



**The role of interpersonal communications in  
managing South African – German  
business relationships**

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**Master of Technology: Business Administration**  
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Bachelor of Arts (B.A.)  
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Date

## Declaration Form

This dissertation is submitted in fulfilment of the requirements for the degree of Master of Technology: Business Administration

I confirm that:

- This dissertation represents my own work;
- The contribution of any supervisors and others to the research and to the dissertation was consistent with normal supervisory practice;
- This work has not previously been accepted in substance for any degree and is not concurrently submitted in candidature for any degree.

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## **Abstract**

Communication is the basis of all relationships. Be it personal or professional, people cannot do without healthy and effective communication especially, when it comes to business. Good communication skills are of vital importance. While most countries do speak English, which is the globally accepted 'business' language, there are still big challenges with language as well as cultural differences.

This study aimed to investigate the role of interpersonal communications in managing South African – German business relationships. The objective of this study was, firstly, to identify which communication channels South African business organizations use to communicate with German businesses and, secondly, to explore the associated problems experienced by South African business people. Based on the investigated problems, recommendations were provided on the technical level and the personal level as to how communication can be made more effective to improve South African and German business relationships.

In order to accomplish the objectives of the study, a quantitative study was conducted by means of self-administered e-mail based questionnaires. In addition, a qualitative study was conducted using self-administered interviews based on the quantitative results of this study. In both cases, the respondents were purposively selected. Conclusions and recommendations were thereafter drawn from the findings of the study in comparison with the literature review.

The results showed that effective communication in business is not as easy as it often seems. There are problems in business communications between South African and German business partners mainly based on the cultural differences.

The report recommended that companies should invest more in training and workshops in order to help communication partners to understand cultures abroad and to understand the communication habits of overseas business people.

## **Dedication**

I dedicate this study to my supportive family – my parents Albert and Lydia Scheming and my little sister Annette Scheming – who have encouraged me to complete the Masters at every stage and always believed in me.

Thank you very much!

“When the trust account is high,  
communication is easy, instant, and effective”.

**Stephen R. Covey**

“The most important thing in communication is hearing what isn't said”.

**Peter F. Drucker**

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I especially acknowledge the support, help, guidance and assistance given by the following people, without whom this research study would not have stayed on course and been completed.

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## List of abbreviations

<b>CRM</b>	Customer Relationship Management
<b>CMO</b>	Chief Marketing Officer
<b>EDI</b>	Electronic Data Interchange
<b>N/a</b>	Not available
<b>SPSS</b>	Statistical Package for Social Sciences
<b>IT</b>	Information Technology

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# CHAPTER 1

## INTRODUCTION

### 1.1 Introduction

This chapter will provide a brief background to the study and will discuss the research problem of the study, the aim, the objectives and the rationale of the study, its research methodology and its limitations. It will also provide an overview of the different chapters in this study.

### 1.2 Background of this study

“Business is the organized effort of individuals to produce and sell, for a profit, the goods and services that satisfy society needs” (Pride, Hughes and Kapoor, 2011: 10). Businesses understand the profit impact of having a loyal customer base (Eisingerich and Bell, 2007: 253). On the basis of the importance of customers, Girishankar (2000: 65) states that companies want Customer Relationship Management (CRM) to manage business relationships. Managing business relationships is a key ingredient of business success – across all industries (Limehouse, 1999: 100). According to Wang and Ji (2010: 173), business expectations have become a primary concern for organisations, especially those who trade in the global market. Hemamalini (2002: 3) states that besides changing market conditions and new global competitors, the businesses themselves are changing, too. The challenges of rapid innovation, shrinking product life cycles, falling prices and global competition make it difficult for companies to focus on managing business relationships.

Capturing and managing the voice of a global customer is particularly complex (Todd, 2001: 58). Insufficient understanding of business expectations can lead to serious problems, or at best, to superficial changes within the organizational practice. The CMO (Chief Marketing Officer) Council conducted a study in 2007 and 2008 based on more than 450 global marketers conducted in 2007 and 2008.

The study found that only one-third of them have strategies in place to win back lost business, and only half have strategies to further penetrate key account relationships. Furthermore, according to the study, 51.9% of the organisations said they have too little knowledge of the industry when it comes to demographic, behavioural and psychographic data (Maddox, 2008: 44). According to Jordan and Eldredge (2003: 44), it takes more than just technology to maintain business relationships. It takes improved business processes and a method for providing the information that is to be needed in business in an efficient and effective manner, and that means a proper interpersonal business communication between organizations is needed (Kaufman, 2001: 36). The way business partners communicate with each other can either build or destroy relationships and, therefore, has a direct influence on the effectiveness of business (Bambacas and Patrickson, 2008: 53).

Ridilla (2008: 70) explains that there are three separate forms of business communications that are critical to keep a positive working relationship between businesses. These are body language, verbal aspects and documentation.

The Manufacturers' Agents National Association (MANA) agency found that 95 percent of all business problems in 2006 evolved from a lack of communication which shows how important communication is to be successful in business (A perfect principal doubleheader, 2006: 47).

### **1.3 Definition of terms**

It is necessary to define the main terms used in this research in order to facilitate understanding. The main topic of this study refers to interpersonal communication and business relationships.

#### **Business relationships**

Reber (cited in Ryecroft and Moxon, 2001: 1) describes relationships as the following: "A basic long lasting relationship founded upon strong emotional ties and sense of commitment to the other person". Griffin (2000) affirms that having a good personal relationship is a critical factor in business success. Furthermore, Griffin adds that no real relationship is built on a handshake, a smile or a witty story, the only way to build good relationships is to make and keep promises.

#### **Interpersonal Communication**

Communication is a process of creating meaning between people through the expression and interpretation of messages (Cleary, 2008: 2). Interpersonal communication is a communication between people and can be between two people, between individuals in a group or between groups of people (Erasmus, Bowler and Goliath, 1998: 5). Devito (cited in Bambacas and Patrickson, 2008: 52) claims that interpersonal communication skills that individuals have contributed to communication effectiveness. Van Staden, Marx and Erasmus-Kritzinger (2007: 25) stress the importance of interpersonal communication by saying: "Remember that good interpersonal communication and relationships are essential for business success".

#### **1.4 Statement of the problem**

The most difficult challenge for organizations today is globalization (Capon and Senn, 2010: 32). Attracting, retaining, and growing global business is a difficult task. Ten years of research show that a few firms have successfully built global business relationships, but for various reasons, many more have failed (Capon and Senn, 2010: 34). Delving further into the field of business relationship management, Kumar, Sunder and Ramaseshan (2011: 24) note that, historically, many business relationship strategies have been developed as a localized concept. If this is the case, firms have to think about new strategies and ways of how to communicate best with global companies (Kumar, Sunder and Ramaseshan, 2011: 24).

As a company's representative and communicator, it is very important how business people communicate with organizations; in fact, relationships develop when effective communication is established (Evenson, 2010: 42). Hasouneh and Algeed (2010: 48) observe that companies are no longer satisfied with just talking to their business partners, they would much rather have a dialogue with them in order to get to know them better and build lasting business relationships which means that an increasing amount of communication will take place. Koontz and Weihrich (cited in Charvatova 2009: 473) state that communication is a transfer of information from the sender to the recipient, provided that the recipient understands the information. Being an effective communicator is not as easy as it may appear (Hall, 2004: 41). Albrecht (1983: 70) states that many interpersonal clashes and communication problems attributed to be personality conflicts actually come from differences in thinking. Effective interpersonal communication requires careful listening and watching to detect how a person constructs thoughts. Modern personal communication instruments like faxing, e-mailing and others make it possible nowadays to manage information quickly and reliably all over the world (Charvatova, 2009: 475).

However, communication barriers such as different technology standards in different countries, different time zones and different languages make interpersonal communication often difficult for multinationals.

### **1.5 The aim and the objectives of the study**

“Business partners are real people – with changing and often contradictory needs and desires” (Tavassoli, 2011: 57). Therefore, it is important for organizations to understand the business needs and desires of their business partners, and through using the right communication channels, to avoid misunderstandings and thereby establish an effective and efficient communication basis.

#### **1.5.1 The aim of the study**

The aim of this study is thus to explore the role of interpersonal communication amongst first tier suppliers and customers of companies based in South Africa that communicate with German business partners. Based on this aim, the objectives of the study are presented below.

#### **1.5.2 The objectives of the study**

To achieve the aim, the objectives of the study are the following:

**Objective one** – To examine and identify the interpersonal communication channels used by organizations in South Africa to communicate with their domestic partners and German business partners;

**Objective two** – To identify any interpersonal communication problems experienced by South African organizations with German background in managing their business; and

**Objective three** – To identify changes in interpersonal communications needed to improve business relationships between such German organizations and their first tier customers and suppliers.

### **1.6 Rationale for this study**

This study will show the importance of interpersonal communications in managing South African – German business relationships. It will investigate the interpersonal communication channels used by South African organizations to manage their German business relationships with the first tier of the supply chain. Considering globalization and changing business environment, this study will investigate differences and challenges in interpersonal communication in the building of South African – German business relationships to improve business effectiveness and growth.

The information obtained from the study could be an additional support for South African organizations to identify their vulnerabilities in interpersonal communications with German business partners whereby measures can be taken to enhance their business relationships.

### **1.7 Research methodology**

The research will use the survey approach, gathering data from a number of respondents within a restricted time frame. An exploratory research design with quantitative and qualitative methods will be used in this study.

The target population for this study refers to companies based in South Africa that communicate with German companies.

The sampling frame is based on the South African – German Chamber of Commerce and Industry which provided a list of about 500 potential organizations for the research. A questionnaire was used as a data collection instrument. The questions are based on the literature review. The questionnaire was pre-tested and a pilot study was conducted.

The data collection method was via e-mail. The companies were given a certain period of time to return the completed questionnaires. A follow up e-mail was sent if the response was slow. The collected data was analyzed and evaluated with the Statistical Package for Social Sciences (SPSS) version 19. In addition, to understand and interpret the findings and results better, a qualitative method was then used. According to Mc Daniel and Gates (1998: 27), exploratory research using a qualitative method is actually used to define the exact nature of the problem and to gain a better understanding of the environment within which the problem has occurred. In this case, the researcher wanted to find out why the study has certain results and where the problems occur or where the potential to improve the situation is. Therefore, in-depth interviews were held to discuss the findings with a smaller sample of the survey respondents.

### **1.8 Delimitations of this study**

The geographical area of the study is South Africa. The study was focused on companies which are based in South Africa and communicate with German companies on business issues. The German Chamber of Commerce and Industry provided a list and contact details of 500 companies which are settled in South Africa.

Only the companies of that list they are communicating with Germany and the interpersonal communication aspects which effect the communication between German – South African businesses are relevant to the study. Moreover, only the first tier suppliers and customers of a company's supply chain are significant.

## **1.9 Outline of chapters**

This study consists of five chapters. These chapters cover the following areas:

### **Chapter one – Introduction**

This chapter includes the background of the study, statement of the problem and the aim and objectives of the study.

### **Chapter two – Review of the Literature**

This chapter contains, firstly, the background and definition of building business relationships. Then, the factors required for building strong and reliable business relationships are discussed.

The second part of this chapter includes business communication and its importance and purpose for organizations. In particular, interpersonal communication and the related communication problems and barriers are discussed in this chapter.

### **Chapter three – Research design and methodology**

This chapter describes the different types of research and the methodology used in this study.

#### **Chapter four – Research findings and discussion**

This chapter includes the data collection and evaluation methods of the performed research. The answers to the research questions will be presented and discussed in this chapter.

#### **Chapter five – Conclusions and recommendations**

The last chapter contains the theoretical and practical implications. A summary conclusion including recommendations is also a part of this chapter.

#### **1.10 Conclusion**

This chapter has provided a brief background to this study. The research problem has been described and the aims and objectives of this study have been explained. The next chapter will present the review of the literature in more detail and cover the theme of this study.

# CHAPTER 2

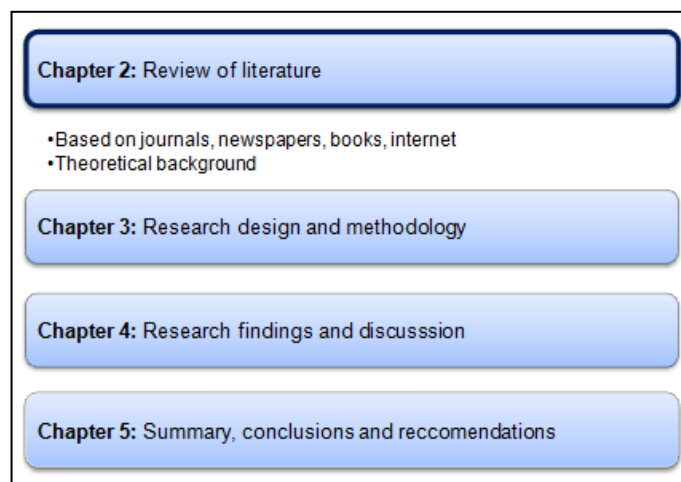
## COMMUNICATION AND BUSINESS RELATIONSHIPS

### 2.1 Introduction

This chapter presents an overview of business relationships and communication and how they are related to each other. The chapter starts with the definition and background of relationships. What strong business relationships require and how important global business relationships are nowadays in business will be discussed in detail. The second part in this chapter refers to communication. A definition of communication and some basic principles of communication will be presented. Interpersonal communication and communication barriers will be discussed in this chapter.

Figure 2.1 shows the flow and the structure of this research study.

**Figure 2.1: Flow of the research**



## **2.2 Defining relationships**

Jenkins (2004: 9) describes the word relationship as some sort of close association between people. Relationships can be built and maintained in life, job or business (Donner, 2011: 4). The relationships discussed in this study refer to external relationships in business, that is, the contact with people such as suppliers and customers from outside the organization (Jenkins, 2004: 9).

## **2.3 The background to building business relationships**

Relationships are a critical element of success in business (Flahardy, 2011: n/a). According to Zhu, Bhat and Nel (2005: 63), because of the importance of building business relationships, it is no wonder that this topic attracts so much study and speculation. Acuff and Wood (2004: 4) note that positive relationships with customers, suppliers and employees are the basic unit of every business and without positive relationships a business may not grow.

Over the past few decades, cross border business has become very important. To create value for organisations across cultures, companies have challenges regarding the global economy – macro and micro factors (Nazer and Iqbal, 2009: 1). Macro factors include, for example, corporate culture and country-specific strategies, trade barriers and government regulations. Micro factors mean to build relationships and include, for example, contact via direct mail or e-mail, personalized pricing and loyalty programmes.

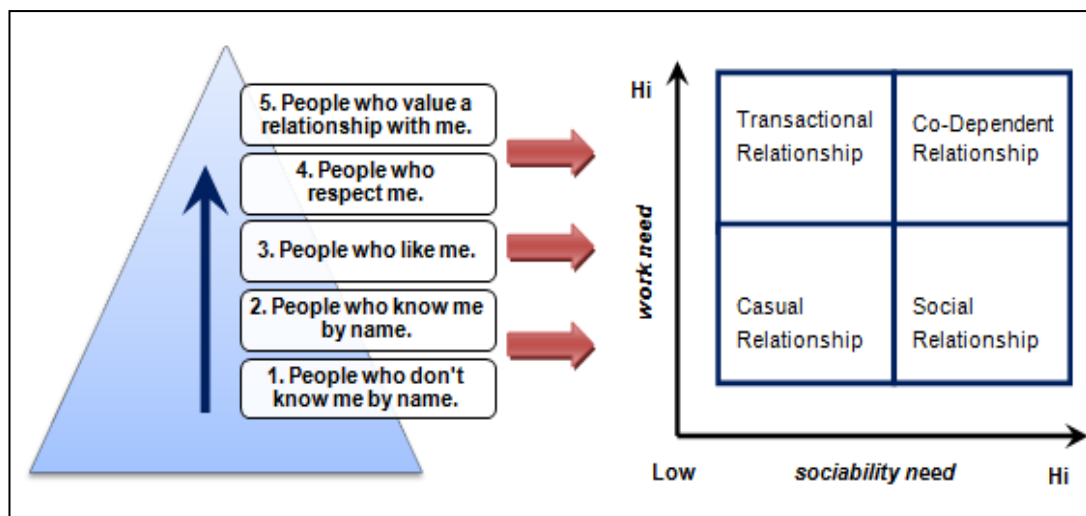
In relation to business relationships, Todd (2001: 58) claims that business relationships – especially global relationships – do not work without outstanding communication; which includes successful teamwork, manifesting itself in e-mail, late night conference calls, or global team meetings.

## 2.4 Climbing the relationship pyramid

Acuff and Wood (2004: 12) claim that people who like, trust and respect you will want to hear what you want to say and ultimately they buy more or accept more because they listen differently. But what makes for a good relationship? Acuff and Wood (2004: 12) explain it on the basis of the so named relationship pyramid, which reflects the five positive relationship levels you can have with another human being (Figure 2.2). The relationship with other people depends on which level the pyramid is reached. People who are able to move to the top of the pyramid think well of others and meet each new person with an open mind without any prejudices.

Dent (2008: 50) notes that personal or emotional attachment is particularly important in establishing quality relationships that are mutually beneficial.

**Figure 2.2: The relationship pyramid**



Source: Based on Acuff and Wood (2004: 12) and Dent (2008: 50)

Casual relationships result when there is a low work need and a low sociability need. Such relationships relate not to core activities and are, therefore, superficial (Dent, 2008: 50). Social relationships exist where there is a low work need and a high sociability need.

The main motivation for the relationship is the emotional connection which indicates personal abilities and social skills (Kim, 2011: 162). Transactional relationships contain high work need and a low sociability need. Those professional relationships are necessary to get a job done and include planning and understanding the motivation, establishing goals and gaining the vital skills to move ahead (Beagrie, 2004: 29). Co-dependent relationships require a high work need and a high sociability need. This kind of relationship has the highest potential of being effective and efficient in business because it characterises relationships with people who respect each other and, enjoy sharing ideas, knowledge and experience (Dent, 2008: 50). In relation to Figure 2.2 it can be said that, as more of the peak of the pyramid is reached, the Co-dependent relationship is also achieved.

## **2.5 Creating strong business relationships**

Bilanich (2011: n/a) states that strong mutually beneficial relationships are a crucial key to life and career success. According to Bilanich (2011: n/a), there are six ways to create strong relationships:

- Make a sincere effort to understand other people and make what is important to them important to you;
- Pay attention to the little things; because little things are big things in relationships;
- Keep your commitments;
- Be clear on what you want and expect from others;
- Be honest. Make sure your words and actions are congruent; and

- Apologize when you can't keep your commitment, but do not break your word regularly.

According to Lakey (cited in Sweeney, 2004: 56), building strong relationships require respect for the differences in roles, responsibilities and personal styles, understand others expectations and communicate regularly.

Johnson (2005: 43) remarks that like the days of old, personal relationships are returning and business partners are back to being names, not numbers. Management and leadership guru, Tom Peters (cited in Caldeira and Van der Does, 2006: 24), says the following about strong relationships: "Organizations are changing rapidly, building strong relationships is more important than ever before; the business world is changing so fundamentally that your success depends on it".

### **2.5.1 Building a positive relationship**

The most effective means of creating a positive relationship in business is using straight talk (Banker to banker, 2007: 26). Open communication between the business partners is a necessity to keep a positive relationship (Banker to banker, 2007: 27).

Romaniello (2004: 43) declares that closer and more frequent communication between the business partners fosters tighter and more successful relationships; however, both partners' support must encourage creating a positive relationship. Evenson (2010: 69) indicates building a positive relationship begins when your business partner gets a first impression of you and your company. Bilanich sets three things that should be done for building strong and positive relationships. First, get to know yourself, second, give with no expectation of return and, third, resolve conflict positively with minimal disruption to your relationships (Bilanich, 2009: n/a).

### **2.5.2 Do unexpected and unselfish actions**

Doing unexpected and unselfish actions support building strong relationships. White (2004: 12) defines unselfishness as the following: “Unselfishness places the need of others before own wants”.

Acting unselfish and doing more as business partners expect is a good way to build a better and stronger relationship (Acuff and Wood, 2004: 38).

### **2.5.3 Building strong relationships takes time**

According to Robinson (2005: 46), relationships are dynamic and not static, trust must constantly be reinforced and credibility must be maintained. It is vital to take the time to develop good business relationships, this does not happen overnight, but the investment of time and effort makes a tremendous difference in business success (Wolff, 2004: 49). Frazee (1997: 20) declares that especially building strong relationships with the contacts in other countries always take time to do it the right way. Wardell (2004: 288) states that building relationships with the right people is a process and can take even years.

The problem in that case is that building strong relationships take sometimes too long, often much longer than the business can afford (The importance of 'now', 2008: n/a).

## **2.6 Global business relationships**

In the era of growing globalization, the understanding of international trade is necessary to be successful for multinationals (Newlands and Hooper, 2009: 3). Businesses differ widely in their global activities and needs, depending on their level of experience, resources, and capabilities (Czinkota, Moffett and Ronkainen, 2010: 9).

Moreover, the authors state that global business consists of transactions that are devised and run across national borders to satisfy the objectives of companies and also contain the factors of risk and uncertainty (2008: 4). In the time of globalization, building international business relationships become very important (Heffernan, 2004: 114).

Furthermore, Heffernan (2004: 114) states that for strong global relationships trust is an essential component of success.

### **2.6.1 A good chance to grow**

In today's increasingly competitive and demanding international free market economy, businesses cannot succeed on their domestic cultural understanding skills alone (Becker, 2000: 2). Successful global organizations learn from any culture and language and do not limit themselves (Van Der Wall, 1998: 136). Compared to domestic business relationships, global business relationships are more complex, dynamic and difficult to sustain (Patrick, Ivy and Leslie, 2007: 160).

Apart from that, according to Jones (1996: 26), going global has advantages for companies such as business expansion and the creation of new jobs.

Stanek (2001: 66) comments that building global business relationships is a chance to understand and appreciate multi-cultural diversity, for instance, different languages, cultural biases and working perceptions.

### **2.6.2 Challenges in building global business relationships**

Magrath (1997: 46) indicates that to understand global business partners, their priorities and the knowledge of how to solve global business relationship problems, create challenges.

Korzeniowski (2001: 40) declares that “International connections are a challenge for every company”. Many large international companies are leery because they have concerns about their long-term viability (Korzeniowski, 2001: 40). Brown (cited in Handley, 2010: n/a) indicates that global businesses and their relationships can struggle if there is no central person or team deciding what skills are to be needed. Developing the right international objectives is a critical component to international operations and building efficient relationships; significant time and effort have to be invested into research and planning (Glover, 2001: 66).

### **2.6.2.1 New business expectations**

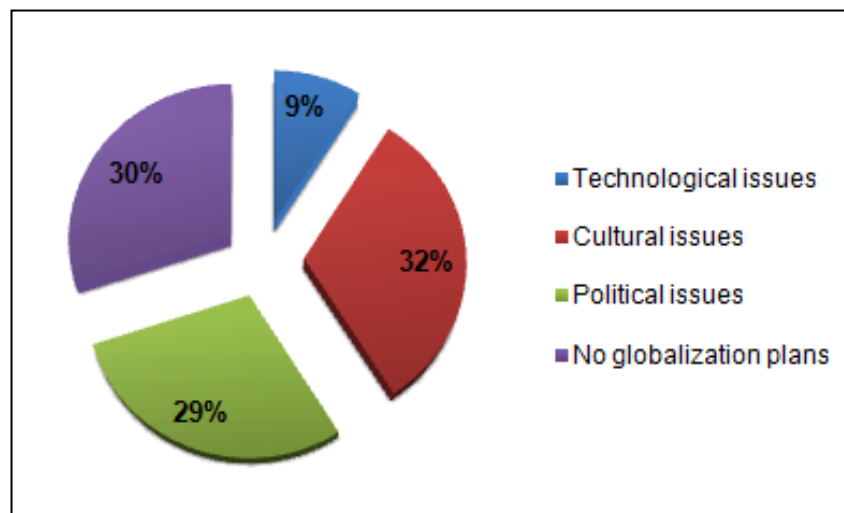
Going global for organizations are linked to new business expectations such as increase of knowledge, new innovations in technology and the capability to deal with a higher competition abroad (Jones, 2005: 32). Global markets are forcing business organizations to re-focus their strategies and operations. Therefore, organizations need to adopt an open system (Yasin, Czuchry, Martin and Feagins, 2000: 227).

An open system is effectiveness and externally oriented, an open system in comparison is efficiency and internally focused (Yasin et al., 2000: 227). Furthermore, Yasin et al. (2000: 227) indicate that open systems promote quality, efficiency, responsiveness, flexibility, customer orientation, and effectiveness. Company principles should be developed and implemented but they must be appropriate to conditions in the different countries in which they operate (Cattai, 2000: 19). History and cooperate culture, the nature of the business and its goals, geographical location and size, are all factors to be considered as they influence and hamper building strong and reliable global business relationships (Cattai, 2000: 19). For most international organizations, the success of overseas growth depends on selecting the right business partner (Matusky, 1993: 59).

### 2.6.2.2 Differences in culture, technology and communication

Worldwide cultures have different aspects such as attitude, conflict and negotiation, performance and compensation (Kanungo, 2006: 25). Culture impacts on behaviour, morale, and productivity at work, and includes values that influence company attitudes and actions (Harris, Moran and Moran, 2004: 4). According to Kanungo (2006: 26), different locations have different practices and different businesses have different cultures as well. The primary reason for global business failures is a lack of understanding of foreign cultures and the right communication is the cornerstone to make it better (Kanungo, 2006: 26). Apart from that, different technology standards in different countries can have an influence on building business relationships. Rishel and Burns (1997: 3) explain that strong relationships also depend on the technology standard used by organizations. A study has been done at the computer-world's premier 100 IT leaders conference in 2005 regarding the main obstacles to global strategies for IT companies (Figure 2.3).

**Figure 2.3: Obstacles for global strategies**



Source: Thibodeau (2005: 8)

The pie chart shows that over 40 percent of the IT companies from the study indicate cultural or technological issues as an obstacle for global strategies. This finding shows that organizations should definitely pay more attention to cultural issues.

## **2.7 Communication**

The following sub-sections of the literature review refers to communication.

### **2.7.1 Defining communication**

Communication is fundamental in daily life for everybody but what exactly is communication and what happens when people communicate (Samovar, Porter and McDaniel, 2008: 8)?

According to Littlejohn and Foss (2008: 3), communication is simply the transmission of information which is not necessarily received or understood. Skyttner (1998: 155) states the most common application of communication involves information in the form of acoustic or visual messages between people, but communication can also involve machines where the function is to command or control a process or to retrieve information.

The following definitions of communication refer to the communication between people. Liebler and McConell (2004: 496) describe communication as the exchange of ideas, or emotions between or among two or more people. Hamilton (2007: 5) defines communication as a process of people sharing thoughts, ideas, and feelings with each other in understandable ways. Barr (1991: 20) detects that effective communication between people is not a simple task and often needs preparation.

## 2.7.2 Communication in business

In the words of Ludlow (cited in Kushal, 2009: 2), “Business communication is a process of transfer of information and understanding between different parts of people of a business organization. It consists of various modes and media involved in communication interchanges”. According to Pierce (1996: 78) communication in business is traditionally filtered one way and includes thoughts such as “Tell workers only what they need to know” or “Avoid open forums” and this attitude drives communication underground and creates work force polarization. Communication is necessary in business and, if it is done effectively, it supports organizational growth, survival and future success (Barnes, 2002: 30). According to Namita (2009: 3) communication is the main ingredient of business because no business can grow and expand without proper communication channels. Ramsey (1994: 45) states that multinational organizations need effective communication if they want to be successful abroad. Figure 2.4 shows the general importance of communication in business.

**Figure 2.4: Importance of communication in business**



Source: iuvo Technologies (2010)

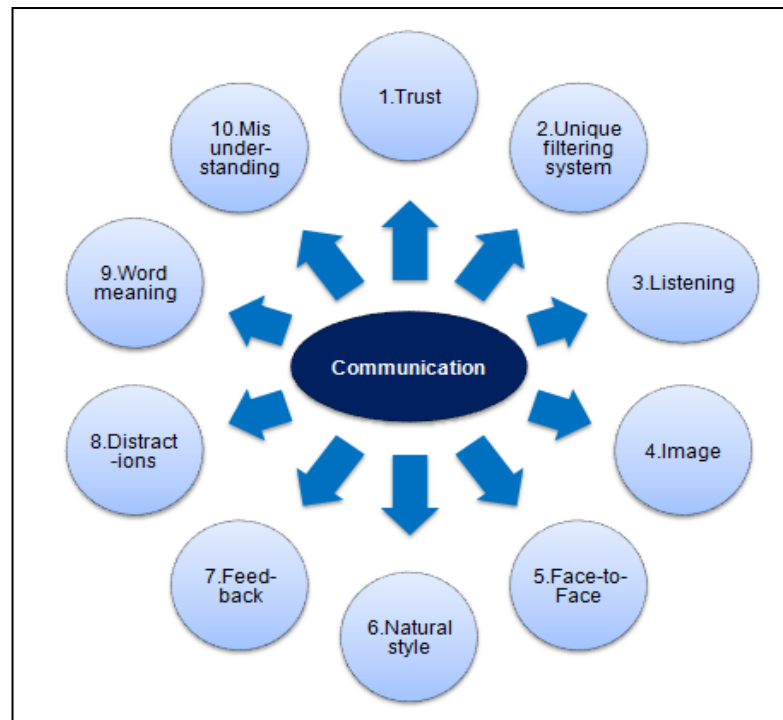
### **2.7.3 Purposes of communication**

Communication is a process and not an event. So communicate effectively, the purpose of the communication has to be understood (Pophal, 2001: 18). The purpose of communication should be designed with a goal to achieve a specific action or increasing awareness (Pophal, 2001: 18). According to Scully (1995: 37), the purpose of communication in relation to business is to provide the needed information to get the job done. Communication should be a positive activity that ultimately benefits the organization. The fundamental purpose of human communication is to create action on the part of the receiver but each human has a unique model of himself/herself and the world. Therefore, communication is not a simple situation of cause and effect – stimulation and response.

### **2.7.4 Basic principles of communication**

According to Bjorseth (2007: 52), there are ten main principles which are contained in a communication process. These principles help to understand the effect on success (Figure 2.5).

**Figure 2.5: Ten principles of communication**



**Source: Based on Bjorseth (2007: 52-55)**

Bjorseth (2007: 52-55) explains these ten principles as follows:

- Trust is the foundation that must be built before communication begins;
- Everyone has a unique filtering system, and many factors such as prejudices, lack of interest, jealousy or anger. The filter has to be cleaned regularly;
- Listening is the most important human relations skill;
- Image speaks long before people open their mouths and is based on the combination of appearance and behaviour;
- Face-to-face is the most powerful, effective form, because you can see the people you communicate with and observe their body language;
- People have natural styles. Each person has a unique behavioral style and different behavioral styles can cause conflicts;

- Feedback is necessary in communication because without a feedback people do not know if people have heard and understand the conversation;
- Distractions, such as illness, personal worries and anxieties, complicate the communication process;
- Words themselves have no meaning, people give the meaning which can be interpreted differently by people; and
- More people mean more possibilities for misunderstanding; as more people are involved in a conversation, there is more potential for misunderstanding.

Cleveland (2005: 30) declares an important principle of communication. If everybody knows what the mission is and when people are focused on compelling values then significant productivity and success tend to follow.

#### **2.7.4.1 Importance of effective communication**

Communication is the instrument by which organizations compete and survive in the global economy, especially as business environments become more complex. Therefore, understanding and using effective communication is an indispensable goal for all organizations (Spillan, Mino and Rowles, 2002: 96). According to Weiss (2008: 86), timely and effective communication is what often separates great from ordinary organizations.

#### **2.7.4.2 The communication process and its elements**

Communication is a process in which there is an exchange and progression of ideas. Every communication has an essential basis of elements (Kaul, 2004: 2). These elements are: message, sender, receiver, channel and feedback. Each element is important in the communication process.

A message is an idea composed of a set of symbols such as words or gestures. The sender in the communication process is the person who creates and shares a message.

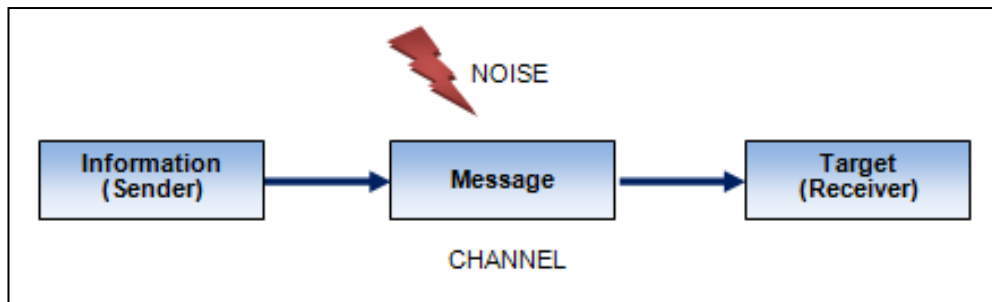
Someone who hears or reads and interprets a message is called the receiver in the communication process. The mode used to send a message, such as letters or face to face speaking, is called the channel of the communication process. The last element of the communication process is the feedback which is the response of a receiver to a message (Means, 2009: 4). Wood (2009: 16) states that there are different models of the communication process depending on the time and how the communication process has been understood. A communication model is a visual, simplified representation of complex relationships and explains the variations in communication performance (Pandey and Garnett, 2006: 37).

#### **2.7.4.3 The linear communication model**

The linear communication model was developed in 1949 by Claude E. Shannon, a bell telephone scientist, and Warren Weaver, a Sloan Cancer Research Foundation consultant, based telephone technology and how information passed through different channels (West and Turner, 2008: 12). They have characterized the linear model as a one-way process that transmits a message from a sender to a receiver using a certain channel which can be disturbed by physical, physiological or other noise (Figure 2.6).

Communication, especially in work interaction, has a tremendous influence on performance and refers to acquisition and offering information through certain communication channels. Therefore communication is actually not only a one-way process as the linear model describes it (Peltokorpi, 2006: 333).

**Figure 2.6: Linear communication model**



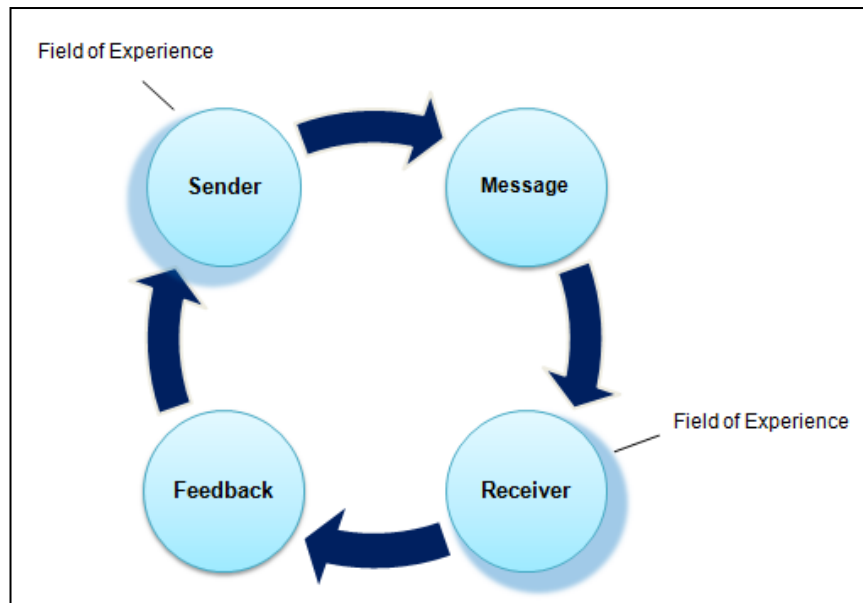
Source: Based on West and Turner (2008: 13).

#### **2.7.4.4 The interactive communication model**

Interactive communication models represent a process in which the receiver gives feedback and, therefore, responds to the message from the sender (Wood, 2009: 17). Furthermore, interactive models contain the fact that communication partners create and interpret messages within personal fields of experience (Wood, 2009: 18).

However, the model doesn't show the dynamism of communication which changes over time (Figure 2.7). Sellnow (2004: 12) states that the interactive model is more complete than the linear model but it is still limited. Ramirez and Qarry (2010: 54) maintain that communication means different things to different people and they apply communication in different ways and, therefore, learn from each and expand their knowledge. Therefore, every individual has a so-called field of experience that evolves with every communication process.

**Figure 2.7: Interactive communication model**



**Source: Based on Wood (2009: 18)**

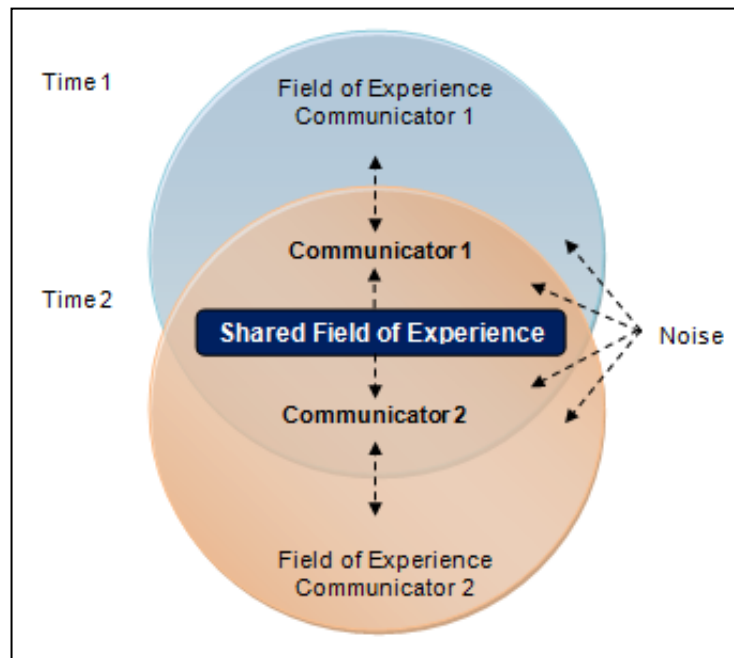
#### **2.7.4.5 The transactional model**

Sadri and Flammia (2011: 124) state that, in transactional models of communication, people send and receive messages simultaneously. Furthermore, Sadri and Flammia (2011: 124) claim factors such as different geographical regions, nations, and cultures as well as personal systems of communication related to friends, family and associates influence the communication. This model is the most suitable to describe and shows the communication process (Sellnow, 2004: 12).

Baskin and Bruno (1977: 65) indicate that the transactional communication models are not a static one way transmission. Individuals are involved simultaneously and their personality systems determine how they encode and decode the messages. The transactional model identifies that noise is present through the whole communication process.

Moreover, peoples' communication varies because each communicator's field of experience changes over time (Wood, 2009: 18). Figure 2.8 shows the context.

**Figure 2.8: Transactional communication model**



Source: Based on Wood (2009: 18)

### 2.7.5 Verbal and nonverbal communication

Kirst-Ashman and Hull (2008: 48) claim that human communication involves both verbal and nonverbal behaviour. Verbal behaviour is what is being said by people and nonverbal behaviour is the communication without words such as facial expressions, hand movements and eye contact (Kirst-Ashman and Hull, 2008: 48). Erasmus, Bowler and Goliath (2007: 8) claim that success in business often depends on a person's ability to communicate effectively and effective communication combines verbal and nonverbal communication.

Verbal communication contains oral and written communication between people and involves the use of words in speaking, writing, reading and listening (Erasmus, Albin and Donavon, 1998: 8). According to Hughes (2003: 21), the right word choice and clarity in verbal communication is important and requires attention to personal dynamics.

However, there is much more which has to be considered in verbal communication such as preparing thoughts, effective listening and building a personal connection while communicating with people (Hughes, 2003: 21).

According to Sri Jin and Sunitti (2009: 114), written communication in business includes all kinds of business writings such as letters, memoranda and reports. Moreover, Sri Jin and Sunitti describe four phases of the writing process which are planning, draft writing, revision and editing. Denny (2006: 67) affirms that written communication has a long-lasting effect and there is one simple rule that should be the basis of all written communication: "You must write not so that you can be understood, but so that you cannot possibly be misunderstood". Arp (2007: 100) explains that written communication is difficult because it contains a lower amount of information than any other form of communication; communication participants have body language, facial expressions, hand gestures and other forms which are often too complicated to express in words.

Oral communication skills are required as written skills in business because a large part of an organization's day is spent conversing with others – the ability to speak and listen is critical (Pride, Hughes and Kapoor, 2010: 173).

According to Wardrope and Bayless (1994: 132), the need for effective oral communication skills has been readily acknowledged by the business world.

Guffey, Rogin and Rhodes (2009: 15) maintain actually a big advantage of oral communication is that questions can be asked immediately to clarify uncertainties; the main disadvantage is actually there is no written record during the oral communication.

Little and Poole (2008: 24) claim that the main skill needed is listening because listening opens the door to understanding and finally to be understood. "Nonverbal communication includes all unwritten and unspoken messages, intended or not" (Guffey et al., 2009: 12).

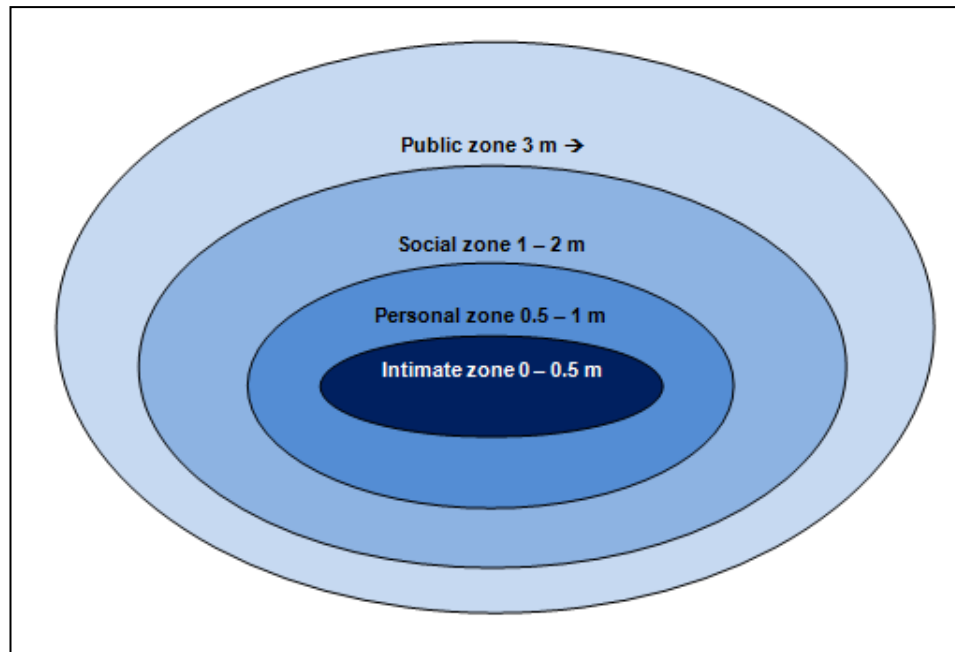
According to Yuan (2007: 77), compared with verbal communication, nonverbal communication is often indirect and ambiguous and persons ~~also~~ may also use different nonverbal signals to show different attitudes when speaking.

Preston (2005: 83) states that nonverbal messages can support or interfere with the verbal messages which are delivered by people. Pozzato (2010: 96) declares that nonverbal communication differs from person to person, and in general, men's nonverbal cues differ from women's nonverbal cues. Rud (2009: 51) divides nonverbal communication into three categories which are paralanguage, kinesics and proxemics.

Paralanguage means the vocal or tonal quality and pitch as well as speed and emphasis of the words and, therefore, plays an important role in face-to-face communication or telecommunication (Rud, 2009: 51). Kinesics refers to body movements such as gestures and facial expressions which can be often culture specific (Erasmus et al., 1998: 10). Proxemics relates to the space people operate in and its effect on the level of comfort (Rud, 2009: 52). The use of space is often culture specific and can affect the communication with clients of employees negatively when used incorrectly (Erasmus et al., 1998: 11).

The space around people can be divided into four zones which are the intimate zone, the personal zone, the social zone and the public zone (Ruiz, 2009: 338). Figure 2.9 shows how much space there should be between the individual zones.

**Figure 2.9: The four zones of space around people**



**Source: Based on Ruiz (2009: 338)**

Topper (2004: 76) notes that nonverbal communication can be learned and improved by everyone and the best way to improve the nonverbal communication skills is by practising. According to Ryan (1995: 70), good nonverbal communication skills even help to reduce stress. Some experts claim that nonverbal communication is more important than words people utter; it is more eloquent, honest and accurate than verbal communication (Raudsepp, 1993: 85). Understanding the importance of nonverbal communication – especially in business – such as eye contact, gesture, touch, smile and laughter allow people to become more perceptive in business settings (Addis, 2008: 60).

### **2.7.6 Communication channels in business**

The communication process is successful only if the receiver understands the message as intended by the sender. This process sounds quite simple but it is not particularly so in business (Guffey et al., 2009: 12).

Harris (2007: 18) states that there are many communication channels which can be used to transfer information. Guffey and Almonte (2009: 34) state that choosing the right communication channel depends on the following factors:

- Importance of the message;
- Amount and speed of feedback required;
- Necessity of permanent record;
- Cost of the channel; and
- Best practice in company.

Cabot and Steiner (2006: 64) suggest that different positions and jobs in the company require different communication channels that have to be used. In management, for instance, nothing is more effective than face-to-face communication. According to Abell and Codd (2003: 21), choosing the right communication channel is a way to influence the right people in business and helps to establish credible platform from which to negotiate.

Isabelle-Stark (1992: 25) comments that effective communication comes not only from choosing the right communication channel. Technical knowledge, ability and willingness are needed. Sussman, Adams, Kuzmits and Raho (2002: 315) note there are four main communication channels in business which are face-to-face, telephone, written (excluding e-mail), and e-mail. Guffey and Almonte (2009: 35) maintain that there are much more communication channels in business nowadays for delivering messages. Table 2.1 shows an overview of the communication channels and when they are best to use.

**Table 2.1: Communication channels in business**

<b>Channel</b>	<b>Best Use</b>
<u><i>Written</i></u>	
<b>E-mail</b>	When you wish to deliver routine or urgent messages quickly and inexpensively across time zones or borders.
<b>Instant message</b>	When you need to have a brief conversation with a trusted colleague or customer at a distance.
<b>Fax</b>	When your message must cross time zones or international boundaries, a written record is significant or when speed is important.
<b>Memo</b>	When you want a written record to explain, policies clearly or discuss procedures.
<b>Letter</b>	When you need a written record of correspondence with customers or suppliers outside the organization.
<b>Report or Proposal</b>	When you are delivering considerable data internally or externally.
<u><i>Spoken</i></u>	
<b>Telephone call</b>	When you need to deliver or gather information quickly and when you cannot meet a person.
<b>Voice mail message</b>	When you wish to leave important or routine information.
<b>Face to face conversation</b>	When you want to be persuasive or share a personal message.
<b>Face to face group meeting</b>	When group decisions are important
<b>Video- or teleconferencing</b>	When group consensus and interaction are important but members are not available personally.

Source: Based on Guffey and Almonte (2009: 35)

### **2.7.7 Communication in organizations**

“Communication in organizations is the system by which operations are led and coordinated and the results fed back” (Chaturvedi and Chaturvedi, 2004: 44). According to Johansson and Ottestig (2011: 144), future communication challenges such as globalization, technology development and organizational change affect work and have to be considered. Elving (2005: 131) notes that communication is vital for organizations and has the main goal to inform the employees about their tasks and about the policy and issues of the organization. Communication processes are important to all aspects of organizational functioning particularly for long-term productivity and organizational effectiveness (Nelson, Brunetto, Farr-Wharton and Ramsay, 2007: 1143). Good communicators in organizations plan and prepare their messages, use the appropriate communication channels and consistently communicate with the stakeholders and, therefore, keep people informed of all progress such as the success, the glitches and the work that still has to be done (Dwan, 2004: 36). Sri Jin and Sunitti (2009: 22) differ between two main forms of communications in business which are external and internal communication. Both of the communication forms can be formal or informal.

According to Krizan, Merrier, Logan and William (2007: 7), formal communication is business related and also planned by the organization. Formal communication is essential for effective operations in business.

Informal communication can be business related or personal such as discussions about a popular TV show. Such communications are not planned by the organization but help to develop and maintain positive human relationships (Krizan et al., 2007: 7).

### **2.7.7.1 Internal communication**

All the communication that occurs in doing work within a business is classified as internal communication, meaning communication amongst the employees (Sri Jin and Sunitti, 2009: 22). Kitchen and Daly (2002: 47) claim that internal communication is identified in current business management literature as being instrumental in terms of organizational survival and growth. Furthermore, internal communication is not only a crucial factor in relation to achieving organizational success but also for organizational existence (Kitchen and Daly, 2002: 47). Internal communication between employees can be either formal or informal.

### **2.7.7.2 External communication**

External communication is the work-related communication that a business does with people outside their organisation such as with suppliers, customers and service providers (Sri Jin and Sunitti, 2009: 23). Saunders (1999: 35) shows that the external communication function makes a value-added contribution to organizations. External communication is especially a challenge for global organizations because many cultural factors have to be considered to understand the perspective of international clients (Tixier, 1997: 24). How employees communicate externally and represent their company simultaneously also has an influence on the organizational identification.

### **2.7.8 Types of communication in organizations**

This section explains the different types of communication in business and their advantages and disadvantages.

Communication is not simply a matter of face to face exchange of information. In organizations, people participate in a number of different levels of communication (Fielding, 2005: 25). According to Lehman and Dufrene (2007: 9), communication in organizations can refer to different audiences and generally can take place on five levels:

- Intrapersonal communication;
- Interpersonal communication;
- Group communication;
- Public communication; and
- Mass communication.

#### **2.7.8.1 Intrapersonal communication**

Wood (2008: 13) describes intrapersonal communication as communication with ourselves, or self-talk. According to Beck, Bennett and Wall (2005: 187), interpersonal communication is vital because it defines who people are. The ways in which we communicate with ourselves, occurs along a continuum of cognition which can be structured, unstructured or unconscious and is driven by our personality type or personality profile. In intrapersonal communication, it becomes an “I-me” dialogue, in which “I” make choices on what to talk about and “me” interprets and criticises these choices (Lantolf, 2006: 96).

#### **2.7.8.2 Interpersonal communication**

Interpersonal communication is the process of message transaction between two or more people to create and sustain shared meaning (West and Turner, 2008: 10). Weiten, Lloyd, Dunn and Hammer (2008: 205) state that interpersonal communication is an interaction process in which one person sends a message to another while using a certain communication channel.

Every interpersonal communication interaction offers an opportunity for each participant to increase or decrease self-esteem (Coyle, 1993b: 4). Interpersonal communication is extremely important in business and bad interpersonal skills contribute huge inefficiencies in companies and other types of organizations (Ellet, 2006: 101). According to West and Turner (2008: 32), interpersonal communications can lead to interpersonal relationships which take time because relationships do not just appear and people have to demonstrate a sense of caring and respect to work on their relational issues.

### **2.7.8.3 Group communication**

Group communication is another frequently spoken communication activity when people participate in groups within the organizational work environment which becomes crucial in most organizations (Lehman and Dufrene, 2007: 57). According to Sri Jin and Sunitti (2009: 5), in group communication, people interact with a limited number of people to share information, develop ideas, make decisions and solve problems.

Attitudes, traits and work qualities greatly influence the output of the group. Moreover the working knowledge of group communication almost always leads to better understanding peoples work ethic itself (Frey, 2002: 1). A fundamental strategy for improving group communication is to provide time and space. Moreover, besides a positive language technique is needed to increase the efficiency of group communication (Huggins and Roark, 2005: 24).

#### **2.7.8.4 Public communication**

Through public communication, members of an audience will be informed and persuaded to hold a certain attitude, value or belief to think or act in a certain way (Sri Jin and Sunitti, 2009: 5).

According to Debasish and Das (2009: 15), public communication refers to public speaking or lectures presented to a certain group and are standard in business. Examples of public communication are promotional sales, proposals and presentations about certain researches and programmes. Public communication has definitely an advantage for companies as it helps them to function more effectively (Madeline, 1980: 13). According to Crooke (1996: 10), public communication is used by companies to deliver coherent messages and companies should have the ability to convince the public.

#### **2.7.8.5 Mass communication**

Mass communication in business means to convey messages to an entire population through generally modern mass media such as books, the press, cinema, television and radio (Sri Jin and Sunitti, 2009: 5). Organizations spread their news to stakeholders and the public. News may relate to changes in policies, new projects, mergers and acquisitions and much more (Debasish and Das, 2009: 14).

According to Fielding (2005: 455), mass communication is a good opportunity for organizations to inform the general public about company activities and news but organizations need to be aware that mass media can also help to destroy an organization or its reputation.

## **2.8 The new communication behaviour – Web 2.0**

A new era of new technologies, called Web 2.0, offers new opportunities of communication not only in private but also in business. O'Reilly (cited in Levy, 2009: 121) defines Web 2.0 as the business revolution in the computer industry caused by the move to the Internet as a platform, and the attempt to understand the rules for success on that new platform. O'bannon (2008: 12) states that the definition is greatly dependent on how users implement the Web 2.0 functions. For him Web 2.0 is everybody who uses the internet, as well as the developers who design programs that run across the web. Moreover, he declares that one of the keys to real Web 2.0 is for business purposes which means using the collaboration tools that enable sharing of not only information but also the ability for multiple people working in remote areas to access work on the items simultaneously (O'Bannon, 2008: 13).

Although Web 2.0 is relatively new, some small businesses are already using it in different ways. One very useful feature of Web 2.0 is the ability of two-way communication between businesses and customers, as well as among customers; this increase in communication provides benefits for everyone involved (Lee, Dewester and Park, 2008). According to Krol (2006: 34), Web 2.0 is the fastest-growing category on the web right now and is the ability for users and experts to collaborate. Gould (2009: 36) declares that businesses have a unique interest in Web 2.0 because, firstly, organizations are themselves networks, consisting of people and machine-based data sources and, secondly, organizations both produce and consume enormous amounts of information. According to Hinchcliffe (2010: 30), using Web 2.0 in business has the following advantages:

- Web 2.0 rapidly acquires new customers and incorporates productive inputs directly into the business;
- Drives operational costs down; and
- Transforms the customer relationship to drive revenue.

Ribiere and Haddad (2010: 356-357) note that there are four areas where Web 2.0 technologies might be used, namely, communication, cooperation, collaboration and connection. All the technology tools that Web 2.0 have to offer support the social movement around interpersonal communications. Moreover, these technologies already have an impact on business – especially in the area of customer relationship management (CRM) (Goldenberg, Bajarin and Chan, 2008: 27).

Web 2.0 applications still have a long way to go before they can be used in business properly. However, it is undeniable that this technology, with so much potential to enable collaborative working and empowerment, is here to stay (A perfect principal doubleheader, 2007: 16).

## **2.9 Interpersonal communication in business**

Interpersonal communication is the most common context in the business and professional world and interpersonal communication skills are obviously the foundation to be successful in business (Troester and Mester, 2007: 156). The ability to create positive business relationships with colleagues, customers and others is crucial for organizations (Krizan et al., 2007: 365). Consequently, aspects of interpersonal communication are important in attempting to understand issues such as long-term bonding and the development of trust (Olkkonen, Tikkanen and Alajoutsijarvi, 2000: 404). According to Coyle (1993: 4), employees need relationships to realize their potential – in today's workplace relationships require interdependence that can most effectively be achieved through better quality in interpersonal communications. Just (1999: 84) suggests that organizations are no longer relying on power and control, but rather on empowerment and commitment. Moreover, building strong interpersonal working relationships help to create synergy and teamwork within a work group or an organization.

Necki and Awdiejew (cited in Ropski, 2008: 36) state that interpersonal communication means exchanging verbal, vocal and nonverbal signals in a specified context with the view of achieving a better level of cooperation.

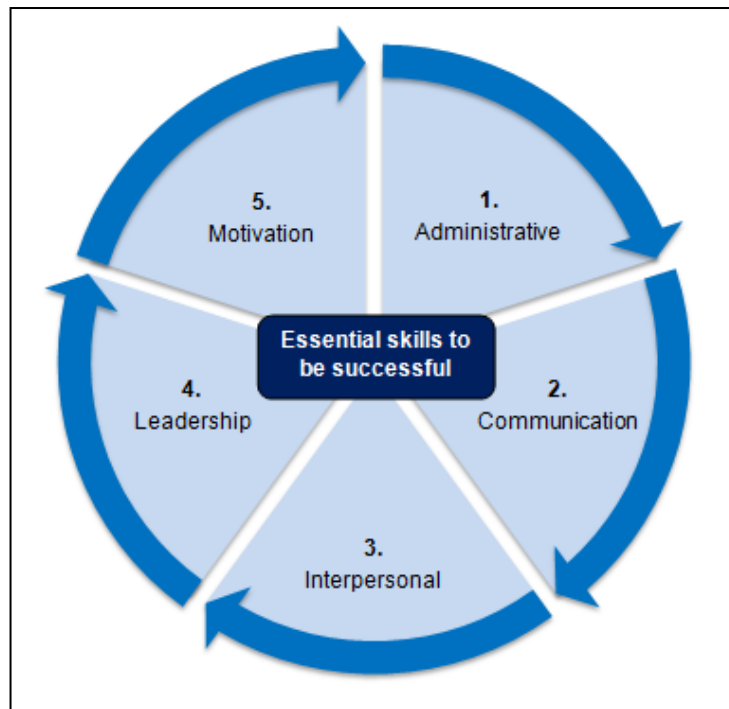
Good interpersonal communications and relations in an organization are also reflected in employee satisfaction as a desirable or positive state (Stok, Markic, Bertoncelej and Mesko, 2010: 307).

According to Masciarelli (1998: 42), companies often do not pay enough attention in developing and applying interpersonal skills to build strong relationships. Many are too busy looking elsewhere for ways to be ahead of the competition. The interpersonal communication style and relationship-building skills are critical for individual success, project success or organization success as a whole; presenting the right message in the right communication channel at the right time is often a difficult task (Zinn and Haddad, 2007: 36).

### **2.9.1 Interpersonal communication skills**

Pride, Hughes and Kapoor (2010: 168) describe interpersonal skills as the ability to deal effectively with other people. Such skills include the ability to relate to people and understand their needs and motives. Interpersonal communication skills show how people write, speak and behave – scientists state that interpersonal communication builds the communication climate within the organization and, therefore, has a direct influence on building internal and external relationships (Krizan et al., 2007: 365). According to Bambacas and Patrickson (2008: 54), skills in interpersonal communication include the competency in sending messages, listening and providing feedback. Davis et al. (cited in Hunt and Baruch, 2003: 732) proposed a framework with five groupings of skills which are essential especially for managers to be successful (Figure 2.10).

**Figure 2.10: Essential skills to be successful in business**



**Source: Based on Hunt and Baruch (2003: 732)**

Figure 2.10 shows the importance of communication and interpersonal skills which are necessary to be successful in business.

Wheeler (2005: 45) states that good interpersonal communication skills are built over a lifetime but there are steps available to build these skills faster and more effectively. Such steps include reading, talking and trying to complete a formal evaluation.

### **2.9.2 Giving sufficient, valuable and relevant information**

In the information age, business information is an increasingly valuable asset and can give companies a competitive edge over its rivals (Mort, 2003: 1).

According to Batchelor (2005: 27) it is difficult to run the business properly without timely, accurate, and relevant information. Access to the right business information at the right place and at the right time are major factors which influence international trade and competitiveness (Siriginidi, 1996: 22). According to Burnell (1999: 39), information is the most crucial resource a company can provide to its business partners such as suppliers and customers; communication along the supply chain in form of forecasts and reports have also to be done continuously. Trumble (2001: 7) notes there is no doubt that information is crucial for modern business but there is often an overflow of information which makes it often difficult to filter sufficient and relevant information.

### **2.9.3 Clear and polite communication**

Lehmann and Dufrene (2007: 447) state that during a communication – especially when communicating to cultural diverse audiences – people should always ask themselves “Did I Make Myself Clear?” To give the audience a clear guide by dividing topics into sub-topics guarantees transparency and comprehensibility (Pawelzik, 2005: 160). The main principle in clear communication is also known as the KISS-principle which means **Keep It Short and Simple** (Pawelzik, 2005: 160). Organizations become more and more conscious that through clear and sustained actions of communication they can influence the business environment in which they act and are involved (Nicoleta, Irina and Lorin, 2008: 836). According to Winter (1993: 75), clear communication includes using the language effectively in writing clear sentences, and to write persuasively and not only talking face to face. Myres (2006: 82) indicates that communication has to be clearly understood and clearly delivered; it is polite to speak slow and minimize the use of slang. According to Sullivan (2002: 48), polite communication means also to behave politely and contains rules such as:

- Do not lie about who you are;
- Know when to shut up; and
- Know when it is OK to talk.

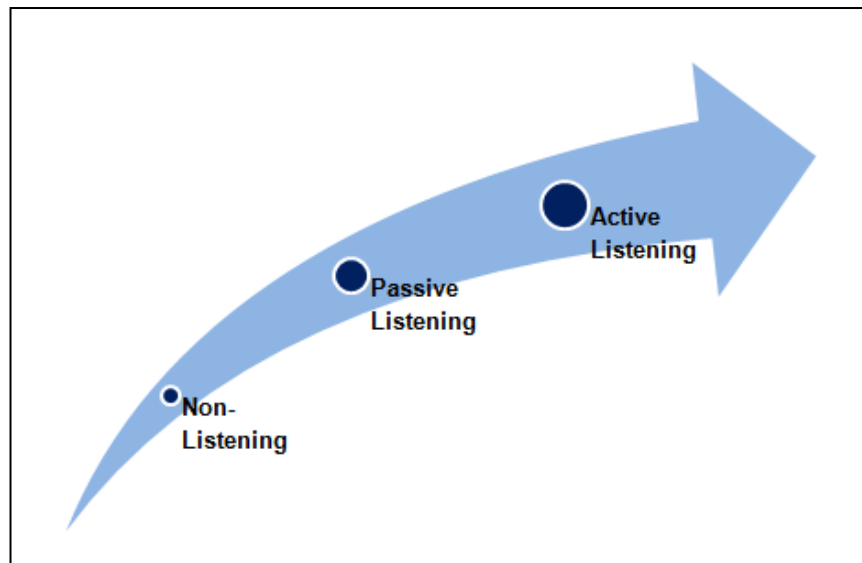
Characteristics such as to be polite, open minded, friendly, and patient are typically perceived as globally acceptable to most international business people and help to build long-term relationships between business people (Myres, 2006: 339).

#### **2.9.4 Listening and understanding**

Listening must be evaluated constantly and business partners should stay away from factors such as culture, gender, frames, accents, dress codes, and colours because these factors often can hinder focused and effective listening (Krizan, Merrier, Logan and Williams, 2010: 445).

According to Sethi and Adhikani (2010: 53), based on the effectiveness of the listening process, there are three levels of listening (Figure 2.11): level one is non-Listening where the listener may appear to be listening but actually is more occupied with his own thoughts, level 2 is passive listening where the listener is more hearing than listening and, therefore, does not understand in depth, and level three is active listening which is the most desirable form of listening where the listener gives full attention to what is being said (Sethi and Adhikari, 2010: 63-64).

**Figure 2.11: Levels of listening**



**Source: Based on (Sethi and Adhikari, 2010: 63)**

Boyd (2004: 35) states that one of the most important people skills – particularly in business – is effective and active listening and there is a real connection between quality listening and success in the workplace. Shepherd, Castleberry and Ridnour (1997: 315) note that active listening is important in almost every profession, but it is especially significant in business-to-business sales positions where the salesperson gains the accurate perception needed to practise adaptive selling behaviours which should finally result in higher performance.

According to Helms and Haynes (1992: 17), approximately three quarters of the business day is spent engaged in communication, which means that effective listening is vital in business to enhance communication. In business, it is not only important to understand what is been said! Peter F. Drucker once noted:

“The most important thing in communication is to hear what isn’t being said”  
(Sen, 2007: 127).

Aquila (2008: 22) states that communication is more than what people say or write, it is what people hear and particularly understand. Business people should know and understand what to do and why.

Ochalla and Green (2003: 6) say that one should just stop talking if something is not understood, because people cannot listen while they are talking. People should try not only to catch the words which are said but also the meaning and do not hesitate to ask for clarification (Ochalla and Green, 2003: 6). DellaCroce (2004: 98) comments that the communication style people use is very important for understanding and receiving information. There are three modes in which people mainly receive and understand data which are verbal, visual and tactile (DellaCroce, 2004: 98). Verbal persons understand best by using their ears and voice and prefer to ask questions if they don't understand; visual people much rather like to read and see the words in writing to understand; and tactile people are the touch-feely people who like business cards and shaking hands, for instance, and, therefore, understand best what someone says by taking notes while talking (DellaCroce, 2004).

### **2.9.5 Effective response**

Effective communication in business involves not only active listening and understanding but also a response from a receiver (Krizan et al., 2010: 5).

Response is the last stage in the communication process – often also called feedback – and helps the sender to understand if the message has been understood by the receiver (Rizvi, 2005: 7). An effective communication is always sensitive to response and reacts accordingly (Sri Jin and Sunitti, 2009: 8). The objective of giving effective response is to clarify and not to judge. Moreover, effective feedback can help to build strong working relationships in business (Banfield and Kay, 2008: 287).

According to Wilson (1997: 44) feedback can be positive or negative, helpful or hurtful, critique or criticism; good and specific feedback is critical for the development of humans and in business it is essential to be successful.

Hequet (1994: 72) states response is important because it is also a way how people learn. Effective response happens best in a corporate culture that supports and encourages openness and communication. However, sometimes communication does not give the desired results because some barriers appear in the process of communication (Rahul, 2009: 125).

## **2.10 Communication problems and barriers**

Communication is the most important skill for success in business and studies show that people in organizations generally spend over 75 percent of their time in interpersonal communications (Carroll, 2009: ix). According to Sedam (2002: 44), if people talk about communication problems in business, they should look deeper for the cause such as different behavioural styles, personalities, company policies, structure and culture. Especially global communicators deal often with communication problems because of the already mentioned factors.

According to Harris and Hartmann (2001: 315), objectivity in receiving and interpreting messages is often difficult to achieve because of communication problems caused by perceptual and psychological reasons or as a result of specific situations. Obstacles and factors which disturb the communication process and, therefore, make the communication incomplete and ineffective are known as communication barriers (Debasish and Das, 2009: 61). The proper identification of these barriers in organizations is very important (Debasish and Das, 2009: 61).

Communication barriers are any factors that interfere with the success of the communication process (Krizan et al., 2007: 16).

According to Qazi and McKenzie (1983: 70), communication slowdowns or breakdowns can result from ambiguous or misinterpreted verbal or nonverbal communications. Pancrazio and Pancrazio (1981: 31) go further and declare that communication barriers lead to miscommunication and cause problems in communications such as:

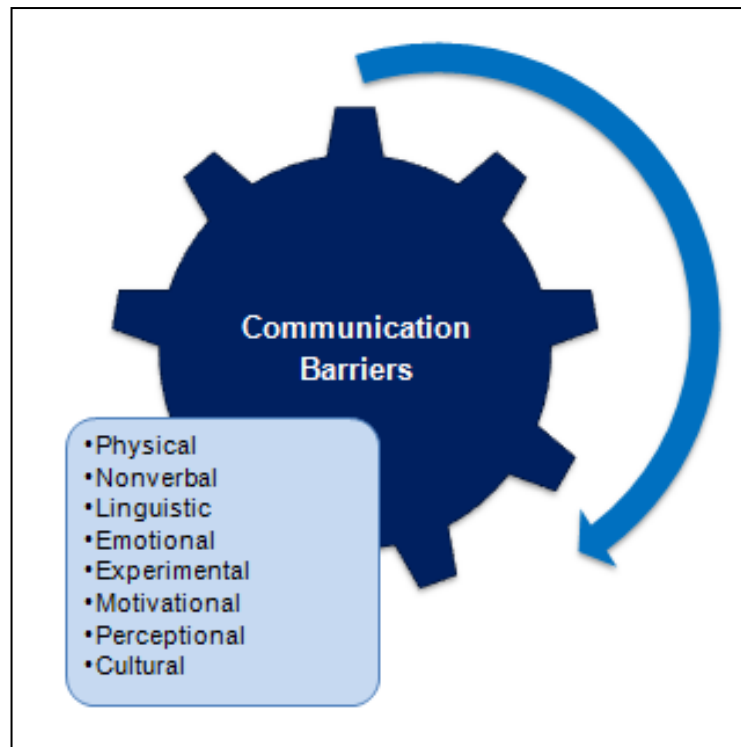
1. Cause defensive reactions;
2. Cut off further communication;
3. Diminish chances to identify options; and
4. Result in confusion or misunderstanding.

Sri Jin and Sunitti (2009: 45) define miscommunication as follows:

“Miscommunication is a ruined form of communication. What is to be communicated does not get communicated and an obstructed form of message is transmitted”.

According to Scully (1995: 37), barriers to communication prevent people from accurately conveying information. Generally, communication barriers can be either sender oriented or receiver oriented or both. To achieve effective communication, all efforts must be made to remove the obstacles to communicating in business (Sri Jin and Sunitti, 2009: 45). Figure 2.12 shows the main barriers to communication.

**Figure 2.12: Communication barriers**



Source: Based on Bell and Smith (2009: 36-37)

### **2.10.1 Physical, cultural and perceptual barriers**

Communication barriers are often physical distractions and reduce the clarity and effectiveness of communication (Smit, 2007: 10). Examples of physical distractions are background noise, interruptions, uncomfortable temperatures and busy environments (Butterfield, 2009: 12). According to Guffey and Almonte (2009: 8), people cannot listen if they cannot hear what is being said due to poor acoustics and noisy surroundings. Moreover, it is difficult to listen if a communication partner is ill or tired. Hamilton (2007: 107) states that many physical barriers cannot be controlled or eliminated. Therefore, people have to control themselves when these distractions are present.

Cultural barriers and differences increase the communication gap and global business communicators should put themselves in other people's shoes to know how people like to be treated (Cheng, 2004: 50). Global business partners should acknowledge the differences and seek to understand and then to be understood before they jump to conclusions (Cheng, 2004: 50). Since languages, business customs and communication devices vary from country to country, factors such as cultural similarity, ethical standards and Electronic Data Interchange (EDI) have to be considered to ensure effective communication (Min, 1994: 50). Additionally, Min (1994: 50) adds that, in less developed countries, there is also the problem of technical communication because of a lack of communication technology. Xiao and Boyd (2010: 549) state that cultural barriers also mean that people have different faiths, assumptions and behavioural norms which can and obviously do cause conflicts in business communication internationally.

Perception is the process of selecting and organising information gained through the senses in such a way that the information makes sense (Cleary, 2008: 12).

Perceptual breakdowns may occur because of people's past experience, needs and education; in fact, perception is unique to each individual and no two people interpret a communication transaction in exactly the same way (Cleary, 2008: 12). According to Bell and Smith (2009: 38), individual audience members may be seeing other meanings than intended by someone. Figure 2.13 shows an example where some people perceive a lady to be old while others perceive the same lady to be young.

**Figure 2.13: Old / young woman**



Source: French, Rayner, Rees and Rumbles (2011: 77)

### **2.10.2 Motivational and experiential barriers**

Reiger and Stang (2000: 62) state that motivation, as a form of business- and human resource development, can lead to greater productivity and a positive work environment. According to Allison (2006: 60), motivation has been described as the collective effect of complicated sets of beliefs that has to do with how persons feel about many things such as their jobs, working conditions, the management, and also themselves.

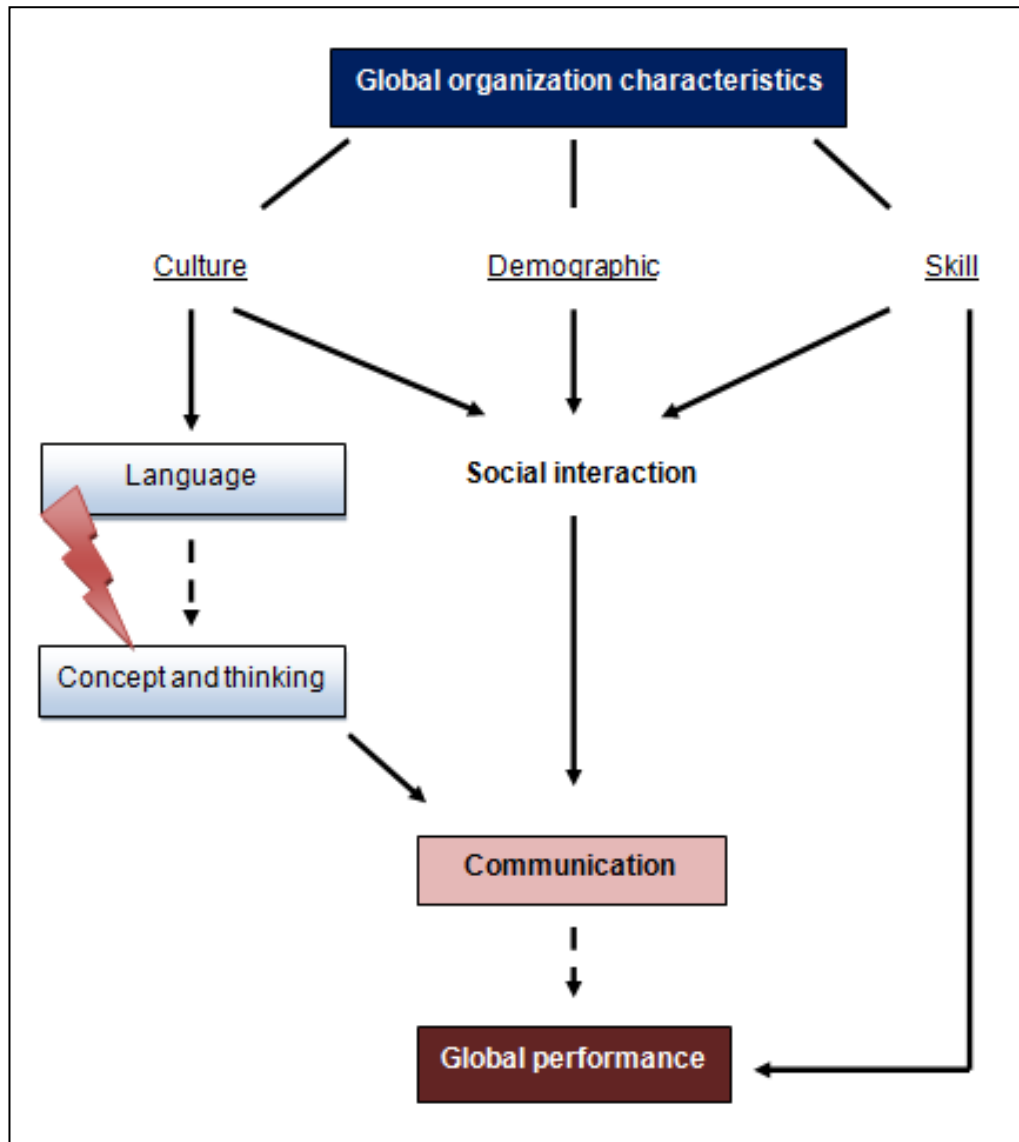
In fact, effective motivation is necessary for efficient business management. In relation to communication, the information receiver may simply not want to be motivated by what the sender is saying because of the already mentioned factors (Brounstein, Bell, Smith, Isbell and Orr, 2010: 11). To get work experience is important for many reasons and it gives the chance to shine and impress people (Shillam, 2007: 51). According to English, Morrison and Chalton (2010: 404), work experience differs – especially internationally – and depends also on specific interests and capabilities of individual employees.

Different experience levels can lead to problems especially when business partners try to take people on a mental journey beyond the limits of their own experience (Bell and Smith, 2009: 37).

### **2.10.3 Linguistic and nonverbal barriers**

Linguistic barriers affect the way our words are understood (Ricketts and Ricketts, 2010: 178). Nishiyama (2000: 10) declares that every language has its unique vocabulary, idioms, and cultural expressions. From that point of view, linguistic barriers cause communication difficulties and hinder global performance where proper language understanding is important, as shown in Figure 2.14 (Chen, Geluykens and Choi, 2006: 679).

**Figure 2.14: Relation between linguistic barriers and global performance**



Source: Based on Chen et al. (2006: 679)

According to Bell and Smith (2009: 39), nonverbal signals can create serious problems such as certain gestures or the lack of eye contact to the audience or the communication partner.

Sometimes, listening is hard and prevent hearing what has been said if the communication partner is different from what has been expected, for example, unusual clothes, speech, or body twitches (Guffey and Almonte, 2009: 8).

Nonverbal expressions vary from culture to culture and these variations make nonverbal misinterpretation a barrier (Jandt, 2009: 112). Wilson (2008: 30) suggests that effective communication is always more than eloquent speech and researchers believe that non-verbal communication comprises up to 80% of all communication. Moreover, Wilson (2008: 30) adds that poor body language and nonverbal skills quickly can turn the communication partner or the audience to stone, no matter how important the message is. Fatt (1999: 37) declares of all nonverbal communication is important and can help to build and support competence, trustworthiness and dynamism which make up credibility. There is an old saying: "It's not what you say, it's how you say it" (Fatt, 1999: 37).

#### **2.10.4 Removing communication barriers**

According to Guffey, Rogin and Rhodes (2009: 13), careful communication can conquer barriers in different ways and the sender has to ask himself/herself questions such as "How is the individual likely to react to my message" or "Does the receiver know as much about the subject as I do"? Schonfelder (1998: 53) indicates that to improve interpersonal communication, organizations should begin by finding ways to motivate people to communicate and minimize the barriers. They might look at ways to measure communication skills and performance and then provide training to improve the skills. Improving communication skills, can only be developed through practice and also needs time (Clinkscale, 1979: 11). Koneru (2008: 28) states that it is necessary to adapt the following suitable measures in order to overcome the barriers:

- Ensure audibility and visibility;
- Plan and clarify ideas and opinions;
- Explain the importance of the message;
- Catch up with individual language;
- Use simple and precise language;
- Make it a two-way process; and
- Create a climate of trust and confidence.

### **2.11 Chapter summary**

This chapter outlined the importance of interpersonal communication for organizations to manage their business relationships successfully. It started with an overview and requirements needed to establish strong and reliable business relationships. The challenge in building global business relationships was also discussed. Thereafter, the chapter continued with explaining the basics of business communication. Communication principles, different communication models and the communication channels were explained. The interpersonal communication skills in business were also discussed. The last section referred to communication problems and communication barriers and what can be done to avoid or minimize the problems.

The next chapter will discuss the research methodology used in this study.

# CHAPTER 3

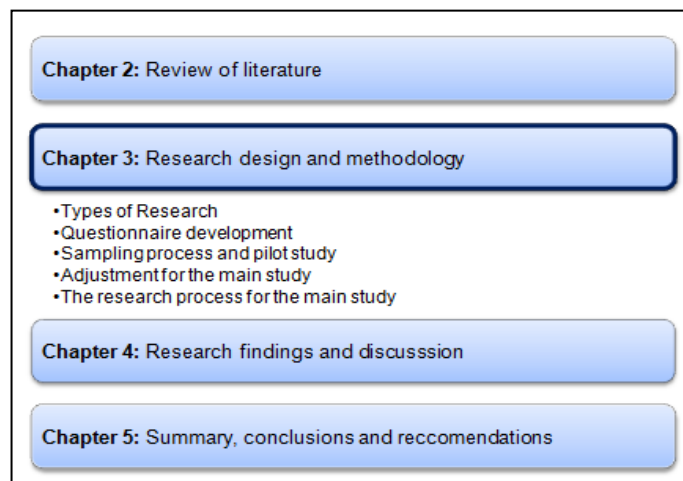
## RESEARCH DESIGN AND METHODOLOGY

### 3.1 Introduction

The previous chapter has shown the background to building relationships in business and the different interpersonal communication factors which have an influence on building business communications. The following illustration

(Figure 3.1) shows how the research is structured and how this chapter fits into the overall report.

**Figure 3.1: Flow of the research**



This chapter presents the design and the methodology used to conduct this research, which will be illustrated with the help of a flow diagram. At first different research methods will be demonstrated. The sampling method, data collection, data analysis and preliminary work will also be discussed. A detailed overview on how the questionnaire of this study was designed will be presented. The data collection procedure will be outlined.

### **3.2 The research design**

Research can be exploratory, descriptive or conclusive. In this study, an exploratory research design with quantitative and qualitative instruments were used to collect the necessary data. The main purpose of conducting an exploratory study is to better understand a problem or situation (Pride and Ferrell, 2010: 81).

According to Wilson (2010: 103), where there is a lack of published research and lack of knowledge about a certain topic, then exploratory research is a viable medium because the aim is to develop a better insight into a particular topic.

### **3.3 Types of research**

One of the most basic differentiations in research is the difference between secondary and primary research (Nargundkar, 2003: 14).

The researcher of this study has decided to design a primary data research for the exploratory study because necessary data for this study was either not detailed enough, too old or not adequate to answer the intended questions of the problem statement of this study.

According to Wiid and Diggines (2010: 85), primary data can be collected through either qualitative or quantitative research. Qualitative research is mostly used to gain an understanding of why certain things happen (Sarstedt and Mooi, 2011: 69). Quantitative research, in comparison, is the collection of data that involves larger, more representative respondent samples and the numerical calculation of results (Wiid and Diggines, 2010: 85).

The easy procedure and analysis of conducting surveys convinced the researcher that this method was the most suitable for quantitative research. A questionnaire was developed in order to collect the necessary data for investigating the research problem.

To develop more understanding about why certain results were achieved in this study and what the background is, in-depth interviews were conducted as the qualitative part of the research (explained in section 3.6).

### **3.4 The research instruments**

According to Wilkinson and Birmingham (2003: 3), research instruments are simply tools for obtaining information relevant to the research. A questionnaire and the interview were used as research instruments in this study to collect, analyze and interpret the data.

A questionnaire can be written and used in many different ways to gather information and is a medium of communication between the researcher and the respondent (Brace, 2008: 4).

Low cost in time and money and the easy way to get information from many people very quickly were the main advantages using a questionnaire as a research instrument (Brace, 2008: 4).

The interviews in this study were used for the qualitative research to gather an in depth understanding of the findings of the quantitative study.

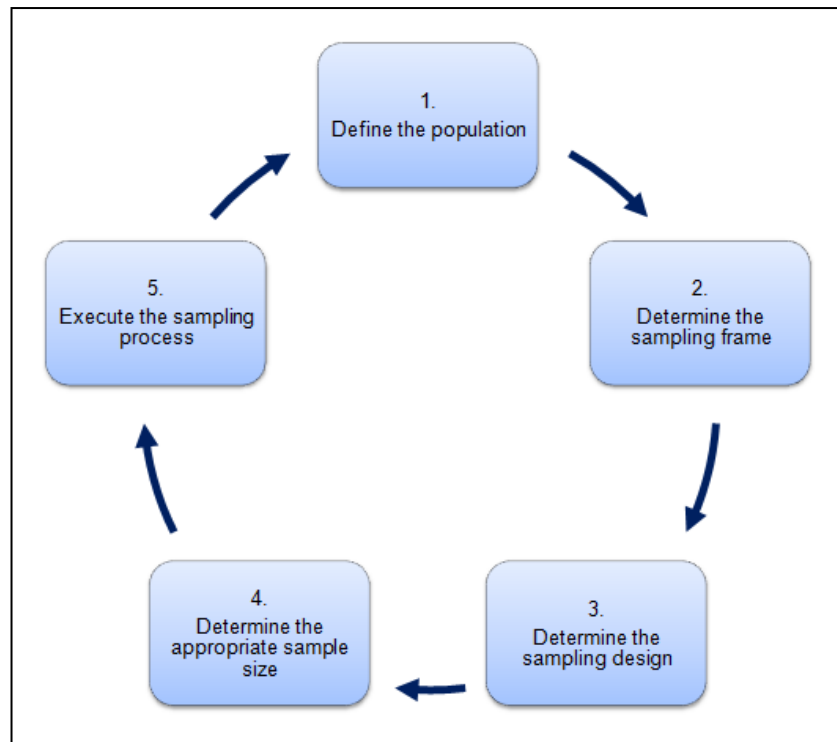
### **3.5 The quantitative research**

This section contains the quantitative component of the exploratory study which builds the groundwork for the qualitative research of this study.

#### **3.5.1 Respondent selection**

According to Wimmer and Dominick (2011: 89), one goal of research is to describe the nature of a population which can be a group or a class of subjects, variables, concepts or phenomena. Figure 3.2 shows the adopted sampling process of Sekaran and Bougie (2009: 266) for determining the respondents of this study.

**Figure 3.2: The sampling process**



**Source: Sekaran and Bougie (2009: 266)**

### **3.5.1.1 Defining the population**

At first the target population has to be defined. The necessary information was gathered from the target population. to solve the research problem. According to Wilson (2010: 190), defining the right target population is very important and depends on the research questions and the context of the study.

Some examples of population characteristics which can be used in research are demographic characteristics, lifestyle characteristics and product characteristics (Gofton and Ness, 1997: 93-94). Moreover, Sekaran and Bougie (2009: 267) state that the target population must be defined in terms of elements, units, geographical boundaries, and time. Therefore, the target group of this study was formed out of the following information:

**Target population:** South African companies that communicate with Germany in terms of business;

**Elements:** Managing Directors, Heads of Departments, Employees that work in sales, marketing and purchasing and communicate with German business people;

**Units:** South African companies with first-tier suppliers and customers;

**Time:** September - October 2011; and

**Region:** South Africa.

The elements of this study were asked via telephone to participate in the survey before sending out the questionnaire to the respondents to make sure they are qualified.

### **3.5.1.2 Determining the sampling frame**

After the population has been defined, the sampling frame has to be determined. Ruane (2004: 110) describes a sampling frame as an exhaustive listing of all the elements that make up a research population.

In this study the target population was known and the South African – German Chamber of Commerce and Industry provided a list of 500 potential organizations in order to create the sampling frame.

The next step in the sampling process is to select the sampling design.

### **3.5.1.3 Determining the sampling design**

The non-probability sampling design was used for the quantitative research. More specifically, the sampling design is a mixture of purposive sampling, census and self-selected sampling. The first step was to select the companies suitable for the study provided from a list by the South African – German Chamber of Commerce and Industry. From the selected companies, a census sampling was done. Finally, the results were based on the self-selected sampling. A self-selected sample is a form of convenience sample where the respondents determine whether or not to be a part of the sample (Kim, 2004: 41).

### **3.5.1.4 Determining the sample size**

The sample size consists of the total number or representatives which are included in the research. Moreover, Wilson (2010: 210) adds as a 'rule of thumb' that a sample size should consist of at least 30 respondents. In small populations of less than 150, the researcher should carry out a census of the entire population.

In order to achieve representative results for the study, 200 companies from the list of the South African – German Chamber of Commerce and Industry were selected as a sample size.

## **3.5.2 Data collection**

In this part, the questionnaire construction is shown. Moreover, the different question types are discussed. The conducted pilot study and the adjustments for the main study are also discussed in this section. Finally, the administration of the questionnaires is explained at the end.

### **3.5.2.1 Questionnaire construction**

According to Shenoy and Srivastve (1988: 13), the proper designing of the questionnaire is one of the very important steps in planning the data collection for analysis of the research problem.

The questions for this study were stated simply to ensure that they were understood by all respondents. To make sure the questionnaire works properly constructed, each question was pre-tested.

### **3.5.2.2 Formulating the questions**

McBurney and White (2009: 246) state that there are basically two categories of questions which are used in surveys: open-ended and closed-ended. Open-ended questions gather free responses that are usually collected as they are given and the respondents have the freedom to express the answer in any way they like (Hague and Morgan, 2004: 100). Closed-ended questions, in comparison, provide a set of predetermined response alternatives for the respondent to use when answering the questions (Ruane, 2004: 131).

Closed-ended questions were mainly used in this quantitative study. Several statements were provided and the respondent could decide to agree or disagree with the statement.

Moreover, multiple choice questions were deployed in order to gain personal information of the respondents. The responses were compared and results with similarities and differences were analyzed.

### **3.5.2.3 Testing the questionnaire**

The preliminary work consisted of testing the questionnaire in advance before sending it out to the defined target population for the main study. To make sure that the developed questionnaire was working properly, a pre-test and pilot study were conducted to identify any problems and to eliminate or adjust questions that cause problems. A pre-test is defined as a smaller version of a proposed study, and it is conducted to refine the methodology (Burns and Grove, 2003: 42). The developed questions were pre-tested with the supervisor, co-supervisor and the statistician before the pilot-study was conducted to make sure the questionnaire is valid.

### **3.5.2.4 The pilot study**

The pilot study was conducted with five respondents in October 2011. The questionnaire consisted of 32 questions and was sent via e-mail. The respondents were informed about the study and the survey process on the phone to make sure there are no misunderstandings and also the right person was contacted that is qualified to fill in the questionnaire.

The findings of the pilot study were checked to make sure that the questionnaire can be filled in correctly and the data can be analysed. Cronbach's Alpha revealed reliable results. The letter of information and consent and the questionnaire for the pilot study are attached as appendiced A and B.

### **3.5.2.5 Adjustment of the questionnaire for the main study**

The purpose of the pilot study was to identify any problems, and determine if it was necessary to change, remove or add possible questions.

The answer options of questions 3 and 4 were adjusted for the main study. The wording of the questions remained the same.

**Figure 3.3: Original answer options**



	0-5	6-10	11-15	>15
Telephone	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Face to Face	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Videoconferencing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Electronic mail	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Web 2.0	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

There is a difference if the respondent doesn't use a certain communication channel at all or if the respondent uses the communication channel one to four times. To consider these options separately, the answer options for questions 3 and 4 were adjusted as the follows.

**Figure 3.4: Adjusted answer options**

	0	1-5	6-15	>15
Telephone	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Face to Face	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Videoconferencing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Electronic mail	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Web 2.0	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

In consultation with the statistician and the supervisor, no additional testing was needed. The main study was conducted in the same format as the pilot study.

### **3.5.2.6 Collection of questionnaires**

According to Babbie (2010: 283), researchers have many methods for collecting data through surveys – from mail survey to personal survey, telephone survey, online survey or postal survey.

The data for this study was collected via mail survey and an online survey. The respondents received an internet link via e-mail where they had to click on to fill in the questionnaire. An accompanying working internet connection must be available to fill in the questionnaire. Mail surveys involve a questionnaire which will be mailed to designated respondents with a accompanying cover letter (Churchill and Iacobucci, 2009: 191).

The benefits of incorporating a questionnaire in an e-mail include the speed of distribution, faster turnaround time, more flexibility, and less handling of questionnaires (Zikmund and Babin, 2006: 225). According to Gregg (2008: n/a), the principal advantages of mail surveys are that they may obtain more thoughtful responses and they are the least expensive to implement.

An increasingly popular survey method involves the use of the internet and the World Wide Web. The internet can be used to conduct meaningful survey research – especially in marketing (Babbie, 2010: 283). According to Bryman and Bell (2007: 680), online surveys provide generally a rapid response in comparison to postal surveys. Moreover, there are no constraints in terms of geographical coverage.

### **3.5.3 Data analysis**

The Statistical Package for Social Sciences (SPSS) version 18 was used to analyse and evaluate the collected data from the questionnaires.

The responses from the questionnaire were displayed in an excel spreadsheet which was compatible with the computer software. Frequencies and percentages were computed from variables. Frequencies determine the number of responses of one variable which are expressed in percentage form. Percentages simplify data by indicating all numbers to a range from 0 to 100 and also help to compare the data (SPSS, 2011).

### **3.5.3.1 Data capturing, editing and cleaning**

As already explained in 3.5.2.7, the data was captured via e-mail. The questionnaires had been handled via an excel spreadsheet provided by Google docs. All responses from the participants were automatically transferred to a separate spreadsheet which was already compatible with the computer software SPSS (version 18).

Data editing is necessary before coding and storing the data. This involves checking the data to ensure all the responses are correct, or whether any need to be adjusted, or if there is any missing data (Zikmund and Babin, 2006: 496). The missing data in this study were not adjusted because this would falsify the output of the study.

According to Ryecroft and Moxon (2010: 508), whichever data-processing method is used in a study, an important step is always the elimination of errors after the data is captured. A simple form of data cleaning is to code the data.

To eliminate errors while recording data into the computer and simplify the analysis of the data for the statistical software programme, the data have to be coded. In this study, numbers were used to code the data, as shown in Appendix C.

### 3.5.3.2 Data analysis techniques

Descriptive statistics were used in this study to represent the data. Descriptive statistics consist of data that are summarised and represented in a form that is easy for the reader to understand mainly average or mean values. The data may be represented in graphical, tabular or numerical forms (Anderson, 2007: 14). Moreover, descriptive statistics describe the organising of quantitative data. Univariate and bivariate analysis are most appropriate for descriptive statistics (Lind, Marchal and Mason, 2007: 6). Univariate analysis is concerned with measures on central tendency and measures of dispersion. The most appropriate measure of central tendency for interval data is the mean and the most appropriate measure of dispersion for interval data is the standard deviation. Bivariate analysis concerns the measurement of two variables at a time. In addition descriptive data analysis aims to describe the data for investigating the distribution of scores on each variable, and by determining whether the scores on different variables are related to each other (Lind et al., 2007: 6). Graphs, such bar charts, were used in this study to provide a visual representation of the distribution of the variables. Frequency tables and crosstabulations were also used to provide a frequency distribution of the variables.

Another important method is the inferential statistical analysis which is concerned with the testing of hypothesis. More specifically, a chi-square test has been used in this study. Chi-square analysis is widely used in research studies for testing hypothesis involving nominal data. The symbol for chi-square –  $\chi^2$  – is used to determine the chi-square distribution (Viswanathan, 2009: 192). The shape of the chi-square distribution is determined by the number of degrees of freedom; as the number of degrees of freedom increases. The shape of the distribution approaches a normal distribution (Curwin and Slater, 2008: 334).

The chi-square distribution is the probability distribution of the chi-square statistic for an endless number of random samples of the same size drawn from populations where the two variables are independent from each other (Argyrous, 2011: 439). Statistical independence is defined as follows:

“Two variables are statistically independent if the classification of cases in terms of one variable is not related to the classification to those cases in terms of the other variable” (Argyrous, 2011: 437).

Easily explained, the chi-square statistic is a means to capture the difference between observed and expected frequencies (Argyrous, 2011: 439).

The traditional approach to reporting a result requires a statement of statistical significance. A p-value is generated from a test statistic. A significant result is indicated with “ $p < 0.05$ ”. The chi-square test was performed to determine whether there was a statistically significant difference in the responses per question. The following formula characterizes the Chi-square test statistic (Gravetter and Wallnau, 2008: 611).

$$X^2 = \frac{(f_o - f_e)^2}{f_e}$$

$$df = (r - 1)(c - 1)$$

Where:

$f_o$  = Data for category.

$f_e$  = Hypothesis for category.

### **3.6 The qualitative research**

This section contains the qualitative research of the exploratory study. The collected data is mainly used to explain and understand why the quantitative research of this study came up with certain results. Moreover, the data is used to draw conclusions.

#### **3.6.1 Respondent selection**

Non-probability sampling was used for the qualitative research in this study. More specifically, a purposive sampling design was used. Non-probability sampling design and purposive sampling are explained in 3.5.1.3. Purposive sampling was chosen because information regarding the research topic and research problem was believed to be held by certain respondents. According to Babbie and Mouton (2001: 288), purposive sampling is commonly used in studies where qualitative methods are used. The typical cases concept was chosen as a concept which refers to those cases in which success and failure are particularly typical for the majority of the cases (Flick, 1998: 69).

The sampling size in qualitative research has different requirements from the sample size in quantitative research. According to Gratton and Jones (2010: 168), the purpose of qualitative research is to gather 'rich' data from a small group of about six participants. Six interviews were conducted in this study to gain more in-depth information. The requirement for the interview was that the respondent is communicating regularly with German business partners and works for a company which is based in South Africa. Therefore, a respondent could be a sales manager, marketing manager, purchasing manager etc.

### **3.6.2 Data collection**

In this section, the interview guide is shown. The justification for the choice of questions is presented. Finally, the collection and administration of the interviews are explained.

#### **3.6.2.1 Interview guide**

According to Brymann and Bell (2007: 472), the interview is probably the most used method in qualitative research. However, it is the flexibility of the interview that makes it so attractive. There are two main types of interview in qualitative research: structured interview and qualitative interview (Bryman and Bell, 2007: 472). In structured interviews the researcher often uses a list of questions they ask to the respondents. The respondents feel that they are part some sort of a survey (Yin, 2010: 134).

However, in this study, the researcher wanted to gain a more in-depth understanding and therefore, used qualitative interviews. Qualitative interviews differ from a structured questionnaire. The researcher just used a framework of questions as a guide line (Yin, 2010: 135). Moreover, the questions used in the interview were open-ended. They were aimed to understand the participants on their own terms and how they make meaning of their own experiences (Yin, 2010: 135).

The quantitative research was carried out before the qualitative research. After the analysis of the quantitative research issues that were uncertain and needed clarification were identified. A qualitative interviewer framework was developed to explore some of the quantitative results. The framework of the qualitative interview is based on the aims of the study and is attached as Appendix D.

### **3.6.2.2 Collection and administration of interviews**

The collection and administration of the qualitative interviews for this study were carried out manually. A tape recorder was used in order to capture the information. The crucial information were then summarised in a table. Appendix D shows the summarised information of the interviews.

### **3.6.3 Data analysis**

The deconstruction and reconstruction method was used in this study to analyze the interviews. According to Sapsford and Jupp (2006: 278), deconstruction is the process by which prevailing knowledge or construct is broken down into essential elements. Reconstruction means the rebuilding of the elements or the construct into a certain pattern. The advantage of this method is that the elements can be arranged flexibly for a better analysis (Lee, 1999:97).

## **3.7 Validity and Reliability**

According to Gravetter and Forzano (2008: 167), the validity of a research study is the degree to which the study accurately answers the question it was intended to answer. Validity can be either applied to the measurement to determine whether the data collection instrument actually measures the variable that it claims to measure, as discussed already in 3.5.3.2, or validity can refer to an entire research study, which is going to be discussed in this section. Sweeney (2011: 4.5) considers two basic types of validity in research: internal and external validity. The first one has no influence on the research.

External validity refers to the generalization of the findings whether the results can be applied to other contexts or situations (Quinton and Smallbone, 2006: 129).

The external validity – the generalization – in this study is unsafe because of the low response rate of the quantitative study. The sample is so much smaller than the target population. Thus the findings cannot be completely generalized. However, the findings certainly give an idea about the nature of South African – German business communication with each other and where the problems are.

According to Quinton and Smallbone (2006: 129), reliability is an evaluation of whether the same findings would be obtained if the research were repeated, or if someone else conducted it.

The quantitative research of this study should be reliable if the research was conducted under the same conditions and with the same instrument. The qualitative research of this study, however, may have low reliability because the respondents were interviewed with open-ended questions and the repetition of the interviews might not give the same results.

The responses to the questionnaire had to be tested for their reliability. According to McDaniel and Gates (1998), many researchers use the *Cronbach-Alpha* to measure reliability.

“Cronbach’s Alpha estimates the average of all possible split-half reliability correlations when each test item has more than two responses” (Gravetter and Forzano, 2008: 584).

Mathematically, reliability is defined as the proportion of the variability in the responses to the survey, that is, the results of differences in the respondents. Answers to a reliable survey will differ because respondents have different opinions, not because the survey is confusing or has multiple interpretations (SPSS, 2011). According to Andrew, Pedersen and McEvoy (2011: 202), Cronbach's Alpha measures how well a set of variables measures a single, unidimensional latent construct; it is a correlation between the item responses in a questionnaire. Cronbach's Alpha values range from 0 – 1 and the alpha will generally increase when the correlations between the items increase (McEvoy et al., 2011: 202). A reliability coefficient of 0.70 or higher is considered as "acceptable". There is a high degree of acceptable, consistent scoring for this research. The total reliability coefficient of this study is 0,7255. Moreover, the validity of all 64 responses was proved in the quantitative study, so that the analysis could be performed correctly.

### **3.8 Limitations of the study**

A potential weakness of this study was the uncertain response rate to the survey because the respondents participated on a voluntary basis. Follow-up e-mails were sent to the respondents to improve the response rate. Nevertheless, the researcher decided to include qualitative research in the form of in-depth interviews in addition to the quantitative research.

### **3.9 Ethical issues**

According to Coldwell and Herbst (2004: 18), ethics is made up of norms or standards of behaviour that guide moral choices about our behaviour and our relationships with others.

The aim of ethics in research is to ensure that no one is harmed or suffers adverse consequences from research activities (Coldwell and Herbst 2004: 18).

Research that is likely to harm participants is regarded by most people as unacceptable. There was no physical or other harm to participants while conducting this research. The participants agreed to participate in this study (quantitative and qualitative research) on a voluntary basis. The study involved an anonymous survey and the identity and individual answers were kept totally confidential so that an invasion of privacy could be excluded. Moreover, each person had the right to withdraw from participating in this study. Any type of deception was excluded.

### **3.10 Chapter conclusion**

In this chapter, the research design and methodology of this study were covered. The different types of research, sampling process, and the different research instruments were demonstrated. The questionnaire was pilot tested to minimise the errors and adjust for the main study. The questionnaire of the main study was sent out to the respondents to collect the necessary data. Moreover, the interviewing process for the qualitative research was explained. The instruments used for analyzing and evaluating the data were explained.

The next chapter shows the findings and discussion of the quantitative and qualitative research.

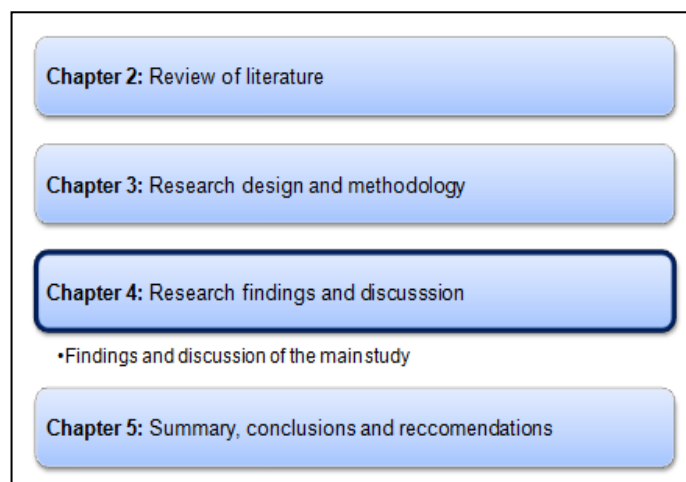
# CHAPTER 4

## RESEARCH FINDINGS AND DISCUSSION

### 4.1 Introduction

The purpose of this study is to investigate the role of interpersonal communication in managing South African – German business relationships. The review of the literature has shown that communication is a complex process. There are many factors that have to be taken into account to establish an effective communication basis. This chapter presents the research findings from questionnaires and from in-depth interviews conducted in South Africa mainly in Cape Town, Johannesburg and Durban. The questionnaire and the interview guide can be viewed in Appendices C and D. Figure 4.1 shows how this chapter fits into the overall report.

**Figure 4.1: Flow of the research**



The questionnaires collected from the respondents were analyzed using SPSS version 18 and the interviews were analyzed using the deconstruction and reconstruction methods. The results were illustrated with the aid of graphs, tables and figures. The numbers of responses were presented as percentages. Only three categories of results were presented, “agree”, “neutral” and “disagree”. The responses of “disagree” were combined with “strongly disagree” and the responses of “agree” were combined with “strongly agree” to collapse the five-point scale to a three-point scale because of the smallness of the sample.

The reason for combining the responses was to allow a clearer presentation of the data and creates a better understanding of the results.

Firstly, general information about the respondents such as gender and age are presented. Thereafter, the chapter presents the findings based on the objectives of the study. A conclusion completes the chapter.

#### **4.2 General information about the respondents**

In this section, the general information about the respondents are presented. General information such as gender and age are important ingredients and give the opportunity to identify differences and similarities on how respondents answer different questions.

#### 4.2.1 Gender and age of the participants

The gender of the participants in the quantitative study was balanced and shows a reasonable spread. The result can be seen in Table 4.1. Due to the uniform distribution of the genders, the communication behaviour of male and female respondents can be investigated.

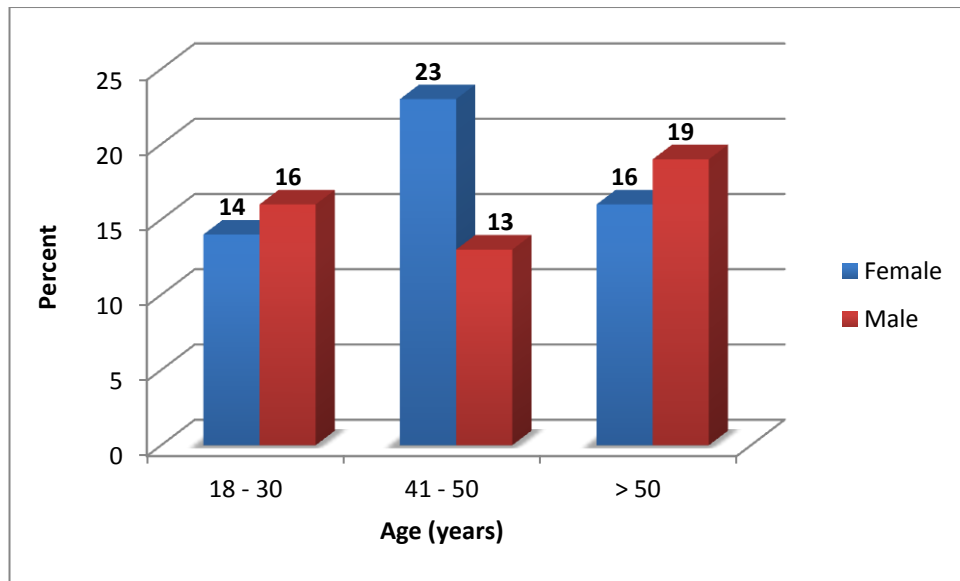
**Table 4.1: Age and gender crosstabulation**

			Gender		Total
			Female	Male	
How old are you?	18 - 30	Count	9	10	19
		% of Total	14.1%	15.6%	29.7%
	41 - 50	Count	15	8	23
		% of Total	23.4%	12.5%	35.9%
	> 50	Count	10	12	22
		% of Total	15.6%	18.8%	34.4%
Total	Count	34	30	64	
	% of Total	53.1%	46.9%	100.0%	

Almost 30 percent of the respondents of this study were between 18 – 30. Respondents between 31 – 40 totalled for 35 per cent and another almost 35 percent were over 50. Thus, over 70 per cent of the respondents were over 40 years old. This finding was expected because the quantitative and qualitative studies were designed to get information mainly from managing directors who would be older in general.

In total, there were slightly more males (53.1 percent) than females (46.9 percent). Figure 4.2 below is a graphical presentation of this data.

**Figure 4.2: Age and gender**



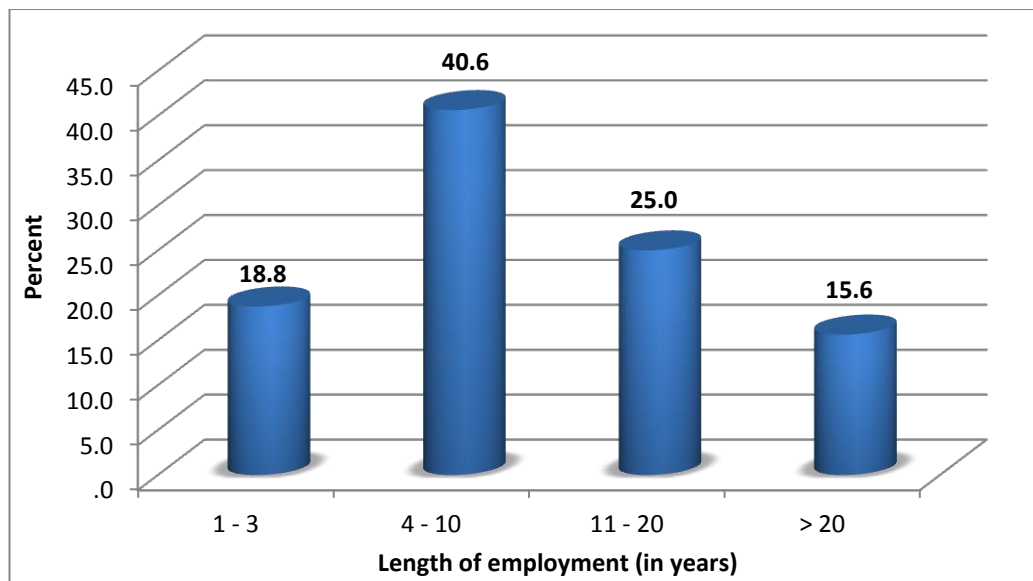
There are similar percentages of males and females in the first and third age categories, whilst there are 10 percent more females than males in the category 41 – 50 years.

#### **4.2.2 Length of employment of the respondents**

Just like age and gender, work experience is also an important indicator in research. The length of employment in years of the respondents shows an even spread in this study. The work experience goes from 1 year up to over 20 years.

About 20 percent of the respondents have worked between 1 and 3 years for the company. The majority of the respondents (40 percent) have been working between 4 and 10 years for the company. Another 25 percent have been working for the company from 11 to 20 years and about 15 percent for more than 20 years (Figure 4.3).

**Figure 4.3: Length of employment in years**



In summary, 80 per cent of the respondents have worked for more than 4 years and over 40 percent have worked over 10 years for the company. This finding shows that the respondents have a considerable amount of experience. Therefore, the respondents can be expected to be very knowledgeable about their organizations' activities and communications.

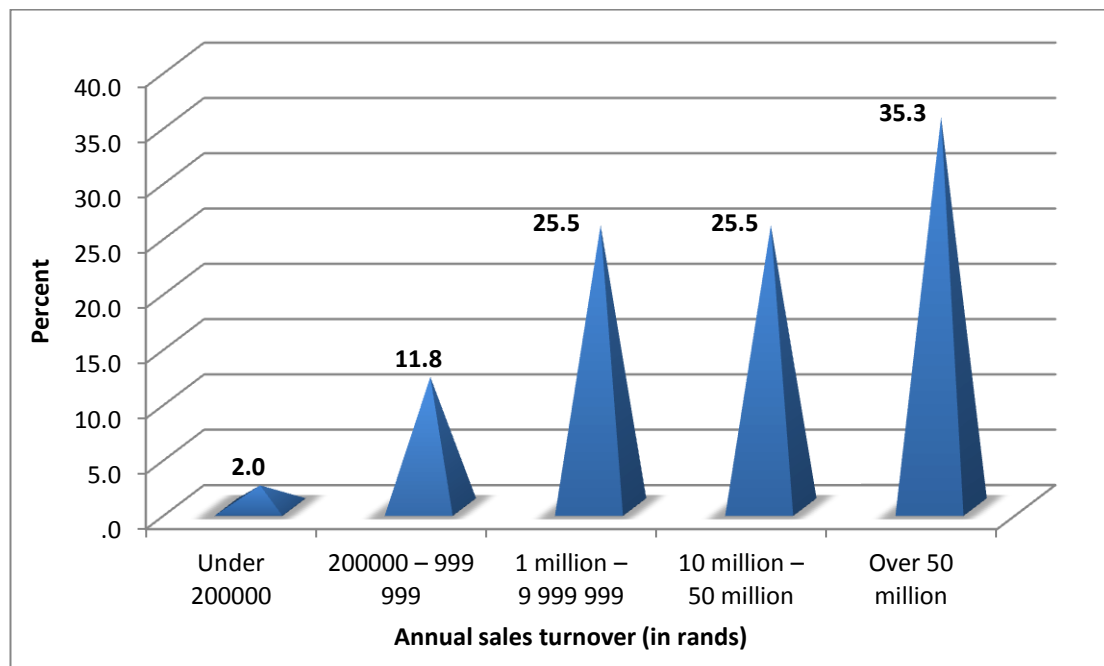
#### **4.2.3 Annual sales turnover of the respondent companies**

Companies have different corporate policies – especially if there is a big difference in the size of the organization. Therefore, in general, the ways in which the companies communicate differ as well. Bigger organizations possibly have different ways of communication than smaller organizations.

Over 50 percent of the respondents work in a company with a sales turnover between 1 and 50 million rands per year.

Over 35 percent of the respondents work for a company with sales turnover of more than 50 million rands per year. Only about 15 percent of the respondents work for companies with a sales turnover less than 1 million Rand per year (Figure 4.4). In general, this result was more or less expected because bigger companies would be more internationally active than smaller companies.

**Figure 4.4: Company annual sales turnover in rands**



### 4.3 Objective one – Interpersonal communication channels

This section presents the findings based on objective one. Objective one is concerned with identifying the interpersonal communication channels used by organizations in South Africa to communicate with their domestic and German business partners.

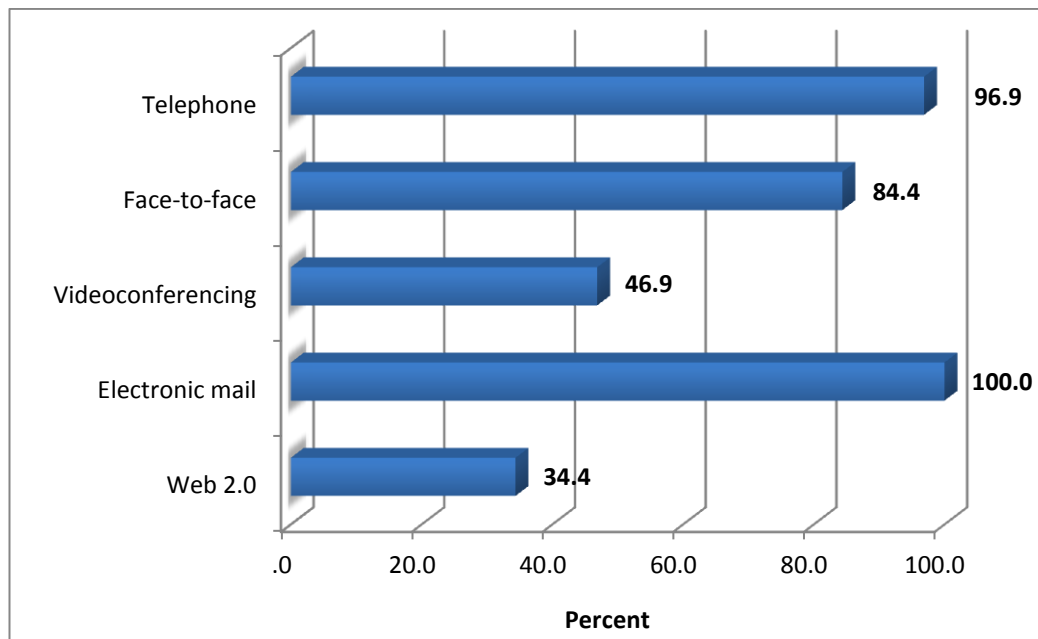
### 4.3.1 Univariate analysis

This section covers the univariate analyses based on objective one. One variable was examined and interpreted at a time.

#### 4.3.1.1 Familiar communication channels

Figure 4.5 shows which of the communication channels South African business people are familiar with in the business sector.

**Figure 4.5: Familiar communication channels by South African business people**



There were high levels of familiarity with the telephone (96.9 percent), face-to-face (84.4 percent) and electronic mail (100 percent). Only about a third (34.4 percent) were familiar with Web 2.0 services, and approximately 47 percent with videoconferencing. As can be seen from to Figure 4.5, more sophisticated communications channels are not well known.

#### 4.3.1.2 Use of communication channels by South African organizations

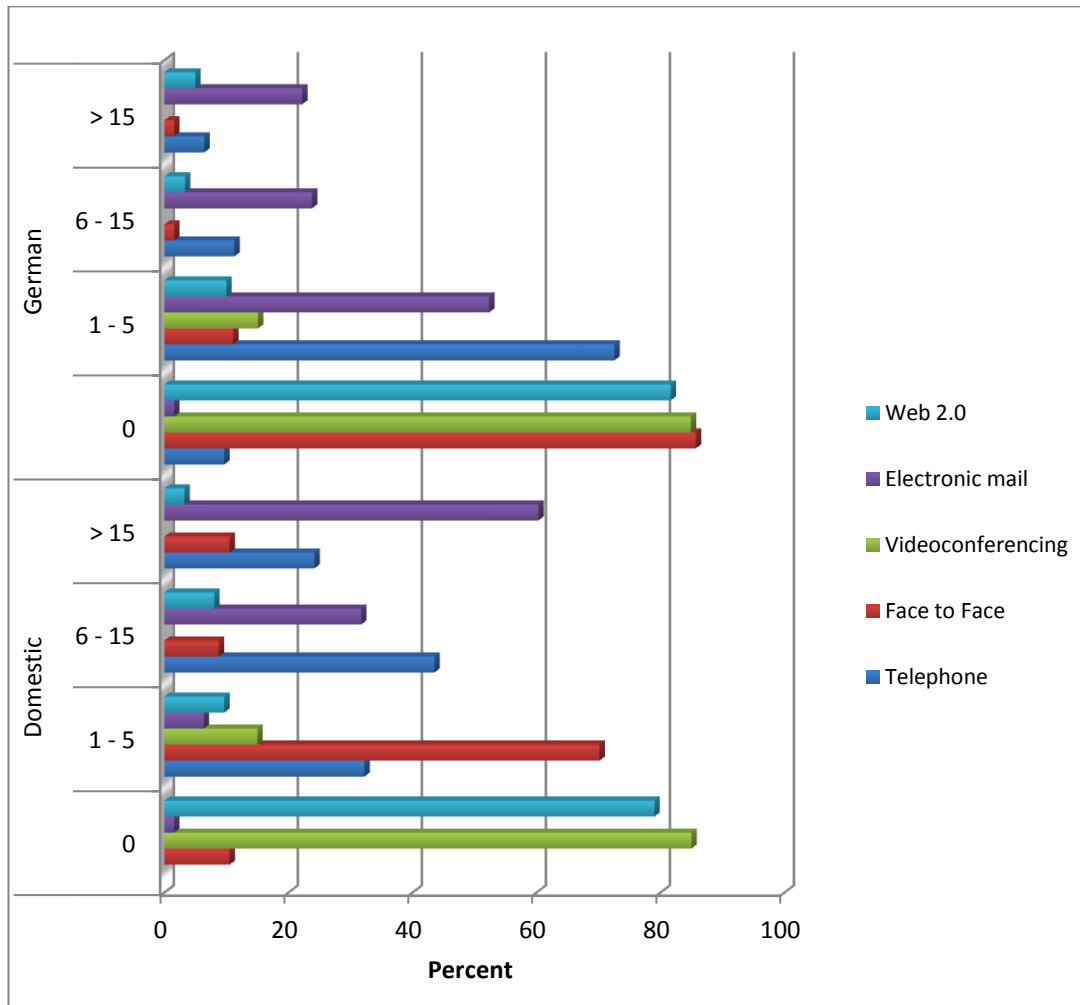
Table 4.2 shows a comparison of how often South African business people use certain communication channels to communicate with their domestic business partners, on one side, and with their German business partners, on the other side.

**Table 4.2: Communication channels used (%).**

<i>Times used per day</i>	Domestic				German			
	0	1 - 5	6 - 15	> 15	0	1 - 5	6 - 15	> 15
<b>Telephone</b>		32.3	43.5	24.2	9.7	72.6	11.3	6.5
<b>Face to Face</b>	10.5	70.2	8.8	10.5	85.7	11.1	1.6	1.6
<b>Videoconferencing</b>	85.0	15.0			84.9	15.1		
<b>Electronic mail</b>	1.6	6.3	31.7	60.3	1.6	52.4	23.8	22.2
<b>Web 2.0</b>	79.0	9.7	8.1	3.2	81.7	10.0	3.3	5.0

Figure 4.6 shows a graphical representation of the data.

**Figure 4.6: Use of communication channels for domestic and German partners.**



On average, 82 percent of respondents did not use videoconferencing or Web 2.0 to communicate neither with their domestic partners nor with their German business partners.

The two highest responses for domestic communication were for electronic mail (60.3 percent) which was used more than 15 times a day, and for face to face (70.2 percent) which was used less often (1 – 5 times a day).

Obviously a high percentage of the respondents did not use face to face (85.7 percent) to communicate with their German businesses. Most communication is via telephone (72.6 percent) and electronic mail (52.4 percent). In each instance; these channels were used for between 1 – 5 times per day.

According to the qualitative study, the reason why South African organizations use the phone more often to communicate with their domestic business partners than with their German business partners is that the problems can mainly be solved by the staff in South Africa. Calls to Germany are done only in urgent cases. Another reason is that people are much better prepared when they take calls overseas (Germany). That means less time on the phone and less communication in general is necessary to solve problems.

As Figure 4.6 shows, South African business people have very little face to face contact with their German business partners. Based on the qualitative interviews, the two main factors seem to be money and time. Flights from Germany to South Africa are so expensive that German business people try to solve problems via e-mail and telephone as far as possible. Moreover, a one way flight takes about 10, hours which is not effective use of time.

Another outstanding point highlighted by Figure 4.6 is that videoconferencing and Web 2.0 technology are hardly used by South African organizations. This finding is surprisingly since videoconferencing is a cheap, comfortable and direct communication channel.

The qualitative study found that South African business people keep to old habits (telephone and e-mail) and stick with what they feel comfortable.

Another point is that South African organizations do not really know how to use this new communication technology. In addition, the connections for overseas calls sometimes break down or have a delay.

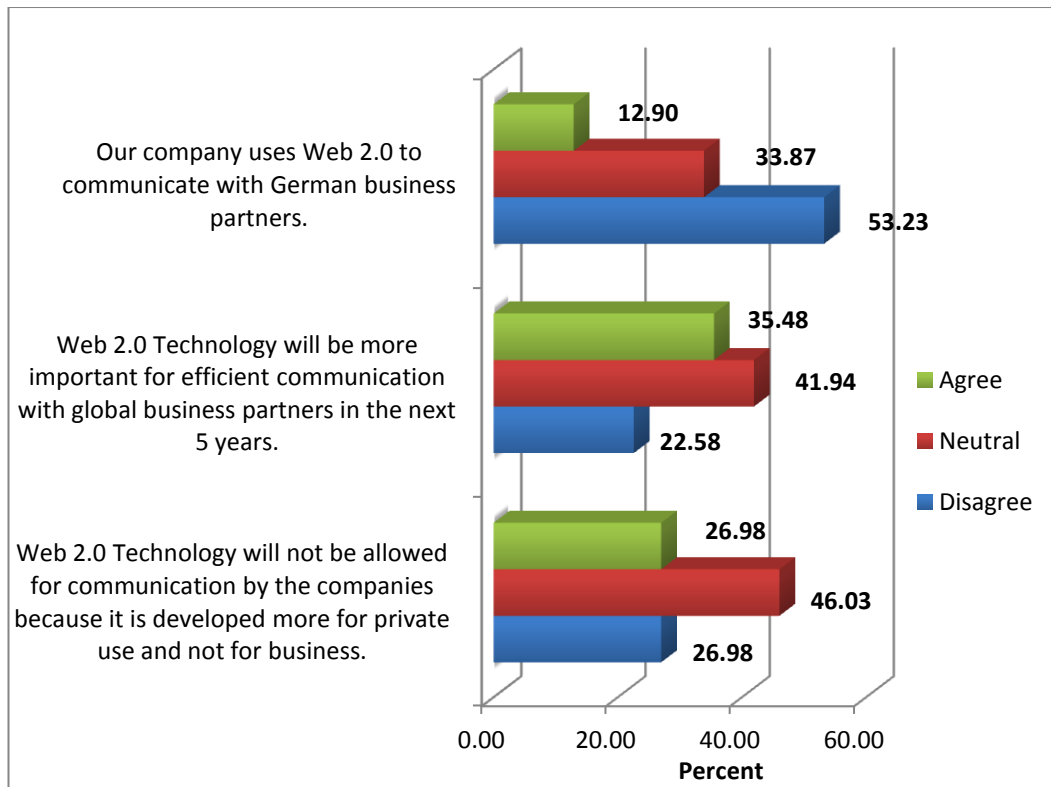
Service providers often have problems in guaranteeing a stable connection which is necessary to use videoconferencing properly.

The use of videoconferencing depends also on the size of the business. Bigger companies – especially international companies – use videoconferencing more often than smaller companies.

#### **4.3.1.3 The uncertainty of Web 2.0 for business communication**

Figure 4.7 illustrates the facts already mentioned briefly in the previous chapter. It shows that the respondents do not have an opinion when it comes to Web 2.0 services. Over one third do not even know if their company is using or offering Web 2.0 services for communication. Furthermore, almost every second person does not have an opinion on whether Web 2.0 technology is going to play a bigger role for business communication in the future.

**Figure 4.7: Respondents don't know much about Web 2.0**



Some interviewees indicated that Web 2.0 services certainly have potential for business communication. Web 2.0 will definitely be used more for business to consumer (B2C) business communication in the future. However, companies are still uncertain or hesitant about the use of Web 2.0. Respondents felt that people might use it more for private issues than for business issues. Moreover, data security is also an issue; companies do not like to publish important or confidential information on the web.

In general, South African organizations use their communication channels less often to communicate with German business partners than to communicate with their domestic partners.

According to the qualitative study, this is natural because South Africa is the place where the selling and buying takes place (rather than in Germany). Therefore, more communication with the domestic partners is necessary on a daily basis.

#### 4.3.1.4 Suitability of communication channels

Table 4.3 represent the data on how suitable or applicable certain communication channels are for South African organizations to communicate with German businesses.

**Table 4.3: Suitability of communication channels**

	Inappropriate	Less suitable	Suitable	Most suitable
Telephone		1.7%	55.0%	43.3%
Face to Face	14.3%	22.4%	24.5%	38.8%
Videoconferencing	2.9%	42.9%	51.4%	2.9%
Electronic mail		4.9%	19.7%	75.4%
Web 2.0	25.0%	28.6%	46.4%	

Overall, respondents feel that the different channels are generally appropriate. However, some channels are more favoured than others. These include telephone (98.3 percent), face to face (63.3 percent) and electronic mail (95.1 percent). Moreover, about 50 percent of the respondents think that Web 2.0 and videoconferencing are suitable for communication. Of importance, as already discussed in the previous section, is that these communication channels are hardly used for communication which is consistent with the high level of perceived unsuitability.

### 4.3.2 Bivariate analysis

This section covers the bivariate analysis which involved two variables of relevance. Crosstabulations and chi square tests were used for this analysis.

#### 4.3.2.1 Crosstabulation of Web 2.0 today and tomorrow in business

The respondents were asked if their company was using Web 2.0 for business communication and how they think Web 2.0 will change in business communication for the next 5 years. A chi-square test was carried out to see if there is a statistical significant relationship between the two considered variables. As the p-value is less than the level of 0.05, there is a statistical significance. In this case, the p-value is 0.00 which means there is a statistically significant relationship (Table 4.4).

**Table 4.4: Chi-square test of Web 2.0 today and tomorrow in business**

Chi-Square Tests	
	Asymp. Sig. (2-sided)
Pearson Chi-Square	.000

As already indicated in the univariate analysis of this chapter, Web 2.0 is hardly used by South African organizations for business communication. However, it is interesting to know what South African organizations think of the future development of Web 2.0 in business communication. The majority of the respondents disagreed with the statement that their company is using Web 2.0 for business communication but they think that Web 2.0 will be more important for business communication in the next 5 years, as Table 4.5 shows. South African business people are quite confident that Web 2.0 will be more useful for business communication in the next couple of years.

**Table 4.5: Use of Web 2.0 in business and its development crosstabulation**

		Web 2.0 Technology will be more important for efficient communication with global business partners in the next 5 years.					Total
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Our company uses Web 2.0 to communicate with German business partners.	Strongly disagree	5	1	6	4	0	16
	Disagree	0	5	6	4	1	16
	Neutral	0	2	13	6	0	21
	Agree	0	1	0	1	4	6
	Strongly agree	0	0	1	0	1	2
<b>Total</b>		<b>5</b>	<b>9</b>	<b>26</b>	<b>15</b>	<b>6</b>	<b>61</b>

#### 4.3.2.2 Crosstabulation of face to face communication and language terminology

The following crosstabulation shows a significant relationship between the two considered variables. The respondents were asked, on the one hand, if face to face is the most efficient way to communicate with German business partners and, on the other hand, if the language/terminology is often misunderstood. As Table 4.6 shows, the p-value is less than the level of 0.05, which means there is a statistical significance between the two variables.

**Table 4.6: Chi-square test of face to face communication language/ terminology**

Chi-Square Tests	
	Asymp. Sig. (2-sided)
Pearson Chi-Square	.002

Also, in this case, the univariate analysis has shown that a wide range of respondents disagreed with the statement that face to face is the most efficient way to communicate with German business people. The majority of the respondents also disagreed with the statement that they do not understand the language/terminology German business partners use. Obviously, South African business people understand the German language/terminology quite well and, therefore, probably do not need to meet German business people in person to clarify misconceptions. In this case, the difference between being effective and efficient must be explained. It might be that face to face is the most effective way in communication but with the background of time and cost, it might not be the most efficient way from an economic point of view.

**Table 4.7: Face to face communication is the most efficient way and language/ terminology crosstabulation**

		Language Terminology: I often don't understand the foreign language terminology that German business partners use.					Total
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Face-to-face communication is the most efficient way to get results when dealing with German business relationships.	Strongly disagree	0	0	0	0	1	<b>1</b>
	Disagree	1	8	5	2	0	<b>16</b>
	Neutral	2	10	7	2	0	<b>21</b>
	Agree	1	7	4	5	1	<b>18</b>
	Strongly agree	1	4	1	2	0	<b>8</b>
<b>Total</b>		<b>5</b>	<b>29</b>	<b>17</b>	<b>11</b>	<b>2</b>	<b>64</b>

#### **4.4 Objective two – Interpersonal communication problems**

This section presents the findings of the study which are related to objective two. Objective two is about the identification of interpersonal communication problems experienced by South African organizations while communicating with German business people.

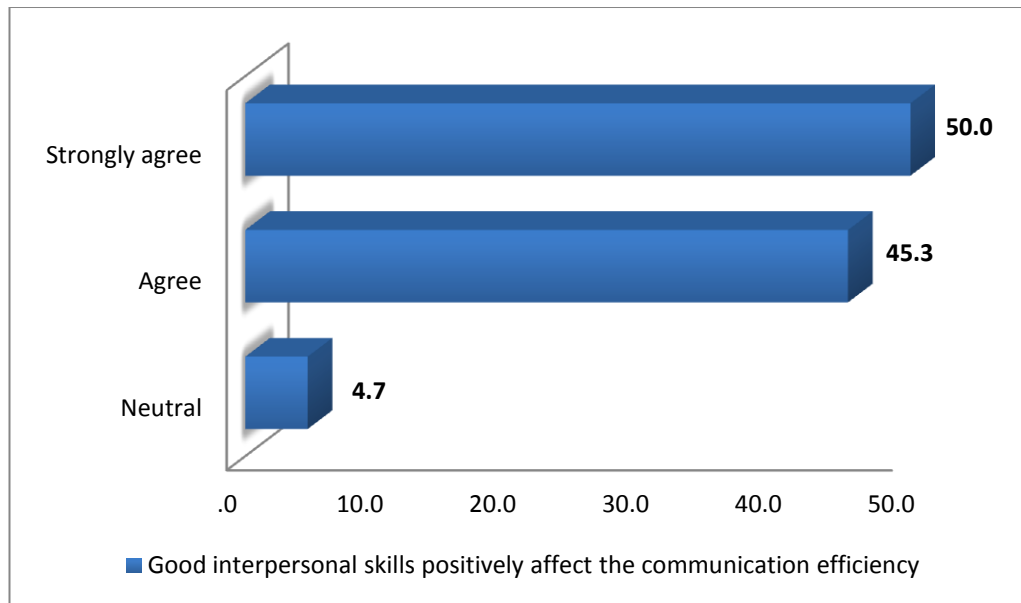
##### **4.4.1 Univariate analysis**

This section covers the univariate analysis of the variables of objective. Only one variable was examined and interpreted at a time.

###### **4.4.1.1 The importance of interpersonal skills**

The respondents were asked if good interpersonal skills affect the communication positively (Figure 4.8). There were no respondents that disagreed with the statement with only 5 percent being uncertain with respect to the above statement. A total of 95 percent agreed and strongly agreed with that statement and 50 percent strongly agreed.

**Figure 4.8: Good interpersonal skills positively affect communication.**



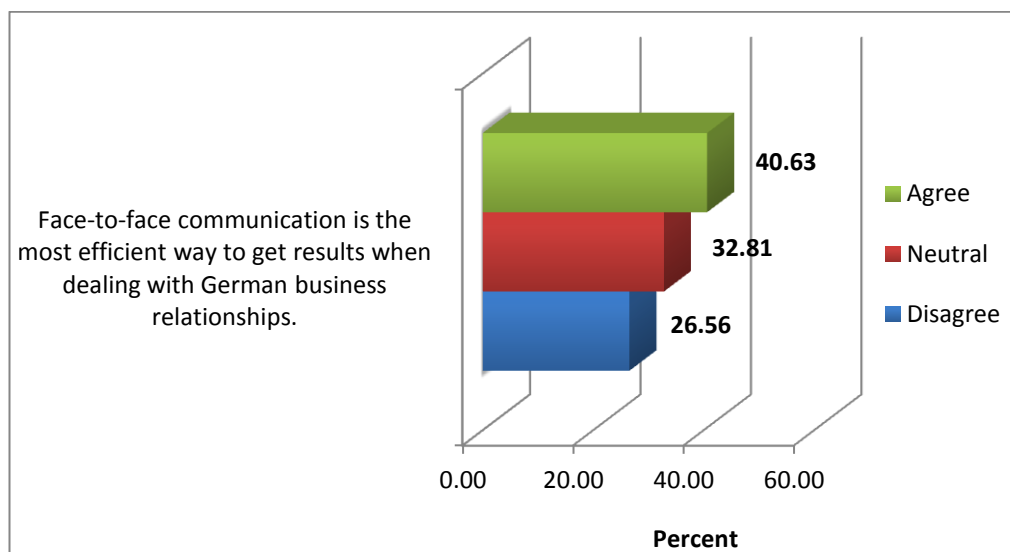
It is worthwhile to know which interpersonal skills are seen as important. According to the qualitative study, listening and eye contact are important interpersonal skills. Moreover, it is crucial that business people can express themselves in words that are understood clearly. If business people cannot put their message across to the intended audience, it causes problems and delays in communication. However, interpersonal skills also include the simple things such as greeting, being polite and showing interest in understanding the communication partner.

Body language is also important for interpersonal skills because people get noticed before they even say anything. Thus, the interviewees stressed the importance of developing interpersonal skills. Such interpersonal skills help when meeting in person, as every person communicates differently.

#### 4.4.1.2 Face to face communication with German business people

Another question the respondents were asked related to the efficiency of face to face communication, when communicating with German business people. Figure 4.9 shows how the respondents rated that statement. Over 40 percent agreed with the statement that face to face is the most efficient way to communicate with German business people. However, 26 percent disagreed with the statement and over 32 percent were neutral.

**Figure 4.9: Face to face communication with German business people**



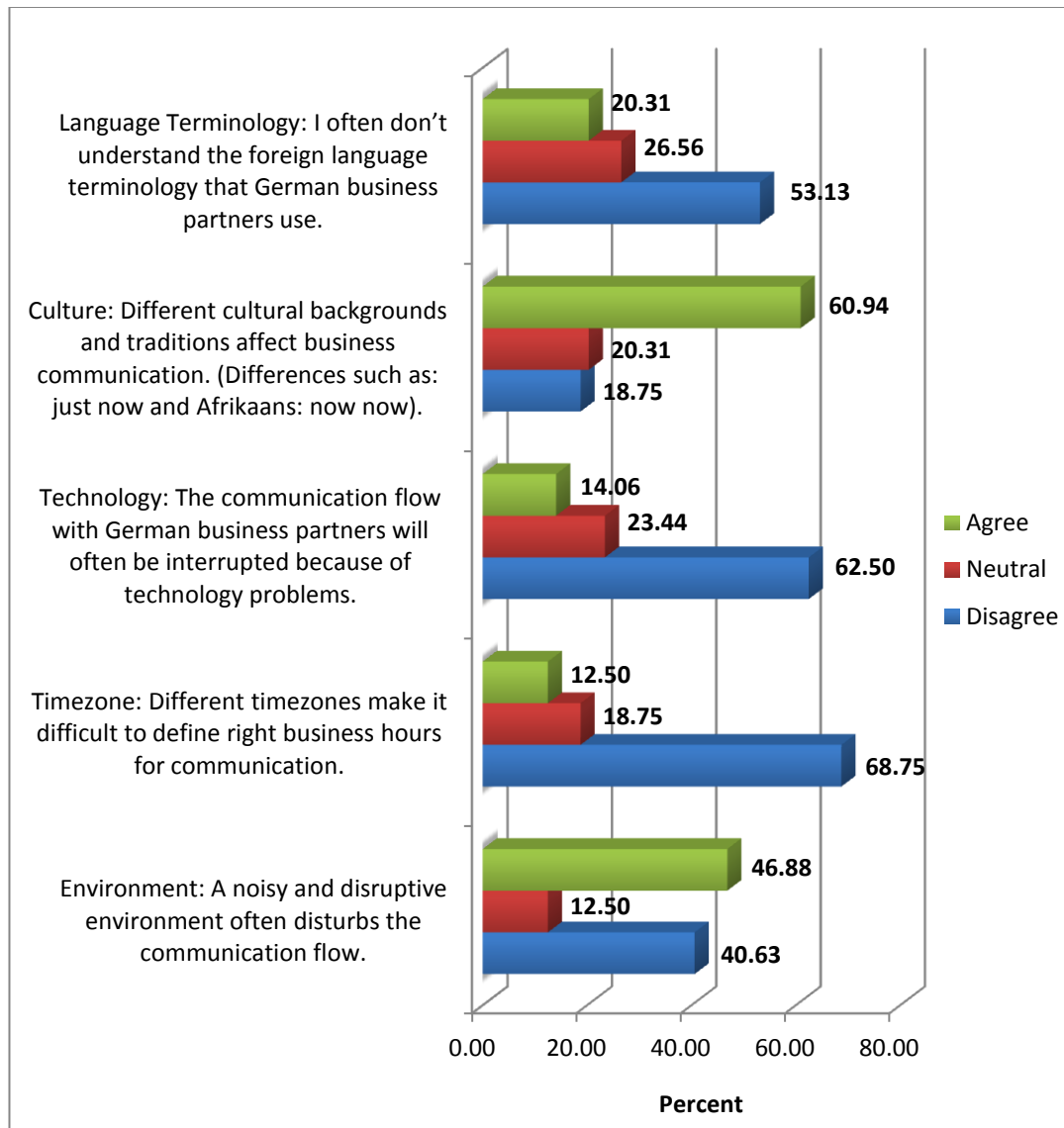
The qualitative interviews showed that German business people tend not to decide too quickly. They tend to double check things before deciding. South African business people, in comparison, tend to decide much quicker. Regarding face to face it was felt that it is not always the most efficient way to communicate with German business people because they often do not come to a decision. In fact, it can lead to clashes. South Africans are sometimes uncomfortable when the expertise of German business people is much higher.

This might be a reason why face to face communication is often not preferred by South Africans and which then makes them feel that it is also not that efficient.

#### **4.4.1.3 The cultural and technological influence on communication**

The respondents were asked if cultural backgrounds and traditions affect business communication. Figure 4.10 shows that over 60 percent of the respondents think that different cultural backgrounds affect business communication. 20 percent are neutral to this statement and 18.75 percent do not think that different cultural backgrounds influence business communication. Language/terminology doesn't seem to be a problem according to the quantitative analysis. The difference in time zones isn't a problem either, as Germany and South Africa are almost on the same time zone. It would probably be different if the survey had included China or USA, for instance, where there are large time differences. Over 60 percent of the respondents felt that there are no technological problems which affect communication.

**Figure 4.10: The cultural aspect in communication**



The qualitative study showed, in contrast to the quantitative study, that language/terminology does play a role and that there are language problems. Culture definitely affects the communication and causes misunderstandings. Different cultures communicate differently. For example, South African business people always ask “how are you”? at the beginning of every conversation no matter which problem is going to be discussed.

German business people tend to identify themselves and talk immediately about the business problem. The German culture is quite different in comparison to the South African culture. In general, Germans do not like to talk about personal things with people they do not know very well. They keep their distance both emotionally and physically at the beginning of the conversation and wait for the other person to open up first. Another point where German culture affects South African relationships is the working habits relating to deadlines. German business people like to push activities to meet deadlines, while South Africans often have problems in being pushed.

South Africa is called the “Rainbow Nation” due to the different cultures. The Indians in the Durban area, for example, have their own way of doing business and that needs to be understood. Another example is that a Zulu speaking person does not maintain eye contact during the conversation. In this culture, this is a sign of showing respect to the communication partner. In Germany it is the other way round: keeping eye contact during the conversation is very important to convey honesty and trustworthiness.

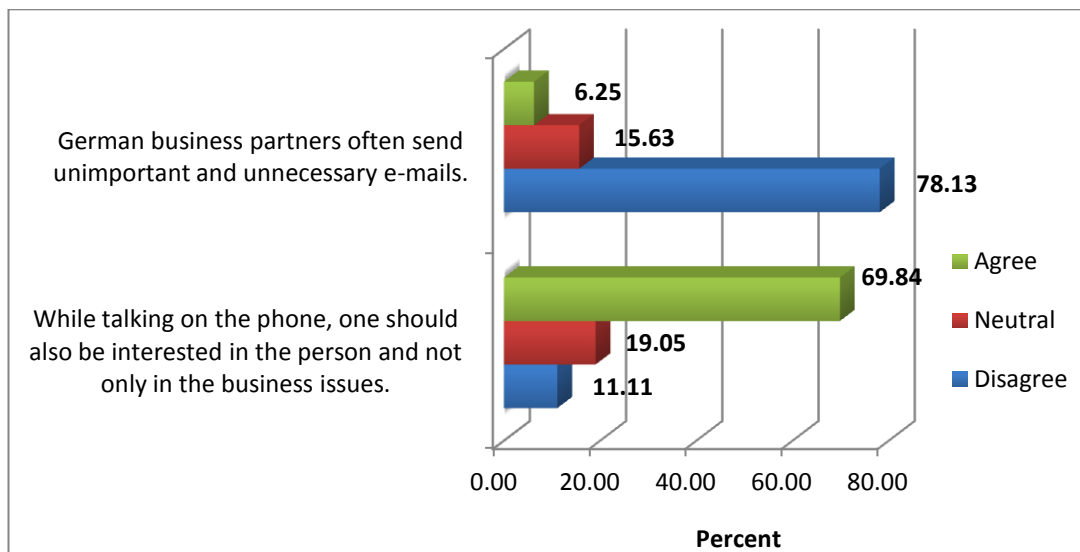
In relation to the technological aspect, the quantitative study says something different to the qualitative study. The qualitative study found that there are technological problems which affect communication. Sometimes, communication servers break down and neither the telephone nor e-mail can be used to communicate. Furthermore, telephone conversations, there are often speech delays which make the communication medium quite annoying. That is one reason why South African business people prefer e-mails to making telephone calls.

#### 4.4.1.4 German business people do not talk about non-business issues

Figure 4.11 shows an interesting connection between the two statements. On the one hand, the respondents state that German business partners do not send unimportant and unnecessary e-mails, but, on the other hand, they say that people should be interested not only in business issues but also in the person as well.

According to the qualitative study, German business people are not very talkative when it comes to personal matters; they prefer to keep their distance and just stick to the business issues. However, as Figure 4.11 shows, South African business people would like German business people to be a bit more open. Small talk take the tension out of conversations and makes it easier to communicate for both partners.

**Figure 4.11: German business people keep to business issues in conversations**



#### 4.4.2 Bivariate analysis

This section covers the bivariate analysis based on objective two. The variables related to objective two were cross tabulated to identify relationships between them and Chi squares were used to assess statistical significance.

##### 4.4.2.1 Crosstabulation of average sales turnover and unnecessary e-mails

In this crosstabulation two variables were examined via the chi-square test to see if there is a significant relationship. As Table 4.8 shows, there is a statistical significance between the two variables, as indicated by the p-value of 0.04 which is less than 0.05. In this case, it means that the annual sales turnover did play a role in terms of how respondents answered the statement.

**Table 4.8: Chi-square test of average sales turnover and unnecessary e-mails**

	Gender	Age	How long have you been working for the company (in years)?	Average annual sales (in Rands)
German business partners often send unimportant and unnecessary e-mails.	0.593	0.682	0.734	.004*

Table 4.9 shows that the majority of the respondents disagreed with the statement that German business partners often send unnecessary and unimportant e-mails.

Bigger respondents of bigger companies tended to disagree with the statement to smaller companies tended to agree with the statement that German business partners send unimportant emails. The reason might be that the information and e-mail flow in bigger companies is much higher than in smaller companies and unimportant mails may not be that noticeable in relation to smaller companies. To get a more accurate picture, a bigger survey would be necessary to test this result.

**Table 4.9: Unnecessary e-mails and average sales turnover crosstabulation**

		What was the average annual sales turnover of your company over the last three years (in rands)?					Total
		Under 200000	200000 – 999 999	1 million – 9 999 999	10 million – 50 million	Over 50 million	
German business partners often send unimportant and unnecessary e-mails.	Strongly disagree	0	1	3	2	2	<b>8</b>
	Disagree	0	3	8	9	10	<b>30</b>
	Neutral	0	1	2	2	5	<b>10</b>
	Agree	1	0	0	0	1	<b>2</b>
	Strongly agree	0	1	0	0	0	<b>1</b>
<b>Total</b>		<b>1</b>	<b>6</b>	<b>13</b>	<b>13</b>	<b>18</b>	<b>51</b>

#### **4.5 Objective three – Identify changes in interpersonal communication**

This section presents the findings of the study which are related to objective three. Objective three is about identifying the changes in interpersonal communications needed to improve the relationships between German and South African organizations from the respondents' point of view. This section is divided into improvements on a personal level and improvements on a technical level.

#### **4.5.1 Improvements on a personal level**

Based on the qualitative study, the following ideas were identified. Since South Africa and Germany have different cultures which affect communication, both countries should use the chance to learn more about each other's cultures and languages.

Dealing with other cultures means to get to know, for instance, how the countries are organized, how people live there, which working habits they have, what problems they face, how they communicate and much more. Showing others that there is respect and interest in the culture and the person helps to better understand each other and create a more efficient basis of communication. From this point of view, South African and German organizations should provide workshops where business people have the chance to gain more knowledge about each other's culture, language and working habits.

From the South African point of view, business people should learn not to jump to conclusions or take decisions too quickly. Another action might be to provide workshops on how to deal with decisions and problems according to the German way.

From the German point of view, business people should be more open minded and not just focussed on the business issues during conversations. This could definitely help to make conversations more comfortable and also more efficient.

#### **4.5.2 Improvements on a technical level**

As previously mentioned, the quality of technology in South Africa plays a role in communication. South African service providers and the quality of technology have improved over the past 5 – 10 years but, unfortunately, it still causes problems in the communication process.

On the one hand, the whole South African network should be improved because there are many power interruptions where no communication is possible. Consequently, problems cannot be solved and machines are not capable of working. This causes a loss of productivity and profit. On the other hand the service provision within the companies should be improved because when this brakes down there is also no communication possible.

#### **4.6 Chapter conclusion**

The purpose of this chapter was present the empirical findings related to interpersonal communications amongst first tier suppliers and customers of South African organizations that communicate with German business partners. To get a wide range of opinions, the quantitative and qualitative studies were conducted in Cape Town, Johannesburg and Durban.

The results of the study revealed that there is a significant difference in the frequency of using certain communication channels by South African organizations to communicate with their domestic and German business people.

Many South African organizations lack understanding about videoconferencing and Web 2.0 services. Most of their communication is via telephone and e-mail.

Furthermore, the results of the study show that the big cultural differences between South Africa and Germany cause problems in communications. Different languages, accents, working habits and knowledge standards make communication a challenge.

In this context, the chapter has also revealed that, to improve interpersonal communications between South Africans and Germans, the business partners on both sides should show more interest in each other's culture. Hence, both cultures will get to know each other better and find out which communication channels are the most efficient to achieve the best results.

In the next chapter, the conclusions that have been drawn from the findings will be discussed. The conclusions will also be linked to the research objectives and the research problem. The implication for theory and recommendations for practical issues and further research will also be discussed in the next chapter.

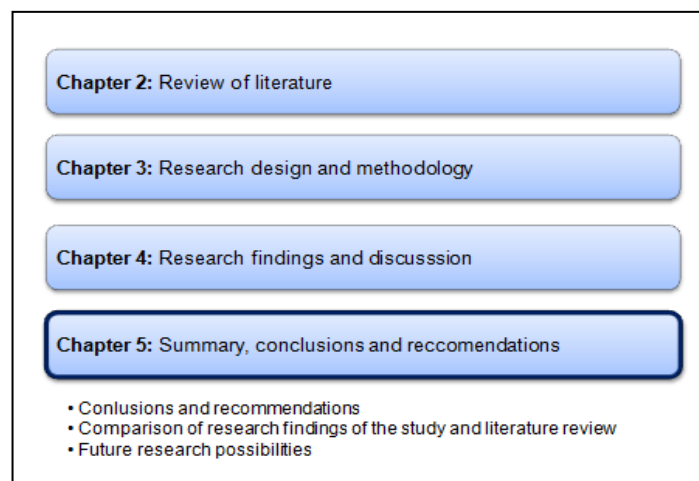
# CHAPTER 5

## CONCLUSIONS AND RECOMMENDATIONS

### 5.1 Introduction

This chapter focuses on the conclusions and recommendations of this study. Figure 5.1 shows how this chapter fits into the overall report. Firstly, conclusions about the research objectives and the research problem are provided. Thereafter, the theoretical implication of the research is discussed, followed by recommendations for practical issues. The next step outlines further limitations that became apparent during the progress of the research. Recommendations for future research close this chapter.

**Figure 5.1: Flow of the research**



## **5.2 Conclusions about research objectives**

This section presents the conclusions which are based on the research objectives of this study.

### **5.2.1 Research objective one**

The first objective concerned the communication channels used by South African organizations to communicate with German businesses. The result for this objective – as already shown and discussed in section 4.3.1.2 – show that the main communication channels used by South African organizations are e-mails, telephone and face to face communication.

According to Sussman, Adams, Kuzmits and Raho (2002: 315), these are the main communication channels in business. According to the literature, the e-mail will be used mainly because messages can be sent quickly and inexpensively across the time zones or borders; telephones were also used for gathering or delivering quick information and face to face conversation takes place when business people need to be persuasive (Guffey and Almonte, 2009: 35). These insights from the literature review are confirmed by the study which found that South African business people mainly communicate via e-mail and telephone.

Videoconferencing is hardly used by South African organizations to communicate with German business people. Bigger companies use videoconferencing occasionally. According to the literature, this channel will be used when group consensus and interaction are important but the members are not available personally (Guffey and Almonte 2009: 35).

However, videoconferencing provides a comfortable and cheap communication channel over distance, but the study has found that this communication channel is not used by South African organizations to communicate with their German business partners. Lack of knowledge and different technology standards play a role in why videoconferencing is not in standard use for communication in South African companies.

In relation to Web 2.0 and business communication, there is little literature available because this area is still relatively new. The study confirmed that many people do not know what Web 2.0 is, or whether their company is using this channel for business communication. Even after being given a definition of Web 2.0 – “Web 2.0 is the term given to describe a second generation of the World-Wide-Web that is focused on the ability for people to collaborate and share information online” – many respondents answered the questions concerning Web 2.0 with neutral answers. This shows that people are relatively ignorant about this particular area and that Web 2.0 is not adequately researched for business communication.

### **5.2.2 Research objective two**

The second objective focused on identifying any problems in interpersonal communications experienced by South African organizations while communicating with German business people. Based on both the quantitative and qualitative studies were found in relation to the literature review.

According to Sedam (2002: 44), there are different causes for communication problems such as different behavioural styles, personalities, company policies, structure and culture. Global communicators, especially, have to deal with the already mentioned factors.

The literature review shows (Figure 2.12, page 47) the different communication barriers in communication. All factors certainly play a role when South African and German business people communicate with each other. This study has found that linguistic, perceptual, and in particular, cultural communication barriers are present in the communication between South African and German business people (section 4.4.1.3).

“Linguistic” describes the way words are understood (Ricketts and Ricketts, 2010: 178). Every language has its unique vocabulary, idioms, and cultural expressions and it is sometimes the case that South African and German business people misunderstand each other because of improper language understanding.

Moreover, there are also perceptual communication barriers between South African and German business people. Perception may be influenced by people’s past experience, needs and education (Cleary, 2008: 12). Although, South Africa is still a developing country; there is a need to use high technology communication channels. Germany, in comparison, is a highly developed country and thus is ahead in the technology and knowledge.

According to the qualitative study the biggest communication barrier between South African and German business people is the cultural barrier (section 4.4.1.3).

Cultural barriers and differences increase communication difficulties; global business partners should acknowledge the differences and seek to understand and then to be understood before they jump to conclusions (Cheng, 2004: 50). The study has found that, in particular, South African business people often jump to conclusions too quickly, whereas German business people often make sure of things before they decide.

South Africa, the so called “Rainbow Nation”, has many different cultures which make communication with German business partners challenging. According to section 4.4.1.1, interpersonal skills such as listening, the ability to express oneself correctly and eye contact during conversations are the key ingredients for successful and efficient communication.

### **5.2.3 Research objective three**

The third objective was concerned with changes in interpersonal communications between South African and German business people needed to improve the relationships. According to the findings of the study (section 4.4.1.3), both South African and German business people should be more interested in each other’s culture and working habits. It is important to accept and respect each other; it makes no difference what cultural background people have. The literature also shows that especially in international businesses, culture plays a crucial role in business. It starts from the company policy and ends with the interpretation of messages. Cheng (2004: 50) indicates that global business communicators should put themselves in other people’s shoes to know how people like to be treated.

### **5.3 Conclusions about the research problem**

The research problem of this study was concerned with the influence of interpersonal communications in managing South African – German business relationships. As the literature says, strong relationships develop when effective communication is established (Evenson, 2010: 42).

According to the qualitative study, to develop strong relationships between South African and German business people, openness is needed because two very contradictory and special cultures are communicating with each other. German business people are very accurate and precise whereas South African people consider problems in terms of the big picture, rather than the details.

Moreover, to develop strong relationships and to be able to communicate in the right way the technology must operate properly.

The qualitative study has discovered that there seems to be a large potential in Web 2.0 services for business communication in the future, but without a stable and functioning internet connection, effective communication cannot be guaranteed. South African organizations still have problems with power breakdowns and external service providers to ensure a stable communication connection.

There is a large amount of literature available on topics such as interpersonal communication or intercultural communication; but there is not much literature when it comes explicitly to South African and German business communications. Moreover, there is little literature available which investigates the potential of Web 2.0 services for business communication. It is conceivable that in a few years time communication will be completely via the Internet, for instance, through business Skype and headset where traditional telephones are not needed anymore.

#### **5.4 Implications for theory**

As already outlined in the two previous sections (5.2 and 5.3) of this chapter, this research clearly shows the importance of interpersonal communication in business. Due to the complexity of all the factors that influence communication, it's justified that as much research is done in that particular area.

This study has not only made a significant contribution in its immediate field but also among other related fields that were not even mentioned in the chapter two of the literature review.

Moreover, in the foreseeable future, if Web 2.0 is in demand for business communication, the new communication channel with the advantages and disadvantages should be explained in future studies.

#### **5.5 Recommendations**

This study has revealed that problems still exist in communication between German and South African business people. German and South African business people communicate with each other without dealing with each other's culture, and working habits which cause problems and lead to unnecessary misunderstandings.

Studies should be conducted to determine which cultures are communicating with each other and which factors take an influence on the communication. It should be noted that there are no standard arrangements or a guideline available for an efficient intercultural communication. Proper English knowledge is often not good enough for efficient communication – especially if two countries such as Germany and South Africa communicate with each other.

In this sense, companies should ensure that their employees know more about their communication partners and their communication habits to make business communication as efficient and effective as possible. On the basis of this thought, companies should carry out workshops and training in the company on topics such as:

- Interpersonal communication in business;
- Intercultural communication in business; and
- Effective and efficient ways of business communication.

Training in communication can be offered on a general basis, or can specifically related to certain countries – in this case, communication between South Africa and Germany.

## **5.6 Limitations**

This section discusses the limitations that became apparent during the progress of the research. One limitation of the study is the questioning about Web 2.0 technology. As the quantitative study clearly showed, a large number of respondents didn't know much about Web 2.0 and, therefore, answered the question with a neutral response even after a description of Web 2.0 was given.

Another limitation of this study is the low number of interviews conducted in the study. A total of 64 questionnaires were completed and 6 qualitative interviews were conducted. For an exploratory study, this is sufficient but, in order to obtain reliable answers for a conclusive study, more interviews should be carried out.

## **5.7 Recommendations for further research**

Because of the many insights from the quantitative and qualitative studies, some recommendations for further research can be given.

Further research is certainly needed in the area of Web 2.0 technology for business communication. Web 2.0 can be explained as the idea of creating a “web as a platform”. Web 2.0 allows customers to interact with the information provided on the Internet and combine data from different sources. The interesting question is whether Web 2.0 can be used for business communication on a platform basis.

Another recommendation for further research is to expand the sample of the quantitative and qualitative study to get better reliability. There were 64 respondents who participated in the quantitative study and another six participated in the qualitative study. A bigger sample would give the opportunity to arrive at more reliable and valid conclusions.

In conjunction with the increase of the sample, one could go further and analyze smaller or bigger companies in their communication behaviour or investigate the influence of the results by gender, for example. The differences in a larger sample are often more significant and sometimes not noticeable in a smaller sample.

This study examined the role of interpersonal communication in managing South African – German business relationships. The study focused on companies that are based in South Africa and communicate with German business people. It would be interesting to know how this study would turn out if conducted in Germany. In other words, how do companies based in Germany communicate with South African business people? Possibly German business people would have a completely different view. On that basis the two studies could then be analyzed and compared.

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# APPENDICES

## Appendix A – Letter of information and consent

Title of the study:

### **The role of interpersonal communications in managing German – South African business relationships**

Dear respondent,

You are invited to participate in an academic research study conducted by Oleg Scheming, a German Masters student from the Department of Entrepreneurship and Management at the Durban University of Technology. The purpose of the study is to investigate the interpersonal communication problems between German and South African organizations and what can be done to improve the business relationships. This study involves an anonymous survey. Your name will not appear on the questionnaire. The information that you provide will only be used for research purposes and may be published in an academic journal. Your identity and individual answers will be kept totally confidential. Please answer the questions as completely and honestly as possible. The questionnaire will take approximately 5 minutes to complete. Should you wish to discuss this further, please feel free to contact me. If you would like to have a summary of the results of the study, please let me have your e-mail address at the end of the questionnaire. Remember to click submit once you have answered all the questions.

By completing the questionnaire, you will indicate that:

- You have read and understand the information provided above.
- You give your consent to participate in the study on a voluntary basis.

Your assistance will be much appreciated.

Contact telephone number: 0727363622 / E-mail address: oleg.scheming@gmail.com

Yours faithfully, Oleg Scheming

## Appendix B – Pilot study questionnaire

### Interpersonal communication methods

Q1) Which of the following interpersonal communication channels are familiar to you (private and business)? (Multiple choices are possible).

**NB:** Web 2.0 is the term given to describe a second generation of the World-Wide-Web that is focused on the ability for people to collaborate and share information online. Examples of Web 2.0 include social networking sites, blogs, wikis, and video sharing sites.

	<input checked="" type="checkbox"/>
Telephone	
Face to face	
Videoconferencing	
Electronic mail	
Web 2.0 (NB)	
Other	

Q2) Which of the following interpersonal communication channels have you already used to communicate with your domestic and German business partners? (Multiple choices are possible).

	<input checked="" type="checkbox"/>
Telephone	
Face to face	
Videoconferencing	
Electronic mail	
Web 2.0	
Other	

Q3) How many times do you use the following interpersonal communication channels on average, per day, to communicate with your domestic business partners?

	<b>0-5</b>	<b>6-10</b>	<b>11-15</b>	<b>&gt;15</b>
Telephone				
Face to face				
Videoconferencing				
Electronic mail				
Web 2.0				

Q4) How many times do you use the following interpersonal communication channels on average, per day, to communicate with your German business partners?

	<b>0-5</b>	<b>6-10</b>	<b>11-15</b>	<b>&gt;15</b>
Telephone				
Face to face				
Videoconferencing				
Electronic mail				
Web 2.0				

Q5) How applicable/suitable are the following communication channels for communicating with German business partners regardless of your own preference? Please tick the appropriate box.

	<b>Most suitable</b>	<b>Suitable</b>	<b>Less suitable</b>	<b>Inappropriate</b>
Telephone				
Face to face				
Videoconferencing				
Electronic mail				
Web 2.0				

Q5.1) Which of the interpersonal communication channels do you prefer personally?

	<b>Strongly preferred</b>	<b>Preferred</b>	<b>Not preferred</b>	<b>Inappropriate</b>
Telephone				
Face to face				
Videoconferencing				
Electronic mail				
Web 2.0				

Q5.2) Regarding the channels that you have rated on strongly prefer/prefer above in Question 5.1, please indicate your reasons for these preferences. (Multiple choices are possible).

<b>Because it/they is/are...</b>	<input checked="" type="checkbox"/>
Direct	
Indirect	
Fast	
Reliable	
More effective	
Other	

How strongly do you agree or disagree with the following statements? Please choose one answer by ticking the appropriate box (Questions 6 – 12).

	<b>Question</b>	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly agree</b>
Q6)	German business partners often send unimportant and unnecessary e-mails.					
Q7)	Face to face communication is the most efficient way to get results when dealing with German business relationships.					
Q8)	While talking on the phone, one should also be interested in the person and not only in the business issues.					
Q9)	German companies use Videoconferencing too often and neglect the personal face to face contact with their South African business partners.					
Q10)	Our company uses Web 2.0 to communicate with German business partners.					

Q11)	Web 2.0 Technology will be more important for efficient communication with global business partners in the next 5 years.					
Q12)	Web 2.0 Technology will not be allowed for communication by the companies because it is developed more for private use and not for business.					

**Communication barrier: Interpersonal skills**

How strongly do you agree or disagree with the following statements? Please choose one answer by ticking the appropriate box (Questions 13 – 22).

	Question	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Q13)	Good interpersonal skills of business partners positively affect the communication efficiency.					
Ability to understand what other people say						
Q14)	German business partners often don't understand what is said?					
Q15)	German business partners often make promises they cannot keep.					
Q16)	German business partners often have difficulties in remembering the conversation context (includes face to face and telephone).					

Significance of oral skills						
Q17)	German business partners always have a positive attitude and are kind.					
Q18)	German business partners often have difficulties in summarizing the conversation.					
Q19)	German business partners often have trouble in structuring the conversation flow on the phone.					

Significance of written skills						
Q20)	Written responses from German business partners are always on time.					
Q21)	The written context from German business partners is often <u>not</u> structured.					
Q22)	The grammar of written messages from German business partners is often wrong.					

**Communication barrier: Cultural aspect**

How strongly do you agree or disagree with the following statements? Please choose one answer by ticking the appropriate box (Questions 23 – 27).

	Question	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Q23)	<i>Language:</i> I often don't understand the foreign language terminology that German business partners use.					
Q24)	<i>Culture:</i> Different cultural backgrounds and traditions affect business communication. (Differences such as: just now and Afrikaans: now now).					
Q25)	<i>Technology:</i> Communication with German business partners will be often interrupted because of technology problems.					
Q26)	<i>Timezone:</i> Different timezones make it difficult to define the right business hours for communication.					
Q27)	<i>Environment:</i> A noisy and disruptive environment often disturbs the communication flow.					

## **Personal information of the participant**

Q28) Gender

Female	
Male	

Q29) How old are you?

21-30	
31-40	
41-50	
Over 50	

Q30) How long have you been working for the company (in years)?

1-3	
4-10	
11-20	
Over 20	

Q31) What was the average annual sales turnover of your company over the last three years (in Rands)?

Under 200000	
200000 – 999 999	
1 million – 9 999 999	
10 million – 50 million	
Over 50 million	

Q32) If you would like to have a summary of the results of the study please indicate your e-mail address.

## Appendix C – Coded questionnaire for main study

### Interpersonal communication methods

Q1) Which of the following interpersonal communication channels are familiar to you (private and business)? (Multiple choices are possible).

**NB:** Web 2.0 is the term given to describe a second generation of the World-Wide-Web that is focused on the ability for people to collaborate and share information online. Examples of Web 2.0 include social networking sites, blogs, wikis, and video sharing sites.

	<input checked="" type="checkbox"/>
Telephone	1
Face to face	2
Videoconferencing	3
Electronic mail	4
Web 2.0 (NB)	5
Other	6

Q2) Which of the following interpersonal communication channels have you already used to communicate with your domestic and German business partners? (Multiple choices are possible).

	<input checked="" type="checkbox"/>
Telephone	1
Face to face	2
Videoconferencing	3
Electronic mail	4
Web 2.0	5
Other	6

Q3) How many times do you use the following interpersonal communication channels on average, per day, to communicate with your domestic business partners?

	<b>0</b>	<b>1-5</b>	<b>6-15</b>	<b>&gt;15</b>
Telephone	1	2	3	4
Face to face	1	2	3	4
Videoconferencing	1	2	3	4
Electronic mail	1	2	3	4
Web 2.0	1	2	3	4

Q4) How many times do you use the following interpersonal communication channels on average, per day, to communicate with your German business partners?

	<b>0</b>	<b>1-5</b>	<b>6-15</b>	<b>&gt;15</b>
Telephone	1	2	3	4
Face to face	1	2	3	4
Videoconferencing	1	2	3	4
Electronic mail	1	2	3	4
Web 2.0	1	2	3	4

Q5) How applicable/suitable are the following communication channels for communicating with German business partners regardless of your own preference? Please tick the appropriate box.

	<b>Most suitable</b>	<b>Suitable</b>	<b>Less suitable</b>	<b>Inappropriate</b>
Telephone	4	3	2	1
Face to face	4	3	2	1
Videoconferencing	4	3	2	1
Electronic mail	4	3	2	1
Web 2.0	4	3	2	1

Q5.1) Which of the interpersonal communication channels do you prefer personally?

	<b>Strongly preferred</b>	<b>Preferred</b>	<b>Not preferred</b>	<b>Inappropriate</b>
Telephone	4	3	2	1
Face to face	4	3	2	1
Videoconferencing	4	3	2	1
Electronic mail	4	3	2	1
Web 2.0	4	3	2	1

Q5.2) Regarding the channels that you have rated on strongly prefer/prefer above in Question 5.1, please indicate your reasons for these preferences. (Multiple choices are possible).

<b>Because it/they is/are...</b>	<input checked="" type="checkbox"/>
Direct	1
Indirect	2
Fast	3
Reliable	4
More effective	5
Other	6

How strongly do you agree or disagree with the following statements? Please choose one answer by ticking the appropriate box (Questions 6 – 12).

	Question	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Q6)	German business partners often send unimportant and unnecessary e-mails.	1	2	3	4	5
Q7)	Face to face communication is the most efficient way to get results when dealing with German business relationships.	1	2	3	4	5
Q8)	While talking on the phone, one should also be interested in the person and not only in the business issues.	1	2	3	4	5
Q9)	German companies use Videoconferencing too often and neglect the personal face to face contact with their South African business partners.	1	2	3	4	5
Q10)	Our company uses Web 2.0 to communicate with German business partners.	1	2	3	4	5

Q11)	Web 2.0 Technology will be more important for efficient communication with global business partners in the next 5 years.	1	2	3	4	5
Q12)	Web 2.0 Technology will not be allowed for communication by the companies because it is developed more for private use and not for business.	1	2	3	4	5

### **Communication barrier: Interpersonal skills**

How strongly do you agree or disagree with the following statements? Please choose one answer by ticking the appropriate box (Questions 13 – 22).

	Question	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Q13)	Good interpersonal skills of business partners positively affect the communication efficiency.	1	2	3	4	5
Ability to understand what other people say						
Q14)	German business partners often don't understand what is said?	1	2	3	4	5
Q15)	German business partners often make promises they cannot keep.	1	2	3	4	5
Q16)	German business partners often have difficulties in remembering the conversation context (includes face to face and telephone).	1	2	3	4	5

Significance of oral skills						
Q17)	German business partners always have a positive attitude and are kind.	1	2	3	4	5
Q18)	German business partners often have difficulties in summarizing the conversation.	1	2	3	4	5
Q19)	German business partners often have trouble in structuring the conversation flow on the phone.	1	2	3	4	5
Significance of written skills						
Q20)	Written responses from German business partners are always on time.	1	2	3	4	5
Q21)	The written context from German business partners is often <u>not</u> structured.	1	2	3	4	5
Q22)	The grammar of written messages from German business partners is often wrong.	1	2	3	4	5

### **Communication barrier: Cultural aspect**

How strongly do you agree or disagree with the following statements? Please choose one answer by ticking the appropriate box (Questions 23 – 27).

	Question	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Q23)	<i>Language:</i> I often don't understand the foreign language terminology that German business partners use.	1	2	3	4	5
Q24)	<i>Culture:</i> Different cultural backgrounds and traditions affect business communication. (Differences such as: just now and Afrikaans: now now).	1	2	3	4	5
Q25)	<i>Technology:</i> Communication with German business partners will be often interrupted because of technology problems.	1	2	3	4	5
Q26)	<i>Timezone:</i> Different timezones make it difficult to define the right business hours for communication.	1	2	3	4	5
Q27)	<i>Environment:</i> A noisy and disruptive environment often disturbs the communication flow.	1	2	3	4	5

### **Personal information of the participant**

Q28) Gender

Female	1
Male	2

Q29) How old are you?

21-30	1
31-40	2
41-50	3
Over 50	4

Q30) How long have you been working for the company (in years)?

1-3	1
4-10	2
11-20	3
Over 20	4

Q31) What was the average annual sales turnover of your company over the last three years (in Rands)?

Under 200000	1
200000 – 999 999	2
1 million – 9 999 999	3
10 million – 50 million	4
Over 50 million	5

Q32) If you would like to have a summary of the results of the study please indicate your e-mail address.

## Appendix D – Interview guide and summary

Interview Questions	Core Statements
<p>1) South African organizations use the phone much more often to communicate with their domestic business partners as with their German business partners. Why? Do they have fewer problems with German business partners?</p>	<ul style="list-style-type: none"> <li>● Matter of money in unprotected organizations. The cables are stolen because of the copper so that cell phone must be used to phone Germany which is very expensive.</li> <li>● No matter of money in protected organizations where fixed cable phones were used.</li> <li>● South African Organizations call Germany only in urgent cases. Problems can mainly be solved by the staff in South Africa.</li> <li>● To call overseas from South Africa there is often a special permission required.</li> <li>● Preparation is much better when calling overseas (German business people), so in general less communication is necessary.</li> <li>● Sometimes problems in the connection (delay) which makes talking on the phone quite annoying because there is no proper communication flow.</li> </ul>
<p>2) South African business partners have very little face to face contact with their German business. What could be the reason for that?</p>	<ul style="list-style-type: none"> <li>● Matter of money and time</li> <li>● Depends on the business branch. Organizations which are focused more on export/sales there is obviously more face to face communication necessary or if there are any serious problems in a certain technology aspect which cannot be solved via phone or e-mail.</li> <li>● Only big problems or business issues are solved via face to face.</li> <li>● All the preparation will be made via phone or mainly via e-mail, but when it gets serious especially in sales then it comes to face to face communication.</li> </ul>

<p>3) Videoconferencing will be hardly used by SA companies to communicate with German business partners. Actually this communication channel is cheap, comfortable and direct. What could be the reason for it?</p>	<ul style="list-style-type: none"> <li>● South African organizations don't know how to use it.</li> <li>● No matter of money more a matter of the internet connection.</li> <li>● South African business people keep to the old habits and stick to what they feel comfortable with.</li> <li>● Bigger companies in South Africa such as SASOL use Videoconferencing. It also depends on the business operations. In management operations it is more important to see how the communication partner reacts on what is said. In just buying and selling operations its important what is said not what you see.</li> <li>● The investment of Videoconferencing is not worth it at the moment.</li> </ul>
<p>4) Web 2.0 Technology won't be used by SA companies either to communicate with their domestic business partners or with their German business partners. Why? How will the situation change in the next 5 years? 1/3 of the respondents don't have an opinion if Web 2.0 is suitable or not for communication. Why?</p>	<ul style="list-style-type: none"> <li>● Web 2.0 will definitely be used more for business in the future, especially in B2C.</li> <li>● South African organizations wait to see what happens in the rest of the world like USA and China regarding Web 2.0 and business communication.</li> <li>● Web 2.0 might have some potential in the future for using it as business communication, but not for core business communication.</li> <li>● A problem in using Web 2.0 Technology as business communication is the data security. Companies don't want to provide important and confidential information on the web.</li> <li>● Web 2.0 has potential in the recruiting aspect. Applicants could be interviewed - even in groups - via Facebook for example.</li> <li>● Companies are skeptical in using Web 2.0 for business communication especially in terms of Facebook because employees might use it for private interests during working times.</li> </ul>

<p>5) In general, South African companies use their communication channels less often to communicate with German business partners than to communicate with their domestic partners. What do you think is the reason for it?</p>	<ul style="list-style-type: none"> <li>● Germany stands for quality in their products and also in the way they communicate. Germans are very clear in facing and solving problems when they communicate so that in general less communication is necessary.</li> <li>● South African business people do not like to talk to German business people so much because of the language barrier.</li> <li>● South African organizations can solve the problems mainly by themselves and call German business people often just for confirmation.</li> <li>● It is natural because South Africa is the place where selling and buying takes place so apparently more communication with the domestic partners is necessary (more daily operations).</li> <li>● The German preciseness might be also a reason that South African business people do not like to talk to German people.</li> <li>● German business people do sometimes interfere in situations how to solve problems which is often not liked by South African business people.</li> </ul>
<p>6) 30% of the respondents think that Videoconferencing is less suitable for communication with German business people and almost 30% think it is suitable. How would you explain the big difference?</p>	<ul style="list-style-type: none"> <li>● Know how of how to use videoconferencing is not available.</li> <li>● The industry in South Africa is still quite old fashioned and business people are used more to simple communication channels such as telephone and e-mail.</li> <li>● It depends also on the branch of business, bigger companies and technology oriented companies use videoconferencing.</li> <li>● The way it is set up plays a huge role. If it would be easy to handle then it would be already in action for business communication.</li> <li>● This communication channel has a lot of potential, in a few years time South African business people could even communicate with their domestic partners using videoconferencing which would save time and money for travelling.</li> <li>● It is more important what is said not how the person looks like.</li> </ul>

<p>7) 25% of the respondents from the quantitative study have disagreed with the statement that face to face is the most efficient way to get results when dealing with German business partners. Why?</p>	<ul style="list-style-type: none"> <li>● It is efficient but actual not viable for companies.</li> <li>● Germans tend not to decide too quickly, they rather double check it. South African business people tend to decide much quicker that's probably also the reason that 25% think that face to face is not the most efficient way.</li> <li>● There is often a difference in competence and qualification of German business people and South African business people and South African business people sometimes do not feel comfortable on face to face communications.</li> <li>● Sometimes face to face communication is even disturbing, it depends on the situation the business people are dealing with.</li> </ul>
<p>8) The majority has indicated that German business partners are kind and have a positive attitude but also 20% of the respondents have disagreed with the statement. What is your experience and could be the reason the respondents answer the question differently?</p>	<ul style="list-style-type: none"> <li>● It depends on individual personality and the company policy how the people communicate and which attitude they have.</li> <li>● German business people have a strange sense of humor.</li> <li>● Germans do not like to talk on private things people they do not know and keep the distance at the beginning. South African business people are the other way round.</li> <li>● German business people like to push things especially when it comes to deadlines and South African business people have often problems in being pushed.</li> <li>● Cultural background plays a role. People have different language accents and different communication behaviors. The voice of communication partners plays also a role if the person is liked or not.</li> </ul>
<p>9) Almost 30% of the respondents agreed with the statement that the grammar of written messages from German business partners is often wrong. What is your experience? Does it lead often to misunderstanding?</p>	<ul style="list-style-type: none"> <li>● It is not a big problem in higher management positions because the English of managers is actually quite good. The problem lies more in operative jobs such as in purchasing and selling.</li> <li>● Wrong grammar of written messages makes the interpretation often not clear which leads to misunderstanding.</li> <li>● To make things clear a phone call is often necessary.</li> </ul>

<p>10) 90% of the respondents agreed with the statement that good interpersonal skills positively affect the communication. What are interpersonal skills for you?</p>	<ul style="list-style-type: none"> <li>● Listening and eye contact are important interpersonal skills but cultural differences affect the communication. For example: A Zulu speaking person does not keep eye contact during communication because it shows no respect according to the culture.</li> <li>● It could be helpful to meet business people in person first to develop the right interpersonal communication skills.</li> <li>● Interpersonal skills are very important especially in sales and marketing.</li> <li>● Example: One of the persons who has been interviewed for the study worked with a very qualified and competent engineer but unfortunately he did not have any interpersonal and communication skills. After working on that the engineer opened himself up and developed his interpersonal skills. He got more responsibility on the job and had better career chances.</li> <li>● Interpersonal skills include everything when it comes to interaction between people. It starts with the greeting and ends with good bye.</li> <li>● One of the most important interpersonal skills is to express yourself in the right words that your communication partner understands what you say.</li> </ul>
<p>11) Over 50% of the respondents think that German business partners mostly understand everything what is been said. What could be the reason for it?</p>	<ul style="list-style-type: none"> <li>● The English education in Germany is quite good especially for the younger generation. But also South Africa improved the English knowledge over the past.</li> <li>● German business people are very direct and keep asking until they understand everything.</li> <li>● In general if it comes to South African and German business communications, qualified and competent people are interacting and they both make sure that everything is clear. German companies also make sure especially in marketing and sales they have people employed who can speak and communicate in English properly.</li> </ul>

<p>12) In general, over 60% of the respondents think that different cultural background and traditions affect business communication. What aspects of culture are important for business communication?</p>	<ul style="list-style-type: none"> <li>● Culture definitely affects the communication. Especially in South Africa which is also called the Rainbow Nation because of all the different nations, religions etc. they exist there.</li> <li>● Language barrier is still a big problem and causes often problems and misunderstandings.</li> <li>● Body language is important for business communication. People get noticed before they even say anything.</li> <li>● Example: South African business people always ask "how are you doing" on the beginning of every conversation no matter what the problem is. Then they say their name and talk about the problem. German business people tend to say their name and talk straight about the problem.</li> <li>● Example: Durban is more Indian oriented and the Indians have their own way of doing business and this needs to be understood by others.</li> </ul>
<p>13) What should be done by South African or German business people or even on both sides to improve the communication?</p>	<ul style="list-style-type: none"> <li>● German and South African business partners should do an English business workshop every couple of months.</li> <li>● South African business people tend to decide too quickly and jump to conclusions.</li> <li>● Both countries should use the chance to learn more from each other's culture and language. This will certainly affect the communication on the positive way.</li> </ul>
<p>14) What are the technology requirements to improve the communication between South African and German business people?</p>	<ul style="list-style-type: none"> <li>● South African service provider should be better but has improved already a lot since the last 5-10 years.</li> <li>● The whole South African Network should be improved in the future because there are still a lot of power interruptions.</li> <li>● Software in South Africa is not always up to date.</li> </ul>

