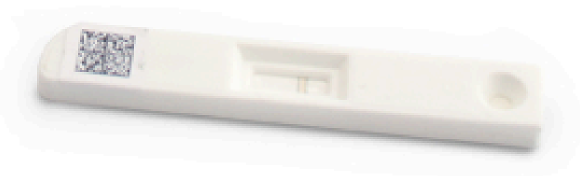
International Communication Strategy for Magnasense Ltd.



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Master's Thesis
International Business Economics
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READERS MANUAL

Master's Thesis

International Business Economics

Aalborg University

Sensor: Lars Ib

June 2008

This Thesis will create a Communication Strategy with International perspective for a Finnish company, Magnasense Ltd. The company is a developer of a Lateral-Flow Test Reader Instrument, which has initiated interest especially in U.S. where the main industry development takes place. With vast business opportunities in hand Magnasense is well aware there is a lot on the stake, and a successful stakeholder communication plays a major role in future success of the company. As the physical distance to the promising clients is high, there are several factors influencing the success of communication. The company also has an increasing concern about the self-ability to evaluate objectively themselves, is the company communication effective, or not. From the basis of these facts the company requested the researcher to come up with a system, which enables improvements in monitoring the effectiveness of their communication, and track down possible inconsistencies for further improvements.

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DEFINITIONS

Communication: Refers to the process of humans beings responding to the symbolic behavior of other persons.[1]

Company Communication: Company communication is that specific management function that provides the tools for successful coordination for maintaining existing stakeholders and creating new benefactions ones.[2]

Culture:

Hofstede: Culture is the collective programming of the mind, which distinguishes the members of one human group from another…. Culture, in this sense, includes systems values, and are among the building blocks of culture.[3]

Gullestrup: The view of life and the values, norms and actual behavior – as well as the material and immaterial productions resulting from these – which man takes over from a previous generations, and which he passes on to the next generation, possibly in a modified form; and which in one way or another distinguishes him from people belonging to other cultures.[4]

[1] Adler and Rodman, p. 4
[2] Falsey, p. 1
[3] Leung and Tjosvold, p. 2
[4] Gullestrup and Kuada, p. 158

Carrey: Social life is more than power and trade… it also includes the sharing of aesthetic experience, religious ideas, personal values and sentiments, and intellectual notions – a ritual order.[5]

Empathy: Ability for people to project oneself into someone else's point of view so as in a specific moment think the same thought and feel the same emotions as the other person.[6]

Hearing: Hearing is the actual process wherein sound waves hit the eardrums and produce vibrations that are conveyed to the brain.[7]

Immunoassay: An immunoassay is a biochemical test that measures the concentration of a substance in a biological liquid, typically serum or urine, using the reaction of an antibody or antibodies to its antigen.[8]

Knowledge: The capacity to act effectively.[9]

Label: Labels are for instance enzymes used in detecting the quantity of antibody or antigen.[10]

Lateral flow test (also immunochromatographic diagnostic test/assay): Any manual or instrument read immunochromatographic strip test/device for a single analyte or multipleanalytes that is housed in a plastic housing, cartridge or not; that uses a paper, nitrocellulose or plastic support; and that is based on fluid migration or flow technology.[11]

Listening: Listening occurs when the brain reconstructs these electrochemical impulses into a representation of the original sound and then gives them meaning.[12]

Magneto immunoassay: magneto immunoassays (MIAs) involve the use of carriers, which can selectively adsorb to the target protein and nano-sized magnetic markers, which also selectively bind to the target protein. When sample is developed with these two reagents, the target protein becomes sandwiched between the carrier and marker. The reaction vessel is placed in a magnetic coil, where the number of magnetic markers bound to the target is recorded.[13]

Methodical procedure: The methodical procedure discusses the points in how the study have adapted, developed and modified theories, techniques and results from previous studies.[14]

Methodics: Methodics is related to how theories, techniques and results are incorporated to the study.[15]

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[5] McQuail, p. 92
[6] Tubbs and Moss, p. 185
[7] Adler and Rodman, p. 75
[8] Diagnostic Consulting Network, p. 17
[9] Dawson, p. 3
[10] Diagnostic Consulting Network, p. 45
[11] Diagnostic Consulting Network, p. 6
[12] Adler and Rodman, p. 75
[13] Diagnostic Consulting Network, p. 45
[14] Arbnor and Bjerke, p. 17
[15] Ibid

Mission: A mission is an overall way to express the founding reason of the company. In optimal situation this conviction is in line with the values and expectations of major stakeholders. It's a general statement answering to the "what business are we in"?[16]

Nanoparticle: Nanoparticle is a small particle with at least one dimension less than 100 nm.[17]

Noise: The term noise is used in Social Science for labeling other forces that interfere with the communication process.[18]

Operative Paradigm: Operative paradigm describes how the structure of the project is thought out to proceed with what different kind of techniques, theories and data the thesis will use to accomplish a conclusion to the projects problem.[19]

Paradigm: A paradigm is any set of general and ultimate ideas about the constitution of reality, the structure of science, scientific ideas, and the like.[20]

Point-of-Care: Diagnostic testing at or near the site of patient care.[21]

Public Relation: is a management function that assists to achieve organizational objectives, define philosophy and facilitate organizational change.[22]

Public Relation Practitioner: are people who help others establish and maintain effective relationships with third parties.[23]

System: A set of components and the relations among them.[24]

Trust: A willingness to ascribe good intentions to, and have confidence in the words and actions of other people.[25]

Vision: A vision is meant the situation in the future the company aspires to be in taking long-term perspective. It can be seen as a target what the company pursues after for, thus helping the personnel to manage their resources the most efficient way to achieve this vision.[26]

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[16] Cornelisse, p. 24
[17] Falman, p. 282
[18] Ruben, p. 27
[19] Arbnor and Bjerke, p. 16
[20] Arbnor and Bjerke, p. 26
[21] Kost, p. 3
[22] Aaker, p. 40
[23] Aronoff and Baskin, p. 3
[24] Arbnor and Bjerke, p. 111
[25] Parsons, p. 25
[26] Cornelisse, p. 24

1 INTRODUCTION

1.1 Problem Formulation

A Finnish company called Magnasense Ltd. requested the researcher to create an International Communication Strategy for their purposes. The objective for this strategy is to help the company to ensure they have they considered all the details in the company communication also in international level. Consistent program monitoring their communication is needed in order to make the company communication as effective as possible. Primary concern is the external communication, as Magnasense is not yet well know in the end customers eyes, but in addition to this, the company considers the strategy should also think about the aspects how to manage the information flow inside the company even better.

Magnasense has developed an instrument for converting a signal generated by lateral flow tests, with the use of paramagnetic nano-sized particles as labels, to the digital format with a reader instrument (see more in sections 1.5-1.7), this is cutting-edge technology in their field of business, and has vast business opportunities in several continents. The company is holding the patents for their innovation, but still the company is concerned are their primary stakeholders really getting their message. This is an important point where the effective company communication comes in play. The company needs to make sure they can commercialize their innovation into a profitable business. Currently, the company does not have uniform communication program monitoring their Public Relation efforts and there are many aspects to consider before setting-up a communication program. The issues relating to the process of setting an International Communication Strategy are discussed in this Thesis by answering the following research questions:

> What kind of International Communication Strategy should Magnasense Ltd. command, and what kind of actions should they take in order to effectively communicate with their stakeholders during the product development process, and future sales. What kind of importance an effective Public Relations practice has on achieving these objectives?

1.2 Thesis Limitation

After the thesis formulated a problem, the reader will be taken through the introduction from general meaning of public relations, overall description of medical diagnostics industry, technology, and market where Magnasense Ltd. operates. In the second chapter, Methodology, the paper will elaborate what is actually meant with Methodology and also setting-up a background for the Methodological Approach for the thesis. In order to answer the problem formulated above, the thesis sets-up a Technical Framework. This Framework is consisting of a Theoretical Framework and follows the Methodological procedure. As the paper focuses on establishing an International Communication Strategy, the core for the theoretical framework will be composed from a primary theory used in thesis, the Interactive Communication Model and secondary Cultural Theories. With a usage of these theories it is possible to understand in-depth the core aspects needed to take in close examination when setting a successful communication strategy. These theories were selected by the principle felt for the researcher to match their best for establishing a strategy. When these theories will have been presented, and several aspects discussed along the way the thesis continues to the Empirical Findings section. In the Empirical Findings the thesis will present and discuss about data gathered by interviews for this thesis. When all questions have been discussed the thesis continues to the Analysis. In the Analysis the project will take the theories into a practical use by combining them to evaluate different aspects in setting a communication strategy. As the thesis analyses these topics, the paper will answers the research problem. After the analysis section, the project will continue to the Conclusions. In Conclusions, the study will continue the discussion more in-depths with the aspects presented in the Methodology, Theoretical Framework, Empirical Findings and Analysis. When this throughout discussion is done, the thesis will sums up the study together. The idea for this is to summarize the discussions, and solve the research problem.

1.3 Public Relation in General

It is hard shortly explain public relations (PR). This is due to its profession and how it all the time adapts to the needs of society (publics). PR is conducted in all organizations from huge, multinational companies to small enterprises. The role for the PR practitioners here is to develop, execute, and evaluate organizational programs that promote the exchange of influence and understanding with all relevant internal and external publics (stakeholders) to generate stability between organizational objectives and societal expectations.[27] The role of public relations becomes especially in important play when the company is in crisis situation.[28] This is due to two facts, first since it is the PR practitioners who are interacting with the public opinion and are able to represent and predict public reaction to institutional decisions, thus catering important information outside the company to be noted in the company. The second fact deals with, how they communicate the company decision making outside to the public.[29]

1.4 Company Objectives, Philosophies and Change

Company communication is a vital matter, as all companies are dependent on external stakeholders. It is the company fame and reputation that is on the stake all the time public relations practitioners are doing their job.[30] As these stakeholder groups exist, the company needs guidelines how to ensure aligned and integrated communication to these groups. In order to succeed in this quest, company communication need guiding philosophy.[31] These guiding philosophies are often recalled as company Mission and Vision. When short-term perspective from vision is taken in consideration, the company has objectives and goals.[32] In order to reach these expectations the company formulates different kinds of strategies, which play role in everyday business.[33] These principles are the core for the company communication strategy as it signals a company profile where it identifies the way how company operates, and how it aims to be recognized by various stakeholder groups in terms of the corporate images and reputations that they hold. To make sure that different stakeholders indeed regard of a company in a positive way, and also in line with the promoted corporate identity, a company needs to go to pay special attention to integrate all of their communications from brochures to website as being standardized having the same themes, visual and logos in different media.[34]

Organizational change is a vital concept, as it is known, change is constant and feels like it is constantly fasting its pace as the technological revolution proceeds. This results, as companies are highly concerned with adapting their organizations to changing environment.[35] The following aspects have forced companies to react faster to the changes in their business environment.

[27] Aaker, p. 40
[28] Heath and Millar, p. 2
[29] Aronoff and Baskin, p. 6
[30] Falsey, p. 1
[31] Falsey, p. 33
[32] Cornelisse, p.24
[33] Ibid
[34] Cornelisse, p. 39
[35] Aronoff and Baskin, p. 6

- Technology, forcing companies to communicate instantly around the globe
- Increased oversight by government
- Trade, forcing business to deal with foreign governments and cultures
- Mergers and acquisitions[36]

Surely, one can doubt are the PR practitioners necessarily the decision makers in the company, it might sometimes be so that they are not, but the point here is that they are the change facilitators as they communicate their findings from the play ground to the decision making elements of the company. Their role is evidently vital for the company as they are able to identify problems when they are still manageable, thus avoiding unnecessary crises.[37]

1.5 Technology Overview

Lateral flow tests (see Figure 1 below) have been a popular platform for rapid immunoassays since their introduction in the mid 1980s.

Figure 1: Lateral Flow Test [38]

Lateral flow is a one-step method where the sample is placed on a test strip and the results are developed in 5 – 30 minutes. The technology is applicable in a variety of situations where a quick test is required. In hospitals, clinics, physician offices, and clinical laboratories, lateral flow-based tests are used for the qualitative and quantitative detection of a wide variety of antigens and antibodies. In order to conduct a quick-test, almost any biological sample, such as, urine, tears, sweat, saliva, serum, plasma, whole blood is possible to use in the detection process. Purposes for usage of the technique are in veterinary medicine and for quality control in various occasions. In food and beverage and pharmaceutical and biologics manufacturing, quick-tests are used to monitor for pathogens and toxins in raw materials, the manufacturing environment and the finished goods. Quick test techniques are also used to measure development in environmental remediation of soil and ground water pollutants. Veterinarians use fast tests to monitor

[36] Aronoff and Baskin, p. 6
[37] Aronoff and Baskin, p. 8
[38] Magnasense 2008

commercial livestock and household pets for several medical conditions. The paper continues pinpointing the critical current issues that makes the technology attractive and in which phase the industry development currently takes place.[39]

1.6 Advantages and Issues for Lateral Flow

As the prospects for the technology are extensive, it creates a highly promising market place. To summarize the core issues which makes the make the Point-of-Care (POC) applications extremely attractive instrument to perform those above-mentioned tasks.

- Recognized technology
- Relatively easy to manufacture
- Easy to start high volume production
- Tests do not expire fast - shelf lives of 12-24 months often without refrigeration
- Simple to use: Minimal operator dependent steps and interpretation
- Mobility: The devises are typically small sized and easy to move
- Can handle small volumes of multiple sample types
- Can be integrated with reader systems and information systems
- Can have high sensitivity, specificity and good stability
- Relatively low cost [40]

Significant among the benefits for lateral flow, is that they stand for a proper POC and field use technology that can be brought to market very fast and for a moderately minor investment, and be applied over a exceptionally broad range of applications. Furthermore, increased attention in quick test technologies is being driven by the need for public health and medical professionals to make informed patient care and business decisions earlier, quicker and more efficiently. [41]

At the moment, most rapid lateral flow tests use plain visual detection of colored microparticle labels to assess analyte concentration. One of the options is to use magnetic labels in the process. With Magnetic labeled immunoassays the magnetic signal obtained is directly comparable to the concentration of target analyte in the sample. MIAs offer a promising and highly competitive technology with advantages such as long time stability, fast and easy analysis combined with low

[39] Diagnostic Consulting Network, p. 15
[40] Diagnostic Consulting Network, p. 30
[41] Diagnostic Consulting Network, p. 20

cost. In addition, since not too many naturally occurring substances have magnetic properties, these assays offer low interference and few matrix effects that translate into high sensitivity.[42] Magnasense technology is based on the usage of magnetic labels in the measurement process, this will be discussed more in detailed next.

1.7 Magnasense History and Technology Development in Brief

As stated in the technology presentation previously Magnasense´s solution is also based on the use of magnetic particles as labels in the lateral flow test. The company is not a developer of lateral flow tests, but instead a reader instrument for these tests (see Figure 2). With this reader, it is possible to process the signal generated when a paramagnetic particles in a lateral flow test are subject to changes in magnetic field. The reader converts the test signal into a digital format. Thus, the results are quantitatively illustrated, and it is possible to determine exact quantities of how much and what substance the specimen contains.

Figure 2: Magnasense Lateral Flow Test Reader Instrument

The roots for the company are at the department of Bio- and Environmental Sciences of the University of Jyväskylä, Finland. The University is known for long lasted research in use of various labeling techniques. Two founding members of Magnasense, have researched this field

[42] Diagnostic Consulting Network, p. 45

using colloidal gold and polymer particles as colored labels together with lateral flow tests. Despite their attempts, it was proven that a precise and inexpensive optical quantitative reader for the colored label is difficult to construct.[43]

The end of 20th century gave new thoughts for shifting the colored label particles to the magnetic particles in order to crack the dilemma with the detection issues, applying magnetic particles to the lateral flow test strips was at that time a novel inspiration. A project to develop an affordable quantitative test reader was initiated in year 1999. In 2007, the highly developed prototype was completed, and it proved that the technology is practical, and applicable for lateral flow tests. The final product is a hand-held sized measuring unit and is highly competitive opposed to many competing solutions and technologies. A Finnish patent was granted for Magnasense technology in 2004 and US patent in 2006. A positive IPER toward the PCT patent claim has been granted and patent applications has also been filed in Japan and in EPO (EU).

Currently, in April 2008, the company is marketing their product intensively, and offers the reader instrument for test usage to potential customers. The customers of Magnasense are the lateral flow test manufacturers positioned mainly in U.S. and Europe. Presently, there are several companies developing lateral flow test reader instruments and seeking for worldwide sales break through. So far none of them has been successful in this matter. Magnasense believes they have the most reliable platform to saturate the market demand, and are ready to penetrate the market.[44] The following Figure 3 will help the reader to understand Magnasenses position in the supply chain.

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[43] Magnasense 2008
[44] Magnasense 2008

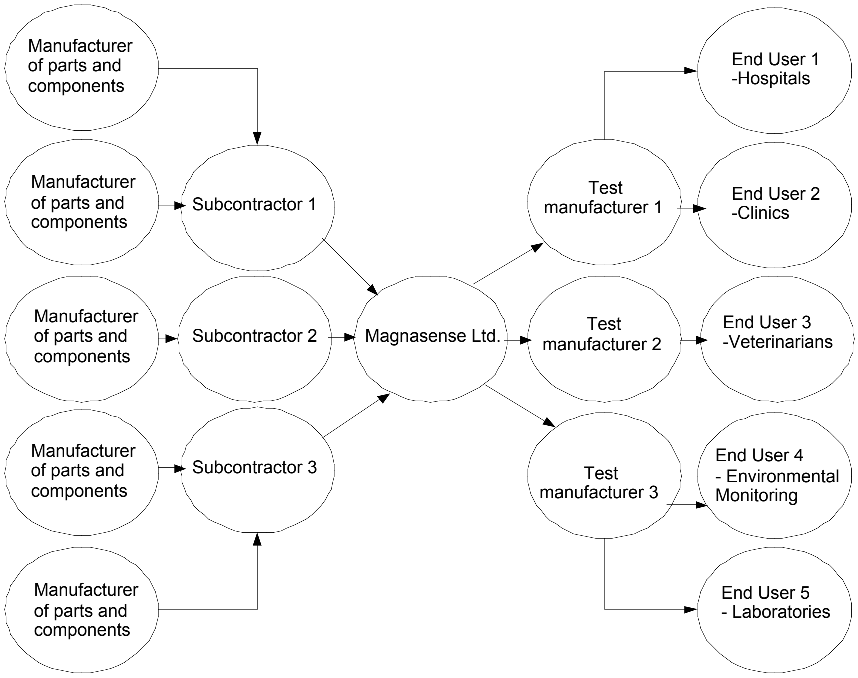

Figure 3: Magnasense Supply Chain[45]

The Figure 3 above illustrates Magnasenses location in the supply chain. The situation shows that the company is dependent on subcontractors, who take care of physical manufacturing of the product, and also, test manufacturers, to whom the company is selling the product. The test manufacturers will sell the lateral flow tests and test reader instrument combination further on to the end users. Remarkable in this figure is, as Magnasense itself stands in the middle as a technology/knowledge provider, the company depends a lot on both parties, in order to successfully launch the reader to the market, as most of Magnasense direct and end customers are located over seas, the company needs an effective international communications strategy, which should be adopted in early phase of the product launch process in order to succeed entering profitable business. The process for setting up an international communication strategy is diverse, and therefore the project will draw up a Technical Framework to answer the research problem. The paper continues to the methodology section.

2 METHODOLOGY

The paper will proceed by taking the reader through the methodology section by creating an Operative Paradigm. This will be created with a usage of Methodological procedure and Methodics. Before an Operative Paradigm can be created it is needed to formulate a

[45] Magnasense 2008

Methodological Approach by defining Theory of Science paradigm. This paradigm is based on Conception of Reality, Conception of Science, Ethics/Aesthetics and Methods.[46]

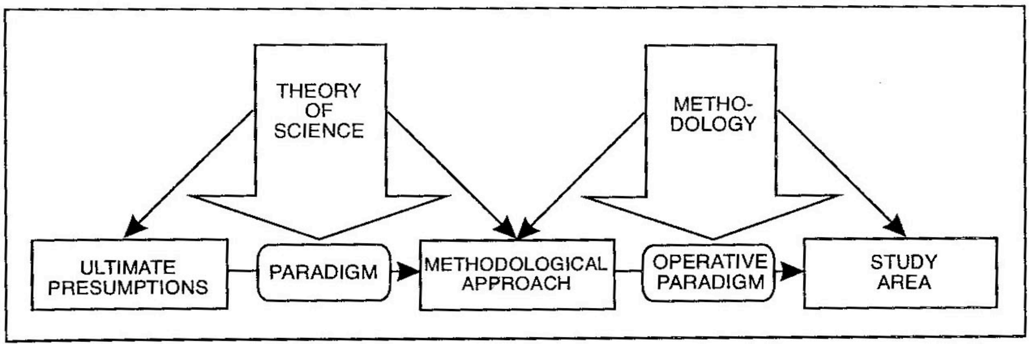

Figure 4: Methodology [47]

In order to create an operative paradigm for the thesis it is important to follow the methodological approach. Therefore, the paper will in the following describe the researchers own scientific view of life with the usage of social science paradigms.

2.1 Social Science Paradigms

Arbnor & Bjerke understands that the paradigm is in controls the daily thinking of each us and all humans have different way of seeing the world from others. The experience on living is different from people to another. Furthermore they state, there are six social science paradigms that have relevance on business.[48] Each of them discusses on the following topics: Ultimate reality presumptions, Human Nature, Ambitions for creating knowledge, Shared Metaphors and Techniques for Creating Knowledge.

Ultimate presumptions answer the question; what actually reality is? Ambition for creating knowledge is the relationship between the researcher and the subject of study. Human Nature illustrates how the humans behave in their surroundings. Shared Metaphors explain how the mutual surroundings are often formulated. Techniques for Creating Knowledge explain the creation and use of tools in the various scientific areas of the thesis.[49]

2.1.1 Six Categories of Knowledge

[46] Arbnor and Bjerke, p. 17
[47] Arbnor and Bjerke, p. 15
[48] Arbnor and Bjerke, p. 25
[49] Arbnor and Bjerke, p. 27

- Category 1: Reality as a Concrete and Conformable to Law, A Structure That Is
- Independent of the Observer
- Category 2: Reality as a Concrete Determining Process
- Category 3: Reality as Mutually Dependent Fields of Information
- Category 4: Reality as a World of Symbolic Discourse
- Category 5: Reality as a Social Construction
- Category 6: Reality as a Manifestation of Human Intentionality [50]

As the above mentioned paradigms are the most used in business, the researcher sees it is relevant to discuss the Category 4 in-depth than the other ones since this category, reality as a world of symbolic discourse, is the one how the researcher views the world.

2.1.2 Reality as a World of Symbolic Discourse

The core idea for this worldview, in this paradigm, is that it is made-out-of symbolic relations and is focused on various patterns and gives a high importance on symbolic relations that emerge out of human actions and interactions. This discourse leads to shared social rules. This paradigm gives a high importance on language, labels, routines, and culture. From these elements the reality is constructed.[51] A single human being is considered to be a role-player and a symbol user.[52] Therefore, they are living in a world with a high symbolic significance by interpreting the reality by negotiating with each other's. Furthermore, this worldview is seen as subjective as each of us has the ability to understand and adjust the role they are playing upon different stages in life. The behaviour of each of us in the world carries a meaning, which to some degree might seem similar for everyone. There are certain routines each of us needs to follow such as eating, sleeping and so on. However, when looking closer our behaviour it is evitable that similar patters of behaving and different ideas have different meanings for each of us. For instance, the way how individual perceives the family or friend relationships is different. The background for each of us is given by different experiences from the past each of us has.

Arbnor & Bjerke states that there are three main methodological approaches; the analytical, the systems and the actors approach. The paper will give an overview to these three approaches and clarify in more detail the approach the thesis is using.

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[50] Arbnor and Bjerke, pp. 25 - 35
[51] Arbnor and Bjerke, p. 31
[52] Arbnor and Bjerke, p. 27

2.2 The Analytical Approach

2.2.1 Conception of Reality

In the analytical approach the reality is seen as objective and consisted of a limited whole which is equal to its parts. Reality is based on pure facts and perceived as being static, meaning forming a structure which does not change. All observable events occur through a cause-effect relationship.[53]

2.2.2 Conception of Science

The picture of the world is based on definite facts and theories. These factors stand as general laws of nature, which are used to explain the specific happening.[54]

2.2.3 Ambition for Creating Knowledge

The foundational reason to create knowledge with an analytical perspective is to verify or falsify occurring events by following certain formal rules.[55]

2.2.4 Ethical / Aesthetical Aspects

These points are uninteresting points from the analytical point of view since as said above analytical approach is interested in cause-effect relations and whole is equal to its parts. Therefore, the researchers using this method are only interested to explain what is happening and why. As the data is often numeral, the researchers often come up with finished results and are not so keen on what the readers will do with the new information.[56]

2.2.5 Methods

As stated above the methods, which are used in the analytical approach, are quantitative. The researchers are looking for natural laws in order to explain the human behaviour as they make observations. The science proceeds in two sequences. First, the researchers make observations from occurring event or phenomenon. Secondly, the researcher explains the occurring event by

[53] Arbnor and Bjerke, p. 100
[54] Ibid
[55] Arbnor and Bjerke, p. 101
[56] Ibid

using past studies in natural sciences, this is called induction.[57] Verification takes place by testing the reality by comparing theory and reality.

2.3 The Actors' Approach

2.3.1 Conception of Reality

In the actors´ approach the world is made up of independent actors who influence each others through interface. Therefore, the reality is seen as a social construction where all involved actors influence each other's. One hand, humans are thus a subjective reality.[58] Other hand, the reality is seen objective from the part where all the actors observe the reality in the same way.

2.3.2 Conception of Science

It can be said that Actors´ approach is down-to-earth way of understanding things, since it is essential to fully understand the occurring event from the actors point of view to be subjective and understand in-depth the reasons why the actors act in a specific way. Due to this fact, it is essential for the researcher to be personally in contact with the field of study to really understand how the perception of reality for the one s/he is observing takes place. It is important to point out that in this approach the observation doesn't create understanding, the actual interaction does.[59]

2.3.3 Ambition for Creating Knowledge

The core reason to create knowledge with actors´ approach is to understand subjectively how each member in a social construction makes difference for the bigger whole. Whole is the sum of its parts.[60]

2.3.4 Ethical / Aesthetical Aspects

These aspects does not play that significant role in Actors´ approach either, since they are more associated with the perception of the researchers own world view not the approach itself. Anyhow, it can be said that it encourages empathy since in order truly to make correct

[57] Arbnor and Bjerke, p. 103
[58] Arbnor and Bjerke, p. 175
[59] Arbnor and Bjerke, p. 185
[60] Arbnor and Bjerke, p. 185

observations the researchers need to interact closely with the ones they are gathering information.[61]

2.3.5 Methods

The Actors´ approach uses a three-way-structure to create knowledge; pre-understanding, understanding and post-understanding. As it was stated above this approach is down to earth based on observing independent actors individually close to observers, and thus, it is qualitative.[62]

2.4 The System's Approach

The researcher chose system's approach for the thesis. System's approach's core idea is the fact that the sum of the parts is different from the whole. In systems approach, the synergy issues come in play, and systems can be seen as machines where each part of it has an important role for the performance of the whole. Therefore, if the parts inside the system are performing poorly, this will surely affect the total output of the machine and visa versa. The understanding of the whole machine is done by examining actors and their interactions inside it.

2.4.1 Conception of Reality

The reality is understood to be structured of systems. In system's approach the reality can be approached from two different perspectives. Either the reality is dependent or independent on creators of knowledge. Both these cases contain objective and subjective features.[63]

2.4.2 Conception of Science

From the system's point of view the conception of science is seen how the reality stands out and how it functions. Universe itself is one huge system with billions, or even more subsystems. Therefore, as systems are often in constant movement they are often observed in relation to their users. Furthermore, it is important for the researcher to understand how each part inside the system functions and the importance of it for the bigger whole.[64]

2.4.3 Ambition for Creating Knowledge

[61] Arbnor and Bjerke, p. 168
[62] Arbnor and Bjerke, p. 165
[63] Arbnor and Bjerke, p. 145
[64] Ibid

The researchers are often fond with pursuing toward more in detail description and understanding how different kind of systems function in different kind of situations. Other core idea is to come up with new innovations that shares even better understanding, what actually is occurring inside the systems.[65]

2.4.4 Ethical / Aesthetical Aspects

The system's approach is similar to the actor's approach in a way that in both of them the researcher needs to be close to the actor's. Also in systems approach the researcher need to empathize in order to truly understand how the pieces of a machine are constructed and how they reflect to their surroundings.[66]

2.4.5 Methods

When describing a system, the following steps are advisable to take: First the system needs to be described, what it looks like in general. The second part is to determine the relation inside the system, how different actors relate to each others and surroundings. [67] Systems are often thought to contain qualitative knowledge but they might as well possess quantitative knowledge.

This theory describes an organization in our society as a recognizable system with accessible frontier. In the element where the system, in this case an organization, a bilingual communication flow takes place between the system and its surrounding environment. This type of system is called open system, see Figure 5, and are put together of a variety of subsystems that establishes their identity and their meaning in society. For instance, if there exist a demand for a certain good, this can be the spark for the company to start producing merchandise. Illustration of a subsystem inside the company might be for instance the management.[68] Especially important matter from the PR point for the open systems is the constant need to respond and interact with their environment.

[65] Arbnor and Bjerke, p. 146
[66] Arbnor and Bjerke, p. 146
[67] Arbnor and Bjerke, p. 150
[68] Corner and Hawthorn, p. 14

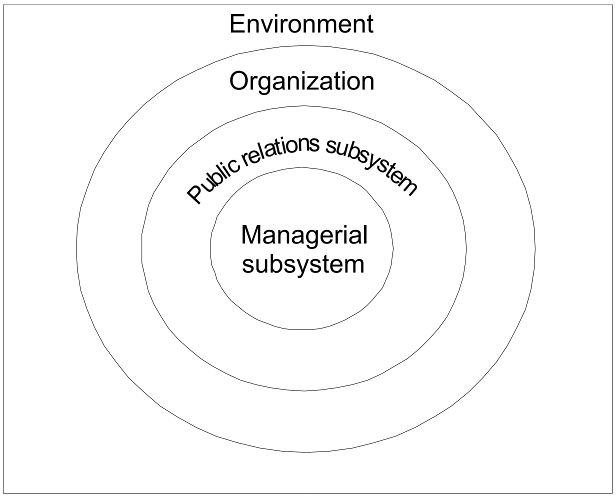

Figure 5: An illustration of Organizational System [69]

For PR standing point, the systems theory is brilliant tool to describe how public relation's function. As it is seen in the Figure 6 below, PR is illustrated as a subsystem of society, which is surrounded by its environment to which it must respond. A four-step process establishes the core of this system: Research, planning, action, and evaluation, this is surrounded by rings of penetrable frontiers. Inputs from the environment penetrate through these frontiers and become throughputs when the process of PR takes place. When the PR process has responded, outputs are directed back through the frontiers to the environment.[70]

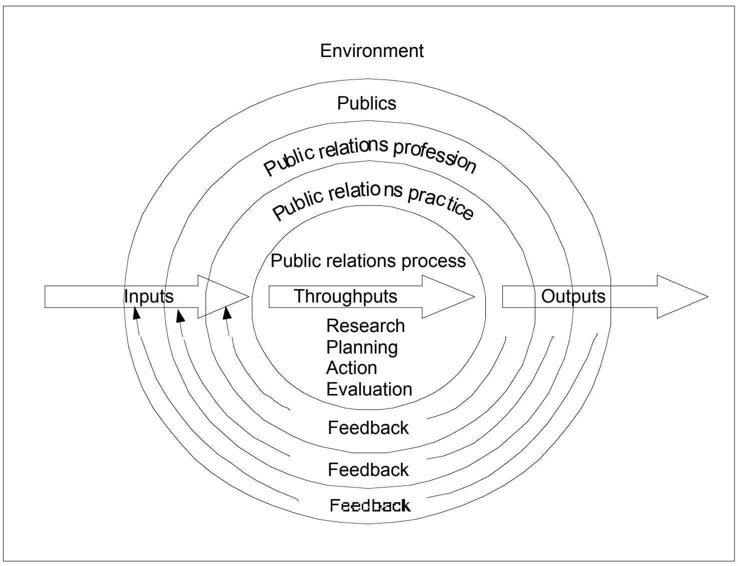

Figure 6: Public Relations Process[71]

[69] Aronoff and Baskin, p. 20
[70] Aronoff and Baskin, p. 21
[71] Aronoff and Baskin, p. 20

This system points out that, PR responds to certain elements of the general environment seen as publics. Publics can be seen as stakeholders, such as, the media, consumers, employees, the financial community, and governmental bodies, and any other definable group.[72] Systems theory establishes an ideal environment illustrating how PR programs and processes encourage adjustment, adaptation, mutual understanding, and bilateral communication between organizations and the key publics in their environments. As it is seen in Figure 6 above, systems theory gives also a structure for integrating a company's objectives with the anticipations of surrounding society and its publics.[73]

In this matter the shared principles are the surrounding environment including the same social matters and forces affecting people and organizations. The magnitude of the impact depends on the position the members have in system. The outer ring is constituted by the public, and then becomes the PR practitioners, who are there to figure out public opinion to management. From the messages the PR practitioners provide the management of the company, they need to decide how to react or modify their company standpoints and programs to satisfy key publics.[74]

In the end, the center of the diagram illustrates the very PR program that is established from the four-step PR process (research, issue identification, planning, communication/action, and evaluation). System output connects to the PR program while feedback processes document the coverage to which company and their publics are moving nearer to one another as a result of the PR attempt. When feedback is documented, new targets are ready for the next cycle of PR system activity.[75] When taking another look at the Figure 5 above, it is good to notice how open the system is. The supported idea here is that PR system interacts with its environment, thus the system is seen as open one. However, it good here to note out that PR is not all the time done in interactive manner.[76]

There are four core elements what can be seen as founding elements as a system in PR. The first one of them is the **hierarchy** of the mixture of relationship patterns linking the company to their publics and vice versa.[77] As the PR practitioner understands this principle s/he is able to imagine the linkages between communication systems and subsystems.[78] **Interdependence**, the second

[72] Seeger, p. 138
[73] Aronoff and Baskin, p. 51
[74] Aronoff and Baskin, p. 51
[75] Byers, p. 27
[76] Aronoff and Baskin, p. 51
[77] Rosenberg, p. 38
[78] Byers, p. 27

element, means that all actions by any part of the system reflect on the whole. A brief illustration of this effect might be the action for the company to direct this year's company contributions for local youth sports groups, and afterwards might realize that the money they gave for supporting children's sports, was taken, for instance, from local emergency clinics who were supported earlier.[79] The third element is the **synergy** which illustrates that the whole is greater the sum of its parts and therefore urges the consideration how the system components supplement one another. An example of synergy in company settings might be an evaluation how sales and marketing effectiveness results in terms of the combined efforts from several departments including advertising, sales, and PR rather than ascribing success to one single component.[80] The fourth element is **regulation**, where the point is that systems are regulated by other systems. This fact is easy to find out in economic systems, such as companies. Companies who produce goods or services need to behave within certain limits, for instance obey the law and offer the quality and price levels acceptable to customers, other example is the need to generate profit, as business cannot exist in long term without generating surplus. The PR practitioner serves the role of connecting the company to their publics.[81]

2.5 Methodical Procedure

The approach chosen for this thesis is the system's approach. However, the thesis can be influenced also by either the actor's thinking, where the plan for the research develops as the research itself develops, or by analytical thinking where the plan is set from the start. [82] This thesis started first by drafting the research design which gave for the project an analytical path, which meant having a before set up way of creating knowledge. However, it must be pointed out mean while writing this paper different kind of changes have become crucial as the researcher has gained more knowledge in the field of his study. Therefore, it can be said that the research plan has developed enthusiastically and is seen that this thesis has a slight overlap between the system's and actors´ approach.

2.6 Methodics

The goal for the thesis is to establish an international communication strategy for the company, Magnasense Ltd. Thus, the methodical goal has been to follow the primary communication

[79] Aronoff and Baskin, p. 51
[80] Corner and Hawthorn, p. 14
[81] Aronoff and Baskin, p. 52
[82] Ibid

theories and secondary cultural theories and guidelines given in order to manage to set a successful communication strategy for the company. The strategy will be composed of several existing broadly used theories and frameworks used for this special need identified by the company.

2.7 Operative Paradigm

The whole process started from a problem identified for the researcher when he was working as an intern in Magnasense late year 2007. At the time being the company had started to promote more aggressively their lateral flow reader devise, and the company was concerned about a crucial matter, are they communicating effectively as a company, and are all their stakeholders really getting the right message the company hopes. In order to answer this problem, the company contacted the researcher to create a communication strategy for the company. The researcher was interested what factors play a role in setting a communication strategy with international perspective, and what kind of strategy the company should implement in order to successfully conquer their objects. The research started by first revising in-depth theories about communication model, and general cultural theories, such as, Low Context / High Context Cultures. These theories will be introduced in the Theoretical Framework. By doing science in this way, it can be said that the thesis was done by deduction method, looking first to the theories and then compeering these theories to the empirical findings how the company is conducting their communication, and how does the environment takes place where the company operates. With a usage of these evidences the thesis was able to understand how the company current communication takes place and revise a communication strategy what might be most benefiting for the company to command in order succeed in their objectives.

2.8 Validity and Reliability

Academic studies are many times judge by the criteria of validity and reliability. The study can be said to be valid if the researcher has examined in the study what actually was analysed.[83] Therefore, for this thesis, in order to ensure a high degree of validity taking into focus only one company – Magnasense, narrowed the study. In addition to this, all the techniques and theories were carefully selected to provide the best possible and solid ground in order to ensure the high validity of the thesis and provide answers precisely for the research questions. All information needed to describe the present company situation is selected from up-to-date sources.

[83] Arbnor and Bjerke, p. 233

By study being reliable is meant in order to say the study is reliable it should be possible for others to repeat the study with the same results. This means that if the study is reliable the previous researchers would use the same material and techniques and come-up with similar solution. Therefore, it can be said that the results are not based on coincidences.[84] It needs to be stated that in the system's approach the reliability is not that important, since the absolute repetition of the study is not needed in order to reach the correct results.[85] This is due to a fact that the synergy is the core idea in the system's approach and this is changing constantly from time to time. However, it needs to be stated that if other researchers would have used the same given material, it is likely they would have come up with similar solution despite the usage of the systems approach.

2.9 The Sources

In order to deepening the researcher's knowledge on creating a communication strategy, the sources were picked-up from several books. From these it is worthwhile to mention Ruben, Coulson-Thomas, Nightingale & Ross, and Adler & Rodmans writings about the communication theory modeled by Wilburg Schramm. In order to mention few influencing writers in cultural part there has been such authors as McQuail, Barsoux and Schneider, Dawson, Leung & Tjosvold, Carbaugh and Warrens. The Business Methodology part is mainly created with the help of Arbnor & Bjerke, for additional help to describe a PR system in detail authors such as: Corner and Hawthorn, Aronoff & Baskin, Seeger, Byers and Rosenberg were indeed helpful. In addition to these, in the analysis section, various sources have been used in order to create the structure for a successful international communication strategy. In order to ensure the reliability of the thesis, all books are selected by the criteria being written by academic researchers, and all of them are located in several university libraries. All in together, in order to secure the reliability of these sources, the researcher has selected information mainly from worldwide known publishers who are recognized not to be dependent on anyone.

[84] Arbnor and Bjerke, p. 233
[85] Arbnor and Bjerke, p. 234

3 THEORETICAL FRAMEWORK

3.1 Communication

This term brings in surface few important characteristics of communication, which the paper will be discussing as along as it proceeds.

- Communication is Human [86]

First of all it is termed to be human, meaning that it takes place in all societies, and cultures around the world.[87]

- Communication is a Process [88]

People rather often refer communication as individual practice. This is not entirely true, as communication is actually an infinite process.[89]

A quick example about this point is if person A would admire person B´s new hairstyle. Person B´s interpretation of those words would depend on a long series of experiences stretching far back in time: how have other judged his appearance? How does B feel about his looks? How honest has his friend been in the past? How has he been feeling about one another recently? All this history will help shape his response to the person A´s remark. In turn, the words person A speak and the way he say them will shape the way person B´s behaves toward person A, and others- both in this situation and in the future.[90] This brief illustration demonstrates that communication isn't a sequence of events attached together like photographs in a scrapbook, but it is more like a movie in which the meaning comes from the unfolding of an interrelated series of images.[91]

- Communication is Symbolic [92]

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[86] Rosenberg, p. 29
[87] Corner and Hawthorn, p. 5
[88] Miller, p. 5
[89] Ruben, p. 85
[90] Adler and Rodman, p. 4
[91] Adler and Rodman, p. 4
[92] Rosenberg, p. 38

Symbols are signs used to represent things, processes, ideas, or events in ways that makes communication feasible. The most significant features of symbols are their arbitrary nature. For instance, there's no logical reason why the letters in this thesis should stand for the object for the reader. Successful communication relies on agreement among people about these rules.[93] A simple way to see this is when we hear unusual speech of children and nonnative speakers of language, they sound distinctly different from "local" adults.[94] These notes are also in conviction with the systems approach selected for this thesis.

- Communications Necessitates the Response of a Receiver [95]

Sending by itself isn't sufficient to create an act of communication: there needs to be some response to a message as well. A speaker talking at one or more people who aren't listening isn't communication at all by above definition.[96] It might be so that in our minds we think that others receive and comprehend our communication perfectly with out distractions as we intend them. Unfortunately, this doesn't take place all the time. As the reader will shortly be familiarized with the communication model, the primary theory for this Thesis, s/he will understand that there takes place several types of receiver response that qualify as part of the communication process. The information flow might turn out to be hard to be controlled if, for instance, a person who isn't your object pick-up a message, as when a bystander overhears you mumbling about affairs that weren't aimed for other's to hear. Furthermore, the targeted receiver does, in fact, catch a message but understand it in the wrong way, as when a thin-skinned friend takes your teasing seriously.

Also, there are times when it feels like there are hardly any responses to your messages, as if no one is responding anything by verbally means, but it is possible to sense that the communication that took place has generated an internal, unobservable response in intended receivers. Just like in corporate weekly meetings, a boss might be in doubt whether the followers have understood exactly how to proceed with their job with out asking several clearing questions, but in the end when the tasks were done, it proved the followers had been listened carefully.[97]

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[93] Trenholm, p. 79
[94] Corner and Hawthorn, p. 24
[95] Rosenberg, p. 38
[96] Adler and Rodman, p. 6
[97] Ibid

3.2 Schramm´s Model of Communication

Now when the paper has illustrated some insight what makes the communication sometimes a tricky thing to do, it is possible to dig in deeper with the representation of the communication model, which was originally presented by Wilburg Schramm in 1954.[98] The model begins from a starting point that here is someone who wises to express a certain thought to other people (see Figure 7 below).[99] To really get a hold on this model, a reader should think about him/her self and place him/herself into this position. It happens often that as our brains process thoughts and information during, for instance a conversation, we don't consider them as words, but they are like mental images, regularly associated with prevailing feelings, intentions, or even projected mental pictures, such as how the thesis should look like when it is finished.[100]

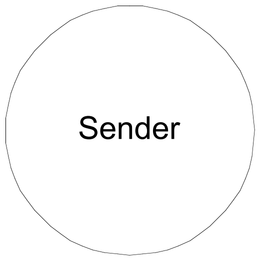

Figure 7: Sender

As it is a fact that, human beings aren't able to read others minds, thus, we need to convert our mental images into symbols (words, pictures, sounds) in order for others to understand us. This forces us constantly to browse our mental list of words to select precisely the right ones to explain our ideas. This process is called encoding, and it happens constantly as we speak.[101]

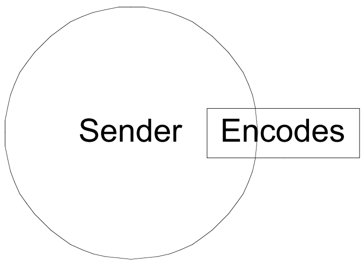

Figure 8: Encoding

The next step after finding the right word (encoding) we need to send it. This step is called as the message phase out. Here the message includes together the speaker's planned words and actions

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[98] Ruben, p. 27
[99] Coulson-Thomas, p. 1
[100] Warner, p. 14
[101] Adler and Rodman, p. 11

and the unplanned, sometimes unconscious signals sent. [102] There are a various methods a message can be delivered. Such as, we are able to express ourselves in a public conversation, mobile phone, letter, email, above to these channels, we also transfer our thoughts and feelings by touch, posture, gestures, distance and clothing.[103]

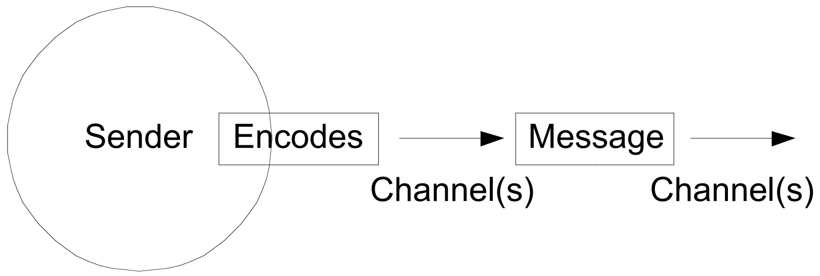

Figure 9: Message Phase Out

It needs to be noted out here that, all communication channels aren't equal. The technique of communication often influences the type of relations that takes place among people.[104]

As the message arrives at another person, quite the same process illustrated earlier occurs in reverse (see Figure 10 below). The receiver has to make sense out of the symbols just been sent to him/her by decoding them back into feeling, intentions, or thoughts that means something.[105]

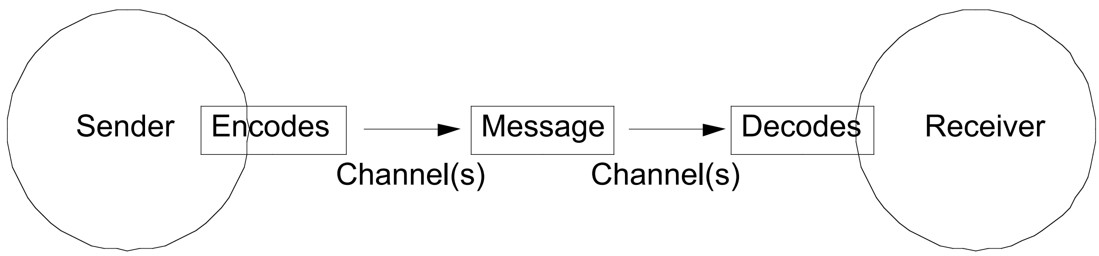

Figure 10: Linear Communication Model

What is shown in Figure 10 above, is a linear communication model, which exemplifies communication as a one-way activity in which information flows from sender to receiver. In a linear model, communication looks as somewhat that an active sender "does" to a passive receiver. A linear model also suggests that messages exist in a sender and that conveying meaning is the sender's role alone. Thus, a linear model means that communication is like giving or getting vaccinated: ideas and feelings are prepared in some form of a message and then injected straight into a receiver. However, some types of messages, such as magazine prints,

[102] Nightingale and Ross, pp. 15-63
[103] Nightingale and Ross, pp. 15-63
[104] Adler and Rodman, p. 11
[105] Severin and Tankard, p. 35

appear to flow in a one-way manner, a liner model is not a complete representation of any type of communication, as in reality receivers react to messages to at least some degree.[106]

Think about the reflection, which might come up visible as a listener's reaction to one of bad jokes you bring in. Nonverbal behaviors like this one give you an idea about that most communication particularly in interpersonal situations happens bilaterally. The response the receiver gives for the sender message is called feedback, which might take place in many ways and is not only nonverbal. Furthermore, it can be given also orally, written, for instance, as a reply for questioners question, in order to point out the responder's opinion about the matter. As the element of feedback is added to the model, the model has developed into interactive communication model seen in Figure 11 below. A sender prepares and passes on a message to a receiver, who on the other side comes up with a response and sends it back.[107]

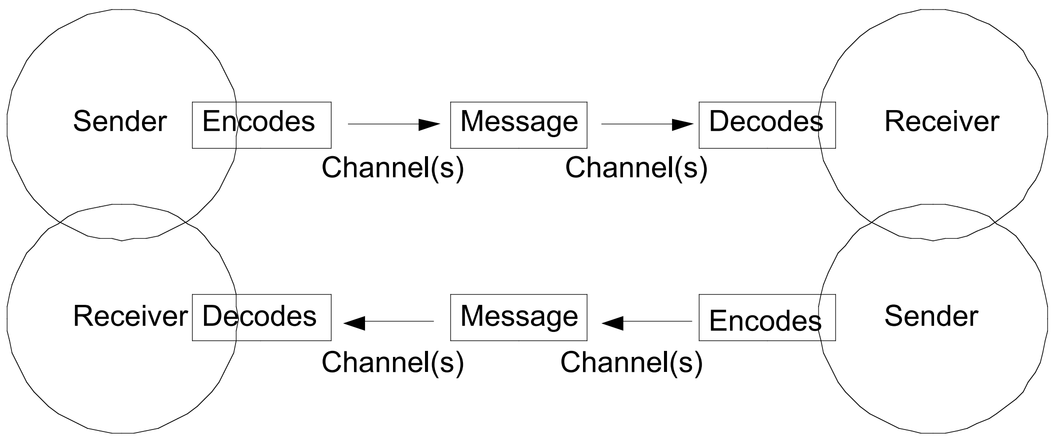

Figure 11: Interactive Communication Model

This model points out that, after some time of interaction, the mental images of the sender and receiver should match perfectly. This would be true in perfect scenario where the communication flow has been perfect, and thus happened without any noise. The term noise will be introduced to the reader shortly. Nevertheless, as people know from their own experiences in life, this scenario doesn't happen easily, as the fluent communication stream is often jeopardized on the run.[108] Here are few examples what happen relatively often in communication:

- Your constructive suggestion is taken as criticism
- Your carefully phrased question is misunderstood
- Your friendly joke is taken as an insult

[106] Adler and Rodman, p. 12
[107] Severin and Tankard, p. 35
[108] Adler and Rodman, p. 12

- Your hinted request is missed entirely [109]

These examples represent only a minor amount of all problems humans need to deal with in everyday communication. As these matters remain, the question arises, why these misunderstandings take place? In order to provide further information for these matters, the communication models needs to be developed further as it is evident that the existing model does not represent what happens out there in the world.[110]

The very first things needs to be noted out that, as humans are not mind readers, all communication is bound to a certain environment. With this note is not just simply meant a tangible location, but also very own history each of us has is bring in to a conversation. The crucial element here is that the environment differs in every conversation as each of us has unique backgrounds. However, it can't be denied that to some degree we have shared certain experiences, people find each event in unique way.[111] A quick demonstration of this matter is the following five sentences. Think about, how would an environment differ if two individuals would:

- A were well rested and B were tired
- A were wealthy and B were poor
- A were hurried and B had nowhere special to go
- A had lived long, eventful life and B were young and inexperienced
- A were passionately concerned with the subject and B were uncaring to it [112]

It is easy to find topics where people's interests easily collide. This issue of environmental affect is critical factor for effective communication, and these facts illustrates that the sender and receiver in communication senses the world differently. As we include this factor to the model it looks as follows in the Figure 12 below:[113]

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109 Adler and Rodman, p. 13
110 Rogers and Steinfat, p. 114
111 Adler and Rodman, p. 13
112 Berry, Pulford and Smith, p. 4
113 Severin and Tankard, p. 35

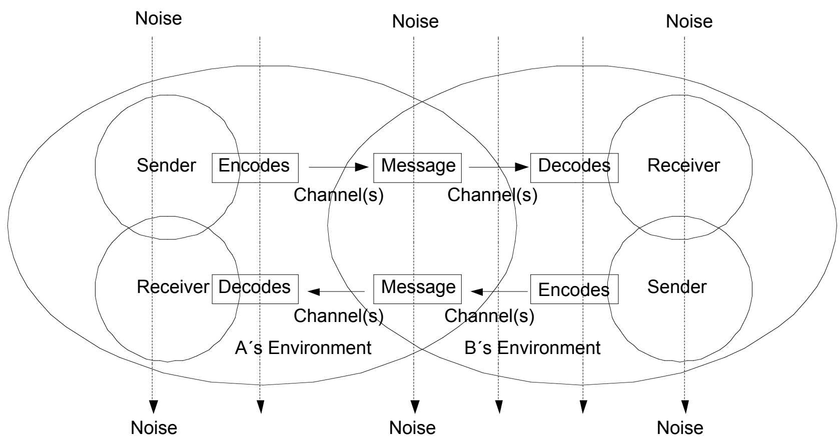

Figure 12: Communication Model with Environment

It is interesting to find out that the environments of A and B in the model actually overlap. This symbolizes the same things those two persons have in common when communicating. This is especially important for us as it consists of shared experiences and knowledge we have among us, thus enabling us to understand each other. Just like, the reader of this thesis is able to understand the message I as an author write since the reader is able to understand the same language I´m using.[114]

As it is distinct that the differing environments play role on our communication, it is not the only matter impacting the fluency of it. It has been found that there are three types of noise capable to affect negatively on our communication. These are called external, physiological, and psychological noise.[115] The sources for noise is easy to find out, noise is called **external** when our communication takes place, for instance, in a rock concert, where there are often music played in high volume levels, thus interfering our communication by blocking us hearing anything over the loud music. External noise doesn't always play role in a form of sound. It might also be something visible, for instance, when trying to pay attention to the one who is speaking to you, but if there is gorgeously handsome/beautiful man/lady right next to you, you might be distracted from the one who is trying to get his message thru to you. It is also good to notice that the external noise plays role in nearly each phase of the communication model.[116]

Physiological noise includes those factors both parties have to deal with in the communication, if other one or both have for instance hearing loss, illness, or other related matters. **Psychological noise** deals with the forces within a communicator that get in the way with the

[114] Adler and Rodman, p. 13
[115] Ruben, p. 27
[116] Adler and Rodman, p. 10

ability to express or understand a message correctly. A point in this matter is for instance, if someone is manipulating the truth by telling it in a way that benefit him the most. For instance, if in a job interview, an applicant would claim s/he masters all the things the company requires, as if truly not being qualified enough for the task. Defensiveness is also one form of it, which makes the psychological noise common communication problem.[117]

Even with the addition of these new elements the model isn't completely satisfactory. To put it in short, so far in the discussion with the communication model the Thesis has illustrated it as a static activity where there are acts of communication that start and end in certain points and that the messages a sender sends causes some effect in a receiver. Further, it is also pointed out that at any moment a communicator is either sending or receiving.[118] Actually, not a single one of these descriptions are applicable for interpersonal communication, as communication activity is often more transactional than interactive. This model, called as, a transactional communication model, see Figure 13 below, is different from the standard model discussed already above.[119]

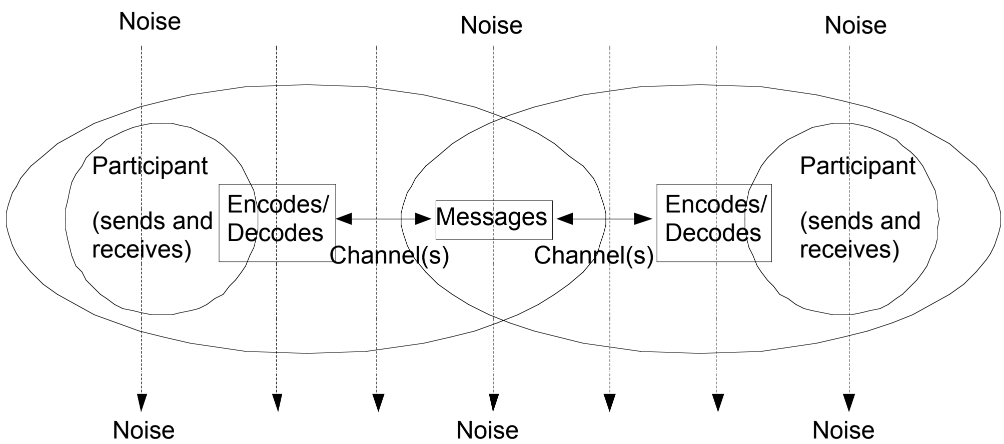

Figure 13: Transactional Communication Model

The very first thing that a transactional model expresses is that as people communicate, they normally multitask by sending and receiving messages at the same time, this means that the mental images a sender and a receiver has should not be separated, but more than being mixed and melted together. At each phase of communicating, people are capable of receiving, decoding, and responding to the messages we send others.[120] Think about, if for instance, what might happen if a married couple would negotiate household hours. As soon a man starts to begin hear the words send by his wife, (she willing to discuss about cleaning) he might make a

[117] Adler and Rodman, p. 10
[118] Ibid
[119] Ibid
[120] Ibid

face and tighten his smile, thus communicating nonverbally, at the same time as he is receiving verbal messages from his wife. This reaction might cause a wife to interrupt herself, and defensively send a new message: "You promised we would discuss about this matter today."[121]

In addition to describing the simultaneous nature of one-to-another interactions, this points also that it's hard to detach a distinct act of communication from the episodes that precede and follow it. Husband's nonverbal response about cleanings probably sprung from past experiences he used to have. This goes the other way round too, the manner people act toward each other's in the future relies on the result of our past communication experiences we have had. The model also illustrates another important factor, communication is more than some acts people do to one another, but a process in which they bond and create a relationship with each other's by interacting among each others.[122]

3.3 Culture and Communication

In this section the thesis discusses how culture has an impact on company communication. Even though the researchers of culture of the have a different descriptions of culture, it is commonly agreed that a culture must have these three characteristics. Culture is:

1. Learned: that is, acquired by people over time through their membership of a group that transmits culture from generation to generation. In the case of a national culture, humans learn most intensively in the early years of life. By the age of five people are already experts in using their language.
2. Interrelated: that is, one part of the culture is deeply connected with another part such as religion and marriage, business and social status.
3. Shared: that is, tenets of a culture extend to other members of the group. The cultural values are passed on to an individual by other members of the culture group. These include parents other adults, family, institutions such as schools, and friends.[123]

As cultural identity is therefore everywhere coded in communication, but nowhere is it coded exactly the same in all contexts.[124] And as the foundations differ drastically from country to country, communication becomes an important aspect for companies to consider when marketing

[121] Adler and Rodman, p. 10
[122] Adler and Rodman, p. 15
[123] Hollensen, p.159
[124] Carbaugh, p. 157

their product on global arena, thus in order for the company to succeed out there, communication play a major role. As companies deal with different companies from different countries, they often find some cultural differences are easier to manage than others and rather often a bigger issue is to understand the underlying attitudes and values of buying in different countries. [125] The basic composition of culture is very complex. It covers practically every element of person's life. The way in which people live together in a society is influenced by religion, education, family and reference groups.[126] Legal, economic, political and technological forces also influence our culture. There are various instruments interacting between these influences. For instance, we are able to look for cultural differences in the ways different societies communicate: different spoken languages are used, and the importance of spoken and others methods of communication varies from culture to culture. Also the importance of career, free time, and recognition and rewards people value differ from culture to culture. In certain areas, people pursue for monetary rewards, while at the same time other cultures value more social position and recognition.[127] Culture, thus, builds up through social relationships, which creates the patterns that are in the end utilized by members of the entire group. This means that culture does not stand still, but is in constant slow motion and changes over time. Furthermore, sometimes these differences might not be seen visible to surface, but can come up visible in situations where people would never notice them.[128]

3.3.1 Layers of Culture

The common corporate norms become especially important with the company's internationalization. Different layers of culture influence each of us culture. The national culture determines the values that influence business/industry culture, which then determines the values that influence business/industry culture, which then determines the culture of the individual company.[129]

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[125] Hollensen, p. 158
[126] Warren, p. 72
[127] Hollensen, p. 158
[128] Hollensen, p. 159
[129] Hollensen, p. 161

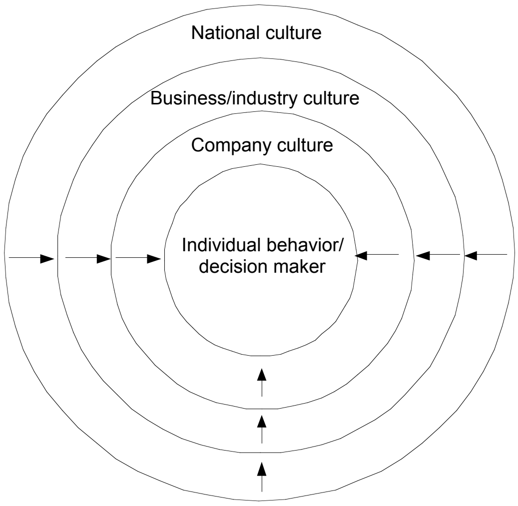

Figure 14: Different Kinds of Cultures[130]

- National culture consists of overall framework of cultural concepts and legislation for business activities.[131]
- Business/industry culture deals with matter how different business is done within a bit different competitive scene and within a specific industry or service sector. A general rule here is, a company should be able to communicate clearly what business it is in. Inside this specific cultural bubble the players know the how the business is conducted.[132]
- Company or organizational culture consists of the total organization, which many times often contains subcultures of various functions. Functional culture is expressed through the shared values, beliefs, meanings and behaviors of the members of a function within an organization.[133]
- The other cultural levels influence individual level of culture. As people interact with others and their existing surrounding they learn culture, thus, it is not innate. Therefore, all individuals perceive the world differently, as the learning process modifies individuals due to different environments in learning and different individual characteristics.[134]

It needs to be pointed out here again that these descriptions are also in accordance with the systems approach selected for this thesis.

3.3.2 High Context/Low Context Cultures

[130] Leung and Tjosvold, p. 2
[131] Hollensen, p. 161
[132] Ibid
[133] Johnson & Scholes, p. 118
[134] Rosenberg, p. 46

As the paper has illustrated the foundations of culture, the writing proceeds how different cultures can be analyzed with high/low context analysis introduced by Hall. Since languages are in significant role of culture and effective way of communication, the discussions will begins from the spoken and silent languages. See Figure 15, Here the gap between cultures can be huge, for instance, language and values differences between the Spanish and Scandinavian cultures are considerable. Differences between the Spanish and Italian cultures take place, but they are much less. It is interesting to find out how both languages based on Latin, use the same written form of communication and they have similar, although not identical, values and norms.[135] On the other hand, in Finland, communication is traditionally being more based on the words that are said or written.

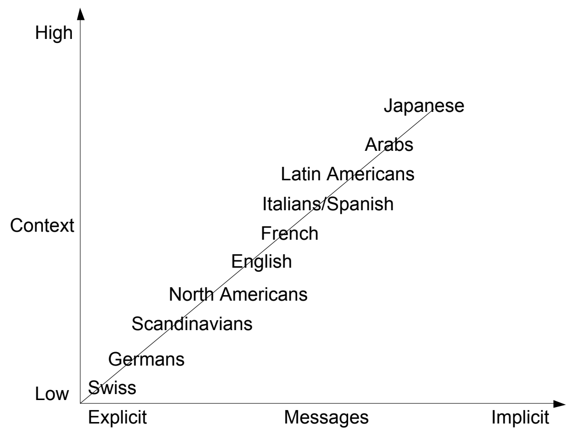

Figure 15: High Context/Low Context Cultures[136]

In the following Table 1 is a seen general comparative characteristic of cultures.

[135] Barsoux and Schneider, p. 40
[136] Hollensen, p. 163

Characteristic	Low-context/individualistic e.g. western Europe, USA	High-context/collectivistic e.g. China, Saudi Arabia
Communication and language	Explicit, direct	Implicit, indirect
Sense of self and space	Informal handshakes	Formal hugs, bows and handshakes
Dress and appearance	Dress for individual success, wide variety	Indication of position in society, religious rule
Food and eating habits	Eating is a necessity, fast food	Eating is a social event
Time consciousness	Linear, exact, promptness in valued, time is money	Elastic, relative, time spent on fun & relationships
Family and friends	Nuclear family, self oriented, value youth	Extended family, other oriented, loyalty, respect for old age
Values and norms	Independence, confrontation of conflict	Group conformity, harmony
Beliefs and attitudes	Egalitarian, challenge authority, individuals control destiny, gender equity	Hierarchical, respect for authority, individuals accept destiny, gender roles
Mental process and learning	Linear, logical, sequential, problem solving	Lateral, holistic, simultaneous, accepting life's difficulties
Business/work habits	Deal Oriented (Quickly getting down to business)	Relationship oriented (first you make a friend, then you make a deal)

Table 1: General Comparative Characteristics of Cultures[137]

When the paper has demonstrated the theories used in this thesis, the discussion goes further in the empirical findings in next chapter:

4 EMPIRICAL FINDINGS

4.1 Collecting the Empirical Data

The data collection for the empirical part of the thesis was conducted by making interviews of Magnasense staff. People who were interviewed were at the time holding the core positions in the company as a CEO, Product Manager (PM), Product Development Manager (PDM) and Intellectual Property Rights Assistant (IPRA). The interviewees were interviewed one by one in

[137] Hollensen, p. 162

a private room where each responder were enabled to share in their own words their opinions about the questions. The interview sessions were held in Finnish and recorded to audio files. When the interviews were finished, the researcher decoded the material to written form and translated it to English. If someone wishes to hear/read the whole story of the interviews, s/he can always contact the author and ask for a copy.

The attempt for these interviews was to find out how effective the personnel sees their company communication and does any cultural, or other issues play a role in company communication with their different stakeholders. Are there any problems, and if so, how they might be able to perform better with these matters in the future. As the interviews were held privately, one-to-one, it was also interesting to try finding information how well does the information inside the company flow, and are personnel familiar with the general company objectives.

4.2 External Communication

4.2.1 How do you see the Mission/Objectives of Magnasense?

CEO: “In brief, it can be said that we want to become number one in magnetic lateral-flow reader instruments, and we want to make magnetic detection as number one technology platform.”

PM: “Well, I see it in a way that the objective of the company is to increase the quality of life by offering better diagnostics, and in addition to this we can think of the commercial goal is to be a number one in selling a diagnostic instrument on the market.”

PDM: “To bring in a medical point-of-care reader instrument on the market, which is able to measure lateral flow tests. With this reader we pursue after as a market leader position in this market segment, especially among companies who have specialised in measuring magnetic particles.”

IPRA: “…the overall mission for the company is to generate profit for the owners... In a way the company does not have a mission, the company has a goal, which is more relevant. Our goal is to become a major player in the field of diagnostics in the following reasonable years.”

NOTES: The purpose for this question was to familiarize the interviewees to the theme and to find out whether people were in general aware what the company is actually supposed to do. According to answers, it can be said that answers were harmonious in each case. People seemed to know what the company is doing and what market they are pursuing after, and where their commercial goals are. Obviously, the sign here is that the company mission and objectives are to become a number one manufacturer in the world of magnetic reader instruments for lateral-flow tests.

4.2.2 What are the Values of Magnasense?

CEO: "Our values have been, honesty, openness and customer orientation. We have tried to enhance openness, or it has become enhanced in a way that the technology is open. Therefore, it is a good value as it goes hand in hand with the technology…"

PM: "What would be the most important ones, well of course the reliability is probably number one and then is the quality…"

PDM: "…These principles, maximizing profits and those soft values relating to it, those ones are our values. In order to maximize profits, it requires that the machine is functioning well and, this typically means that these employees are feeling well. I see these as company values."

IPRA: "The company has not defined values, and I think it does not make sense for me to try inventing them, although, I think they are important for the company to be established."

NOTES: The idea for this question was to find out whether the personnel know the common ethical ideologies the company holds. These guiding principles might help individuals daily, as they know better how they are supposed to act in different situations. It is interesting to find out even the company mission/objectives were well understood and similar for everybody, the opinion on values changed a lot from person to person. Even two persons, dealing with the sales did not share the same opinion. Thus, it might be so that the company has not even defined this principle and let personnel know about it. This is a matter surely needs further attention.

4.2.3 What Kind of Company Image is the Company Pursuing After?

- Objectives and time schedules for the promotion
- Target stakeholder groups of promotion

CEO: "At the moment we are communicating to the potential customers and potential investors. Those ones are our two main segments… and of course there are research groups, subcontractors… public funding to whom we try to reach similarly. We really want to pursue after the typical image they will get, us perceived as professional, and we are really seriously in business, and we know what we are doing. It is also important to show that we look like a typical company in this field of business. So we have in a way observed what kind of picture other companies in business are signalling and we have tried to pursue after a similar picture"

PM:"Well during this year, our goal is to reach our customers, meaning diagnostic companies, and in addition to this, if the product is on the market from the beginning of the next year, as it is supposed to, then we will take also these end users and try to make the company more recognised that we are a Finnish High-Tech company, whose word can be trusted and their product is functioning without any problem. Second point is, that as a small company we are flexible to our customers and we can fulfil their wishes pretty flexibly…Also to other companies operating on the market, and also a little bit straight to the end users... I see also that our subcontractors are the kind of stakeholders who needs to be constantly updated what is going on, we need to communicate what are our goals."

PDM: "…we want to be a company that is clean, reliable…expert/professional organisation in our field. Our communication surely focuses on our customers and stakeholders, and as stakeholders there are quite extensive subcontractor network, meaning that we have practically a huge amount of manufacturing conducted as subcontracting. Thus, all our partners, in all levels are our company image stakeholder groups."

IPRA: "…is to be a quality company, who is able and willing to act as an effective partner...The priority number ones are most certainly the customers, and in addition also the investors… Then we also need to think about what kind of company image we are willing to give for our own present and future employees… But still I would say it is the customers and investors who are the most important stakeholders to consider. This is business-to-business activity, therefore by the time being when we've been able to commit our customer to us we have achieved the needed company image. This is a vital aspect thinking of business, to get the customer relatively fast committed to us. This means the time frame here is the following two years."

NOTES: The purpose for this question was to find out how well personnel are aware of the corporate objectives for communication, and which stakeholders are important targets for effective company communication, also what kind of picture Magnasense wishes to signal of itself. From the results it is clear that everybody knows very well who are their priority number one segments. In this case it is test manufacturers/direct customers and investors/keeping the cash flows stable. It seemed important that the company wishes to give a picture seen as, professional, serious in business, their word can be trusted, their doings just works, are able to fulfil their customers wishes and act as flexible, reliable and effective partner. These are surely good principles to hold, but it might be hard to live up to these expectations if problems occur. One possible problem scenario might occur from the interesting finding that as a secondary stakeholders were seen the subcontractors, and as it is known the company relies on a big list of subcontractor companies, who actually constructs the physical product. The communication with subcontractors must be seen as important as it is with the customers, since as long as Magnasense stays in the middle of the supply chain between the customers and the subcontractors, in the customers eyes Magnasense is responsible that the product lives up for its expectations and is delivered on time.

4.2.4 Which Communication Tools are the Most Effective in Communication?

CEO: "…One quite effective is the web, which in a way is passive, you need to get in to a web page either by mistake randomly surfing, or really pursue after it. Lets say that the most effective way of communication is the personal meetings, and always as we meet our clients, as today, the people who we meet has visited our web pages before the meeting, which makes the web page a significant tool. In the meeting there is also some kind of presentation with computer, such as power point or PDF, they are also quite important communication tools. We also tend to swap the material presented in the meetings over via email after the meeting."

PM: "To our client, we usually are in direct contact with phone, email, and in addition to these, we visit in person our existing and potential new customers, and these tools contribute as our main communication channel. Surely, there are few trade fares; where we go to tell who we are, where we come from and what we wish to give to the world. If in addition to these, we manage to get to headlines of newspapers or news, what ever, it is of course just plus, but not as much as something we would actively pursue after for. Last thing I can think of are these, scientific publications in this field of science, if we could publish those we would be able to get our name more recognised and that would be a great thing. Then also for small client publications we try to get our own story as well."

PDM: "Well the most effective ones are surely just personal meetings and personal contacting, and these tools we have pretty much been working on. We don't have any kind of TV-campaigns, and probably there will not become any in the near future. These stakeholder groups are so narrow, so we can deal with them by the most effective way with this kind of personal co-operation. This is also our primarily concern."

IPRA: "If we start from the customers, that would be the personal contacting. I don't see any possibility or need for anything else. Other stakeholders, investors and subcontractors absolutely the same thing. I rank cooperation as a highly important matter, that the communication is a constant dialogue, which means it is face-to-face conversation, it can also be emailing, but the personal contacts matter. We cannot advertise, we need to discus it is the starting point. We might need advertising in order to get someone to discuss with us, but I guess that factor would still take place by personal promotion or sales."

NOTES: The idea in this question was to identify the tools the company is using in their communication and their importance. It was clear in all responses that the central tool is the personal contacting, face-to-face meetings, phone and email. Secondary, but still important, tools are supporting the personal communication. The company does not have the need or resources for any advertising and they have their target segments clearly set, which they wish to reach with their communication. They are focused on establishing a relationship with their target segments where they enhance highly the importance of a dialogue and a two-way communication.

4.2.5 Assess the Overall Effectiveness of Current Company Communication.

CEO: “At least it has become more effective recently what it used to be, and otherwise the quality has increased considering power point presentations, and WWW-pages significantly. In many parts, the effectiveness relies a lot on our personal activity level, how eagerly we contact other companies, and how enthusiastically we keep on that communication.”

PM: “The communication is probably fairly efficient to that selected group we have chosen to be as the most potential client. To this group we keep contact frequently. I say this since we keep contact to them at least monthly and as it is done personally. These customers are also listened, what they specifically want, from that point of view it think it is ok, but then we don’t have other frequent communication, so from that point of view there are a lot of improvement to do, as now we in a way take care of the customer group who are presently seen as the most promising group, meaning we have not taken a larger customer group inside this group who has more attention. The rest are dealt with like a little bit with a left hand, and this is a little bit harsh way to say it but, the priority here is that the others ”will get along as we go along” mentality. This is of course the kind of a matter we need to start improving thinking of we will have a product out in the market in the beginning of next year.”

PDM: “I would see that in a personal level, the communication is quite good. Even at this very moment our CEO and sales person are visiting our clients. We should probably ask from the target of our communication how effective it is. I believe that there are things to make it better like in all activity. Our web pages were just recently renovated, so there has been some progress with this matter as well.”

IPRA: “I think that the message the company wishes to convey is carried out to the client. Probably we could do that better, likewise to the investors, the basic message is conveyed… It needs to be kept in mind that as we are selling the technology, and company at the same time, it happens that partially the technology sells itself even though all the laws of marketing argues the opposite, but especially as we are dealing with business-to-business marketing, our clients are experts in this field who have professionals evaluating us, and there is no need for us to sell that aggressively if we have a good product.”

NOTES: The idea for this question was to bring in thoughts how effective they see their company external communication is at the moment. People mainly thought that the communication is in fairly good shape, with newly renovated web pages, and sales persons staying in touch with the customers often (monthly), currently meeting many of them. It was also said that, the company has selected as a priority number one group the most promising customers, to whom they keep a closer touch, in this case monthly. Someone might argue if monthly is quite frequent enough, if the company is dealing here with very important customers to whom they try to establish and maintain a close and tight relationship. The CEO also noted out an import point, that the quality of their communication also depends on their efforts, how frequently they stay in touch with their customers, this is surely an aspect to consider, should the communication be more frequent. There might also be an issue with the quality communication being focused to the priority number one customers. What if something goes wrong from one side or another in the product development process with some companies ranked as priority number one companies, and the relationship or product fails. This causes loss of valuable time, and as the company expects to launch their product in the beginning of the year 2009, if the development process is jeopardized from one reason or another, what the company expects to do with a reader instrument on the market if the product development process with some of the few test manufacturers went wrong. This might threaten the whole future of Magnasense. Thus, it might be important to keep frequent communication also with the secondary partners.

In this question it was once again interesting to find out how as a secondary concern the company sees managing the relationship with subcontractors. The focus in the discussions was again on customer communication. Another note was the importance of feedback. How the company is able to evaluate the effectiveness of company communication if you ask it from the senders of messages. One purpose for this question was to bring in thoughts, how well they really can evaluate the effectiveness of their communication if they do not have any feedback from the stakeholders of their communication. It was seen in the answers that the company should ask from clients how effective it is. If the company sees that they have a superior product, they also need to ensure that their customer/other stakeholders do think the same, then this fact is confirmed that it is really so. Only by feedback the company is able to receive such important information what is going on the other side.

4.2.6 How to Evaluate the Effectiveness of Company Communication?

- How has this matter been dealt in company in the past?
- Does the company pay attention on how frequent, open and fast the communication takes place between different parties?
- Has company partners been asked for feedback, just for instance, make sure all the data are correct in the web page and easy to be interpreted?

CEO: "…as we meet people, you can see right away from the face was the message received of not, and also from what happens afterwards the meeting, was it a success or not, will the meetings and contacting keep on. These points we see right away..." We haven't asked feedback directly, such as, here is our feedback formula, please fill it, but feedback in between the meetings such as today, was revealed that there is something in our webpage that some explanation was not correctly understood. Therefore, as having this feedback, we need to further develop something in our webpage into a clearer direction, which we had already scheduled to do but still we need to make the explanations even clearer as we thought before."

PM: "Well, have not probably have a research done here, we have conducted feasibility research, and also small market researches as well, but these kinds of matters have not been part in those studies. I see that surely a questionnaire study to our customers would be a good thing to do, we would know more in detail what they want. On the other hand, we are not yet visible in the end users eyes so, this study might not make sense yet. But the potential customer group would be those 30-70 companies, so I think it would be a good idea to start questioning do they know anything about us and what they think of us, and has our intended message gone thru at all? In the end, the business idea for the company is established on co-operation and doing business together, and of course you will get some feedback constantly when you stay in touch and in the end you find out in which point we have done mistakes as people will react fast in both the positive and negative ways."

PDM: "Directly, I cannot say what are our measurement tools, but you can figure this one out indirectly, are we able to get deals and how our subcontractors understand our wishes, what we want from them. In direct feedback: "Yes I believe that it is just this human dealing that when we try to establish a personal connection, it might happen that sometimes the receiver does not understand that specific message we have tried to convey, or it just remains understood, and the next time when we visit them it might become clear that some things were not quite understood how we expected before."

IPRA: "…We need to have the information how often we stay in contact to our clients and stakeholders, and even though there is no reason to stay in touch still we should stay in touch… just a basic data file about that have we remembered to call them or not and when it happened the last time. Another method which we might take to a higher level is to gather feedback from personal discussion about what our customers think about us, are we the kind of a company who is enabled for cooperation or not, and these are the kind of factors where we don't have time or resources for it... The fact like I said, we want dialogue, is to ask our customers, what do you think, have we succeeded in a dialogue is part of the dialogue, and it brings a picture for our customers that we truly care. So perhaps, measurement tools and communication goes hand in hand here."

NOTES: The reason for this question was to ask how does the company gather feedback from their stakeholders, and thus enhancing their knowledge what is truly going on. Where are they standing, and in which direction are they going. It became clear from the answers that no kind of scheduled procedures were set for the feedback, but they had received feedback when someone happened to give it, in meetings and so on. Furthermore, the company had not asked proactively from their partners what do they thinks of them as a company and is given project proceeding as they should. People also thought it would be a good idea to start asking more actively feedback, and keep a closer record on when they meet/communicate with different stakeholders, what was said and when it happened, and what was in the end agreed. It was seen also a good idea to bring in the feedback as a part of the meetings, in a way it would be a natural part of important dialogue in the meetings.

4.2.7 Any Communication Problems with Foreign Partners?

- If so, has these issues resulted from cultural matters? If not, address where the source for other communication problems might have been?

CEO: "Of course, there are always all sorts of misunderstandings in normal everyday doings with people, but none what I can now directly think of. In the end we are mainly dealing with western people, which means there does not occur major cultural issues, what cannot be dealt with. We have also under gone training considering the cultural matters, which has resulted us to change a little bit of our normal routines in the meetings with foreigners, such as today we had visitors from U.S, and we acted a bit differently we otherwise would have."

PM: "There have been problems with the product manual and the web pages. Not direct misunderstandings, but perhaps we presume our clients to know more than they actually do know. There have occurred few things that bring in the thought that if we have for now been able to identify few problems, there might be even more. An example of this was an event with one of our clients that, they considered that some point was not explained as completely as they thought it should be explained. This was surprising for us, as we think of that our audience is precisely diagnostic companies that should be at least in the same level knowledge as we are. However, it occurred that some part in the technology section was actually difficult for them to understand. I was a bit surprised as, even I have not been working here for so long and I think of these principles already as granted. But surely we need to understand that people don't take several hours trying to figure out what might have they mean with that chart on the web page, more over, it just needs to be explained in away that it is easy for the browser to adapt the information we have presented. This means that in all fields we can be even better. This might be a tricky thing as, we don't want to underestimate our client, but we cannot be unclear either, for just trying to appreciate out client and held him/her as intelligent that s/he does not have to figure everything on his/her own. But, surely it surprises you how simple everything needs to be in order the message to be clear for everybody."

“Partly a major impact is that the culture in America is quite the different, and the same thing as with web pages is with the product manual and with everything we have gone thru the kind of issues we have never even imagined here in Finland. Such as, how Americans do use our product and read the manual, meaning that they do not really read it at all, or just browse it thru quickly, they would also rather rely on questions, or blame us that the manual is unclear. They require the manual to be as short as possible so people are able to read it, but at the same time illustrating every single thing in detail. We would need more pictures and less text I guess to accomplish this task.”

“…in this contacting, there might be a little bit of improving to do with keeping our promises, in a way that we need to remember to inform our clients from every little change and delay what might be occurring, and another important thing is for us to clearly inform, what we want, and what we don’t want from that specific partner. It also needs to be pointed out that a strong NO will become easily, or has become, if we have a little bit sloppily communicated that we want to do co-operation in this specific field, and we like to set the terms for co-operation like this... How we really should approach this situation is to, first listen to that customer, so that they can decide what they wish to start up with us. We cannot just barge in aggressively, because that has instantly set up heavy ”NO NO”, resistance. ”We are at least a big company, you cannot come here and tell us what to do.” We really need to show them that we are truly listening to their needs. With really good argumenting and a lot of work we have been able to salvage these nearly lost clients. Then there has been this issue with changed time schedules, and the clients if we have not been able to communicate clearly that there has been a delay in our subcontractors part, and the delivery will be late. Anyway the client has become upset since they did not receive the notice in time, or that they did not understand that the delay was not due to our mistake, but our subcontractors false. Especially, if we have not remembered to communicate this kind of delay will take place, it has occurred to take just insanely a lot of work to try to fix that resulting loss in new born trust, and it will take excessively a lot of time to try work it out again. This is really important especially when our main values are to be a reliable and a good partner for all companies who we are dealing with, so thus, it might be hard to live up with these expectations, if the relationship starts to break-up already in the birth phase of the relationship. Flexibility is surely needed in both sides, and communication needs to be in good condition, as people can handle things well if they are correctly informed, and know what to expect. In U.S, everything needs to happen just like agreed, and preferably faster than slower than expected.”

“Other interesting point is, the difficulty to understand what people really in the end mean, and for how long you can ask questions of them with out them feeling being pressured. The multicultural backgrounds also confuses, as other organisations are more hierarchical and slower functioning than others, and then you need to understand how much/often you are able to approach them: ”We would like to come and visit you now!” Not wanting to signal us being too aggressive. It is really hard to see where we are actually going, and what strategy fits the best from whom.”

PDM: “It has not occurred my mind that especially with foreigners would be any bigger problems than with domestic ones. I guess there might be the issue with a language barrier occurring as some kind of a trouble, but I would see us more like an expert organisation, so in that sense we work with similar companies who uses the same language, meaning that we are playing at the same field already. I would see that these problems are more related to, if there are any problems, dealing with just general human communication, and surely there are methods how to avoid these misunderstandings and making the communication more effective. All these kinds of processes are very welcome to the company, increasing the accuracy of our communication.”

IPRA: “For cultural issues, becomes in mind this one conversation with one Asian fellow, he got offended when he was switched too quickly from Mika to Sanna, meaning his contact person was too quickly changed, and he was not familiarised to that change well enough, there might have been also an issue with a gender change, and the fact that he was not anymore dealing with the CEO but some marketing person. General misunderstandings occur surely everyday, but it might not result from cultural matters, but just from the fact that people understand things differently and sometimes wrongly.”

NOTES: The Idea for this question was to identify possible cultural, or general communication problems the company might have been suffering in the past. This question brings in several interesting points, such as the CEO, who has been dealing with the contact for several years, says the culture gap is not big. Then on the other hand, PR, who has been working for past six months in the company, thinks this point quite differently. She perceives that there actually are cultural issues resulting from the fact that organisations in different countries tend to react slower/faster and the hierarchy level seems to vary as well. The company has also identified a possible issue with gender, a surprising dilemma when CEOs (male) contact was changed to PM (female), as their foreign contact was offended a little bit by this event. The company needs to remember important rule when especially dealing with business people with Asian cultural backgrounds. In Asia people do business with people, not with companies.[138] Thus, making and maintaining a personal connection is really important. These are all cultural issues, which reflects, for instance,

[138] Hofstede, p. 49

how aggressively they can pursue with business meetings. They have experience with a bad negotiation strategy in a meeting, which nearly lost them a highly potential customer when they acted overly aggressive and a bit bossy. It is good to remember that in that position they are dealing with clients and they are the money holders, company cannot afford upsetting any promising clients, and it is also hard to try to establish any relationship, if it has been jeopardized already in the birth phase. Thus, a tactic what surely works better is to clearly and calmly present their ideas and wishes, but also listen to their customer by creating a two-way information flow with the partner.

There has also been an issue with the official company material what has been presented in the web pages and the product manual. What happened was that the personnel of Magnasense perceived the material as everybody who this business would be able to understand the information the have presented. It has occurred that it is not entirely true. This is an important factor, as if their client thinks the information is somehow ambiguously presented, then an interesting question is how they then really think of Magnasense, and will they get the picture what the company wishes to convey as perceived as being, professional, high-tech, technology leader in the market. Furthermore, it needs also to be remembered, that even the company operates in the same field of business, still Magnasense posses something unique knowledge what the others do not have, this is the very point why the company exists. The importance of feedback was once again brought up. As the company received information, that according to their foreign partner, there might be something not quite clearly stated in their web pages, hopefully this feedback will result as action and matter will be corrected later on. Furthermore, as the company generates all their public material as clear and simple as possible, no one can argue that by doing this they are underestimating their potential customers, it just signal professionalism in this field as well.

One clear evidence was the weakness of informing their customers about the delays. As the company stands in the middle of customers and subcontractors in the supply chain, it is their job to ensure all deadlines hold. Communication is vital when it comes to informing about possible delays in product delivery. Timing overall is important in business, and if there become delays in the subcontractor's part, the company cannot endlessly blame them on the delays. It needs to keep in mind that, in the end, it is Magnasense´s subcontractors, and it is their responsibility to ensure all deadlines holds. The ability/inability to keep the customers and subcontractors informed and organised, impacts directly (positively/negatively) on Magnasense´s image, to live up their expectations. If the company cannot accomplish this, this has an impact on their credibility.

4.2.8 How to Develop Company External Communication?

CEO: “Of course there are always some aspects were we can perform better, but there is one problem, as we are here so much inside of our own doing it is impossible to ”see” how “others” are seeing the same matter, for instance, it might be hard to figure out what is so hard thing for others to understand in a specific thing. One of the potential misunderstanding just occurred today in the meeting, was a matter about the technology, this we will find out when we go see them soon in the U.S. This is a matter in technology itself and how they plan to commercialize it, there have not been any changes, but as openness is one of the core principles in our technology, it scared the people in the meeting, as what they perceived as open, was seen for them instantly open for everybody and in uncontrollable manner. This was obviously a wrong perception. We need to add in this point that it is open for everybody, but that we have 100% control over the technology to whom we wish to open it for. Because of this, post-meeting communication is a vital matter to clear all possible misunderstandings, not just stay still but ensure things rolling to right direction. We don’t always need to be so official, and this has been a matter for me personally to learn that you don’t always need to have really important matter in mind to stay in touch with a contact.”

PM: “The message needs to be simple, fast adaptable. Other fact is that we need to somehow predict possible changes in our own time schedules and the like, what might happen and inform our customers about it. Those ones are two main priorities. All written and web communication needs to be really clear and simple. I think also that the level of knowing all the contacts becomes better as the present quantity of them, which is small, once I get to know them in face to face in person. As you learn to know people better as individuals, you find the right paths how to convey your message the best. At the same time the customers learn to know me.”

PDM: “Yes, here might be such aspects as a feedback, should become faster from our stakeholders when we communicate, we should know faster how did the responder understood our message. What kind of methods for receiving this feedback are, I don’t know about that. Very first things occurring my mind would be a possibility for both parties to keep minutes in the meetings and swapping them on both sides after a meeting, I don’t know is this a good idea or could it be something else, joint tasks possibly.”

IPRA: “Well, surely if we would be able to communicate more, meaning we would have more marketing people, but we also need to consider is it necessary for our business to collect more customers, we might not necessarily want more and more customers. Surely there is a need for more experienced marketers, and perhaps to different style of marketers, as most of the staff are natural scientists, on the other hand it might be a necessity in this field of business in a way, but in some way enhanced marketing spirit might bring in a fresh breeze. As the results increases, hopefully this matter will be shaped up.”

NOTES: The goal for this question was to find out any suggestions, what kind of action might be taken in order make the communication more effective. CEO notes, surely there are room for improvements, but they are hard to see. The employees respond by suggesting the company to develop the company communication simpler, fast adaptable and easily understood. Also obtaining fast feedback, generating possible joint tasks, and enhanced the importance to communicate more often. These suggestions are surely in need as the CEO stated, they experienced in a recent meeting how big impact only a single, wrongly perceived word in company official material might posses (negative) impact. This point also illustrates the delicate manner of communication. The company would be able to track these important matters related in communication better, if they would establish a closer connection to their stakeholders and try to keep-up official and unofficial conversation more frequently. This might bring in good extra information when the contacts know each other better and feel themselves more like friends. When the relationship is in this level it is easier to take also negative issues in discussion. The thesis will discuss about relationships in the section 5.4.5.

4.2.9 What is the Role for Magnasense in Future Communication?
- Joint Communication with Business Partners.

CEO: "That's totally different problem scene, what we have not much been thinking of. Probably we will stay more in the background, as it will be more our partners communication to their own customers, which we will try to support by given results on hand either by passing the same message forward, or then by offering hard data for further argumentation. The communication may function in the other way round too supporting our existing external communication by signalling our development in the existing ventures."

PM: "We should support as much as possible our client companies in our communication. Of course they have surely bigger communication channels than we have, but we would like to maintain that unified line in our communication, by this we truly tell clearly to end users of product what our message is. We try to do our share that Magnasense becomes famous, so that it is just not our customers job to do. We produce joint communication line and tell the same thing forward."

PDM: "Magnasense has surely a great motivation that our product is presented in our distributors communication/promotion and sales. The most frightful scenario here is that it (product) is left back in some store self or in distributors storage, meaning as it not being marketed that much, this kind of fear would across my mind, even if I don't know how real this scenario is."

IPRA: "We will communicate to our client and our client will communicate to the end user, this is the starting point. A customer can tailor a program, we will produce information for it."

NOTES: For this question the interviewees were forced to think a little bit of future. As it is stated earlier the Magnasense depend on test manufacturers, as they will jointly launch the test reader into the market. The test manufacturer will take care of all end customer sales and Magnasense will play a role as delivering the readers to the test manufacturers. The purpose for this question was for the responders to think what kind of a role they think Magnasense will play when the product is marketed. Nearly all responders 3/4 stated that Magnasense will stay in the background and give supplementary information, such as hard facts, if needed. One responder raised important concern, what if the test manufacturer does not actively market the product, and what happens if this scenario fulfils? The company needs to think this concern as well.

4.3 Internal Communication

4.3.1 Is the Internal Communication Effective in Company?

CEO: "It can be more effective, we should start to take the weekly meetings back in weekly schedule, we have slipped from keeping those, and slipping always takes place when half of the people are around the world. On the other hand, we don't have that much personnel, and we are closely positioned to each other, so we will have instant meetings, by just crabbing someone and then have a brief chat about some matter, and we can deal with it by this way as well."

PM: "I think it used to function better when we had weekly meetings, I think they were really good and useful. Now communication does work, you can not say that it does not, as the most important messages are always transmitted, but those secondary (still important) messages, that is in a way a bit foolish to rely on emails as we all live in same city, and go to the office every week, thus the kind of more face-to-face meeting could be more effective. Those joint meetings (weekly meetings) are important, as then you would have at least one opportunity to see everybody, and share what is going on, and how are things proceeding. Because I think it is important from my point of view that everybody is in someway on track where are we going?"

PDM: "Yes, I think here is especially many point could function better in the company inner communication. We used to have weekly meetings at the time, but recently we have not kept them. These weekly meetings in such a small organisation are very effective as then everybody gets to know all the things, so maintaining these meetings is surely a good thing, but I don't know would there be another replacement, or other more effective method."

IPRA: "Internal communication depending on its definition. Yes the information is transmitted, as we are in small space and there is small amount of us, but do we always know what information we should convey. I see that these are a little bit like the same thing, but there are surely matters to make it better.”

NOTES: The purpose for this question was to find out, is the internal communication functioning well. From the answers it is clear that, even the whole organisation is rather small for Magnasense, and is placed in two rooms, still, everybody thought that the internal communication could function better. Because weekly meetings have not kept in a while, people think they do not really know what others are doing, and are not updated with all the latest information.

4.3.2 Are all Organization Members Receiving Information in Time?

- Do you find future growth in personnel plays a role here as well?

CEO: “No damage as far as I know. Me and PDM have been doing this for so long that, when I am in conversation with different partners than He is, sometimes it happens that I have forgot to tell him and He does not always know who I am dealing with, other way round the communication works rather well. I have told you previously that as I have been working solely with the contacts for so long, then you sometimes can’t / remember to share information with others. When PM started to work with the contacts, she cached the point rather fast, when we had some unofficial report for her to revise first. Also a new market/technology report from last summer helped in this matter a lot.”

PM: “I think all the basic things are working just fine, even if some nice to know information is lagging behind, but all relevant information has reached in time.”

PDM: “Information is exchanged very well in one room where nearly the whole organisation stands, so it is easy to ask how thing are. When the company will grow, the internal communication becomes in more important role, and the occurred problems become to show as a poorer company performance. This is clearly an aspect where we need to start paying more attention.”

IPRA: “The company is growing fast %, it sets new challenges and everybody needs to learn new things. Thinking the matter in this light, the communication is not effective. Just these basic things, what should be communicated, what is important for other persons to know, this we could do better. The message gets carried easily in its target when we know this precise message needs to be sent.”

NOTES: The purpose for this question was to find out had something bad mistakes happened because of possible poor inner communication. From the responses, it became clear that nothing that bad hadn’t take place, but people seemed to be a bit frustrated that they were not aware of clear organisational descriptions, and who really needs what information, and to whom they should communicate different information. The issue with internal communication and growing organisation also draw thoughts, internal communication surely sets challenges for future when the company will grow bigger.

4.3.3 Is There a Need to Make the Internal Communication More Effective?
- If so, what actions would you take in order to achieve this goal?

CEO: "Weekly meetings back, even though the communication here is informal, still it would be a good idea to have more frequent forced communication event taking place, since sometimes this more informal communication might leave something important information lag behind, some things that are just not spontaneously said."

PM: "I think there are room for improvements, and weekly meetings are what I hope for, and also possibly for some personal face-to-face meetings with the CEO, and if we would have agreed a set time for it, then we would be able to prepare ourselves for these meetings better, and make sure having all-important information ready for presentation and communication. These meetings would be important also as I/we would be able to use our office time more effectively in order not to stop our work for not knowing how to proceed with certain matter without consulting the CEO, and if there occurs several stops, this might occur as a longer pause, where the client suffers, and the effect is that Magnasense as a company has to deal with that negative publicity again in the customers eyes. I also hope certain guidelines what employees are expected of, a certain level what is needed in order the task to be accomplished, same things is with time, when certain task are expected to be finished? Important aspect is also how CEO prioritizes tasks, which processes are more important than others, I surely can make my own mind, but what would be the wishes of the company? Working could be more organised and effective if everybody would have a clear common goal to pursue after."

PDM: "Weekly meetings back, it is a good idea. Also, all kinds of data systems can be useful. For instance, a calendar what is accessible for everybody to see, are you at a specific time in the office or meeting a client. If we would have this kind of a system where our calendar is presented for everybody, it might be a good thing. Thus, we need to remember that it can also be a heavy process to set-up such a joint calendar system. Presently, it might feel like a pretty excessive thing to do, but perhaps these ideas might serve as visions for future, how can we cope with these matters when the company grows."

IPRA: "I think it would begin from definition of certain matters, what we need to communicate to whom, these matters are partially organisational things and each one would precisely know their own responsibility area. Always when we would have a new problem, we would define it and assign it for someone to carry it on. This does not necessarily mean s/he should solve the problem, but ensure does the problem solving proceed or not. This can be seen as a broader matter than communication itself is, but I think this issue is important and needs action. The fact that everybody has personal goals in mind, small and the big ones, is necessary when describing knowledge organisation, where everybody needs to be able to do correct personal decisions. Therefore, to summarise this matter, objectives, clear responsibilities and other needs to be informed in order for the communication to run smoothly. When the company grows bigger, then we can think of intranet and following tools, but even they are used they do not solve the basic problems."

NOTES: The purpose for this question was to generate brainstorming how the company can improve inner communication. Everybody thought that the weekly meetings should be initiated again, where everybody shares what they are doing during the selected week, and what other stuff has been in their minds. Another suggestion was to have, for instance, two times a month a set private meeting with the "supervisor", CEO, where it is possible to revise, how they are proceeding with different tasks in more personal level. This meeting should be something where employees are able prepare a presentation beforehand, so they have every important pieces of information with them. Employees saw it also important that the company should inform clearer the organization goals and the description of it as a whole, who is responsible of what, and how they are expected to prioritize their job related tasks what the company expects of them in terms of quality and when is the deal line for different tasks.

EVALUATION

The empirical discussion will end with evaluation of the interviews. The researcher selected a method for the interviews by the criteria felt for him to provide best, and acute information for the questions. This was due to few facts, the researcher interviewed each responder privately, the interviews were conducted orally, and the interviewees did not know the questions before hand. As a result of these points, each responder was forced to provide rather fast answers for the questions, thus not enabling them to think questions too long. The idea for this strategy was that each responder was forced to give quickly an output how they see things in company, and not enabling to start inventing any of them. If the researcher would have given the questions beforehand, there might have been the vulnerability of interviewees to discuss together beforehand about the questions, and by this affect the results in a negative manner.

There might also be a negative side of this way of conducting the interviews. As the information was collected in a dialogue where the interviewee was asked a question, and s/he responded in his/her own words for the questions presented at the same time when the answers were recorded. As this does not allow long periods of thinking, and responders need to provide answers quickly this might have resulted as incomplete answers. This fact might be seen in, for instance, question three where the responders were asked who are company stakeholders. Often the responders answered either customers or investors, neglecting such stakeholders as, subcontractors, employees, governments etc. A possible, reason for this was that often those people were personally dealing more with those stakeholders, and thus may have raised those stakeholders in a higher focus. Anyhow, it was interesting to find out that CEO, who should be well aware of all company stakeholders, why he paid also most attention on customers / investors. Was it that he thought those stakeholders were the ones he was most concerned on, or that he understood the question only from the promotion aspect?

The company should be well aware of who are their stakeholders, in order to keep the organization in one piece and functioning well. In the end, it needs to be pointed out that one of the very reasons why the researcher selected this method for the interview was to serve as a buffer to the real world. As these questions are very general questions about the company communication, and what might be quite commonly asked from every company, and it might be expected that key personnel in companies should in general be aware of these facts. Thus, if some one is in doubt that there might be some hesitation, or ambiguity in these matters, it is easy to confirm with these kinds of questions. Thus, the researcher thinks that the findings in this thesis can serve as an important learning lesson for the company, what if some future promising client in a business meetings asks these kind of questions from Magnasense staff, it might not look good if the personnel cannot provide harmonious answers for the questions.

5 ANALYSIS

5.1 Increasing the Effectiveness of Communication

As the reader probably can understand from the theoretical and empirical discussions communication is not an easy thing to do. People might think that communication is an ability that humans have without the need for practicing and training. This might be reasonable, as people have been exchanging ideas with others already from the early childhood. People has also seen several good leaders and communicators who haven't ever have a single class on communication. Surely, there are people who are grown to become good communicators. So, does this mean that these talented people don't need to be trained. Even those, admired communicators are not perfect, they also fall not to understand others well enough and suffer from not being able to get their message thru effectively. In addition to this, the best communicators learn that even the incompetent ones can learn to be better communicators by training and practice.[139] In the following, the thesis continues to address important factors people are good to be aware of when training themselves to become more efficient communicator.

5.1.1 Listening

Listening is more important element in communication than many people realize. This matter was revealed already in 1926, when Paul Rankin surveyed a group of businesspeople, asking them to document the percentage of time they were spending during the following activities: speaking, reading, writing, and listening. The findings in his study was that humans actually spend more time listening than in any other communication activity, using 42 percent of their time to it. See Figure 16 below.[140]

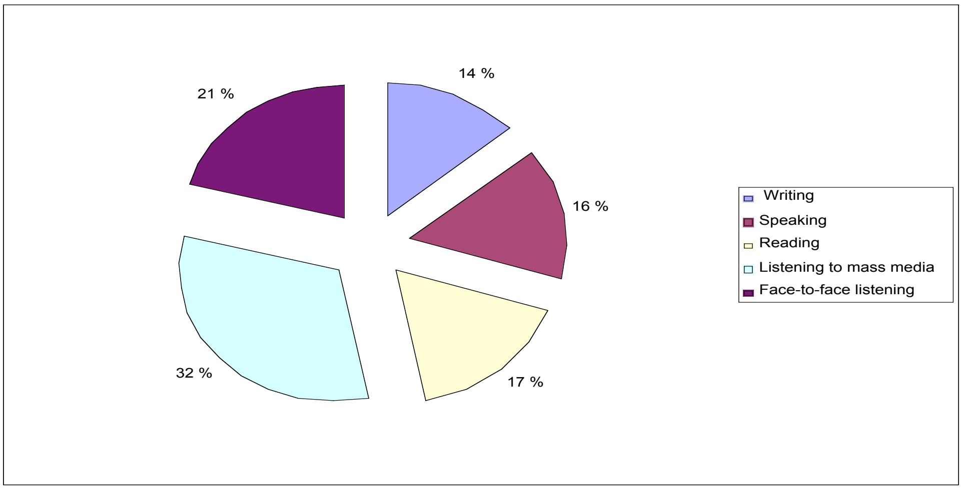

Figure 16: Listening[141]

There is no doubt that we engage listening activities frequently. However, the quality of listening might not be as good as we sure hope for. For instance, people have sometimes a tendency to

[139] Adler and Rodman, p. 17
[140] Tubbs and Moss, p. 174
[141] Adler and Rodman, p. 74

speak out our minds without hearing the other's ideas, just to ensure our point is heard.[142] It is possible for us also to become better listeners and talkers by considering some basic issues in this matter.

5.1.2 Misconceptions about Listening

Even though, listening is a major factor in the communication process, many people often misunderstand it. Since, the misunderstandings have a huge impact on our communication, the thesis continues by giving an overview to these common listening problems.[143]

- Listening and Hearing is not the Same Thing

It is not possible for us to stop hearing, thus, ears will pick up sound waves and transmit them to brain whether we want them to or not. When looking at the listening side, the sequence is not as automatic. It is possible for us to hear but not listen, and sometimes people intentionally do not listen. This might occur when we confront an annoying sound, we choose to block it, by not paying attention to it from disturbing out minds. People have also a tendency to not to pay attention to matters we find unimportant or uninteresting. People who misunderstand listening with hearing often trick themselves into thinking that they're really understanding others when, in fact, they're simply receiving sounds. This means genuine listening deals with much more than just the passive act of hearing.[144]

- Listening is not a Passive Activity

People often think that listening is activity in where the receiver absorbs a speaker's thoughts like the sponge absorbs water. This is not entirely true, as even one-way listening requires mental effort by the receiver. If the listening would remain only in the level of absorbing speakers ideas and not mentally putting any effort there might occur following types of misunderstandings: The first one deals with a misunderstanding occurring when a speaker sends a clear, accurate message that the receiver just gets it wrong. Somehow a half-cup of sugar is transformed into six cups, or "I'll see you at twelve" is translated into "I'll see you at two." There are also cases where the receiver is listening carefully, but the speaker sends an incorrect message. These examples are the reversed of the ones just mentioned, and their results can be

[142] Tubbs and Moss, p. 178
[143] Bostrom, p. 42
[144] Adler and Rodman, p. 75

just as bad. The third scenario comes from one-way communication is probably the most usual one. The speaker sends a message that may be right, but is somehow unclear, and the receiver understands the words in a manner that doesn't match the speaker's ideas. In this output, "I'm a little confused," does "little" mean "slightly", or is it an understatement that could be translated into "very"? A lesson to learn from these examples is that our assumption we understand from another's words isn't always a sure thing and more to chaos is the fact that as everybody of us interprets the reality a bit differently, all listeners do not receive the same messages, and thus make the same conclusions.[145]

5.2 How to Become a Better Listener

As the paper illustrated reasons why listening can be a hard thing to do, it is time to learn how it is possible for us to learn to become a better listener. Empathy is one of the core elements of affecting good listening:

5.2.1 Empathy

Empathy is a major benefit a communicator has in conversation. It is more than just understanding other person, but the receiver should exactly experience the other's perception.[146] What makes empathy so important in interpersonal relationships? By empathizing people simply do understand others perception more accurately, and thus are able to lead the discussion more progressively toward the right track, which is more alike to satisfies both parties in the end of the discussion.[147] There is no doubt that empathy is valuable, but it might be sometimes a tricky thing to do. Actually, the matter has been researched a lot and the results show that it's hardest for us to empathize with persons who are from us different in the following aspects: age, sex, socioeconomic status, intelligence, and so on. It is possible for us to practice our emphatic skills. In the following there are few matters to consider.[148]

- Open-mindedness

If people are willing to give-up their egocentric perception aside for a while, and open-up our minds to feel someone else's beliefs, attitudes, and values, this move already gets us close to

[145] Bostrom, p. 119
[146] Tubbs and Moss, p. 185
[147] Adler and Rodman, p. 34
[148] Adler and Rodman, p. 35

someone else. It might be difficult move especially if the person is radically different from you. There might become tendencies for us to interrupt the good information flow by start judging or commenting on the way like: “How can you believe that?” Or by starting to guide him using your own ideas. It is good to note here that for people being open-minded and understanding other’s position, it does not mean you have to accept him or agree with his ideas. That’s totally different matter to consider.[149]

- Imagination

Even by being open-minded might take you quite deep to other’s ideas, it might not be enough an effort for achieving empathy. People need also imagination to picture in our head another person’s past experiences and thoughts. A brief illustration of this is an example, how it is hard for parents, who might be turning already 50, to understand the problems of their teenager son/daughter is facing when being rejected from the dates for their first time in their life etc. Parents need to use their imagination, how was it when they were young, and when they were possibly faced with a similar situation.[150]

- Commitment

In the end people need a true desire to be able to understand the other person. This might occur to become a true challenge, listening to unfamiliar information might turn out to be unpleasant and time consuming.[151]

5.2.2 Informational Listening

Now, as the meaning of empathy is discussed it is possible to understand why it is so important in listening. The goal for an informal listener is to make sure s/he is really receiving the thoughts and living the same experiences the other person is trying to convey.[152]

- Don’t Judge Prematurely

[149] Adler and Rodman, p. 35
[150] Adler and Rodman, p. 35
[151] Tubbs and Moss, p. 186
[152] Mulholland, p. 58

If asked, people would probably agree on the fact that everyone should first understand speaker's ideas before judging them. Even though, people share this ideology, most of us are surely guilty of making quick evaluations of others before actually hearing them out. One of a good example is the effect of a first expression. An image that we establish to our mind when we first lay our sight on other stays the same for a quite a long time unchanged. When it comes to a conversation, the danger of judging becomes typically high when the speaker's ideas conflict with our own. Even though, not all aspects in the speech admire us, we should try to follow a simple protocol not to judge prematurely: Listen first, make sure you understand, and then evaluate.[153]

- Be Opportunistic and Look for Key Ideas

Even, if not interrupting or judging a spokesman, it might happen that you find the information you are listening is either so unimportant or so badly delivered that you're tempted not to pay attention to the speaker. If you can realize this behavior in yourself, but still choose not to give up on the speaker, it is possible for us to try to find some value even in the worst looking situation by trying to learn something new by asking yourself the following (unspoken) questions: "Is there anything useful what this person is saying?" or "What led the speaker to come up with ideas like these?"[154] If the situation is so bad that you can't by no means solely figure out what the speaker is driving at, it is possible to clear the matter by asking questions and paraphrasing.[155]

5.2.3 Ask Questions and Paraphrase

Questioning and paraphrasing are forms of verbal feedback, and both are quite different from the one-way passive listening style. Questioning involves asking for additional information to clarify your idea of the sender's message. If you ask directions to a friend's house, typical questions might be "What is the color of your house" or "Is it located near the mall?" In more serious situations, questions could include "What's the matter?" or "What upsets you?" or "How do find that especially important?" It is important to point out here that crucial element of the questions is that they request the speaker to elaborate on information already given. Questioning is many times a good way for increasing understanding of your opponent. However, sometimes it might

[153] Tubbs and Moss, p. 190
[154] Adler and Rodman, p. 87
[155] Tubbs and Moss, p. 191

happen that it won't help you receive a speaker's ideas any more clearly, and on contrarily making more damage to communication flow.[156]

With paraphrasing is meant the type of a feedback where you would restate in your own words the message the sender had just sent you without adding anything new. An example of this is for instance asking directions to your friends house: "So you're telling me to drive down to the traffic light by the mall and turn right, is that it?" immediately sensing the problem, your friend could then reply, "Oh no, that's way too far. I meant that you should drive to the high school and turn there."[157] Paraphrasing has surely advantages, first it increases the odds that we'll fully understand what others are saying, and it also gives an expression of you truly listening and trying to understand what the other one is saying, thus reducing the factor you might be confronted with a communicator who uses less constructive communication methods.[158]

As the paper continues forward, and the discussion goes even deeper with the interaction two or more participants need in order to accomplish flourishing relationships. Next the discussion proceeds to understand more in details how trust has such an important meaning in the relationship building.

5.3 Trust

There has been described three basic fundamental foundations on each of us understanding of trust. These are uncertainty, risk, and perceptions. [159]

- Uncertainty

In order to trust, people need to deal with uncertainty, which is always like an untapped territory we have not ever before taken a single step on it. This illustrates that as we depend on trust, there remains factors that are not in our control. If the situation would be reversed, and we would have all the information and control of a situation, the aspect of trust becomes irrelevant when holding all the cards and being enabled to anticipate the outcome of that specific situation.[160]

[156] Adler and Rodman, p. 87
[157] Adler and Rodman, p. 89
[158] Rosenfeld, p. 142
[159] Caproni, p. 89
[160] Caproni, p. 90

- Risk

As we trust to people or organizations, people take distinct risk when committing to trust. They like to think that the benefit of the relationship will benefit them more than they need to give in order to maintain the relationship. If the stating situation would be reverse, it is more than a like that there wouldn't found any trust, as people would consider the relationship more like a burden than a benefit for them."[161] An illustration of risk here is, when organization chooses to pass on vulnerable information to employee considering the core competencies the company has, the company trusts their employees that they do not pass forward this information to their rivals. Thus, the company needs to accept certain amount of risk dealing with this vulnerable matter.[162]

- Perception

Trust often plays a role in circumstances where people need to rely on partial information, and do not know for sure another individuals true intentions. Thus, in order for people to trust they rely in their instinct about how they perceive the other persons trustworthiness. There are many grounds for how people base their opinion about other people's trustworthiness. Among these factors are, our past experiences with the person, and our ultimate presumptions, stereotypes, about that person's identity among the surrounding group, for instance, a hierarchical level in the company. Studies reveal that people are morel likely to find the person trustworthy and cooperate with them when we find them belonging to the same groups as we do. Stereotypes, on the other hand, have higher impact on our judgment on others when people are under time pressure.[163]

As the paper has finished its discussion on the foundations on communication and trust, the paper continues what these aspects have relevance on developing knowledge based stakeholder relationships.

5.4 Developing Knowledge Based Stakeholder Relationships

The reason why this is so important aspect for all companies to consider from the facts that:

[161] Caproni, p. 90
[162] Ibid
[163] Ibid

"The basic economic resource… is and will be knowledge" [164]

Then what these definitions actually have impact on company stakeholders. Knowledge transfer to stakeholders in very short means: Making company stakeholders more knowledgeable. As it is distinct that in our economic society the knowledge is the most precious resource, this path has the highest potential to add the most value, and magnetize the highest rewards. The end results of knowledge transfer that is the stakeholders know more. Surely, the important fact there is, whether the stakeholder has more information, than how important that new information is for the stakeholders. This information can be important for the stakeholders in either or both of two ways:

- Enabling the stakeholder to make better decisions
- Enhancing the stakeholders business capabilities[165]

The Better Decision-Making

It is in the decision-making and its implementation where the greatest value is created in an organization. This means also that the information transfer has value if it results in better decision making in terms of increased profitability with lower risk. It is good to understand that the decisions are the last and crucial step in the value chain of knowledge.[166]

Knowledge can be transferred in two ways

- Knowledge Communication
- Knowledge Elicitation

5.4.1 Knowledge Communication

With knowledge communication the thesis refers to knowledge transfer by person or group who then communicates that specific information to another person or group so that after the communication has ended, they have the similar knowledge. It is important to note out from the previous communication discussions that as the knowledge is intermediated by our

[164] Dawson, p. 3
[165] Dawson, p. 7
[166] Ibid

communication and interaction with other people, the knowledge the receivers get will never be exactly same as the knowledge transmitted.

There are two ways how knowledge can be communicated:

- Socialized transfer. This is knowledge transfer through socialization, which is direct personal contact and interaction.
- Intermediated transfer. Here, a person or company's knowledge is externalized into information, which is then made available to stakeholders who internalize this into knowledge; the knowledge transfer is intermediated by its capture as information

Both methods of knowledge communication have pros and cons. But an important fact to realize is that knowledge communication is always intervened by personal interaction.[167] See Table 2 below for knowledge transfer with different communication channels.

	Interactivity	Bandwidth	Structure	Reusability
Documents	None	Low	High	High
E-mail and fax	Medium	Low-Medium	High	High
Telephone	High	Medium	Low	Low
Meetings	Very high	Very high	High	Low-medium
Presentations and seminars	Low-medium	High	High	Low-medium
Multimedia presentations	Low-medium	Medium-high	High	High
Facilitated workshops	Very high	Very high	Medium	Low
Training	Medium	High	High	Medium
Computer-based training	Medium	Low-medium	High	Medium
Coaching	Very high	Very high	Low	Very low

Table 2: Knowledge Transfer Capabilities of Different Communication Channels [168]

5.4.2 Knowledge Elicitation

With knowledge elicitation is meant that we obtain information all the way through our life by the basis of reflecting on direct personal experience, and by learning from others. Thus, it is not just through the communication of existing knowledge that we can add value.[169]

[167] Dawson, p. 16
[168] Dawson, p. 130
[169] Dawson, p. 16

There are few important outcomes people should keep in mind when formulating the structure of stakeholder contacts, such as:

- Maximum value added to stakeholders as perceived by key stakeholder executives
- Greatest knowledge transfer, resulting in better decisions and enhanced capabilities
- Close contact with and high "share of mind" of key decision makers
- Ongoing generation of mutually profitable business
- Learning from the stakeholder and getting high-value feedback[170]

5.4.3 Stakeholder Culture

The culture of the stakeholder organization can have a remarkable effect on the most effective approaches to relationship management and knowledge transfer. One of the cornerstones is how autocratic or participatory the shareholder culture is. This will have a huge impact on the design of relationship management and interacting, especially in the degree to which contact and knowledge transfer is concentrated on top management. A similar factor is the level of centralization or decentralization of the client organization especially in decision-making.[171] The thesis will continue with these matters later on in the culture section 5.6 in the analysis.

5.4.4 Stakeholder Feedback

A high level of stakeholder feedback is particularly important for companies, as it enables them to develop their process better, both in adjusting what they do to more closely fit the specific dynamics of each stakeholder, and in learning lessons which can be generalized to build overall better service.[172]

5.4.5 Issues in the Co-Creation of Knowledge

Next the paper goes illustrates what are the most important factors in good stakeholder relationships and in general, how the relationships emerge and develop on their way. Mark Knapp describes ten different stages of relationship. Here they are discussed linearly from the initiation to the termination.

[170] Dawson, p. 145
[171] Dawson, p. 146
[172] Dawson, p. 162

1. Initiation

The fist stage is initiation, which includes the very contact opening with someone else. In this stage people would use such conversation openers like: “Nice to meet you,” “How’s it going?” and so forth. This phase is significant in a way that here people form their first impressions and present themselves as being interested in the other person.[173]

2. Experimenting

The stage of experimenting is the time for small talk where the discussion would develop further with such questions as: “Where are you from?” or “What do you do?”[174]

3. Intensifying

In the intensification phase people develops a character of its own indicated by a common identity and they become to know the other person a bit further and develop accuracy in predicting the other’s wants. Here the relationship begins to be more informal as people are more eager to use nicknames and special terms of endearment. It is good to know that a truly interpersonal relationship begins on this level.[175]

4. Integrating

Integrating is the time when two or more people find their interpersonal synchrony is high. This might be seen for instance in using similar clothing or hairstyles, just as well sharing the same song.[176]

5. Bonding

When the relationship enters the bonding phase, more regulations for the interaction are established. People have high expectations about the other one. As they feel they have the right

[173] Ruben, p. 334
[174] Adler and Rodman, p. 143
[175] Ruben, p. 336
[176] Adler and Rodman, p. 144

to say their opinion how the other one should spend all his free time spending it by being just together.[177]

6. Differentiating

As people have established the tight bond between them, they start to pursue for the individual identities. How are we different? How am I unique? Former identifications as "we" now emphasize "I". Differentiation often first occurs when a relationship experiences its first, inevitable conflicts. There is also positive aspect to differentiation as people have a need to be individuals as well as parts of a relationship. The gate to success here lies in keeping committed to the relationship and in the meanwhile creating the space for members to be individuals as well.[178]

7. Circumscribing

The differentiating was in the peak of the relationship building, now in circumscribing the relationship begins to decline. In the circumscribing stage, communication between members decreases in quantity and quality. Rather than discuss a disagreement, members choose to withdraw: either mental or physical. It can be said to illustrate shrinking of interest and commitment for the relationship.[179]

8. Stagnation

If circumscribing continues, the relationship begins to stagnate. Members behave toward each other in old, familiar ways without much feeling. Stagnation can be seen often in many government workers who have lost enthusiasm for their job yet continue to go through the motion for years, waiting for the retirement day.[180]

9. Avoiding

[177] Caproni, p. 90
[178] Ruben, p. 337
[179] Adler and Rodman, p. 145
[180] Adler and Rodman, p. 145

If the stagnation phase grows too repulsive, parties in a relationship begin to create distance between each other. At this point the handwriting about the relationship's future is clearly on the wall.[181]

10. Termination

The relationship may end with a pleasant dinner, a note left on the kitchen table, a phone call, or a legal document stating the closure. In any case, after the decision is done, it illustrates the choice other or both parties decided it is better off than maintain that relationship.[182]

Mutual Trust

Once again, it needs to be pointed out the importance of the trust. The most fundamental rule in co-creating knowledge is working from mutual trust. If it is not present to an adequate degree at the beginning of an engagement, the project is not likely to be feasible; both parties must share the trust.[183]

As companies and individuals phase problems with their relationships, they might try to follow a following guideline to work it out:

5.5 Steps in Problem Solving

1. Identify the Problem
    a. What are the groups goals
    b. What are the individual members goals
2. Analyze the Problem
    a. Word the problem as a probative question
    b. Gather relevant information
    c. Identify impelling and restraining forces
3. Develop Alternative Solutions
    a. Avoid criticism at this stage
    b. Encourage a large number of ideas

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[181] Adler and Rodman, p. 146
[182] Ruben, p. 338
[183] Dawson, p. 184

    c. Combine two or more individual ideas
4. Evaluate the Solution by Asking which Solution
    a. Will best produce the desired changes
    b. Is most achievable
    c. Contains the fewest serious disadvantage
5. Implement the Plan
    a. Identify specific tasks
    b. Determine necessary resources
    c. Define individual responsibilities
    d. Provide for emergencies
6. Follow-up on the Solution
    a. Meet to evaluate progress
    b. Revise approach as necessary[184]

5.6 Managing Cultural Differences

As the thesis has discussed the matters affecting communication in personal and corporate level it is time continue how does culture affect the company communication. When the companies are dealing in with foreign partners sometimes the failure of success might result from some perceived minor failures for the company. These on the other hand, might not be minor issues for the foreign partner. When the company is capable of recognizing these problems and adjusting to the differing cultural matters, they are a big step closer to the success. Sometimes the failure can result from the lack being punctual. Especially Germans, seen as low-context culture, punctuality is considered very important. The failure of being "only" few minutes late from the meeting can be considered as a fatal error.[185] On the other hand in South-East Asia and Latin America, the concept of time is completely different than in western countries. This illustration does not imply that one group is right or wrong, but that different concepts of time have evolved for a variety of reasons, over many centuries, and different parts of the world reacts differently to it. [186]

Other point illustrating this is how business people present their business cards. In U.S. and Europe business cards are usually swapped with a very casual way. Cards are handed out quickly and are just as quickly placed into the recipient's pocket or wallet for future reference. In many

[184] Adler and Rodman, p. 240
[185] Barsoux and Schneider, p. 41
[186] Hollensen, p. 177

Asian countries, such as China, business cards are exchanged more formally by holding the card up with two hands while the recipient carefully scrutinizes the information it contains.[187] As the companies enter the international market place, it is especially vital to understand new markets in the same terms as buyers or potential buyers in that marketplace.

5.6.1 Cultural Problem Scenarios in Business Meetings

In the following Table 3 there is a list how a low context and high context cultures differ from each others in communication.

Low Context	High Context
Message is carried primarily by words	Message is carried in large part through nonverbal signals and situational cues
Communication is direct	Communication is indirect
Primary purpose of communication is to exchange information	Primary purpose of communication is to build relationships
Conflicts are depersonalized. It is possible to separate the person from the issue	Conflicts are personalized. Face-saving is important
Business relationships start and end quickly and do not require trust	Business relationships are developed slowly and are built on trust

Table 3: Differences between High Context and Low Context Communication[188]

The paper continues with the discussion with important basic matters to remember when doing business with companies and people from different countries.

- Deal-Focus vs. Relationship-Focus

Often when a deal focused and relationship focused people do business they find difficulties. As deal- focused are task oriented and relationship-focused are more people oriented. Generally, relationship-focused people need to establish a good personal relationship first to their potential new partner before talking business. Collisions might take place when deal focused people, if being unaware, try to close a deal fast.[189] Often relationship-focused people find deal-focused people too pushy and even offensive. On the other hand, deal focused people find relationship focused people slow, fuzzy, or even dishonest.[190]

- Informal vs. Formal Cultures

[187] Ibid
[188] Caproni, p. 129
[189] Barsoux and Schneider, p. 27
[190] Gestland, p. 18

Problems takes place informal businessman from cross paths with more formal counterpart. Informal way of communicating can offend high-status people, and vise versa.[191]

- Emotionally Expressive vs. Emotionally Reserved Cultures

Emotionally expressive people communicate in a different way form their more reserved counterparts. This is true whether they are communication verbally, paraverbally or nonverbally. The resulting confusion can spoil hard efforts to market, sell, source, negotiate or manage people across cultures. The expressive/reserved divide creates a major communication gap.[192] For example, people from Finland behave more reserved and not as open as Americans. Often it feels for Finns Americans might explain one single idea with one million words and at the same time Finns would say the same in one sentence, using only five words for instance.

5.6.2 Golden Rules for Cross-Cultural Business Behavior

Rule No. 1 "In international business, the seller adapts to the buyer."[193]

This first rule is rather obvious, and it highlights the importance of knowledge of international business customs and practices are especially important for people involved in international sales and marketing. If the situation would be that the company needs to establish a good supplier relationship with a good price with foreign partner, and thus he would be the buyer in that situation, it is the buyers turn to adapt to the sellers culture as rule number two illustrates:

Rule No. 2 "In international business, the visitor is expected to observe local customers."[194]

When the culture side has been discussed, the thesis continues further to promotion program. However, it needs to be remembered that also from the cross-national marketing promotion side, cultural aspects might be one of the most difficult challenges. Then becomes the language, surely, all corporate slogans, marketing and advertising themes, and the translation of organizational materials all will need to checked and rechecked for international audiences.[195]

5.7 Communication Tools

[191] Ibid
[192] Gestland, p. 18
[193] Gestland, p. 17
[194] Gestland, p. 18
[195] Heath, p. 629

In the Figure 17 below is seen how these different tools differ in communication, these aspect are good to keep in mind, when selecting the appropriate channels and tools the company expects to transmit their ideas of a company identity and product they are offering.[196]

One-way communication	◄	——— ►	**Two-way communication**	
Advertising	**Public relations**	**Sales promotion**	**Direct marketing**	**Personal selling**
Newspapers Magazines Journals Directories Radio Television Cinema Outdoor	Annual reports Corporate image House magazines Press relations Public relations Events Lobbying Sponsorship	Rebates and price discounts Catalogues and brochures Samples, coupons and gifts Competitions	Direct mail/database marketing Internet marketing (WWW) Telemarketing	Sales presentations Sales force management Trade fairs and exhibitions

Figure 17: Different Kind of Promotion Tools[197]

Even if it was found in the empirical evidence, Magnasense does not need advertising that much, it is good for them to know basics on advertising. Especially important factor of advertising makes the fact that it is highly visible form of communication. There are few important factors to consider when selecting the way to promote their product, one is the fact that advertising is typically one-way method of communication, and advertising in global arena is subject to a number of difficulties, just mentioning the aspect of language and culture. Advertising is important factor to consider if the company operates in consumer goods and has a huge potential consumer group. [198] Thus, if the company operates more on B2B basis, advertising plays less important role as the personal selling plays the central role.[199] As it became clear from the empirical findings, this is the way how Magnasense operates.

5.8 Promotion Program

In order the company to successfully promote their products they need a strategy behind monitoring their doing, in order to meet the expectations on product sales. A simplified version of the promotion program is as follows:

[196] Kotler, p. 528
[197] Hollensen, p. 519
[198] Engel, Warshaw, and Kinear, p. 265
[199] Hollensen, p. 519

- What’s happening right now?
- What´ should we communicate, and why?
- How and when do we say it?
- How did we do?[200]

However, when looking more detailed in these matters it is possible to compose from these aspects the following program, seen in the Figure 18 below.

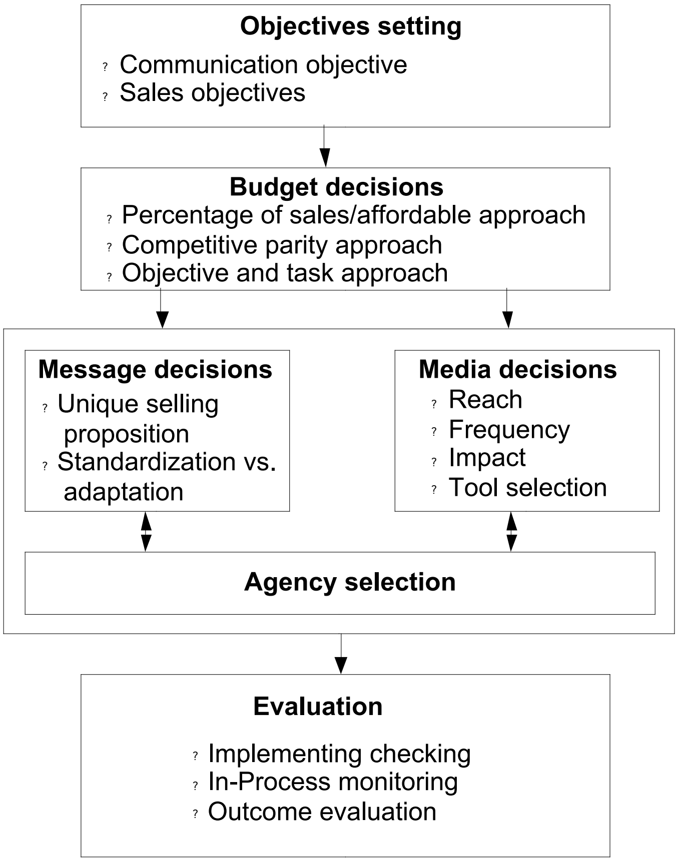

Figure 18: Promotion Program[201]

5.8.1 Objectives Setting

The strategy begins from setting the objectives for the promotion. As the thesis discussed earlier about the importance of having goals and objectives, this is also significant in promotion. It might sometimes be so that in the global arena the ways that the companies are able to promote their products/services differ, the objectives still remain. Often the corporate objectives are either to increase sales from existing customers by supporting them to make purchases more frequently, and keeping up the brand loyalty or getting new customers by growing consumer

[200] Engel, Warshaw, and Kinear, p. 4
[201] Hollensen, p. 520

consciousness of the companies products and improving the company image among new segments.[202]

5.8.2 Budget Decisions

After the objectives are set, an important aspect needs to be thought, how much money the company is willing to invest for the promotional purposes. Some companies use in this matter a certain percentage from their turnover to be used annually just to meet the promotional purposes.

5.8.3 Message Decisions

This matter deals with what uniqueness the company wishes to communicate for their audiences, and what is the hoped out come of this communication on the receiver, consumer side. These aspects are important to consider well as they have direct impact on what advertising medium the company should select.[203] Culturally an important aspect is to consider if the product is to be marketed on international market, should the domestically created campaign to be translated into the foreign markets only with minor changes, such as being subtitled or dubbed if TV add is in consideration, or should the marketing program be designed from the beginning country specifically with local advertising agencies. It is important to remember that full standardization of all features of a campaign over several foreign markets is rarely possible. [204]

5.8.4 Media Decisions

The selection of the media to be used for advertising campaigns needs to be done at the same time with the creation of the message theme. This is due to fact that, what the company wants to convey, and how, goes hand in hand. An important matter to consider in media selection is whether to use a mass or target approach. The mass media is especially effective when a significant percentage of the general publics are potential customers.[205] Thus if the company operates on a niche market they should be focused more on target approach. Which necessitates the company to now more about their potential customers. In addition to these aspects, media selection can be based on the following criteria:[206]

[202] Hollensen, p. 519
[203] Engel, Warshaw, and Kinear, p. 238
[204] Hollensen, p. 522
[205] Hollensen, p. 523
[206] Ibid

- Reach: this is the total number of people in a target market exposed to at least one advertisement in a given time frame
- Frequency: this is the average number of times within a given time period that each potential customer is exposed to the same advertisement
- Impact: this depends on compatibility between the medium used and the message. [207]

High reach is essential when the company enters a novel marketplace or launches a new product so that information is communicated to the widest audience.[208] A high level of frequency is suitable when brand awareness already exists and the message is about informing the consumer that a campaign is under way. Occasionally a campaign should have both a high frequency and extensive reach, but the advertising budget limits the resources and the companies need to trade off frequency against reach.[209]

5.8.5 Evaluating Public Relations Effectiveness

In the end of the promotion program, which should not be ignored, is evaluation. Company needs evaluation in order to find out how they did with their campaign. It is good to remember that evaluation is not actually the final stage of the public relation process, it is more like a beginning of a new program. The evaluation should be seen like in-motion process, which has no beginning or end as it constantly overlaps the planning, action, and evaluation functions. In order to demonstrate this in short the evaluation can be divided into tree different categories:[210]

1. Implementation Checking

An important matter in the early assessment is the question: How high is the impact being reached in the target audience? Even though the promotion planning process might have been well thought, it is important to define the variation between planned and actual execution. Differences from the original plan must be analyzed and justified so that a decision can be made to either adapt the plan or correct the inconsistencies. [211]

2. In-Process Monitoring

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[207] Hollensen, p. 523
[208] Engel, Warshaw, and Kinear, p. 323
[209] Hollensen, p. 523
[210] Stone, p. 228
[211] Aronoff and Baskin, p. 179

Occasionally during the promotion program previously selected actions need to be evaluated, and if necessary adapted. These assessments can be scheduled for standard periods of time to find out the impact of the promotion programs in meeting its targets. Every unexpected results can be measured and taken into account in the evaluation. The comparison of the results between actual and anticipated at each checkpoint presents the overall outcome of the promotion process. The benefit of the regular and ongoing evaluation makes it easier for the company to find out why certain results fluctuates from the original plan, and thus, brings certain issues into surface leading preventing costly mistakes.[212]

3. Outcome Evaluation

Third, and the final steps in the evaluation process, is the examination of the end results. As previously, here the promotion targets are again compared to achieved ones in order to find out the fluctuation. In this point, before used evaluation points become in important role for understanding the structure how the program was put into practice and understanding the results. These points are important as learning from the failures and success of campaigns gives data that can be used to plan next campaign even better.[213]

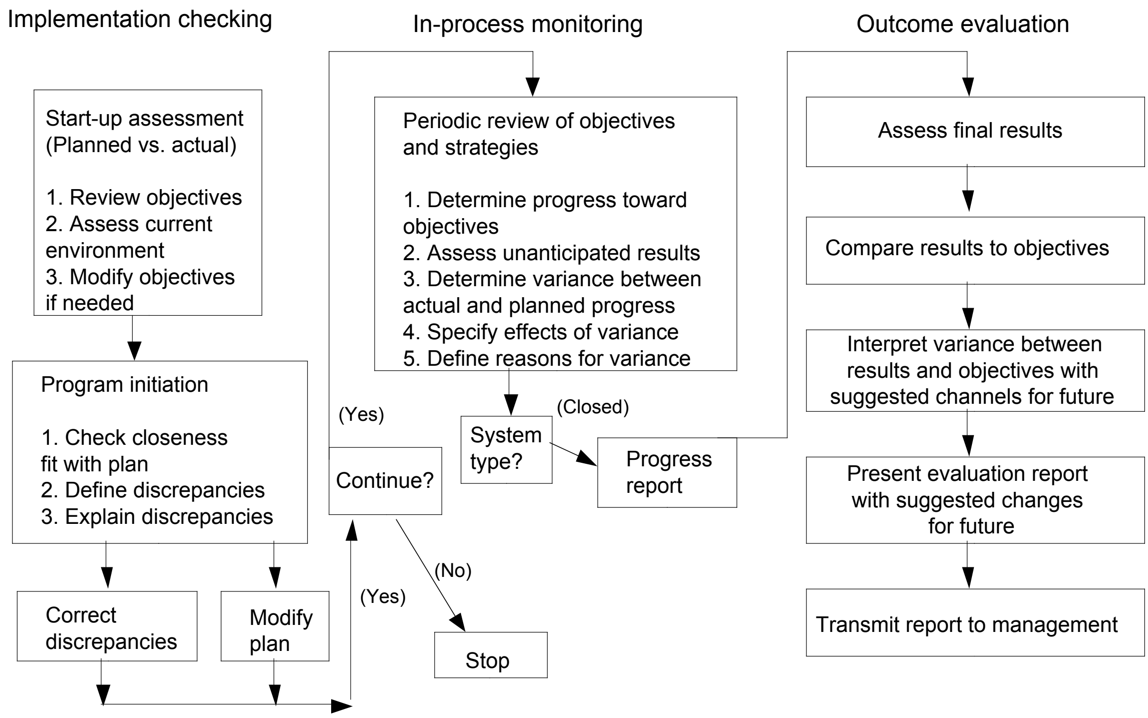

Figure 19: Evaluation Process[214]

[212] Aronoff and Baskin, p.179
[213] Aronoff and Baskin, p.180
[214] Ibid

5.8.6 Impact Analysis

Studying the magnitude of public relations programs can become hard matter to do and surely it is never absolutely objective. Thus, the more quantitative data can be obtained of the work, the better the company is able to analyze their efforts and develop the program better for future events.[215]

In the following, the thesis continues discussing with a few handy tools that can be applied to assess the magnitude of a promotion program. These points surely fit well when assessing the effectiveness of such promotional tools as broadcasting, but they can also be used as a guideline for personal contacting.

1. Audience Coverage

An important factor that is essential to be documented is whether or not the intended audiences were reached. Other interesting factors are: To what extent was each target audience exposed to the various messages, and which unintended audiences also received the messages?[216] In order to answer these basic measures, the PR practitioner should know precise records kept of what messages were prepared and where they were sent. Second important factor is to create a system which keeps track on which releases were used and by whom. It needs to be highlighted here, that as the first measure is the easiest to calculate, it is worthless without the second for comparison. This is due to a fact that, huge amounts of publicity have no value unless some of it actually reaches the intended audience. Therefore, some method must be worked out to accurately measure the use of publicity and the coverage of events. Fundamentally, such measurement can be achieved if the practitioner keeps a thorough book on intended media and keeps on extracting files. This measurement of audience coverage involves more than just the ration of releases sent compared with releases used. The practitioner also needs to state what audiences, both intended and unintended, were reached by which media.[217]

2. Audience Response

[215] Aronoff and Baskin, p. 184
[216] Ibid
[217] Ibid

When the company has ensured their messages has indeed get through to its determined audience, the practitioner have to evaluate audience's response. This information is obtainable by using pre-testing methods. With this is meant samples are exposed to target audience before they are actually released to public. With this information the company is able to know more on predicting whether their message will cause a favorable or unfavorable reaction. It is also possible to find out if the message draws attention, or gains audience understanding. When using fine sampling techniques and questionnaire design, correct forecasts are feasible, and issues can be fixed before messages are released. It is good to keep in mind that, certain messages, such as spot news or stories written form releases, cannot be measured in advance because the practitioner does not control them. Therefore, it is essential to assess audience response using the survey techniques. Constantly, audience response can be predicted by tracking media management of stories in terms of favorable, neutral, and unfavorable trends.[218]

3. Campaign Impact

The company needs also pay attention of the impact of the campaign as a whole. Here becomes synergy issue in picture, as the whole is not equal to the sum of the parts. This point here leans toward for the systems theory selected for thesis. This is due to a fact that, if a campaign is properly researched and planned, its elements will interact to produce an outcome that is much greater than the sum of the response to the individual messages. Thus, there is a danger, if the components of the campaign are not well executed no matter how individually excellent, they might be, the campaign may fail. For that reason, it is necessary to assess the increasing magnitude of a PR campaign minding the objectives set previously in the planning phase. This may be done after the program has been going on long enough to present some results. For instance, let's say, if one program objective is to keep up or boost positive attitudes headed for the company with certain members of publics, research methods such as organizational image surveys, can be used here to measure success. Once again, both pretests and posttests, or a series of surveys are needed to track attitude trends.[219]

4. Environmental Mediation

A company also needs to understand that the PR programs are not the only influence on the attitudes and behaviors of their publics. PR campaigns and programs take place in surroundings

[218] Aronoff and Baskin, p. 185
[219] Aronoff and Baskin, p. 187

of social processes that might have as much, or even, more effect on the objectives of the effort as the arranged messages do. For that reason, the outcome of these measures need to be understood in light of various other forces in process. Disappointment not to reach an objective may turn out not be catastrophe after all when unanticipated negative circumstances have arisen. Similarly, a fantastic sensation may not be completely characteristic to the PR program when positive environmental forces took place also simultaneously. Consequently, methods like environmental observation should be used to assess the results of a program. One tool, which might be used in checking for these environmental pressures, is a focus group interview. The group should be presented with the elements of the program and then directed to begin an open discussion of pros and cons of the effects. An interviewer should be able to keep the discussion on subject without disturbing frankness, or the free flow of ideas. Focus groups should be asked to discuss their reactions to the elements of the program and evaluate the program's total effect. These four stages of measurement can help the company to more completely evaluate the outcomes of a PR program and plan effectively for upcoming events. It needs to be noted out that these phases of evaluation also gives reliable information how things are out there in the real world and this on the other hand, backs up the company in their ventures.[220]

5.8.7 Sources of Measurement Error

As the previous discussion just mentioned the reliability of these evaluations, it needs to keep in mind few crucial mistakes, which should be avoided while making these judgments:

1. Volume is not equal to results. Often, the assumption is that if one press release is effective, three will three times as successful. A large pile, or even a long chain of press clippings on the publics for which they were targeted cannot be assessed by volume. Even audience measurement devices build to calculate the amount of publics exposed to a message do not illustrate whether or not those exposed in fact paid any attention or, if they did, what effect the message had on them.
2. Estimate is not measurement. Depending on know-how and instinct to determine the effectiveness of PR efforts is not good enough as objective measurement.
3. Specimens need to be representative. Many bad decisions about the future of a PR campaign have been based on a few favorable comments that were either volunteered or collected unsystematically. Here a lot of danger takes place: only those with positive, or negative, comments may volunteer them; some ones, when questioned, might give the

[220] Aronoff and Baskin, p. 188

answers they think the interviewer wants to hear; or, the selection of interviewers may be unintentionally influenced. Specimens, thus, need to be selected scientifically and systematically to avoid such errors.

4. Effort is not knowledge. One of the most common PR objectives is to amplify the public's information about a specific topic. Occasionally companies assume a straight link connecting the quantity of information a public needs. This erroneous assumption leads to a problem similar to the volume error discussed earlier. The study of human learning suggests that after a certain level of knowledge is reached, the rate of learning slows in most people. Hence, in spite of any communicator's best efforts, all publics' will in the end arrive at information level at where very little additional learning occurs.
5. Knowledge is not favorable attitude. Communication is frequently understood as lucrative if the public gained information of the theme of the message. Even when pretest and posttest results point out a boost in information, it cannot be understood that more positive attitudes have also resulted. A high level of name recall or familiarity is not inevitably a sign that the PR effort has been successful. Knowledge does not automatically lead to positive view.
6. Attitude is not behavior. At the same time as positive public view may be a genuine aim of PR, it is mistaken to presume that positive attitudes will result in preferred manners. When members of a specific public have good attitudes toward a client or organization, they will most likely not deliberately be against that person or group. On the contrary, they still may not enthusiastically hold up the objectives of the PR program. A company must be concerned of the need to foresee behavior, or at least probable performance, when measuring public opinion.[221]

[221] Aronoff and Baskin, p. 188

6 CONCLUSIONS

In order to solve the research problems, the reader was first introduced to the basic facts how Magnasense Ltd operates, and in methodology section a scientific approach was selected and described. The thesis applied various models and theory in order to describe how a system looks like, and functions in public relations when establishing a communication strategy. This system was illustrated in the Figure 5. Further along with the discussion in empirical findings, and analysis the thesis created a four-step promotion program, which in brief enclosed the following elements:

1. What's happening right now?
2. What´ should Magnasense communicate, and why? – Objective setting
3. How and when do Magnasense say it? – Message and Media Decisions
4. How did Magnasense do with communication – Evaluation & On-Process monitoring with feedback and dialogue

As the discussion carried on, it took the system's model in further discussion in several occasions in order to describe how a PR system in Magnasense´s case functions. Based on these facts it can be said that the paper also succeeded in its methodological goal.

6.1 Culture

As the topic was to create a communication strategy with international perspective, it became soon clear for the researcher, at the time being when conducting the interviews in the company, the primary focus in the thesis would rely on communication strategy, and the cultural background would remain in a supportive role. This was due to a fact that interviews revealed the personnel of Magnasense being less concerned of the impact of cultural matters as they have had cultural lessons, and also as most of their foreign partners exist in the U.S., thus, many responder saw that, as they have been dealing with partners from U.S. for some time now, they feel that they know how to deal with them. Despite this point, the interviews revealed some inconsistency in this matter as some people perceived the cultural issues a bit differently. For example, in one question when an interviewee was asked to share if there had been any cultural problems, or is the cultural gap big. The CEO, who had been dealing with the contacts for several years, said the culture gap is not big. Then, on the other hand, the Product Manager, who had been working for past six months in the company, saw this point quite differently. She still saw that one of the cornerstones is how autocratic or participatory the customer culture is, and this has a huge impact on the design of relationship management and interacting, especially when dealing with top management. The company had also identified a possible problem with gender, a surprising dilemma when CEO (male) appointed his contact to a Product Manager (female), and their foreign contact with Asia background, was offended a little bit by this event. One might argue whether this incident, occurred due to gender change, or because contact was changed from CEO to a sales person (rank in organisation), or just due to a general loss of personal connection. It needs to be remembered that it is often a must for Asia based companies to do business with people, not with companies. Thus, Asian partner might have felt the loss of a personal connection downgrading and consequently offending. The interview also revealed a distinct cultural problem also how aggressively Magnasense can pursue in business meetings. Even if the company has a good product, it might be a bad strategy to try aggressively set the rules in the business meetings. The cultural differences surely affect the protocol what is considered as good business practice. It is good to remember one of the golden rules of international business: “Seller adapts to the buyers culture”. Thus, in this case the seller is Magnasense, and they truly as a small company need to show that they are listening to the buyers needs.

6.2 External Communication

As the objective for the thesis was to create a communication strategy for Magnasense, thus the primary theory in the thesis was interactional communication model. From the writings in the theoretical section it became clear that communication is interaction, which is surrounded with different kind of noise, what is important for people to identify, and further understand in order to cope with it, and maintain a successful communication. In a personal level, people are not born to be successful communicators. In order for all of us to be more successful in communication we need to trust our partners, and stay committed to the given relationship, also listen with empathy, stay open-minded, and ask for further clarifying questions if needed. These matters are the corner stones for successful communication and interaction, and brought in discussion at various occasions as the thesis proceeded. When the thesis continued to the relevance of external communication in organizational settings and applied the learning’s to the empirical findings gathered by interviews of Magnasense staff the results were as follows:

The interviewees were all asked how they see the company mission and vision. As the company communication is that central tool that provides the tools for successful coordination for maintaining existing stakeholders, and creating new successful ones, the company needs these guidelines. From the responses it became clear that the personnel of Magnasense are aware what the objectives of the company are. On the other hand, when it became to the question about company values, the opinion changed a lot from person to person. Even two persons, dealing with the sales did not share the same opinion. Thus, it is seems that this principle is not even defined by the company, or personnel are not aware of.

As the responders were asked which tools the company uses in communication, it was clear that the central tool is the personal contacting, by face-to-face meetings, phone, or email. Secondary tools are supporting the personal communication. Therefore, the thesis focused more on these existing communication tools, how to make the communication more effective as they are trying to establishing a relationship with their target segments giving a great importance on a dialogue and a two-way communication. When the interviewees were asked who are their stakeholders of external company communication, from the results it became clear that everybody felt that their priority number one segments are the test manufacturers/customers and investors. Personnel felt the company should convey a picture of Magnasense seen as, professional, being serious in business, their word can be trusted, their doings just works, are able to fulfil their customers wishes and act as a flexible, reliable and effective partner. These are good principles to hold, but the thesis argued it might be hard to live up to these expectations if problems occur. One noteworthy possible weakness identified by the thesis was the lack of control in information flow between stakeholders. Clear evidence about the weakness of Magnasense was the inability of informing their customers about the delays. As the company stands in the middle between the customers and subcontractors in the supply chain, it is their job to ensure all deadlines hold. Communication is vital when it comes to informing about possible delays in product delivery. Timing overall is important in business, and if there become delays in the subcontractor’s part, the company cannot endlessly blame them about the delays. It needs to keep in mind that, in the end, they are Magnasense´s subcontractors, and it is Magnasense´s responsibility to ensure all deadlines hold. If the company cannot accomplish this, this has an impact on their credibility.

One possible reason why people were not concerned of the above-mentioned issues as mainly they thought that the communication is in fairly good shape, with newly renovated web pages, and sales persons staying in touch with the customers often (monthly). However, they also felt that there surely are room for improvements, but sometimes they might be hard to see, as it is sometimes tuff to see beyond your own work. Anyway, the employees suggested that the company should develop their communication to the direction of being simpler, faster adaptable and easily understood. In order to gain these results, such actions might be taken as, obtaining fast feedback from the stakeholders, generating possible joint tasks, and promoting the significance to communicate more frequently. A high level of stakeholder feedback is particularly important for companies, as it enables them to develop their process better, both in adjusting what they do to more closely fit the specific dynamics of each stakeholder, and in learning lessons which can be generalized to build overall better service. This is also true in Magnasense´s case, as they would be able to perform better, if they would establish a closer connection to their stakeholders and try to keep-up the official and unofficial conversation more frequently. This closer connection might bring in good extra information when the contacts know each other better and feel themselves more like friends. When the relationship is in this level it is easier to bring also negative issues in the discussion. These points lean toward the discussion the thesis had in the analysis, how to make the stakeholders more knowledgeable.

6.3 Internal Communication

The thesis also discussed how is the internal communication existing inside the company. From the answers it is clear that, even the whole organisation is rather small for Magnasense, and is placed in two rooms, still, everybody thought that the internal communication could function better. Because weekly meetings had not kept in a while, people thought they do not really know what others are doing, and are not updated with all the latest information. From the responses, it became also clear that nothing that severe in communication had not taken place, but people seemed to be a bit frustrated that they were not aware of clear organisational descriptions, and who really needs what information, and to whom they should communicate different matters. The issue with internal communication, and growing organisation also draw thoughts, internal communication surely sets challenges for future when the company will grow bigger. These findings are important in a small organization where everybody is doing a little bit of everything, thus as change is constant and fast in a developing and growing organization, personnel needs to have up-to-date information, what is really going on, and stay aware about the big picture, in order to stay on the right course and use their time for effective work. Here clear organizational descriptions become handy as employees need to know their targets clearly, “It Might be Hard to know how to build a house if you do not have the Clear Blue Prints”.

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INTERVIEWS

Mika Laitinen, CEO, Interview date: 2008-03-19

Sanna Kirjavainen, Product Manager, Interview date: 2008-03-19

Jari Salmela, Product Development Manager, Interview date: 2008-03-28

Nuutti Matintupa. Intellectual Property Rights Assistant, Interview date: 2008-03-19