THE LACK OF INTERNAL COMMUNICATION AS A FACTOR WHICH AFFECTS THE PERFORMANCE OF PROJECT BASED COMPANIES OR ORGANIZATIONS

By

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Biography

Dionisios N. Koutoulogenis lives in Athens Greece. He is 26 years old and not married yet. He speaks three languages. He was a student in the Technology Educational Institute of Athens at Health Management sector. He did his practice in the procurement department of General Public Hospital of Athens, Greece until October 2006.

The completion of the Master’s course of study in Project Management at City University was the next challenge in his life. He is currently employed by a project based constructive company named ARGO. He works in the Human Resources department.

His experiences with internal communication problems in both of hospital and the constructive company have helped him to understand the important role that internal communication plays in such organizations.
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Abstract

The project based companies and the organizations nowadays must overcome many obstacles in order to have successful results. The time pressure forces usually people in these organizations not to spend enough time to communicate with each other.

Getting things done quickly is the major priority. So there is not enough time for exchanging information. This fact negatively affects the performance of project based companies or organizations. In order to deal with this problem of the lack of internal communications in such project based companies or organizations, appropriate actions must be taken.

This paper represents an effort which will help the author to identify the causes of this problem and give successful solutions through the implementation of the appropriate methodology process.

The results of this effort provide the author with the information needed in order to understand the problem better and select the methodology which will help him give or propose possible solutions.

The conclusion of this study shows that effective internal communication in project based companies or organizations can help the project manager and the whole unit to perform better and provide qualitative results.
## TABLE OF CONTENTS

**BIOGRAPHY** ................................................................. 3  
**ABSTRACT** ........................................................................ 4  
1. **INTRODUCTION** .......................................................... 7  
   1.1 Nature of the Study ..................................................... 7  
   1.2 Needs Assessment ..................................................... 7  
   1.3 Purpose of the Study .................................................. 8  
   1.4 Significance to Your Workplace ................................... 9  
   1.5 Relation to the Program of Study ............................... 9  
   1.6 Definition of Terms .................................................. 9  
2. **PROBLEM STATEMENT** ............................................... 10  
   2.1 Problem Statement ................................................... 10  
   2.2 Rationale ............................................................... 10  
   2.3 Hypothesis / Objectives ............................................. 13  
3. **REVIEW OF LITERATURE** .............................................. 14  
   3.1 Review of Literature ................................................ 14  
   3.2 Communication in General ....................................... 14  
      3.2.1 Definitions ....................................................... 14  
      3.2.2 Communication in times past ............................. 16  
      3.2.3 Basic principles of communication ...................... 17  
      3.2.4 Project Communication management processes ...... 18  
   3.3 Internal Communication .......................................... 18  
      3.3.1 Elements for good Internal Communication .......... 20  
      3.3.2 Advantages of Internal Communication ............... 20  
      3.3.3 Problems in Internal Communications ................. 21  
      3.3.4 Principles for Effective Internal Communication .... 23  
      3.3.5 Upward and Downward Internal Communications .... 23  
      3.3.6 Employee Motivations ....................................... 24  
      3.3.7 Internal Communication and Top Management ....... 25  
      3.3.8 Steps to Implement Effective Internal Communication .. 25  
   3.4 Communication Channels .......................................... 26
3.5 COMMUNICATION PLAN ......................................................... 30
3.6 INTERNAL COMMUNICATION AND PERFORMANCE .................. 33
3.7 PERFORMANCE REPORT AND INFORMATION DISTRIBUTION ........ 35
3.8 PROJECT MANAGER AND INTERNAL COMMUNICATION .............. 36
3.9 PERSONAL EXPERIENCE ..................................................... 37
   3.9.1 Hospital Experience ................................................... 37
   3.9.2 Constructive Company Experience ................................ 38
4. METHODOLOGIES AND PROCEDURES USED IN STUDY .......... 40
5. RESULTS ........................................................................... 42
   5.1 GENERAL RESULTS ...................................................... 42
   5.2 PERSONAL EXPERIENCE RESULTS .................................. 46
      5.2.1 Hospital Experience ............................................... 46
      5.2.2 Constructive Company Experience ......................... 47
   5.3 INTERVIEWS ............................................................... 47
      5.3.1 Public Hospital’s Interviews .................................... 47
      5.3.2 Constructive Company’s Interviews ......................... 49
6. DISCUSSION, CONCLUSION, AND RECOMMENDATIONS ........... 52
REFERENCES ........................................................................ 59
INTERVIEWS ....................................................................... 63
APPENDIX A ........................................................................ 64
APPENDIX B: SAMPLE OF PERFORMANCE REPORT ............... 66
1. Introduction

1.1 Nature of the study

The nature of this study is to consider the impact of using a specific internal communication system, according to the standard project management principles, for achieving the success criterion of performance, for a project which ultimately provides a service. This study will consider the project manager’s role in implementing a specific internal communication system in order to meet the performance goals in project-based companies or organizations that provide services.

The author will use his experiences in working with project teams and the research of others to identify the best internal communication methods and specific tools within the project team to keep the project plan successful by providing qualitative services and satisfying the customer.

1.2 Needs Assessment

Stakeholders for this thesis include the project manager of the General Public Hospital’s financial department, the top level management, the members of the procurement department, and other employees in different departments of the hospital work with the financial department. Also stakeholder include the top level management of the ARGO constructive company, the members of the human resources department, and other employees in different departments of the constructive company work with the human resources department. This thesis will provide the stakeholders with a view of:
• The definition and role of stakeholders.
• Applicable system tools.
• An applicable internal communication system which must be established in order to be more successful.
• Specific guidelines on which the stakeholders must be based.
• Identification of other factors which may lead in failure or success.

The lack of internal communication in project-based companies or organizations has been identified as critically important. Best practices applicable to project management will be applied in the author's workplace in order to improve the success percentages.

1.3 Purpose of the Study

The purpose of this study is to consider that the establishment of the best internal communication system according to the project management’s principles will increase the possibilities for successful projects. Also this paper will be useful as a guide for understanding the specific tools, techniques and guidelines necessary to improve internal communication relationships among the stakeholders. This paper will also show how important is the role of a skillful project manager and how a complete communication plan can positively affect the whole project.
1.4 Significance to Your Workplace

The author expects to reveal stakeholder and project managers best practices in the area of internal communication and that these practices will have significant application to the problems he faces in his workplace. The experience from this research will be useful for the author. This research will provide the author with useful information which he may be able to apply in the future in his workplace regarding the internal communication relationships among the stakeholders.

1.5 Relation to the Program of Study

PM503 (Project Communication Management) presented an analysis of different strategies for managing communication. An effective communication plan can be beneficial for the whole project. Certain information is given about communication strategies, communication ethics and about communication using technology and other methods.

PM506 (Managing Projects with People and Teams) presented effective communication strategies as they relate to team members’ issues. Certain information is given about interpersonal communication tools of the project Manager.

1.6 Definition of Terms

CEO: is the Chief Executive Officer

PDS: Process: Project Delivery System (PDS) Process
2. Problem Statement

2.1 Problem Statement

Companies or organizations that lack integrated internal communications fail to satisfy their customers’ requirements for performance on projects or provided services.

2.2 Rationale

Companies and organizations often do not use project management’s best practices or principles in order to provide qualitative services during a project or when providing services. The lack of internal communication is a factor that contributes to this situation. People do not know how to communicate in an effective way and to prioritize their needs to support the company’s top priorities.

For example as a student in the Technology Educational Institute of Athens and during the practice period the author was working in the procurement department in General Public Hospital of Athens, Greece and was constantly faced with a lot of problems. His duty was to record in a book which supplier made the best offer in order to provide the hospital with the desired equipments. Then someone else had to make the order to the supplier who offered the best price.

The time was extremely limited, because he had to deal with very serious matters such as the procurement of equipment for surgeries and other
important medical supplies. The author was always under big pressure because the orders were too many and he also had to evaluate and prioritize them. He usually ran out of time.

It was not only the author who was facing such problems. Staff in every department was failing to meet the success criterion of quality because of the lack of internal communication between the various departments and the staff. The cooperation between the departments was not efficient. The employees used not to provide such qualitative services and the priority was to save precious time and money. Everyone was complaining about everything through written applications and their demands were not known at the top level management. The written applications were the only way for everyone to be heard. Meetings for exchanging information or solving disagreements were not preferred. So the employees could not reach easily their goals and help each other effectively.

Patients were always complaining about the quality of the provided services and they were right about their position.

The author believes, that in this case the basic problem and the source of all problems was the fact that the internal communication in the hospital wasn’t good at all levels. There was a communication problem between the top management and the procurement department, also between all the departments with the department of procurement. This fact created serious problems which were very difficult for all the staff to deal with.

According to Verzuh (2005, p 272), “Communication ranks high among the factors leading to the success of a project. Specifically, what is required is
constant, effective communication among everyone involved in the project. Projects are made up of people getting things done. Getting the things done in the right way requires communication among all the stakeholders”.

The author thinks that most companies or organizations in Greece face similar problems because of the lack of internal communication. Also projects based companies in Greece and worldwide fail to meet the success criterion of quality because of the lack of communication. In contrast to this, there are companies or organizations in which the communication “system” works properly and which have fewer problems to provide qualitative services on projects. The ARGO constructive company the author mentioned is an example of this. The existence of an effective internal communication system in this company was directly connected with high performance in the provided services or qualitative projects. Project managers must have the ability to establish the proper communication “system” in order to achieve their goals.

Good internal communication relationships among people must be one of the most important requirements in every organisation and a lot of effort must be done in order to achieve this. The good internal communication among people is the key for success which will help the development of relationship of trust and harmonious collaboration in order to achieve the common goals.
2.3 Hypothesis / Objectives

The improvement of internal communication relationships and the creation of new communication methods will increase the possibilities for success.

This thesis shows how a specific internal communication system according to project management’s principles for reaching the success criterion of performance for a project, or provided services, and the use of specific tools or people with the required skills, help reach those goals.
3. Review of Literature

3.1 Review of Literature

This review of literature helps the author to identify the important role of internal communication in project based companies or organizations and its effect on the whole project’s performance success.

Moreover, it helps the author to understand the principles on which the internal communication must be based, which peoples' skills are required and what are the means, communication channels and processes that must be used by the internal communicators. Consequently, successful results can be achieved in project based companies or organizations.

3.2 Communication in General

3.2.1 Definitions

Many authors tried to define the meaning of communication. According to Clampitt (2005, Definition section, para. 1), “Communication is defined as an exchange of information which requires a dialogue. Information can be presented orally, through writing, face-to-face, virtually, one-on-one, or in small groups”.

Verzuh (2005, p. 272) writes that “Communication ranks among the factors leading to the success of a project. Specifically, what is required is constant, effective communication among everyone involved in the project”. He also supports (2005, p. 273) that “Communication is a vital skill for project
managers. Project managers need to be able to write and speak well, lead meetings effectively, and resolve conflicts constructively. They also need to listen well, so that they really understand what’s being said”.

O’Rourke (2005, p. 22) writes that “Communication is the transfer of meaning”.

Lewis (2001, p. 414) supports that “There is a big difference between communicating and talking. Communication must convey meaning if it is to qualify as real communication. Only when there is a two-way interaction is there a transfer of meaning between two people. It requires a talker and a listener”.

Kerzner (2003, p. 227), writes that there are some “Typical definitions of effective communication that include:

1. An exchange of information.
2. An act or instance of transmitting information
3. A verbal or written message.
4. A technique for expressing ideas effectively.
5. A process by which meanings are exchanged between individuals through a common system of symbols”.

15
3.2.2 Communication in times past

Employees’ communication evolves throughout the decades (Smith and Mounter, 2005, p. 9). The author will try to categorize it in three main timelines and explain the differences.

Analytically, in the pre-1960s, the predecessor of employee communications was the industrial relations, the goal was to improve morality with emphasis given to individuals. The communication was camaraderie oriented, the attitude among employees was warm and the focus was on people.

At the second timeline (mid-1960s-1980s), here the predecessor of employee communication was journalism and the goal was to deliver the news while emphasis was given to facts. The communication was reporting oriented, the attitude among employees was cool but sceptical and the focus was on events.

At the third timeline (late 1980s-now), the predecessor of employee communication was marketing and the goal was to implement strategy while emphasis was given to organizations. The communication was business oriented and the focus was on strategic objectives. ¹

¹ Adopted from “From the three Bs to the high Cs”, Communication World, April/May 1997
3.2.3 Basic principles of communication

Two basic principles that should be followed are dynamical and continual communication. According to them, communication among people constantly changes and never stops. Another principle in communication is circularity, which means that information is inserted, evaluated and responded and the non repeatability because circumstances affect each action separately and the experienced cannot be repeated. Finally, two last principles that can be mentioned are the irrevocability and complexity. Each manager must be responsible for the given directions and communication is supposed to be complex as human beings are involved (O’ Rourke, 2005, p. 24).

It is logical than human being really affects the complexity of communication, hence human communication may be distinguished in various levels. Intrapersonal is the communication that occurs within ourselves and interpersonal communication refers to the communication that occurs between or among ourselves. Other levels that human communication appears, are organizational and in public. Organizational communication is the communication that takes place within an organization. Public communication is the communication that derives from one person, but is destined to the mass of public.

Project team members have certain needs that must be accomplished. Four major communication needs of team members are responsibility, coordination, status and authorization. The project is divided into parts. Each part should be clearly determined and each person needs to know the part of the project for which is responsible. Coordination information enables team
members to work together efficiently and try to be synchronized with the project progress. The decisions that are taken from customers and management which have close relation with the project should be shared with team members (Verzuh, 2005, p. 273).

3.2.4 Project Communication management processes

Project Communication management processes help all the required information to be brought forth, collected, partitioned and stored. These processes ought to be the link among people and information that include communications planning, information distribution, performance reporting and stakeholders management (PMBOK, 2004, p. 221).

3.3 Internal Communication

Internal communication includes all the communication within an organization, such as relations among members, communication among personnel or industrial relations (Clampitt, 2005, Definition section, para. 1). For this reason, good internal communication augments job satisfaction, certitude, productivity and institutionalizes the formal roles and the responsibilities of employees. On the other hand, lack of internal communication increase absenteeism, complaints among members and business turnovers.

To make more precise the meaning of internal communication, it must be categorized. So, internal communication includes administrative
communication, business communication and social communication (Bertelsen & Nerman, 2001, p. 31-32).

Also, it is important to identify the concept of organization, in order to understand the importance of an effective internal communication process.

Organizations act as communities (Senge et al., 1994, p. 507). That means using the approaches of community development in business organizations. As happens in democratic communities, commoners feel free. For the same theme, it is written that organizations are alike to small towns (Bellman, 2001, p. 43). Hence, the organizations have reported history, certain rituals to deal with events, established pace, older and younger members, idealized and cynical view of themselves, ambitions and disappointments.

Furthermore, Decenzo and Robins (2005, p. 108) support that organizations depend on appropriate and accurate information. The members of the organizations must respect each other and have dignity in order to deliver factual information. Although, the employees of a business are individuals, act in a collective effort to achieve success.

The existence of shared visions, in order to achieve the common goals is necessary in each organization. Senge (2006, p. 197) writes that “Shared visions emerge from personal visions. This is how they derive their energy and how they foster commitment”.

Furthermore, in project based organizations, the project is the center of interest and internal communication is a vital to achieve success. To fully understand the meaning of project, definitions are given below:
1. Loch et al (2006, p. 1), “A project can be defined as a sequence of activities undertaken to accomplish a temporary endeavor (with a defined completion date) to create a unique product or service”.

2. Rad (2002, p. 5), “Projects are usually undertaken in response to a set of goals that is identified to achieve organizational objectives”.


3.3.1 Elements for good Internal Communication

To achieve good internal communication in a business organization, the internal communication must be transparent, timely-first, clear, informative, concise and independent (Clampitt, 2005, Features of Good Internal Communications section, para. 3). The employees must comprehend and be aware of the message clearly. Moreover, additional directions and specific instructions must be available if needed and lastly the messages should come from an autonomous department which is responsible to make strategic decisions.

3.3.2 Advantages of Internal Communication

Internal communication provides several advantages to all kinds of organizations, because through the dialogue, helps to candid contact between the upper management and the administrative department, brings better employees' behavior, corroborates the organization’s vision and improves the
company’s spirit. Also, internal communication assures that all employees are clearly informed and makes them feel valuable to the organization.

### 3.3.3 Problems in Internal Communications

Apart from the benefits, there are also some problems in internal communications (Mcnamara, 2007, Common Causes of Problems in Internal Communications section, para. 1). The most common causes that create problems are:

- **The information should be shared.**
  
The most common problem in communication is the arrogance of managers. They have the knowledge and the information that everyone else don’t. Employees are informed only when management, after carefully thought, decides to pass on information.

- **Feel antipathy for bureaucracy.**
  
Leaders feel suppressed and often try to avoid written policies and official processes. Unfortunately this happens at the beginning of a company and as it expands. Communications and feedback are necessary for financially secure and well functioning organization; even though this kind of communication isn’t appreciated. If management doesn’t mature and comprehend the necessity for credible and authentic communications, the consequence will be an extended confusion.
• **Aware of what management told to whom.**

Another frequent problem is that management doesn’t esteem communications or takes something for granted. They intend everyone to be acquainted but they’re not informed of what report each employee knows.

• **Information Conveyance.**

The various workforces conduce to misunderstandings, for example a manager thinks that the information is conveyed but with a different meaning. Unfortunately, the manager will find it out in the end, when an important problem reveals out of confusion.

• **The right choice.**

When employees are weary or under pressure, they misconceive and promote an urgent issue rather than an important. This result will equally be exposed too late.

• **The need of communication.**

Problems in communication may appear if management considers that its issue is to unravel problems. So, if everything goes well, there’s no need to communicate.

• **Data differs from information.**

While company expands, management aims to focus on matters of efficiency. They create opulent data and raw information which finally doesn’t seem to be important.

• **Don’t underestimate anyone.**

In conclusion, communication problems may emerge if management can’t appreciate the value of communication with subordinates.
3.3.4 Principles for Effective Internal Communication

The author identifies some key-principles that should be followed by the management in order to have an effective communication (Mcnamara, 2007, Key Principles for Effective Internal Communication section, para. 1).

Management should understand and support the assumption of high degrees of communications, otherwise the organization won’t grow. Too often, management learns the need for communication by having to respond to the lack of it.

In order to have effective internal communication, management must have effective skills in listening, speaking, questioning and sharing information. These skills will be gained with real review and practice. The most important outcome is management to value hearing from others and the opposite.

Consequently, augmenting managements’ skills will also guarantee an effective communication. Each person must assert to comprehend a communication or make a proposition for a most effective communication.

3.3.5 Upward and Downward Internal Communications

There are also some policies that should be followed by supervisors and employees. These policies are identified as upward and downward communication (Mcnamara, 2007, Basic Structures/Policies to Support Effective Internal Communications section, para. 1).

In particular, in an upward communication, supervisors should manage the employees and ask for case reports in which they would refer the affairs that have already been completed as well any future actions. All supervisors should
meet their employees at least once a month to debate about their problems, their anxiety and theirs concerns. This kind of meeting helps to create mutual trust. This trust will be cultivated if management hear each person separately.

Downward communications shouldn’t be underestimated. This means that every employee should receive a copy of the strategic plan, their job description and a guide of the up-to-date staff policies. But also it must be ensured that every employee take an annual revision of the performance and a program for the better accomplishment of the goals. Equally, meetings are very appreciated from the staff. So, at least once a week, leaders and managers should have personal association with the employees and stroll frequently. At least every two weeks, a meeting should be organized, even if everything goes well, and there’s nothing to be reported. Every month, full staff meetings should take place in order to announce the attainments and the problems. Meetings should also be made to celebrate major achievements.

3.3.6 Employee Motivations

Employees must be motivated in order to fulfill the organizational goals (PR News, 2007, Internal Comms: Tying Employee Motivation to Organizational Goals section, p. 1). This goal will be completed through the implementation of an effective internal communication system. The use of employee feedback and reward affiliation can also contribute to this direction. Face to face contact and technological influence will also help employees pay regard to the company’s achievements. An effective internal communication tactic augments employee spirit and reduces the turnovers.
3.3.7 Internal Communication and Top Management

It is almost obligatory that senior executives fully understand the need for distinct and abstractive communication (Gray & Robertson, 2005, Effective Internal Communication starts at the top: help Executives understand the need for clear, concise communication section, para. 1). Especially the CEO helps leadership to be aligned with the company’s vision. It is not a usual phenomenon but employees often refer that executives don’t care; they aren’t straight and honest; their directions aren’t clear enough and they don’t avow one’s achievement.

3.7.8 Steps to Implement Effective Internal Communication

The following are nine steps which will create an effective employee communications program (Fleishman, n.d., Nine Steps to an Effective Employee Communications Programme section, para. 1).

1. Evaluate the situation.

During this phase, we collect data from different sources like interviews, researches and audits. Afterwards, all the information is being criticized and are very helpful for the creation of a new strategic plan.

2. Work up on a document which will be the nucleus of communication.

This report acts as a track for the prospective communications.

3. Align senior management.

The reliance on senior management will lead to the accomplishment of the goal.

4. Ensure medial managers’ and supervisors’ commitment.

These people have great influence in the company.
5. Discuss with employees.
As employees play an important role in the organization, a dialogue tool is essential to occupy them. When employees feel that they have a crucial part and their bet is esteemed, they behave more efficacious.

6. Appoint the accurate combination of communication channels.
The information must be controlled effectively to achieve the goal.

7. The results must be mulled and reported.
This series should be presented by CEO to employees through diagrams and figures.

8. Reward and distinguish employees.
The criteria for this recognition are the increased sales, the reduced costs, the customers’ service as well as teamwork and employees’ adaptability. The awards will improve the performance of the staff.

The information will be delivered to employees through the communication channels and it will be easier for them to filter the cases, the news and the alteration in the organization.

3.4 Communication Channels
According to Heller (1998, p. 36), “How a team communicates internally depends on its size and the location of its members. The most effective method of communication is informal direct conversation and for this, ideally, team members should have easy access to each other at all times- preferably sitting close together”.

There are certain formal or informal methods of communications, internally or externally of the company (Heller, 1998, p. 37). Continual discussion among employees will increase the grapevine within the organization. Traditional methods such reports, letters, bullet in board, telephone calls, and electronic means such as email, intranet, internet or video telephones will be proved to be useful for internal communication.

The exchange of the opinions, the thoughts, the information and the sentiments facilitate to the shaping of a team. This exchange should cover all the means, as the verbal messages that are delivered in the meetings of a team and face-to-face, the written documents describing the objectives and the specifications of program, the readjustments of electronic post, the casual discussions, the messages and the entries of phonetic post. All these ways of communication are important and should be adopted, based on the question, the individuals who are involved and the objective of communication. (Flannes & Levin, 2001, p. 69).

In this section the kind of information that the communicators exchange must be presented. Primarily, there must be communication channels between the communicators. For instance, in project based companies, the project manager should have continuous and direct communication with the top management as well as with his team. The project manager, as it has already been said, should have direct communication with the management in order to inform them for the process of the project. This may happen either with a written report or with a performance report (Appendix B) of the project manager to the top level management (by fax, e-mail message, or letters) or else through a
meeting with the members of the top level management. The project manager can communicate with the team members in many ways. For example, through meetings in order to be informed about the process of the project. The project manager can ask from the task leaders, the persons to whom the project manager has given them particular sections of the project, apart from the meetings, reports and performance reporting relatively with the subject that have undertaken. He can for example, ask from them information for the process of the work, for the budget, the time until the completion of the work, claim for performance reports, inquire about the suppliers or anything else. This communication apart from the meeting can come true by fax, e-mail message, letters or performance reports.

The project manager, furthermore, should have good and often communication with the customer. This communication it’s better to be held in a direct contact so that the customer to feel that there is real interest for the project. In this way we can calm down the customer, listen to his questioning and try to meet, if that’s possible, his demands. Apart from the direct contact, the customer can be informed and with other means like phone calls, by fax, by e-mail message or with written reports.

In should be mentioned that apart from the project manager, the task leaders must have good communication with the other team members. They should often receive reports for the process of work, the supplies, the budget, the time and they should give reports to the project manager. The task leaders can communicate with the project manager and with the other team members by e-mail messages, phone calls, and letters or in meetings.
Although the aforementioned methods are useful, the meeting is the most direct contact and the best communication choice (O’ Rourke, 2004, p. 286), because employees discuss about goals, listen to reports, give instructions and directions for the program, resolve problems and reach to an agreement. Notwithstanding that meeting is very important, there are some cases in which a meeting is not the appropriate method of communication. For example, if a key person is absent, if participants are not prepared or for personal conflicts. For the above reasons the project manager should be firstly informed about the progress and the details of the project and to acquaint the client and the management for the information circulation.

A market research project for smartregion Partnership made by ACER Marketing Communications (ACER Marketing Communications, n.d., Conclusions section, para.1) helped the author to gather certain and important conclusions on communication channels. For this inquiry, the company used telephone research; search of website and experimental questionnaire. The communication channels were related with intranet, internal and external post, and table of statements, payslip attachments, e-mail, and newsletters of personnel as well as meetings of the team. Conclusions that were made by each channel showed that email was a basic channel of communication; the meetings of the team were the 2\textsuperscript{nd} most important mechanism. As for the newsletters, this channel had the very general content and the timetable of distribution had repercussions in the distribution, intranet was a good secondary channel for the material of report. The post as communication channel showed that 90\% of employees expected important information via the post, notice
boards were ignored by many employees and finally payslip attachments were usually considered as junk mail.

3.5 Communication Plan

A communication plan is essential to the project which has a long duration and has repercussions in a big number of persons or organisations (University of Washington, 2002, communication plan section, para. 1). A well constructed communication plan is vital in order to achieve success. (Binkley, 2006, p. 29). It helps the author to recognize the employees who are interested in the project and also the internal communication methods that should be followed. Nevertheless, the project manager is responsible to determine whether a communication plan is demanded or not.

Based on these principles of creating a communication plan and as it mentioned before, there will be analyzed information that refer to a constructive Company. The communicators exchange information according to a specific communication plan (for example, for a construction of a restaurant they exchange information regarding the preparation of the land, the building construction, the building of the fence and the top soil for the planted areas in order to build the restaurant and reform the exterior area). The project manager must be informed from the task leaders for all the processes of the work. In our case, for example, the project manager should once time a week, receive the following information regarding the project. The preparation of the land, the building construction, the building of the fence and the top soil for planted areas
are the basic requirements as the aim is to build the restaurant and reform the exterior area.

Responsible for the distribution of the information are the task leaders who should inform the project manager once a week and give him information regarding the budget that was spent during the week. For example, the employers hired five workers in the project with salary 25 euros per day or the expenses for the use of some machines or some extra expenses. Also the task leaders can give information to the project manager regarding the process of work. They should inform him if the weekly target that has set, was successful. The piece of land that is ready. The task leaders can inform the project manager about the supplies and the human resources something that has direct connection with the budget as well as with the time for the completion of the project. For example if there is need for more material (concrete) for the building of the parking place or for the building of the restaurant. The project manager should be informed about any delays or problems that came out, either through the meetings where the contact is direct or through the technology like phone calls, e-mails messages and fax, even with written reports, performance reports and project deliverables.

The reasons for which it is or not necessary to plan a meeting have already been analyzed. By the use of phone calls, e-mails and fax, the project manager can be informed about the process of the project without losing precious time and he can intervene wherever he thinks it’s necessary. Also with the project deliverables which can ask for it whenever he wants, the project manager can be informed about the process of work and if it is possible to
“catch” the deadlines while with the performance report which can take whenever he wants, he could be informed from the task leaders about the progress of his team regarding the project and if they are within the aims.

And for the four subjects that are aforementioned (preparing the land, build the construction, build the fence, top soil for planted areas) the main purpose is to build the restaurant and reform the exterior areas. The project manager must give information to the top level management and to the customer once a week. The management can be informed either by meeting or with written reports or by fax, e-mail messages, project deliverables or performance reports.

Verzuh (2005, p. 62-63) writes that “A Communication plan is the written strategy for getting the right information to the right people at the right time”. In order to achieve the above statement, two questions must be answered. The first question is who needs the information (the sponsor, the functional management, the customers, the project team, the project manager). And the second question that should be answered is about the kind of information needed. Apart from the obvious reports of expenses and program, various other presses of information are distributed at the duration of program. Basically, three categories categorize the given information. Authorizations for project plans, statement of work, budgets and product specifications also reports with cost and schedule progress is included into this category and finally the project plan coordinates all the institutions of a program.

According to PMBOK (2004, p. 227), the communication management plan ensures requirements of communication for stakeholders, transmitted
information, included the content of form and the level of detail, person who is responsible for the conveyance of the information and person or groups who will receive the information. The communication management plan also gives the appropriate methods to transfer the information such as memoranda, e-mail, and/or press releases as well as the method for updating and refining the communication management plan as the project progresses. Finally, it defines the frequency of communication, for example weekly, process-determine temporally frames of escalation and the administrative chain for the escalation of questions that cannot be solved from a lower level of personnel and glossary of common terminology.

3.6 Internal Communication and Performance

Internal communication and performance are directly and strongly connected. According to Schwartz (2005, Performance Communication Benefits section, para. 1), there are several performance communication benefits for employees, for supervisors and for the organization.

Analytically, the author refers that employees gain better working relationship with the supervisor, recognition and motivation if performance is continuously in good level. Furthermore, employees understand their responsibilities and their position and the provided plans of actions help them to perform better and increase their self-esteem.

The benefits for the supervisor are the good working relationship with employees, the successful attempt to motivate them and help them increase their self-esteem and the exchange of ideas. Also other benefits are the clear
guidelines about responsibilities and expectations clarify job priorities and effectively deal with performance problems.

As it has already been said there are benefits for the organization too. The performance will be improved by better working environment, the company will gain experience, the supervisors will be more effective and if performance problems are reduced, then turnovers will be fewer.

As it mentioned before the internal communication and performance are directly connected. The lack of internal communication affects negatively the performance. So, a specific performance communication process is required in each company or organization because helps employees improve their job, raises an environment of continuous feedback and professional growth and understands the required skills which are necessary for the fulfillment of their job. Moreover, it gives employees the opportunity to access their own performance and describe their contributions and provides employees with an action plan to develop the skills and behaviors that will ensure their success and the success of the organization. It is also important to notice that performance communication process includes the planning of the performance which contains the establishment of objectives for employees, the determination of basic responsibilities and their alignment with the objectives of units and the creation of common comprehension of skills that is required for the success (New York University, Performance Communication Process section, para. 1).

Quality control is required in companies and organizations in order to examine or detect any performance problems. Barkley and Saylor (2001, p. 111) write about quality control, “Quality control involves setting
process standards and monitoring of quality, including appraisal and inspection”.

3.7 Performance Report and Information Distribution

Performance report and information distribution play a vital role in a successful internal communicating system.

According to PMBOK (2004, p. 228, 231, 233), the performance that exposes the process includes the collection of all basic data and the distribution of information to stakeholders. Generally, this information of performance includes how the resources are used in order to achieve the objectives. The performance should generally provide information on scope, schedule, cost and quality.

Then after gathering the information, the reports of performance should be organized, summarized and present the results of any analysis compared to the baseline of performance measurement. The reports should provide information of status and progress, as well the details that are required by various stakeholders, as documented in the communication plan.

In addition, the distribution of information includes rendering the information available to stakeholders of the project at a convenient way, the application of communication management plan and also the correspondence in unexpected demands of information.
3.8 Project Manager and Internal Communication

An internal communicator like the project manager must have some specific skills in order to increase the possibilities for success. Smith and Mounter (2005, p. 18), support that these skills may be categorized in soft and hard skills. Hence, the soft communication skills are influence, diplomacy, and network of relation, ability of hearing, resistance, passion and dialogue with the members of teams. On the other hand, hard skill of communication includes writing, media management, business/economic knowledge, comprehension of focus in customers, strategic perspicacity, management of change, dexterities of presentation and creativity.

But these aren't the only skills that a project manager should have. In order to be a more effective internal communicator, he must know to resolve conflicts (Bertelsen & Nerman, 2001, Internal Communication and Conflict section, p. 13). The conflicts among communicators in project based companies or organizations influence the result of performance. The lack of internal communication makes it harder for persons to reach the success. The conflicts are an inevitable part of organisational life. The persons that participate in these situations are interdependent since they cannot achieve their objectives alone. The use of resources and other differences or the disagreements that concern the values and the objectives, helps in the creation of conflicts. The operation of superior personnel should insist on the collaboration between the operations of organization and as a consequence the conflicts should finally be solved.

Regarding the skills of project manager, apart from the aforementioned, Scholtes (1998, p. 17) writes that the project manager must also be a leader.
Pinto and Trailer (1998, p. 47) support that communication skills are essential for an effective project manager, a project manager must be a good negotiator as well (Fisher & Ury, 1991, p. 10-11) and finally according to CH2MHILL (2001, p. 37), the project manager must be aware of Project Delivery System (PDS) process.

3.9 Personal Experience

3.9.1 Hospital Experience

The author was working in the procurement department in General Public Hospital in Athens, Greece.

The lack of an effective internal communication system was one of the main problems that employees were facing in the hospital. There was not a separate internal communication department. The communication channels were limited as well. The use of personal computers was unavailable. Some meetings were taking place and face to face contacts and discussions were extremely rare. The exchange of information was limited and that was a main reason for not achieving hospital’s goals.

Despite the fact that the hospital had enough budgets to use for its needs, the employees never had the opportunity to use Personal Computers. The computer would have helped all to deal with serious problems, avoid difficult situations and save precious time.

The manager of the department had to make written applications to the top management in order to make his demands known at the top level management. The delays were usual. This fact proves that the top management
didn’t know the importance of this department and the manager of the
department didn’t put much pressure in order to convince the top management
for his demands and the department’s needs (PC). He was communicating with
the top management only through written applications and not face to face. This
kind of communication was “cold” and didn’t have a positive result. There was
not a relationship of trust between them.

The basic problem, the root of problem and the source of all problems is
the fact that the internal communication in the hospital wasn’t good in all levels.
There was an internal communication problem between the top management
and the procurement department, between all the departments and between the
department of procurement and the suppliers. This fact created serious
problems which were very difficult for all to deal with. There was not any specific
internal communication strategy or policy.

3.9.2 Constructive Company Experience

The author’s personal experience in the project based constructive
company named ARGO, as far as the internal communication is concerned is
much better. There is a separate internal communications department which is
responsible for the establishment of an effective communication system in the
company. There are several internal communication means to use and the
company follows a specific internal communications policy. The required
information is available at all levels of the company as quick as possible and
that has a positive affect in company’s performance. Meetings and face to face
contacts are a usual fact in the company. Also valuable information is available
to all through databases. The direct communication channels that are used help employees build a relationship of trust among them and understand better which are the company’s needs, culture, philosophy of work and goals. The top level management is accessible for all employees. The time pressure is often a problem but good internal communication and cooperation help the company to overcome these obstacles. The exchange of information among departments and employees and the communication principles that are being followed help everyone, including the author, perform better.
4. Methodologies and Procedures used in study

The methodology supported further research into the importance of internal communication as a factor which influences the success of a whole project regarding the quality of projects and provided services according to customer’s requirements. Leedy and Ormrod (2005, p. 2-3) support that “Research is a systematic process of collecting, analyzing, and interpreting information (data) in order to increase our understanding of the phenomenon about which we are interested or concerned”.

Many sources including people and documentation helped the effort of collecting information.

The methodology included interviews with thesis stakeholders. Interviews in project based companies were also used. These kinds of interviews used a specific questionnaire in order to be accomplished. Sample of this questionnaire can be found in Appendix A.

As far as the interviews are concerned, it was preferred to make personal face-to-face interviews, because this was a way of direct communication. This method helped the author to reach to some safer estimations and results. The author was authorized from the constructive Company and the public Hospital to interview the key people he desired in each of these organizations.

At the General Public Hospital the author chose to interview Kostas Manolakos who was the Executive Vice President and Paul Panagopoulos who was the Manager of the Procurement Department.
At the ARGO constructive Company the author chose to interview John Kolotos the Manager of Human Resources department and George Pavlopoulos the Executive Vice President.

All these people had a minimum 10-years long career in these organizations.

In order to support this research the author collected information from books with subject the effectiveness of internal communication, project communication management, and other books with subject the internal communication in organizations or companies and its connection with performance.

Various scientific articles were also used from the databases Science Direct, Elsevier, and Scirus and by internet research.

The author used published works, internet research and personal experiences in order to accomplish this research.

The author’s efforts were focused on finding solutions and methods which will help companies or organizations to develop effective internal communication processes in order to provide qualitative services to the customers.
5. Results

5.1 General Results

This research was expected to help the author identify the importance of implementing an effective internal communication system and specific communication methods in order to meet the success criterion of performance in projects or provided services. The data which was collected and the information which was received helped the author to make recommendations and conclusions in order to help the project managers deal with similar difficulties (lack of communication) in future projects. So, the author’s main consideration was to identify the impact of using a specific internal communication system according to the standard project management principles for achieving the success criterion of performance, for a project which ultimately provides a service. Dionisios was also intended to prove that the lack of internal communication is the root cause that make project based companies or organizations fail to meet the success criterion of performance in projects or provided services. Although, the research has shown that internal communication is a very complicated issue to deal with. Through literature and internet research useful information were collected. Several publications, articles and other sources helped the author understand better the problem. The author used his experiences in working with project teams and the research of others to identify the best communication methods and specific tools within the project team to keep the project plan successful by providing qualitative services and satisfying the customer.
Literature and internet research revealed that the presence of an effective internal communication system is connected with plenty of advantages and benefits for any project based company or the organization.

This research revealed that the internal communication process is essential for any company or organization. There are several benefits for each unit by implementing an internal communication process. Smith (2007, p. 40) for instance, believes that the existence of an effective communication process contributes to have an effective collaboration and cooperation between the team members.

The choice of the appropriate communication channels is a factor that contributes strongly to have a pleasant result. Some communication channels are considered to be more effective by the employees. The research revealed that e-mails, meetings, and face to face discussions are preferred by the employees. This type of direct internal communication helps employees understand that they are fighting collectively to achieve a common goal and they develop relationship of trust and mutual respect among them.

The existence of an effective communication plan is also considered by many authors to be essential. The existence and development of a communication plan can be proved very beneficial for project based companies. A detailed and well prepared communication plan increases the possibilities of success for each project by defining the variety of communication needs and the channels of exchanging information.

According to Alles, et al (1998, the value of information in internal management communication section, para 1), the information in
internal management communication is precious and needs the appropriate knowledge to handle it.

The research revealed that the project manager’s role as an internal communicator can be very beneficial for the whole project in project based companies. A project manager in a project based company or an organization must have the required communication skills as a part of his leadership profile.

A project is successful when it meets the success criteria of budget, time and performance (qualitative results). The successful projects can help the company increase its reputation and provide acceptable results to the customers. The lack of internal communication is a reason that usually many projects fail to meet the success criterion of performance for projects or provided services. So, the project manager who is a key person for each project needs to have the required internal communication skills in order to overcome obstacles and deal with difficult situations.

An internal communications department is required for each company or organization. This department must determine a specific process for internal communications and a specific strategy that must characterize company’s internal communication efforts.

According to PR News (2007, Internal Comms: Tying Employee Motivation to Organizational Goals section, p. 1), this strategy increases the possibilities of success by decreasing the turnovers. It also improves the employees’ morale.

The internal communicators must be based on Project Communication Management principles in order to deal with communication problems. Project
Communication management will help them with the information collection and distribution according to PMBOK (2004, P.221).

Also research revealed that the internal communication is a factor that affects the successful criterion of performance on projects. An internal communication strategy is needed in order to implement a more effective communication policy.

There are plenty of benefits of establishing an internal communication process and that this process helps the organizations reach easier some performance and quality standards, through the improvement of communication and cooperation among the employees. The good level of internal communication and collaboration among the employees help them perform better and save time. The internal communication can be improved if experts are involved and the top management supports this effort. The existence of internal communication is both a top level management’s and employees’ problem and that can affect personal relationships between employees. A performance communication process is required in order to combine communication and performance. Schwartz (2005, Performance Communication Benefits section, para. 1), supports that the internal communication has a strong affect on the performance of the project based company or the organization which provide services. The employees, the supervisor, and the organization can enjoy the benefits that performance communication processes provide.

So, through this research is revealed that the existence of an effective internal communication process is vital for each company or organization. The
causes that affect the lack of internal communication must be identified by experts. The need for the existence of a specific communication policy is obvious.

5.2 Personal Experience Results

5.2.1 Hospital Experience

Bad internal communication was the source of all problems. Also the bad internal communication among the General Public hospital’s departments had a negative affect in author’s work. There was not good co-operation between the departments and the employees usually were out of time. The written applications were almost the only way of internal communication instead of meetings or face to face situations. This kind of internal communication didn’t help at all to realize the important of the situation. Usually the employees were asked to give more details about our demands through written applications too, but the time was too precious for all these.

The bad internal communication relationships at all levels in the hospital had as result the absence of trust and co-operation, a fact which created a lot of problems in employees’ effort to achieve their goals and reach the performance and quality standards. The bad internal communication relationships at all levels in the hospital had as result the absence of trust and co-operation, a fact which created a lot of problems in employees’ effort to achieve their goals.
5.2.2 Constructive Company Experience

The presence of an effective internal communication system in the ARGO constructive company is giving much better results. There are expert people who have established a specific internal communication process. There is a variety of communication channels and means which help the exchange of information. The personal and direct contact among employees at all levels increases the possibilities of success. The employees build relationships of trust and cooperation among them. The effective internal communication process maximizes the employees’ performance and helps reduce the time that is needed in order to achieve company’s goals.

5.3 Interviews

Following a specific questionnaire the author managed to find some precious results as far as concern Internal Communication in project based companies or organizations

5.3.1 Public Hospital's Interviews

As it mentioned before at the General Public Hospital the author chose to interview Kostas Manolakos who was the Executive Vice President and Paul Panagopoulos who was the Manager of the Procurement Department. These people had a minimum 10-years long career in these organizations.

They answered author’s questions concerning the internal communication in a public Greek hospital. This hospital has eight hundred
employees. They both consider as the major problem they have to deal with the limited budget. They support that the existing budget is not enough for hospital needs. The second main problem they support that has to do with hospitals’ facilities.

Also they both agree that the internal communication is a factor that affects the successful criterion of performance on projects. The first disagreement has to do with changing things as far as the internal communication is concerned. Paul Panagopoulos who was the Manager of the Procurement department supports that there are not any internal communication processes available and that there is a need of creation of a separate internal communications department. So, he supports that there is a lack of internal communication in the hospital and a lack of any internal communication strategy.

Kostas Manolakos who was the Executive Vice President supported that there are already quite effective internal communications processes in the hospital based to a specific communication policy. He doesn’t think that internal communication is a problem that requires being resolved.

They both agree that there are plenty of benefits of establishing an internal communication process and that this process helps the hospital reach easier some performance and quality standards, through the improvement of communication and cooperation among the employees. They disagree for the existence of this process. The internal communication can be improved if experts are involved and the top management supports this effort. Surprisingly this was a common statement. These are the factors that contribute to the lack
of internal communication in the company or organization according to the Manager of the Procurement Department. They both agree that the lack of internal communication is both a top level management’s and employees’ problem and that can affect personal relationships between employees.

Appropriate internal communication channels that must be used in order to deal with the problem of the lack of internal communication are the meetings and face to face contacts. They both prefer direct communication channels to be used.

There are many things that must be done or change in order to meet customer’s expectations. Their first priority is money, but expert people and the elimination of bureaucracy are required as well.

5.3.2 Constructive Company’s Interviews

As it mentioned before at the ARGO constructive Company the author chose to interview John Kolotos the Manager of Human Resources department and George Pavlopooulos the Executive Vice President. They both had a minimum 10-years long career in the company.

They answered author’s questions concerning the internal communication in a constructive company.

This company has two hundred employees. They both consider as the major problem they have to deal with the time pressure. They support that the time is never enough for company’s needs. The second main problem they support that has to do with the combination of quick and qualitative results.
Also they both agree that the internal communication is a factor that affects the successful criterion of performance on projects. The first disagreement has to do with changing things as far as the internal communication is concerned. John Kolotos the Manager of Human Resources department supports that there can be some improvements as far as some internal communication processes are concerned. He supports that there is not a lack of internal communication in the company or a lack of any internal communication strategy but improvements are required. These improvements have to do with the number of people that are employed in the internal communications department. He supports that more people can maximize the results and effectiveness.

George Pavlopoulos the Executive Vice President supported that there are already quite effective internal communications processes in the company based to a specific communication policy, but he does not think that there is a need to hire some additional staff in the internal communications department.

They both agree that there are plenty of benefits of establishing an internal communication process and that this process helps the company reach easier some performance and quality standards, through the improvement of communication and cooperation among the employees. The internal communication can be improved if experts are involved and the top management supports this effort. The factors that contribute to the lack of internal communication in the company or organization are the limited time and the lack of experts that can establish an effective internal communication system. They both agree that the lack of internal communication is both a top
level management’s and employees’ problem and that can affect personal relationships between employees.

Appropriate communication channels that must be used in order to deal with the problem of the lack of internal communication are the meetings and face to face contacts. They both prefer direct communication channels to be used.

There are many things that must be done or change in order to meet customer’s expectations. Their first priority is the presence of expert people and the existence of performance and quality standards in provided services or projects.
6. Discussion, Conclusion, and Recommendations

Communication among people is a vital process which helps them facilitate their lives. These exchanges of information help them expressing their ideas and their emotions more effectively and understand each other. A relationship of trust and cooperation is easier to be built.

For any company or organization the effective communications are a key for success. Internal communication is good business (Human Resources Development Canada - Internal Audit Bureau, 1999, Introduction section, p. 1). Effective internal communication is a factor that contributes to successful results (Lancashire Communications Network, 2005, Introduction section, p. 3).

The existence of internal communication in project based companies or an organization is a vital process as well. The author believes that the existence of a separate communication system is essential for any company or organization. The key people in any project based companies or organizations, included the project manager must have the required internal communication skills in order to increase the possibilities for successful results. The project manager especially needs to be a perfect internal communicator in order to inspire, motivate, and guide his team to success. Every internal communications department must consist of expert employees who will have the abilities required to implement a successful internal communication system in each company or organization.

Effective internal communication is directly connected with successful results. The employees must communicate through the exchanging
of information. This can help them learn things. Internal communication helps communicators inspire and inform each other. All these factors help communicators perform better (Hovland, 2005, Why Communicate section, p. 2-3).

The benefits of an effective internal communication system are plenty. The most important of all is that helps the mutual understanding among the communicators. Through the selection of the appropriate communication channels and means people and various departments can cooperate more effectively. The employees can build a relationship of trust and respect among them and among them and their supervisors. The existence of internal communication process is a matter that must concern both top level management and employees in a company and an organization. An internal communication department is precious for every of these units. Experts with specific capabilities must have the duty of creating an effective internal communication system in companies or organizations. The means and communication channels must be predetermined according to a specific internal communication strategy or policy for each of these units.

An internal communication plan is required in every company or organization. This plan will determine the means, the way, the frequency, and the methods that communicators will use in order to communicate with each other. A project manager must be capable of creating this kind of plan. There are several key people in every company or organization that is required to have the appropriate communication skills in order to be more effective. The project managers for example in project based companies must be perfect
communicators in order to increase their possibilities for success. The effective communication skills are a strong part of their leadership profile. The top level management and the managers of each department must also have the required communication skills.

Project Communication management principles are required in each company or organization in order to reach success. Project Communication Management helps employees with the collection and distribution of information and to prepare a better plan in order to perform better according to customer’s expectations.

Internal communication and performance are directly connected among them. The lack of effective internal communication in companies or organizations affects the performance and the quality in projects and provided services. Nowadays the time pressure is always extremely high and companies or organizations are usually forced to deliver their final product as soon as possible. The units that do not emphasize in creating an effective internal communication process based on a specific internal communications policy or strategy decrease their possibilities of success. The lack of internal communication in a company or an organization means that there is a lack of exchanging information among the employees. The cooperation among them is not at high levels and the misunderstandings are a usual phenomenon. These units usually sacrifice their performance or the quality, in order to be more quickly or achieve the budget goal. A specific performance communication process is required in order to overcome this major obstacle. This process
includes several of benefits for the employees, the supervisors, and the company or the organization.

It could be useful to give some practical advices in order to deal with internal communication problems. Generally the author believes that in cases where the main problem is the bad internal communication the top management and the managers of the departments must have the skills to give the appropriate solutions and must act in time and with determination in order to achieve their goals.

As it mentioned before the author thinks that the face-to-face meetings is the most appropriate and direct way and kind of internal communication and must take place very often. During these meetings everyone must have the right to express his opinion and listen to the others. Then the top management must give direct orders and make some conclusions which can help all in the future. The meetings can help all to be more co-operative. The managers of the departments must then inspire and give motives to their staff in order to be effective in their jobs, working and communicating with the appropriate way according with what the organization need to achieve its goals.

Also the top management must spend money for educational seminars because seminars can make people understand what they are doing and be more effective.

The author believes that employees must always be aware of company’s or organization’s goals. The employees must have the sense that their contribution is necessary in order to reach success (Sinickas, 1997, Linking Internal Communication Measurement to Business Goals section, para. 1). The
good internal communication relationships between people must be one of the most important requirements in every organization and many efforts must be done in order to succeed. The good internal communication between people is the key for success which will help the development of relationships of trust and harmonious collaboration in order to achieve the common goals.

Based on author’s personal working experience the lack of internal communication in companies or organizations is one of the most important problems that units like these can face. This problem is more obvious in the public sector which includes the General Public Greek hospital the author mentioned before. The absence of a separate internal communications department was a major problem. There was not a specific internal communication strategy based on organization’s policy. The several department and employees were facing daily problems that had to do with the lack of internal communication. The exchange of information was not efficient and the misunderstandings were a usual phenomenon. The bureaucracy contributed as well to this direction. Several of internal communication means or communication channels were unavailable. The use of telephone or some kind of typical meetings were the opportunities for exchanging information. The time margins were extremely restricted. Conflicts were a daily phenomenon as well. The worst of all was the lack of admission that there was an internal communication problem. All these factors contributed in the direction of bad performance. The absence of qualitative results was a fact.

In opposition to the public sector the ARGO constructive project based company had a separate internal communications department which helped the
company to deal with possible internal communication problems more effectively. Several communication means were available and a specific internal communication process base on company’s internal communications policy. The meetings, the face to face contacts and the personal discussions were a kind of direct internal communication that contributed to the direction of building relationship of trust, cooperation, and mutual respect among the internal communicators at all levels. The time pressure is often a problem but good internal communication and cooperation help the company to overcome these obstacles. The exchange of information among departments and employees and the communication principles that are followed help everyone, including the author, perform better. The quality was a synonymous with company’s firm. The success criterion of performance for every project was reached.

Smith and Mounter (2005, p. 2-3), write about the reason that makes internal communication a need. The employees which are informed properly perform better. Internal Communication helps the organizations deal with serious problems such as the handling of complaints which can cause more serious problems. Also every organization has its own culture. Effective internal communication can help the employees overcome obstacles that have to do with behavioral problems and make them harmonize with company’s culture. Internal communication helps employees act collectively and be motivated to achieve company’s common goals. So, it helps employees accept a shared vision ant try to fulfill their mission.

In order to implement such an effective internal communication process, it is important to identify the kind of information is needed to be communicated,
the communicators, the communication channels and means (Bertelsen & Nerman, 2005, p. 57).

It is a very difficult process for internal communicators to encourage, inspire, and motivate employees with different backgrounds to work collectively and cooperate effectively together. Nowadays communication skills are never enough, because the communicators need to have an overall understanding of organizations. The communicators have to handle much information and possess a lot of knowledge (Kalla, 2006, The Nature of Integrated Internal Communications section, p. 84). The messages and information that employees need to know and handle are too many. So, many times they ignore them in order to save time (Flamberg, 2007, Too Many Messages section, para. 1). That’s why the internal communication worldwide has to deal with many problems (Feather, 1990, Internal Communication in Canada section, para. 2).

The technology knowledge is nowadays appropriate for internal communicators, in order to be more effective (Smith and Mounter, 2005, p. 195).

This study creates the need for additional research in order to examine if the internal communication is a job of the future and how it can be adjusted in future organization’s needs. It must be identified what kind of evolution of internal communications must happen in order to deal with future needs and be successful.
References


**Interviews**


Manolakos, Kostas. General Public Hospital, Executive Vice President, March 12, 2007.

Panagopoulos, Paul. General Public Hospital, Manager of the Procurement department, March 12, 2007.

Appendix A

Internal Communication in project based companies or organizations

A Questionnaire for employees

1. What is the company’s or organization’s name?
2. What is the name of the employee?
3. Currently position in the company or organization:
4. How many years has the employee been working in the company?
5. In which sector is this company or organization focused on?
6. How many employees does this company or organization have?
7. Which is the main problem you have to deal with in projects or provided services?
8. Is the internal communication a factor that affects the successful criterion of performance on projects? Yes / No
9. If yes, what do you have to recommend in order changing things?
10. Are there any internal communication processes available in the company or organization?
11. Does the company have a specific internal communication strategy?
12. Which are the benefits of an existing internal communication process?
13. How is internal communication connected with the performance of employees or the quality of provided services?
14. Is there a lack of internal communication in the company or organization? If yes, why?
15. How can internal communication be improved?

16. Which are the factors that contribute to the lack of internal communication in the company or organization?

17. Is the lack of internal communication a top level management's problem or an employees’ problem? Or both?

18. Does the lack of internal communication affect personal relationships between employees?

19. Which are the appropriate communication channels that must be used in order to deal with the problem of the lack of internal communication?

20. What other changes could be made in order to meet customers’ expectations?
### Appendix B: Sample of Performance Report (PMBOK, 2004, p. 234)

<table>
<thead>
<tr>
<th>WBS Element</th>
<th>Budget (€) (PV)</th>
<th>Earned Value (€) (EV)</th>
<th>Actual Cost (€) (AC)</th>
<th>Cost Variance (€) (EV – AC)</th>
<th>Schedule Variance (€) (SV – PV)</th>
<th>Cost Variance (%) (% CV ÷ EV)</th>
<th>Schedule Variance (%) (% SV ÷ PV)</th>
<th>CPI (EV ÷ AC)</th>
<th>SPI (EV ÷ PV)</th>
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