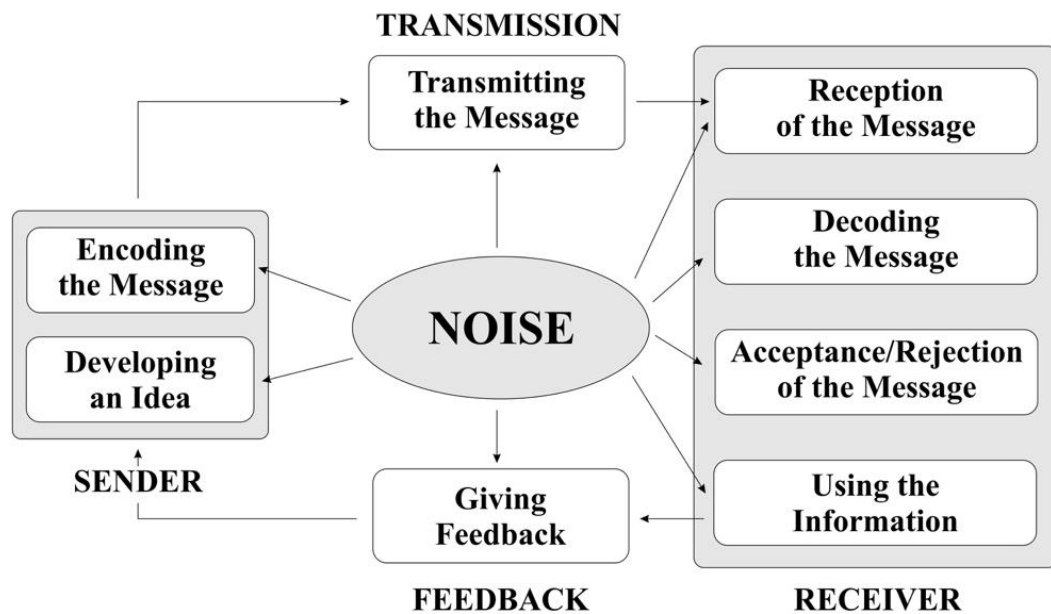
Feedback - providing feedback, the sender and the recipient change communicative roles. The recipient becomes the sender - he goes through all the stages of the communication process and conveys his reaction to the sender, who in this case plays the role of the recipient.

Feedback contributes significantly to the effectiveness of managerial communications. Several studies in which two-way communications (i.e. including feedback) were compared with one-way communications (without feedback) showed that although the former is slower, they rarely lead to misunderstanding, are more accurate and lead to greater confidence in the correctness of interpretation posts.

Noises - the feedback significantly increases the effectiveness of communication, because it allows both parties to overcome such a barrier as interference. In the language of the theory of communication, noise is called everything that distorts the meaning. Sources of noise can be language (verbal or non-verbal), differences in perception, which change the meaning during coding and decoding, differences in the status of managers and subordinates, etc.

Certain noise is always there, and some distortion of meaning occurs at every stage of the communication process. Usually we manage to overcome the noise and transmit the message. But if the noise is very strong, it will certainly lead to a strong distortion of meaning and can completely block the attempt to exchange information. From the point of view of management, this leads to a decrease in the likelihood of achieving goals that depend on these communications. (Mescon, 1988)

Figure 2 The process of communication as a system with feedback and interference



Source: own source based on Michael H. Mescon, 1988

2.3 Types of communication

Communication between people can be verbal (oral and written) and non-verbal and formal and informal in general. Every day a person talks to many people using both options. With the help of words, everyone can ask something, express their opinion, agree, argue, etc. Speech helps a person to share knowledge, talk about his thoughts, make acquaintances, make contacts, etc. (Debasish & Das, 2009)

But all this is accompanied by non-verbal communication, which is also important for communication process. This type of communication includes posture, facial expressions, intonation, gestures, glances, etc. (Wandberg, 2005)

- **Oral:** is all that comes from the mouth and can be as formal and informal. In business, people use more often informal communication. We can meet with verbal communication in situations such as conversations, telephone calls, meetings and presentations. (Debasish & Das, 2009).

The big advantage of this type of communication is providing immediate feedback and, thus, the sender can work with the audience. This type of channel is used when the message is relatively simple, the audience is quite small and there is no need for a permanent recording. (Blundel, 2004)

- **Written:** Written communication gives to the sender the ability to plan and control the message. It is more useful in the case of complex information, when a permanent recording is required for later implementation, when there is a fairly large and geographically dispersed audience, and interaction with the it is not necessary or important. (Blundel, 2004)

2.4 Communication barriers

Research show that there are a limited number of problems, communication barriers that reduce the effectiveness of communication at the level of an individual employee. The most significant interpersonal communication barriers at the organizational level are:

- barriers due to perception;
- semantic barriers;
- non-verbal barriers;
- ineffective feedback;
- ineffective hearing;

Barriers due to perception. The manager is obliged to understand the essence of perception, since it is precisely this that defines "reality for the individual." People react not to what is really happening in their environment, but to how they perceive it. Understanding the factors that influence perception, and taking them into account in the communication process, can overcome many of the barriers caused by perception and hindering effective communication.³

³ Leslie Brennan, «McKesson Takes to Meeting Monthly», Sales and Marketing Management, January 13, 1986, p. 28–29.

Semantic Barriers. As already noted, the goal of communication is to achieve an understanding of the message. Communicating with others, we try to exchange information and achieve its understanding through the use of symbols: words, gestures and intonation. In the process of communication, we exchange characters: verbal and non-verbal. Here it is necessary to discuss the problems associated with the use of verbal symbols - words.

As you can see, in order to effectively communicate with people in an organization, you need to understand the true meaning of the words they use and ensure that they also understand what meaning you put into words. Here is what Lewis (1980) wrote about this:

“Unfortunately, the manager often forgets that in order to understand the received information (instructions, orders, orders, etc.), the employee needs to know for what purpose the head uses these words. Only then can he interpret the sender's words in his, and not in his meaning. The situation is complicated by the fact that every business organization, and even every its division has its own slang. And yet, an organization needs to ensure that all its divisions understand each other. If one of the departments forgets about the existence of professional variations in the meanings of words or ignores this fact, very soon “traffic jams” arise that interfere with mutual understanding.” (Lewis, 1980).

Non-verbal barriers. Although for the coding of ideas intended for transmission, we use, above all, verbal characters (words), messages are also transmitted by non-verbal characters. Non-verbal communication includes any characters except words. Often non-verbal transmission is carried out simultaneously with the verbal and can enhance or change the meaning of words. Eye contact and smile or frowning eyebrows and tense facial expressions are all examples of non-verbal communication. These also include gestures. (Wandberg, 2005)

Ineffective Feedback. Another barrier to interpersonal communication is the lack of feedback. Feedback is extremely important because it allows you to determine whether your message is understood by the recipient in the sense that you put it into it. As you can see, there are many reasons why a message may not be understood in the way you wanted. (Strížková, 2005).

Ineffective Hearing. Effective communications require that a person be equally accurate both when sending and receiving a message. For this you need to be able to listen. Unfortunately, very few people can do this as effectively as possible. Our education system pays a lot of attention to reading, writing and counting skills, but not to developing listening skills. Many people believe that listening to the right means not to interrupt the interlocutor. But this is only one element of the effective hearing process. According to one study, the efficiency of managers in the hearing process is on average only 25%. Another study has shown that effective listening is an essential characteristic of effective management. During the survey of thousands of managers, the most common answer was: *“I like my boss, he knows how to listen”* or *“You can talk with him”*. (Mescon, 1988).

When you are told about a task, new priorities, changes in working procedures, or new ideas to improve the efficiency of the department, it is very important to hear specific information. However, one should listen not only to the facts, but also to the emotions. (Mescon, 2008).

Thus, all above are possible to categorize into two principle (Kaul, 2006):

- Sender-oriented
- Receiver-oriented

Sender-oriented. When a sender sends a message, he creates all communication process, and should pay attention on the barriers. Some of the sender-oriented barriers can be such as badly expressed message, transmission loss, semantic problem, over/under communication, prejudices, etc. (Kaul, 2006)

Receiver-oriented. The receiver can be blamed as well in creating of communication barriers; although his role is in that passive. He responses for misunderstanding and the end of whole communication. The barriers which can appear on the receiver side are inattentive listening, propensity to evaluate, contradictory information, etc. (Kaul, 2006)

Noise communication can be reduced by appropriate and clear choice of the communication channel and understanding of the factor that influence the possible distortion of the message. An important role is played by feedback.

2.5 Communication network

Each organization is made up of many people who work together and contribute to the growth and success of the company. These people should be in touch with each other and with other people outside of the company. Thus, the communication network in an organization is formed using two options: *Internal & External* (Kaul, 2006)

The communication, which is providing by interaction between all members of the same company, is called the internal communication. And can be both formal and informal. (Kaul, 2006)

This type of communication will be discussed later on in the next chapter more detailed as a main topic of the diploma thesis.

And in the opposite way, the external communication is based on the relationship between the company and the outside world, the environment of this organization and the media. (Smith, Lyn, 2008)

Debasish & Das (2009) consider that the goals of external communication are:

- To provide consumers with information on products and services related to organization.
- Promote the organization.
- Process requests for the organization, its products and services, and advertise organization.

To survive in competition environment the company needs to use external communication such as: (Kaul, 2006)

- Advertising
- Media channels
- Presentations
- Mails
- Public relations
- And other

But these two types of communication are existing in a merger. Although there is a danger that internal communication is entirely focused only on the inner world and misses many things from outside the company. Nevertheless, all employees have access to the TV, they listen to the radio and read newspapers. They are influenced by what they know about the company, so it is important that the internal communicator be close in cooperation with colleagues from the external communication group and assures that the news about the company are consistent. (Smith, Lyn, 2008)

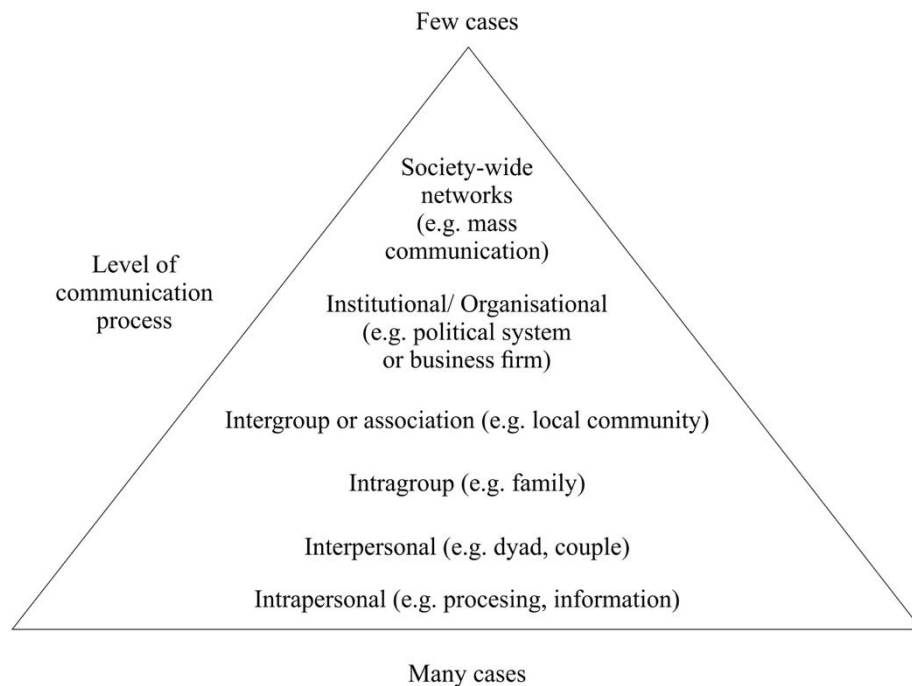
2.6 Internal communication

Communication is often defined as the exchange of information. It is always a dialogue. A dialogue in which a large number of people can participate. In the structure of the organization, the requirement of two-way communication means the ability of management to listen to employees, and to correctly interpret the messages transmitted by them. This allows you to identify the strengths and weaknesses of the production process, and accordingly adjust management decisions. (Verghese, 2012)

Internal communication is a supporting business function in companies, designed to solve strategic tasks that aim to create an effective system of interaction between departments and employees. It is also one of the tools for achieving the strategic goals of the company through an organized process of exchanging internal corporate information among all employees. (Holá, 2006)

McQuail (2010) places internal communication in its own pyramid of the communication network to the second place immediately after the general social networks (see Figure 3). The difference between organizational communication and social networks is that organizational communication has a specific purpose.

Figure 3 The pyramid of communication network



(McQuail 2010, p. 18)

2.6.1 The importance of internal communication in the organization

One of the important goals of each organization is to employ motivated workers who perform maximum productivity, key personnel to maintain and maintain a good reputation. It is therefore very striking how little space is often devoted to internal communication within corporate strategies. Not only employee engagement, but also the good reputation of the company is already born within the organization. Satisfied workers spread their reputation in their neighbourhood and become the so-called ambassador of the brand. (Dvořáková, 2012)

Internal communication is sometimes also referred to as organizational, house or business. In its grip, it represents the linking of parts of the organization through communication. It is about facilitating cooperation and understanding between the individual employees of the organization. It would be wrong to combine meaning only for the simple transfer of information or the formal fulfilment of work tasks. The meaning of

internal communication lies in the clarification or self-creation of opinions and attitudes about all relevant aspects that directly and indirectly affect them. (Hloušková, 1998)

It can be said that without communication there can be no form of organization, because it would be impossible to realize the necessary information flows between human resources to ensure the production of products in the form of a final product or service. The very content of the work of managers as managers consists of the dominant share of communication, which takes various forms.

However, from earlier times of rigid hierarchical structures, the fundamental importance of internal communication and the organization of economic entities themselves is becoming increasingly common in favour of ensuring the highest possible level of contacts between employees in various positions and levels of employment. (Lukášová, 2004)

Already the own design of organizational artefacts in the form of creating functional positions is based on the initial determination of all the tangible and intangible flows required for the workplace.

to provide your own function and performance. Needless to say, information needs are implemented in intangible flows and create a fundamental requirement for the derivation of the appropriate structure of the organization. From the point of view of meaning, internal communication is the main element of a building of irreplaceable importance, transforming value added to meet current needs in response to rapidly changing conditions.

In times of crisis, the level of internal communication gains a unique importance and can decide on the success of managing the crisis situation. But if the enterprise focuses on internal communication only during the crisis, it achieves a much smaller positive effect, as employees do not trust such a sudden change, and then consider it as an attempt to snoop and conceal truthful information. On the contrary, if the internal communication system is strategically set and sophisticated in the longer term, strong trust is created between the employees and the firm. Internal communication plays an indispensable role as an incentive tool. Employees appreciate greatly when they are given the sense of the importance of having someone to talk about the development of the company, how they

can contribute to the development of the company, and that their contribution is perceived and appreciated by one.⁴

2.6.2 Historical context

The development of internal communication has always closely correlated with technological development, yet internal communication has existed since the beginnings of the business, and thus has been a practice carried out for centuries. In the first businesses, internal communication was limited to interpersonal communication between co-workers and owners, later in the development of companies and the establishment of remote branches, multiple channels, such as postal pigeons, horsemen, or mail, began to be used for internal communication.⁵

An important role, particularly in terms of the speed of communication, was the invention and development of a telegraph in the 1930s, which made it possible to respond rapidly to the changing situation even at very remote locations. This period also meant the transition of a gentle and unplanned personal approach to leading people to write requirements in writing and handing over tasks in written form. As a result, internal communication has become more systematic and structured.

However, the perception of internal communication as a strategic tool for effective business management was brought to the 40s of the last centuries by Alexander Heron's theoretical foundations in *Sharing Information with Employees*. (Armstrong, 2006) In this book, Heron introduced his idea of the need for two-way communication. According to him, it is not only about persuading and promoting the organization's intentions, but it also needs to be given the opportunity to ask questions, get answers and exchange opinions. Other major actors in development were W. Charles Redding and George A. Sanbor (1964), who were among the first promoters of the access to internet communication, as an important strategic tool that influences employee engagement. When their *Business and Industrial Communication* book brought to the corporate environment the awareness of

⁴ HR NEWS., Význam interní komunikace. In: HR [online]. 2014 [cit. 2014-05-08]. Available from: <<http://www.hrnews.cz/lidske-zdroje/interni-komunikace-id-148700/vyznam-interni-komunikace-id-252647>>.

⁵ LUTHER, CH., Past. In: Internal Communication Evolution. Available from: <<http://internalcommunicationtrends.wordpress.com/past-present/>>

influenced and structured communication on the performance, satisfaction and loyalty of employees.

The further development of internal communication in the 20th century has again followed technological advances such as mobile phones and other tools that enable constant contact. The architecture of the communication channels with the entrances began to form both formal and informal communication structures. The face of internal communication also changed due to changes in staffing and employee profile and changes in attitudes to human resource management. Employees no longer want to make decisions; they want to participate in the changes or at least have the opportunity to express their opinion.

Another important milestone for internal communication is the beginning of the 21st century, when in many enterprises the area of internal communication has begun to be detached from the subordinate of the personnel section and moved as a separate section under direct leadership. This also underlined its importance and strategic position within the business. This development has laid the foundations for the concept of internal communication as we perceive it today.

2.6.3 Purposes and functions of internal communication

If all of the above is summarized into one, then the goals and objectives for effective internal communication can be obtained.

However, before all goals are set, it is very important to understand that internal communication is basically an interconnection that ensures the interaction and coordination of processes important for the functioning of the organization and the correct motivation of all its employees.

In the planning of internal communication - it is important to realize that you cannot manage its activities intermittently or temporarily. This is a continuous process whose actors are not only the top management, but all employees up to the last operator.

The goals of internal communication should be based on the need's analysis of society. Based on the evaluation of the results of such an analysis, the goals that the company wants to achieve through internal communication are set. The goals are then

based on specific strategies and the processes leading to their fulfilment are set. (Dvořáková, 2012)

In general, the benefits of implementing an internal communication strategy include: (Roehler, 2007)

- Creating a common vision.
- Forming a work environment where all employees are clear informed and working in a clear direction towards the same goals through day-to-day activities.
- Reducing the risk of conflicts due to different understandings with clear wording information and ideas.
- improving understanding of mutual needs.
- Supporting the feeling of being as an integral and essential part of the whole "by employees will perceive themselves as dedicated participants in the business.
- Promoting a clear, shared vision and understanding of change processes and thus preventing them unnecessary anxiety and stress from future or ongoing changes.
- Motivation for better performance by focusing on the clear interconnection of individual and team goals with the goals of the organization and the systematic reduction of the tendency to "play on your own sandy beach ".

Despite the defined goals directly related internal analysis of the needs of society can be expressed in key areas of internal communications goals to be achieved to meet the very importance for society: (Tureckiová, 2004)

- Gaining internal communication as a tool for supporting other processes by implementing tools for constantly informing employees about all important facts.
- Collecting information to create a sufficient knowledge base on the business as such, which is a prerequisite for the subsequent distribution of relevant communications to specific jobs within a specialized activity.
- Development and consolidation of desirable working attitudes, behaviour and direction of this behaviour in the desired direction for streamlining human resources.

- Improving the efficiency of the established processes according to the concept of learning with practice and applying participative management using delegation and participation in decision making.

- Introduction of the feedback mechanism as a means of controlling the transmission of the message in order to fulfil the dimensions of understanding and understanding.

Communication goals may also be narrower, focusing on communication in sub-organizational units, such as teams and workgroups, with the direction of performance on a particular aspect of output. For teams, specific knowledge and skills, regular feedback, and the recognition of common goals, values, expectations and visions need to be ensured in the field of internal communication. The team achieves its goals (as targeting is one of its most important characteristics) through synchronized, goal-oriented behaviour, interdependent activities and functions. (Cejthamr, Dědina, 2010)

However, management must take employees as equal partners to meet goals and gain the effects of well-established internal communication, with whom long-term relationships for purposeful co-operation and motivation must be built. In this way, workers are considered in a modern concept as customers of a company with a requirement to provide value added as a compensation for the work done.

2.6.4 Influence of organizational factors including corporate culture

The organization of work is made up of all coordination activities for the management of employees. The main purpose is to allocate work in such a way as to achieve all the desired goals. The organizational structure acts as the actual implementation of the strategy. At large, especially in large companies, tendencies are being created to create complicated organizational structures that should cover all activities. However, management is more demanding in terms of distributing the necessary information. (Armstrong, 2006)

The structure can be properly perceived as a tool that can serve many purposes. The organization is also closely involved with the company-wide information security, which is implemented through strictly defined rules, which create informal space for the implementation of individual departments and functional positions.

The organization of the work ensures the redistribution of responsibility to the members of the assigned unit. Similarly, responsibility is assigned to ensure complex performance of communication activities. There is a significant question whether communication should be subjected to organizational structure or vice versa. The answer is quite obvious when modern trends tend to create highly flexible organization systems that are capable of reflecting changing environmental conditions in relation to individual variables, including communication. There is, of course, a dichotomy of rigid bureaucratic structures that do not allow for the necessary interconnection of changing the internal environment with the ever-evolving business strategy.

Individual departments and employees are encouraged to collaborate in interconnections through information flows that encompass the entire organization from the viewpoint of providing information.

This creates a two-fold approach, both of which should be consistent in order to link performance-oriented functionalities and the structuring of information flows

to the places of need from the place of implementation. The focus on the creation of partial communication networks in relation to individual departments is basically possible, but with a high regard to the systemic appearance of the mechanism. Working groups or teams need to have enough autonomy for their performance and to achieve functional specialization. However, they must not lose touch with other parts of society, especially as a result of creating the output on which they are involved. (Bělohávek, 2018)

In co-operation, the idea of efficiency lies in the grasp of a process organization rather than a functional organization. Every worker is thus fully aware of his or her contribution to realizing output as the desired goal. While he is fully performing at his narrowly profiled job, he is familiar with the relevant facts. The functional structure threatens to a large extent the danger of focusing on its own dedicated organizational unit, which becomes a small isolated island of autonomy in the middle of an enterprise that requires the interconnection of all the sub-elements. It is therefore advisable to understand internal communication in the process of security throughout the process of implementing the final output in the form of products or services.

On the other hand, corporate culture represents a very benevolent space in which the impact on communication is based on the essence of the individual approach of individual employees in mutual co-operation with other participants. Culture then emerges in the

primary position, where it is superior to both structural and formal system factors. If a system based on a business culture takes on, it means automatic claim to implementation into formal structures as it is a direct claim of employees.

2.7 Vertical, horizontal and diagonal communication

Communication can be described as vertical, horizontal or diagonal. Initially, greater emphasis was placed on vertical organizational structure in communication process compared to others communication, but this is no longer the case. Diagonal communication became more used recently.

2.7.1 Vertical communication

Vertical communication appears between hierarchically located people and may include both *downward* and *upward* communication flows. Downward communication is more common than upward communication. Armstrong (2006) considers that downward communication can be more effective if top managers communicate directly with managers, and supervisors communicate with their employees.

Downward communication. this is more than the transfer of information to subordinates. This may include effectively managing the tone of the message, as well as demonstrating the ability to delegate to ensure that the work is performed properly by the right person. Although the downstream communication content priorities have not been finally demonstrated, there is a certain degree of confidence in respect for the best downlink approach (Ludden, 2001):

- Top managers should directly communicate with immediate supervisors
- Immediate supervisors should work directly on their reports
- On important questions, top managers should follow developments, communicating directly with employees.

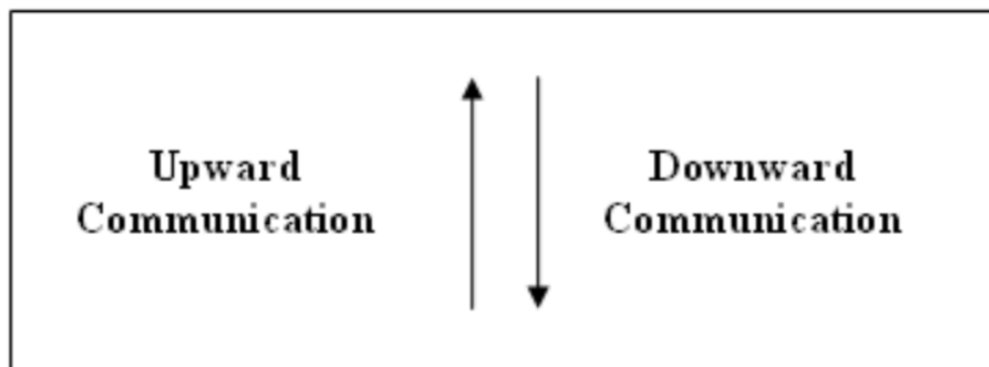
One of the proven rules for effective downward communication is to communicate verbally, and then continue writing.

Upward communication. It includes reports, memos, various reports from subordinates to the manager about the progress of work, problems encountered, innovative ideas, rational proposals, and requests. This is very important for managers “feedback”, which contains information about the state of affairs, the fighting spirit of employees and possible causes of discontent.

In addition, McClelland (1988) found a number of reasons based on the employee why this relationship tends to be not good enough, this includes:

- Fear of repression - people are afraid to express their opinions
- Filters - employees feel their ideas / problems change when they are passed to the up.
- Time - managers make feel employees that they don't have enough time to listen to them

Figure 4 Vertical communication

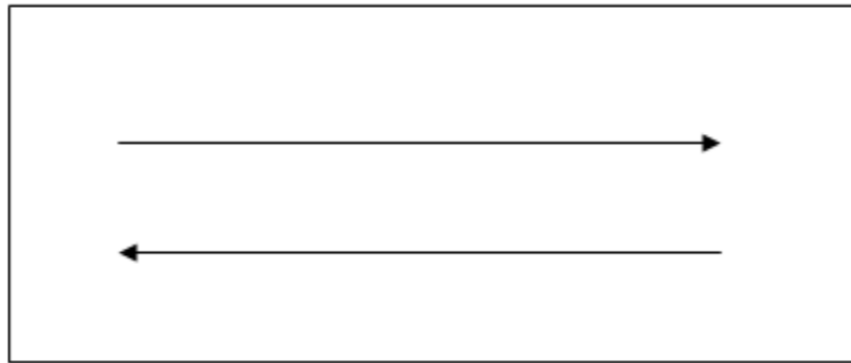


Source: (Kaul, 2006)

2.7.2 Horizontal communication

Lateral communication: Lateral communication involves communication between people who are not in a hierarchical relationship to each other. This communication takes place between employees of different departments, not connected hierarchically with each other. Lateral communication is important when it comes to distributed workers or geographically separated work groups (teams) that perform the same work. (Frank, 1989)

Figure 5 Horizontal communication

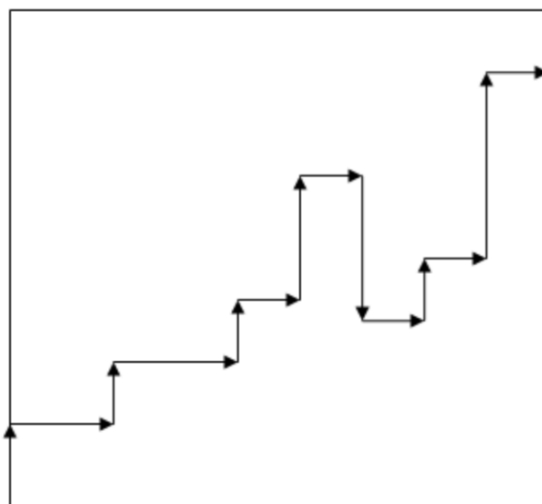


Source: (Kaul, 2006)

2.7.3 Diagonal communication

Diagonal communication belongs to the communication between managers and employees who are in different functional units (Ragusa, 2011). However, both vertical and horizontal communication are still important, these terms no longer correctly reflect the needs and flows of communication in most modern organizations. The concept of diagonal communication was introduced to embrace new problems related to communication, new organizational forms, such as matrix and design organizations.

Figure 6 Diagonal communication



Source: (Kaul, 2006)

2.8 Improving interpersonal communication

There are several strategies that make it possible to sufficiently successfully overcome communication barriers and increase the effectiveness of communication at the level of employees of an organization.

Firstly, organizations must pay special attention to the development of the communication skills of their employees. The most important skills include active listening. The meaning of active listening as a method of communication is the listener's ability to help the speaker say exactly what he intended to say. There are several principles for active listening (Mescon, 1988):

- Do not interrupt the speaker, do not start talking while the interlocutor is talking;
- Arrange the interlocutor to yourself, create an atmosphere of friendliness;
- Neutralize distractions, avoid outside interference;
- Show sympathy and interest to the other party;
- Be patient and avoid disputes at the stage of receiving information;
- Ask the questions.

Professor Keith Davis (1977) lists 10 effective hearing rules:⁶

1. Stop talking. It is impossible to listen while talking. Polonius (Hamlet): "Give everyone your hearing, but no one - your voice."
2. Help the speaker feel free. Create a sense of freedom. This is often referred to as creating a resolving atmosphere.
3. Show the speaker that you are ready to listen. You need to look and act as interested. Do not read mail when someone speaks. By listening, try to understand, and not to argue.
4. Eliminate annoying moments. Do not draw, do not tap on the table, do not shift the paper.
5. Empathize the speaker. Try to get in the position of the speaker.

⁶ Keith Davis, *Human Behavior at Work*, 5th ed. (New York: McGraw-Hill, 1977), p. 337

6. Be patient. Do not save time. Do not interrupt the speaker. Do not rush out, do not take steps in the direction of the door.
7. Restrain your temper. An angry person gives words the wrong meaning.
8. Avoid controversy or criticism. This forces the speaker to take a defensive position, he may be silent or angry.
9. Ask questions. This encourages the speaker and shows him that you are listening. It helps to move forward.
10. Stop talking! This instruction goes both the first and the last, for all the others depend on it. You will not be able to listen effectively if you talk.

In addition to the ability to actively listen, there are a number of skills that can be used to reduce the likelihood of barriers and to increase the impact of interpersonal communication.

Clarify your ideas before they begin. Clarifying your own ideas before transferring them means that you need to systematically think about and analyse the questions, problems, or ideas that you want to make objects of transmission. For any transmission to the address of the supervisor, subordinate or colleague, you basically need a certain topic as the object of the transfer. Examples of topics for transmission: (Davis, 1977)

- A message to the manager about the problem you are facing.
- Encourage subordinate praise and recognition of his good or excellent work.
- The message to workers about the idea that they should think about.
- Clarification of the reaction of workers to your ideas.
- Report to subordinates about new targets or system.

Susceptibility to potential semantic problems. Do not spare the strength to exclude ambiguous words or statements from the message. Using exact words, not general ones, you win in performance.

"View from the outside". Watch your facial expression, gestures, posture and intonation, so as not to send conflicting signals. Try to look at yourself and hear yourself as

the other person sees and hears you. By sending harmonious signs that do not contain contradictory messages, you seek greater clarity and understanding of your words.

The empathy and openness. Empathy - is attention to the feelings of other people, a willingness to "get into their skin." It is like asking yourself: "Who is this person to whom I am going speak? What are his needs and interests? What mood is he in today?" By actively using empathy in the exchange of information, we are trying to adjust the receiving party accordingly and adapt the encoding and transmission options for the message to the individual or group and situation. Successful empathy can significantly reduce the possibility of misunderstanding when decoding a message by the receiving party.

For example, some people prefer structure, detail and repetition. Such people would probably be the most effective to write with a letter or a detailed memorandum. Others, on the contrary, do not like the structured and detailed messages. In this case, the most appropriate would be an informal conversation. Some people feel anxious or unsafe in certain situations or sharply react to criticism. They may react selectively or incorrectly to interpret proposals for improvement if they are not presented in a diplomatic and promising manner. Empathy also means an honest attempt to see the situation, the questions raised and the problems from the point of view of another person.

Empathy in the exchange of information also implies maintaining openness in the conversation. Try to avoid early judgments, assessments and stereotypes. Instead, try to see, feel and understand the situation and the issues involved in the context of the interlocutor. This does not mean that you should agree with what the source is saying. It only means that you are trying to understand his words. (Mintzberg,1989)

Establishing feedback. The feedback, which makes the communication process two-way, significantly increases its effectiveness, since it makes it possible to clarify the received message. Effective feedback should:

- Be timely. Do not delay from receiving the original message;
- Keep the original message;
- Include clarifying questions;

- Do not give ratings to the original message.

There are a number of ways to establish feedback. One of them is to ask questions. For comparison, heard with what you originally intended to report.

Another way to create feedback is to assess the language of a person's postures, gestures and intonations, which seem to indicate confusion or misunderstanding. For example, if you give a new task to an employee, does the tension appear in his expression? Is there a slight irritation in him, is the person looking down while listening to you? These signals, if they are present, should inform you that the person may not fully understand the task or is upset with it. It may happen that the worker responds to your words with fluctuations in his voice. Any of these signs is a fact of feedback indicating possible dissatisfaction or misunderstanding. If you feel this, you can resort to the methods of asking the questions described above. (Quirke, 2008)

One more way to establish feedback is to conduct an open-door policy with subordinates. Let them know that you are ready to discuss with them any issues affecting their interests and to support your words with actions. If the employee who came to talk to you, you report that you are busy, your subordinates will recognize the "real" style of your management. On the other hand, you do not want to be interrupted without end. Therefore, for example, you can set aside a specific hour during the day, when you are ready to listen to subordinates on any subject of interest. (Mescon, 1988)

Secondly, it is very important to ensure the development of purely technical skills of communication among employees: possession of e-mail, ability to use fax, write memorandums.

Thirdly, management must create management systems and build a culture that encourages open communication within the organization. Modern organizations use such methods of encouraging information exchange as corporate "hot lines", giving each employee the opportunity to express their thoughts or ask questions at any time, joint breakfasts or lunches with the participation of employees from various departments and levels, joint trips on excursions, picnics, etc. (Mintzberg,1989)

3 Practical Part

This chapter focuses on internal communications in a commercial organization LLC "Adamant project" and methods for their control. First, general information about the company will be considered, its corporate culture, types and internal communications tools. Further, the effectiveness of the management of communications in the organization will be analysed and a program to improve their efficiency will be developed.

3.1 Adamant Project LLC

The organization "Adamant Project" is a part of the Adamant holding, therefore, information about this organization will first be given before going deeper into the Adamant Project LLC, since both organizations use the same corporate identity as goals, missions and tasks.

Adamant Holding is one of the largest multi-profile holdings in Russia, the leader of the retail real estate market in St. Petersburg and creator of the modern shopping and entertainment industry in the region.

3.1.1 Company characteristics

The company was founded in 1992. By 2018, more than 50 enterprises and branches are in operating. On 22 of December 2005 the holding opened the design office of Adamant Project LLC, which will be considered in this paper.

The identification of the company consists of:⁷

Name of the entity:	Adamant-Project LLC
Legal form:	Limited liability company
Seat:	190000, Russia, St. Petersburg, nab. Moika River, 78.
Identification number:	7838341851
Registered at:	19 October 1992
Basic capital:	RUB 1 000 000 (CZK 342 817, EUR 13 417) ⁸

⁷ Business register available from: <<http://www.spark-interfax.ru/sankt-peterburg-admiralteiski/ooo-adamant-proekt-inn-7838341851-ogrn-1057813235150-20888c92a1ae41caaa22ed10c743986e>>

⁸ At the current exchange rate of today 4.3.2019 1EUR = 74,53 RUB 1CZK = 2,917 RUB

An equally important area for the company is the industrial processing of glass. In the structure of the holding - dozens of manufacturing and construction companies, trade, medical, advertising organizations; hotels, restaurants and other businesses in various business areas.

3.1.2 Company structure

The company specializes in complex design, obtaining technical specifications, organizing survey work, and also performing the functions of a customer-developer of residential and public buildings for various purposes⁹:

- Shopping malls
- Hotels
- Houses
- Sports and recreation centres, swimming pools
- Buildings of special and industrial appointment

The company performs the functions of a general designer, they carry out the development of projects of any complexity in the main areas of activity: architectural solutions, master plan, design solutions, technological solutions, engineering solutions, design project development, construction organization, design and technical supervision of construction. “Adamant Project” offers the most efficient scheme for implementing the design process, for which the company has departments:

- **Department of design organization.** The main functions are assistance to the Customer in the formation of the terms of reference, the organization of exploration work, monitoring the timing and quality of project documentation, coordination of documentation and the organization of expertise.
- **Department of Engineering.** Main functions: obtaining technical conditions, conclusion of contracts for interconnection, organization of design of external engineering networks, coordination.

⁹ From official website: <http://www.adamant-proekt.ru/indexen.htm>

- **Department of design (design workshop).** Main functions: implementation of design and working documentation.
- **Department of styling.**
- **Financial service.**
- **PR department.**

3.1.3 The main elements of the corporate culture of the company:

Since the company was formed as part of the Adamant holding recently, it does not have such a rich history.

The mission and values on the site are not formulated. The main goals and objectives are the construction of advanced shopping and entertainment complexes in St. Petersburg, and occasionally in other cities.

The company does not have a specific code or set of generally accepted corporate rules that all employees would follow, since the company itself is relatively small.

In general, it is possible to say that the corporate culture in Adamant Project LLC is not developed, partly because of it is relatively young organization, and partly because of the specifics of the industry and the lack of a competent internal communications specialist.

3.2 Analysis of internal communication of the company

As was revealed in the last section, the corporate culture in the “Adamant project” is poorly developed, and in fact the corporate culture and internal communications are closely related. Internal corporate communications in a company are not handled by a specific specialist; instead, individual employees perform various functions of information dissemination: GUI assistants receive, and issue work assignments, secretaries and employees of the PR department are involved in activities and informing about them. Due to the lack of an internal communications specialist, they are not very efficient.

The organization does not have a corporate publication, but there is a corporate portal, a bulletin board, individual managers are engaged in corporate events, mainly entertainment.

Moreover, in the organization there is a corporate connection in the form of Outlook.

Thus, it can be concluded that the internal communications in the “Adamant project” company are highly decentralized. There is no single internal communications manager, or public relations specialist, who would be involved in intra-organizational communications.

The company uses all types of internal communication described in the theoretical chapter of the thesis:

- Vertical (each department has a head and all employees of each department are subordinate to him);
- Horizontal (“Adamant project” consists of many departments, in each of them employees are in contact with each other. In addition, employees from different departments communicate with each other);
- Diagonal;
- Interpersonal (in each department, employees work in even smaller groups, in which close interpersonal relations develop);
- Organisational;
- Formal and informal

The organization accepted as a simple informal communication, such as conversations in the dining room or in a room for smoking, and official meetings and conferences, which are held regularly. The office has two meeting rooms: one large table in the executive office, as well as a room for more formal meetings with customers and contractors.

Next, we consider the tools of internal communications in organisation:

1. *Information Table.* The company has an information board in the centre of the corridor, next to the entrance to the common areas. This arrangement allows each employee to pay attention to it at least several times a day. The board is a means for distributing important information, such as upcoming events and meetings, as well as less important, but nevertheless necessary for internal communications, such as the birthdays of employees and the coming weekends and holidays.

2. *Corporate portal (website.)* Organisation has its corporate website, which is open to the public. The site has the following main sections¹⁰:

- **Home Page.** This section contains a brief basic information about the company and its structure.
- **The structure of the company.** On this page there is a brief information about the departments of the company. However, it is copied from the description of the organization on the main page, so that its meaning is slightly lost.
- **Projects.** Probably the most important and informative section, since here are all the projects executed by the organization, and there are about 20 of them, as well as 5 under construction. The section has one major drawback: photos of objects are loaded in low resolution and do not expand to full screen, so it's completely difficult to evaluate them.
- **Measurements.** This section contains information on the measurement work, their purpose, stages, tasks, and rates. The result of the work is 2D or 3D drawings of buildings. Pretty clear and convenient section that promotes the prestigious function.
- **Contacts.** Here is a table with the initials of the directors of all departments and their phones. Convenient, simple, but small.

Recently was done some improvements with this website and it became more useful and informative. It gives good information about the company, some interesting facts, but still it does not give the possibility of feedback for employees. Could be better work more on the mission, goals, values and vision of the company, which also affects corporate culture and internal communications in general. Besides that, should be mentioned the design of the internet portal made a bit simple, despite the fact that the corporate style is “formally” observed, but the using of the site not that really easy and simple. It could be improved also.

¹⁰ From official website: <https://www.adamant.ru/en>

As noted earlier, the portal should serve to spread corporate culture, to inform employees about upcoming events, the company's achievements, its immediate goals.

Thus, this tool of internal communications in “Adamant project” can be considered still not enough effective.

3. *Corporate communications.* Since the work in the company is quite tense, there are a lot of departments and employees performing communication functions, there is little corporate communication in the organization, namely Outlook. Any employee at any time can contact another through this program, send a work order, receive drawings in electronic form, or arrange a meeting. But since Outlook performs the function rather of mail, the company uses a corporate network of telephones for faster communication. Each employee has his own landline telephone, his own number, and this simplifies communication and interaction.

Thus, corporate communications in “Adamant-project” can be considered effective.

4. *Corporate events.* The company has general events that are held every year (New Year and Christmas). In addition, the birthdays of department heads and other employees are celebrated as well.

Such events only partially fulfil the functions described in the first chapter: there are only leisure activities in the company, they help employees to relax and improve relationships, combining them a little. There are no other types of events in the organization, therefore there is no motivation and team building, strengthening of a single spirit.

In this way, all elements of internal communications involved in Adamant Project were analysed. It is important to note that the organization does not use all possible tools, and the use of some can be questioned, since they do not fulfil the tasks and do not help the achievement of the goals. That is why it is important to evaluate the effectiveness of managing internal communications in the “Adamant Project”.

4 Results and Discussion

4.1 Evaluation of the effectiveness of internal communication

In order to test the effectiveness of internal communication, was created the survey, which mainly focused on the most used communication tools, communication with management, employee satisfaction and how their point of view about company's internal communication work. The purpose of this questionnaire was to obtain the opinions of employees about internal communication. The questionnaire was created in writing form and addressed to regular employees of the organization.

4.1.1 Key indicator of internal communication

The Net Promoter Score (eNPS) is based on a system that affects key aspects for subsequent single-figure evaluation. The construction is based on the idea that the factors behind:

- Continuous communication with employees using multiple methods.
- Focusing on meeting strategic priorities at all levels of the business.
- Information sharing.
- Immediate solution of issues and problems.

Net Promoter Score is a relatively young method for assessing business success. In 2003, it was presented as a very simple and quick way to identify customer loyalty. An American marketer who published a lot of work on customer loyalty, Frederick Reichheld offered to measure customer loyalty by asking them about their willingness to recommend a product, service or brand to their friends and relatives. An innovation in this method is that the client is offered to evaluate how confident he is in the product in order to “put his reputation on the table” in the eyes of those whose opinion is important to him.

Often, problems in the company arise from the low loyalty of the employees, whom the company has commissioned to maintain direct contact with customers.

The eNPS index will allow you to objectively assess how your company is ready for active development and growth at one time or another of its existence.

Analysing the trends of answers on the second question allows you to quickly respond to issues of corporate culture, tools of motivation, job satisfaction, etc.

4.1.2 Evaluation of the results

The company "Adamant project" does not conduct its own research of internal communications, so it was carried out its own analysis, which in the future will be useful for this company.

As mentioned earlier, one of the key indicators of the effectiveness of an organization's internal communications is a developed corporate culture, namely the involvement of personnel in the business process and its loyalty to the company. That is why it was decided to conduct a survey to determine the net loyalty index. The questionnaire and the respondents' answers can be found in Appendix (1). Five people were interviewed from each department of the company, for a total of 30.

After the survey, the results are analysed and, based on them, the company's employees are divided into three groups:

Promoters - employees who rated 9 or 10. That is, employees who are loyal to the company act in its interests and are ready to recommend it to their friends.

Passive - employees who rated 7 or 8. That is, those who are not determined to recommend it to their friends or acquaintances. Neutrals are most often passive workers, in principle, ready to change the company.

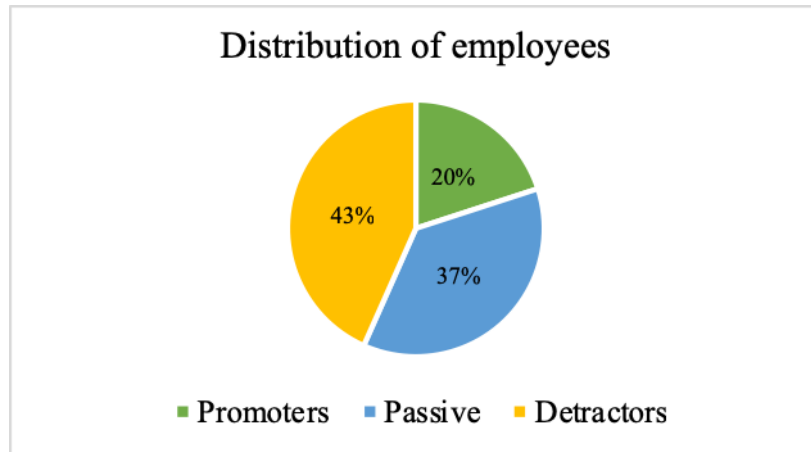
Detractors - employees who put the assessment in the range from 1 to 6. That is, those who are disappointed with the work in the company are more likely to be actively looking for an alternative option and will never recommend it to their friends.

The **eNPS** (Employee Net Promoter Score) indicator is the difference between the percentage of Promoters and Detractors. Accordingly, the more your employees are Promoters, the stronger the "foundation" of your company and the more preconditions it has to active growth and development.

The survey revealed the following data: Among the 30 people taken as 100%, only 6 people (20%) are promoters, they are satisfied with the activities of the company and support it. 11 people are passive, they are mostly satisfied with the situation, but not completely and would change their place of work in any possible moment. And 13 people (43%) of employees are detractors, what means, that they are not satisfied with the work of

the organization, also not satisfied with the working conditions and management. The distribution of employees is presented in the diagram below:

Figure 7 Distribution of employees by loyalty index



Source: own research

According to the data, the net loyalty index is $eNPS = 20\% - 43\% = -23\%$

Thus, the negative result says us, that most of the workers are detractors, what is not really bad for the company. Since one of the most important conditions for managing internal communications in an organization is maintaining employee loyalty, as noted above, it can be concluded that intra-organizational communications are not effective, according to this indicator. However, it is worth noting that a fairly large number of employees (37%) are passive, while their low marks are often caused by insufficient wages rather than problems of internal communications.

Below will be made the consideration of this index in each individual department:

For example, in the design organization department, 40% of respondents are detractors, 40% are passive and 20% are promoters.

In the engineering department, 60% are detractors, 20% are passive and 20% are promoters.

In the design department, things are better: only 20% of detractors, 40% of passive and 40% of promoters.

There are no promoters in the design department development department, 60% of passive employees and 40% of detractors.

In the financial service, 80% of detractors and 20% of passive workers.

In the PR department, however, 20% of detractors, 60% of passive employees and 20% of promoters.

Thus, it can be noted that some departments are more loyal to the company than others.

It is worthwhile to consider in more detail the main reasons cited by critics and passive employees. Among them are low or unstable wages, illiterate management policies, not very interesting workflows and the lack of career prospects. However, in the conditions of an economic crisis, these criteria are quite natural for a design company. However, there are other reasons for the loyalty of the company, and they are closely related to the corporate culture and the successful transmission of information to employees.

In “Adamant-project” there are many positive conditions and incentives for employees: frequent bonuses, preferential meals and voluntary medical insurance policy, corporate events, stable pay, and close communication with management. However, as revealed in the first chapter of this work, one of the most important factors of internal communications is the effectiveness of the tools of these very communications. Therefore, it was decided to assess the effectiveness of the company's internal communications tools. The questionnaire and the answers of the respondents can be found in Appendix (3). 30 people were interviewed, 5 from each department. The survey revealed the following data:

More than a third of employees constantly use an information board, 22% look at it quite often, almost a third only occasionally, and only 14% use it occasionally or never.

In addition, more than half (66%) of respondents find the board useful.

Thus, it can be stated that the bulletin board is a rather effective tool for internal communications in the “Adamant project”.

With a corporate portal, things are different. 69% of respondents have never used the company's website, 16% rarely visit it to get certain data (phone number). Further research of the corporate portal by the author of the diploma showed that it does not meet modern requirements and requirements of the company's employees. What means that, the portal is not updated, there is no enough information and it is not submitted in the best possible way (low-resolution photos). In addition, the site design is also not the highest quality and professional.

The research showed that 70% of employees do not find the site attractive or convenient. At the same time, 44% of respondents believe that the site is informative enough (a score of 5 or higher on a ten-point scale).

It can be concluded that the corporate portal is one of the ineffective tools for managing the internal communications of Adamant Project. At the same time, despite the low attractiveness and convenience, the portal is quite informative, but there is a problem in offering of this tool. As mentioned in the first section, the corporate portal should attract employees, provide them with the latest information, report on events, and also contain elements of corporate culture, because the site is a very powerful tool for its support and distribution. Thus, the “Adamant project” does not use this internal communication tool for its intended purpose, it needs to be completely processed.

The survey showed that a third of employees are satisfied with the content and frequency of corporate events, and almost half (25% and 20%, respectively) are satisfied with either the frequency or the content. Adamant-project pays more attention to corporate events and they work out better. Often, the PR department deals with various holidays and corporate events. It can be said that corporate events are a strong and effective company tool. However, the events are one-sided, specifically entertainment and deliberative. Thus, the tool does not use all available functions.

Research on the effectiveness of internal communication tools was not enough, so it was decided to calculate the level of employee involvement in the affairs of the company. The survey was compiled using the Q12 method, and the questionnaire and results can be found in Appendix (2). A total of 20 people was interviewed.

The study revealed the following data: the overall level of employee involvement was **70.2%**, which can be considered above average. At the same time, more than half of the interviewed employees understand what the manager requires of them, and as many as 80% have enough tools to fulfil their tasks. 55% of respondents believe that their opinion at work is considered and that the manager treats them with respect.

Such data suggests that the working process in the company is established well, employees receive the necessary instructions and know their stuff. In addition, their opinions are considered, they have good relations with the management.

However, only a third of the respondents received recognition and praise for their good work during the last week, and one third think that at work someone contributes to their development.

Besides, only 35% of employees feel the importance of working at the company at the expense of its missions and goals, and only about one tenth of the respondents noted that they have a close friend at work and that over the past six months someone at work spoke about their progress.

This analysis shows the main problems of the company and confirms the results of other studies. Despite the fact that the company has qualified employees, the relations with the management are good and friendly, and the tasks are communicated to employees in a quick and understandable manner, the company does not transmit corporate culture to subordinates, does not encourage employees, lack of praise indicates this. Although the goals and objectives of individual projects are clear to employees, the overall mission and goals of the organization are not highlighted, which complicates the spread of corporate culture and lowers loyalty.

The fact that only 10% of employees have a close friend at work is also a serious problem, since it greatly reduces the attractiveness of the work process and, consequently, involvement in it.

If employees do not feel involved in the work process and corporate culture, then staff turnover will be too high, the employee will not be difficult to change jobs.

After conducting these studies, the following elements of internal communications were assessed:

- Internal communications tools
- Net loyalty index
- Level of involvement in the company
- Corporate culture

The use of the survey helped not only to evaluate the above aspects, but also to separately evaluate all departments of the company, which made it possible to obtain broader and more accurate data. After analysing the results of research, we can draw the following conclusions:

- Internal communication tools are present, but they are few and only some of them are effective and fulfil the tasks and goals;
- The index loyalty of employees is extremely low, but this is due, for the most part, to economic criteria (salary levels and career growth); besides this, many employees are “passive”, but their comments about the company are generally positive; However, one of the reasons for low ratings is not an interesting workflow and poor management policies, which indicate the ineffectiveness of corporate communications;
- The level of employee’s involvement into organisation process is above average, however, it is worth noting that employees do not understand the mission and goals of the company, do not receive encouragement and praise, many do not feel they participate in the work process;
- There is no corporate culture in the company, just basic principles from the holding company. As a result, employees are not able to feel part of something bigger, the company does not transmit their values and goals to them; there are no established norms or management codex.

Thus, the program to increase the effectiveness of internal communications requires:

1. Review existing internal communications tools; find ways to improve the effectiveness of current, as well as try to teach employees new ideas;
2. To develop a series of measures to increase employee loyalty using PR tools (there is no opportunity to influence economic criteria, but it is quite possible to increase interest in work or better cover management policies);
3. To find the way to increase employee involvement in the affairs of the company; work on the weaknesses of this aspect, for example, develop a system of rewarding employees for good work, transmit important information to them explaining the importance of certain goals of the company;
4. To formulate the values and the mission of the company. Try to make it understandable for all employees, as well as to use the available internal communication tools for translating corporate culture;

4.2 SWOT Analysis

The development of a strategy for creating effective communication in an enterprise is carried out on the basis of a deep systematic analysis of the factors of the external and internal environment, with the result that a holistic concept of staff and organization development as a whole can be presented in accordance with its strategy. For that can be used the SWOT analysis.

The analysis of the external and internal environment using the SWOT method reveals the strengths and weaknesses of the organization in the field of internal communication, as well as the opportunities it has, and the threats that should be avoided.

Figure 8 SWOT analysis

STRENGTHS	WEAKNESS
<ul style="list-style-type: none"> • Good and stable team of employees; • Good setting of goals and objectives; • Good benefits for employees and nice working place. 	<ul style="list-style-type: none"> • No corporate culture; • There is no a common spirit and an idea as a concept of organization; • Subjectively low level of rewards.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Create the common value for the company; • A clear definition of the corporate culture; • Increase employee loyalty. 	<ul style="list-style-type: none"> • Crowding out by competitors; • Multinational employees; • Development of communication technology.

Source: own research

As a conclusion of this SWOT analysis it is possible to say that the strengths of this company include such aspects as a good and stable team of employees, many of them already are working in this company for more than 10 years. The goals and objectives of the company clearly set, what means the even new person in the company can understand the task, which should be done. Moreover, the company provides good benefits for its workers, what support a good motivation on the working place.

Weakness of the company are lack of corporate culture. There are not meetings in the company for teambuilding and motivation of all employees, what can help to create common spirit and common idea for one big concept of organization. So, it leads to the bad feedback of employees, they not discuss any problems with their managers and cannot share some ideas about how to improve or what to change inside of the organisation.

Considering the opportunities of “Adamant project”, the following aspects can be mentioned that this company can create common values based on some trends and interests. Moreover, to set up a clear definition of the corporate culture based on the external needs and priorities also is one of the good opportunities. And of course, based on the research, it is worth noting that this company need to pay attention to increasing employee loyalty.

To the threats of the company belong such features as crowding out by competitors, according to the statistics¹¹ in St. Petersburg well known 15 best companies with good reputation on the same market. Among them such as “LSR Group”, “Rosstroyinvest”, “Legenda Development”, “Bonava” and others. Recently many companies are international, where people of different nationalities working all together, and it can be sometimes a problem to understand completely each other. In the world with fast-growing technologies not easy to keep up with their development or find out what is really necessary and useful for particular case.

In conclusion, it can be noted that the communication control mechanism is a continuous process that is constantly being improved under the influence of the external and internal environment, a flexible system of control over motivation control.

4.3 Proposals for the improvement of the internal communication

Before proceeding with the development of program activities, it is important to identify its main objectives, which are directly related to the conclusions that were made above:

¹¹Internet recourse available: <https://mirndv.ru/blog/top-15-luchshih-zastrojshchikov-spb/>

- 1) Increasing the effectiveness of existing internal communications tools that do not meet or do not fully correspond to the goals and objectives set (corporate portal, corporate events);
- 2) Clear formulation of corporate culture, its separation from the holding company; The use of existing tools of internal communications that meet the goals and objectives set in order to translate the goals and missions of the company, as well as spread the corporate culture;
- 3) Increase employee loyalty using PR tools;
- 4) Increased employee engagement in company affairs using PR tools;

Now for each goal it is necessary to identify the tasks:

1) Increasing the efficiency of the corporate portal:

- To develop a new design and structure of the portal in order to improve its weakest point and make it more convenient and attractive;
- To involve employees in editing and filling those pages that are related to their area of activity;
- To fill the portal with relevant information regarding the most important events of the company: upcoming events, meetings, holidays; ensure that this information is regularly updated and meets the needs of employees;
- Introduce feedback, so the portal will be useful in collecting information, which will increase its effectiveness;
- To show to employees the updating portal, by arranging a small event associated with it;

2) The formulation of the corporate culture of the organization:

- Formulate the values, missions and vision of the company;
- Use existing internal communications tools to broadcast the above. For example, create a separate section on the site, allocate a place on the information board, as well as mention at a corporate event;

- Encourage employees to receive and distribute corporate culture of the company;

3) *Increase employee loyalty:*

- Development of a special event for team building with events that will help to employees explain the working process, company goals and management policies (informational) in an interesting way;

4) *Increased employee engagement in company affairs:*

- Development of a reward system that will be noticeable not only to the employee being rewarded, but also to the entire company; this will stimulate staff involvement in the company's business and workflow;
- Creation of small competitions, including competition, for which employees will also be encouraged;

The main goals and objectives of the program were identified, it is now necessary to identify the target audience.

In the “Adamant project” work 48 people between 23 and 60 years old, however, it is not necessary to divide them into different groups, since the program is aimed at an ordinary employee of the organization and is the same for everyone.

One of the suggestions for improvement will be the following program, which refers how to increase the efficiency of the corporate website. Bellow there is of description of this program:

Event 1. “CREATIVE IDEAS”

This is creative project, where employees are invited to volunteer to write a little news with a photo report about the project they are working with colleagues on, or to report on an interesting work situation, or upload a positive photo to colleagues on the site and tell why they like to work in "Adamant project". The most important thing in the competition is to describe the working process in a more positive way, from the position of working in a team. The purpose of the event is to integrate the Internet portal into the internal

communications of the organization. Employees will be able not only to upload various text and photo information, but also to discuss it together, using the portal, to express their opinions and approval. The authors of the three most popular publications will receive an award at the end of the month, as well as praise from the management and a separate mention in the news feed of the site. This will not only help in resolving the problem of vertical communication within the corporation, but also contribute to the development of an Internet portal. The competition is proposed to be held monthly for six months, and then, depending on its effectiveness, be left or removed.

The main purpose of the event is to show the new functionality of the site and its integration into the work of the organization, as well as to strengthen internal corporate communications.

Moreover, this event will open a new milestone in corporate events “Adamant project”, increasing the effectiveness of this tool.

The target audience of the event includes employees of the organization, as well as managers. Since the goal is intra-corporate communications, it is not necessary to consider external groups.

The objectives of the event include:

- Improving internal communication channels and tools;
- Transmission of the updated corporate culture to employees;
- Increasing the loyalty of employees and their involvement in the labour process;
- Promotion of the Internet resource as one of the main channels of internal communications.

It is necessary to analyse the event and identify possible ethical and moral problems associated with its preparation and conduct.

For example, already at the preparation stage the following problems may arise:

1. The problem of voluntariness of the event. On the one hand, the event is voluntary, which corresponds to the ethical principles of corporate ethics, and on the other hand, there is the issue of attracting employees to this event and the choice of

methods that meet ethical standards. The author believes that the monetary reward (award to the winners) and praise from the management and the team do not violate the principles of corporate and personal ethics, do not reduce the dignity and freedoms of employees.

2. The problem of "winner". In competition events with a cash prize, employees may well get the impression that it is not entirely fair, since there may be a limited number of winners. This violates the principle of equality and creates a potential problem. The author of the thesis found a solution: the competition is held on a monthly basis, which allows different people to win and receive prizes and praise, and since the event is voluntary, no one will feel obliged to deal with that.
3. The problem of "working time". Of course, the workflow is extremely important, and it is necessary to understand that the event, due to its peculiarities, can take the working time of employees. It also creates a conflict of interest and can cause dissatisfaction among employees who need to do their jobs. However, the author of the work believes that the event will not take a lot of time from the staff, and since the conditions necessary for it can be realized even at lunchtime, and many employees often talk or celebrate someone's birthday during this time period, then conditions (photo with colleagues) will not interfere with the work process.
4. Problem "formalities". This event is designed for relatively free actions of employees, including discussion of materials laid out by employees on the Internet resource. This situation can provoke certain ethical problems. However, the author considers it necessary to mention that due to the not-too-large number of employees in the organization, such relationships are quite standard. On the other hand, it is nevertheless necessary to prescribe some rules of the event, which will explain to employees the correct ethical behaviour within the framework of this promotion.

The next suggestion will be related to the issue how to improve employee's loyalty. For this was creating another program:

Event 2. "MEETINGS"

To increase employee loyalty, it is necessary to establish communication between employees and management, reduce misunderstanding and provide the necessary

information background. It is proposed to use the largest hall of the organization for the event, where the CEO of “Adamant project”, first, will explain and clearly show (e.g. using the projector) employees new values of the company, tell about future plans and areas of work, and second, will be able not only to talk, but also to conduct a dialogue, which will allow to establish two-way communication and an atmosphere of productive dialogue. Employees should be aware of both the successes and problems of the organization and take part in solving the latter and in the development of the former.

The author of this paper decided to consider this particular event, because it is the most conflicting from an ethical point of view. The following problems can be identified:

1. The problem of voluntariness of the event. The event is mandatory for employees, as it is an important and formal part of the workflow associated with the performance of the gene. director. This presentation is neither a competition nor a holiday, so it is not attractive to employees. On the other hand, the event is designed for only one hour, which does not greatly harm the interests of employees. However, the author considers it necessary to note that this action still violates the ethical principles of personal and corporate ethics, causes a conflict of interest and violates the principle of voluntary PR activities.
2. The problem of working time. Designed to be held during business hours, which causes certain ethical problems and conflicts of interest. However, the author of the work believes that the short duration of this event allows it to be held, for example, at the end of the working day without significant damage to the work process. Thus, despite the coercive nature of the event, the ethical problem arising from this is smoothed out by the fact that it is held during working hours, which will be greeted by the employees positively.

Based on certain ethical standards in the framework of this organization were reviewed a number of measures for compliance with ethical norms and values, problems were identified, and various solutions were proposed. It was also mentioned, which measures violate the norms, and which do not.

5 Conclusion

Today, all modern organizations try to create friendly and efficient team, which can achieve all together good results. And creation of such team is not less important than production process of the company. Among these conditions, the most important is the organization of internal and external relations (as communications).

Communication – it is interaction of people in the process of their joint activity, exchange of ideas, thoughts, feelings and information. Without communication, it is impossible to organize people all together.

According to research, the manager spends most of his time on communication. This seems incredible, but it becomes understandable when you consider that the leader is engaged in this in order to realize his roles in interpersonal relations, information exchange and decision-making process, not to mention the managerial functions of planning, organization, motivation and control. It is precisely because the exchange of information is embedded in all major types of management activity that communication can be called a connecting process. Effective communication is necessary for the success of individuals and organizations. Ineffective communications - one of the areas of problems manager. Effectively working managers are those who are effective in communication. They represent the essence of the communication process, have a well-developed ability of oral and written communication, and understand how the environment affects the exchange of information.

Summarizing, it should be noted that at present marketing events allow enterprises to survive in a difficult economic environment. However, not all enterprises are able to apply the full range of marketing achievements. Therefore, most often used only a set of measures, forming and stimulating, what means the communication policy.

The aim of this thesis was to analyse the internal communication of the chosen company for identification of potential weaknesses and creation of the programs to improve it.

Thus, the problem of intercorporate communications, considered in this thesis, is one of the most important for the organization LLC "Adamant project". It is necessary to understand that the interaction of employees with each other, with their managers, as well as different departments, directly affects the functioning of the company. However, this internal tool is not sufficiently developed in the "Adamant project", many of its elements

are used inefficiently, or are not used at all. The events proposed above can be a good start for improving the internal communication of employees.

In order to achieve this objective in theoretical part was given the definition of internal communication and its importance for the company. Moreover, were studied and analysed concepts, goals and aims of the internal communications, their types and tools. Also, were touched upon such aspects as corporate culture and effective management, employee engagement and loyalty, communications between employees and managers.

In the practical part was analysed the structure of the “Adamant project”, as well as different tools of internal communication, which are available for the company and also their effectiveness and potential. Besides, was conducted the research as surveys for employees of the organization and announced their results, which show the current situation of internal communication of the company. Based on research and analysis of internal communication tools, various problems were identified, goals and objectives were set for solving them.

To solve the problems, were set up two events, that can become both long-term and short-term tools for improving the situation of internal communication of the company. They involve the work with tools of internal corporate communications (such as an Internet portal, an informative table and an intranet), developing and broadcasting a new corporate culture, and establishing relationships between managers and employees.

The purpose of this thesis was to analyse the effectiveness of intercorporate communications in a commercial LLC "Adamant project" and develop a program to improve their effectiveness.

Thus, it can be argued that the goal of the work has been achieved.

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Appendix

Research materials.

1) The calculation of the index loyalty.

Question 1. With what probability from 0 to 10, could you recommend your company as a place of work to friends, acquaintances?

("0" - I would never recommend; "10" - with full confidence.)

Question 2. What is the main reason for this assessment?

RESULTS:

Department of design organisation:

№ Respondent	Answer to the question 1.	Answer to the question 2.
1	7	Stable good salary, but not really good relationships with managers.
2	6	Average salary, not interesting job.
3	9	Interesting work and friendly team, satisfied salary.
4	5	Salary and policy of the company
5	7	Small salary, but friendly team.

Department of Engineering:

№ Respondent	Answer to the question 1.	Answer to the question 2.
1	6	Stability, average salary, lack of career growth.
2	4	Low salary and illiterate leadership.
3	6	Low salary, but interesting job.
4	9	Medical insurance, an interesting team and a decent salary.
5	8	Friendly managers and team, stable salary.

Department of design (design workshop):

№ Respondent	Answer to the question 1.	Answer to the question 2.
1	9	High wages and interesting work.
2	10	Excellent team and management, high quality of work and training, decent salary.
3	6	Little work, average salary, but friendly colleagues.
4	8	Stable salary and interesting projects.
5	7	Decision making, good team and average salary.

Department of styling:

№ Respondent	Answer to the question 1.	Answer to the question 2.
1	8	A big amount of work, the average salary, interesting projects.
2	7	High salary, bad leadership.
3	6	Very not wages, but interesting work.
4	4	Average unstable salary and not interesting workflow.
5	8	Average salary, but friendly staff and medical insurance.

Financial service:

№ Respondent	Answer to the question 1.	Answer to the question 2.
1	8	Team, work, salary.
2	5	Policy of the company, salary.
3	6	Stable salary, interesting job.
4	4	Lack of career growth and friendly team. Low salary.
5	5	Salary, hard work.

PR department:

№ Respondent	Answer to the question 1.	Answer to the question 2.
1	8	Friendly team and interesting job.
2	7	Good salary and good leadership.
3	9	Salary and work stuff are on the high level, good leadership.
4	6	Medical insurance and stable salary.
5	7	Lack of career growth, but good salary and good team.

General statistics:

№ Respondent	Answer to the question 1.	Category
1	7	Passive
2	6	Detractors
3	9	Promoters
4	5	Detractors
5	7	Passive
6	6	Detractors
7	4	Detractors
8	6	Detractors
9	9	Promoters
10	8	Passive
11	9	Promoters
12	10	Promoters
13	6	Detractors
14	8	Passive

15	7	Passive
16	8	Passive
17	7	Passive
18	6	Detractors
19	4	Detractors
20	8	Passive
21	8	Passive
22	5	Detractors
23	6	Detractors
24	4	Detractors
25	5	Detractors
26	8	Passive
27	7	Passive
28	9	Promoters
29	6	Detractors
30	7	Passive
Average	6,83	

Total amount	30	100%
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From them:

Promoters	6	20%
Passive	11	37%
Detractors	13	43%

eNPS = -23%

2) The calculation of the level of employee engagement.

Please check if the following statement right (YES) or not (NO) by your opinion			
1	I know what is expected from me at work	YES	NO
2	I have all materials and equipment to do my work	YES	NO

3	I have an opportunity to do at work what I can do the best	YES	NO
4	Over the last 7 days I have got praise for a job well done	YES	NO
5	My manager takes care about me not only as worker	YES	NO
6	Somebody helps me at work with my personal development	YES	NO
7	My opinion is taken into account at work	YES	NO
8	The missions and goals of the company make me to feel the importance of my work.	YES	NO
9	My colleagues always do their job well.	YES	NO
10	I have a best friend at work	YES	NO
11	Over the past half of year someone mentioned my progress at work.	YES	NO
12	During the last year I had an opportunity for studying and growth	YES	NO

Results:

Nº Question	YES	NO
1	65% (13)	35% (7)
2	80% (16)	20% (4)
3	60% (12)	40% (8)
4	30% (6)	70% (14)
5	55% (11)	45% (9)
6	30% (6)	70% (14)
7	55% (11)	45% (9)
8	20% (4)	80% (16)
9	40% (8)	60% (12)
10	15% (3)	85% (17)
11	10% (2)	90% (18)
12	35% (7)	65% (13)
Sum of answers	99	141
Percentage of engagement	70,2% (99/141*100)	

3) The effectiveness of internal communications tools.

1. How often do you use informative Table?									
Always	Often	Sometimes	Rarely	Never					
2. Do you find this table informative enough?									
YES					NO				
3. Are you satisfied with corporate communication (as Outlook and phone calls)?									
Both are fine	Only Outlook	Only phone calls	No one						
4. How often do you use website of the company?									
Always	Often	Sometimes	Rarely	Never					
5. Rate the corporate website on a scale from 1 to 10 in terms of attractiveness and convenience (1 – the worst, 10 – the best).									
1	2	3	4	5	6	7	8	9	10
6. Rate the corporate website on a scale from 1 to 10 in terms of informativeness (1 – the worst, 10 – the best).									
1	2	3	4	5	6	7	8	9	10
7. Are you satisfied with the frequency and content of corporate events?									
Both are fine	Only frequency	Only content	Nothing						

Results:

- 1) 37% - always, 22% - often, 27% - sometimes, 10% - rarely, 4% - never.
- 2) 66% - YES, 34% - NO.
- 3) 61% - both are fine, 15% - only outlook, 18% - only phone calls, 6% - no one.
- 4) 0% - always, 5% - often, 10% - sometimes, 16% - rarely, 69% - never.
- 5) 70% - 1, 12% - 2, 9% - 3, 6% - 4, 3% - 5.
- 6) 23% - 1, 17% - 2, 10% - 3, 6% - 4, 15% - 5, 18% - 6, 7% - 7, 4% - 8.
- 7) 30% - both are fine, 25% - only frequency, 20% - only content, 25% - nothing.