

Chapter 5.11

Information Technologies as a Vital Channel for an Internal E-Communication Strategy

José A. Lastres-Segret
University of La Laguna, Spain

José M. Núñez-Gorrín
University of La Laguna, Tenerife, Spain

INTRODUCTION

The use of traditional marketing tools with the purpose to increase effectiveness and efficacy within organizations has been studied among different authors. This topic known as internal marketing (IM) starts defining employees as internal clients to whom the organization must satisfy a group of needs and expectations to achieve their engagement and motivation on work, looking forward to increased productivity and competitively within the organization.

Among the most important aspects and maybe the least discussed on IM are the information

technologies (IT), in first place, as a method to ease the work increasing the labor life quality (LLQ). Furthermore, the information technologies are a vital channel to develop an internal e-communication (internal electronic communication) effective strategy. In both cases, the new technologies give enormous possibilities as supporting strategies to IM, allowing the organization to have a direct and permanent relationship with its workers in any place, important aspect to have a successful integration, and participation on the global economy.

The present article talks about the challenges and possibilities that offer the IT as IM support, mainly, being an important channel to the internal e-communication.

DOI: 10.4018/978-1-59904-883-3.ch078

BACKGROUND

As Weill, Subramani, and Broadbent (2002) point, one of the most critical decisions that directors have to make today is related to the investment they have to do on IT. These decisions could allow, or impeding business initiatives could be, in fact, a platform to implement future strategies. And this is also true to develop an IM strategy and especially, decisions related to internal communication that use as an IT base, the same as internal communication.

To understand the IM model it is useful to have present a definition given by Barney (1991), who points out that this model consists on using marketing tools to develop a human resource, which represents a true value to the company for its capacity on implementing strategies that will make the organization more effective and efficient.

Authors as Berry (1981) proposes in this sense, those workers should be seen as internal clients, visualizing the work as an internal product that should satisfy the needs and desires of these internal clients. Quintanilla (1991) says that companies should convert themselves on personalized organizations, in which should be taken as an important fact working satisfaction and self-esteem development of every employee.

The IM proposes that satisfied workers could be more productive, and in fact, their organizations more profitable. Relating to the motivation reached by the employees as Levionnois (1992) documented, there are some successful experiences that collect IM benefits and virtues.

In a consistent form with the IM model, Peppard (2003) points out also that, on the IT within organizations, the users should be treated as internal clients, to whom should be offered a services portfolio. In these services, we could have available to the workers channels of communication with the company in two ways, company-employees and employees-company.

Ahmed and Rafi (2003) established an IM conceptual model, in which they refer to the “4 P’s”

of traditional marketing, it means, product, price, place, and promotion, which are complemented with additional “P’s,” that is service, process, and physical evidence, on described terms by Kotler (2001).

Ahmed, Rafiq, and Saad (2003) propose an IM mix that include the following aspects: a) strategical rewards; b) internal communication; c) training and development; d) organizational structure; e) executive leadership; f) physical environment; g) staffing, selection, and promotions; h) interfunctional coordination; i) incentives system; j) empowerment; and k) process and operations changes.

However, we could point out that IM is still on development. In this sense, is important to mention Papolomou-Doukakis’ (2004) opinion, who affirms that IM development has been produced by a mix of ideas and theories that had been set together under the IM umbrella. On this IM development, there is still a lack of unanimity about its definitions and basic principles, which has produced a variety of implementation forms on practice.

Regarding internal communication, using the proposal of Frank and Brownell (1989) who define it as communication transactions between individuals or groups in different levels and different areas of specialization within the company, with the intention to design or redesign the organization or coordinate the day by day activities. Ahmed and Rafi (2003) point out the importance of the internal communication indicating that is necessary to establish a link that allows selling the internal clients the values and needed attitudes to reach success on their strategies. Soriano (1993) says that it should be sold and communicate the company’s identity and image, and its corporative values, its plans and projects to develop, its organization, its management model, the possibilities of individual development, the work conditions that it offers, the atmosphere and existing working environment, its products and services, its

achievements, success history, and its contribution to the community.

Smidts, Pruyun, and Van Riel (2001) say that positive communication environment creates a strong organizational identification, inviting employees to participate actively on discussions about organization topics, getting the employees involved on the making decision process. The employees feel proud of being part of a respected organization and that internal communication is one of the ways to achieve that perception from the employee's side.

Dutton, Dukerrich, and Harquail (1994) indicate that being well informed about the organization elements, like its goals, objectives, and achievements, allows employees to distinguish the upstanding characteristics that make the difference between their organization and others. To expose the organization's identity is fundamental to achieve the employee's identification. The members feel proud of being part of an organization that has socially recognized characteristics. Ashforth and Mael (1989) sustain that those employees that strongly identify with their organizations are able to show a supporting attitude toward their own organization. Furthermore, Simon (1997) states that employees that identified with their organizations take decisions that are consistent with the organization's objectives.

Miquel and Marín (2000) consider that inside the product to interchange with the employees should be included ideas, goods, and services that give back the job and all that comes with it, must be communicated. They have pointed out that one of the important aspects of the LLQ is the internal communication itself. Barranco (2000) suggests the need to create information centers dedicated to communicate relevant information about the company to the employees.

On a global economy, in which organizations operate in different countries, where employees travel constantly and coexists internally different cultures, is needed channels to achieve an agile and personalized communication without giving

importance to the employees localization. This need created by the global economy encourages the development of e-communication as a permanent way of communication with global reach, with the use of multiple instruments, and as a mechanism that allows personalizing even more the information that is offered to employees.

However, despite IM conceptual development, important topics like internal communication strategies development or the use IT, it has not received the importance it should. This is why it is important to discuss the potential and the challenges that IT brings itself, as a base to create an electronic communication platform that will give a start to what we call the internal e-communication. This electronic platform over it is going to be developed the IM has an special importance inside the global economy in which different companies live together, with operations in different countries and integrating groups of work on different localizations, being despite that, necessary to guarantee that the same values are shared and it is pursued the same objectives. The conceptual discussion of internal e-communication advantages on the development of internal marketing and the use of IT is the present article's central axis.

CHALLENGES OF THE IT ABOUT THE COMMUNICATION WITH THE INTERNAL CLIENTS IN A GLOBAL ECONOMY

As an IM support and serving as a channel to the internal e-communication, the IT should be developed not just to offer information to employees, but also to be an efficient way to collect information about the workers. These technologies should allow employees to offer to the organization information about their needs, desires, and personal expectations, and the organization level of accomplishment. The companies should in this sense, have databases that will let them know its internal clients and the segments that could be

grouped, with the objective to offer them a job/product with the most LLQ.

The communication between the employees and company should also be made easier at different levels. It is necessary that employees are able to use electronic equipment that is used as a channel to give their opinions, suggestions, and general critics, in which they could modify individually the information about their needs, desires, expectations, and value the LLQ that the company offers. Moreover, workers would point out the elements within their effort to which they can give more dedication and propose the incentives that could be offered to them by the achievement of specific objectives. Tools like Web pages, conventional electronic mail, voice mail messages, and "SMS" messages would be useful channels for the internal e-communication, in both ways, between the company and its employees.

In a global economy, a system like mentioned, will permit to get to know the employees of organizations that belong to different places and cultures, which could have important differences on their needs, desires, and expectations. It will also allow, modify, and adjust the product (job) to be offered, so it could be adjusted or adapted better to the employees, taking as important facts the LLQ to the different segments of employees.

The internal e-communication is also useful to sell the product/job to the internal clients, promoting organization vision, values, objectives, achievements, and challenges, informing about what the company expects from the employees. In the same way, IT allows workers to receive permanent and relevant information about what happens in the organization.

Also, the IT has the challenge on the IM to serve as a point of contact with the potential internal clients, supporting the human resources selection process, informing about the advantages of working on the organization.

These electronic channels, in both ways with the internal clients and potential internal clients, should be developed for their easy and intuitive

use. On it design should participated internal clients themselves to allow the communication platform to be in harmony with their needs.

Having present that LLQ, as Miguel and Miguel (2002) sustain, could be established as a measure of employee's liquidness towards his/her job, the stability obtained, and the environment of the work place. Even more, the LLQ incorporates other parameters such as the nicely physical environment, and the making decision process participation, acting independency level, the communication, self security, professional training, and the pride the employees feel towards the company.

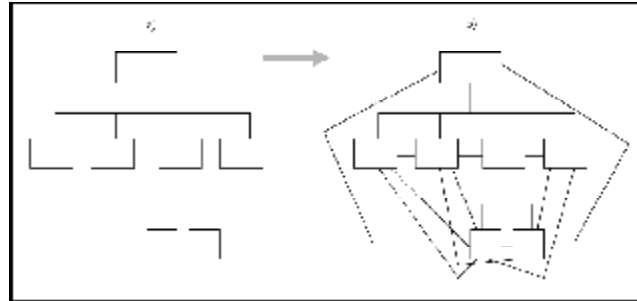
The IT is a medium that could contribute directly to the LLQ in an important way, making easier the organization personnel work, automating rutinary work, and making possible that workers could have more time left to dedicate to creative tasks that are more motivating and interesting, and could be positive on creating value to the company.

The internal e-communication based on the IT has an important repercussion on the LLQ, allowing the company to offer to workers more motivating and interesting jobs. Employees that have a major LLQ will be in a greater disposition to offer a greater effort, this means, will pay a major net price (NP), having as a result that the organization will have a major compromise from their employees with the objective to increase their productivity and competitively.

Nowadays, organizational communications are mainly made through a hierarchical-organizational way with a top-down direction. It is proposed that the internal e-communication facilitate the communication within the whole organization, creating an effective, agile, and personalized communication in two ways, between the company and its employees in multiple ways, between employees. Figure 1 shows the hierarchical-organizational, comparing it to the internal e-communication net.

This communication offers to employees the possibility to show their points of view and communicate their needs. Furthermore, it allows the

Figure 1. Hierarchical-organizational communication net (a) versus internal e-communication net



company to get to know its employees, offer them adequate incentives, and to capture ideas within the organization. Also, it facilitates activities coordination within employees and promotes the discussion of ideas that could enhance the organizational innovation, and as a result, the competitiveness. This proposal increases the employees' power because more actively on the enterprise development. It also gives employees a great responsibility regarding their own communications to the company.

Using the internal e-communication, the communication within the companies will be even more continuous and agile; it will count with more channels, more formats, and more possibilities and will contribute to create flatter organizations from the communicational point of view.

Within the future, challenges of the internal e-communication is the use of the IT to get to know employees regarding preferences, needs, cultures, families' characteristics, and interests, with the goal to offer them jobs and work places, incentives, and programs that will adapt better to them. The IT will allow adapting better the communication, facilitating the process to get a more personal communication.

FUTURE TRENDS

Organizations will have the opportunity and the obligation, on a more competitive environment,

to amplify the e-communication channels through the use of IT, using the new technological development and obtaining the maximum of the channels on every moment.

The internal e-communication has as future challenges the use the new channels that progressively would be at reach, having in mind the fast technological advance in which we live, looking forward to use new ways to accomplish a better communication, more continuous, agile and personalized, in both ways, and multiply directions with internal clients and the organization.

It would be equally necessary to make future empirical investigations to know the characteristics that internal e-communication should count with, the frequencies, the relationship between the workers effort, and the electronic devices that could be used for them and their convenience.

CONCLUSION

The IT has an important role on the internal marketing development, mainly on the supply of channels for the internal e-communication, in both ways, with the employees. These channels could help to increase workers LLQ, adapting their jobs and activities the best way possible to their needs and desires. Equally, the IT has an effect on the LLQ, allowing offering employees jobs that are more motivating and interesting.

It could be confirmed that the IT is going to convert itself on a useful tool to the internal marketing implementation, to ease the interconnection between the company and its personnel in any place of the world. At the same time, it contributes making the world more flat, as Friedmann (2006) affirms, supporting the organization's role to assume global economy challenges.

The e-communication adds the electronic management of human resources, the capacity to communicate with employees considering their culture, interests, and personal motivations. Raising employee's participation allowing them to share their ideas will help to increase innovation and activities coordination. Furthermore, it allows offering jobs, environments, work places, and incentives programs more suitable to every employee.

To reach the internal e-communication implementation, support is required from the executives regarding resources and priorities assignment, but as Morgan (2004) points out, the executives recognize the IT worth to the organizational effectiveness, but a few understand the role and potential contribution to increase the organization value. Because of this reason, to implement internal e-communication is needed, that executives understand the potential that offers it within organizations, which could be a future investigation area.

Ahmed, P., & Rafiq, M. (2003). *Internal marketing*. New York: McGraw-Hill/Irwin.

Ahmed, P., Rafiq, M., & Saad, N. (2003). Internal marketing and mediating role of organizational competencies. *European Journal of Marketing*, 37(9), 1221–1240. doi:10.1108/03090560310486960

Ashforth, B. E., & Mael, F. A. (1989). Social identity and organization. *Academy of Management Review*, 14, 20–39. doi:10.2307/258189

Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120. doi:10.1177/014920639101700108

Barranco, S. F. (2000). *Marketing interno y gestión de recursos humanos*. Madrid: Editorial Pirámide.

Berry, L. (1981, March). The employee as customer. *Journal of Retail Banking*, 3, 25–28.

Dutton, J. E., Dukerrich, J. M., & Harquail, C. V. (1994). Organizational images and member identification. *Administrative Science Quarterly*, 39, 239–263. doi:10.2307/2393235

Frank, A., & Brownell, J. (1989). *Organizational communication and behavior: Communicating to improve performance*. Orlando, FL: Holt, Rinehart & Winston.

Friedman, T. L. (2006). *La Tierra es plana. Breve historia del mundo globalizado del siglo XXI*. Barcelona: Editorial Martínez Roca, SA.

Kotler, P. (2000). *Dirección de marketing*. Madrid: Prentice Hall.

Levionnois, M. (1992). *Marketing interno y gestión de recursos humanos*. Madrid: Editorial Díaz Santos.

Miguel, A., & Miguel, I. (2002). *Calidad de vida laboral y organización en el trabajo*. Madrid: Ministerio de Trabajo y Asuntos Sociales.

Miquel, S., & Marín, C. (2000). *Marketing interno, objeto, instrumentos funcionales y planificación* (Working paper No. 100). Valencia, Spain: Universidad de Valencia.

Morgan, R. (2004). Business agility and internal marketing. *European Business Review*, 16(5), 464–472. doi:10.1108/09555340410699811

Papasolomou-Doukakis, I. (2004). Internal marketing in UK bank: Conceptual legitimacy or window dressing? *The International Journal of Bank*, 22(6), 421–452. doi:10.1108/02652320410559349

Peppard, J. (2003). Managing IM as a portfolio of services. *European Management Journal*, 21(4), 467–483. doi:10.1016/S0263-2373(03)00074-4

Quintanilla Pardo, I. (1991). Recursos humanos y marketing interno. Madrid: Editorial Pirámide.

REFERENCES

Simon, H. A. (1997). Administrative behavior. A study of decision-making processes in administrative organization. New York: Free Press.

Smidts, A., Pruyn, A., & Van Riel, C. (2001). The impact of employee communication and perceived external prestige on organization identification. *Academy of Management Journal*, 49(5), 1051–1062. doi:10.2307/3069448

Soriano, C. (1993). Las tres dimensiones del marketing de servicios. Madrid: Ediciones Díaz Santos.

Weill, P., Subramani, M., & Broadbent, M. (2002, Fall). Building IT infrastructure for strategic agility. MIT Sloan School of Management, 57-65.

KEY TERMS AND DEFINITIONS

Effort of the Workers: About the effort the workers do, it is sized in variable terms such as time dedicated to work, pro-activity level to give ideas, level of support to new projects, level of effort to updating on technical and directive areas, the acceptance of new rules, policies and strategies, level of acceptance to branches mobility, city or charge, and days of the week that would be able to travel out of the city.

Internal Communication: Communication between the company and its workers as a way of implementing an internal marketing program.

Internal E-Communication in Both Routes: The communication between the company and its workers in both ways, allowing the company to communicate its mission, values, objectives, and

allow workers to communicate their needs, desires, and expectations, as well as their evaluation to the company regarding the accomplishment of their needs. It permits the company to adapt the job it has offered to the workers and their needs.

Internal E-Communications in a Global Economy World: Communication between the company and its workers through the use of new technology, achieving a permanent contact and communication, opportune independently of the workers geographical location or company operative areas.

Labor Life Quality (LLQ): Equivalent to the product/service quality on the traditional marketing. It indicates the quality of the work (product) that is offered to workers and it is sized by aspects such as work environment, if the worker likes the activity that he/she does, and schedule, among others.

Net Price (NP): The equivalent to the traditional marketing price on the internal marketing. The net price is a price that would be paid by the workers because of receiving a job (product) that offers a determined LLQ. The net price is based on two elements, the effort that should be given by the workers and the wedge they receive. At the same level of LLQ, workers would be in a disposition to increase their level of effort if the wedge also increases, maintaining constant the NP. The more LLQ, the company could increase the NP in an analogous way as it occurs on the traditional marketing with the quality-price relationship.

Product in Internal Marketing: The job understood in a global way that is offered to workers and consists of elements that should be sold to workers, company image and identity, corporate values, its plans and development projects, its organization, its way of management, ideas, goods, and services it supplies, possibilities of individual development, professional development, work conditions, work atmosphere and environment, products and services, its achievements, success history, and its community contribution.

Promotion in Internal Marketing: Programs and incentives that the company offers to its workers to obtain a major level of effort to achieve a specific objective.

This work was previously published in Encyclopedia of Human Resources Information Systems: Challenges in e-HRM, edited by Teresa Torres-Coronas and Mario Arias-Oliva, pp. 532-537, copyright 2009 by Information Science Reference (an imprint of IGI Global).