INTERNAL COMMUNICATION CHALLENGES AND ISSUES: A CASE STUDY OF TRANSNET FREIGHT RAIL BUSINESS UNIT COAL, VRYHEID (KWAZULU NATAL PROVINCE, SOUTH AFRICA)

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Abstract

Internal communication is a relatively new field of research, particularly within Transnet Freight Rail. Therefore, the purpose of this research was to investigate the internal communication challenges and issues of Transnet Freight Rail Bu Coal Vryheid. Three major themes were considered within the field of internal communication: internal communication management, the channels utilised within organisation for internal communication and whether measurement of the internal communication was evident. The findings indicate that internal communication is a large area of research that differs between organisations with content, structure and management. Additionally, a range of communication channels were used in all of the participant departments with emails the most predominant channel, while face-to-face communication was an often underutilised channel. One finding was the lack of formal measurement undertaken by the company, thereby contradicting the advisement of the academic literature. It was recommended that management specifically corporate affairs measure internal communication by conducting an internal communication audit. Face-to-face communication should be encouraged, there should be organised more meetings between different divisions/departments, people must realise that the division’s cooperation brings more effectiveness to everybody’s work; things are done faster, easier and better.

Key Words: Internal Communication; Challenges; Issues; Business; Management; Corporate Affairs; Audit

Introduction

People today spend most of the time of their lives in different kinds of organisation and for organisations to function it takes effective internal communication. Studies indicate that organisations are pointing to effective internal communication as an influential factor in business success (Cees, Berens, & Dijkstra, 2005; Holtz, 2004; Quirke, 2000). Internal communication is
defined as the “formal and informal communication taking place internally at all levels of an organisation” (Kalla, 2005:304).

The workplace of today is also different – tighter staffing, longer hours, greater workloads, and more emphasis on performance and the norm. The increasingly complex and highly competitive nature of today’s business environment puts greater pressure on employees and also calls for more concerted effort in the area of internal communications. (Argenti, 2007:138).

This study is about communication challenges and issues at Transnet Freight Rail (TFR), Business Unit (BU) Coal Vryheid. TFR is operating with six Business Units. Communication channels used are telephones, emails, circulars, notice boards, posts and face-to-face meeting. There are some challenges with telephones and emails communication. The cost of telecommunication is very high.

Transnet Freight Rail is divided into 6 Business Units:-
- Agriculture and Bulk Liquids (“ABL”)
- Coal Business Unit (Richard’s Bay, Empangeni, Vryheid, Ermelo, Ogies and Welgedagt).
- Intermodal(Container) and Automotive Business Unit (“CAB”) (Johannesburg-Durban Line)
- Iron Ore and Manganese Business Unit (Kimberley-Port Elizabeth and Ore Export line
- Mineral Mining and Chrome Business Unit (Witbank-Komatipoort & Phalaborwa-Komatipoort Lines)
- Steel and Cement Business Unit

Transnet Freight Rail major customers in the Coal Line include:
- Coal mines,
- Coal traders,
- Coal products industry and
- Power stations owned by municipalities and Eskom

Business Unit Coal Vryheid is one of the depots within Transnet freight rail consisting of four Operations Managers reporting to the Executive Manager. The depot is made up of 403 staff members.

The previous financial year 2012/13 Vryheid Area paid R732 000 for the year which is R61 000 per month for telecommunication, while the current financial year 2013/14 the cost is R79 850 per month which is R958 200 a year. Apart from the process done in December 2012, to block most of the phones to make calls to Vodacom, Cell C or international. Hence this has become one of management’s focus areas.

Researcher will try to find the most functional practices for organising internal communication at the TFR, what is the current situation in the company with the internal communication and how it could be improved.

**Objectives of the study**

- To investigate the internal communication challenges and issues between the Operations Managers and employees within Transnet Freight Rail, Business Unit Coal Vryheid.
To identify the impact of poor commutation on production within Transnet Freight Rail, Business Unit Coal Vryheid.
To assess current position of internal communication at TFR, BU Coal Vryheid.
To provide recommendations for improving and reducing communication challenges and issues.
on the job with regards to internal communication.
This study will also provide recommendations to management of TFR, BU Coal Vryheid.

LITERATURE REVIEW
In societies people over the years have developed spoken and written languages as means of sharing information in the form of messages or meanings with each other. The most common form of this communication is one between each other or inter personal. Barriers to this communication do arise on all stages of this communication between people, or as formally known interpersonal communication. The stages of interpersonal communication are sender, message, channel, receiver, feedback and context. These barriers can result in misunderstanding and confusion (Encarta, 2005).

To be an effective communicator and get your point across, with no misunderstandings or confusion, the goal should be to lessen how frequent these barriers occur in all stages of the communication process. For this to happen the communication must be clear, be accurate, be concise and must be well planned by the communicator (Fowler & Mankelow, 2005).

Internal communication is more important in this present day than it was in previous years, and the main reasons for that is that the business and market conditions are more complex than in previous years. There is a lot of information being exchanged in the market place that employees of different organisations must understand in order to fulfil the requirements of their jobs. By being an effective communicator, one easily conveys their thoughts and ideas effectively. When one is not an effective/successful communicator, their communication does not reflect their thoughts and ideas. This causes a communication breakdown and creates roadblocks that stand in the communicators personal and professional goals (Fowler & Mankelow, 2005).

Getting the message/communication across is pivotal to progressing. For this to happen, one must understand what the message is, what audience one is sending the message to and how the recipients will perceive it. One must also weigh in the circumstances surrounding the communication(s), such as cultural and situational context (Fowler & Mankelow, 2005).

The main focus of this thesis is on the internal communication taking place within Transnet Freight Rail across all levels of the organisation. Additionally, of interest are the channels utilised and the means by which organisations measure their internal communication. This chapter presents a review of the literature in accordance with four themes; the role and function of internal communication, its management, channels and the challenges and issues to internal communication. This will then provide the foundation for the discussion and analysis of the research findings in later chapters.

Internal communication
Internal communication is communication within an organisation and it is the lifeblood of all organisations. It includes official and unofficial communication. Official communication in an organisation can be in the form of policies and procedures, Communiques, Reports, bulletins and
newsletters and others. Unofficial communication is the form where employees exchange messages with one another within an organisation in all departments. There are formal channels that are used within the organisation to communicate messages in the organisation but these will be discussed later in this chapter (Kalla, 2005).

Internal communication has been given many terms like; management communication, corporate communication, internal media, employee relations, internal marketing, organisational communication or cross departmental communication. Internal communications within an organisation has much to do with the type of industry that organisation is in, the structure of that organisation, the organisational culture and the management style (Kitchen, 1997; Quirke, 2000). In the past the quality of the internal communication was largely dependent and constrained by the available budget. It was also limited to announcements made by management. These messages were often packaged for mass distribution to all employees in the organisation. Management thought that the mere production of these communications was sufficient and gave little consideration/thought to how the recipients received the message or their perceptions of the communication (Asif & Sargeant, 2000).

Communication within organisations in past years also just comprised of birthdays, brides, bowling scores and babies (the 4 B’s). In today’s times of complex markets communication within organisations has become more complex. Communication now includes the transmission of organisational vision, activities, new developments, achievements, contributions and the organisation’s goals (Welch & Jackson, 2007).

The function of internal communication within an organisation has 4 dimensions: internal line management, internal team peer communication, internal project peer communication and internal corporate communication. Internal line management is communication between line manager/supervisors and their subordinates and it occurs in the form of team briefings and appraisals. Internal team peer communication is communication between employees within an organisation and occurs in the form of team discussions between team colleagues. It is a two way communication. Internal project peer communication is communication that occurs between employees in a project. It is also a two way communication. Internal corporate communication is one way communication from top management to all employees. It is when management communicates; the goals of the company to all employees, the organisation’s objectives, new developments that affect the working of employees, activities and achievements of the organisation/individuals within the organisation (Welch & Jackson, 2007).

These 4 dimensions of internal communication emphasise that the content of internal communication has moved into all areas of the organisation including personnel development and strategic goals. Additionally to the content, the 4 dimensions also highlight the two way relationship between managers and employees at all levels of the organisation and the pivotal role internal communication must play for organisational success. Effective communication will result in increased innovation levels, improved productivity, reduced stats of absenteeism, reduced costs and higher quality of products and or services. Organisations have grown to recognise the vital role internal communication has to a successful organisation (Zetterquist & Quirke, 2007; Argenti, 2007; Clampitt & Downs, 1993).

**Internal Communication Management**

Good internal communication management is one of the most important steps in successful and productive communication within an organisation. Internal communication management includes
participation in the direction of the communication, the content of the communication and the communication itself. The participation and direction of internal communication is strongly influenced by the hierarchical structure of the organisation. Issues of power and status, rank and pre requisites often cloud the form and the content of communication from general employees to management. In today’s organisational structures, organisations are adopting more horizontal more dynamic structures which have more inclusive participation from all levels of the organisation. With these new structures, more open internal communication is encouraged at all levels of the organisations, where ideas flow freely (Cees et al., 2005; Holtz, 2004; Karian and Box, 2006; Quirke, 2000; Tourish & Hargie, 2000a; Welch & Jackson, 2007).

The modern structure of internal communication within an organisation creates many issues as evident in the definition of internal communication and the management and boundaries of internal communication management within an organisation. Management of internal communication in organisations varies from organisation to organisation. In some organisations it can be the responsibility of the Human Capital department, others the Corporate Communication department and yet in some others the Information Systems department as more and more organisations have started using alternate technological channels for their internal communications. An example of these technological channels is e-mails (Argenti, 2007; Gordon, 1998; Lehmuskallio, 2006).

A study in 2002 found that 38 percent of internal communication, in leading organisations, was governed by their Human Resources department. In 2006 an online survey, done by Melcrum, proposed that of the 149 respondents from different industries and locations, 44 percent state internal communication is governed by Corporate Communications department (Quirke, 2003).

Service organisations have difficulties maintaining a clearly defined sense of self. Organisational boundaries in relation to communication are problematic with internal and external communications no longer considered separate field of practice more so in service organisations. This in turn complicates governance issues with marketing departments becoming involved in internal communication across the organisation (Dewhurst, 2007) Internal communication can be shared across different departments and each one irresponsible for a piece in the puzzle of internal communication. Internal communication is more than a realm of corporate communication and is involved in all areas of a business undertaking, which often leads to confusion as to who to report to for miscellaneous issues within an organisation (Kalla, 2005)

There are 4 domains of integrated internal communication; management communication, business communication, organisational communication and corporate communication. Management communication addresses the development of managers’ communication skills. Business communicated is concerned with developing the communication skills of all employees within the organisation. Organisational communication addresses more philosophical and theoretical issues relating to communication. Corporate communication focuses on the formal corporate communication function (Welch & Jackson, 2007).
For managers to succeed as managers they must learn how to communicate effectively or be effective communicators. Succeeding as a manager is married to one’s ability to communicate effectively with other members of the organisations. Skills related to being an effective communicator when one is a manager include, but not limited to: strategic communication skills, the ability to communicate technical information to non-experts, team communication, great corporate writing skills, giving and receiving feedback, communication across cultures and interpersonal communication skills (Welch & Jackson, 2007).

As stated in the above definition, business communication is to do with developing communication skills of all employees within the organisation. All employees in the organisation need to be aligned and have the same understanding when it comes to the organisations’ goals, vision and mission so they can all together move the organisation to its destination/success. Communication skills of each employee need to be developed so that every employee can contribute to the success of the organisation and so they can all perform their duties in the way that moves the organisation forward. When all employees have good communication skills everyone has a meaningful contribution to the organisation and ultimately to the business’ success (Welch & Jackson, 2007).

Organisational communication addresses the philosophical and theoretical issues of internal communication. More simply, organisational communication is the study of communication within organisations. It is a subfield in the study of Communications. It studies the pros of good communication, the cons of not having this effective communication in an organisation, what effective communication is, and the general role communication has to play in an organisation and to its success.

Corporate communication is focused on the corporate communication function. It is management of the flow of internal information with external stakeholders. It is concerned with cultivating a brand image inside and outside of the organisation. Activities relating to this developing and cultivation of a strong brand image include marketing and advertising, intranet, newsletters, and annual reports just to name a few. Information that an organisation communicates through these channels can be controlled by the organisation (Welch & Jackson, 2007).

Internal is firmly housed within the realm of corporate communication which reflects the Melcrum survey which revealed that internal communication was governed by corporate communication function in 44 percent of participant organisation. Internal corporate communication is at the heart of integrated corporate communication. Additionally to the management if internal communication, one major theme to come from the literature related to internal communication management is the vital role of effective management and involvement as at senior/executive level. Personal commitment and involvement from executive members of an organisation is imperative for good internal communication as senior management set the tone and climate for internal communications throughout the organisation (Asif & Sargeant, 2000, Howard, 1996).

The relationship between management and the general employees of the company is a crucial for the success of any kind communication in any organisation. A study by Sims and Lorenzi in 1992, on leadership in management, found that effective leadership is reliant on communication tools that inherently build a common focus, creates shared meaning and vision and share a focus for change. It has also been found that leadership accounts for two-thirds of the impact on employees’ attitudes and behaviours about or towards the organisation (Zetterquist and Quirke, 2007, Asif & Sargeant, 2000; Sims and Lorenzi, 1992).
Improving the communication of the senior management with employees, in particular the CEO or President, could be the most cost effective way to improve employees’ general happiness with communication in their particular organisation. Employees hold a large proportion of information that could help the CEO move the company to a better position in its industry and therefore the CEO should seek regular feedback from all levels of the organisation. Support and the generation of feedback from senior management is not often the case and the Chief Executive Officer may consider internal communication limited to the vertical one way announcements to employees, with their channel of choice being only meetings or speeches (Gray & Robertson, 2005; Pincus, Rayfield & Cozzens 1991).

In addition to one way speeches, there are other barriers to management communication with employees including: 1. Time – There are only so many hours in anyone’s day, the CEO might not have enough time to effectively be able to communicate with all employees within the organisation and get necessary feedback, 2.

Willingness – The CEO might not be willing to receive some feedback from employees for many reasons such as their personality, 3. Skills – The CEO might not have acquired the required skills to be an effective communicator. 4. Leadership style – With each person having their own personality, the CEO in the chair might not believe in a two way communication with his subordinates (Quirke, 2001; Shaw, 2005).

The human capital of the organisation is its most important tool. However, within an organisation there is often a lack of trust amongst employees towards management and they may not regard them as a trustworthy channel to share certain information with. An additional theme to result from the literature involving internal communication management over the years is the importance of trust by the employees towards management; with trust being the outcome of good internal communication. Trust is the expectancy of an individual that the promise, verbal or written statement of another can be relied upon or, more informally, taken to the bank (Dolphin, 2005; Zetterquist and Quirke, 2007).

Clichés from management that the employees are the organisations most valuable asset is often times met with cynicism and has been described as some of the great lies in business. The suggestion is that if staffs are the most valuable asset of any organisation, why are they not valued financially so that they appear on the balance sheet and not just as a cost/expense in the Profit and Loss account? Modern corporations have become “information gluttons” yet are starving for the right kind of communication that will fill its people need to share understanding and foster trust (Albrecht & Travaglione 2003; Garratt, 2000; Robbertson, 2005; Karian & Box, 2006).

Events in the two decades, like the bursting of the internet bubble, collapsed some of the most high profile firms in America and the outsourcing of jobs to foreign countries has further required strong communication channels within organisations between its management and employees to win employee trust and loyalty to the organisation. In order for managers to gain employee trust and loyalty, they need to understand that as the literature suggests employees prefer to receive their information from their direct supervisors rather than from the CEO or other members of the executive committee. It is then necessary for managers to ascertain trust
levels as well as organisational discontent or other communication issues (Argenti, 2007; Cees et al., 2005).

**Internal Communication Measurement**

In order to establish a clear bigger picture of the current communication situation within an organisation, a measurement of internal communication need to be undertaken by management. This is more relevant in organisations that have increased their investment on internal communication and are facing challenges when it comes to connecting communication results from the expenditure to the organisations bottom line. The term ‘measurement’ takes on a variety of meanings in the communication discipline (Hargie & Tourish, 2004; Johnson, 2001; Shaw, 2004).

There are four different uses for the term ‘measurement’ within organisational communication: 1. Measuring employees with regards to their needs and preferences. 2. Measuring the Communication department and its outputs with the desired/expected outcome to justify the investment on maintaining it. 3. Tracking the communication channels utilised in the organisation and their use. 4. Looking at the content and whether it has been received, understood and has prompted action to its receivers.

A report conducted by Melcrum in 2004 states that, of the internal communication practitioners sampled, 66 percent did not have a measurement strategy in place. They also did not recognise a connection between communication performance and organisational goals. The report also found that newsletters, intranets, business television channels, web seminars or conferences and executive forums were the most common channels measured even though business TV channels and web seminars are the least utilised. The most common channels used were emails and team briefings. They were also found to be the least measured (Melcrum, 2004).

Every organisation has its own definition of ‘effective’. Measuring effective communication is dependent on how an organisation defines ‘effective’. Effective communication only takes place when there is a shared understanding that prompts others to take action and encourages alternative/creative thing. In other words, communication is deemed to be effective when a message has been received and understood and then produces action. Communication is an understudied area in the Communication discipline and, therefore, poorly understood even though it is deemed a central component of effective business operations. A lack of effective communication can contribute to a range of problems including job dissatisfaction, stress, damaging strikes, operating losses, bankruptcies, production line injuries and others (Spence 1994; Pandey & Garnett, 2006; Hargie, Dickson, & Tourish, 2004; Hargie et al., 2004).

Audits are well established tools in the measurement of internal communication. Communication audits have similar characteristics with more established audit practices in other disciplines. Some of these characteristics include: 1. The accumulation of information and 2. The creation of a management system. Within the financial sector, for example, an audit is used to sample a cross section of transactions to determine financial accounting procedures. Within the communication field, a similar cross section approach is utilised to determine the flow of
resources and information over a given period as well as the implementation system to develop best practice (Tourish & Hargie, 2000).

In addition to a comprehensive audit, employee satisfaction surveys are utilised and recommended. However, the surveys usually focus on attitudes of employees and how they perceive them and not levels of knowledge or understanding. This means that therefore they are not a poor indication of the function’s value to the organisation. A recent addition to the satisfaction survey is the employee engagement survey. The employee engagement survey measures not only employee satisfaction but also how committed employees are to the organisation, the brand and the values ( Likely, 2004).

The current technological environment enables computer-utilising focus groups, where a question appears on each participant’s computer from the moderator and participants responses appear on everyone’s screen. These questionnaires are all based in real time like an online chat room. Computer based focus groups allow more candid discussions that may not be possible in face-to-face group settings or on one-on-ones and can be beneficial when the topic of discussion may create embarrassment. Examples of these topics/questions are personal opinions and personal health (Lissitz, 2000).

2.5 Internal Communication Channels
As technology advances the world is getting smaller. The introduction of more advanced technology and advancing of existing ones introduces organisations to different channels of internal communication, spanning both time and geographical distance. There are 4 basic communication channels that are used in the workplace: 1. Face-to-face meetings, 2. Telephone exchanges, 3. Video conferences, and 4. Computer-based text transfers. In addition to these four, an organisation may utilise company newsletters as channels for information (Fletcher & Major, 2006).

Recent literature on communication channels exclusively focuses on media richness. Fundamentally, the premise is that lean media is used by managers for simple topics and rich media is utilised for more complex topics so the focus of media richness theory is on the choices made by the managers and not particularly the employees. The media richness theory places channels on a scale from rich to lean media with face-to-face communication considered the richest, followed by telephone, email, and written documents. The media richness places written documents as the leanest channel of communication. There are furthermore three categories of written documents within the media richness theory. They are: 1. Personal written text – consisting of memos, notes and letters. 2. Formal written documents – consisting of bulletins and documents. 3. Formal numeric texts – consisting of statistical reports and computer output (Kahai & Cooper, 2003; Salmon & Joiner, 2005; Sheer & Chen, 2004).

Face-to-face communication is considered the richest channel because of its ability to give almost instantaneous/immediate feedback as well as the amount of information shared during an interaction in the form of verbal and nonverbal cues. Verbal communication is when a spoken language is used to exchange communication, either audibly or written. Non-verbal
communication is defined as communication that transcends the bare elements of written or spoken works (Kahai & Cooper, 2003; Gabbott & Hogg, 2000).

There are four key channels of nonverbal communication including the use of personal space and distance; body movement and postures; gaze and movement; and vocals such as voice tone. Nonverbal communication occurs in every interaction, intentional or not, and can be influenced by three specific variables: gender, culture and personal traits. These factors affect how individuals interpret nonverbal cues and this often creates misunderstandings. Each of the four keys channels of nonverbal communication are particularly important in the context of the media richness theory because media richness varies depending on the strength and presence of verbal and nonverbal cues (Sheer & Chen, 2004).

The proponents of face-to-face communication suggest that it is the most preferred method of communication by the majority with interactions between managers and staff widely commending it as beneficial and more effective than information from a central communication department. Face-to-face team briefings are considered a vehicle for sharing the philosophies, values and strategy of the organisation. It gives people the opportunity to ask questions, offer opinions and give and receive feedback. It offers unique advantages over even the best print publications, video programs and e-mail messages. Once more, rich media can create a closer relationship between a manager and his subordinates as well as a more personal focus (Quirke, 2000; Sheer & Chen, 2004).

Management literature examining communication uses face-to-face communication as the standard. Literature does not accurately consider time-related issues inherent in face-to-face interactions. Face-to-face communication relies on the individuals being in the same place at the same time which is not always a possibility. Additionally time is the scarest resource in most organisations and better use of face-to-face interactions needs to be mastered. Often face-to-face interactions are used to tell people things they could otherwise easily read about. In addition to legitimate time constraints, the presentation skills of the supervisor to confidently articulate the organisation’s goals and plans in face-to-face sessions need to be considered when choosing this channel of communication. This is often not addressed within the original premise of media richness (Quirke, 2000; Hargie & Tourish, 2004).

According to the media richness theory, the telephone is the second richest channel after face-to-face communication. Telephone communication as a means of transmitting and receiving management information has been surpassed by the e-mail because of its superior functionality and usability features. The telephone is not an ideal choice for equivocal communication. What if the other person being telephoned doesn’t pick up their phone? (Salmon & Joiner, 2005; Markus, 1994)

Although the media richness theory proposes e-mails as a lean channel of communication; organisational intranets, team briefings, e-mails and newsletters are the main means or the core of modern communication. In fact, traditional communication channels such as memos, letters and telephone calls have been replaced by e-mails, which is the most preferred communication channel in the business world in this modern day and age. The success of “the e-mail” is due in
part to its flexible or asynchronous nature where the sender and receiver don’t have to be in the same place at the same time or even present for the communication to take place. They also cross physical, psychological, temporal and social boundaries at an unbelievably low cost. E-mails are almost on a class of their own, instantaneous but at the most competitive cost (Salmon & Joiner, 2005; Markus, 1994; Berry, 2006; Thomas et al., 2006).

In addition, research suggests that e-mail reduces interruptions caused by face-to-face meetings and telephone conversations thereby improving managerial efficiency as well as having the added advantage of being able to read around the clock. Our ability to communicate at any time in any place with anyone is increasing our opportunities for interaction. Using e-mail, instant messaging and cell phones, a manager’s ability to stay engaged within the workplace is greater than ever before. Multi-tasking and the communication technology infused workplace of today have become synonyms (Turner & Reinsch, 2007: 36).

When comparing alternative channels such as the post office or the telephone with ‘the e-mail’, the e-mail reduces transaction time by offering almost instantaneous transmission almost anywhere in the world at relatively low cost. Many organisations have employees that are geographically located in diverse places; e-mails enable information to be exchanged regardless of the location or time zone (Salmon & Joiner, 2005; Berry, 2006; Tassabehji & Vakola, 2005).

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With all the evident merits of e-mail as a channel of communication, it does have its critics or cons. Critics of e-mail argue that the availability of new technology does not ensure effective communication and instead it is the leadership and training in the use of the technology that makes all the difference and will ascertain effectiveness. E-mail has now become the dominant force in written communication and has made e-mail processes like deleting and not responding to e-mail messages/communication an acceptable communication process in the 21st century. Also worth noting, e-mail does not allow concurrent feedback and the informal style of e-mails has often lead to misunderstanding’s, spelling and grammatical errors. E-mails can also be sent quickly without serious thought really given to the content of proof reading of any sort of the reply, this results in a form of nonverbal identity where the choice of informal or formal vocabulary or grammar describes the person who sent the e-mail in a manner similar to first impressions upon meeting (Carter, 2003; Samon & Joiner, 2005).

One of the challenges with e-mails is the concept of information overload. The e-mail overload can stem from: 1. The actual volume of e-mail messages sent every day. 2. Poorly written messages that violate netiquette. 3. The variety of ways that users use their e-mail systems/accounts. Within media richness theory, the inability for immediate feedback or ambiguity in messages is what defines ‘the e-mail’ as a lean channel of communication. The leanest channel of communication, as identified by the media richness theory, is the use of written documents. For example the organisation newsletter, memorandum, or magazine requires little interaction and exchange with employees and usually include operational information about the organisation and little about critical decisions under review; leaving employees attend to them at their own convenience (Byrne & LeMay, 2006; Charles, 2005).
While many organisations are gravitating to the more convenient newsletters, there are still organisations that recognise the importance of providing employees with a newsletter that is tangible and can take home to share with their families. Research found that employees have specific reasons for reading the company newsletter or magazine. For example, employees are perhaps interested in career advancement and may read for stories on research in the field they want to go in. Critics of organisational publications argue that expenses that are incurred in an environment of cost cutting and redundancy; where only black and white copies are acceptable in terms of budget cuts, a glossy four colour spread may create employee-management friction. There is little research to support the redundancy or the worthiness of hard copy organisational publications as the focus of many current studies is on the area of computer mediated communications within organisations (Charles, 2005; Johansen, 1995).

Little empirical research has been undertaken regarding employee satisfaction and communication received via different channels or whether employees view information to be of a greater quality depending on the medium. Research now suggests that managers make different choices when choosing a channel to communicate information than those prescribed by the media richness theory and that consideration should be made for contextual factors such as the capabilities of that medium and whether it is appropriate. Furthermore a certain medium may be deliberately chosen to slow things down (Byrne & LeMay, 2006).

There are several forms of technology that have not been considered in media richness based research, possibly because of their relatively recent introduction. These include video conferencing, blogging, instant messaging (IM) and the use of DVDs or videos. Based on the criteria for media richness, specifically the need for two-way communication, organisational videos could be categorised as a lean channel of communication. Additionally, extensive research into recent academic literature has not uncovered/discovered any discussions on intranet usage in accordance with the media richness theory. Uncertainty still exists as to where on the channel continuum intranets would be placed. It may be reasonable to conclude that the intranet is a lean channel on the media richness continuum because in part the lack of feedback and synchronicity. (Sheer & Chen, 2004)

Alternatively, the intranet may also be considered a richer channel than ‘the e-mail’ because the amount of information and it may be possible to store and share information. Intranets as networks are built and maintained within the organisations firewalls, offering Internet technology and various contents for the exclusive use of the organisations employees. It also suggests that Intranets are not only for information storage and retrieval but also for enhancing internal communication in the organisation and convenient information flow. Another purpose for the Intranet is to increase productivity and the quality of work, link departments located in diverse geographical locations and to introduce the latest guidelines, tools and news through a common and cost effective medium (Lehumskallio, 2006).
The centralisation of knowledge reduces problems that are inherent when utilising the internet, such as the over availability of resources and the time lost when searching through the information. Often times when one is not familiar with how to search for information is when they can waste more time not really finding what they are looking for especially when there is a lot on that particular topic. One must have decided what they really want to find and be as specific as possible (Bottazzo, 2005).

Research suggests that intranets should be a mosaic of top-down and bottom-up communication with distributed ownership. A blanket approach throughout the organisation regarding regulations in the intranet usage may not be appropriate as different business units have different requirements. It was suggested that a rather collaborative and facilitative managerial style that acknowledges diversity and individual contributions. The latter approach would allow individual units and teams to control their own information. Studies have shown that the versatility and multifaceted nature of intranets has seen an increase in research that is mostly multidisciplinary. However, research into the measurement of the intranet effectiveness and perceptions of the employees towards the medium is still in its early stages and this is viewed fundamentally as a shortcoming (Dasgupta, 2001; Lehumskallio, 2006).

Currently it is not academic research but rather the organisations themselves who are initiating the greatest amount of research into the intranet technology. One such example is a study that was undertaken by the Internal Communications department of Ikea, an international home furnishing retailer. That study concluded that it is not just the technology itself that makes or breaks an intranet. They found that the focus of an organisations intranet should be designed with the needs of its end users (the employees of the organisations) in mind and what kind of information they require and how they can access it as easily as possible (Gleba & Cavanagh, 2005).

In addition to the intranet usage, recent research into new technologies and communication suggest that instant messaging may become a valid method of communication, particularly within teams. This is currently not considered a “professional” means of communication in the business world. Research in the latest technologies including instant messaging, blogging along with intranets and video conferencing is still in its infancy stages and must be considered for future studies in relation to the media richness theory as well as internal communications research (Tassabehji & Vakola, 2005).

2.5.1 Effectiveness of Communication Channels

2.5.1.1 Internal Communication Measurement

In order to have a clear picture of the current situation of the organisation, internal communication must be measured by management. This is more relevant in organisations that have increased their investment into the development of internal communication and are facing challenges of connecting/relating communication results to the bottom line. The term measurement may take a number of meanings within the communication discipline (Hargie & Tourish, 2004; Johnson, 2001; Robertson, 2000).
Shaw identifies four uses for measurement within organisational communication:

- Measuring the organisation's employees with regards to their needs and preferences
- Measuring the communication department's actual outputs with those desired or expected to justify expenditure on the department
- Tracking the channels of communication and their usability. And how often they are utilised to justify even investing in them in the first place.
- Looking at the content of the communication and whether it has been received, understood and has resulted into action.

Measuring the effective communication depends on how the organisation defines 'effective. Effective communication will only take place when there is a shared understanding that prompts others to take action and encourages more creative thinking. Communication is effective only when a message has been received and understood and then produces action from the receivers (Bovee & Thill, 2000; Spence, 1994).

Communication performance within an organisation is an understudied area and therefore is poorly understood even though it is regarded as a central component of effective and efficient business operations. A lack of effective communication can contribute to a number of issues including job dissatisfaction, stress, strikes, operating losses and bankruptcy (Hargie, Dickson & Tourish, 2004).

**Internal Communication Channels**

As technology advances, and the means to get information and people around the world in more efficient time frames, the world is getting “smaller”. More advanced technologies have introduced organisations to different channels of internal communication. There are four basic channels used in the workplace for communication:

- Face-to-face meetings
- Telephonic or audio exchanges
- Video conferences
- Computer mediated text transfers

Additionally to the four, are organisational publications like organisational newsletters. They can be used a channel of internal communication (Fletcher & Major, 2006).

Face-to-face communication is considered the richest form of communication. This is because feedback is immediate and the great amount of information exchanged during an interaction. The preachers of face-to-face communication suggest that it is the most preferred method of communication by employees when interacting with managers and colleagues and is widely commended as beneficial. They also suggest that it is more effective for communicating the organisation's values and sharing feedback. And the beauty is it all happened at the same time the disadvantage of face-to-face interactions is the time related problems. People can only have this communication when they are in the same place at the same time. The presentation skills of supervisors are also a disadvantage (Kahai & Cooper, 2003; Gabbott & Hogg, 2001).

The second richest communication channel is the telephone. Although studies have shown that it is being superseded by 'the e-mail' because of the latter’s usability and
functionality. A challenge when using a telephone is, what if the other person does not pick up their phone? (Markus, 1994).

The media richness theory proposes e-mails lean channels of communication. E-mails, intranets, team briefings and newsletters have become the centre of modern communication. Traditional communication channels like memos, letter and phone calls have been replaced by e-mails. E-mail being the most preferred medium of communication is the business world (Salmon & Joiner, 2005; Shaw, 2004).

E-mail has become the dominant force in written communication but has made processes such as deleting e-mails or not responding to them an acceptable communication process. Another disadvantage of e-mails are that people often don’t proof read them and grammatical and vocabulary errors can easily be made and they often the image of the sender. E-mail does not allow concurrent feedback (O’Kane et al., 2004; Kahai & Cooper, 2003; Tassabehji & Vakola, 2005).

The leanest channel of internal communications is the use of written documents. Such as company newsletters, memos or magazines and these require little interaction and exchange with employees and normally involves operational information about the organisation and not about critical decision under review. This is the reason employees normally attend to them when it’s convenient to them and are not a priority to them (Byrne & LeMay, 2006).

Internal Communication challenges and issues
Communication problems in the workplace can cost a company productivity and money. Without efficient communication, a company is unable to exchange information essential to daily operations and create a communication network to carry new product data. Understanding examples of workplace communication issues can help you to create policies that will address problems and create an efficient communication network in the office.

Language Barriers
A diverse workplace has several benefits to a business, such as a variety of solutions to company issues and insight into international markets during expansion. But the language barrier that can sometimes occur in a diverse workplace, or any workplace, may become a communication problem. There might be language barriers between people of different ethnic backgrounds, people of different ages and people with different levels of industry experience. Any language barrier is going to slow communication or create misunderstandings that make communication ineffective.

Personal Issues
Effective communication in a workplace is based on professional correspondence designed to assist in the daily operation of the company or the continued growth of the organisation. When employees allow personal issues to affect company communication, a communication problem develops that could take a long time to track down and resolve. People who refuse to communicate based on a personal disagreement are damaging the company's ability to do business and slowing the growth of the organisation.
Impact of poor communication

Scholarly Research Paper from the year 2012 in the subject Business economics - Marketing, Corporate Communication, CRM, Market Research, Social Media, grade: - (PPD Consultants), course: Organisation communication, language: English, abstract: In workplaces poor communication is a serious problem and can be costly to an organisation. The impact can be devastating to the parties involved. Some of the results include: Loss of business, customers, products, goods, services, employee turnover, loss of productivity, absenteeism, sabotage, injury and accidents, sick leave and so on.

The main purpose of this study is to identify the effects of poor communication on organisational performance and to find out the strategies for improving on communication at the workplace so that employee motivation can be enhanced. The specific objectives of the study included finding out the factors, levels, types and effects of poor communication at the workplace.

If good communication does not exist then actions will not be completed, as this will develop into problems within the organisation. If the management does not keep in touch will the staff it can lead to demotivation in the business and the business does not work to its full potential. If customers receive poor customer service then they are unlikely to return and it can also affect sales which also affect the businesses aims and objectives as they did not reach them. In addition, without communication, bad decisions can occur as well which could result in a loss of jobs or money which affects the business. In an organisation there has to be communication. With the right communication, the business will function and departments will gain more understanding to make critical decisions. Also it ensure information is accurate and on time for customers and employees. If there is no communication then there is no business.

RESEARCH METHODOLOGY

Target population

The group of people that were selected to participate in this study were 30 employees as follows:

- Finance Department - three
- Resource Department – ten
- Operations Department - ten
- Human Capital - three
- Customer Care Department – two
- Safety – two

Total number in this particular population is 402 staff members.

Sample Size

Sample sizes are determined by three factors, namely the level of precision, confidence level and degree of variability (Strydom et al., 2007: 199). The mean age of the participants is 35 years, ranging from 20-50 years. There is no difference between male and female participants. All
participants are TFR’s employees and directly receive internal communication from the company. The population selected for this study comprises of distinct groups, namely:

Employees from Finance: chief administrative officials – finance (3). Employees from resource department include Section managers (4), shed man (3) and senior administrators (3). Employees from operations department include yard officials (2), planners (4), assistant planners (2) and yard masters (2). Employees from human capital are chief administrative officials – HC (3). Employees from customer care (1) and client co-ordinator (1). Safety officials (2). These groups are mostly experienced and have been in the company for a long time (5 years and more). Their selection meets the requirement for reliable information gathering in relation to the subject matter of the research.

Firstly, questionnaires on paper were hand delivered to the finance staff, train personnel, yard personnel, customer care staff, safety personnel and human capital staff. The face to face method of administering the questionnaire was chosen. It is an expensive and time consuming method but it has the advantage of a high response rate (www.rce.rutgers.edu). The respondents were asked to give their contact information, to make them accountable for their responses, and to make it possible to identify the departments’ specific problems. They were questioned about internal communication at TFR BU Coal, Vryheid and whether they think it is effective or not.

Limitations and delimitations of the study
Delimitations are boundaries that are set by the researcher in order to control the range of a study on the other hand limitations are conditions that restrict the scope of the study or may affect the outcome and cannot be controlled by the researcher (www.ferris.edu). The study was limited by constraints of resources, access, and time. The finance and material resource needed for a larger sample size for this study was insufficient.

RESULTS, DISCUSSION AND INTERPRETATION OF FINDINGS

Sample and response rate

A total of thirty questionnaires were sent out to employees of TFR BU Coal, Vryheid. Twenty eight questionnaires were received back which is a response rate of 93%. According to Fincham (2012), a huge response rate always ensures that the sample is representative of the population selected. The population of interest concerns all employees who receive internal communication from the company.

Number of years employed

To understand the degree of involvement of TFR sampled employees, the following questionnaire requests the number of years the employee has been working for the company. Long term employees have better understanding of the TFR internal communication services, can provide better feedback and would more likely to have a complaint through longer exposure with TFR’s internal communication than employees with short term service.
Table 4.1 Years employed

<table>
<thead>
<tr>
<th>Number of years</th>
<th>Number of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-1 year</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>1-5 years</td>
<td>3</td>
<td>10.71%</td>
</tr>
<tr>
<td>5-10 years</td>
<td>14</td>
<td>50.00%</td>
</tr>
<tr>
<td>10-15 years</td>
<td>6</td>
<td>21.43%</td>
</tr>
<tr>
<td>15 or more years</td>
<td>5</td>
<td>17.86%</td>
</tr>
</tbody>
</table>

Figure 4.1 Years employed

Figure 4.1 and Table 4.1 indicates that 17.86% of respondents have been employed for fifteen years and more, 21.43% employed between 10 to 15 years, 50% employed between 5 to 10 years, 10.71% employed between 1 to 5 years and lastly 0% are employed less than a year. These findings revealed that the majority of respondent who receive internal communication are employed more than 5 years and has been in service longer as compared to other respondents.

Age of respondents

Table 4.2 Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Number of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 20</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>20-29 years</td>
<td>5</td>
<td>17.86%</td>
</tr>
<tr>
<td>30-39 years</td>
<td>13</td>
<td>46.43%</td>
</tr>
<tr>
<td>40-49 years</td>
<td>7</td>
<td>25.00%</td>
</tr>
<tr>
<td>50-59 years</td>
<td>3</td>
<td>10.71%</td>
</tr>
</tbody>
</table>
Figure 4.2 Age

The figure 4.2 and table 4.2 show that 17.86% of the respondents are between 20-29 years old, 46.43% are 30-39 years old, 25% of respondents are 40-49 years old and 10.71% are 50-59 years old. This means that almost a half of respondents are between 30-39 years old.

Highest qualification of respondents

Table 4.3 Highest qualification

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Number of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matric</td>
<td>14</td>
<td>50.00%</td>
</tr>
<tr>
<td>Certificate</td>
<td>8</td>
<td>28.57%</td>
</tr>
<tr>
<td>Diploma</td>
<td>3</td>
<td>10.71%</td>
</tr>
<tr>
<td>Degree</td>
<td>3</td>
<td>10.71%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
Figure 4.3 Highest qualification

Figure 4.1 and Table 4.1 indicates that 50% of the sample group of those who completed the questionnaire have matric as their highest qualification, followed by 28.57% have certificate as their highest qualification, followed by 10.71% employees with diplomas and their highest qualification and 10.71% employees with degrees. This means that half of respondents have matric as their highest qualification.

Gender of respondents

Table 4.4 Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>15</td>
<td>53.57%</td>
</tr>
<tr>
<td>Female</td>
<td>13</td>
<td>46.43%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

52

Figure 4.4 Gender
Figure 4.4 and Table 4.4 indicate that 53.57% of the sample group of those who completed the questionnaire are males and 46.43% are females. This implies that questionnaire was not gender based or given to a preferred gender.

**Departments of the respondents**

**Table 4.5 Department**

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resource</td>
<td>9</td>
<td>32.14%</td>
</tr>
<tr>
<td>Operations</td>
<td>9</td>
<td>32.14%</td>
</tr>
<tr>
<td>Finance</td>
<td>3</td>
<td>10.71%</td>
</tr>
<tr>
<td>Human Capital</td>
<td>3</td>
<td>10.71%</td>
</tr>
<tr>
<td>Safety</td>
<td>2</td>
<td>7.14%</td>
</tr>
<tr>
<td>Order entry</td>
<td>2</td>
<td>7.14%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>28</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

**Figure 4.5 Department**

![Bar chart showing distribution of respondents across departments](chart.png)

TFR BU Coal, Vryheid’s resource and operations departments had 32.14% respondents, Finance and Human Capital departments 10.71% of respondents and safety and order entry 7.14% of respondents. Analysis of this data reveal that highest number of respondents were from resource and operations since these two departments have the highest number of employees as compared to other departments hence more sample employees were taken from them.
English proficiency level
Table 4.6 English proficiency

<table>
<thead>
<tr>
<th>English proficiency level</th>
<th>Number of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>13</td>
<td>46.43%</td>
</tr>
<tr>
<td>Moderate</td>
<td>12</td>
<td>42.86%</td>
</tr>
<tr>
<td>Basic</td>
<td>3</td>
<td>10.71%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

The last question of the background variables handled the personnel’s English skills. The informants were asked to judge their English proficiency level with alternative high, moderate and basic. As table 4.6 and figure 4.6 show, most of the respondents (46.43%) have high English proficiency level, 42.86% think that their English level is moderate and only 10.71% of the respondents think that they have basic English proficiency level.

Section 2: Informing and satisfaction
Internal communication is vital because it informs personnel about what is going on within their own company, as it can be difficult to be updated with certain things especially if companies are large. This can be done in the form of; meetings, phone calls, and internal e-mails. Informing is one of the largest contributing factors in organisational communications contents (Argenti, 2007: 138).

In TFR, an internal communications study (Question 7 to 8) is concerned with the personnel’s information needs and desires. The objective for the two questions is to find
out whether employees get enough information about the company and its products, operations, customers, economy and future plans through internal communications/publications and to find out what the employees would like to get more information about.

As figure 4.7 shows 75% of the respondents state to get enough information about the company’s products and 30% state that they do not get enough information about company’s products. 53.57% state to get enough information about company’s customers, 46.43% claim not to be getting enough information. 89.29% of respondents claim to get enough information about company’s operation and 10.71% claim otherwise. 42.86% state to be getting enough information about company’s economy and 57.14% say they are not getting enough information. Only 28.57% and 39.29% of the people get enough information about company’s future plans and company’s future plans and strategy. 71.43% and 60.71% say that they do not get enough information about company’s future plans and strategy. 82.14% of the respondents say that they get enough information on company’s mission and values and only 17.86% of the employees do not.

Table 4.7 Informing and satisfaction

<table>
<thead>
<tr>
<th>Information about</th>
<th>Number of respondents</th>
<th>Yes</th>
<th>No</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company's product</td>
<td>21</td>
<td>21</td>
<td>7</td>
<td>75.00%</td>
</tr>
<tr>
<td>company's customers</td>
<td>15</td>
<td>15</td>
<td>13</td>
<td>53.57%</td>
</tr>
<tr>
<td>company's operation</td>
<td>25</td>
<td>25</td>
<td>3</td>
<td>89.29%</td>
</tr>
<tr>
<td>company's economy</td>
<td>12</td>
<td>12</td>
<td>16</td>
<td>42.86%</td>
</tr>
<tr>
<td>company's future plans</td>
<td>8</td>
<td>8</td>
<td>20</td>
<td>28.57%</td>
</tr>
<tr>
<td>company's strategy</td>
<td>11</td>
<td>11</td>
<td>17</td>
<td>39.29%</td>
</tr>
<tr>
<td>company's mission and values</td>
<td>23</td>
<td>23</td>
<td>5</td>
<td>82.14%</td>
</tr>
</tbody>
</table>

Figure 4.7 Informing and satisfaction
TFR, BU Coal Vryheid personnel seem according to the results above to be most satisfied with the amount of the information they get about the company’s products, operation and mission and values. On the other hand there should be something done about informing the personnel about the other spheres of company’s operations. The results reveal that TFR personnel want more information especially about the company’s strategy, economy and future plans.

When looking at the background variables it is quiet clear that people who worked for TFR less than 10 years are most eager to get more information. They state most often not to get enough information on company’s economy, strategy, and mission and values and they are mostly employees working for resource and operations departments due to them not having access to desktops. People who are over 40 years are most willing to get more information about the company’s future plans as well as those who are 30-39 years old.

When asked the following question if the personnel would like to get more information and if yes, what (in addition to the factors above) would it be, 51% of the respondents answered that they would like to get more information.

Most of the informants that answered this question wanted to have more information about things related to the company itself, like information about company internal positions. One of the problem that was pointed out from the resource and operations department was that they do not have access to the intranet since most of them do not have desktops.

Questions 9 and 11 are made using Likert’s agreement - disagreement scale. The employees were asked to point their position on the given agreement – disagreement scale. It gave them different positions to choose from: strongly agree, agree, neither agree nor disagree, disagree and strongly disagree. The answers have been analysed using the median, because the agreement –
disagreement scale was coded afterwards as giving strongly agree come number 5 to strongly disagree number 1.

Question 9 directly asked the respondents about their opinions on satisfaction with the internal communication at TFR. This statement was related to the third research question of the study.

*Internal communication at TFR is effective enough*”

<table>
<thead>
<tr>
<th>Rating</th>
<th>Value</th>
<th>Frequency</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>3</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

This gave median 3, which tells that the internal communication in TFR at the moment is not good enough, but not bad either. Some things need improvement.

Question 11 was made to indicate which channels help to communicate better inside the office. This statement listed all the communication channels at the office at this moment. It was meant to find out, which ones help to communicate better as well as to find the answer to the third research question concerned about which communication channels are in use.

*Company’s Telephone* Value Frequency Median

<table>
<thead>
<tr>
<th>Rating</th>
<th>Value</th>
<th>Frequency</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

*E-mail*

<table>
<thead>
<tr>
<th>Rating</th>
<th>Value</th>
<th>Frequency</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>3</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

*News Bulletin*

<table>
<thead>
<tr>
<th>Rating</th>
<th>Value</th>
<th>Frequency</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>3</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

*Staff meetings*

<table>
<thead>
<tr>
<th>Rating</th>
<th>Value</th>
<th>Frequency</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>8</td>
<td></td>
</tr>
</tbody>
</table>
Telephone, E-mail, news bulletin and face-to-face conversations with upper management are considered to be the most effective ways of internal communication. Staff meetings and company’s server/ intranet seem to be helping to have better internal communication but need improvement. There was no median lower than 3, which means that overall channels are working, but still not all of them as effectively as they should.

**Section 3: Internal communication channels at TFR**

The use of internal communication channels is charted here on the basis of the answers for questions 10-11. First the commonness of the use of different channels is studied, and then the most important internal communication channels are discussed.

As figure 4.8 shows the most common way to get internal information is by using the email, 85.71% of the respondents chose it as the primary source for getting the information. The second one most commonly used surprisingly was news bulletin with 71.43% and the third place was taken by telephone (57.14%) and face-to-face conversations with upper management (57.14%). The most “unpopular” ways of getting the information internally were staff meetings (14.29%) and server/ intranet (42.86%).

| Neither agree nor disagree | 3 | 12 | 3 |
| Disagree                   | 2 | 8  |
| Strongly disagree          | 1 | 0  |

**Face-to-face conversations with upper management**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Frequency</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company’s server/Intranet</th>
<th>Value</th>
<th>Frequency</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>8</td>
<td></td>
</tr>
<tr>
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<td>Disagree</td>
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<tr>
<td>Strongly disagree</td>
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Section 4: Functionality of TFR’s internal communication

Questions 12-17 handled about the functionality of internal communication at TFR. The employees had a chance to estimate the functionality of certain communication aspects and give their opinions on the questions concerning some innovations which the management wants to implement.

Question 12 is again using Likert’s agreement-disagreement scale. Here the respondents have to say how well the information flows upward, downward and horizontally. As seen in the following two of the following directions gave median 4 and one gave median of 3.

According to the result, the communication flows rather well upward and downward, which is good and a desired situation in every organisation. Horizontally communication flow is not so bad either but needs improvement.

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Figure 4.8 Channels utilised

![Channels utilised](image-url)
In question 13 the employees gave grades to internal communication between managers and employees, departments, the clarity of internal communication, the openness of internal communication and the channels of internal communication, openness of internal communication as well as the channels of internal communication. The scale was from 1 to 5, where 1 being the worst grade and 5 being the best.

According to the answers the grade 5 (Excellent) was not used at all, this is why it is not included in the figure 4.9 either. Internal communication between managers and employees mostly considered to be poor (57.14%). Communication between departments is poor and weak 42.86% but 14.29% consider it to be good (see figure 4.9).

The clarity of internal communication by 35.71% of the respondents is considered to be adequate. The openness of internal communication is also adequate 57.14% (see figure 4.9).

The channels of internal communication are considered adequate by 71.43% of the respondents and weak by 21.43% and poor by 7.14% of the respondents.
Figure 4.9. Grades for aspects of internal communication at TFR

When asking the question 14 about the biggest problems concerning the internal communication it is very important that the respondents answer sincere and surprisingly 93% of the respondents have replied to these questions. The answers were very surprising and interesting, people see many problems which were not listed by the researcher. One of the biggest issues for people was respect when management communicated with employees as a result communication becomes a one way stream from management to employees because employees are afraid to communicate with their managers due to no respect.

As the questions 14 ad 15 are connected also naturally the answers to those questions are related to one another. From the 93% of the people who answered the question about the problems with the internal communication within the company, only 83% came up with some kind of solutions, which they think can be helpful.

Employees are expecting respect from their managers, they would like to communicate more with management without being afraid of them. Employees would like to have communication building trainings and trainings about how to use the software (server and outlook) for more effective communication. There should be developed a good habit of communication, both ends of communication process should send clear information and select the most efficient communication tools, and not necessarily the most convenient.

The internal communication channels utilised

There are a myriad of internal communication channels available to organisations including computer mediated channels such as email or intranet, hardcopy publications or face-to-face communication. The participants of this study utilise a range of channels with the most common method being e-mail followed by the news bulletin and telephone. Emerging issues with respect to communication channels include information overload, the management of organisational intranets, and the retention of face-to-face channels. The following section discusses the internal communication channels utilised within each participant organisation in relation to the review of literature, and specifically, with reference to the theory of media richness.

The TFR interview suggests a variety of channels are utilised, with e-mails as the main tool. The e-mail is used for announcements, important events and news, and messages from the Chief Executive (CE). These may be complemented by direct email messages from the CE, depending on the importance and relevance/urgency of the message. This finding contradicts the prior studies which suggested that face-to-face communication is the best mode for urgent or important information (Salmon & Joiner, 2005). However, in an organisation of more than 20 000 employees like Transnet Freight Rail, talking to them face-to-face would be an insurmountable challenge for any manager.
E-mails are widely used at Transnet Freight Rail, although the corporate communication team try to implement controls on its use. There is a rigid policy in terms of usage and most of the staff is well aware of the fact that email is a business tool and that the intranet is a business tool.

Monitoring and putting policies in place about email use is a vital part of internal communication and ensuring the abuse of this form of communication is limited. This is also because of the amount of information that can be shared as well as the limited amount of hard drive space each employee is given (Quirke, 2000). Quirke (2000:21) argues that companies often times do confuse volumes of information shared and the value of the information being shared. Those organisations that fail to monitor the content of the information being shared produce toxic communication.

With regard to senior management communication, at TFR an annual roadshow is done, where the CE and other members of the senior/executive management team travel to various national depots and meet with employees to discuss key issues. This showcases the profile of the senior team, particularly the CE, and enables face-to-face contact with employees from all levels of this organisation. TFR acknowledges that not all of the 20 000 plus employees will meet the CE during the roadshow tour; however, they recognise the value of face-to-face communication from the senior management and endeavour to create as many face-to-face interactions as possible. The roadshow approach has its critic that argue that a once-off roadshow by the chief executive may be good reinforcement and can give employees a temporary awareness of the company’s strategy but the pressures of the next day’s workplace may relegate the presentation to a distant memory (Quirke, 2000:34).

At TFR, Business Unit Coal Vryheid, the main form of face-to-face communication is through regular staff meetings where managers brief their supervisors and employees on training, targets and volumes achieved as well as the financial performance of the area and new initiatives. Direct supervisors are the best source for sharing internal communications and are most preferred by employees (Cees et al., 2005; Gamble & Kelliher, 1999; Quirke, 2000). The benefits of face-to-face meetings include immediate feedback and a sharing of ideas in a team environment (Howard, 1996), which knits a closer relationship between a manager and his subordinates (Sheer & Chen, 2004). With regular staff meetings, the employees at TFR are able to keep up to date on operational information as well as solicit feedback of any concerns. This emphasises the managerial skills managers should possess and the value of the managerial role to be able to elicit quality feedback and institute any necessary changes as suggested by the employees if warranted (Howard, 1996).

An additional lean channel utilised by TFR is monthly internal magazines, which are distributed organisation-wide. They discuss TFR employees and events. The convenience factor of this type of publications has been discussed previously, the key advantages being that employees are able to read them at their own convenience (Byrne & LeMay, 2006); however, the costs related with such publications have also been noted (Charles, 2005).
The internal communication measurement
As discussed in the literature measurement of the internal communication is fundamental to understanding the overall picture of the organisation as well as changes that the organisation must undergo and any future strategies (Hargie & Tourish, 2004).

TFR does not do enough measurement of their internal communication. Because there is no formal measurement of their communication channels, in particular e-mails which was reported as the main channel for internal communication, it may be reasonable to conclude that a lack of management knowledge exists regarding TFR’s internal communication effectiveness or employee perception of the communication channels. Hargie, Dickson and Tourish (2004:425) suggest that an organisation runs at its best when it is regularly serviced, like a motor vehicle and managers cannot rely on their own smarts, or on what others tell them, to give them an accurate picture regarding the current state of communications in their area of control. One of the few formal measurements recently undertaken of the internal communication within TFR is via an engagement survey. There’s recently been an engagement survey that has to do with communication about how informed employees feel and how much they understand.

According to Bernthal (2005:54), engagement surveys, note that engagement surveys, in their current form, represent the next generation of macro level measures of workplace learning and performance success. Through proven statistical relationships to outcomes like turnover, productivity, and profitability; engagement surveys are an obvious lead measure of organisational outcomes.

Although engagement surveys have been noted as being utilised throughout organisations, there is limited academic literature available on their possible effects. Vance (2006:19) states: To date, much employee engagement research has been conducted by consulting firms. These firms’ studies validating engagement models have yet to appear in respected scientific journals. Most of their research is unavailable for detailed outsider scrutiny.

As noted previously, the e-mail is the main form of communication at TFR which suggests that measurement of the effectiveness of TFR’s e-mail is paramount to determining where any challenges may lie. Hathi (2007:31) suggests that monitoring and evaluating the level of user satisfaction with a specific form of communication should be a key element of any measurement program. It must also highlight the necessity for regular measurement protocol to be established. In an organisation with over 20 000 staff spread throughout the country, measuring whether the internal communication is effective and gaining feedback from employees is vital. In fact, audits and other measurement tools have profound improvements in communication, internally and externally (Tourish & Hargie, 2000:40). Measuring communication allows management to connect with employees and gain critical feedback on all areas of the organisation (Baron, 2005).

TFR recognises the need for “rigid policy in terms of usage” of their email; however, with few measurement protocols in place, arguably it may be reasonable to question how the corporate communication team know that policy is being adhered to or in fact that employees are even aware of what the policy indicates.
The internal communication management
As suggested in the review of the literature, internal communication can be governed by an organisation’s corporate communication department or the human capital/resources department (Argenti, 2007) and in some companies even the IT department (Gordon, 1998; Lehmuskallio, 2006). In fact, this multi-departmental variability was suggested in participant interviews, whereby different options emerged.

At TFR, the corporate communication or corporate affairs department is responsible for the internal communication of the organisation. Governance of internal communications should mainly be the responsibility of the corporate communication department (Dewhurst, 2007). The term corporate relations is often a synonym of corporate communications and they have been used interchangeably (Hutton, Goodman, Alexander & Genest, 2001); however, a thorough search through literature over the past years reveals that there is a distinct lack in the use of the term corporate relations; rather, a preference for corporate communication has been adopted.

The role of the Chief Executive Officer (CEO) within internal communication is highlighted in the literature as a large factor in many organisations success. In fact, Gaines-Ross (2003:9) contends that inadequate internal communication by the CEO can lead to uncertainty among employees as to the certainty of their future with the company. Confusion arises as to where their time and energies should be invested and this will possibly lead to unethical conduct within the organisation by the employees.

Additionally highlighting the importance of CEO communication, Murray and White (2005) propose that today’s CEOs are under intense scrutiny and pressure, both by internal and external stakeholders, and the CEOs obligation is to lead by example as their personality traits define the way people see the business. A second finding concerned the fact that at TFR it is the corporate communication team’s responsibility for facilitating strategic visionary messages from the CE and executive committee to the employees. The literature suggests that visionary messages and visionary leadership plays a pivotal role in effective communication and leadership (Howard, 1996; Levin, 2000) and also encourages employee support by expressing the management challenges, responsibilities within the organisation and the overall direction of the organisation and strategy which makes goals clear, increases employee commitment, and empowers the team (Spreier, Fontaine and Malloy, 2006:80).

The disadvantages suggested in the literature, of the CEO not sharing visionary messages and ideas for success with general employees, reflect as a lack of company direction by stakeholders and a lack of shared contributions, all depreciating the meaning of organisational culture (Hamm, 2006). In fact, Murray and White (2005:356) assert that internal communication by the CEO is the main way to persuade employees that their CEO has something to say that is genuine and has a vision that is worth investing and believing in.

The relative disadvantage of a facilitator role, as suggested in the literature, is the assertion by employees that messages from the CEO are in fact manufactured by a communication expert
rather than the CEO which can damage the credibility of future messages as well as the reputation of the senior leader (Briggs, 2007).

CONCLUSIONS AND RECOMMENDATIONS

Findings of the study

All the material the researcher got from the company strengthens the impression that there is a lot of information available, for example on the company, products and markets), but the crucial information can be hard to find from the information flow since most employees from the resource and operation department have no desktops.

One difficulty that has been experienced at TFR is the question about what kind of information should be passed on. As the survey showed, different people want to get different kind of information however most informants would like to get more information and just a few stated to get unnecessary information. As it seems to be difficult to give general guidelines of what kind of information each member of TFR personnel should pass on, the suggestion would be that corporate affairs should have meetings with the employees to find out what information they find most important and what they would like to get more information about. Thereafter comparing the results of different business units and different departments, and should come to a conclusion that suits all.

Internal Communication Management

The primary focus of this research was to investigate the internal communication of TFR BU Coal, Vryheid. Interviews with participants highlighted a range of key issues involving internal communication management. The importance of senior management involvement in internal communication and the significance of organisational culture on internal communication were also key findings.

The results of the participant interviews suggest there is no unanimity across departments regarding which department should have overall responsibility for internal communication. This finding reflects the current literature which also indicates that in the governance of internal communication there is no conformity (Kalla, 2005; Quirke, 2000). It seems unlikely at this stage that a move towards a business consensus regarding responsibility for internal communication will be made. However, based on the findings of this research and recent literary studies, the corporate communication department seems the most popular option.

Surprisingly the issue of trust, a strong theme within the literature, did not emerge in the participant interviews. This could be interpreted to mean that Transnet Freight Rail BU Coal, Vryheid implicitly assumes the employees have trust in their management or, in fact, there is little interest in determining if trust is prevalent or not. In addition to trust, further exploration into the importance of internal and external integration of communication messages may be a possible area of future study, considering its strong presence in this research. Investigation of the internal communication management provides a clear indication that
there is no template for the governance, structure and content of internal communication. In light of the literature and the participant findings, the future implications suggest there may never be unanimity across departments; although, similarities such as those found in this study may exist.

**Internal Communication Channels**

A second question of interest to internal communication concerned the channels used by Transnet Freight Rail BU Coal, Vryheid. The results clearly indicate the main channel utilised by the participants in this study was the e-mail. All of the participants utilise an intranet, although there is apparently no agreement between the participants on management, content or structure. The academic research on the effectiveness and use of e-mails is still to be fully explored (Jacoby & Luqi, 2007); however, based on the interest from TFR in this study, and the widespread use of e-mails (Bottazzo, 2005; Sablosky, 2005), further research may surface in future academic publications.

Overall, there were two major challenges with respect to the use of internal communication channels with most participants. The first was the challenge of effectively utilising face-to-face communication in light of the advances in technology and size of the organisation. Effective face-to-face communication was an expected challenge for the larger organisations that were geographically dispersed throughout South Africa.

The initiatives used by many of the participants included roadshows or conferences, showcasing senior management and organisational visions. These were often limited to senior employees or those able to attend, although, as measurement was limited the success or failure of the roadshows is yet to be determined. Additionally, TFR established regular branch or unit meetings; however, it appeared that the only cross-departmental communication derived mainly from those employees responsible for internal communication.

**Internal Communication Measurement**

Overall this study highlighted the lack of measurement, which lead to the generalised conclusion that TFR do not currently test the effectiveness of their internal communication. Many participants discussed an organisational requirement for effective communication, or having policies or procedures in place for particular communication areas; however, without measurement it was unclear as to how they could determine the success of those policies. Only recently a survey has been designed and sent out by corporate affairs to measure the effectiveness of the content and the channels for internal communication, in order to compare activities with performance results and business goals.

Despite the literature on the importance of measurement and the international studies concluding that internal communication measurement is vital to organisational performance (Asif & Sargeant, 2000; Lennon, 2003; Moorcroft, 2006), there is still a lack of awareness within Transnet Freight Rail with regards to the importance of effective internal communication. This lack of awareness also extends to the determination that effectiveness can only be achieved through adequate measurement.

As indicated, the relative implications of ineffective internal communication are numerous and can include high staff turnover, low quality of service, increased absenteeism and low levels of
innovation (Argenti, 2007; Clampitt & Downs, 1993; Hargie et al., 2002; Quirke, 2000). Arguably, regular effective measurement practices may indeed reduce the possibility of the aforementioned results.

**Limitations**
Most research, this one included, is influenced by various limitations. Most notably the methodological approach chosen, the participants of the study and the form of analysis utilised. The quantitative design of this project was more costly which in itself can be the challenge of a quantitative approach. The study was limited by constraints of resources, access, and time. The finance and material resource needed for a larger sample size for this study was insufficient.

The limitations of the participants have been previously acknowledged; however, in most cases this study was able to obtain valuable rich data of which was able to be analysed in accordance with literature in order to satisfactorily answer the research questions.

**Future Research**
There are several areas within this study which could be considered for future research including the new innovations in technology, the efficacy of face-to-face communication in light of new technology and internal/external integrated communication. Of these the most notable is perhaps the influence of future technology on internal communication.

The current literature suggests that the future direction of internal communication may in fact be the area of podcasting (Vogele & Townsend-Gard, 2006), wikis, blogs and instant messaging within teams (Holtz, 2006). In fact, Vogele and Townsend-Gard (2006) indicate the rapid growth in technology by highlighting the increased interest in podcasts. They refer to a September 2004 Google search on the word ‘podcasts’ resulting in just 24 hits and a following search in August 2006 resulting in 44.9 million hits. This is a phenomenal speed for new technology adoption and clearly illustrates the possibility for future research regarding the application of such technology in the internal communication environment.

**Conclusions**
This research project investigated the use of internal communication within TFR. More specifically, the focus of this research was on the internal communication management, the channels of internal communication utilised and the measurement of effective internal communication. As a result, it has been determined that internal communication is a growing area of interest, both in academia and within international organisations which are reliant on effective management, effective channels and effective measurement of communication. This study suggests that even with international interest, all of these areas remain somewhat misunderstood and require further research in order to fully understand the implications on businesses.

There should be organised more meetings between different divisions, people must realise that the division’s cooperation brings more effectiveness to everybody’s work; things are done faster, easier and better. This kind of meetings should be held at least once a month, where different departments could present their results up to that moment, what is the current situation, what they are working at the moment, what kind of help is needed from the other division, what is urgent and what matters can wait, who is responsible for what and what are the matters that the
others might not understand. This kind of meetings should improve the communication atmosphere and make employees understand what they should focus on, what their responsibilities are.

The purpose of this assessment was to chart out the present situation concerning internal communication at Transnet Freight Rail, and to find out what the company’s personnel think about communication matters. Thereafter the idea was by using all the information gathered to come up with the clear solutions and develop the ways to improve the internal communication. As to the view of the researcher, all this was successfully achieved.

NOTE: The principal author submitted this dissertation to the Regent Business School in 2014 for the award of the Master of Business Administration Degree (MBA). The dissertation was supervised by Nadeem Cassim and edited by Professor Anis Mahomed Karodia for purposes of producing a publishable journal article. Kindly note that the entire bibliography is cited in this article and the references applicable to this article are cited within the bibliography cited.

BIBLIOGRAPHY


