

COMMUNICATION AS A STRATEGIC TOOL TOWARDS TO INTEGRATE BUSINESS TO EMPLOYEES: A BRAZILIAN CASE STUDY

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ABSTRACT

This paper presents research on the system of strategic communication as an instrument of Strategic Intent. This is a quantitative research, applied to a stratified sample of 230 subjects who represent the characteristics of a population of 591 employees in two plants located in São Paulo and Curitiba, a multinational company, the sector Parts for White Goods. Data collection was based on questionnaires were self-directed and semi-structured interviews. We discussed the process of deployment strategies into goals and targets of the Strategic Control and Performance Recognition Systems applied as a reward for attaining the targets. The results show that the media used for strategic communications were rated between good to excellent (74.4%), 73.8% of employees say they have knowledge of established goals. On the clarity of communication of Strategic Intent, 19 variables evaluated, four were reported discrepancies in perception between leaders and subordinates. In one, it was observed that 74% of employees perceive the environment as a proposition open to improvement, which is diametrically opposed to the perception of leaders.

Keywords: Strategic Communication. Strategic Intent. Performance Management. Reward and Recognition System.

INTRODUCTION

This work paper aims to discuss Communication as a tool to reach a high level of employees' commitment towards to the business strategic purpose. Methodological procedures combine both qualitative and quantitative approach, outlined by a single case study applied in two national subsidiaries of a multinational company that produces parts for White Line.

The research problem was defined by the following question: *How influential is the corporate* governance model on the strategic communication efficiency?

Aiming to answer the research problem, it was built a model of theoretical reference, from which it was generated field survey questionnaires and non-structured interview script. The field instruments were subjected to a pre-testing and adjustments were made. Finally, questionnaires were applied to a stratified sample of 230 individuals.

THEORETICAL FOUNDATIONS

Providing efficient tools to set up and control strategic objectives achievements can be considered a key challenge to build a competitive organization. Moreover, it is also challenging to establish linkage between strategic results achieved and recognition and reward systems, so these are perceived as fair and equitable by the employees. If perceived as unfair, the recognition system can be a source of conflict.

There is, however, in organizations, a strain naturally established between two groups specifically: managerial group who is responsible for defining goals to reach and the operational group responsible for reaching defined goals. This strain can be understood by the Field Theory developed by Kurt Lewin (1890 - 1947), whereby the existing environmental forces lead different individuals to react differently to the same input. It means that different perceptions lead to different reactions and behaviors.

The case of that multinational company, which is characterized by a centralized control style of management, induces its subsidiaries managers to behave towards to achieving results, ignoring the cultural aspects of the localities where they are located. Even at this level, the relationship tends to generate conflict. So, different perspectives on the reasonableness of the targets and the effort demanded to reach them, respectively, between the foreign parent company and local subsidiary induce different perceptions. The conflicts in this case occurred between the main (or headquarter) and agent (subsidiary) can be more easily understood, and eventually overcome, the economic and financial analysis of results. In this context, the Agency Theory provides parameters for understanding the forces that govern the relationship between principal and agent (Eisenhardt, 1989).

The Agency Theory allows us to understand that the principal (board) and agent (subsidiaries) have different levels of commitment related to risk. From this point of view, different behaviors tend to generate conflict. The differences between the cultures involved are another factor that leads to conflict. Locally bounded strategy deployment process tends to reduce the tension due to the efforts to minimize the impact of local constraints at the very beginning of business planning process which must be aligned with the organizational strategic imperatives (Chandler, 1962).

Strategic Management is presented as a solution to deal with the pressure between the board and subsidiary. However, the tensions generated by pressure from managers under the perspective of achieved results require, ideally, effective tools for performance monitoring. These instruments define the contours of Strategic Communication, focusing on the clearness of goals and objectives foreseen, while providing reasonable means for monitoring and adjustment, and must be aligned with an integrated reward and recognition systems.

Strategic Communication, if properly oriented to transparency, can positively affect the organizational atmosphere, underlining the guidelines for employee training programmes, leading them to deal with work challenges and, in general, become an essential tool for achieving results, according to Kunsch (2003).

In the case of a company regulated by the Corporate Governance, tensions or conflicts are established at various levels within the same group, because the system requires transparency in information and accuracy on data processing. Therefore, a clear communication process regarding to the strategy deployment is an essential requisite.

Moreover, Corporate Governance demands an appropriate system to follow up goal achievements under a Strategic Performance Management perspective towards to pursue superior

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results, explained by Hitt, Hoskisson and Ireland (2008) as "a level of achievement of results that guarantees a rate of return on investment greater than that the Shareholders negotiated upon approval of the Business Plan".

Considerable number of strategy-oriented companies adopt some system of monitoring results. And often, because of legal obligations, they have some kind of recognition program which rewards employees for their contribution to the business achievements. That is the core meaning of Profit-Sharing Programs. However, such systems do not eliminate minor subjectivities that justify the decision-making process as such as some of adjustment on the defined goals to reach and perceptions on the opportunities to generate competitive advantages.

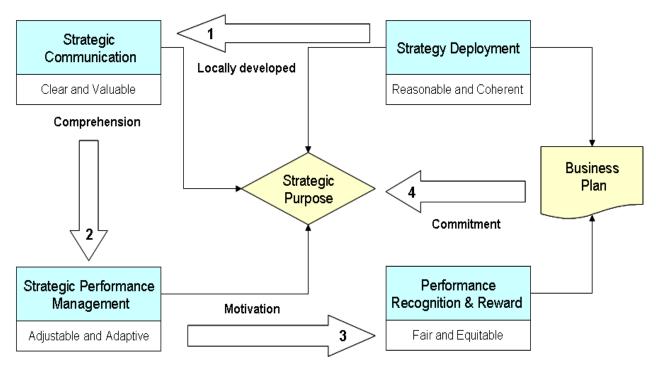
Financial controls, on the other hand, define criteria measurement exclusively based on standard indicators established and agreed between the organization and human resources. The most appropriate measure is one that combines a certain level of subjectivity, which involves risk management, information systems and competitive intelligence while outlining levels of knowledge domain and supporting the organizational intelligence construction (Hitt, Hoskisson, Ireland, 2008; Albrecht, 2004).

Local knowledge is a source for reduction of uncertainty (Chai, 2000) and the benefit of this reduction is especially auspicious when the organization operates through funds raised from investors on the open market. Thus, corporate governance, typical of public companies in connection with its stakeholders, will indicate the approach used to determine and control the strategic direction and performance of organizations.

To accomplish research purpose, systems of management control, advocated by Kaplan and Norton (1997) to implement the strategy, should consider two separate cases: one concerning the qualification of employees and others on transparency controls, which includes a clear communication between managers and shareholders and between managers and employees.

Communicating Strategic Intent, as pointed by Dutra (2009), includes the deployment of goals along all organizational levels. It must also include the metrics by which the success rate of the organization can be measured. The Strategic Plan sets itself as the instrument of Communication of Strategic Intent. Figure 1 summarizes the theoretical model.

Figure 1 Achieving Strategic Purpose



Source: Veiga and Santos (2011)

One of the major difficulties of the strategic communication is to make employees join the organization's strategy announced to their daily activities. This association, in practice, sets the alignment between goals and actions of reach. The communication should facilitate the understanding of corporate strategy, regarding the processes and systems that contribute to the implementation of the Strategic Intent and generate feedback on the strategic performance.

REFERENTIAL MODEL

This research was directed towards the identification of the efficiency of informational media used to spread out strategic goals deployed into expected results according to the employees' point of view. Moreover, due to the theoretical contributions, it was decided also to measure the employees' perceptions on the Recognition System Performance of the Organization as an instrument for promoting internal justice and a fair gain sharing.

In the theoretical framework, already explained in Figure 1, it is observed the existence of four driving forces in pursuit of Strategic Intent which act consecutively: These forces act combined with the attributes of decisions and supportive systems towards reaching Strategic Intent. The interaction among these strengths is shown in Figure 2.

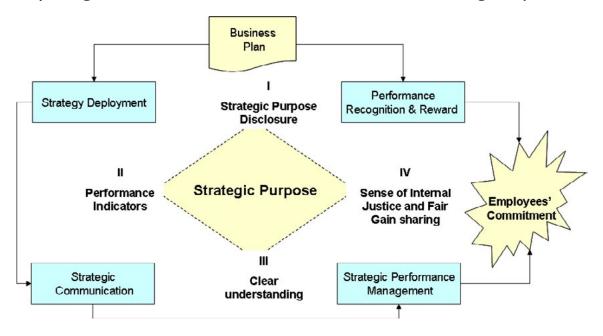


Figure 2 | Strengths' Interactions Towards the Achievement Business Strategic Purpose



The strategic deployment must be reasonable, consistent and aligned in the unfolding of the goals and objectives. In this case, the Strategic Communication Model must provide an understandable language to the teamwork members, and to announce foreseen objectives clearly.

Strategic Performance Management must be able to correct deviations and generate valuable feedback on employee's performance. It also must give a clear idea of how Strategic Performance Management is connected to the Recognition and Reward Program, which must be fair and able to establish equality. Thus, the premises to be highlighted are the result of interactions previously discussed and are therefore established:

- Goals and Objectives Planning equates to the first level of communication on Strategic Intent, constituting the base of unfolding process of the strategies (Strength I).
- Strategic guidelines reported in measurable parameters can define performance indicators (Strength II), which enables control of the strategic performance.
- Strategic Communication should consider the involvement of different organizational levels in achieving results. Therefore, communication about the goals to be achieved must be stratified aiming facilitate a clear understanding of the subjects (Strength III).
- Strategic Performance Management should consider the performance indicators and

the different levels of involvement with the actions that lead to the scope of Strategic Intent. For so, they will be able to offer internal justice (individual contribution to reach specific targets) and a fair gain sharing program responding to the individual contribution in achieving the overall result (Strength IV).

 Reward and Recognition System must align individual performance to the organizational performance, *i.e.*, the employee's contribution to generate positive results for the company. Differences of perception in this item tend to generate conflicts between execution and control, both the subsidiary and the relationship between principal and agent (interacts with Strength IV).

After the premises above, it was considered important to understand the communication quality perceived by employees to contribute to the understanding of the position in relation to these goals and objectives defined by the company as agents or subjects as they search for the expected results.

MATERIALS AND METHODOLOGICAL PROCEDURES

The chosen research strategy considered two lines of approach: a) documentary research, which was addressed to identify the communication types of media and related purposes; and b) field research, split into semi-structured interviews for the managerial group and self-directed questionnaires to a stratified sample of employees.

The questionnaire was developed based on literature review and it was previously tested in a sample of respondents. After that, the necessary adjustments were made, including the effectiveness of the chosen words, the clarity of the questions and its significance for the specific group of questionnaire's respondents.

During the managers' interviews, the following questions were made:

- 1. How are you informed of the strategic purposes of the corporation?
- 2. How local goals to achieve are defined?
- 3. What are the parameters to measure goal achievements?
- 4. How are the goal metrics defined to follow strategic performance?
- 5. How does the communication on goals to achieve flow towards the teamwork?

- 6. Is there any kind of strategic deployment program to generate local operations goals and objectives?
- 7. How is structured the results monitoring process structured?
- 8. Is there any kind of feedback on employees' performance?
- 9. How do you motivate your teamwork to obtain commitment with company's strategic purposes?
- 10. Could you describe the existent recognition and reward system, or practice, you have been working with to recognize employees' commitment and performance?
- 11. Do you perceive variable remuneration as formally linked to the objective achievement?
- 12. Do you believe this program really is based on employees' efforts to reach best organization performance?
- 13. What is your perception on the way employees perceive the recognition program?
- 14. Does the organization verify employees' opinion on Recognition and Reward Program effectiveness?
- 15. How the organizations get acknowledgement of employees' satisfaction level or sense of internal justice after implementing the reward program?

To analyze the effectiveness of Strategic Communication as a facilitator of the Strategic Intent of Corporate Governance, it was examined:

- Communication process of Strategic Intent reached in consensus between the Senior Management Shareholders (Corporate Governance).
- Deployment of corporate strategies into goals and targets.
- Definition of performance indicators and inclusion in Action Plans.
- Monitoring of indicators and Organizational Performance Management.
- The achievement of planned results.
- Recognition System in Human Resources, and the perception of employees as responsible for strategic results.

The questionnaire was designed with three groups of information, as shown in Figure 3:

Figure 3 | Participant Identification, Demographics and Media Appreciation

I. Participant Location

Area/ Department									
Production	Maintenance	Logistics Process & Quality		Product Technology and Development	Commercial	Finance	Administration		

II. Participant Demographics

Industria	al Unit	Bio	graphy	Gender			
Pindamonhangaba	Curitiba	Age	Working Time	Male	Female		

Local	Very Good	Good	Indifferent	Bad	Precarious	l don't know
Main Entrance						
Company' Policies						
Procedures Manual				0		
General Bulletin Board						
HR Bulletin Board				~		
Production Cells Bulletin Board						
Restaurant						

Source: Veiga and Santos (2011)

A second approach has been used to achieve a general perception on the communication process. A questionnaire was applied, considering a bench of questions that should be evaluated according to the Likert Scale from 1 (totally disagree) up to 6 (totally agree). The decision of offering a scale in six levels was made to avoid the tendency of having the evaluations on the middle point. Questions made can be seen in Figure 4.

Figure 4 | Questionnaire

	Daily situations to be considered
1	I have acknowledge on the company's vision, mission and values.
2	I am aware that our work must reflect the vision, mission and company values.
3	I am informed about the aims and goals of the organization in a regular basis.
4	My leader guide me about the goals and my job position duties and targets.
5	My performance is evaluated by the achiements I reach.
6	l get regular feedback session on my professional performance
7	I have open access to the section or work cell achievements in comparision to the forecast.
8	I am formally noticed Performance Indicators.
9	I am invited to participate on improvement meetings.
10	I am empowered to decide and implement work improvements initiatives
11	My leader keep posted on Company's issues I need to know and about business targets.
12	I usually interact with other areas aiming to improve related processes and results.
13	All procedures are described, updated and accesible.
14	Company has a good relationship with local community.
15	I have it clear that goals achievements are included in remuneration sytem.
16	My job is contributive to the company's goals and that I am recognized by that.
17	I am aware that the recognition system is linked to the success of strategies.
18	I have been represented on variable remuneration / profit sharing negotiation.
19	Recognition Systems is also an opportunity to improve performance aiming a better remuneration.
20	I am aware about improving my salary and career I have to improve my job results.
21	I feel confortable suggesting workplace and process improvements.

After pre-testing, questions number 6 and 18 were excluded.

POPULATION AND RESEARCH SAMPLE

To obtain a representative sample of the population, it was considered the systematic and stratified sampling, and charts of the subsidiary were used to define the stratification of levels and departments of the organization, in which the elements are chosen according to a stratified system that best represents the subsidiary.

The population in the approach of the units in Brazil is 507 (five hundred and seven) individuals, and after determining the sample size allowed for the analysis of the proposed multinational.

Based on the estimated sample of 218, as seen on Table 5, we managed to apply questionnaires to 230 subjects, divided into practice areas, and the three semi-structured manager interviews were recorded and transcribed for analysis.

Table 5 presents the sampled strata.

	Production			Process &	Product Technology and				
	Operations	Maintenance	Logistics	Quality	Development	Commercial	Finance	Administration	Total
Leadership	З	0	1	1	0	1	0	1	7
Teamworkers	77	6	2	3	1	3	1	1	94
Pinda B. U. Total	80	6	3	4	1	4	1	2	101
Leadership	2	1	1	1	0	0	1	1	7
Teamworkers	88	6	6	4	1	0	4	1	110
Curitiba B. U. Total	90	7	7	5	1	0	5	2	117
Leadership	5	1	2	2	1	1	1	2	14
Teamworkers	165	12	8	7	2	3	5	2	204
Brazilian Subsidiary	170	13	10	9	3	4	6	4	218

 Table 5 | Stratified sampling

Finally, the stratified sample has allowed the analysis of the communication process of the Strategic Intent of the organization and deployment of strategies into goals and targets, the Strategic Intent at various levels of the organization, and examined the process of Performance and Strategic Control Systems Recognition applied as a reward for attaining the targets, and additionally has allowed the analysis of the perception of fairness for employees regarding the Recognition System of the multinational.

RESULTS

The results are presented in blocks, according to the organization model from the questionnaires.

a) Respondents Profile:

- 82% are male.
- Average age at 34 years-old.
- They have been working in the subsidiary for 7.9 years, on the average.
- 100% have at least completed high school.

b) Analysis of the quality and level of knowledge and quality of media for Strategic Communication

- 74.4% consider as very good locations, forms of notices and communications, and consider that the information provided meets expectations.
- 15.6% informed that the communication quality is classified as indifferent or do not know how to evaluate.
- 10% assessed as poor or very poor the quality of communication media.

c) Knowledge of the content of Strategic Communication

- 73.8% said they knew or partially met the declared Strategic Intent.
- 92.6% perceived the unfolding of the goals and targets monitored by the hierarchical levels of Strategic Intent contained in Strategic Planning.
- 90.8% perceived Strategic Planning as an instrument of Strategic Intent.

d) Referential Model

- Strategic Communication was observed for 82.5% as part of the general strategy. Meanwhile, 17.4% of the respondents suggested that the senior manager should review communication practices and pointed out some improvements that should be made in order to guarante a better understanding of the Strategic Communication contents.
- Strategic Performance Management

For 75.6% of the respondents, Performance Management is perceived as a fair system. Meanwhile, for the remaining 24.4% it was seen as a procedure which has a bench of opportunities for improvements.

- The Organizational Performance Management is seen as understandable for 80.8% of the sample. 18.9% of research participants did not perceive clearly communication as a tool to the Strategic Management, which means an opportunity for improvements, mainly located in the administrative levels.
- ✓ For over 74.1% of the respondents, Individual Performance Appraisal is perceived as linked to the Strategic Performance Management.
- ✓ Recognition and Reward System is seen as a positive linkage between the Recognition System and Strategic Communication for over 83% of the research respondents.

Briefly, the results show that:

- a) 73.8% considered between great and good the means used in strategic communication,
- b) 74% of employees said they had knowledge of the established goals, and
- c) 5% said they did not know the established goals.

The weighted average between the two Business Unit respondents revealing Brazilian Subsidiary performance as presented in Table 5.

				Frequency						
	Daily situations to be considered	N.A.	Totally Disagree					Totally Agree	Wage Average	
		0	1	2	3	4	5	6	(employees)	
1	I have acknowledge on the company's vision, mission and values.	0	10	9	14	46	65	86	4,76	
2	I am aware that our work must reflect the vision, mission and company values.	1	2	8	13	36	68	102	5,01	
3	l am informed about the aims and goals of the organization in a regular basis.	2	11	15	11	58	71	62	4,49	
4	My leader guide me about the goals and my job position duties and targets.	5	19	11	13	51	61	70	4,39	
5	My performance is evaluated by the achiements I reach.	3	45	36	30	40	40	36	3,40	
6	l get regular feedback session on my professional performance									
7	I have open access to the section or work cell achievements in comparision to the forecast.	6	13	12	30	38	55	76	4,39	
8	I am formally noticed Performance Indicators.	5	44	21	21	40	65	34	3,64	
9	I am invited to participate on improvement meetings.	4	32	11	41	43	44	55	3,91	
10	I am empowered to decide and implement work improvements initiatives	2	24	14	48	78	43	21	3,69	
11	My leader keep posted on Company's issues I need to know and about business targets.	1	38	47	40	48	31	25	3,26	
12	I usually interact with other areas aiming to improve related processes and results.	3	7	14	20	30	53	103	4,77	
13	All procedures are described, updated and accesible.	4	18	9	24	39	73	63	4,38	
14	Company has a good relationship with local community.	6	4	14	26	39	64	78	4,56	
15	I have it clear that goals achievements are included in remuneration sytem.	2	18	19	23	61	62	45	4,13	
16	My job is contributive to the company's goals and that I am recognized by that.	0	24	18	42	72	30	44	3,86	
17	I am aware that the recognition system is linked to the success of strategies.	1	13	16	33	42	53	72	4,39	
18	I have been represented on variable remuneration / profit sharing negotiation.									
19	Recognition Systems is also an opportunity to improve performance aiming a better remuneration.	1	21	17	26	60	60	45	4,10	
20	I am aware about improving my salary and career I have to improve my job results.	0	21	11	36	34	59	69	4,33	
21	I feel confortable suggesting workplace and process improvements.	6	13	18	26	31	47	89	4,43	

Table 5 | Daily Situations and Communication Process

The general perception on strategic communication process is that it meets at least 70% of the daily needs for information, i.e., from 19 demands for information 13 were identified as attended by the communication process. Three daily situations stand out:

- I am aware that our work must reflect the vision, mission and company values (Weighted Average (W.A.) of 5.1)
- I usually interact with other areas aiming to improve related processes and results. (W.A.: 4.77)
- I have knowledge on the company vision, mission and values. (W.A.: 4.76)

Managers were also asked to respond to the evaluation questionnaire in Likert scale. They should offer what they consider would be the employees thought on each daily situation. In the analysis of this response, four were the perceived discrepancies of opinion between employees and managers of what they believe is true. They are:

- Curitiba Business Unit:
 - Situation Number 4: My leader guides me about the goals and my job position duties and targets. (Employees W.A. 5.0 versus leaders W.A. 3.0)
 - Situation Number 7: I have open access to the section or work cell achievements in comparison to the forecast. (Employees W.A. 5.0 versus leaders W.A. 3.0)
- Pindamonhangaba (PINDA) Business Unit
 - Situation Number 5: My performance is evaluated by the achievements I reach.
 (Employees W.A. 5.0 versus leaders W.A. 3.0)
 - Situation Number 21: I feel comfortable suggesting workplace and process improvements.
 (Employees W.A. 6.0 versus leaders W.A. 4.0)

It was interesting to notice that leaders are more critical in terms of the extension and quality of the communication process. It could be explained by the fact that the distance between managers (or shareholder representatives) and the local leaders is bigger than the distances between local leaders and their team members. Since managers are oriented to results and employees are taskoriented, which calls for more specification from their leaders. Geographic cultural aspects in relations to the countries where the headquarter and subsidiary are located can also create natural barriers to the interpersonal communication. Language, time differences and pragmatism are just some possible obstacles to overcome in a continuous communication practice.

We highlight the fact that 74% of employees perceived that the environment is open to proposals for improvement, which is diametrically opposed to the perception of leaders. That is to say that the subsidiary tends to be more effective in conflict management on the results and this ability is not manifested in the principal and agent relationship.

Finally, the response confirms the Agency Theory advocated by Eisenhardt (1989), and in addition to the concepts explained by Hendricksen and Breda (1999), where the agent undertakes to perform tasks for the principal, and in this relationship it is expected that the agent makes decisions aimed at their interests and the principal.

MANAGER'S INTERVIEW RESULTS

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The interviews with managers were analyzed according to the approach of content analysis (Bardin, 2008). Thus, we obtained the following results:

Question n.1: How do you get informed about the Business Strategic Purposes?

Managers stated that the volume of sales forecasted is the main drive to understand the Business Purpose. According to them, the role of managers in any area in the company is to create an environment conducive to achieving the goals set for sales.

<u>Question n.2</u>: How do the local targets are established, and which indicators are used as parameters for monitoring the progress of their achievement?

The responses were different according to the hierarchical level. At each level there is a specific type of unfolding corporate objectives to local goals and objectives, given the specificity of the local market.

<u>Question n.3</u>: How are the parameters to appraisal goal achievements defined?

Managers have mostly mentioned *Quality Operational System (QOS)* as a reference to define metrics to measure business goal achievements. They also pointed out the measurable market specificities as a reference.

<u>Question n.4</u>: How do you communicate to the members of your teamwork the goals of the department you are responsible for?

Different perceptions of what is communication have come out. Some managers perceive communication as a formal process. So, due to its strategic relevance, some of them just communicate with first managerial level. Other managers display the information on a billboard.

Question n.5: Is there any deployment system regarding corporate objectives and goals?

Quality Operational System (QOS) shows up as an important strategy deployment tool.

Managers also responded that Profit Sharing can be used to deploy corporate objectives and goals.

Question n.6: How are the performances systematically monitored?

Managers answered they use roadmaps, graphics and QOS to present goal performances during periodical meetings.

Question n.7: How are the results evaluated?

Managers responsible for technical areas and for financing have a non-structured routine of making questions about results achieved so far.

As noticed, there is not a specific schedule for strategic results meetings. Local board meetings are exceptions, indeed, since the board of directors are oriented by results due the obligations implied in the Corporate Governance. But it is not available aas systematic methodology which calls for an urgent solution, as they recognized.

Question n.8: Is there employee performance feedback of any kind?

Managers argued that the Profit-Sharing Program is a feedback tool itself. It is because feedback is implied, aiming to justify the difference in rewarding individual contribution to the results. Nevertheless, other auxiliary tools are also supportive for feedbacking performances, such as: graphics, billboards, Human Resources Systems and others.

<u>Question n.9</u>: What are the motivational resources you set up to reach employees appropriate level of commitment to the local Company strategic challenges?

Managers consider that there are different perceptions on motivation. For the managers group, profit sharing and bonuses policy as well as the relevance they feel when participating in such important projects are resourceful. There no comments related to the teamwork motivational resources.

<u>Question n.10</u>: Do you know if there is any kind of program to recognize outstanding performance at managerial level?

According to the managers, for them there is the Bonus Policy and for ordinary employees the Profit-Sharing Program. Both Programs are flexible enough to cover all the performance range.

<u>Question n.11</u>: Do you really think these programs are linked to the variable remuneration to stimulate the achievement of corporate goals?

Managers said they do believe that these programs are based on performance recognition. But, as they recollected, corporate goals are not individually designed which implies that the sum of every employee's performance will lead to company results. They concluded that such programs are based on individual performance but what they emphasize is the corporate financial results.

<u>Question n.12</u>: Do you believe these programs are geared to distinguish performance and efforts carried out by employees?

Respondents confirmed that they consider these programs as a valid usage to distinguish employee's performance and that they have knowledge of other organizations that put in practice additional programs to recognize differences in individual performance and skills. What we see, is an opportunity to develop performance, giving a better use of the recognition program, rising potential skills.

Both employees and managers perceived clearly the tendency to recognize team works. They also are aligned when they share the perception of difficulties to recognize performance individually. Situation calls for further studies.

<u>Question n.13</u>: What is your perception on the way employees perceive the recognition program?

The interviews confirm the effectiviness of employee's appraisal process. But they also state that should exist in addition to some motivational program and individual recognition process.

<u>Question n.14</u>: Does the organization verify employees' opinion on Recognition and Reward Program effectiveness?

There is not a systematic process to verify what are the employees' opinions on the effectiveness of both programs, which can be considered an issue to be properly solved with an internal survey conducted periodically aiming to identify gaps in the sense of internal justice and fair gain sharing.

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<u>Question n.15:</u> How the organizations get knowledge of employees' satisfaction level or sense of internal justice after implementing the reward program?

Managers can only perceive employees' satisfaction when the foreseen results are reached. It is because they are not trained to interpret the subjectivity and subtle behaviors. This lack of perception can easily open opportunities for the growth of Labor Union influence inside the company as well as some kind of hostile behavior.

CONCLUSIONS

The results showed that deployment of the system of goals and strategies contribute to the clarity of the process of Strategic Communication, which is considered valuable and accessible to employees.

The Strategic Performance Management and correction of deviations are adapted to changing needs. This system is adequately linked to the Reward and Recognition System. Overall, the study revealed that:

Measurable targets are more easily understood by employees at all levels. The Strategic Planning is a powerful instrument to achieve the Strategic Intent and communication between the parent (main) and subsidiaries (agents). Employee commitment is associated with the understanding of what is expected from them in terms of goals, so Strategic Communication should be clear and easy to be valuable to the employees, and must cover not only what is expected, but what is the valid exchange between employee and organization, by achieving superior performance. As stakeholders, employees long for some financial reward granted from the recognition system, which means this system is an opportunity to integrate organizational performance and profit-sharing policy. Communication and commitment can also refer to the quality of feedback from individual leaders. Systematizing the feedback process was pointed out as an opportunity to the researched company. And finally, Corporate Governance requires an efficient communication on Strategic Intent, and this, in turn, induces the development of instruments and effective media. The relevance of Strategic Communication is crucial in the pursuit of Strategic Intent of the Organization for employee involvement in meeting goals and objectives established in the Strategic Planning.

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For future researchers, there are some opportunities raised up with this present report: there a lack of analysis in the performance field, specially referring to the organizational performance based on teamwork performance.

The existence of a formal, collective and legally grounded and approved, as the recognition of participatory programs, recognized by the employees of subsidiaries and variable remuneration linked to goals and objectives, meets the need to differentiate performance and reward individual efforts.

This individual recognition should exist as a compensative for the effort towards improving the organization's results separately with a program of individual recognition.

Deploying the objectives and targets from a known and measurable strategy facilitates the Performance Management, considering both levels: individuals and organization. Nevertheless, it is necessary to spread out the Strategic Intent using several types of media resources simultaneously give the employees a clear extension of effort to be expected from them and from their teamwork. On the other hand, employees need clear acknowledgement of all implications from achieving outstanding performance as well as how there will be consequences for a bad performance, for the company competitiveness and for themself.

Matching personal interests with organizational targets constitutes a real challenge for modern companies. Human Resources tools oriented for performance recognition can offer a strong stimulation to develop adherence between expectations and performance, which may become so called adherence, or align organization behavior to results. That is how the strategic communication must be addressed for.

Thus, goal achievements tend to reduce conflicts between shareholder's representatives and subsidiary managers.

Finally, we concluded that Corporate Governance induces to efficiency in the Strategic Intent Communication Process.

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