

## Communication Flows

Communication within a business can involve different types of employees and different functional parts of an organization. These patterns of communication are called **flows**, and they are commonly classified according to the direction of interaction: downward, upward, horizontal, diagonal, external. As you learn about each of these, we will discuss how these flows function at Little Joe's Auto.

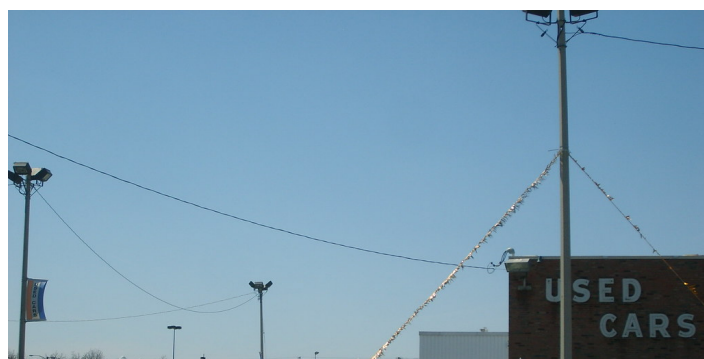


### Downward Communication

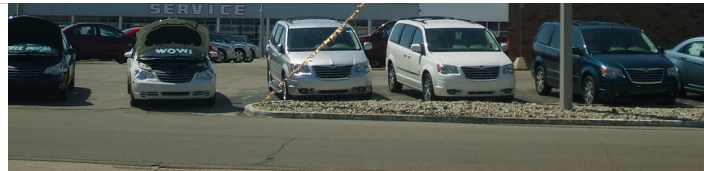
When leaders and managers share information with lower-level employees, it's called **downward**, or **top-down communication**. In other words, communication from superiors to subordinates in a chain of command is a downward communication. This communication flow is used by the managers to transmit work-related information to the employees at lower levels. Ensuring effective downward communication isn't always easy. Differences in experience, knowledge, levels of authority, and status make it possible that the sender and recipient do not share the same assumptions or understanding of context, which can result in messages being misunderstood or misinterpreted. Creating clearly worded, unambiguous communications and maintaining a respectful tone can facilitate effective downward communication.

#### LITTLE JOE'S AUTO: DOWNWARD COMMUNICATION

Little Joe holds a meeting every morning with his entire sales staff. In this meeting he gives them information on new cars on the lot, current interest rates available to



customers, and how close they are to meeting the company's monthly sales goals. The most important



information shared is a "hot sheet" that lists the cars that need to be sold ASAP because they have been on the lot for more than forty-five days. Every car sold from the hot sheet earns the salesperson a \$500 bonus, adding more than a little motivation to the mix.

As Little Joe goes through his morning briefing, the sales staff listen, take notes, and sometimes ask a few clarifying questions, but clearly the purpose of this daily pow-wow is for Little Joe to convey the information his staff need to perform their jobs and meet the expectations of management.

## Upward Communication

**Upward communication** is the transmission of information from lower levels of an organization to higher ones; the most common situation is employees communicating with managers. Managers who encourage upward communication foster cooperation, gain support, and reduce frustration among their employees. The content of such communication can include requests, estimations, proposals, complaints, appeals, reports, and any other information directed from subordinates to superiors. Upward communication is often made in response to downward communication; for instance, when employees answer a question from their manager. In this respect, upward communication is a good measure of whether a company's downward communication is effective.

The availability of communication channels affects employees' overall satisfaction with upward communication. For example, an open-door policy sends the signal to employees that the manager welcomes impromptu conversations and other communication. This is likely to make employees feel satisfied with their level of access to channels of upward communication and less apprehensive about communicating with their superiors. For management, upward communication is an important source of information that can inform business decisions. It helps to alert management of new developments, levels of performance, and other issues that may require their attention.

## LITTLE JOE'S AUTO: UPWARD COMMUNICATION

One afternoon, Frances knocks at Little Joe's office door, which is always open. Frances wants Little Joe to know that he has a couple interested in one of the new cars on the hot sheet, a 2015 Sonata, but the car is out of their price range by just a hair. Frances knows the couple from his church and really wants to help them get reliable transportation, but he also knows he needs to get the deal past the finance manager. Frances wants to know if it's possible for him to cut the price to his customers and give up his \$500 bonus for selling the car. Little Joe agrees, since it really makes no difference who gets the \$500—Frances or the customer.

## Horizontal Communication

**Horizontal communication**, also called lateral communication, involves the flow of messages between individuals and groups on the same level of an organization, as opposed to up or down. Sharing information, solving problems, and collaborating horizontally is often more timely, direct, and efficient than up or down communication, since it occurs directly between people working in the same environment.

Communication within a team is an example of horizontal communication; members coordinate tasks, work together, and resolve conflicts. Horizontal communication occurs formally in meetings, presentations, and formal electronic communication, and informally in other, more casual exchanges within the office.

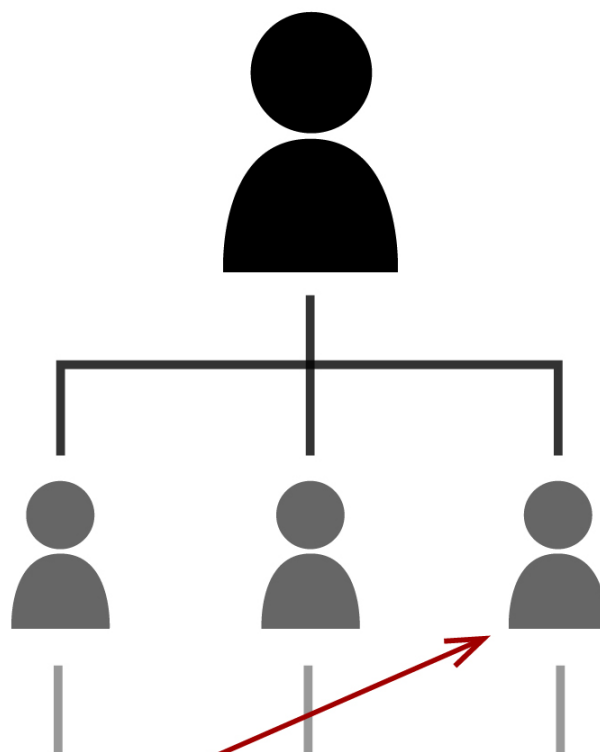
When there are differences in style, personality, or roles among coworkers, horizontal communication may not run smoothly. According to Professor Michael Papa, horizontal communication problems can occur because of territoriality, rivalry, specialization, and simple lack of motivation. Territoriality occurs when members of an organization regard other people's involvement in their area as inappropriate or unwelcome. Rivalry between individuals or teams can make people reluctant to cooperate and share information. Specialization is a problem that occurs when there is a lack of uniform knowledge or vocabulary within or between departments. Finally, horizontal communication often fails simply because organization members are unwilling to expend the additional effort needed to reach out beyond their immediate team.

## LITTLE JOE'S AUTO: HORIZONTAL COMMUNICATION

Little Joe picks up his phone and calls Brian, the finance manager. He explains that Frances is going to send a deal through on a hot-sheet car that is \$500 less than the bottom line, but if the rest of the deal is solid, Brian should approve it. Brian immediately begins to object, when Little Joe cuts him off and says that Frances is waiving his hot-sheet bonus. When Little Joe hangs up with Brian, he tells Frances he's set—now go sell that car!

### Diagonal Communication

**Diagonal communication** is the sharing of information among different structural levels within a business. This kind of communication flow is increasingly the norm in organizations (in the same way that cross-functional teams are becoming more common), since it can maximize the efficiency of information exchange. The shortest distance between two points is a straight line. Diagonal communication routes are the straight lines that speed communications directly to their recipients, at the moment communication is necessary. Communications that zigzag along horizontal and vertical routes, on the other hand, are vulnerable to the schedules and availability of the individuals who reside at each level.





### LITTLE JOE'S AUTO: DIAGONAL COMMUNICATION

Frances returns to his customers and tells him he thinks he's got a way to make the deal work. Brian, the finance manager, approves the deal per his conversation with Little Joe, so all that's left is the final inspection in the service department. The customers have told Frances they need to be home by 3 pm, but when Frances sees the time and looks over at the line of cars waiting for final inspection, his stomach drops. There's no way he is going to get them out of the dealership by three, and he's afraid he'll lose the sale. He heads over to the service department to find Marcie, the service manager. He finds her in one of the service bays and explains his situation, asking if there's any way his customer can be moved ahead in the line. Marcie checks her clipboard, does some quick calculations, and calls over one of the service techs. She tells him to locate the 2015 Sonata and get it up on the lift next. Smiling, she turns to Frances and says, "Mission accomplished."

### External Communication

Another type of communication flow is **external**, when an organization communicates with people or organizations outside the business. Recipients of external communication include customers, lawmakers, suppliers, and other community stakeholders. External communication is often handled by marketing and sales. Annual reports, press releases, product promotions, financial reports are all examples of external communication.

### LITTLE JOE'S AUTO: EXTERNAL COMMUNICATION

The last thing Frances does before he hands the keys to his customers is to affix a Little Joe's Auto license plate frame to the front and back of the Sonata. Now everyone who sees his customers driving their new car will know where they bought it. He hopes this sale will generate more business for himself and the dealership, so along with the keys to the car, he gives them several business

cards and a coupon for a free oil change. At 2:30, Frances waves good-bye to his customers as they drive their new Sonata off the lot.

In order to close this deal, the communication at Little Joe's Auto has flowed in every direction—upward, downward, horizontally, diagonally, and externally.