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Electronic version

URL: <https://journals.openedition.org/cp/125>

DOI: 10.4000/cp.125

ISSN: 2183-2269

Publisher

Escola Superior de Comunicação Social

Printed version

Date of publication: 1 December 2012

Number of pages: 43-55

ISSN: 16461479

Electronic reference

Alan Freitag and Jacek Trebecki, "Impact of a lingering crisis on the perception of internal communication by employees: A case in the automotive sector", *Comunicação Pública* [Online], vol.7 n12 | 2012, Online since 24 September 2013, connection on 21 September 2021. URL: <http://journals.openedition.org/cp/125> ; DOI: <https://doi.org/10.4000/cp.125>



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IMPACT OF A LINGERING CRISIS ON THE PERCEPTION OF INTERNAL COMMUNICATION BY EMPLOYEES: A CASE IN THE AUTOMOTIVE SECTOR

Alan Freitag / Jacek Trebecki

University of North Carolina – Charlotte, USA / Poznan University of Economics – Poznan, Poland

Abstract: This article examines internal communication during organizational change driven by a lingering crisis and reports on research conducted among the employees of an automotive industry company. The authors sought support for the thesis that in times of economic downturn, employees tend to appreciate more the very fact of employment as a job satisfaction factor. Concomitantly, it is suggested, employees during an economic slump seek more strongly information on their company's market situation and financial condition. Although it was not possible to unequivocally verify the first thesis, this research supports the second. When economic crisis hits the industry and job stability is threatened, employees tend to look for information on their company's situation, number of orders and the corporate strategy because they realize the close correlation between this information and their employment security.

Key words: Internal communications, economic downturn, internal PR.

1. INTRODUCTION

Internal communication is one of the most promising and at the same time under researched areas of public relations (Tarczydło, 2009). The importance of internal communication increases especially during times of change and turmoil caused by economic downturns. In this article, the following theses were called upon to identify and describe the challenges of internal PR: First, because an economic downturn often leads the labour market to change to the detriment of employees, those employees are more likely to appreciate the fact that they have jobs and the income those jobs bring. Second, along with the increasing fear concerning their company's condition, employees tend to manifest higher demand for information about the company's plans and standing.

With the aim of verifying these assumptions, the authors examined job satisfaction factors among employees and gauged the efficacy of extant organizational communication tools; the research design also permitted the identification of information deficit areas. The research was conducted in a company operating in the automotive sector, which was especially affected early by an economic downturn that threatened job stability for company employees.

Results of the study profile the attitudes of employees toward their company and describe their communication expectations. Subsequently, results point the way toward fundamental principles and guidelines that may aid internal communication managers, particularly during times of economic struggles.

2. INTERNAL COMMUNICATION, ITS ROLE AND IMPORTANCE

The increasing importance of this public relations sector was confirmed by a study conducted in 2007 on more than 1,500 public relations specialists representing 37 European countries. In the study, conducted under the direction of professor Ansgar Zerfass, respondents were asked to estimate the potential for development of particular areas of public relations through 2012. The areas with the greatest promise for growth, according to the respondents, were internal communication and communication management during change (Zerfass, Moreno, Tench, Verčič, & Verhoeven, 2012).

The increasing importance of internal communication stems in large part from both recognition of the correlation between communication and a company's efficiency (Kenawy M., 2008) and the characteristics of the current, persistent economic downturn. Coombs (2012) says a crisis is "the

perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organization's performance and generate negative outcomes" (p.2), and stresses that a crisis is perceptual. He says, "If stakeholders believe an organization is in crisis, a crisis does exist, and stakeholders will react to the organization as if it is in crisis" (p.2). Pratt (2012) provides a lengthy collection of published definitions of a crisis and summarizes them by identifying a common theme: "unexpected events that engender unwholesome outcomes" (p.6). We naturally equate crises with disasters such as fires, severe weather events, accidents and other precipitous calamities, but stakeholders, such as employees, may also perceive smoldering, slowly developing events to be crises, and that would certainly include the deep and enduring economic downturn we are now experiencing. Linke (1989) and Skinner et al. (2007) include in their taxonomies of crisis types, for example, crises that are continuing, sustained and can linger for months or years. Consequently, it's appropriate to position this case study within the parameters of crisis communication.

One of the first considerations for an organization in crisis is the identification of publics with whom communication is vital as part of a comprehensive approach to managing and recovering from the crisis. Certainly among the most important publics will be the internal public, and in particular, employees. Fearn-Banks (2002) says employees are crucial during a crisis because they are the most credible spokespersons on the organization's behalf, a "link between the company and the consumer public" (p.77). She says it's crucial to craft the correct messages and communicate with internal publics through the correct channels before, during and following a crisis event. But how is an organization to know what those correct messages and channels are?

Relevant research regarding communication channel efficacy can be found in Daft and Lengel's (1984, 1986) development of Media Richness Theory, which places channels of communication on a "leanness-richness" spectrum based on each channel's capacity for conveying complex, potentially equivocal messages: the greater the capacity for conveying complex messages, the "richer" the channel. Consequently, face-to-face communication (for example, between an employee and her direct supervisor) is considered a rich medium because of its ability to accommodate immediate 2-way symmetric dialogue for clarification of ambiguities, elaboration of key points and responding to questions. On the other hand, an employee newsletter, given its space limitation, lack of timeliness and other constraining factors, would be a lean

channel. That is not to say lean media channels are not useful. On the contrary, as Freitag and Picherit-Duthler (2008) pointed out, communication planners should call upon multiple communication channels, matching the channel with message complexity for greatest efficiency and effectiveness.

As to message content, research has provided a hierarchy of information categories employees appear to seek within the work environment. As is the case with much of the literature in this arena, though, research is based almost exclusively on U.S. employees. Still, results are instructive, provided the possibility for culturally-driven variances are taken into consideration. According to leading research, employees seek information from organizational management in a variety of categories; that research says employees prioritize their categorical preferences ranging from organizational plans for the future, job advancement opportunities and job-related “how-to” information on the high end, through a host of categories, to organizational community involvement, human interest stories about other employees, and personal news on the low end (Center, Jackson, Smith, & Stansberry, 2008).

One of the answers to the increasing communication expectations of employees, some scholars have suggested, might be the expansion of responsibilities for human resources specialists, extending to HR managers prerogatives ordinarily associated with communication managers (Wynter-Palmer, 2007). Studies suggest this is often the case in medium-sized companies with human resources management structures but small or even no PR function. In companies lacking even the HR structure, communication with employees is performed personally by the owner/CEO. In larger organizations it is more common to find developed PR structures that include management and staff layers (Trebecki, 2012).

In this paper, the authors focused on the situation of a company having HR structures only in its production plant and no formal communication function.

3. HISTORY AND STRUCTURE OF THE BRIDGESTONE PLANT IN POZNAŃ, POLAND

The current communication and management system of Bridgestone is heavily influenced by the company’s history. Bridgestone was founded in 1931 by Shōjirō Ishibashi in Kurume, Japan, and still today the company is characterized by Japanese values.

In Poland, the production plant in Poznań produces tyres. The history of this plant dates to 1998. Currently, the plant is regarded as one of the most modern plants in the global network, and with more than 1,300 workers it is also one

of the most important employers in Poznań. For those employees, continuous coaching and training opportunities, study visits to other plants (including to the headquarters in Japan), and meetings aimed at discussing new ideas on improving quality control are characteristic features of Bridgestone. The challenges and stress of the continuous, three-shift schedule is balanced and addressed through increased attention to workers. Physical activities, employee buses, team-building trips, a company canteen, and medical insurance through a highly renowned medical chain all aim toward achieving productivity through job satisfaction (Zakłady Bridgestone w Poznaniu obchodzą 10-lecie, 2008).

The primary formal communication function for the company rests at its headquarters in Tokyo, where a dedicated public relations division is positioned. This is where strategic communication plans are developed and decisions are made. The European regional headquarters, which encompasses the Poznań plant, is located in Brussels. The unit manages the European parts of the company:

- Nine tire manufacturing plants (in France, Italy, Poland, Hungary and Spain), each with a distribution centre.
- A state-of-the-art proving ground (Italy), opened in 2004, and in Sweden, opened in 2009.
- Three European Logistics Centres: Zeebrugge (Belgium), Madrid (Spain) and Bor (Czech Republic).

Bridgestone public relations offices in the various European countries are concerned primarily with sales support and care for the overall corporate image. They do not get involved in the internal relations on the level of individual plants.

The Poznań plant focuses nearly exclusively on production activities, and other structures, e.g. marketing or PR, are not part of the Poznań operation. Responsibility for communication functions lies almost exclusively in the Poznań HR department with its small staff.

At the time of the study, the Poznań plant workforce numbered 1,319 people. The age profile is skewed toward younger workers, with 877 employees aged 25-37 constituting the most numerous group. Regarding educational background, the largest group of employees held secondary education diplomas (752 employees), though there were also 166 employees with higher education credentials, in most cases engineering degrees; the vast majority of these hold managerial positions. There were also more than 400 people holding diplomas from vocational schools. This heterogeneity of educational levels

presents challenges to communication efforts; a variety of communication tools, communication channels and communication styles (written and verbal) would be required in such a setting.

Internal communication tools at the Bridgestone plant in Poznań (BSPZ)

A characteristic feature of the company is a thoroughly embedded culture of direct communication—stemming from the Japanese approach. This is characterized by the active promotion of employee participation in functions such as quality management and work safety as well as the collective management system. An analysis of communication processes reveals many that are horizontal in nature. Multiple communication conduits are used for multiple messages; absent are communication tools focused on just one category of information. An informal communication culture allows employees to ask about the company's market situation and financial condition even during operational meetings. This approach can mitigate the risks of less reliable communication channels such as the "grapevine" or situations when employees might interpret isolated events or actions (for example, a decrease in day-to-day production levels) as a sign of market problems.

Following is a summary of communication tools in which the Poznań Bridgestone plant engages:

- Employee meetings – with managers, including the president, with all BSPZ employees – are held during working hours and are obligatory for employees. The meetings are attended by the management board, management staff and all employees in groups.
- The Bridgestone Poznań Newsletter, published in paper format and prepared by the human resources department based on information provided by BSPZ employees and management staff. The monthly newsletter is intended to be distributed to all employees.
- Z pierwszej ręki bulletin ("First Hand") – an electronic publication prepared by the human resources department and sent to all e-mail users; a paper version is distributed by line managers to employees lacking access to e-mail.
- BSPZ Employees Board – these are meetings between a representative of the employer (generally the HR manager) and Board members. If necessary, managers from other departments also participate in the meetings.
- Human Resources Information (Bulletin) Board – a tool that might be classified as an information medium, it takes the form of a physical

- display board located near the HR department in the administration section of the plant. Information from the HR department is also presented on information (bulletin) boards located in other departments.
- Kaizen – a work quality improvement system typical for companies with Japanese cultural roots. All employees are affected by the system, and through it they are motivated to improve the work environment, to identify areas needing corrections and to suggest changes.
 - POPO – a system dedicated to improving work safety for all employees. Communication concerning the safety system is conducted on an on-going basis. There is a POPO list available on the Intranet. Once a week, the Occupational Health and Safety Department submits information about the status of addressing individual items. Annually, an Employee of the Year in the Safety Area is selected and recognized.
 - Management Meeting – weekly meetings of management board members and senior management members.
 - Meeting of Polish managers – weekly meetings for Polish managers.
 - SV meeting – weekly meetings between senior production supervisors, managers responsible for various line areas and HR representatives.
 - SSV meeting – quarterly meetings of shift supervisors with chief supervisors and managers; during these sessions, HR representatives discuss current issues and problems connected with the duties and responsibilities of shift supervisors.
 - IR individual meetings – individual meetings of HR employees with randomly selected employees from other departments. Meetings are held on an ongoing basis and are attended by randomly selected employees of the company.
 - Department meetings – regular meetings of managers and employees of individual departments. The frequency of the meetings varies by department. Meetings are initiated either by the head of the department or employees.
 - Briefings – short daily meetings held with the employees of individual units. Briefings are held at every shift when starting and finishing work.
 - Department training – held on a monthly basis; topics are determined by current needs.
 - SSV or SV – daily meetings of employees working in individual departments and units.
 - EM – weekly meetings of the head of the department and his/her employees.

4. AIM AND ASSUMPTIONS OF THE STUDY

The main aim of the study was to obtain information about job satisfaction factors as well as to identify communication needs of employees, both in terms of the topic and content of the communication and their evaluation of communication tools and tactics the company uses. Through analysis of collected data, the authors sought to verify theses concerning communication in a simmering crisis setting, such as an economic downturn: First, whether employees when analysing the satisfaction factors will emphasize elements such as the very fact of having jobs rather than e.g. prestige of the company or fringe benefits; second, in terms of the content, whether employees will demand more information concerning the company ensuring them that the standing of the company and its strategy guarantee stability of their employment. The study was conducted directly in the company plant using an anonymous survey as the primary research method.

Respondents were all employees. The survey instrument was distributed in various places frequented by employees: cloakroom, reception area, etc.

As a result, 356 completed survey instruments were collected. Thirty-five of the surveys lacked requested personal data, but this was not deemed to nullify the value of the survey. Sample representativeness was assessed based on a significance test comparing distribution of factors such as age and years of work.

As a result, the following distributions were identified:

Table 1. Comparison of distribution of sample and population – age

Age	sample (fo)	population (fe)	(fo-fe) ² /fo
	Percentage		
Under 25	2.9	6.2	3.7
25-35	74.0	66.5	0.8
36-45	20.5	24.0	0.6
46-55	1.9	3.1	0.7
56-65	0.6	0.2	0.4
Total			6.18

Table 2. Comparison of distribution of sample and population – years of work

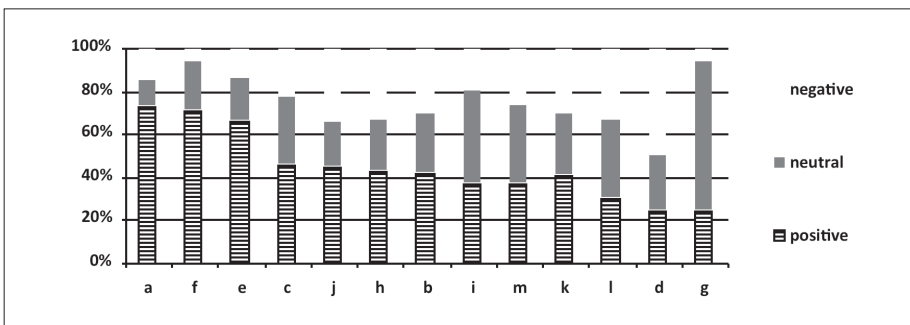
Years of work	sample (fo)	population (fe)	$(fo-fe)^2/fo$
	percentage		
Under 1 year	2.2	3.3	0.46
1-2 years	9.6	13.0	1.22
3-5 years	47.1	43.0	0.36
6-8 years	20.2	14.3	1.70
9 years and more	20.8	26.4	1.48
Total			5.22

Assuming that the critical value of chi-square for the significance level of 0.05 stands at 9.45, it can be concluded, based on the chi-squared test, that the structure of the sample considering factors such as age and years of work, reflects the population structure, which means that the sample is representative.

5. STUDY RESULTS:

One of the aims of the study was to evaluate job satisfaction factors of the Bridgestone staff. For this purpose, the respondents were asked to evaluate, using a 5-point Likert scale, the factors influencing their job satisfaction. The scale comprised the following categories: negative, somewhat negative, neutral, somewhat positive, positive. The result is presented in Figure 1.

Fig. 1. Job satisfaction factors



Explanation: List of factors: a – good salary, f – company’s prestige, e – possibility of gaining experience, c – interesting work, j – positive work climate, h – relations with supervisors, b – convenient access to company, i – private medical care, m – work assessment / motivation by supervisor, k – options available under social fund, l – tyre purchase system, d – promotion opportunities, g – no other job.

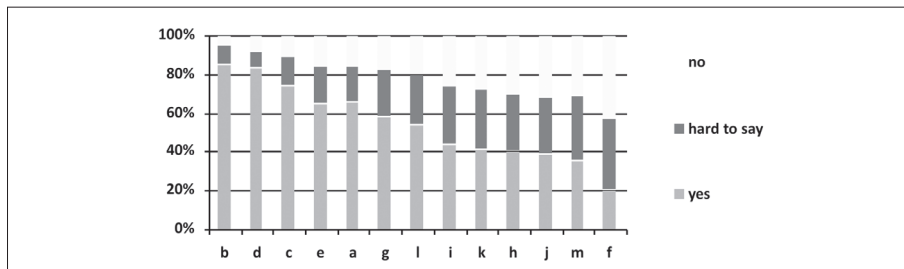
Source: own study

Question: How do the indicated factors influence your job satisfaction at Bridgestone? Aggregation of responses: positive + somewhat positive = positive, negative + somewhat negative = negative.

The order in which the responses were given reflects employees' preferences. Among the positive factors, the following were most heavily emphasized: the company's prestige, good salary and possibility of gaining experience. Surprisingly, bearing in mind that there is a highly robust system of consultations and opportunities for employees to make suggestions, there were many negative responses concerning that work assessment system as well as perceived motivation generated by supervisors. Also worth noting, particularly in light of the diminishing labour market, is that lack of other work possibilities does not appear to play a significant role in employees' assessment of their level of job satisfaction; this suggests that motivating factors of extensive social benefits and possibilities of professional development play a larger role than lack of opportunities to find another job. This would appear to call into question the thesis that an economic downturn evokes anxiety over job security; even in these circumstances, it seems, other factors continue to determine levels of job satisfaction.

Another important issue (from the point of view of the aim of the study) was to evaluate the level at which communication needs are satisfied. The respondents were asked to specify whether they feel well-informed about selected matters. The possible responses on a 5-point Likert scale included: "yes," "somewhat," "hard to say," "not so much," and "no." The results are presented in Figure 2.

Fig. 2. Employees evaluation of being well-informed



Explanation: b) occupational health and safety regulations; d) requirements concerning my job; c) my rights and obligations as an employee; e) situation and changes in my department; unit, a) production technology; g) current events at BSPZ; l) information about philosophy and history of the company; i) information about market position of BSPZ; k) information about BSPZ products; h) information about BSPZ social campaigns; j) information about BSPZ plans and strategy; m) corporate information (management board, structure, plants); f) situation and changes in department, units.

Source: own study

Question: Do you feel well-informed about the matters specified below?
 Aggregated responses: yes + somewhat = yes, no + not so much = no.

Distribution of responses provided a clear profile as to topics for which employees feel either well or badly informed. It can be stated that though employees feel well-informed about strictly staff-related matters, they feel poorly informed about matters such as information about the company or particular departments. Less clear is whether employees feel there are shortcomings in terms of information about the current market situation. Nevertheless, a discernible trend can be identified. In areas related to the competencies of the HR department, the employees are well-informed, but when it comes to corporate information that would be communicated by the PR department (if one existed in this case), a deficit emerges.

To further understand employees' communication-related expectations, the survey instrument asked respondents to mark a maximum of three topical areas where, according to them, more information should be provided. Responses to this item permitted a hierarchical ranking of topical areas in terms of employees' preferences for more information. The leader in the ranking with 80 responses (which, in light of the total number of responses, is not an alarmingly high number but is certainly substantial) is communication about planning and strategy; that was followed closely by information about the company's market position (79 responses). Communication about the situation in employees' departments or units was ranked third (57 responses). A full ranking hierarchy is presented in Table 3.

Table 3. Areas which according to respondents require significantly more information

Areas	No. of responses
j) information about BSPZ plans and strategy	80
i) information about BSPZ market position	79
e) situation and changes in my department, unit	57
f) situation and changes in other departments, units	46
g) current events at BSPZ	38
c) my rights and obligations as an employee	35
k) information about BSPZ products	34
l) corporate information (management board, structure, plants)	30
d) requirements concerning my job	21
a) production technology	16
h) information about BSPZ social campaigns	16
b) occupational health and safety regulations	15
k) information concerning philosophy and history of the company	10

Still more information about communication-related expectations was collected through an open-ended question referring to one of the communication tools, i.e. the monthly newsletter. The respondents were presented the following question: What do you like reading about the most / or what would you like to read about? A vast majority of responses to this question cited issues such as information about the company, its market position and financial standing, etc.

SUMMARY

The results of the study do not support the intuitive thesis that employees of companies experiencing difficulties connected with an economic downturn start appreciating more the fact of having jobs along with the salary and benefits that accompany those jobs. However, among the factors most frequently indicated by respondents as having a positive influence on their job satisfaction was the company's prestige. The study results provide clearer information as to the second thesis: when threatened by negative changes, employees look for information concerning the condition of the company they work for, its market position and financial standing more intensively.

At the same time, the study has allowed the authors to propose another thesis: that to a measurable extent those areas where employees are provided either with sufficient information or inadequate information is derivative of information competencies of the sources of the communication. In the case of the company analysed here, the principal communication source is the HR department – so, employees evaluate highly information about staff-related matters, traditionally the purview of HR. The level of communication traditionally distributed by the PR department (non-existent in the case of the analyzed company) is assessed much lower. This interesting thesis could be the basis for a “mirror” study in a similar company having PR structures as the source of communication. In such a case, it might turn out that employees would feel equally well-informed about corporate issues as they do about staff-related communications.

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