

# Effects of Communication Strategies on Organizational Performance: A Case Study of Kenya Ports Authority

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## Abstract

Existing literature revealed a gap in the empirical knowledge in respect of communication strategies that impact perceived organization performance. The present research empirically evaluated four communication strategies that could have impacted organizational performance namely; open door policy, group effort, organization structure and formal channels of communication. The researcher carried out an investigation on the relationship between communication strategies and organizational performance. The research project's main objective was to investigate the effects of communication strategies on organizational performance at Kenya Ports Authority. It also sought to find out how open door policy of communication influences organizational performance, to assess how group effort enhances organizational performance, to analyze how organizational structure can improve organizational performance and to identify the roles of formal communication channels on organizational performance. The main conclusion drawn from the research was communication strategies play a central role in high-performance.

**Keywords:** communication strategies, organizational performance, Kenya Ports Authority (KPA)

## 1. Introduction

“Communication refers to the process by which information is transmitted and understood between two or more people” (McShane & Von Glinow, 2005). Communication is an integral part of the organizational process as the flow of communication up and down the organizational hierarchy has its effects on efficiency, decision-making and morale of organizations. Thus, effective communication is regarded as the foundation of organizations today (Witherspoon, 1997; Von Krogh et al., 2000). Communication strategies are common in the business world, where they are used as part of a business plan, detailing how to communicate with various groups of people. A single business may have multiple strategies for different categories of people, such as clients, investors, competitors or employees. Some companies even have an internal communication strategy for communicating within the business itself. These strategies are used to determine things like what information to share with the clients or investors, as well as how that information should be presented.

Communication strategy articulates, explains and promotes a vision and a set of well-defined goals. It creates a consistent, unified “voice” that links diverse activities and goals in a way that appeals to your partners, or stakeholders. According to the World Bank, 2001, “ultimate goal of communication is to facilitate a change in behavior to achieve management objectives”. Communication is both a symptom and a cause of organization performance problems. Poorly designed organizations, ineffective processes, bureaucratic systems, unaligned rewards, unclear customer/partner focus, fuzzy visions, values, and purpose, unskilled team leaders and members, cluttered goals and priorities, low trust levels, and weak measurements and feedback loops all cause communication problems.

### 1.1 Profile of Kenya Ports Authority (KPA)

Kenya Ports Authority (KPA) is a state corporation under the Ministry of Transport established in 1978 through an Act of Parliament and is located in Mombasa County with the responsibility to maintain, operate, improve and regulate all scheduled seaports on the Indian Ocean coastline of Kenya, including principally Kilindini Harbour at Mombasa. The Corporate Affairs department is charged to achieve KPA's goals and quality objectives through planned and sustained communication with a view to developing and maintaining positive relations with relevant publics.

Functions of the Corporate Affairs Department include:-

- Relating with the media and other selected channels to achieve desirable publicity
- Facilitating communication amongst internal and external publics
- Ensuring effective Issue management by constantly addressing matters of public concern in relation to KPA roles and service delivery
- Planning active participation in community activities aimed at improving standards of living and enhancing a positive perception of KPA
- To coordinate corporate functions including exhibitions and trade fairs to enhance stakeholder relations

The Corporate Affairs Quality objectives are:-

- To ensure constant availability and distribution of electronic and print formatted information to the public
- To sustain at least 60% positive media relations
- To create good relations with the community by supporting at least two development projects in every financial year.

## 2. Literature Review

A strategy is by definition the starting point for corporate behavior. It expresses an organization's ambitions, sets out its chosen direction and describes the principal initiatives and projects necessary to achieve its mission. Communication strategies are common in the business world, where they are used as part of a business plan, detailing how to communicate with various groups of people. A single business may have multiple strategies for different categories of people, such as clients, investors, competitors or employees. Some companies even have an internal communication strategy for communicating within the business itself. These strategies are used to determine things like what information to share with the clients or investors, as well as how that information should be presented.

Communication strategies, systems, and practices do play a central role in high-performance. Information, understanding, and knowledge are the lifeblood of the organizational body. A thoughtful and comprehensive communication strategy is a vital component to any successful change and improvement.

Communication strategy is conceptualized as a functional strategy, providing focus and direction to the Communication function. It is facilitated by a practitioner performing the role of the communication manager at the functional organizational level. It is the outcome of a strategic thinking process by senior communication practitioners and top managers, taking strategic decisions on the management of, and the communication with, strategic stakeholders.

Strategic communication is an intentional process of presenting ideas in a clear, concise, and persuasive way. A manager must make an intentional effort to master communication skills and use them strategically, that is, consistently with the organization's values, mission, and strategy.

### 2.1 Organizational Performance

Communication is an integral component of any performance improvement approach. Organizations eager to accomplish strategic goals establish well defined communication strategies. A well-defined strategy is one that engages employees and aligns with the organization's business goals.

According to Richard et al. (2009) organizational performance encompasses three specific areas of firm outcomes: financial performance (profits, return on assets, return on investment); product market performance (sales, market share) and shareholder return (total shareholder return, economic value added).

Ricardo (2001) argued that performance measures could include result-oriented behavior criterion-based and relative normative measures, education and training, concepts and instruments, including management development and leadership training, which were the necessary building skills and attitudes of performance management. Hence, from the above literature review, the term "performance" should be broader based which include effectiveness, efficiency, economy, quality, consistency behavior and normative measures (Ricardo, 2001).

Communication strategies, systems, and practices do play a central role in high-performance. Information, understanding, and knowledge are the lifeblood of the organizational body. A thoughtful and comprehensive communication strategy is a vital component to any successful change and improvement. The communication strategy sets the tone and direction of improvement efforts. Effective strategy links to organizational goals. Aligned strategies tend to enhance organizational performance. Communication strategies influence the energy levels for change and improvement. Strong communications keep everyone focused on goals and priorities while providing feedback on progress. Effective communication strategies, systems, and practices have a huge and direct effect on organization learning and innovation.

### 2.2 Organization Structure

For Thompson (1965), organizational structure is the organization's internal pattern of relationships, authority, and communication. Similarly, Goldhaber et al, (1984), define organizational structure as "the network of relationships and roles existing throughout the organization". Organisation structure may be defined as the established pattern of relationships among the components of the organization. Organisation structure in this sense refers to the network of relationships among individuals and positions in an organization. Jennifer and Gareth have defined organization structure as the formal system of task and reporting relationships that controls, coordinates and motivates employees so that they cooperate and work together to achieve an organization's goals. In fact organization structure describes the organization framework.

The organization's authority structure has a similar influence on communication effectiveness. Status and power difference in the organization help determine who will communicate comfortably with whom. The content and accuracy of the communication will also be affected by authority differences. For example, conversation

between a company president and a clerical worker may well be characterized by somewhat strained politeness. Organizational structure has a direct impact on the communication within the organization. The way the hierarchy of an organization is designed either invites feedback, open-mindedness and effective communication or stifles, controls and restricts the ability of subordinates to freely express thoughts, feelings and ideas.

Organizational structure influences communication patterns within an organization. Communications flow in three directions—downward, upward, and horizontally. Downward communication consists of policies, rules, and procedures that flow from top administration to lower levels. Upward communication consists of the flow of performance reports, grievances, and other information from lower to higher levels. Horizontal communication is essentially coordinative and occurs between departments or divisions on the same level. External communication flows between employees inside the organization and a variety of stakeholders outside the organization.

### 2.3 Group Effort

According to Wood (2003) a group must have, “three or more people who interact over time, depend on each other, and follow shared rules of conduct to reach a common goal”. Gerald Wilson defines a group as, “a collection of three or more individuals who interact about some common problem or interdependent goal and can exert mutual influence over one another”.

Though a manager must implement organizational communication policies, employees should be involved in the process. Issues such as conflict resolution measures and communication delivery methods directly affect everyone within the firm. As a result, employee input and consensus to a certain degree will go a long way to sure that the population is inspired by and satisfied with the way communication in delivered and received throughout the office.

## 3. Research Design and Methodology

This chapter gives an introduction to the methodology that was adopted and used in the study. The study focused on the effects of communication strategies on organizational performance at Kenya Ports Authority. A descriptive research design was used in this study. The target population consisted of 200 employees derived from the corporate service division specifically the corporate development department. From the questionnaires distributed 132 employees responded.

### 3.1 Impact of organization structure on organizational performance

The table below shows the impact of organizational structure on organizational performance

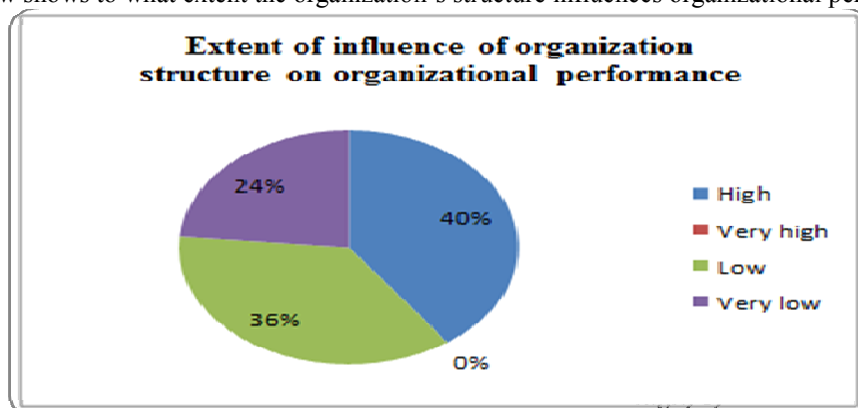
**Table 1: Impact of organization structure on organizational performance**

Extent of impact of organization structure on organizational performance	Frequency	Percent (%)
YES	73	55%
NO	59	45%
<b>TOTAL</b>	<b>132</b>	<b>100%</b>

The respondents 55% agreed that there is a significant impact of KPA’s organization structure on the organizational performance while 59 respondents 45% believe that there is no impact of the organization structure on organizational performance.

### 3.2 Extent of KPA organization’s structure influence on organizational performance

The figure below shows to what extent the organization’s structure influences organizational performance.



**Figure 2: Extent of KPA organization’s structure influence on organizational performance**

From the above figure, 40% of respondents believed that there is a high influence of the organization’s structure on performance levels. There were also a big number of the respondents (36%) who believed that the extent of influence by the organizational structure is low. Those who agreed believe its impact on organizational

performance as it influences the communication process within the organization and this in turn impacts on decision making, problem solving as some of the issues undergo a bureaucratic process and this slows down the communication process.

### 3.3 Rate of influence of Group Effort on organizational performance

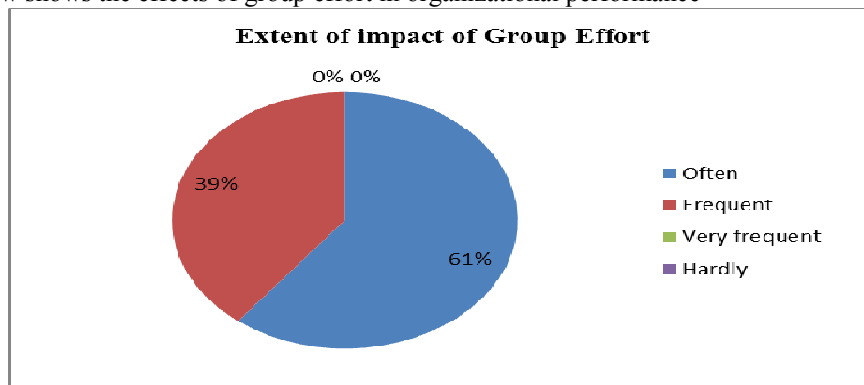
**Table 2: Rate of influence of group effort enhancement on organizational performance**

Number of respondents who accepted that group effort enhances organizational performance	Frequency	Percent (%)
YES	87	66%
NO	45	34%
<b>TOTAL</b>	<b>132</b>	<b>100%</b>

66% agreed that group effort as a communication strategy enhances organizational performance in KPA. This is shown with the collective assignments given by section heads and managers to their subordinates to carry out their tasks.

### 3.4 Effect of group effort on organizational performance at KPA

The figure below shows the effects of group effort in organizational performance



**Figure 3: Extent of impact of group effort in performance at KPA**

The data analyzed clearly indicates that organizational performance at KPA is greatly enhanced by group effort. Group effort allows for the employees to come together to work towards a common good by communicating their work details among each other for the efficiency and effectiveness of carrying out their work.

## 4. Conclusion

The findings of this research should be important both on the theoretical level and practical level. Communication strategies are common in the business world, where they are used as part of a business' plan, detailing how to communicate with various groups of people. A single business may have multiple strategies for different categories of people, such as clients, investors, competitors, or employees. Some companies even have an internal communication strategy for communicating within the business itself. These strategies are used to determine things like what information to share with the clients or investors, as well as how that information should be presented.

The research concluded that for any organizational performance to be effective, the communication strategies applied should be;-

1. **Open-** An open communication environment is one in which all members of the organization feel free to share feedback, ideas and even criticism at every level.
2. **Inclusive-** is one in which explicit steps are taken to ensure that all employees feel they are involved in decisions that affect their day-to-day work. Organizations with a secretive communication environment shut people out, which can stifle involvement and result in lost ideas and opportunities. Employee involvement is a key factor that affects employee satisfaction and success.
3. **Two-way-** Communication should never be one-way--either from the top-down or the bottom-up. Effective communication strategies involve two-way communication, or conversations, between members of the organization. Companies whose managers successfully engage employees in conversations about their work, their ideas and their perspectives on issues related to products, services, customers and the business environment develop a culture of inclusiveness that generates results.
4. **Result driven-** Business communication should be results-driven and strategically focused on achieving measurable results. Organizations need to think about what employees need to know to do their jobs effectively, to interact with customers effectively and to serve as ambassadors outside of the organization.
5. **Multi-channeled-** Effective organizational communicators know that messages need to be delivered multiple times in multiple ways to have the most impact. Employee communication needs and preferences differ,

different messages require different methods and busy business environments can mean that messages get lost. Using multiple channels to communicate with various audiences will increase the odds that communications are received and understood.

6. Organizations should try to incorporate effective communication strategies that will help enhance the organizational performance

## 5. Recommendations

1. For effective communication to take place, the barriers to communication must be reduced since they cannot be completely removed. In general, communication should flow in all directions in the organization, the clarity of language used should be concise and the person receiving the contents of the communication should pay attention.

2. Ownership of efforts by top management and acceptance by middle managers and operatives will motivate employees to perform better.

3. Feedback is an essential element in effective communication; hence a comprehensive feedback system of communication should be adopted in Kenya Ports Authority.

4. There is a need for a communication policy as it has monitoring and evaluation indicators.

5. To effectively train the staff more especially on Information Technology as it plays a major role at Kenya Ports Authority in the communication process hence performance is improved.

6. Kenya Ports Authority should liaise with world leading companies and consultants and experts in other service industries in order to improve on its performance.

7. Kenya Ports Authority should improve cohesiveness among members of the group in order to be effective in performance.

8. Team building activities should be initiated to help build on employee trust, cohesion and friendship. This will go a long way in organizational performance as employees will learn to work together to achieve a common goal.

### 5.1 Suggestions for further Study

The study will help draw more on attention of future researchers towards this important field. This research will help contribute to the existing literature on communication strategies that influence organizational performance. Moreover, further research should be carried out on the communication strategies employed by service industries in improving organizational performance.

Some researchers could be done using different indicators for key variables. This could help find out whether the analysis is indicator dependent.

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