

THE ROLE AND IMPORTANCE OF COMMUNICATION IN MANAGEMENT

ULOGA I ZNAČAJ KOMUNIKACIJE U MENADŽMENTU

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Abstract: From the aspect of management, communication process takes a special role because the same one is being required for a success, progress and achievement of objectives of each organization. The work itself discusses the concept of communication, its role and importance in management, where the models, techniques and obstacles to communication projects are being processed. The problem of scientific research and the subject of this work is contained in considering the role and importance of communication in management, with the determination of communication as a subsystem of management functions of conducting. Initial hypothesis states that: qualitative application of communication function in management is an extremely important prerequisite for its efficient operation. The fundamental goal of researching this work is being determined by the subject of research and upon the structured working hypothesis and is related to: the account of theoretical premises about the subject topic and indication of the growing importance of communication in management.

Key words: communication, management, communication obstacles, communication system.

Apstrakt: S aspekta menadžmenta, proces komunikacije zauzima posebnu ulogu, jer je ista neophodna za uspjeh, napredovanje i ostvarenje ciljeva svake organizacije. U radu se razmatraju pojam komunikacije, njena uloga i značaj u menadžmentu, pri čemu su obrađeni modeli, tehnike i prepreke u komuniciranju u projektima. Znanstveni problem i predmet istraživanja ovog rada sastoji se u razmatranju uloge i značaja komunikacije u menadžmentu, uz određivanje komuniciranja kao podsustava menadžment funkcije vođenja. Polazna hipoteza glasi: kvalitetna primjena komunikacijske funkcije u menadžmentu je izuzetno značajan preduvjet za njezino efikasno poslovanje. Osnovni cilj istraživanja ovog rada je određen predmetom istraživanja i postavljenom radnom hipotezom, a odnosi se na: prikaz relevantnih teorijskih stavova po pitanju predmetne teme i ukazivanje na rastući značaj komunikacija u menadžmentu.

Ključne riječi: komunikacija, menadžment, komunikacijske prepreke, komunikacijski sustav.

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"The most important thing in communication is to hear what is the unuttered"

Peter Drucker

1. Introduction

Communication (*lat. communico*-general) in its broadest sense means the exchange of information between individuals through the mediation of the general system of symbols. It can be achieved by verbal or nonverbal means. The literature differs mechanistical and creative approach to communication. A mechanistic is one-

way process of encoding and delivering of information from a source to a receiver of information, while the creative approach is based on the understanding of communication as a joint activity of participants during which (to a certain extent) a general view on the things and effects to them is being built. Communication between members of different cultures is one of the most complex problems in business in general and

at project management as its accompanying part. The way to overcome many difficulties lies in the understanding and acceptance of differences that are culturally conditioned. A member of each culture has its own view of the world, which further affects the way of communication with its members as well as members of the other cultures. Since cultures differ from one another, communication practices and behaviors of individuals resulting from these cultures are different as well. Misunderstanding nonverbal signs and symbols may represent an important communicative barrier. Consideration of the impact of culture on various aspects of nonverbal behavior largely reflects the success of intercultural communication.

It is common for the communication to imply the processes of decoding the verbal into non-verbal (visual) sphere and vice versa. These are the main channels of human communication, which is one of the subjects of this study. The special role of communicating processes is connected to the process, science and / or the profession of management. If we take into account that communication is the process of exchanging information between two entities with understandable symbols, and management is the process for executing several functions (planning, organizing, managing, controlling and human resource), in order to effectively secure, allocate and use human effort and physical resources to achieve a goal, it is clear that the appropriateness and communication are the touch points of these processes. On the other hand, all of these management functions rely on a process of communication, whereat communication is central to the analysis of the organization, because the structure, size and width of the organization are almost entirely determined by communication techniques.

Communication is essential for establishing and implementing the organization's goals, development plans and their realization, the organization of human and other resources in the most efficient and effective manner, then the selection, development and evaluation of organization members, as well as for managing, directing, motivating and creating a climate in which people are willing to contribute to the objectives. A control itself of achieving objectives is based on the communication process. Therefore, a manager must know the communication process,

the basic elements of this process, the dependence of these elements and principles of operation, different types of communication with the advantages and disadvantages of each, as well as communication barriers and ways of their elimination. Only on the basis of the knowledge manager is able to develop effective channels of communication or to increase the efficiency of the existing ones as the system in which he operates could function more effectively. It sets before him a new dimension of responsibility for effective communication. One of the categories of obstacles to successful communication stems from the nature of organizational structure, which can be insufficiently articulated organizational situation in which organizational structure and relationships between people are not clearly defined. In these situations, you do not know who is superior or subordinate, who is responsible for which activities, or there is a lack of real explanations of the prescribed channels of communication, misunderstandings about the objectives, lack of information about people with whom to collaborate on the problem.

Key to the success of organizational communication system is the extent to which they can provide two-way or three-way communication and to overcome a one-way. It is also necessary to take into account the informal communication channels because they affect the interpretation and understanding of the formal. The manager is there to remove all kinds of communication barriers, and to choose appropriate ways and means of communication, to provide mechanisms for feedback and to help clearly define the structure of the organization as a prerequisite of successful communication. To achieve the goals of the organization, business communication must be designed as a deliberate action in terms of being a target, which is in accordance with the prescribed goals of the organization. It should be based on the exchange of ideas, opinions, instructions, information between two organizational entities, with the content dependent on the purpose and circumstances. It is believed that good communication can improve organizational performance, management performance and their decision-making, commitment of employees, as well as contribute to organizational advancement and job satisfaction.

2. Concept, significance and purpose of communication

The modern interpretation of communication has three basic interpretations: a) communication is the means (method) of connectivity between all ob-

jects of material and spiritual world, b) communication is a relationship in which process the people are exchanging information and c) communication is the exchange of mass information in order to impact on society and its components. Establishing connections between elements in the structure of units and units with the middle is done through the channels of communication. Some authors attribute an *integrative role* of communication in the interpersonal relationships, while the others define it as a *process* in which information and understanding are being transmitted from one person to another. Today, there is more and more talk about communications in the context of information technology, and it is interpreted as a steady stream of information exchange, which includes activities of transmitting, receiving and use of the information, based on the application of computer technology.

Communicating (communication), in the most general sense, very often implies transferring of the data or information by certain symbols. However, communication is not just a "simple" sending of data or information. It is, as stressed by R. Daft, R. Lussier and other authors, the process of exchanging information which is understandable for two or more persons who interact with each other, or the process in which the sender is delivering a message to the recipient which upon there is a mutual understanding. Therefore, communication is not any whataever process of conveying information, but the process of exchanging information not only understandable by the person who sends specific information (communicator - *sender*), but also by a person whom the given information is intended for (communicant - *receiver*). Definition and implementation of communication are associated with a number of mutually conditioned elements: a) participants in the process of communication, b) the content of communication, c) communication channels, d) models, methods and techniques of implementation and e) a time schedule of their implementation. Communication has a very accentuated role in the functioning of any organization, whether profit or nonprofit one. Business nature of manager as the "*the conductor of orchestra*" requires a large number of communications, both in the organization (internal), and with the environment (external). Therefore, PM Wright and RA Noe talk about the "*realm of communication*." Long before them, Ch. Barnard, who

is considered one of the founders of the theory of communication, promoted the view that, in analyzing the organization the communication must occupy a central position because the structure, extent and width of the organization are almost entirely determined through communication techniques.

Principles of Communication by C. Bernard are as follows: a) it is necessary that everyone, without exception, know the channels of communication, b) everyone must submit to someone Coverage (communication upwards) and all must be superior to someone (communication downwards), c) lines of communication must be as short and as direct as possible, d) it is usually advised to use the set channel for communication, e) individuals who are in positions through which communication passes must be competent, f) lines of communication should not be interrupted and g) the authenticity of every act of communication should be verified (Leković 2003, p. 209). Awareness of employees, the hierarchy of communication, short and direct communication, to use the established lines of communication, competence of the association are the basic messages of Bernard's principles.

Communication is necessary to: a) establishing and implementing corporate objectives, b) develop plans for achieving them, b) organization of human and other resources on the most efficient and effective manner, c) the selection, development and evaluation of members of the organization, d) managing, directing, motivating and creating a climate in which people want to contribute and e) control of implementation. In organizations everyone communicate: both managers and non-managers, and owners and those who are not owners. Because through communications there have been creating the epistemological assumptions for guidance, actuation, coordinating and controlling of all actions that organizations, groups or individuals are undertaking in the line of realizing their goals. Therefore, communication should be the subject of special attention of all actors in the organization. This, in particular, relates to the managers, who most of their time "spend" in communication with key stakeholders within the organization or its environment.

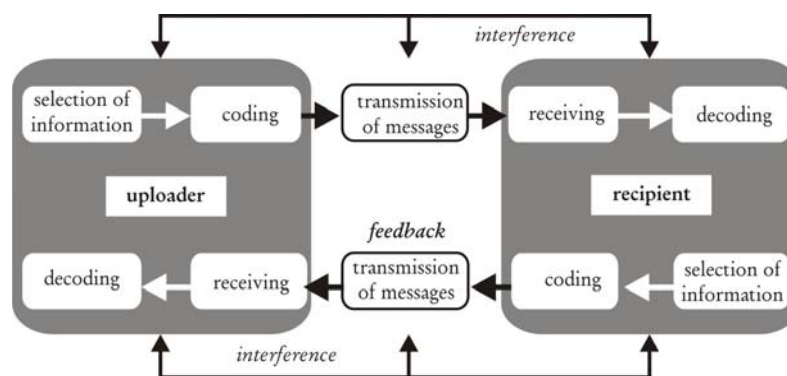
The main forms of communication are (Ibid, pp. 210-211): dialogue, discussion, speech, talks, press conferences, briefings, presentations, admission by personal issues. Telephone calls, usage of fax machines, electronic mail, Internet and other media are the means of business communication. Building the image of the organization is not possible without the development of all these forms of communication.

3. The process of communication

Communication is being accomplished by performance of the many and versatile activities. These activities, in total terms, make the process of communication. The process of communication consists of the following phases (actions or steps): selection of information, coding, transmission of messages, receiving of messages, decoding, and the establishment of a feedback (Loncarevic et al 2007, p. 291). Selection of information which are to be submitted to the receiver, that in the literature is called the formation of ideas, represents the first stage, i.e. the

first step (method) of the process of communication. This is understandable. Because the purpose of communication is not the transmission of information which has a leader, but only those ones that are at any given moment, in the opinion of managers, relevant for informing and directing the action of a follower as the message recipient. During a selection process, the manager must take care to choose the information which for he is sure to be (or that may be) understandable the perpetrators (associates). Because, otherwise, it will not achieve the expected effects of the process of communication.

Figure 1: The process of communication (Ibid)



Coding (encryption) is the activity of choosing the symbol by which the message will be sent. Messages must be encrypted, because they can be transferred only through symbols. Coding of message can be performed by using two types of symbols: verbal (written or oral) and non-verbal (gestures, facial expressions and intonation). Selected symbols must fully represent a message, or "carry" the information that the message contains. At the same time, the chosen symbols must upon their characteristics be such that they have the same meaning for managers and employees as the recipients of the message. This is accomplished by using the standard symbols - symbols whose meaning is prescribed, or whose meaning has been agreed upon between the subjects of communication processes. Otherwise, communication will be difficult, and its effects will not be at the desired level. Transfer of messages is an activity that is done after a successful encoding. Transfer of messages is done through a communication channel or medium. The communication channel is a path that moves messages from sender to recipient. Managers can use a number of communication channels for trans-

mitting the message: the message can be transmitted by conversation "face to face", memorandum, phone, fax, telegram, radio, television, internet, intranet and so on.

Different communication channels have different performances. Among them are especially important: reliability, speed of message transferring, reverse impact in the channel, the degree of involvement of the senses, the ability to keep a message, the power of mass action and complementarity. Because of the aforementioned and the fact that the communication "face-to-face" (which provides the best effects in the literature and is defined as wealth or abundance of information) is not always possible. Therefore, it is evident (and theoretically and practically speaking) the problem of selection of channels that allow the most efficient transmission of messages. Daft et al (according Ibid.), consider that the most "functionally richest" communication channels are those ones that have a) the ability of simultaneous use of several characters (eg activity of eyes, face, hands and indicators of body language), b) the ability in easy establishment of the quick feedback and c) the ability to establish a personal concentration in the communication (Ibid., p. 293).

Table 1: Information richest channels (Daft, RI, and others, by: Ibid, p. 292)

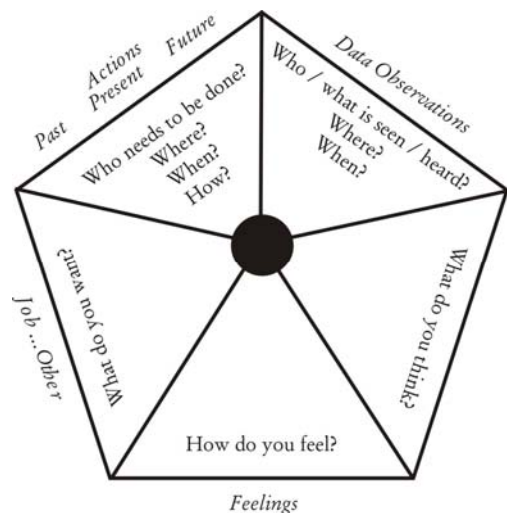
Channel for information	↑	Richness (capacity) of information
Discussion face-to-face	↑	The highest
Telephone conversation	↑	High
Writing a letter/memo (addressed to an individual)	↑	Middle
Formal textual documents (non-addressed newsletter or e-mail)	↑	Low
Formal numerical documents (surveys, budget reports)	↑	The lowest

E-Mail is one of the less formal communication, but its presence in business communication requires that one should take care of maintaining a professional tone. It is very important context in which it sends e-mail messages. A positive attitude must exist in the message, which means avoiding statements that have racial or ethnic connotations and negative statements about your supervisor or colleagues. As a result of these imprudent statements, there is a growing number of layoffs, but also lengthy and costly court process (Boone, Kurtz 2000, pp. 342-243).

Receiving a message following the successful implementation of the process of conveying a message. This is an extremely complex process that performs the message recipient - a process in which its various senses perceive unified message and report about this to the brain. Efficiency of communication depends to a large extent upon the way (and results) of receiving messages. To receive any messages at a satisfactory level, it is necessary: first, that the recipient is capable (physically, mentally and epistemologically) to receive the message and secondly, that the recipient is fully concentrated on this activity. Physical, mental and epistemological (cognitive) ability of the recipient is an extremely important assumption in the efficiency of receiving messages. For without these characteristics recipient shall not, objectively speaking, be able to receive the message. However, these performances of the recipient are just necessary but not sufficient (pre)condition for the success of the process of receiving messages. The second prerequisite is contained in the complete concentration of the recipient to receive a message - behaviour of the message recipient in the process of listening that is in the literature called as "active listening". Active listening has several variants and the best

results can be given by so called research listening that involves asking certain questions as well.

Figure 2: Research listening (Miller, Sh., Miller, Ph.,
By: Loncarevic et al, Ibid, p. 294)



By its very essence, active listening is a process that involves such a behavior of the message recipient where he fully focuses all his senses on the reception of messages - until the message is being received completely. Successful active listening, according to Robbins and Decenz (2001, p. 39), implies the establishment of "eye contact", affirmative nod, and the corresponding facial expression, avoiding activities that are confusing or gestures that indicate boredom, asking questions, paraphrasing their own words, avoiding interrupting the speaker, and not to "outrun" in speaking and make a stylish cross between the role of listener and speaker role.

The practice has numerous deviations in this area. Common causes of their emergence, according to Kubein are: prejudice, premature conclusions, inattention, selective listening, excessive talking, lack of empathy and fear. Therefore these recommendations

(rules) of active listening can be useful to the leaders - and not just as a standard for a successful listening, but also as an effective barrier to the occurrence of deviations in the communication process. After successfully receiving the message, begins the process of decoding messages. Decode (decrypt) messages can be defined as the process that as a result should have a certain information (knowledge) about the content that is being carried by the given message. Therefore, decoding can be treated as a process of restoring some sort of message in the form of original ideas (information) that were selected by the sender. Successful decoding allows us to understand the message. Otherwise, if the decoding results in a "misunderstanding" as Adizes says, there will not be created the relevant (communication) assumptions for the efficient (re) action.

Decoding is a very complex process. This is because it, in essence, represents the procedure of an intellectual "processing" of all data (as a physical carrier, the carriers of information) from which the message is made in order to acquire knowledge about the characteristics of the message content or information the message is carrying on. The success of the process of decoding messages is being affected by many factors. The most notable among them are (Loncarevic et al, *ibid*, p. 296): a) the recipient's ability to decode the message accurately, which implies that the recipient of the message must know the language and have the same mode of understanding, or perception of the meaning of the symbols that make up the message, b) previous experience of the recipient, c) personal interpretation of the used symbols and gestures, d) expectations (people hear what they want to hear) and e) the existence of standards and generally accepted agreement on the meaning of symbols.

3.1 The importance of feedback in communication

If this is about a one-way communication, communication process is complete when the message is decoded. However, if it is about a communication between managers and employees, communication process continues. Because, as it has been already stated, it is a process of information exchange; which, in addition to sending implies "*listening and other forms of feedback.*" A feedback loop has a great importance in the communication process. And not only for man-

agers but also for the employees. When it comes to managers, a feedback gives them a possibility to carry out the "verification" of a message, which entails obtaining knowledge of understanding the message, receiving requests for additional information and providing additional information - in the form of giving answers, and all that until the moment of complete understanding of the message (*Ibid*, p. 297). As for the employees, their feedback provides them to inform the leader on understanding the messages, issuing requests for additional information and giving suggestions to redefine the received message or to improve communication in the future (*Ibid*).

A feedback loop is considered, in theory and practice, as the phase of the communication process that has a special place and role in providing effective communication. Therefore it is an unavoidable communication between manager and employee. The process of establishing a feedback loop is a sequence of communication in which the initial recipient of the message is transformed to the donor of the new message (in the form of receipt of messages, questions or suggestions), and initial sender of the message is transformed into the recipient of the message. It has the following flow: encoding - transmission - decoding all the performances of communication which about we were discussing.

A feedback loop of communication is the communication phase of the process in which both managers and employees are participating, each in its own way. In doing so, both must have the same goal: success. It is logical and natural. Because feedback of communication is a sequence of communication process whose results must be interesting to all the actors that are being involved. The success of the communication feedback depends on the ability of the relevant stakeholders and, especially, of how their behavior is in the communication process.

Therefore these guidelines, i.e. presumptions of successful communication must be the object of special attention to each participant individually and all together. Because only this way they there can be created all the necessary prerequisites of success - both feedback and communication in general. And managers and employees shall take care of their physical, mental and epistemological performance. This is because the possession of these characteristics is an essential (pre)condition for their involvement in carrying out activities that are necessary for establishing a successful feedback. This, practically speaking, means that both managers and employees shall, alone or with assistance of others, continuously adapt to their physical,

mental and epistemological performance to the needs of effective communications. Taking care of the abilities of communication stakeholder is necessary but not sufficient (pre) condition for establishing a successful feedback of communication. Another, no less important, relates to the conduction of all relevant communication activities. As the matter of fact both leaders and followers, in the process of establishing a feedback of communication, as the bearers of communication activities, need to "do the right thing" and at the same time, to "do the right things the right way."

Although the success of the communication feedback is an objective, and subject to the constant attention of managers and employees, managers are responsible for its (non) realization. This is understandable. Because they are particularly interested in and responsible for the results of communication. Responsible behavior of leaders in the field of establishing a communication feedback involves the taking of all measures and activities that, in total terms, can contribute to the realization of goals - both the feedback and communication in general. Accentuated attention must be devoted to focusing on specific behaviors, keeping impersonality feedback, taking care that the feedback loop is a target-oriented, establishing a feedback at the right time, ensuring appropriate understanding and establishing a direct negative feedback towards behavior that can be controlled (Ibid., p. 298).

3.2 Communication barriers and their overcoming

The process of communication is accompanied by numerous and varied difficulties, problems and deviations of the structural and functional origin. All of them have negative (adverse) impact on the efficiency of the communication process. That is why in the literature they are called barriers of effective communication. Due to its negative impact on the efficiency of communication, many authors have devoted considerable attention to forms, content and impact of communication barriers on the results (efficiency) of communication. This applies especially to K. Gallagher, who devotes the analytical attention to the following barriers of the effective communication (according Loncarevic, etc. Ibid, p. 319): a) *barriers of the general character* are as follows: the ambiguity of the message, the noise (in the environment), distance of actors, language,

jargon, lack of the recipient interest, lack of the knowledge, distorting of the message, lack of time, excessive length of the communication chain and the existence of "information gatekeepers", b) *psychological barriers are*: differences in perceptions, emotions (happiness, anger, sadness), fear, anxiety and distrust, c) *cultural barriers make*: differences in the value system of the sender and recipient, status, susceptibility to change, premature concluding, different expectations, first impressions, stereotyping, polarization, and a tendency to the premature evaluation without real listening .

Communication in organizations is a process which involved two subjects-the sender and recipient and the appropriate communication channel or medium. That is the reason why effective communication between managers and employees may have barriers in their communication skills and in the way of their behavior (in the mutual communication), and in performance of the organization and functioning of communication networks and channels, on the other side. All those, in other words, in the literature are defined as individual barriers and organizational barriers (Ibid., p. 320).

For efficient communication, managers acting as senders, and employees acting as recipients of messages, must have: a) relevant capabilities (knowledge and skills) for communication, and to be able psychologically (emotionally) to make the communication connection, i.e a process and b) must behave the "right way". The characteristics and behavior of managers are potential barriers to effective communication that require special analytical attention. This is because managers are actors who in the communication process have a special place and role, what is especially important, responsibility. The mere fact that someone is a manager does not inherently mean that he has all the abilities (skills) that are necessary for successful communication. This situation is not rare in the practice, especially when it comes to managers without enough experience, credibility, and people who do not have adequate knowledge about the role and importance of communication, or having a certain degree of aversion to

communicate. When the subjects are employees (associates), also their performance (personality) and behavior may be a significant barrier to effective communication. It is the lack of communication skills, inadequate emotional response to the message (excitement or anger) and in particular errors in perception (which can emerge due to an inattentive listening, or due to a premature conclusion or selective perception). Just having the ability

to communicate is a necessary but not a sufficient (pre)requisite for an effective communication.

The second condition relates to the performance of behavior - both managers and employees. If they do not behave in accordance with the principles and rules of effective communication, then they become a barrier (blockade) of effective communication. The effectiveness of communication greatly depends on the constitution of the communication network through which the communication is being done and on the way i.e. effects of the process itself of transferring messages. Constitution of communication network (the system) must have the performance necessary for effective communication - as for the communication that takes place in the organization as a whole and so for each individual act (process) of communication. Otherwise, if an organizational constitution of the communication networks doesn't have all the necessary quantitative and qualitative performances, it can be significant barrier to the effective communication.

An overcoming of communication barriers is the need and obligation of everyone, especially carriers of responsibility for the establishment of an efficient communication system. This, among other things, includes taking action to overcome communication barriers, that in the same time represent a "blockade" of repetition of the old ones and an emergence of new barriers to communication. As the most effective, the practice has verified the following (Loncarevic et al Ibid, p. 322): defining the principle of overcoming communication barriers, determining methods and techniques for overcoming communication barriers, taking all actions necessary to overcome communication barriers and the establishment of effective feedback. An overcoming of communication barriers is a process that must not take place spontaneously. On the contrary, it must be organized. In this context, an important place and role belong to principles (as the basis) for overcoming communication barriers.

In defining principles for overcoming communication barriers it is necessary to make the selection of principles which fit the best to the situation. While doing so we should not make experiments (which can be "expensive", costly), but should commit ourselves to the principles that the practice had verified. Among them the most significant are simplification of vocabulary,

restraint of emotions, caution with non-verbal messages, using of the feedback and using of hearsay. To overcome the communication barriers many methods and techniques could be used (Ibid., pp. 322-323): a) In addition to the formal language, which is an obstacle to the effectiveness of communication, the introduction of appropriate jargon (own specialized language of communication), b) active listening (active Listening is the key to understanding), c) to make a rearrangement of the information flow (in order to avoid "the communication overload") and d) "opening" of communication channels upwards (especially through the techniques known under the following names: polling of employees, systems for suggestions, "hot lines" in the corporation, meetings with the "bag breakfast" and meetings that "skip" levels of the organization).

An overcoming of communication barriers requires the relevant action of all participants in the communication process in accordance with their place, role and responsibilities for the operation of the communication process, i.e. its effects. It involves the application of selected methods and techniques and all other organizational measures that are necessary to achieve the goal: the elimination of communication barriers. It is particularly important that all activities (which are being taken in order to overcome communication barriers) must be adequate (to the needs of the given situation) and timely (taken and implemented at the time). This is because only in this way can achieve success and remove obstacles (barriers) of effective communication. Like any other activity (or action), an overcoming of communication barriers must have its feedback. Establishing an effective feedback implies (Ibid., p. 323): monitoring of (processes and effects), valorizing of effects (achieved with the anticipated- planned, desired), identification of aberration (deviation) and their causes, (re) action (taking of all necessary actions, including a redefinition of the principles, methods and techniques) that, finally lead to the elimination of communication barriers i.e. reduce them within tolerance limits.

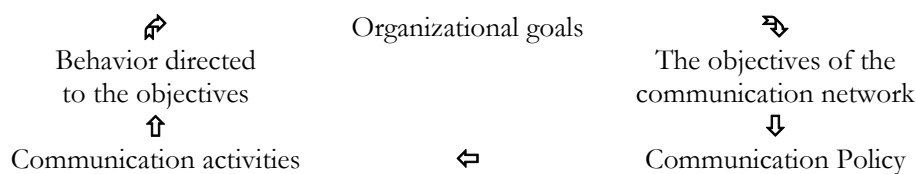
4. Improving a communication system of management

The system of communication in organizations should be continuously improved. Only this way can create relevant (communication) presumptions as to increase the efficiency of all members of the organization and of organization as a whole, which, ultimately, allows (ie - should allow) timely and successful organizations' providing adequate responses to the

challenges of its (more and more turbulent and dynamic) environment. Improving the system of communication in organizations include: a) communication audit and b) the improvement of communication (sub) system of the organization. Communication audit is a very efficient way to create conditions for increasing the efficiency of communication, or communicating. It is aimed at (re)-examination of existing communication policies, networks and activities. The purpose of (re)-examination of communication policy, commu-

nication networks and communication activities is not only gaining knowledge that can be used to improve (all relevant) performances that may contribute to increasing the efficiency of communication but also the creation of more adequate assumptions of effective (efficient) functioning of the organization as a whole . Because all processes in organizations, as well as interactions of the organization and its environment take place with the "assistance" of communication system and communication processes.

Figure 3: Relationship between communication factors and organizational goals
(Wehrich, H., Koontz, H. 1993, p. 552)



Communication audit is a tool for the creation of all relevant communication assumptions that are in operation – as for the effectiveness of communication itself so for the achievement of organizational objectives. Special attention must be devoted to auditing of the communication network, i.e. its (sub) systems, and in particular to regulatory or network-oriented tasks that relate to policies, procedures, rules and relationships between subordinates and superiors and to innovative networks that include problem solving, meetings and suggested modifications. Integrative networks that consist of commendations, awards, promotions, and those facts that connect corporate objectives and personal needs. Information and instruction network involving the company's publications, newsletters, board of directors and rumors. Successful communication is largely conditioned by the performances of the communication system (that is, simultaneously, a subsystem of the organization). That is why we need an ongoing critical questioning of the characteristics of the existing communication system. This is necessary not only for obtaining relevant information about the existing problems which should be promptly eliminated (solved), but also for undertaking all necessary actions to improve each of its performance (structural and functional).

Success in the field of improving the communication system is supposed to undertake

the many and varied, interrelated and conditioned activities. Their implementation should be done in several steps or phases, such as follows (Loncarevic et al Ibid, p. 325):

- analyzing the current situation (communication system as a subsystem of the organization),
- identification of problems and evaluation of the influence degree of relevant issues to the effects of communication and effects in the functioning of the organization; diagnosing the cause of the problem, review the goals of communication systems, communication policies, rules, procedures and techniques of communication,
- review of the constitution of organizational communication system (the position and role of all stakeholders of communication in the organization, performance and communication technologies and techniques, structure and function of communication networks),
- adjustment (or redefining or innovation) of goals, policies, strategies, programs, plans, procedures and rules of communication with the objectives, policies, strategies, plans, procedures and rules of the organization as a whole,
- formulation of possible solutions to redesign the communication system (such as sub-organizations), estimation of the effects of potential applications of possible solutions,
- selection (choice of) optimal solutions (the best in the given circumstances),

- implementation of the selected solutions: (re)-designing of organizational constitution and communication system and
- controlling of the communication process and the relevant results, the establishment of effective feedback.

5. Conclusion

In every organization, communication must occupy a central position, because the leadership, goals, plans and development of an organization are being determined by the quality of communication. Managers must pay particular attention to the process of communication and thereby to use a number of communication techniques in order to achieve a successful mutual understanding. A feedback loop has an exceptional role in the phase of the communication process, because it takes place between manager and employee. Also bear in mind that both verbal and nonverbal form of communication is being used equally, and therefore special attention must be paid to the proper using of the same ones.

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Zaključak : U svakoj organizaciji komunikacija mora zauzimati centralno mjesto, jer su vođenje, ciljevi, planovi i razvoj jedne organizacije određeni kvalitetom komunikacije. Menadžeri moraju obratiti posebnu pozornost na proces komunikacije i pritom koristiti brojne komunikacijske tehnike u cilju uspješnijeg međusobnog razumijevanja. Povratna sprega ima izuzetnu ulogu u fazi procesa komunikacije, jer se odvija na relaciji menadžer-izvršitelj. Također treba imati u vidu da se i verbalni i neverbalni oblik komunikacije podjednako koriste, pa se stoga mora obratiti posebna pažnja na adekvatnu uporabu istih.