

**THE ROLE OF INTERNAL COMMUNICATION IN
ENHANCING ORGANIZATIONAL FLEXIBILITY
AND PERFORMANCE: A STUDY OF
MANUFACTURING ORGANIZATIONS**

by

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Submitted

in fulfillment of the requirements of the degree of

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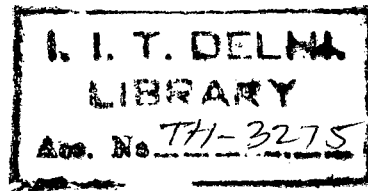
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Organizational management
organizational performance



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CERTIFICATE

This is to certify that the thesis entitled '**The Role of Internal Communication in Enhancing Organizational Flexibility and Performance: A Study of Manufacturing Organizations**' being submitted by Mr. Luis Cesar Ceneviz to the Indian Institute of Technology Delhi for the award of the degree of **Doctor of Philosophy (Ph.D.)**, is a record of *bona fide* research work carried out by him. He has worked under our guidance and supervision and has fulfilled the requirements for the submission of the thesis, which has attained the standard required for a Ph.D. degree of the Institute. The results presented in this thesis have not been submitted elsewhere for the award of any degree or diploma.



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A handwritten signature in black ink, consisting of several loops and a vertical line at the end, representing the name Luis Cesar Ceneviz.

Luis Cesar Ceneviz

Nomenclature

CCO	:	Communication-Content
CFE	:	Communication-Feedback
CHA	:	Communication-Channels
CLE	:	Communication-Leadership
CO	:	Customer Orientation
CP	:	Customer Perspective
EE	:	Employee Empowerment
EFFIC	:	Effectiveness of Internal Communication
FP	:	Financial Perspective
ILP	:	Innovation and Learning Perspective
IP	:	Internal Business Perspective
ORGFLEX	:	Organizational Flexibility
ORGPREF	:	Organizational Performance
OT	:	Organizational Trust
PT	:	Personal Trust
ST	:	Strategic Trust
TW	:	Teamwork

Abstract

Varied education, experience and cultural backgrounds can be a barrier to effectiveness of internal communication. In a typical manufacturing organization, the range of education and experience among its employees are huge. This research has three main objectives. The first one is to find out the difference in Effectiveness of Internal Communication, Trust, Teamwork, Organizational Flexibility and Organizational Performance between most and least successful organizations. The second is to find out if there is a relationship between the key research variables, viz. Effectiveness of Internal Communication, Trust, Teamwork, Organizational Flexibility and Organizational Performance. The third and final objective is to propose a conceptual framework to enhance Organizational Performance by improving systems that are driven by Effectiveness of Internal Communication.

The literature reviewed has been grouped into five heads, viz. organizational flexibility, change management, building trust and teamwork, internal communication, and organizational performance. Based on the literature review and the researcher's experience a conceptual framework to enhance organizational flexibility and performance was developed. This study covers the internal communication process in manufacturing organizations, related to the management systems to make communication to reach the desired levels of the organization.

Given the complexity of the subject in study and in order to develop a balance check mechanism the research was divided into three phases: the opinion survey, that deals with the opinion of global senior executives, the action research at South Pacific Tyres-Australia, and the synthesis that encompass the learning of both the opinion survey and the action research studies.

The opinion survey aimed at developing basic understanding about the impact of Effectiveness of Internal Communication in enhancing Organizational Flexibility and Organizational Performance by the opinion of global senior executives. The parameters for executives' selection were based on their

experience in working at least in two different organizations, their global geographical location and the different job positions as CEOs, regional and local general management, regional and local functional management and functional experts in order to have a cross-functional experience input.

The action research aimed to understand the impact of the Effectiveness of Internal Communication in a semi-controlled micro ambient that in this case is South Pacific Tyres - Australia. An initial survey was done to diagnose the level of the research variables of the organization. Then, different internal communication initiatives were introduced during a period of one year after which a new survey was done to understand the impact of these initiatives. For the next six months other initiatives were introduced and the final analysis and conclusion were drawn using dynamic SAP-LAP analysis.

A statistical analysis has been carried out using the following tools: univariate analysis was done to determine means, standard error of mean, median, standard deviation and inter quartile range, and then *t*-test, correlation analysis and regression analysis was carried out for hypotheses testing.

The synthesis of the opinion survey and action research studies was done taking into consideration the differences and the similarities of the conclusions of both the studies. Also emphasizing the learning from the action research implementations that could affect positively or negatively the impact on Organizational Flexibility and questioning why the differences would occur in an opinion based survey versus an action research ambient. This has helped in proposing the validated conceptual framework for implementation.

A validated conceptual framework for enhancing organizational flexibility and organizational performance is established. A list of major findings is incorporated. Suggestions for implementing the learning have been provided. Major recommendations are done and implementation issues and limitations of the study are presented.

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