

Komunikace – významný prostředek nespokojenosti managementu

Communication – Important Means of the Complaints Management

Jana Urdziková

Abstract:

Purpose of the article: Effective communication in an organization is one of the preconditions of its operation. The aim of the article is to point out the communication process in the complaints management, to emphasize importance of the communication in the business practice and the current state analyze of the communication in Slovak business subjects. The paper presents the partial results and conclusions of research carried out.

Methodology/methods: The methodology of this study is based on the scientific methods of acquiring and processing data – observation, questionnaire, interview, qualitative methods (analysis, synthesis, induction, deduction, comparison, abstraction, etc.); quantitative methods (descriptive statistics such as frequency analysis, statistical analysis, confidence intervals) and graphical methods.

Scientific aim: The scientific aim of the article is to prove the established differences between business subjects that are the result of systematic influence (for example quality management system, subject of business, duration of action in the market).

Findings: The research results have revealed the strengths of business subjects and revealed the areas which need to be improved. In the first place, they should become aware of the fact that the communication process necessarily forms the part of the complaints management and is well founded. The positive effect also has implementation of the existing ISO 9000 series of standards into business practice, which was reflected in a higher level of complaints management.

Conclusions: Following the knowledge of communication process and its functioning plus awareness of communication obstacles, it is possible to improve the effectiveness and the result of communication and by that affect the overall result of claim procedure. Therefore, communication can be considered as very significant element in the process of complaints and claims handling.

Keywords: customer, communication process, complaints management, business subjects

JEL Classification: L15, L20

Introduction

A communication is an important part of every organisation, institution, or business subject. We communicate all the time and constantly send different stimuli into the environment, whether they are verbal or non-verbal, following impulses from subordinates, colleagues, customers, own thoughts, etc. Making a complaint or claim can also be considered a type of communication. It is the situation when an organisation does not meet the requirements of their customer, or does not satisfy his needs. This is how he draws attention to discrepancy of a particular product and expects solution to this unpleasant situation, or experience. In this case, it is crucial for organisation to have functioning complaint management which plays important role not only during the complaint or claim handling process, but also before and after it. By fulfilling their tasks, complaint management affects the result of the whole macro process in an organisation, whose goal is a satisfied and loyal customer.

1. Communication Process during Complaint's Actions

Communication, as a crucial factor of understanding and processes realization, is a very important means in complaints management where complaints and claims present certain type of communication (Figure 1) in the relationship customer – organization. It is mainly the communication, verbal, nonverbal, written or oral, that plays an important role in the process of complaints and claims handling and affects the result of the whole process.

Communication is „a transaction process of passing and receiving the information in mutual con-

tact“ (Berryová, 2009; Holková, Horňák, Čambál, 2000; Šalgovičová, Urdziková, 2012; Heller, 2005). It takes place in two key levels, macro-organizational and micro-organizational (Heller, 2005; Berryová, 2009). Macro-organizational level of communication in complaints management is formed by communication between the customer, the complainant in this case, and the organization. Micro-organizational level of communication takes place within the organization in complaints and claims handling. Direction and flow of the internal communication should be carried out upwards, downwards and laterally (horizontally). Communication flow in the organization is regulated on the ground of explicit and implicit restrictions that specify who may communicate with who, how, what about and for what reason.

Communication process in complaints management at the macro-organizational level is formed by the following elements of communication (Šalgovičová, Urdziková, 2012, p. 111):

- customer – complainant,
- organization, which offers low-class product or service related to it,
- way of communication,
- communication channel, medium.

When handling complaints and claims, the information, coming from the customer-complainant as well as from the receiver-organization, presents the key element of communication chain that is presented in the Figure 1. Both parties participate in successful information exchange to the same extent within the claim process. Customer – complainant is the one who wants to send certain coded message-complaint or claim to the organization-particular subject that offers the low-class product. At first, the customer-complainant has to transform the information into the meaningful form, it means to encode and send

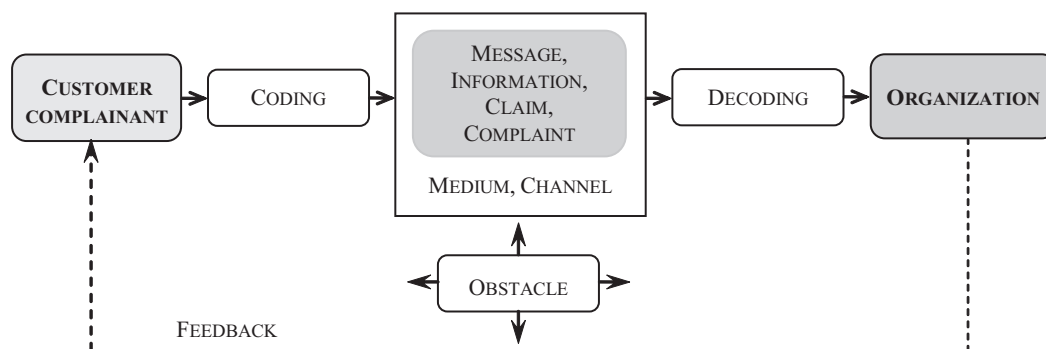


Figure 1 Chart of the communication process during the complaint's action.

Source: Šalgovičová – Urdziková, 2012, p. 111.

it as a message containing communication symbols that are used in certain communication means with the help of communication media or channels. Once the receiver-organization has received the message, he must decode it at first, it means transform it to the form understandable for him. (Urdziková, Jakábová, 2011; Urdziková, 2012; ISO 10001:2007; ISO 10002:2004; ISO 9001:2008)

Quality of the information, or more precisely the ability to understand the information in complaints and claims handling, plays a very important role in the communication process. Information should meet the following requirements (Ondrůšková, Farkašová, 2006; Šalgovičová, Urdziková, 2012):

- relevancy – to what extent the complaint contains particular information,
- accuracy – to what extent facts support the complaint,
- simplicity – eliminate the redundant, vague and misleading information,
- exactness – complaint has to contain understandable information, timeliness and frequency of providing.

Efficiency of communication is very important in the very process of communication. It is also the extent to what the intended meaning of the information is received and understood (Berryová, 2009, p. 433). During communication, communication obstacles can occur (noise, barriers and gaps). On the ground of these obstacles, many problem situations, misunderstandings, or insufficient information may occur during the transmission or decoding. These situations will cause the misunderstanding between the parties, because the information is garbled. Receiver-organization will understand the message in a different way, or the customer-complainant will send a different message as he intended before. Communication obstacles affect the efficiency and the result of the communication to great extent.

Basic obstacles which may occur on the part of customer – complainant (Urdziková, 2010):

- unwillingness to supply important information or its parts by different reasons,
- inappropriate content or the amount of supplied information, or signals being sent,
- aggressive, vulgar behaviour,
- inappropriately, inexactly, vaguely supplied information,
- lack of active listening, he hears only what he wants to,
- self-assertion upon any terms,
- usage of inappropriate and vague communication language etc.

Basic obstacles may also occur on the part of receiver – organization (Urdziková, 2010):

- unwillingness to accept the complaint,
- aggressive, arrogant, inappropriate behaviour,
- lack of active listening,
- lack of feedback,
- early appraisal,
- lack of concentration, distraction through own thoughts or other activities,
- time stress,
- superiority emphasizing,
- incompetency of staff,
- inappropriate and inadequate communication (e.g. interrupting the talk etc.),
- misinterpretation of the information coming from the complainant,
- not checking the understanding by paraphrasing or questions,
- disturbing elements of the environment that are distracting,
- inappropriately, inexactly, vaguely supplied information,
- usage of inappropriate and vague communication language etc.

As in every process, feedback is very important in claim process as well. Through feedback, the receiver-organization sends a signal to the sender-customer-complainant. This signal says that transmission has passed successfully; the message, information, complaint or claim has been understood clearly. (Witkowski, 2009; Saniuk, Saniuk, 2009; Urdziková, 2010; Saniuk, 2007)

Following the knowledge of communication process and its functioning plus awareness of communication obstacles, it is possible to improve the effectiveness and the result of communication and by that affect the overall result of claim procedure. Therefore, communication can be considered as very significant element in the process of complaints and claims handling.

For that reason, organization should not underestimate communication with the customer and approach it responsibly through implementation of communication process with the customer. It should contain the following (Urdziková, 2010; Šalgovičová, Urdziková, 2012):

- responsibility for communication with the customer,
- means that should be used in communication with the customer,
- communication channels and flow of information for customers,
- customer communication records in writing and their saving,

- communication process that is required in case of complaining and acknowledgement.

Concerning the considerable customer differentiation, it is necessary to work out long-term communication programmes and select different communication strategies for individual customer groups, external as well as internal, even for the individuals.

When the customer communication procedure is not selected properly, or when the customer requirements are not being “heard”, split between the organization and the customer can occur easily. This split can consequently become evident through e.g. complaint about the employee, eventually claim of the product or services related to it (Ondrůšková, Farkašová, 2006; Urdziková, 2010; Urdziková, Jakábová, 2011). Ignorance or bringing the conflicts to the boil can lead the organization to economic and financial problems.

2. The current state of the communication in Slovak business subjects

A picture of how communication is applied in Slovak business subjects is given by the results of a research carried out in 2009 and 2010 at MTF STU (Faculty of Material Sciences and Technology of Slovak University of Technology), Institute of Industrial Engineering, Management and Quality.

Its subject matter presented the mapping of the system security current state concerning the complaints management in terms of business practice in Slovakia. One of the research parts was the area of customer communication.

Approximately 400 business subjects on the Slovak market were addressed within the research. The selection surveyed of respondents wasn't limited, it was a random choice, because we had effort to address the widest possible group of businesses. Return completed questionnaires was 65.5%.

Concerning the subject of business, the sample consisted of 45% business subjects of production character and 55% of those providing services. One of the important steps was to find out if the business subjects joining the research built the quality management system (QMS) according to the international standard ISO 9001 (Figure 2).

Research results were obtained with the help of different scientific methods, SPSS software and using the comparative analysis they were compared with the results arising from previous researches that had formed a part of the research projects realized at the Institute of Industrial Engineering, Management and Quality; Faculty of Materials Science and Technology in Trnava; Slovak University of Technology in Bratislava, Slovakia.

2.1 The empirical research results

Research results pointed out that only 85% of respondents place great emphasis on the importance of communication and its influence on the whole business subject run. 13.3% of respondents place medium emphasis on it, and there are also business subjects that place only little or no emphasis at all on this issue. In communication, it is not possible to exclude or give priority to any of its two components – internal and external communication. Both are of the same importance to the whole run of the business subject. That is why neither of them should be left out.

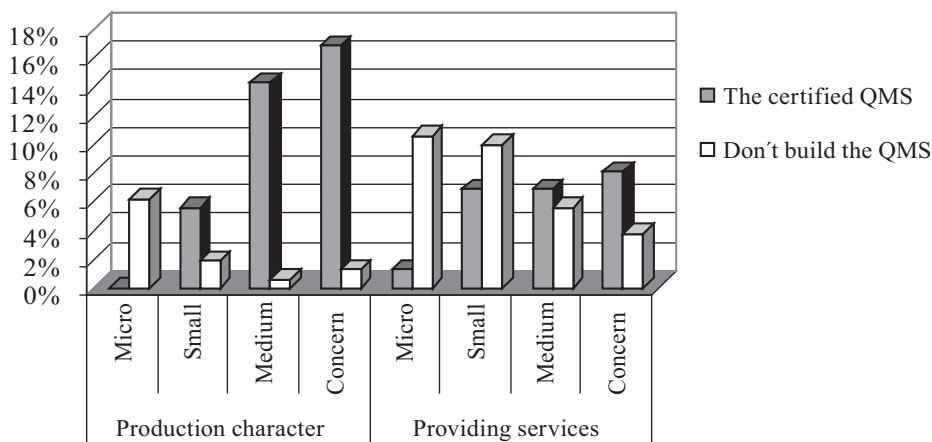


Figure 2 Visualisation of the business subjects from the quality management system point of view. Source: Own work.

In external communication, attention was paid to communication with the customer. We found out that 66.1% of business subjects communicate with customers regularly during the whole process beginning with the contract approval and ending with production and delivery to the customer. At the same time, they also monitor the feedback. On closer look at the sample make-up in this answer, it is clear that 38.3% of the answers came from the business subjects with certified QMS. When comparing the research results with other results from the period of years 2003–2005 (Final report, 2005), it is possible to see some differences. While in 2009 there are 66.1% of the answers, in the period of years 2003–2005 (Final report, 2005) there were 78% of them. Almost 12% decrease can be seen here. These numbers show that nearly 34% of business subjects communicate with their customers partially, *e.g.* when signing the contract, passing the product to the customer, or handling the complaint and claim. In external communication with customers, business subjects often prefer personal contact or electronic mail, internet and telephone.

As it was mentioned before, internal and external communications are both of the same importance to business subject run. Therefore, it is time now to rivet attention to internal communication. Results show that almost 70% of business subjects regularly inform their employees about their goals to be reached within the department, or more precisely organisation, and 26% of them only inform their employees in well-grounded cases. However, informing the employees on goals is not enough. It is necessary to inform them on the results of the solved tasks as well. 60% of business subjects regularly inform their employees on the reached results of solved tasks and 35% inform them in well-grounded

cases only. They prefer a lot of different forms of communication, whether individually or combined, mainly open discussion, meetings, e-mail, intranet and less often information boards, brochures, internal magazines or flyers.

In communication, we were interested in whether the business subjects have worked out regulations or working processes that set the rules of internal and external communication. 43.9% of the respondents stated they had worked out documentation setting the rules of internal and external communication and it was fully respected. It is possible to see a little, about 10% higher increase compared to the period of years 2000–2002 (Final report, 2002) when 34% of respondents stated that they had worked out documentation which was followed, too. Comparison to the research results from the period of 2003–2005 (Final report, 2005) is useless, because it is not possible to find out whether these are business subjects that have worked out documentation but they do not follow it, or they have documentation setting the rules of communication which is strictly followed. Differences in working-out of documentation setting the rules of internal and external communication can be seen when comparing the answers of the business subjects with certified QMS and with no QMS which was also proved when the statistical analysis had been used.

Importance of the very communication consists in its effectiveness. Research results show that 38.3% of organisations do not evaluate the effectiveness of communication activities, 28.9% of them evaluate these only in special and well-grounded cases and 31.1% of them evaluate communication effectiveness regularly.

When drawing the conclusion concerning the analysis of the present state in the field of commu-

Table 1 Formulation concerning the significance of differences between various categories of the features in the customer communication.

Requirement	Subject of business	Duration of action in the market	Size by number of employees	QMS
Importance of communication and its influence on the whole business subject run	–	–	–	–
Documentation setting out the rules for internal and external communication	–	**	***	***
Ensuring customer communication	*	–	–	–
Inform employees about the objectives to be achieved	–	**	*	–
Inform employees about the results	–	–	–	–
Evaluating the effectiveness of communication	–	*	*	–

Source: Own work.

Comments: *** Very high significance, ** High significance, * Significance, – Don't significance.

nication with customers in business subjects on the Slovak market, we came out from the statistical analysis results that can be seen in the Table 1. To find out whether the observed differences are caused by the accidental effects or they are the result of systematic influence, we had to test the answers by χ^2 – test, figure p-factor and use the rule for significance examination.

Results in the Table 1 show statistically significant difference with the level of importance 0.1% in two categories of class marks during the work-out of the documentation setting the rules of internal and external communication. One of the categories is QMS, where mainly the business subjects with certified QMS work out and follow the documentation. This is a result of the very established and respected QMS according to the requirements of ISO 9001:2008, because it also includes the requirement for documentation. Second category is the size of business subjects in relation to the number of employees, where the documentation is worked out and respected mainly by middle-sized and large business subjects, or more precisely concerns. With the probability of 99%, it is possible to state that there is various differentiation of answers distribution according to how long the business subjects have performed their business activities on the Slovak market.

2.2 Summary – Strengths and Improvement Opportunities

Analysis of the present state in the field of communication with the customer showed the strengths of business subjects and revealed the areas which need to be improved.

Strengths arising from the results of the analysis (Urdziková, 2010, p. 100):

- Business subjects place great emphasize on communication with their customers, they use it actively, many of them use it during all the activities of quality spiral and at the same time, they utilise different tools of communication. This is considered a good assumption to customer orientated business.
- Majority of business subjects, regardless of QMS and business subject, regularly inform their employees on goals and results of the department functioning, or more precisely the business subject.
- Improvement opportunities arising from the results of the analysis: (Urdziková, 2010, p. 101)
- Unclear rules of internal and external communication.
- 12% decrease in the trend of applying the external communication during all activities of the quality spiral,

- Revealing of all significant differences when applying the communication with customers among the business subjects with certified QMS and those with no QMS. These differences are also proved in dependence on how long the business subjects have performed their business activities on the Slovak market as well as the different size of business subjects,
- There are also low levels of informing the employees on goals that should be reached within the business subject. This was proved in business subjects operating on the market less than 5 years.

3. Discussions

Despite revealing certain deficiencies in the business practise, it is still possible to say that communication is one of the crucial and effective tools in application of customer orientated business. On the one hand, it enables business subjects to find out about the needs, expectations and requirements of customers. On the other hand, it enables these subjects to gain the feedback from their customers concerning the products and services quality that will definitely reflect in their aftermarket behaviour (Jakábová, 2004; Witkowski, 2009; Horová, Taušl Procházková, 2011; Čambál, Cagaňová, 2010).

As it may be seen from the research conclusions (expressed on confidence interval 95%), the business subjects on the Slovak market are still supposed to improve. In the first place, they should become aware of the fact that the communication process necessarily forms the part of the complaints management and is well founded. The positive effect also has implementation of the existing ISO 9000 series of standards into business practice, which was reflected in a higher level of complaints management. Comparison of the researches results showed 10% decrease in the progress and development of the businesses as a result of the global economic crisis (started in September 2008). Businesses are gradually getting into a recession. It caused that many of them had to fight with the existential problems.

Conclusion

The aim of the article was to point out the communication process in the complaints management and to emphasize importance of the communication in the business practice. The negative customer experience with the product quality and services expresses as a

complaint or a claim. However, successful resolution of a complaint gives rise to greater customer satisfaction. This fact becomes evident at the economical and financial profit of the organization, as well.

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Mgr. Ing. Jana Urdzиковá, Ph.D.

Slovak University of Technology in Bratislava
Faculty of Materials Science
and Technology in Trnava
Institute of Industrial Engineering
Management and Quality,
Paulínska 16
917 24 Trnava
Slovak Republic
E-mail: jana.urdzikova@stuba.sk