

PMG 671
Leadership & Organizational
Behavior

Prepared by

Dr. Walid El Leithy

Chapter 6



Chapter 6

Chapter
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Communication

After studying this chapter, you should be able to:

1. Identify the main functions of communication.
2. Describe the communication process and
3. distinguish between formal and informal communication.
4. Contrast downward, upward, and lateral communication with examples.
5. Contrast oral, written, and nonverbal communication.
6. Compare and contrast formal communication networks and the grapevine.

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Communication

7. Analyze the advantages and challenges of electronic communication.
8. Show how channel richness underlies the choice of communication channel.
9. Identify common barriers to effective communication.

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Functions of Communication

Communication

The transference and understanding of meaning

Communication Functions

Foster motivation and stimulate members to perform.

Provide a release for emotional expression

Provide information needed to make decisions

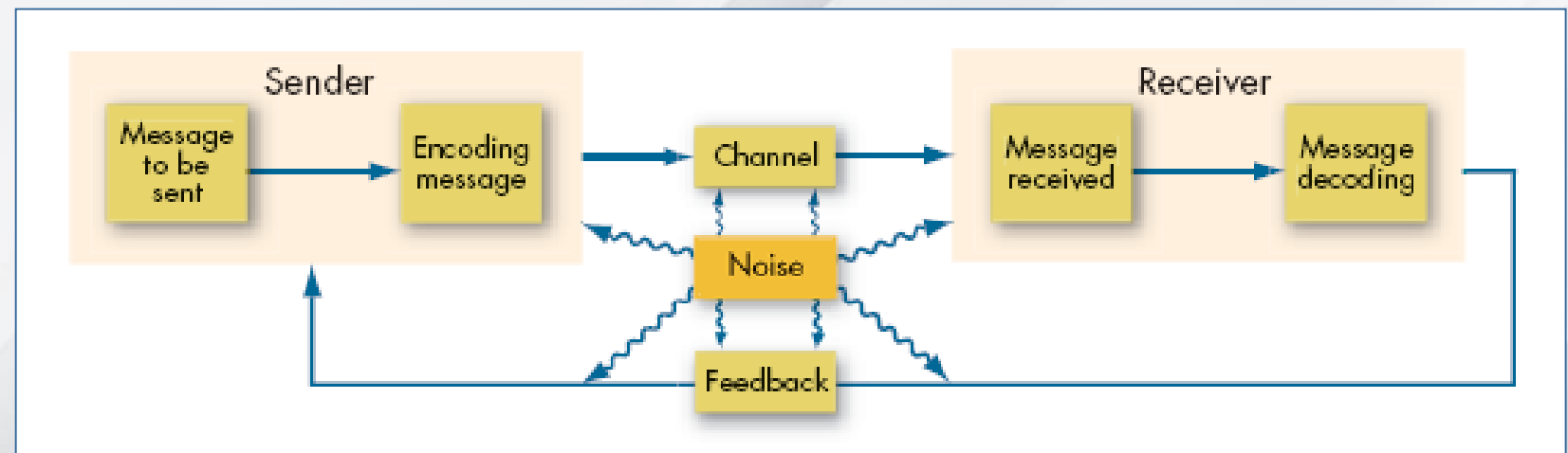
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The Communication Process

➤ Communication Process

- The steps between a source and a receiver that result in the transference and understanding of meaning.



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Key Parts of Communication Process

- **The Sender** – *initiates message*
- **Encoding** – *translating thought to message*
- **The Message** – *what is communicated*
- **The Channel** – *the medium the message travels through*
- **Decoding** – *the receiver's action in making sense of the message*
- **The Receiver** – *person who gets the message*
- **Noise** – *things that interfere with the message*
- **Feedback** – *a return message regarding the initial communication*

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Communication Channels

➤ **Channel**

- The medium selected by the sender through which the message travels to the receiver

➤ **Types of Channels**

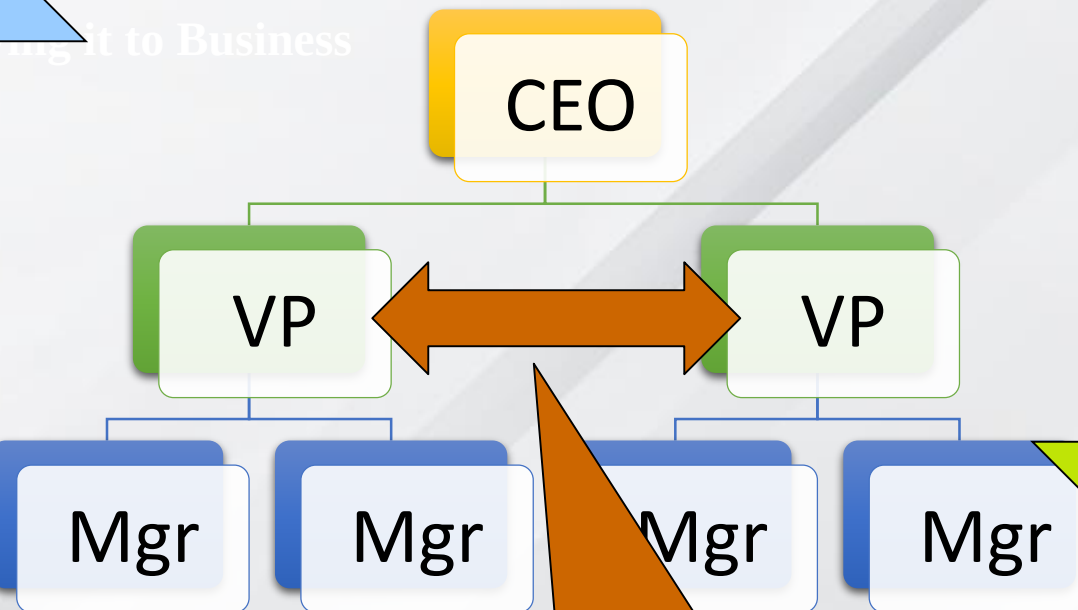
- Formal Channels
 - Are established by the organization and transmit messages that are related to the professional activities of members
- Informal Channels
 - Used to transmit personal or social messages in the organization. These informal channels are spontaneous and emerge as a response to individual choices

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Direction of Communication

of human needs
ing it to Business

U
P
W
A
R
D



LATERAL

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Interpersonal Communication

➤ **Oral Communication**

- Advantages: Speed and feedback
- Disadvantage: Distortion of the message

➤ **Written Communication**

- Advantages: Tangible and verifiable
- Disadvantages: Time-consuming and lacks feedback

➤ **Nonverbal Communication**

- Advantages: Supports other communications and provides observable expression of emotions and feelings
- Disadvantage: Misperception of body language or gestures can influence receiver's interpretation of message

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Non Verbal Communication

- **Body Movement**
 - Unconscious motions that provide meaning
 - Shows extent of interest in another and relative perceived status differences
- **Intonations and Voice Emphasis**
 - The way something is said can change meaning
- **Facial Expressions**
 - Show emotion
- **Physical Distance between Sender and Receiver**
 - Depends on cultural norms
 - Can express interest or status

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Three Common Formal Organizations Small- Group Network

➤ **Chain:**

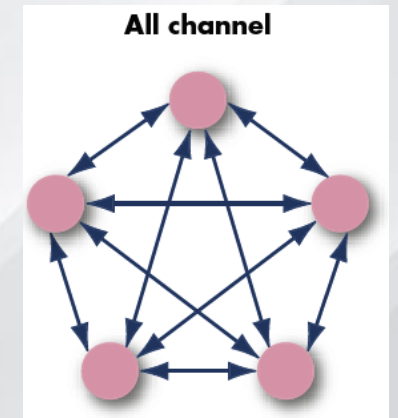
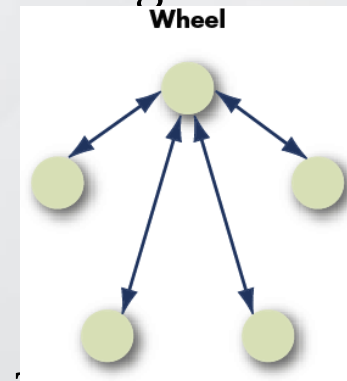
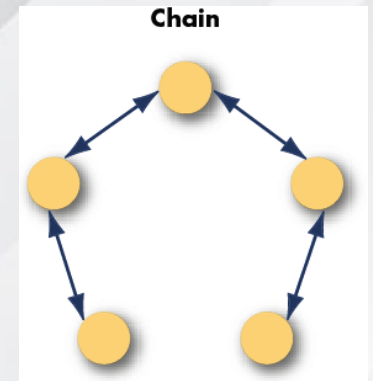
- Rigidly follows the chain of command

➤ **Wheel:**

- Relies on a central figure to act as the conduit (a pipe or tube through which something such as water or wire) passes for all communication
- Team with a strong leader

➤ **All Channel:**

- All group members communicate actively with each other
- Self-managed teams



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The Grapevine as an informal way of Communication

Within a business, there are two types of internal **communication**, formal and informal. Formal **communication** spreads through newsletters, manuals, emails, memos, staff meetings, conferences and official notices (chain-wheel-all channel). Informal **communication** occurs through **the grapevine**, which is generally word-of-mouth **communication**.

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The Grapvine

- 
- **Three Main Grapevine Characteristics**
 1. Informal, not controlled by management
 2. Perceived by most employees as being more believable and reliable than formal communications
 3. Largely used to serve the self-interests of those who use it
 - **Results from:**
 - Desire for information about important situations
 - Ambiguous conditions
 - Conditions that cause anxiety
 - **Insightful to managers**
 - **Serves employee's social needs**

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Reducing Rumors

1. Announce timetables for making important decisions
2. Explain decisions and behaviors that may appear inconsistent or secretive
3. Emphasize the downside, as well as the upside, of current decisions and future plans

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Barriers to Effective Communication

- **Filtering**
- **Filtering is the distortion or withholding of information to manage a person's reactions. An example of filtering include a manager's keeping a division's negative sales figures from a superior.**
- **filtering prevents members of an organization from getting the complete picture of a situation.**
- **filtering can lead to miscommunications in business. Listeners translate messages into their own words, each creating a unique version of what was said (Alessandra, 1993).**

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Selective Perception

- refers to filtering what we see and hear to suit our own needs.
- This process is often unconscious. we pick and choose according to our own needs.
- Selective perception is a time-saver, a necessary tool in a complex culture. But it can also lead to mistakes.
- For example, the boss asked his assistant to order more toner cartridges .Since the assistant found the to-do list from his boss to be unreasonably demanding, he assumed the request could wait. The boss, assuming

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Information Overload

- Messages reach us in countless ways every day.
- Adding these together and it's easy to see how we may be receiving more information than we can take in.
- This state of imbalance is known as information overload, which occurs “when the information processing demands on an individual's time to perform interactions exceed the capacity of time available for such processing” .

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Emotional Disconnection

- **An effective communication requires a sender and a receiver who are open to speaking and listening to one another, despite possible differences in opinion or personality.**
- **One or both parties may have to put their emotions aside to achieve the goal of communicating clearly.**
- **A receiver who is emotionally upset tends to ignore or distort what the sender is saying.**
- **A sender who is emotionally upset may be unable to present ideas or feelings effectively.**

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Language

- **Communicated message must be understandable to the receiver. Words mean different things to different people. Language reflects not only the personality of the individual but also the culture of society in which the individual is living.**
- **Age, education and cultural background are three of the more obvious variables that influence the language a person uses and the definitions he or she gives to words. Therefore, use simple, direct, declarative language.**

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Foundation of Group Structure

- **After studying this chapter, you should be able to:**
- Identify the six elements of an organization's structure.
 - Identify the characteristics of a bureaucracy.
 - Describe a matrix organization.
 - Identify the characteristics of a virtual organization.
 - Show why managers want to create boundaryless organizations.

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Foundation of Organizational Structure

- Demonstrate how organizational structures differ, and contrast mechanistic and organic structural models.
- Analyze the behavioral implications of different organizational designs.
- Show how globalization affects organizational structure.

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What is Organizational Structure

- Organizational Structure
- **How job tasks are formally divided, grouped, and coordinated,** managers need to address six key elements when they design their organization's structure:
 - Key Elements in Organizational Structure :
 1. Work specialization
 2. Departmentalization
 3. Chain of command
 4. Span of control
 5. Centralization and decentralization
 6. Formlization

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Work Specialization

- **The degree to which tasks in the organization are subdivided into separate jobs**
- **Division of Labor**
 - Makes efficient use of employee skills
 - Increases employee skills through repetition
 - Specialized training is more efficient
 - Allows use of specialized equipment

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Departmentalization

- **The basis by which jobs are grouped together**
- **Grouping Activities by:**
 - **Functional departmentalization** - Grouping activities by functions performed. Activities can be grouped according to function (work being done) to pursue economies of scale by placing employees with shared skills and knowledge into departments for example human resources, IT, accounting, manufacturing, logistics, and engineering.

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Departmentalization

- **Product departmentalization** - Grouping activities by product line. Tasks can also be grouped according to a specific product or service, thus placing all activities related to the product or the service under one manager.
- **Customer departmentalization** - Grouping activities on the basis of common customers or types of customers. Jobs may be grouped according to the type of customer served by the organization.

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Departmentalization

- **Geographic departmentalization** - Grouping activities on the basis of territory. If an organization's customers are geographically dispersed, it can group jobs based on geography.
- **Divisional departmentalization** - When the firm develops independent lines of business that operate as separate companies, all contributing to the corporation profitability.

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Chain of Command

➤ **Authority**

- The rights inherent in a managerial position to give orders and to expect the orders to be obeyed

➤ **Chain of Command**

- The unbroken line of authority that extends from the top of the organization to the lowest level and clarifies who reports to whom

➤ **Unity of Command**

- A subordinate should have only one superior to whom he or she is directly responsible

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Span of Control

The number of subordinates a manager can efficiently and effectively direct

- **Wider spans of management increase organizational efficiency and leads to :**
- **Faster decision-making due to fewer levels of approvals required for a specific decision, which allows the company to respond more quickly to business issues.**

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Span of Control

- **Better and more frequent communication between higher-level managers and staffers, so the staff is more knowledgeable about company goals and the higher-level managers are more knowledgeable about daily operational issues faced by staff.**
- **Reduced costs relative to a taller organization, since there are fewer management layers needing compensation**

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Span of Control

- **Narrow span drawbacks:**
 - **Expense of additional layers of management**
 - **Increased complexity of vertical communication**
 - **Encouragement of overly tight supervision and discouragement of employee autonomy**

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Centralization and Decentralization



Centralization

- The degree to which decision making is concentrated at a single point in the organization.



Decentralization

- The degree to which decision making is spread throughout the organization

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Formalization

- **Formalization** refers to the degree to which jobs within the organization are standardized.
- Formalization in organizational structure is a process in which managers specify (in writing), procedures, rules and responsibilities for the individual employees, organizational units, groups, teams and the organization as a whole, which leads to the development of processes, relationships, and operating procedures.
- Employees can be expected always to handle the same input in exactly the same way, resulting in a consistent and uniform output. There are explicit job descriptions, lots of organizational rules, and clearly defined procedures covering work processes in organizations in which there is high formalization.

Chapter
6**Formalization**

Where formalization is low, job behaviors are relatively unprogrammed, and employees have a great deal of freedom to exercise discretion in their work. Standardization not only eliminates the possibility of employees engaging in alternative behaviors, but it even removes the need for employees to consider alternatives.

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Common Organization Design Function Structure

➤ **Functional Structure**

A functional organizational structure is a structure that consists of activities such as coordination, supervision and task allocation. The organizational structure determines how the organization performs or operates. The term organizational structure refers to how the people in an organization are grouped and to whom they report.

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Common Organization Design Function Structure

➤ **Functional Structure**

One traditional way of organizing people is by function. Some common functions within an organization include production, marketing, human resources, and accounting.

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Common Organization Design

- **Divisional Structure**
- The divisional structure or product structure consists of self-contained divisions. A division is a collection of functions which produce a product. It also utilizes a plan to compete and operate as a separate business or profit center.

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Common Organization Design

- The matrix structure groups employees by both function and product. This structure can combine the best of both separate structures. A matrix organization frequently uses teams of employees to accomplish work, in order to take advantage of the strengths, as well as make up for the weaknesses, of functional and decentralized forms.



Thank You