Chapter 9
The Role of Internal Communication in Commitment Management

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ABSTRACT

The economic situation in the last few years has forced companies to adjust their workforces and reduce hierarchical levels. They have also had to undertake overhead cost and expense adjustment programmes, including salary freeze and the reduction of training budgets, amongst others; all of it within an environment where human capital has acquired special relevance. It has been shown that individuals represent enterprises’ main asset, the element that can generate sustainable competitive advantages over time. Power has changed hands; it no longer lies in the traditional means of production, but in knowledge. And knowledge resides in people. Knowledge and people are the new engines of economy. The management of individuals, which is nothing but the management of their intangibles and the need to attract and retain talent, becomes especially important in this context. Commitment management is one of the most effective policies to achieve this aim. Managers must implement policies to commit employees to not only retain them, but also encourage them to do their best. The best tool to achieve this necessary commitment is internal communication. This chapter aims to offer a conceptual reflection on commitment management and analyses the state of internal communication in Spanish companies. The purpose is to establish a link between the emphasis placed by companies on achieving their employees’ commitment and internal communication as a tool that can help to reach that goal.

INTRODUCTION

Managing people means managing expectations, aspirations, skills, attitudes, and perceptions. In other words, managing individuals is managing intangibles; hence the difficulty involved in this task. On the other hand, according to several authors, enterprises do not exist; it is individuals that exist. Companies are only groups of people oriented to reach a common goal. That is why it becomes so important to align the aforementioned intangibles (skills, attitudes) with the organisation’s objectives making them compatible with personal goals (expectations, aspirations, perceptions, etc.).

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Knowledge is the engine of today’s economy. It becomes necessary to identify and retain the best individuals, the most talented ones, those who can make a difference between competitors. ‘Power’ has changed hands. It no longer belongs to entrepreneurs (capital, technology) or managers (management, organisation). It resides in every person now. And I say every person because every single person plays, or must play, an essential role in each organisation’s structure. Creativity and initiative reside in individuals. They permit to make qualitative leaps in the evolution of businesses. It is people who are the nearest to processes and customers, who know what works and what does not work: the main sources of continuous improvement. It is consequently obvious that individuals have become the most important item as far as management is concerned. How can objectives be achieved through people?

The way to do it is to ensure the commitment of every single member at each organisation. This task is complex for different reasons: the organisation’s size and/or structure, the different ways in which functions and tasks are assigned, the fact that the strategy fixed by the management not always can be formulated openly, and finally the fact that not everything can be said to everyone in the same way, or in the same moment.

Commitment and Profitability

José Manuel Casado, CEO of 2C Consulting, points out that the magazine “Fortune” uses a measure called “The Great Place to Work Trust Index” to distinguish the top 100 U.S. companies in management commitment and, curiously enough, these are the ones which achieve better economic results (2011). And, in his view, “we must not forget that obtaining results in commitment management requires having been able to generate confidence in advance.”

According to the dictionary of the Real Academia Española [Royal Spanish Academy (of Language)], compromiso [commitment] means an “incurred obligation” or a “word given;” whereas lealtad [loyalty] is understood as the “compliance with what is demanded by the laws of faithfulness and those dictated by honour and fine manhood.” Finally, fidelidad [fidelity] is defined as “loyalty, observance of the faith which someone owes to someone else” (Espasa-Calpe, 2005).

Isidro Fainé, president of La Caixa, believes that “commitment is one step beyond motivation,” and for Alfonso Jimenez, managing director of PeopleMatters, “commitment is related to motivation, values, attitudes, shared opinions and emotions. You want to do things in a certain way.”

According to Carlos de Benito, vice president of Aedipe Centro, “loyalty is a quality of the human being and commitment is an expression of loyalty which appears in individuals who have a profound sense of duty. A loyal employee will always remain loyal, even if the enterprise does not deserve it. For that reason, the company is obliged to generate commitment” (de Benito, 2005).

In his view, “we need to draw a distinction between loyalty and commitment. Commitment is an expression of loyalty, or to put it in a different way, ‘applied loyalty.’ Loyalty is the cause; commitment is the effect. That is why we say that someone es [is] loyal [as a permanent quality] and está [is] committed [has decided to assume that stance at one particular point in time].” Commitment is an emotional kind of bond that becomes evident in a particular union or identification between one person and a personal or factual reality which is external to that person. Loyalty is the main source of commitment, but it is not the only, exclusive source. Commitment can be based on love, on shared or selfish interests, on pride or even on money alone. It must be stressed, though, that only positive motivation, whether it is altruistic or not, can generate commitment. Fear does not serve this purpose. The will moved by fear can prove to be very effective, but it will never be a committed will. In short, the quality of commitment, its strength and effects, are largely based on its motivation, on the reasons behind