EFFECTIVE BUSINESS COMMUNICATIONS

Thesis for the Degree of M. A.

MICHIGAN STATE COLLEGE

Donald Weller

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EFFECTIVE BUSINESS COMMUNICATIONS

By

DONALD WELLER

A THESIS

Submitted to the School of Graduate Studies of Michigan
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CHAPTER I

INTRODUCTION

Purpose of Study

This is a study of communications as applied to all business, with particular emphasis being directed to the food chain industry. It was undertaken because the writer feels that today, more than ever before, and in the future, there is, and will be, a need for better and more accurate communications within the food chain group.

The food industry itself presents a good opportunity to test different methods of communications, since there is an ever-present need for communicating sales plan and product information through correct channels promptly and accurately. Inversely, there is also a need for information to pass from within the ranks to top management. In order that both these functions are performed smoothly and efficiently, the tracks for communications must be "cleared for action."

The food business has grown tremendously in the past ten or fifteen years, and if it is to continue its phenomenal growth it must be able to pass valuable pieces of information along so that they can be acted upon immediately. With the present system of competitive business, it is very important that facts, as well as "tips," be channeled to the right persons quickly and accurately if an advantage is to be gained.

Up to the present time, not too much has been done to improve the field of communications. However, the executives of today are beginning to realize how important good communications are in their attempt to keep the organization running smoothly.

Some chains have tried to set up their communication systems on a parallel with the formal organization of the company. They have found that not everything moves as easily as expected. This is due to the fact that there are obstacles in the chain of command. These obstacles must be overcome to relieve the bottlenecks and inefficiencies of this formalized system.

The writer has endeavored to develop six major divisions in his treatment of communications. In developing these divisions,   necessary to include some of the problem areas of communications, as well as some possible solutions to these important questions. The main purpose of including these explanations was to set down the basic foundations for good, efficient communications. With this investigation the various companies can start to analyze their systems in relation to an ideal system. The companies may then be able to find a key to unlock their trouble chest.

Sources of Data

The primary sources of information for this study have
been secured from the multitude of published material on each
of the various phases of the problem that the writer deemed
necessary and important for the study of communications. In
addition to this information the writer has obtained, through
correspondence and discussions with many food chain execu-
tives who have been on speaking engagements here at Michigan
State College, much valuable information.
In requesting information from these various companies, the
writer tried to get a glimpse of the problem areas and how
they were handled by the various organizations. The material
received filled in the actual with the theoretical. Where
the information received was brought into the discussion,
direct reference was made. A complete listing of the other
sources, i.e., periodicals, pamphlets, addresses and books,
is found in the bibliography of this thesis.

Scope of the Study

The writer has tried to expand the scope of this study
enough to cover all the major points, and yet still handle
them thoroughly and concisely. This study is divided into
six major areas in the handling of communications as applied
to the food chain industry. There probably are other areas
which might be treated in this field; however, it would be

impossible to handle all of them thoroughly in a dissertation such as this one. Only the most important areas were chosen for this discussion

The first phase of this investigation deals with the flow of communications. Therefore, it is necessary to compare two-way communications as opposed to three-way communications. In handling the subject of written communications it would be almost impossible to avoid the methods used and how they can be used effectively. This being the case, a section concerning the most important of these methods has been included.

Written communications will be divided into two chapters to avoid too lengthy a discussion and also to treat the matter more thoroughly. The second phase of written communications deals mainly with written communications from the employee to the top management whereas the first phase dealt mainly with top management to employee information.

The third phase of this thesis deals with oral communications, with particular emphasis being placed on the various meetings of the different levels of management and the results obtained from these meetings. It was also felt necessary to include several examples to further enlighten the reader.

The fourth phase has to do with special purpose communications. This area not only covers the employees but also the very important patrons outside of the operations; namely, the stockholders. Since our business is dependent upon these

stockholders, the author felt that any discussion in the field of communications should justly include them.

The fifth phase deals with the role of the union in communications. In this day and age unions are firmly entrenched in business; therefore, we must include them as a major area in the dissemination of information. Since the handling of grievances is a major problem in communications, and falls into the union classification, the author felt it should justly be mentioned in this area.

The sixth and final phase of this investigation discusses what might be termed "a good communications program." This includes what the goals of the program should be, how they can be brought about, and evaluation of the program to see if the desired results are being obtained. From this point, it is the job of the executives to alter their program to suit the individual needs of the particular organization.

CHAPTER II

FLOW OF COMMUNICATIONS

Communications is defined as the "interchange of thoughts, opinions, or information." It is the job of all concerned to see that these functions are performed smoothly. The reason this "interchange" does not take place, in many cases, as it should is because there is a lack of understanding among the parties involved. One of these major barriers against understanding is the difference in personal background and education of the personnel.

Determining the Best Means of Communication

A food chain organization, whether it be large or small, is made up of many kinds of people. The education of these people varies from the person with many degrees, who may be at the top of the management level, to the store clerk who has possibly had, at the most, a high school education. To-day, the chains are becoming more strict in their employee educational requirements and it is often the case that a high school education is required for employment. However, these persons with their varying degrees of education, analytical abilities, and understanding must be reached. The communications issued to these various groups must contain the material in a highly informative, as well as understandable, form.

Therefore, it must be general enough to be understood by most,
if not all, of its readers and still be concise enough to con-
vey no mistake as to its intended purpose.

> "Companies frequently handle this problem of
> the specific vs. the general audience by preparing
> certain written communications for limited distribu-
> tion to specific groups, such as an executive house
> organ, a branch letter, or a technical bulletin."[1]

It is the job of management to determine exactly what
they want to say to the personnel, how they wish to say it,
and the best means of getting this information to the specific
groups. In determining the best means of communications, the
factors given above must be carefully weighed to make sure
that the personnel receives the right information.

WRITTEN COMMUNICATIONS

The author feels that in a breakdown of communications,
written communications should be presented first, because they
present the most concrete picture. In analyzing written com-
munications, the authors of them, if they carefully study
them with an open mind, can spot some of the weaknesses or
faults within their writings, whereas it is quite difficult
to remember all oral communications. This weakness in oral
communications is one of the reasons failures of company pro-
grams are difficult to trace and remedy. In examining written
communications, it is evident that there are many forms and

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[1] Mee, John F. (editor) Personnel Handbook. New York:
The Ronald Press Company, 1951. p. 788.

channels which can be used. This part of the discussion will include the more formal means, with a full description of the others, i.e., employee house organs, bulletins and posters, booklets and local newspapers, to follow in the latter stages of the chapter.

TWO-WAY COMMUNICATIONS

Two-way communication in business is thought of as being the giving and receiving of information. In order for communications to exist, what is sent must be received. Hence, we use two-way communications to indicate the up and down flow of information to and from employees. However, the subject will be treated   mainly as communications downward through the organization to the personnel. It may be said that the means used to achieve an effective   flow of communications, may also be reversed and, thus, the reason for its name. This two-way flow of communications is very important. Water backing up behind a dam, without a spillway, is analogous to   what transpires in the absence of two-way communications. If the management does not keep the channels of information open, its main purpose is defeated. In order that management may learn the feelings and attitudes of its workers toward its programs and policies, the upward channels must be kept open. If the downward channels are not kept open, the employees will not know what information to send back up the channels to management.[2]

[2] Ibid., pp. 758-759.

<u>Letters to personnel</u>. Letters are a very effective
method of transmitting information directly to the employees
and one which insures maximum response. The letter adds a
more personal touch to the job because it makes the employee
feel that he is more a part of the organization. In many
cases these direct letters to the employees are signed by
the president; in others, by the local branch manager. Com-
panies that have used this form of communication feel that
these letters, used with judgment, are a valuable supplement
to the periodic company publications and are quite impressive.[3]

Direct-mail adds to the effectiveness of any material
given to the employees. The mere fact that the employer
thought enough of it to send it individually and pay postage
on it is a good indication of its importance.[4] Since these
letters are an additional expense to the company, they must
prove their valuableness. The outlay for these letters is
just as important as an expenditure for new lighting fixtures.

The direct letter to personnel and their families, if
used appropriately as to time and content, can be one of the
most effective media for sharing information with employees
and securing better understanding. On the other hand, if not
used with discretion, it can be very harmful.[5]

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[3] Baker, Helen. <u>Company-Wide Understanding of Industrial
Relations Policies</u>. Princeton: Princeton University, Depart-
ment of Economics and Social Institutions. 1948. pp. 35-36.

[4] Heron, Alexander R. <u>Sharing Information with Employees</u>.
Palo Alto: Stanford University Press. 1942. p. 131.

[5] <u>Ibid</u>., pp. 132-139.

<u>Orders through the line organization</u>. If the channels of communication are kept open and are functioning properly, these direct orders can prove the most productive system in an organization. The top management of Johnson and Johnson Company, the world's largest producer of surgical dressings, realized the importance of the line organization as a direct channel of communication. The channels of communication were set up from the vice president through to the employee and were recognized as the chief conduit of the management's system of communications. The above-mentioned channels handled all operating instructions and other matters, such as the daily maintenance of safety and discipline.[6] It might also be mentioned that the company has had only one minor labor disturbance since June, 1945, when they had to lay off workers because of over production. The dispute was handled later and everything has functioned smoothly since that time. This labor relations record has proven the effectiveness of setting up channels of communication and operating directly through them.

The following statement aptly sums up communications through the line organization:

"Formal communication is so indispensable to purposeful cooperation that it is secondary only to the prior existence of an organization with members willing to cooperate."[7]

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[6] Baker, Helen, John Ballantine and John True. <u>Transmitting Information Through Management and Union Channels</u>. Industrial Relations Section, Department of Economics and Social Institutions, Princeton University, Two Case Studies. Princeton, New Jersey. 1949.

[7] Mee, <u>op</u>. <u>cit</u>., p. 763.

The author of the above statement further explains that
line communication must be so designed that it is:

1. Authentic- that it comes from whom it purports to
come.

2. Authoritative- that it may be relied upon as a basis
for action. Authoritativeness is usually the command type
designated by the organization chart; but it may also be func-
tional authoritativeness, which comes from the person's func-
tional duties. For example, an electrical engineer definitely
speaks with more authority concerning a generator than does a
plumber.

3. Intelligible- that its language has the same meaning
to the receiver as it does to the originator of the communica-
tion.[8] The originator of these communications must use a
vocabulary which he knows has the same meaning to the receiver
as it does to him.

THREE-WAY COMMUNICATIONS

Not all communications are two way. In business there is
a need for a broader phase than two-way communications permit.
Hence, we have what is known as "three-way" communications.
This type of communication consists of the following types: [9]

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[8] Mee, loc. cit., p. 763.

[9] Mee, op. cit., pp. 759-761.

1. **Different levels of authority.** Interscalar communi-
cations consists of communication between the different levels of
authority within an organization. Orders, reports and instruc-
tions through the formal line organization are handled by
this method.

2. **Personnel on the same level.** The conversations, or
communications, between personnel on the same level is called
intrascalar communications. This is the informal type of
communication. Casual remarks about the boss between two
workers, or the exchange of ideas or information by two dis-
trict superintendents, would best illustrate this method. In-
formal communication, such as this, is necessary to promote
unity, understanding, morale and action in an organization.
However, too much informal communication will tend to weaken
a business organization.

3. **Outside communications.** This last classification of
three-way communications includes all outside, or **extra-
organizational, communications** which are related to the work,
but which take place outside of the company. Information
which should not or could not go through the company channels
falls into this grouping. Unions and local newspapers are
two good, common carriers of this type of information.

Together, these three types of communications should
take care of the loose ends in the company's system of keep-
ing its employees informed.

METHODS OF WRITTEN COMMUNICATIONS

The author felt that special consideration should be given to some of the other important methods of transmitting information to the employees. Therefore, this section of the chapter will deal with house organs, bulletins and posters, booklets and local newspapers. These are what might be called the "extra-curricular" media of informational exchange. They provide an excellent means for keeping the employee informed outside of his working environment.

House Organs. Employee house organs, also known as internal house organs, employee magazines, or employee newspapers, are a big part of the program of communicating information to the employees of many companies. In the United States there are approximately 5,000 such publications. These publications reach about 30,000,000 readers at an approximate cost of $30,000,000, annually, for printing and administration.[10] Surely an expenditure of this size must perform some valuable job. At least the companies hope so. A good example of the type of work this kind of employee publication can do is to build "company-consciousness," a feeling of belonging, or what is termed esprit de corps.[11]

[10]Ibid., pp. 789-791.

[11]Heron, op. cit., p. 118.

A recent study by the Association of National Advertiser's, Inc., of six major companies in this country, to determine whether the companies are actually receiving their money's worth from house organs, revealed:[12]

1. Fifty-three per cent of the employees named it as their major source of information about the company.

2. Ninety-seven per cent of the workers stated they felt they could believe what they read.

3. Seventy-eight per cent of the employees read these company publications regularly.

4. Pictures and sectionalized departmental news have top pulling power.

5. Signed editorials outscored unsigned ones by a good margin.

In another company, employees indicated their preference as being:

1. Humor page.

2. The article by the president.

Surveys that have been made in the last few years indicate that the kind of information employees desire most in their house organ concerns the programs of the company and their effect on the workers' jobs.

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[12] Anon. "How Effective Is Your Employee Magazine." Factory Management and Maintenance. Vol. 3, No. 6, p. 270:4 (As in The Management Review, February, 1954, Vol. 43, No. 2, p. 84.)

Every indication points to the house organ as a valuable contribution to the communications program. However, it must not be used as a preaching medium and any information that is submitted should be surrounded by personality sketches, births, deaths, and marriages and other information of personal interest to employees. Much of this latter material can be contributed by the employees themselves, and, thus, the house organ provides two-way communication.

The following list illustrates what a house organ can do in a company using it as a medium of communications:[13]

1. It promotes loyalty to the company. It gives the employees a sense of belonging to an organization.

2. It improves cooperation of the worker with the management. The employees receive the facts and have a chance to weigh them themselves.

3. It gives employees a feeling of working together. It builds a "one, big family" feeling among the workers.

4. It interprets company policies, problems, and objectives so that they are understood by the workers.

5. It informs employees of company rules, products, methods of doing business, new policies, and plans.

6. It increases company prestige among employees.

7. It inspires individual initiative and the desire to get ahead. Awards, promotions and campaigns are publicized and enlist employee participation.

8. It promotes employee activities. It promotes morale-building activities and shows the employees that the company is behind them.

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[13] Lesly, Philip. (editor) Public Relations Handbook. New York: Prentice-Hall, Inc., 1950, pp. 103-105.

9. It promotes health and safety. It carries reminders on accident prevention and safety precautions.

10. It increases productivity and performance. It features individual accomplishments and gives special recognition to deserving employees.

11. It serves as a sounding board for employee attitudes. Suggestions and opinions are stimulated by the house organ.

12. It can combat, when necessary, adverse publicity or harmful rumors. True facts can allay rumors.

13. It builds understanding and support in the communities where the company operates. Good will of the public, which receives the material, naturally is conveyed to the employees.

14. It is an important contribution to the building of good will for the company. By gaining the support of community leaders, developing loyalty among the employees, and preventing harmful rumors it stimulates good opinion of the company from the sources that are most important - those nearest the company.

The preceding list, in the author's opinion, best states the merits of using a house organ to promote employee communication.

Although the house organ is a valuable aid to company communications, it is just one of the many. Some companies do not endorse an internal employee publication and rely on other media to handle the job of keeping their employees informed of personal incidents among their fellow workers. Kroger, one of the leaders in the food chain industry, is a good example of a company which relies on other media to communicate to its employees.

Booklets. The Kroger Company uses employee booklets instead of a house organ. Each booklet is designed to convey

a particular message that Kroger desires to explain to its 30,000 employees.

Booklets provide an excellent medium for companies to give specialized and detailed treatment to a particular subject. Since they can be quite small in size (3"x5") they easily lend themselves for use as pay envelope inserts, direct distribution, or individual mailing. They are usually printed and lend themselves very nicely to the use of colors, drawings and sketches. Complicated programs, i.e., pension plans, job evaluation, and fringe benefits, can be explained quite thoroughly and dramatically by these little booklets. In fact, it is the author's opinion, as well as that of some of the chain store executives in this country, that employee booklets are one of the best methods for presenting complicated facts, such as company pension or hospital plans, to the company's personnel on all levels.

Bulletins and Posters. Forms of communication can be very effective on the store level. Material which is put on bulletin boards should present the point accurately, briefly and in a catching manner. Bulletins should be as clear and friendly as any other communication. Posters are very effective when drawn by company artmen and duplicated in black and white, rather than expensive, multi-colored, syndicated posters.[14] Since it is necessary to have a

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[14] Mee, op. cit., p. 794.

prominent and convenient place to display these communiques, bulletin boards are a "must." Bulletin boards should be conveniently located, efficiently designed, and carefully managed. Special emphasis should be placed on the need for keeping these vital information points uncluttered, clean and having the material changed periodically. In fact, if posters and bulletins are not changed once a week, some system for arranging them should be made.

In one of the larger chains, the American Stores Company, mail is sent to the stores on the produce and bakery delivery trucks. This mail contains the price changes, merchandise and promotion news, and other daily information needed to keep the store personnel informed on current developments within the market, and also the company. A policy of posting the store mail is followed. This mail is read by all of the employees in the store who initial it after they have read it and every week the material is taken off the board and kept on file in the manager's office. In this manner the board is cleared for the next week, it is kept uncluttered and all information is noted by the employees.

Local Newspapers. In communities where the company employs a large number of people and is well thought of by the people in those communities, the local newspapers are an excellent medium for communications. They serve a two-fold purpose: Dissemination of interesting material to the employees and, secondly, promote good will and public relations among the townspeople.

Newspapers present company news and plans for inspection by the public. Local papers also direct attention toward certain fellow citizens cited for outstanding service and achievements. The papers are always glad to print news, such as previously mentioned, and fellow workers are always happy to receive it.

The writer has mentioned only a few of the various methods of management-employee communications which he thought deserved special mention. There are many more, such as the use of films to present worthwhile subjects, pay envelope inserts, and television, which have become very important in this day and age. These are just a few of the more noteworthy methods. Whatever forms are chosen by the various chain organizations, care and restraint must be exercised. Do not preach to the employees; explain, and then let them draw their own conclusions.

CHAPTER III

OTHER METHODS OF EMPLOYEE COMMUNICATION

This phase of employee communication deals mostly with employee-management communication, or the passing of information up through the channels to top level management.

A major section is devoted to the use of the suggestion system, as it presents a good example of communications "upward."

Importance of Information from Employees

There are definite benefits which can be derived within the organization which maintains open channels of communication upward. In this way management is able to receive valuable information from the operating level and subordinate management. The main benefits of such a system are:[1]

1. Management may improve downward communication, because it better understands the worker and can communicate in terms of his world.

2. Management can more effectively meet the information needs and desires of employees, because employees are able to communicate their needs to management.

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[1] Mee, John F. (editor) <u>Personnel Handbook</u>. New York: The Ronald Press Company. 1951. pp. 816-817.

3. Cost-saving, morale-building suggestions are received. Management has no monopoly on the brains in the organization.

4. There is higher morale because of a greater sense of employee participation in the operation of the business.

Information which employees can contribute is almost unlimited. The employees can contribute any information which management needs - if management can only get them to give up the information. Generally speaking, almost any information which directly, or indirectly, indicates to management, employees' attitudes, sentiments, needs, or information concerning the operations is welcome. Also, suggestions which would improve business conditions and working conditions are looked for by management from the employees.[2]

Methods of Employee Communications

In considering methods whereby the employee can communicate with management, these are not presented in order of importance, but rather chosen at random. Management must make sure that there are no barriers between itself and the employees if effective communications are to exist.

Interviews. An interview has been defined as any face-to-face meeting, with other than purely social contacts being the motivating factor. The major aim of any interview is the

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[2] Ibid., p. 816.

gathering of information. Information obtained may be of a different nature and make-up than is ordinarily thought of in conjunction with such meetings. It provides a foundation upon which conclusions may be drawn and action motivated. If the information obtained from the interviews is carefully compiled and filed, it can serve as a valuable reference in the future. Employees can contribute such information as: Why they ask for transfers. What are the trouble spots within the organization? Why they are remaining employed in the company. This information can be used to avoid a continuation of unsatisfactory situations.

Face-to-face contacts and meetings. Using this phase of upward communication, management must prove itself a good listener. Discretion must be used in interrupting the employee and in inserting ideas to clear up the matter at hand. This type of meeting is commonly referred to as counseling and possesses potential for securing information. "This two-way, man-to-man technique has all the ingredients necessary to produce the best results. It is informal; it is face-to-face; it is personal; and it flows in two directions."[3]

Letters from individual employees. Brief mention of these letters from individual employees is all that is necessary to give the reader a complete picture. The type of letter received

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[3] Brunauer, Walter E. "Increasing Sales Efficiency Through Better Two-Way Communication." American Management Association. Marketing Series Number 84: p. 27. 1952.

varies from those by the chronic complainers to the letters of individual need or appreciation for some act of management. Since these letters are self-explanatory, from specific individuals, they are handled as such and it is not necessary to go into the subject in any further detail. Special emphasis should be placed on the need for answering these letters promptly and to the complete satisfaction of both parties. Prompt answers help to avoid grievances later.

Employee representatives. In some companies employees are elected to represent the masses and present their problems to management. Now that unions have established themselves so firmly in industry, this "middleman" is disappearing in one sense. The union steward is now taking over this function as employee representative. The steward must act unbiased and present all information unfailingly.

It is logical that any employee representative who is chosen by his fellow workers can be very helpful to both the employees and management. The steward performs a necessary function as co-ordinator for both groups. He is the relay agent, passing employee sentiments and opinions back up the ladder. He also helps by explaining any new company plans or policies to the employees. The co-ordinator is very vital in keeping the channels of communication open.[4]

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[4] Brown, Harvey W. "What Labor Expects of Management." American Management Association. Personnel Series Number 117: pp. 26-27. 1948.

"Open-door" policy. In establishing an "open-door" policy, all efforts must be exerted to insure use by the employee and make the atmosphere as friendly and informal as possible, so that the employee will not be ill at ease.[5]

> "Theoretically, at least, the 'open-door'
> policy...whereby the worker is encouraged to bring
> his problems directly to upper management at any
> time...has been widely accepted as a vehicle for
> improved communication. Its practical application
> presents certain problems, however, since workers
> often hesitate to by-pass their immediate super-
> visors...who, in turn, may feel justifiably resent-
> ful if they do. The solution in one company was
> to integrate the 'open-door' concept with an em-
> ployee council program based upon multiple manage-
> ment."[6]

The company, upon which this discussion is based, was the W. T. Grant Company, with general headquarters in New York City. This plan is very similar to the one adopted by McCormick & Company, Inc., of Baltimore, Maryland.[7] In McCormick's plan, multiple management was born with the setting up of three elective employee boards - the junior board of directors, the factory board, and the sales and advertising board. The principal purpose of the board is to feed to the senior board of directors any new ideas which

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[5] Mee, op. cit., p. 818.

[6] Davis, George F. "The Open-Door Policy in Operation." Personnel. Vol. 29, No. 6, May, 1953, pp. 507-510.

[7] Curlett, John N. The Management Job in Communication. Address given before the California Personnel Management Association, 1953. 9 pp.

might improve business conditions. Unanimous approval of the junior board is required before any new plan can be sent to the senior board of directors for action.

As one author so aptly stated it, "When any man in an organization is free, regardless of formal channels, to consult with anyone else who is able to help him with his problems, one of the conditions of good communication may be said to exist."[8]

Attitude surveys. In order to find out how personnel is reacting to management's policies, the survey or opinion poll is used. The methods used may vary. Two common methods are questionnaires and interviews. The purpose of the questionnaires and interviews is to obtain information from the employees in an informal and informative manner.

However, the two media do more than make an analysis of employee attitudes. Actually, they make an analysis of the way the management of a particular branch has been able to produce a "winning team." They also analyze the effectiveness of cooperation at and between all levels of employees in any of the stores or zones. Manager's skill is revealed and also how well he is maintaining sound, human relations.[9]

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[8] Learned, Edmund P., David N. Ulrich, and Donald R. Booz. Executive Action. Boston: Harvard University, Graduate School Business Administration. 1951. 218 pp.

[9] Worthy, James C. "Attitude Surveys As a Tool of Management." American Management Association. General Management Series Number 145. 1945. pp. 12-13.

In addition to the analytical and informational values received, these surveys also play a big part in personnel planning. With a device of this sort, top management can be more confident of the way in which their middle management is exercising the human relations portions of its total management responsibility.[10]

The author has sketched briefly the "other methods" of employee communications in an attempt to describe "bottom-up" management. In this phase of employee communications upward to top management, one of the best and most satisfying methods to both parties is the use of the suggestion system.

Use of Suggestion Systems for the Encouragement of New Ideas

An employee who has worked on the job for some time is likely to know a lot more about the job details and ways to improve them than anyone else, including his supervisor.[11] Since he possesses ideas, a release is needed to keep him happy. The release can be in the form of a suggestion system. This idea of employees contributing worthwhile ideas to management is not new. "History tells us that as early as the year 1880, the William Denny Shipbuilding Company of Dumbarton, Scotland, inaugurated a formal suggestion plan."[12]

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[10] Ibid., pp. 15-21.

[11] Mee, loc. cit., p. 818.

[12] Denz, F. A. "Why a Suggestion Plan?" American Management Association. Production Series Number 165, 1946. p. 3.

Starting a plan. The keystone in the establishment of such a program is proper executive support. The wholehearted support of all levels of management should be enlisted from the start. As the proverbial saying goes, "If it's worth doing at all, it's worth doing right."

Secondly, proper organization of the program must be arranged. An executive director is therefore a "must" requirement.[13] The job of the director of the suggestion plan and his staff is to handle all suggestions received, investigate them and follow up with acknowledgments or awards, as the case may be. Further mention of this will be made later.

Another requirement for successful evolution of a suggestion plan is promotion and publicity. At the outset not too much promotion and publicity is required, but careful handling thereafter is necessary. The house organ provides an ideal location for such promotional material.

As previously mentioned, the suggestions must be quickly investigated and handled to the employee's satisfaction. If a suggestion is accepted, a normal procedure of events should be followed. However, if rejected, the employee should receive a prompt and full explanation of the matter. Lastly, proper incentives should be given to stimulate the employees. There is no need for fabulous awards, but in the same manner

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[13] Loesges, R. E. "Building a Suggestion Plan." American Management Association. Production Series Number 165: 1946. pp. 8-9.

they should be more than a token acknowledgment. In the
majority of companies the minimum award is $5. If there is
a maximum set, and many companies do so, the ranges are from
$100 to $2,500, with the majority falling within the $500 to
$1,000 range.[14]

Proper and careful handling of suggestions. Not enough
emphasis can be placed on the importance of handling sugges-
tions. No rubber-stamp type suggestion system can be set up
and left to run its own course. No two individuals are alike;
therefore, we must deal with each individual separately.

Since we are dealing with individuals, we should make the
most of the opportunity. The opportunity afforded supervisors,
managers or department heads, working in conjunction with the
system, to further personnel relations are unlimited. Like-
wise, chances to hurt personnel relations are also afforded
by the presence of suggestion rejections. In addition to a
follow-up letter, which is best when delivered in person by
the person's immediate supervisor, further discussion with
the suggester might be necessary to smooth feelings.[15]

Why would there be a need for the study of communications
if every person was perfect in his writing? The point is, not
everyone is faultless and so a follow-up discussion with the
employee is necessary.[16]

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[14] Ibid., p. 17.

[15] Seinwerth, Herman W. "Suggestion Plans - The Value to
the Personnel Relations Program." American Management Associa-
tion. Production Series Number 165; 1946. pp. 8-9.

[16] Ibid., p. 7-8.

Benefits of suggestions. Not only does the company bene-
fit, but the employees as well. The employees receive an op-
portunity of expressing themselves to management. Also, other
benefits accrue, such as personal recognition, satisfaction of
seeing your own ideas put to work, and making working condi-
tions more pleasant and safer, plus the remuneration received.

The employee's education about the company is broadened.
They also become acquainted with the operating procedures of
the company and what is the main purpose of these procedures.

Management, on the other hand, gains through improved
employee relations, greater safety, improvement in products
and customer service, and the creation of an alert, thinking
organization.[17]

Awards. Not much is needed to clear up this phase of the
program. These are the greatest pleasures in the whole plan.
When rewarding employees with cash, give it to them personal-
ly. In addition to this, build up the feeling of personal
accomplishment within the company by announcing winners, using
pictures, if available, on bulletin boards, posters, and in
the house organ of the company, if one is published.

Evaluating the suggestion program. To determine the rel-
ative performance of any suggestion system, it is only neces-
sary to take three factors into consideration:[18]

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[17] Denz, op. cit., p. 4.

[18] Alger, L. J. "Suggestion Statistics." American Man-
agement Association. Production Series Number 165: 1946.
p. 13.

1. Participation (suggestions received per 1,000 employees);

2. Percentage of adoptions;

3. Average award.

The measuring stick for determining the proportion of employees management is reaching through this medium is the rate of participation.

The percentage of adoption determines the over-all quality of the suggestions management receives and the average award determines the value of those suggestions actually adopted.[19]

Keeping enthusiasm in the suggestion program. In order to maintain enthusiasm in the suggestion program, top management must constantly promote it. Personnel changes in the company can present a problem; therefore, constant indoctrination of new supervisors and employees must be made.[20] Posters should be used, placed in noticeable locations, and be fresh, new motivators of ideas.

National Biscuit Company uses a few "gimmicks" which are not costly. The following are a few of the most noteworthy examples.[21]

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[19] Alger, loc. cit., p. 13.

[20] Richey, H. J. "Keeping Life in the Suggestion System." Address given before the California Personnel Management Association in 1953, by the Director of Suggestion System Division, National Biscuit Company, pp. 5-6.

[21] Ibid., pp. 8-10.

All their daily desk calendar pads have the slogan
"Think and Suggest" printed on each memo sheet. The cost
is approximately five cents per pad - a reminder for every
day in the year. Another one is a calendar which some might
think corny, but they are nevertheless attention-getters
with such expressions as "February - Put Your Heart into
It," "April - Pour in Your Suggestions," "July - Would
Ju-like to Gain Recognition - Suggest," "December - Yule
Like Suggesting." Another idea is pencils with "NABISCO -
Think and Suggest." Mr. Richey considers this next item the
best of all. It is a wallet calendar which is given out each
year with different art work on the back. In 1953, a flow
chart showing the flow of suggestions in the National Biscuit
Company was reproduced on the back of the wallet calendar.

Any idea, no matter how insignificant, may prove to be
valuable promotional material. Never underestimate the draw-
ing power of any idea. These ideas are what keep the blood
flowing in the lifestream of the suggestion system.

The writer would like to quote a very fine definition of
a suggestion system which Mr. Richey[22] read somewhere in pre-
paring his speech, but did not state its source. It reads as
follows:

> "A suggestion system properly administered is at
> once a communication system, a partnership in ideas

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[22] _Ibid._, p. 5

between management and worker, a release for the worker's
need for recognition, a creative outlet, an opportunity
to express individuality, and a reward for effort."

If organizations are to keep the suggestion system alive,

the most certain way of doing so is by constantly promoting

them.

During a discussion session at the NAFC Management

Clinic on Personnel on "Effective Employee Communications,"

the use of suggestion systems arose. The companies which in-

dicated that they had suggestion systems also had different

uses or purposes for them. However, companies which do use

them do possess somewhat the same setup.[23]

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[23]See Appendix A which contains the Wrigley Stores,
Inc., "Employee Suggestion Plan."

CHAPTER IV

ORAL COMMUNICATIONS

Oral communication means just what it implies - communication by word of mouth. It is estimated that 75 per cent to 90 per cent of all employee communication is comprised of oral communication.[1]

In the day-to-day operation of the stores, offices and warehouses, this tool is the principal means of getting employees to perform their jobs. It is used whenever work is done. A good speaking voice is a very valuable attribute for the executive. Orders must be given, suggestions tendered and objectives reached. Accomplishment of these duties necessitates a good, clear, pleasant and easily-understood manner of speaking. Employees often mimic their supervisor's manner of speech; therefore he must set a good example.

Communicating orally presents a good opportunity to become more friendly with employees and is easier in explaining a situation. In dealing personally with individuals, a person can alter his presentation to meet the specific needs of the individual. Questions can be asked and the problem solved on the spot. This is a distinct advantage over written

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[1] Mee, John F. Personnel Handbook. New York: The Ronald Press Company. 1951. p. 788.

communications. However, the person speaking has much to do with how much value is placed in the explanation. The communicator's background, training and position tend to influence the listener. Oral communications include a wealth of varied media and methods for obtaining results. The author chose to limit this section to one of the major phases - meetings of the various levels of management. Included in the discussion are the different types of meetings, methods for making them more effective and some concluding remarks on how to measure the effectiveness of these meetings.

Sales Meetings and Conferences

Increased sales and profits begin at the top. Better planning and organization of sales programs are important factors in the race by businesses to expand to all-time heights.

Sales meetings and conferences are especially good media for communications downward because it provides the opportunity to demonstrate, to visualize, to dramatize, as well as tell the story. Everyone realizes the inadequacies of printed communications as compared to methods of oral communications when the job calls for inspiration as well as information, for persuasion as well as explanation, or for the development of enthusiasm within the sales force.

Yet, many an expensive campaign has been launched without the benefit of discussion, opportunity to ask questions and without anything else to transmit the idea from one person to another except the cold, naked, printed word. Is it any

wonder these plans are not successful or fail to generate enthusiasm?

There seems to be a definite trend toward the use of sales meetings and conferences as management's tool for communicating this kind of valuable information.

Methods of conducting more interesting and productive sales meetings and conferences. Some of the more current methods used by some of the various food chains around the country to improve enthusiasm are developed in the ensuing discussion. The main purpose of each of these different methods is to develop enthusiasm in each of the individual food chains.

A necessary factor to insure successful meetings is careful planning. Advance planning by top management enables them to thoroughly cover the desired information. It is necessary that these meetings thoroughly convey the ideas if the participants are to retain the valuable highlights to take back home. To gain enthusiasm and perfection as the end results, the formulas to make these meetings successful must be carefully worked out by top management beforehand.

There are four main points which must be developed to produce successful sales meetings:[2]

1. Well-planned material - Give personnel a chance to take step-by-step notes or have it printed for distribution.

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[2] Anon. "How to Stage Productive Sales Meetings." Chain Store Age. 26: 147-150. June, 1954.

2. Comfortable surroundings - Permit participants to
see, hear, understand and breathe. Feeling at ease, they
take more personal interest.

3. Timely, interesting talks - Present the latest facts,
not trends.

4. Audience participation - Helps all to share in the
meeting as a whole; builds team spirit. It also avoids tell-
ing only - it demonstrates.

Morale building is a vital by-product of these meetings.
Pride, ability to contribute their pet ideas and a sense of
importance bolster a man's morale tremendously.

Ideas should be presented one at a time to make certain
that the point is well digested by all before going on to the
next one.

Krogers, Wrigley's and Alpha Beta food chains, just to
mention a few, are firm believers in the use of novel props
and getting as many people as possible "into the act" to pep
up their meetings.

Another point is that any program initiated by the com-
pany must have full employee backing or it is of no avail.
Preparedness is needed to start the programs with a bang.
The organization must be prepared to put everything into
their plans to secure employee backing. Both of these must
be borne out at these meetings.

A lasting, take-home impression should be the closing
note of every sales meeting.

The Ansul Chemical Company, Marinette, Wisconsin, operates their meetings in a unique pattern.[3] It plans its meetings so as to induce employees to ask questions. The more questions, the better they like it. Soliciting questions is the Ansul Company's method of securing participation by the audience.

Another method used by the Ansul Company as an aid in presenting information is the flannel-board. The flannel-board is nothing more than a felt-covered board. Information is fastened on felt strips, which in turn adhere to this board. This board is a handy gadget which can be transported to the meeting place very easily.

A comparison was made on the two main types of seating arrangements at sales conferences. The first type compared was the conference where the conferees sit in rows in an audience with the discussion leader being in front of them with a lectern. The second type of conference is one which is held in a large room. The conferees are seated around a large table at comfortable intervals.

The discussions which were held across the table were much more successful, since there was not present the difficulty of controlling side conferences between the members who sit so closely in the audience-type meetings. An "arm's length rule" for conferee arrangement is a good solution to

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[3] Anon. "I'm Glad You Asked That Question." Sales Management. 70: 65-66. April 1, 1953.

the problem of conference control. Side conferences held by the conferees are most disconcerting. The conferees stray from the actual subject and miss much of the main discussion.

When considering the serious problem of communication among people who are not even in the same room, and who have much less incentive than these top-management conferees to achieve a meeting of the minds, it becomes evident that consideration of any device for increasing the mechanical effectiveness of communication is worthwhile.[4]

The success of these meetings and conferences depends upon management's ability to keep them new, interesting, motivating and enthusiastic.

Taking the "pulse" of the staff. Teamwork is necessary to create a winning team in business, as well as in sports. The coach must be able to mold his team into a smooth functioning outfit. He cannot lecture his team all the time. He must let them operate and then find out the weak spots in the team. To find this out, he must stop talking and listen for awhile, or he must take the "pulse" of the team. The same holds true in sales meetings and conferences. The top management must stop talking periodically and listen for awhile to see if the staff is absorbing the material under discussion. Also, by listening, new ideas can be contributed and then all will benefit. By listening to the men for awhile,

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[4] Rogers, R. A. "Across the Table: A Simple Device for Improving Conference Discussion." Personnel. 29: 510-511. May, 1953.

management can see if the heart is working steadily and if the brains are functioning as they should. If everything is not functioning properly, then it is management's job to put the organization back in running order.

Presentation by Middle Management

In the group labeled "middle management" food chain organizations include supervisors or superintendents. These supervisors have charge of six to twelve supermarkets, depending upon the size of the stores, the capabilities of these supervisors and the division of the branch. Also, general superintendents, who are in charge of four to six of these superintendents, fall into the middle-management classification. The general superintendents act as co-ordinators of weekly organization meetings. In these meetings, past performances are reviewed, sales plans for the coming week are outlined and quotas are set. Other information, such as the development of store personnel and general condition of the stores, is also discussed.

One midwest chain felt that there was a link missing in the chain of communication between the office and the stores and set up supervisors' meetings to tighten this chain of communications. Other chains use the same procedure. The office staff of this chain attended the weekly meetings of the supervisors and tried to broaden the supervision's outlook of the operations. Topics discussed included such subjects as store safety programs, personnel training, suggestion

system operations, medical benefit program, and other ideas which were a part of the institutional, personal and general aspects of the business.

Monthly or weekly managers' meetings might also be included in the lower bracket of middle management. In these meetings the managers of the large supermarkets discuss the more general personnel and merchandising topics in relation to their stores. Intelligent ordering, special care in handling the merchandise, tie-ins, handling of personnel and constructive aids to customers are a few of the subjects discussed. This is the final point for generating enthusiasm before presentation to the store personnel.

Store Personnel Meetings

Meetings on the store level may be formal or informal, depending upon specific needs.

Formal meetings. This type of meeting may take place before, during or after work. At these meetings all personnel assemble and the manager conducts the meeting, presenting information and plans to the employees. This type of meeting is required to handle important plans and programs or the installation of new systems of procedure, i.e., state sales tax. Store meetings in the morning, before work, are hard to arrange, since the problem of employees' days-off enters into the picture. Meetings after store hours are also bad because of union controls and also the laxity and disinterest of employees who are too tired to listen intelligently and

want to go home after a long day. Another alternative is a
social function and business meeting every three months. At
this meeting the personnel have a chance to bring their wives
to the dinner and meeting, and business, as well as pleasure,
results.

Informal meetings. Informal store meetings are those
which are conducted on the spur of the moment. This type of
meeting takes place anywhere in the store whenever a few em-
ployees congregate. An ideal time to hold these informal
meetings presents itself during the coffee break in the morn-
ing. At this time the store manager outlines employee duties
for the day and gives the employees an idea of plans for the
coming week.

Meetings on the store level eliminate the stock excuse,
"Nobody told me." They also serve to make the clerks feel
more a part of the organization, therefore stimulating them
to do better work. Best of all, store employees share in
planning and improving store drives and campaigns. They are
all members of just one great big happy family.

Measuring the Reactions to the Meetings

On the store level, the best measuring stick is the actual
performance of the employees. If they get behind the plans
and go all out to make them successful, the results will be
there in black and white. The same may be said in reference
to the lower and middle-management groups. Their ability to
carry out plans and stimulate action on the lower levels will

be reflected by the increase in sales of their stores and the growth figures of their territories in comparison with other territories.

In the top-management brackets, other devices may be employed to measure the effectiveness of the meetings. Questions such as the following may be asked:[5]

1. How useful is each subject discussed? Why?

2. What problems were raised in terms of applying material to the particular situations back in their districts?

3. What further information or knowledge should have been presented?

4. What were the participants' reactions to each presentation?

5. What further classification or amplification should have been presented?

For top-management, answers to questions such as these will give:

1. A picture of the gaps in information that will have to be filled if effective follow-up action is to take place;

2. A clearer picture of the audience's position in relation to each subject;

3. The importance and usefulness of each subject discussed;

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[5] Beckhard, Richard. "How to Rate Reactions During a Meeting." Sales Management. 70: 42, continued 44-45. April 1, 1953.

4. Guides for agenda items at later sessions;

5. Information in advance of the next meeting which will enable them to present it much better.

There are many good methods for collecting the audience's reaction to the meeting. The simplest method is for the speaker, or chairman, to ask for questions from the floor on the subjects covered.

A second type of fact-finding device is the reaction form which may be given to the participants at the end of the meeting or the end of the conference. Briefly, this form consists of one or two questions such as:[6]

1. How did you like this session? (Check one)

Excellent   Good   All Right

Mediocre   Poor   Why?

2. How useful was this session to you in terms of back-home problems? (Check one)

Excellent   Good   All Right

Mediocre   Poor   Why?

These questions can be printed on a small card and handled very easily. The importance of finding out how effective the sales meetings and conferences are is great. From this information, past mistakes can be corrected and better and more productive sessions developed.

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[6] Ibid., p. 45.

The importance of oral communications to employees cannot be over-emphasized in the transmission of orders and plans. Although it is not as formal and precise as written communications, it is still a vital part of any business organization.

CHAPTER V

SPECIAL PURPOSE COMMUNICATIONS

In the food chain industry, as well as many others, a
need for special purpose communications arises on many occa-
sions. This need may be reflected for materials to fully
indoctrinate the new employees, to give the new company
policy on specific subjects, to publicize an open house
or in the preparation of the annual report. As the name
implies, it is for a special purpose. Therefore, the con-
tent should be carefully written so that no misunderstand-
ings arise and the primary objective is reached.

This section will deal with the employee handbooks,
special purpose manuals and annual reports.

Employees' Handbooks and Manuals

The employee handbook is a specialized booklet widely
used to transmit the company plans, policies and procedures
to the new employee.

A company manual, for practical purposes, should be
small in size so that it may be carried in the employees'
pockets. The cover should be sturdy so that it can with-
stand the wear and tear, and inexpensive so that necessary
periodical revisions will not make it costly to recall and
replace.

Within these limitations, the manual provides a very capable medium for sharing information with the employees. However, by no means is it capable of performing the whole task. Constant counseling and guidance are also a necessity.

If the opinions, ideas and suggestions of supervisors and employee committees are interwoven into the book, then much more interest will be shown in it. Also, these people who helped and contributed to the book will be more ready and able to explain and share the contents with their fellow workers.

The cover is a very important item in the make-up of the handbook. An appropriate color should be chosen for the book. As a suggestion, the food chains may want to use their company colors, i.e., Kroger Blue. It would be attractive and practical.

Tact in choosing a title is also a "must." The book might be better received if "Information for Employees of the Jones Company" was printed on the cover rather than "Rules for Employees of the Jones Company."[1] The impression made on the employees should be that this handbook is an aid to them if properly used, not rules and regulations to be shoved down their throats.

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[1] Heron, Alexander R. Sharing Information with Employees. Palo Alto: Stanford University Press. 1942. p. 123-125.

Definition and Publication
of Company Policies

The company history usually prefaces a publication of
this kind. From the company history the employee can secure
some background of the company's formation and how it grew
into the organization it is today. The goals of the company
may also be included in this preface. The employee receives
a feeling of security and well-being at being employed by a
reputable and firmly established business.

A prime requisite of any handbook is that it clearly
states and explains the company's employee relations policy.
The tone of the book is molded here. At this point manage-
ment either makes or breaks its personnel relations policy.
The handbook also explains other company policies, such as
vacations, holidays and sick leaves. Rules to be followed
by the employee are also given. These rules should not be
exhaustive in length or too complicated to impair easy read-
ing and understanding. Proper rules are aids to teamwork, so
the company should be able to justify each rule.

Handbooks are used to describe the fundamentals of com-
pany plans and fringe benefits. Some handbooks do not give
employees full explanation of these plans. Instead, a note
is inserted directing the interested employee, who wants to
learn more about the plans, to the proper person from whom
he may receive help in understanding all these plans. This
procedure also encourages employees to visit the supervisor's
office, where they may become better acquainted with their
superiors, as well as receive the information they were seeking.

<u>Procedures to be used by the company personnel in receiv-</u>
<u>ing, preparation and merchandising of goods</u>. The dairy, prod-
uce and store managers' manuals contain the standard opera-
tional procedures. These manuals are meant to be guidebooks
for the employees to use when questions or procedure arise.
The material contained in these guidebooks is very complete
and thoroughly explains the operating procedures of the com-
pany.

The main purposes of these operating manuals are:

1. Insures systematic circulation of policies.

2. Assures greater consistency in policy application.

3. Provides maximum accessibility for quick reference.

4. Provides a follow-through on formal training.

Operating manuals fully describe every step in the re-
ceiving, storing, preparation and merchandising of all com-
modities. For example, a produce manual contains 1) an
introduction, 2) a review of elementary addition, subtrac-
tion and division, 3) an introduction for the employee to
weights and measures, 4) the hanging scale, 5) the computing
scale. This would constitute the first division of material.
The employee would now be familiar with the fundamentals of
weighing, computing and pricing. The next section would be
a division on handling of the merchandise; storing and care the
next; then one on trimming and preparation. Next would follow
material on display and merchandising, then a section explain-
ing the projection of sales and ordering. The final chapter
would sum up the previous ones and conclude with major points
discussed.

The manual just described is typical of many special manuals in use in food chains.

Another use of manuals is the formulation and definition of duties and responsibilities of the various executives. A good example of this type of communication would be a sales manager's handbook.

Suggestions for the improvement of handbooks are:[2]

1. Make the copy friendly and sincere.

2. Be informal but dignified.

3. Speak on a level easily understood by all.

4. Don't take things for granted - explain in detail.

5. Avoid controversial matters if possible.

6. Explain how and why important rules were formulated.

7. Include background of policies used by the company.

8. Create interest by the use of color, photographs and illustrations.

9. Revise the handbook periodically.

10. Enlist the aid and advice of supervisors in the preparation of the handbook.

Making the Annual Report

A good annual report is a vital instrument in a corporation's relationship to the "publics" with which it deals: stockholders, employees, financial institutions, suppliers and distributors; customers; and the general public.

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[2] Mee, op. cit., p. 809

Before preparing the annual report, the company must ascertain which are its most important "publics" so that it may fulfill their needs as much as possible. The obligation to the stockholders is the most important objective of the annual report. A valuable aid to furthering personnel relations is another objective of the annual report.

In recent years the trend has become more and more in favor of presenting financial information to the employees. When the question of preparing two separate reports arises, one for stockholders, the other for the employees, careful consideration must be given to this problem. Will the advantages of two statements outweigh the disadvantages?

Accurate. If two different reports are made, there is a possibility of sharp criticism by the employees. The employees either discount the statement or regard it as propaganda. More harm than good then results because of management's desire to share financial information with the employees. The employees may feel that management considers them unintelligent enough to read detailed stockholders' reports. True, many of the terms used in the regular report have no meaning to the average employee, but, on the other hand, do they hold any great significance for the average stockholder? Whether or not two reports are made, the fact remains that the information must be accurate and unbiased. If a separate report is made for distribution to the employees, a helpful suggestion is that it be certified by an independent, public auditing

firm as being accurate and reporting the true financial picture of the company, just as the other report is certified by the auditors.

Interesting. The report must be interesting as well as accurate.   All pertinent data about which the employee has indicated an interest must be presented in the report. The report must   be in such form that the employees will be satisfied. What are these points of interest? The question of company profits, past and future, and their distribution is, of course, of first concern to the stockholders. The dividend policy is always of   interest to the investors, for they are always demanding higher returns on their investments and looking for tips as to the future. Other relevant facts are sales and sales ratios, depreciation, improvements, taxes and how much were they deprived because it was reinvested in the company for expansion purposes. If management can present all these facts satisfactorily and with justification, the stockholders will be happy.

In order to keep the employees happy, information concerning their salaries in relation to sales, profits and management's compensation must be supplied. It might be well to show how insignificant management's remuneration actually is, in relation to the employees' salaries.

Streamlined. Streamlining the annual report has been a subject for conjecture for many years. Most companies are striving hard to make their reports more attractive and more readable.

Good Layout is a necessity to a streamlined report. Better arrangement of facts and figures is a big step in the modernization of the reports. Summaries of the statistics given on each page provide a more pleasing and readily understandable report.

Facts presented in chart form, illustrations and graphs are easily understood and are other points to be considered in the streamlining process.

The report should be thick enough to indicate completeness, yet not too thick. A bulky report tends to scare the reader.

The cover of the annual report is another important point under consideration. It should be easily identified and present a dignified appearance. Use of the company seal or trade-mark on the cover is a point well worth consideration.

Paper for the annual report should be substantial, but not expensive; in fact, it should be more on the conservative side.

The matter of cost should always be examined very closely. The report should not appear too costly; however, it should not appear "pinched."

Easily understood by all. The last prerequisite of the annual report is that it be clear and easily read by everyone. That is to say, facts and figures must be presented in such a manner that they are easily grasped by all. Summaries of figures are a valuable aid. Likewise, facts which are not

essential to the common reader should be omitted. Detailed statistics are important only to the investment houses and financial institutions. If necessary, to assure understanding, we must prepare two forms - this is the answer. However, the facts must be carefully weighed, as previously suggested.

Brevity, concentration and stress on the essentials should be characteristics of every good report.[4]

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[4] Dale, Ernest (Editor). Preparation of Company Annual Reports. American Management Association. Research Report Number 10, 1946. p. 23.

CHAPTER VI

ROLE OF THE UNION IN COMMUNICATIONS

Under our present system of organized labor, it is impossible to exclude unions as a channel of communications. The union represents the worker and provides means of transmitting management's plans and policies. Unions are very interested in any company decisions which might affect their members. Hence, they waste no time in passing these decisions on to the employees.

In the past, unions have been the dominating voice. Supervisors have been undermined by the unions' dominance over the workers, but more confidence has been placed on the supervisor's information and this situation has been eased considerably. If supervisors present the same material as the unions, the employees become a little more reliant upon the supervisors as an informed source. Unions have forced this upgrading of the supervisors, because management recognized the need of gaining employees' confidence in their supervisors.

Likewise, union support of any information given to employees insures rapid employee acceptance. Unions have thus been helpful in increasing production. In many cases, the unions have supported time and motion studies and job evaluation reviews. This union support has helped to increase employees' production and salaries.

Unions also serve as regulators of information. They channel information to the employees as they see fit. Management must never bypass unions in communicating any information which directly affects the employees' jobs, salaries or benefits. Therefore, management and unions must work together to keep information flowing up and down the channels of communication.

Unions also have a leading role in backing up grievances and providing grievance procedures. The union steward acts as employees' counsel in the review of grievances. In the true sense of the meaning, they are law-enforcement officers. They make certain that the company lives up to its promises to the workers.

Handling of Grievances Through Correct and Prompt Channels

No labor agreement was ever so perfectly written that the employees had no "gripes." When complaints arise, they must be handled promptly and justly. If possible, the immediate supervisor of the employee who has a grievance should try to correct any wrongdoing and alleviate any hard feelings. In case the supervisor is unable to remove the grievance, it should be referred to the proper authority who is able to render aid. There should be no "passing the buck."

The union contract should be carefully written so as to include a grievance clause. The grievance clause should include a definition of a grievance, steps to be taken to

insure immediate handling and the channels of communication to be followed to make sure the proper authorities are notified. Diligence in preparing the grievance clause may prevent headaches in the future.

One company posts printed copies of the union contract in every department. This company welcomes employee problems and tries to help the employee solve his problem.

A definite line of responsibility should be established for the purpose of handling employee grievances.

Grievances should be reviewed at the lowest level of management and work up the ladder of authority as necessary. The following is a typical grievance procedure to be followed by employees:[1]

1. The grievance should be related to the store manager by the employee having the grievance.

2. If not settled at this point, the grievance should be brought to the attention of the union steward, personnel manager, and the grievance committee chairman.

3. If not settled by the previous steps, the grievance should be reviewed by the entire grievance committee and the company branch manager.

4. If still not settled, the grievance is then considered by the branch manager, and a designated

[1] Greenman, Russell L. and Elizabeth B. Greenman. Getting Along with Unions. New York: Harper and Brothers. 1947. pp. 99-103.

representative of top management, together with an
international representative of the union and the
grievance committee.

5. If still unsettled at this point, the grievance is
referred to an impartial arbitrator or turned over
to a board of mediation.

All grievances should be put into writing. If it is not
settled at the lowest level of management, the employee safe-
guards his own interests. The time necessary to review it by
the various boards may cause some discrepancies in the final
presentation of the grievance.

Means of avoiding and settling labor disputes. Grievances
must not remain unsettled and be permitted to assume undue
proportions. In this way management may avoid labor troubles.
If the company and the union work in close conjunction with
each other, lines of communication may be opened and grievances
can be handled a lot easier. However, the best method of
avoiding a labor dispute is by settling the grievance at the
lowest level of management. As the grievance travels up the
ladder of procedure, the other employees within the company
begin to place too much emphasis on it.

Keeping harmony within the labor force and isolating
threats of labor disturbances are two major functions of the
unions. If the unions present all of management's plans and
policies in an unbiased manner, a big step toward mutual
understanding has been taken.

Presentation of Union-Management Attitudes

In situations where labor is represented by a fair and unbiased union, a big obstacle in the path of smooth union-management relations is removed. Harmony between these two groups is the goal of every company.

However, to acquire harmony, both the union and management must be willing to go half way. The constant tension between these two groups must be relieved. If this tension is relieved, a sounder organization may be the result. The company and the union can then set up connecting channels of communication to keep the employees informed. If hostility is present, neither side is willing to contribute to the success of the other.

Management, to some extent, realizes the value of unions in completing the chain of communications. However, it is doubtful if chain store executives would enlist unions to help them if none existed within their organization. Management has seen the complications which arise when the unions and management are in discord. Rather than take this chance for better communications, management would much rather set up employee associations or company-sponsored organizations to promote employee welfare.

Unions are here to stay for a long time. If they are organized in the reader's company, he should make the best of the situation. Disunited, nothing can be accomplished; working in harmony, much can be accomplished.

CHAPTER VII

DEVELOPING A GOOD COMMUNICATIONS PROGRAM

Every company should have a planned and written communications program. No one can tell exactly what should be included in the individual company's program. The company itself is the best judge as to the necessary items required to build a sound and workable program. By the same token, it is not wise to go out and purchase a communications program. These programs are just like a custom-made suit - tailored to the exact tastes of the individual.

Set Up the Objectives

Just as the traveler must have a road map when planning a trip, or a baker a recipe to bake a cake, so must a company have its objectives set up to guide it in building a good program.

This guide also sets standards by which the program is judged. The over-all purpose of a communications program is to carry orders and information to their right sources at the right time and to take the "pulse" of the organization. Supervisors must know labor's reaction to the company plans and programs if they are to plan effectively. Basic objectives should be:

1. To inform all that management is responsible and
   therefore should be constantly kept informed;
2. To raise the workers' standard of living by increas-
   ing his productivity.
3. To present management's position on controversial
   matters, so there will be no misunderstandings as to
   what it expects.
4. To form a well-knit, smooth-running organization
   through the channeling of information to the right
   places, where it may be quickly acted upon.

Classify Information to be Transmitted

When considering the information to be passed on to the
employees, it is necessary to consider what particular ideas
were necessary to give management its broad outlook on busi-
ness operations. However, the company must be sure the in-
formation is what the employees want to know and that it
satisfies the employees' inquisitive minds.

Information concerning company products, sales and cost
analysis should be passed on to the employees. Of course, it
is tantamount that such business statistics satisfy the em-
ployees' curiosities. Our basic problem is to supply them
with information which they have shown definite interest in
and requested.

Some limitation on the material released to employees
is essential. Naturally some figures and information are not

for public knowledge and therefore listed as classified information.

When trying to build understanding and loyalty among the company's employees by sharing information, it shows the employees that they are considered trustworthy. Management expects the same kind of trust from the employees. However, care must be taken to avoid being over-selective in choosing the material passed on to the employees. If management is over-selective, then the main purpose for sharing information is defeated and will remain so for quite awhile.

Costs of the Program

Since employee communication is a part of everyone's job, it is quite hard to break down the time spent by the numerous people connected with the administration of the program. The main responsibility for co-ordinating the communications program rests on the shoulders of the personnel department. The personnel department performs many other functions and it would be quite difficult to allot the exact expense incurred in directing the communication program.

However, in a survey taken in 1947 by the Indianapolis Personnel Association of 30 member companies, the total personnel department cost amounted to $43.38 per employee annually. A breakdown of these figures reveals a yearly cost per employee for house-organ printing and production of $2.89; training-$6.34; safety-$2.54; and employee welfare-$5.25.

The above are just a few of the expenses directly connected with the administration of the programs analyzed by the survey.[1]

A valid conclusion, drawn from the figures given on the cost of the program, is that the company which undertakes such a program must have sufficient funds, indicating that the company would have to be fairly large and stable.

Evaluating the Program

A communications program is very difficult to evaluate. It is not possible to measure the techniques and devices used in the operation of the program. The results are the factors to be weighed. Some of the factors to be examined are: improvement of employees' morale and employees' attitudes and willingness to cooperate. However, these factors are quite hard to measure. Comparisons and evaluations can be made from the improvement in operating efficiency. Even these comparisons and evaluations are difficult to measure.

Attitude surveys and polls may be very helpful in measuring employee attitudes and cooperativeness. Then too, sales figures and man-hour production reports will reflect any increase in productivity as a result of the communications program and management's treatment of employee desires for information.

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[1] Mee, John F. (Editor). Personnel Handbook. New York: The Ronald Press Company. 1946. p. 827.

Some companies conduct contests to see how effective their communications are and how well they are received. A cleanser company of national reputation conducted a test on the extent to which its employees read the communications sent them by the home office. A sentence was buried in the middle of one of their letters to their salesmen stating that anyone reading the sentence should write the company explaining where it was located, and what it said, and they would receive $5.00. The company received only one reply, and that was six weeks later. [2]

The companies must provide information which is helpful to the employees in their understanding of the business. Likewise, the employees should return this gesture by the company and keep it informed of their likes and dislikes of the company plans and policies. For example, an old story related, "If I have a dollar and you have one, and we exchange them, we still only have one dollar apiece. If, however, we each have an idea, and we exchange them, we will then both be farther ahead, since we now have two ideas apiece. [3]

It is very easy to see how important a good communication program is to the efficient running of a happy group of workers. After the objectives have been set up and the

[2] Anon. "How Effective Is Your Employee Magazine?" Factory Management and Maintenance. 270: 4 (cited in The Factory Management and Maintenance. 47; 84. February. 1954.)

[3] Curlett, John N. "The Management Job in Communications" California Personnel Management Association. Management Report Number 172: 7. 1953.

transmittable information secured, it is the job of company management to keep the program running smoothly. However, the costs of running the program must be kept within reasonable bounds, depending on the size of the company. Evaluating the success of the program is a necessity. In outlining a good communications program,[4] care should be taken to make sure that all possible channels of communication are defined and investigated.

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[4] See Appendix B which contains "An Outline of Communication Practice." *Personnel*. 29: 5. March, 1953. Author Joseph D. Cooper.

CHAPTER VIII

SUMMARY AND CONCLUSIONS

This thesis is a study of effective communications for all business, with emphasis being directed toward the food chain industry. Every business hopes to achieve the ideal system of communication. Then all the problems of keeping the employee well informed would be solved.

In recent years, due to management's increased interest in employee communications, an increasing amount of study has been directed toward improvement of communication programs. As the food chain industry continues to grow bigger, and the personnel problems keep up with the physical growth, new and better methods of informing employees must be discovered. Through better formal organization and clearly defined channels of communication, a happier, well-informed and more interested work force will grow. Effective business communications can and should become the problem and ultimate aim of everyone. This thesis is written with the thought in mind that communications is everyone's problem.

Proper selection of media is an important factor in written communications. Regardless of what management thinks, it must come to the final realization that communications is two-way traffic on a three-lane highway. In other words,
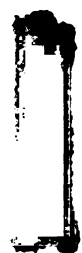
to be fully effective, information must flow smoothly up and down the channels of communications. Traffic must travel carefully on this three-lane highway. Care must be taken in determining when to pass and when to stay in line and move with the traffic.

Since the food chain industry is rapidly expanding and the newer stores are being staffed with a greater number of employees, it is necessary to "reach" all of these employees in the stores, to build a winning team. The major media used in written communications are employee house organs used to keep the employees informed about their fellow workers and new company benefits; bulletins and posters for promoting individual campaigns and plans; booklets, used to explain specific ideas to each employee; suggestion systems to create interest in improving present working procedures and build up the employee morale; and local newspapers, which are only too glad to print news about outstanding achievements of fellow citizens and employees of the food organization.

Other methods of communication, such as interviews, letters to and from individual employees, face-to-face meetings, employee representatives, who are now union stewards in companies which are unionized, and endorsement of the "open-door" policy. The job of building a good communications program is a very difficult task and requires constant supervision and revision to make sure the job is completed.

The job of creating this communications program will not be accomplished by wishful thinking on the part of management.

Oral communications are the foundation in the task of supervising people to perform the routine operations of the business from day to day. Oral communications are the spark plug of company sales plans and programs. Therefore, oral communications, although not being the most important of the types of communications, are vitally required to explain and carry out business operations.

Sales meetings and top management conferences are becoming increasingly important. The trend is toward making these sales meetings more interesting and creating more enthusiasm in new sales plans. The food companies are enlisting the aid of the participants to secure more interest and generate more enthusiasm. Novel props are also used to liven-up the sales presentations.

Middle management is acquiring more prestige and ability to handle difficult situations because top management now recognizes the importance of meetings on this level. Middle management also acts as co-ordinator in the company's communications program.

The importance of special purpose communications is being borne out by the adoption of employee handbooks and operating manuals by the food chain organizations. These forms of communication are invaluable in the indoctrination of new employees and as follow-up information. The employee gains basic policies, plans and procedures to be followed in the operation of the food stores.

The annual report, which is another form of special purpose communication, is receiving important and long needed changes. Accountants have been trying for years to formulate terms which are clear and simple, and many of these terms are now being used in the annual reports. The major purpose and aim of the annual report is to supply the stockholders with accurate and easily understood information concerning the financial position of the business. If this goal is attained the annual report has successfully achieved its purpose.

Since the union is here to stay and must be accepted by management, management might as well work with them rather than against them. Unions can perform a valuable service to management by quickly disseminating information to employees. If management and the labor organization work in harmony, both will profit. There will be fewer grievances and fewer labor disputes if each party cooperates.

Management can now see the advantages of a good written communications program. They are trying to develop systems which will fit into the particular company's organization. No system will work with similar results, in two different companies. Each company must establish its own standards, work the standards into a program and then maneuver the plan until it suitably fills the needs of the company.

In conclusion, the following quote is submitted to aptly sum up the importance of effective business communications:

"The life-line of any business is its channels of
communications, and there are only two principal meth-
ods of conveying information from one person to an-
other or from groups. One is the written word, the
other the spoken word. There is no point in trying
to evaluate their relative importance; both play a
vital role in the operation of any business, for there
can be no success where there is no understanding, and
there can be no understanding where there is not a
free exchange of ideas.[1]

[1] Yeager, W. Hayes. "The Art of Speaking Effectively
to Employees." American Management Association. Personnel
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American Stores Company (Philadelphia, Pennsylvania)

Colonial Stores, Incorporated (Atlanta, Georgia)

Kroger Company (Cincinnati, Ohio)

Wrigley's Stores, Incorporated (Detroit, Michigan)

APPENDIX A

EMPLOYEE SUGGESTION PLAN

WRIGLEY'S STORES, INC.

EMPLOYEE SUGGESTION PLAN

I. INTRODUCTION - GENERAL POLICY

A Suggestion Program promotes the employee's initiative, respects his opinion, listens to his ideas, and pays him for value received. It is one of the voluntary contributions essential to free enterprise and a growing organization. The objective of the Wrigley Employee Suggestion Plan is to provide an organized method by which eligible employees may submit their constructive ideas, that are beyond the expectancy of assigned duties and responsibilities, and receive evaluated cash awards in return. This stimulates the already active "Family Feeling" which is the spirit of Wrigley's, encouraging employees to participate in and receive benefits from an employee suggestion program, and, as a result of adopted suggestions, make Wrigley's a better place for the employees to work and the customers to shop.

DEFINITION OF A SUGGESTION:

A "Suggestion" is any definite idea intended to be of benefit to the company which is beyond the expectancy of the suggester's assigned duties and responsibilities. The suggestion can be either new and original or involve a new application of an old idea.

RIGHTS OF THE COMPANY:

1. The company shall have the right to withdraw or change the plan at any time.

2. The company reserves all rights to the whole or part of any suggestion submitted, including patent rights, if any.

3. The company's judgment and action in all matters under the Plan will be final and binding. Any appeal by an employee on such decisions shall be directed in writing to the Suggestion Plan Committee Chairman.

II. ELIGIBILITY IN THE WRIGLEY SUGGESTION PLAN

WHO ARE ELIGIBLE TO SUBMIT SUGGESTIONS?

With the exception of personnel directly connected with administration of the Suggestion Plan, all hourly-rated employees and all salaried employees are eligible to submit suggestions under the Plan. In submitting a suggestion, the suggester must agree to all the provisions of the Suggestion Plan policy and procedure.

WHO ARE ELIGIBLE TO RECEIVE AWARDS?

Employees included in the above category are eligible to receive awards for adopted suggestions that are put into use by the company when the suggestion is beyond the expectancy of assigned duties and responsibilities. The suggestion may or may not concern the individual's own job. Decisions as to the term "beyond job expectancy", which, in turn, determines eligibility for suggestion awards, will be made by the Suggestion Plan Committee.

III. BENEFITS IN THE WRIGLEY SUGGESTION PLAN

RECOGNITION FOR ADOPTED SUGGESTIONS:

1. The employee will be recognized by the presentation of a Letter of Award with a check for the cash award enclosed.

2. Cash awards to eligible employees will be made as soon as the estimated value can be determined and authorized.

3. Eligible employees will have recorded on their personal record the presentation and amount of awards received.

DUPLICATE AWARDS:

If the same suggestion is received from two or more suggesters in the same day, on separate forms, and the suggestion is adopted, the award in amount shall be divided equally among the eligible suggesters.

ADDITIONAL AWARDS:

Each adopted suggestion should be reviewed after it has been in use a year to see if the initial award was large enough. Where the Suggestion Committee finds that the idea has yielded greater-than-predicted savings, as in the case of intangible benefits, the suggester should be given an additional award, in accordance with the established procedure of the award formula.

SUGGESTION INELIGIBLE FOR AWARDS:

All suggestions must be submitted on the suggestion blank form provided by the company.

1. A suggestion submitted before the installation of the Suggestion Plan;

2. A rejected suggestion or a suggestion received from an ineligible suggester;

3. A suggestion which duplicates an earlier suggestion or one that is under consideration.

IV. PROCEDURE

SUGGESTION FORM:

Employees are required to use the approved Wrigley Suggestion Plan in submitting all suggestions. These suggestion blanks will be available at suggestion boxes installed in all Wrigley Stores, Warehouse, and Office. The employee will mail his or her suggestion directly to the Suggestion Plan Committee in the self-addressed Suggestion Blank envelope.

SUGGESTION BOX:

Should be in a good location, kept clean and attractive. The box will be used in the promotion of the Suggestion Plan by displaying approved promotional material as posters, pictures, etc.

PROCESSING THE SUGGESTIONS:

1. All suggestions received by the Suggestion Plan Committee will be stamped with the date and time.

2. After processing all eligible suggestions on the basis of merit or value to be received, the Suggestion Plan Committee will authorize the appropriate letter to be sent to the suggester.

ACKNOWLEDGEMENT LETTER:

A letter of acknowledgement will be sent to the suggester if a suggestion is accepted under the rules of eligibility.

ADOPTION LETTER:

After the Committee has adopted a suggestion for trial, it is the responsibility of the Suggestion Plan Committee Chairman to write a letter to the suggester informing him or her that the suggestion is under consideration and that an award will depend on the merit or value in the suggestion as a result of a trial.

AWARD LETTER:

If the suggestion merits an award, a letter to this effect will be written by the Committee Chairman. With the letter, a check for the cash award will be enclosed. The letter and check will be presented to the eligible employee by his Manager, Supervisor, or Department Head, as the case may be.

REJECTION LETTER:

In the case of a rejected suggestion, the Committee's reason for rejection should be explained and, if possible, a personal contact with the suggester will also be made so that he or she will have an adequate personal explanation.

V. PROMOTION AND PUBLICITY

MANAGEMENT'S SUPPORT:

The Suggestion Committee Chairman and his Committee can only guide the Plan in its operation. They must have the support of the Supervisors and Department Managers who actually are the salesmen of the Plan.

PUBLICITY:

The Wrigley Employee Suggestion Plan will remain active throughout the year. However, special suggestion campaigns will be promoted to prompt employee suggestions. These suggestions will be initiated by the Suggestion Plan Committee with the assistance of the Advertising Department.

APPENDIX B

AN OUTLINE OF COMMUNICATION PRACTICE

AN OUTLINE OF COMMUNICATION PRACTICE

by

Joseph D. Cooper

I. Introduction

A. What is meant by "organization communication"?

1. General Definition:

The exchange of meaning between persons.

2. The three-directional flow of information.

a. Information down the line to supervisors and employees as to purposes and goals; duties, responsibilities and relationships; timetables, methods, procedures and standards of performance; technical information necessary to performance; general background information regarding the company, its products, clientele, etc.; civic information to inculcate good citizenship; requests for information; and requests for specific performance.

b. Information up the line from supervisors and employees as to the conditions of work; regarding policies, operating programs and methods of work; production reports and observations; compliance with requests for specific performance; ideas and suggestions; attitudes and opinions; complaints, etc.

c. Information across the lines of organization; among management, personnel and among members of the same work units as to mutual and interrelated responsibilities and ideas and decisions in the making, particularly to assure coordinated action and to enable specialized workers to have a grasp of the whole activity of which they are a part.

B. Scope of Organization Communication.

    1. General institutional communication.
    2. Operating and technical communication.
    3. Intra-management communication.
    4. Bottom-up communication.
    5. Orientation of new employees.
    6. Home office communication with branch or field offices.

C. Importance of a Communications Program.

    1. Direction and coordination of the organization.

        a. Clarity of responsibility of organizational components and individual workers.

        b. Avoidance of confusion, duplication and conflict which otherwise result in inaction and loss of efficiency.

        c. Bringing of interrelated work operations into common action through mutual knowledge of relationships.

    2. Improved individual performance.

        a. Providing tools of performance; specific operating instructions, standards, procedures, technical information, etc., so that employees know what to do.

        b. Development of intelligent participation through knowledge of objectives, goals, workings of whole enterprise in relation to individual responsibility.

    3. Improved morale.

        a. Opportunities for self-expression and participation in management decisions through suggestion systems, staff conferences, open avenues of upward communication, attitude and opinions surveys, etc.

        b. Sense of identification, a feeling of mutual interest with the company, carrying over into community and public relations.

      c. Improved customer relations.

         1. Uniform, prompt, correct services because of knowledge of company policies, rules, procedures, etc.

         2. Wholesome relations with the customers.

4. **Improved industrial relations.**

      a. Employees more fully informed as to management problems, so that they will have balanced consideration of issues in labor negotiations.

      b. Constructive treatment and disposition of grievances and misunderstandings through the opening of channels of preventive discussion, thus minimizing referrals to union machinery.

II. **General Institutional Communication - Keeping Employees Informed.**

   A. Telling employees vs. letting them find out.

      1. Effects of not knowing or not being told.

      2. Distortions that result from reliance upon informal channels of communication.

   B. Deciding the content of an employee communication program.

      1. General approach - merging employee self-interest and company interest.

      2. What the worker wants to know in general.

         a. Operating plans and changes that may _affect him_ directly or indirectly.

         b. Changes in personnel in _his_ orbit.

         c. Anything that may directly or indirectly affect his pay, status, working conditions, careers, opportunities, self-esteem, interpersonal relationships and prestige.

      3. Tailoring the information program to employees'
          specifically expressed needs.

          a. Appraising employee knowledge and atti-
              tudes.

          b. Ascertaining what gaps to fill and what
              to correct.

          c. Fixing priorities and sequences.

C. What to Cover.

      1. Company history, products, services and operat-
          ing policies.

      2. Production goals, problems, trends and policies.

      3. Sales and financial operations and trends.

      4. General management problems and planning.

      5. Organization and personnel policies and prac-
          tices.

      6. Economy prospectus of the company, the in-
          dustry, the community and the country as a
          whole.

      7. The American System.

D. Media of Communication.

      1. Written Communication.

          a. House organs.

          b. Books and folders.

          c. Letters to employees homes.

          d. Annual and specific, or special, reports.

          e. Employee handbooks and manuals.

          f. Bulletin boards, posters and information
              racks.

2. Oral or direct communication.

    a. Direct supervisory discussion.

    b. Employee meetings.

    c. Conference meetings.

    d. Employee meetings.

3. Audio-visual Communication.

    a. Film strips.

    b. Motion pictures.

    c. Recordings.

    d. Plant broadcasting.

4. Product demonstrations and open-house activities.

5. Community advertising.

E. The basis of understanding.

1. Barriers to understanding.

    a. Different areas of work and specialization.

    b. Different levels of responsibility and perspective.

    c. Differences in personal background.

    d. Emotional or prejudicial barriers.

2. Techniques for getting understanding.

    a. Finding common referrants among communicants.

    b. Using simple and familiar terms.

    c. Building up familiar situations.

    d. Transferrance of experiences to new situations.

        e.   Use of mental and visual symbols.

        f.   Providing actual experiences or participation.

III.   <u>Operating and Technical Communications</u>.

    A. The giving and taking of orders.

        1. How orders are received.

           a. Conflicts of personal and office interest and points of view.

           b. Resistances to orders.

           c. Misunderstandings.

           d. Varying modes of compliance.

        2. Thinking through an order before it is given.

           a. The various kinds of orders.

           b. Determining what is to be achieved.

           c. Anticipating response.

           d. Minimizing the necessity for orders; the goal of self-management.

        3. How to Communicate Orders.

           a. Clarity of meaning.

           b. Completeness of an order.

           c. Positive nature of an order.

           d. Frequency of orders.

           e. Non-contradictory orders.

           f. The courtesy factor.

           g. Check-list of do's and don'ts.

4. Observing channels of command.

    a. Who gives orders and who receives.

    b. The authority of the situation - dealing with emergencies.

    c. When and how to bypass channels without impairing the chain of command and authority.

5. Modifying orders.

    a. Recognizing situational differences.

    b. Adjusting for changed conditions.

    c. Bringing orders up to date.

B. Lines of Command and Authority.

1. The formal line of authority and communication from top to bottom of organization.

2. What happens to communication as it moves up and down the line of authority.

3. Staff and line organization and communication.

4. How to keep lines of communication short.

5. How delegation of authority minimizes the need for specific communication.

C. Written Instructions.

1. Need for formalized systems of written instructions.

    a. Disadvantages of non-systematic issuance of instructions.

    b. Conditions warranting formal issuance systems.

    c. Benefits from installing and maintaining an instruction system.

2. Instructional Media.

    a. Circulars.

    b. Looseleaf manuals.

    c. Pamphlets handbooks.

3. Example of typical instruction manuals and how they are used.

    a. Organizational manual.

    b. Sales manual.

    c. Office manual.

    d. Supervisor's policy manual.

    e. Style and stenographic manual.

    f. Branch operating manual.

4. Installation of new systems.

    a. Responsibility for compilation.

    b. Editorial procedures in compilation.

    c. Organization of subject matter; functional vs. departmental approach.

5. Responsibility for preparation and coordination.

    a. Technical responsibility over subject matter.

    b. Administrative responsibility for system.

6. Reproduction and distribution.

    a. Desirable formats.

    b. Reproduction systems.

    c. Selective distribution systems.

7. Current Maintenance.

    a. Current revisions.

    b. Periodic overhauling.

    c. Use of current check lists.

8. Follow-up on Use.

    a. Audit of individual instruction sets.

    b. References to official instructions.

    c. Basis for management audits.

9. The language of internal business communications.

    a. The psychology of instructional language.

    b. Suggestions for writing style.

IV. **Intra-Management Communications.**

  A. Communications in relation to policy thinking and decision making.

    1. Policies as communicable guides to action.

    2. Elements of policy making.

       a. Objective to be reached.

       b. Consideration of objective evidence of experience and subjective viewpoint expressions.

       c. Determination of practices or courses of action to be followed.

    3. Criteria of good policy.

       a. Extent to which objectives are supported.

       b. Feasibility.

       c. Consistency with related policies.

       d. Acceptability to people affected.

        e. Communicable and understandable nature.

        f. Flexibility.

    4. Elements of decision making.

        a. Definition of problem.

        b. Bringing information to bear upon problem.

        c. Choice of possibilities in relation to criteria of value and risk.

    5. Organizing the flow of facts, analyses, opinions and viewpoints to be brought to bear on policy thinking and decision making.

        a. Raw information to be acquired, screened and referred.

        b. Analyses to be made and circulated.

        c. Machinery for review and participation by appropriate organizational components in light of their specialized interests.

        d. Machinery for resolving differences and assuring the reading of organizational decisions.

    6. Decision making as choice in absence of all pertinent available information.

        a. The elusiveness of "all."

        b. The need for cut-off; decisions as moments in time.

        c. Calculated risks; 90% decisions; correctibility of decisions.

B. Conferences and Committees.

    1. Regular staff conferences as devices for obtaining three-way communication.

    2. Use of standing and ad hoc committees.

3. The dynamics of group discussions.

4. Planning, preparation and follow-up phases of conference and committee activities.

C. Keeping management personnel informed.

   1. Adapting employee communications program to special informational needs of various management levels.

   2. Media and techniques of communication for management personnel.

   3. Special needs of foremen and supervisors.

D. Informal Communications Systems.

   1. What is meant by informal communications; relation to "grapevine" and "group discussions" - dynamics.

   2. How informal communication groups are formed; the personality structure of organization.

   3. Value and dangers of informal communications systems.

E. Role of Status Systems in organizational communications.

   1. Legitimate role of status systems within the structure of authority.

   2. Evidence of status.

   3. How status systems break down.

   4. The control of status systems.

F. Space aspects of communications.

   1. Influence of space arrangements upon working relationships.

   2. Logical and non-logical factors in assigning space.

V. <u>Bottom-Up Communications.</u>

    A. Types of upward communication.

        1. Operating reports.

        2. Operating recommendations and suggestions.

        3. Attitudes, opinions and complaints.

    B. Barriers to Upward Flow.

        1. Supervision screening and blockage.

        2. Semantic distortions.

        3. Travel losses.

        4. Restrained communication.

        5. Increased congestion up the line.

    C. Developing the upward flow.

        1. Principles that show government of a regular reporting system.

        2. The chains' systems of staff conferences.

        3. Polls of employee attitudes and opinions.

        4. Direct consultation.

        5. Use of suggestion systems.

        6. Analysis of objective evidence of attitudes.

    D. Completing the cycle.

        1. Making use of the information.

        2. Letting the people know.

VI. <u>Orientation for New Employees.</u>

    A. Importance of new employees starting on a properly informed basis.

        1. Orientation training defined.

        2. Goals of orientation program.

3. Initial orientation as "stitch-in-time" economy.

4. The importance of the first impression.

B. Basic Coverage of Orientation Program.

   1. Employment rules and conditions.

   2. Facilities and services.

   3. Company history, organization and operations.

   4. Duties and responsibilities within context of broader phases of work.

   5. Acquaintanceship with fellow employees.

C. Responsibility for Orientation.

   1. Over-all responsibility of personnel department.

   2. Supervisory responsibility.

   3. Follow-up responsibility.

VII. <u>Home Office Communication with Branch or Field Offices</u>.

A. Importance of this communication phase.

   1. Tying home office and branches together.

   2. Providing operating guidances.

   3. Assuring uniformity and consistency.

   4. Reducing correspondence.

B. Communicating operating policies and procedures.

   1. Company policy on branch office latitude.

   2. Media of communication.

   3. Subject matter coverage.

   4. Degree of detail.

   5. Handling individual correspondence inquiries.

C. Techniques for achieving better understanding.

    1. Interchange of personnel.

    2. Travel to and from branch offices.

    3. Conferences for branch office key personnel.

    4. Clearance of new proposals.

D. Organizational arrangements.

    1. Line-of-command problems; coordinating this phase of communications.

    2. Special organizational unit for branch office operations.

VIII. **Organizing a Communications Program.**

A. Relationship to management functions.

    1. Organization and methods engineering.

    2. Training.

    3. Employee relations.

    4. Public relations.

B. Responsibilities of Executives.

    1. General executives.

    2. Line officers throughout the line of authority.

C. Evaluation of Communications Program.

    1. Value in terms of improved performance.

    2. Evaluating worth of new improvements and replacements.

    3. Value in terms of smoother operation and improved morale.