# Uncertainty reduction in the middle of organizational crisis: application of interpersonal communication and leadership communication

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**Abstract**

The changing or a dynamic organization structure is one of the dynamic things which always happen in an organization. It was being a focus, when an organization try to change the organization structure in repeated ways and it make a communication crisis in the internal of it. This kind of crisis could make an uncertainty to the worker who involved in the structure, the change of leadership who leads them and also the policy could also affect to the organization itself. This article will explain the communication between the boss and their staffs. How the communication technique of a leader could affect to the uncertainty situation when the organization is in dynamic situation. By literature reviews and within the theories, and by some studies that has been doing, this article will discuss the comunication theories to reduce those uncertainties and will explain of how a very dynamic organization fenomena would need communication as one of the tool to prevent the internal crisis in the organization.

*Keywords*: organization crisis, interpersonal communication, uncertainties reducement, leadership communication

## 1. Introduction

When an organization was entering the crisis zone, the information that is needed by the employer were increased rapidly (Heide & Simonsson, 2014). Nadler and Tushman (1997) were realized that all wishes in the internal of the organization was out of management jurisdiction. As a prevention of that crisis, the employee was doing some responds. They worry for the change of communication pattern make the uncertainties situation is increasing. They will try to search any information as a respond of the condition they are facing at that moment. This search of the information can be a negative thing if it could not be handle well by the management and could threat continues of the organization lifetime. To face that condition, a try to make a good environment and to keep the organization in the same concept is by doing a good communication between the personnels. This activity could grow an effectiveness of communication between the employers and with the top management level since the communication between those two are very vital. The effective communication will lead to the success of leadership (Frese dkk., 2003, Barret, 2006, in Luthra and Dahiya, 2015). Because of that, a good leader is a leader who consciously know that productive communication is not running in one way, there are 2 factors to complete the process, it is to speaking and to listening with a good understanding between 2 people. This journal will explain from the theory of communication crisis, the communication interpersonal, and a leadership communication and extend it to be an explanation of how the interpersonal communication and the leadership communication are the way to reduce the uncertainty situation in the middle of organization's change. The solution of the changing organization problem could be explained by how the new leader should do with their employee. It will be explain not only about how the problem could rises, but also how to do as a good leader with interpersonal communication and leadership communication.

## 2. Literature review

*2.1. Change / organizational restructuration*

Grouard and Meston (1998, in Georgiana, 2010) concluded that organizational change is the process of radical or marginal transformation of the structures and competences set up in the process of the development of the organization. Usually, institutions transform themselves in a rather incremental way and not discontinously (North, 1990 in Georgiana, 2010). Georgiana (2010) said that organizational change has two kinds of triggers, namely internal factors and external factors. Internal factors include all factors which triggers the change from internal organizations themselves. Grouard and Meston (1998, in Georgiana, 2010) have identified two internal factors, appointed and determinants of change, such as development of the organization and its growth and the management's vision. While, for the external factors include technology development, economical factors (globalization market, economy crisis, market segment differentiation, free movement of capital at glocal scale), socio-cultural factors (demographic situation, the polarization of society, changes in the system of values and aspirations, level of corruption in the country), politico-legislative factors (attitude towards entrepreneurship, nationalization of organizations, political instability, inefficient legal basis), and ecological factors (climate change, negative influence on the ecosystem).

Tuschman and Romanelly (1994, in Georgiana, 2010) said that the life of organizations is characterized by the convergencies of long and stable periods, where change is limited to incremental adjusment which strengthen the strategic guidelines that already chosen and followed by ewvolutionary changes in short periods. This incremental adjustment could bring organizations to radical changes that lead to its recovery or bring themselves to progressive and continuously loss. This kind of adjustment such as political changes could change the condition and compotition of government then make some impacts to organizations that closely related to government rules. SKK Migas is one of organization that closely related to government policy. When the political climate change, the compotition of managerial management of SKK Migas could easily change.

*2.2. Situational crisis communication theory*

Elizabeth L. Toth define organizational crisis as an unpleasant condition, a tipping point, an accident, a calamity or a catastrophe (2007, in Kyhn 2008). Mitroff and Anagnoss (2001, in Kyhn 2008) has explained that a crisis is an event which has a potential impact to the entire organization. By having the right plans and capabilities before a crisis occurs, the damage of the crisis can be minimized and the time to recover from crisis can be shortened immensely. Within a certain time, organization must directly respond to a crisis (Benoit, 2004 in Kyhn, 2008), which means that a planning does not always prevent a crisis (Mitroff et all., 1987 in Kyhn, 2008). In many previous articles, the needs to move away from the near-sightedness focus on external communication to the media and organizations instant problems, to other areas which include different stakeholders (Kent, 2010 dalam Adamu et al., 2016). The process of developing crisis and how to manage crisis is closely related to internal communication process in the organizaation (Heide and Simonsson, 2015; Taylor, 2010; in Adamu et al., 2016). Internal communication could help prevent crisis, create positive reaction, minimize the damage and at the end produce a positive result (Mazzie and Ravazzani, 2013 in Adamu et al., 2016), which refers to relation between the managers and their staff through the organization communication before, throughout, and after crisis (Johansen et al., 2012 in Adamu et al., 2016).

Situational Crisis Communication Theory (SCCT) has three core elements, namely the crisis situation, crisis situation responses, and a sistem for matching the crisis situation and crisis response strategies (Coombs, 2006 in Kyhn, 2008). By confidently, effective communication is the key success for a company and it depends on the character of crisis situation that experienced by the company. This theory helps to explain and show the prescriptive action to deal with communication crisis (Heath and Coombs, 2006 in Kyhn, 2008). Coombs's assumption of the theory is one of the lack of theory itself, which is assume that all the stakeholders have same perception about the crisis they are dealing with. In fact, every groups of stakeholders (i.e. internal stakeholders, include employees) see the crisis problems differently. From general perspective, Frandsen and Johansen (2011, in Adamu et al., 2016) have explained practically that internal crisis communication has been looked as a message sender that focused on orientation of how management communicate to their employees in crisis situatuin, even in some researches about internal crisis communication has more attention to the psycological aspects of internal organization itself.

*2.3. Interpersonal communication and dyadic communication*

Interpersonal communication is a procedure by which swap information, feelings and impart through verbal and non-verbal messages (Sethi and Set, 2009). Hartley (1999, in Sethi and Seth, 2009) indentified interpersonal communication as having some characteristics, such as communication from one person to another,

communication which is face-to-face, and both the form and the content of the communication reflect the personal characteristics of the individuals as well as their social roles and relationships. Hartley (1999, in Sethi and Seth, 2009) also said that interpersonal communication includes the following aspects, such as non-verbal communication, reinforcement, questioning, reflecting, opening and closing, explanation, listening and self-disclosure. Basic process of a communication is an idea where the sender chooses to decipher the perception into a message, and subsequently conveys the message through some communication medium to another person, called the receiver, who construe the message and supply feedback to the sender indicating that the message has been comprehended and fitting action taken (Sethi and Seth, 2009). The fact is false information could happened anytime, such as when a message is not articulated with the right intonation or can not be sent from a media as it is, then the meaning of the message could be misunderstood and get negative effect. Interpersonal communication application in organization become one of attention in the middle of organization crisis that lead the internal communication crisis bring negative effect for the life of the organization itself.

Interpersonal communication divided into dyadic communication, public speaking, and small-group communication (Sethi and Seth, 2009). Sethi and Seth (2009) defined dyadic communication as simply a method of communication that incolces only two people, such as a telephone conversation or even a set of letters sent to and received from a pen friend, which is easy to receive feedback from the receiver. Goldhaber (1993) described that dyadic organizational communication research starts from relation between human, group dynamic, and industry of psychological motivation and administrative science based on cognitive perspective and also affective in an individual inside organization that lead to organizational behavior. Some researchers explained in dyadic communication needs a supportive climate to build a relation between persons which impact to the effectiveness of communication in organization. He said that organization climate is important compared to ability of communication or even technical organization efefectiveness.

*2.4. Uncertain reduction theory*

Charles Berger and Richard J. Calabrese (1975) whose developed the Uncertain Reduction Theory that describe about the process of communication between two individuals that do not know each other become familiar until they decrease the uncertainty in communication, then decided to continue the communication or not. This theory can be applied in some context of communications, such as interpersonal communication, group communication, and organizational communication. The uncertainty that caused by not having enough information about others lead to how people behave to other people that they known for the first time. Berger and Calabrese (1975, in West and Turner, 2008) persuaded when two people met at the first time, they start to increase the ability of how to predict others in attempt to expel their feelings from their experiences. This prediction interpreted as an ability to estimate the choice of behavior or the possibilities of choices that are available for themselves or their counter part. Vuuren and Elving (2008, in Yasim et al., 2016) explained that organizational individu will search for information from other source about the unknown person, especially when they unsatisfied with the information he/she got. They will ask about who he/she is, what he/she wants, behavior, etc. McKay et al. (2013, in Yasim et al., 2016) also explained that member in organization will search and clarified about one and other reaction from communication network which aims to make sure that they understand each other. These will attempted them to decrease the uncertainty, but could be a fire back for the organization itself because of the emergence of speculations and improper asumption where circulated among them. Coombs (2006, in Kyhn, 2008) clarified that "people" is the first priority when organizational crisis happened. Supporting and instructing information is the first thing that has to be done for internal employee to help them decrease uncertainty and the dangerous of potential crisis.

*2.5. Leadership communication*

Leadership is a concept that became an image of individual's capability as a product of individual's experience, and therefore unlikely to be influenced by efforts to become more adept as a leader (Ruben and Gigliotti, 2016). It can be concluded that leadership is the basic capability that a leader need to have. An individual's understanding of leadership may contribute both to the goals that are established and to the strategies adopted to achieve these goals as well as the particular factors that become the focus of scholarly investigation (Ruben and Gigliotti, 2016). Leadership can lead the team to be in the leader's point of view. De Veries et al. (2010, in Erben et al., 2016) found that the style of communication appears to be the main ingredient in charismatic and employee-oriented leadership style. Leadership communication defined as systematically inspirator and supporter of individu or groups for sharing information using good communication ability (Luthra and Dahiya, 2015). Leadership communication is a complex process, starts from how to develop strategy to communicate, exact writing, and speaking effectively to control hard situation. Luthra and Dahiya (2015) said that leadership communication has three aspects, namely core, managerial, and corporate. Core

aspect is the aspect that every individu must have, such as writing and speaking. Cultural understanding in each employees, a good listener, forming team and management meeting, and provide training facilities and accompaniment are one of skills to manage a team and a managerial aspect that leaders have. Corporate aspect is the highest level which how a leader can maintain relation between employees, keep the communication during the process of crisis or change. These aspects could lead about trust from the employees to the managers. Trust is an important tool to increase reability, integrity, and added value in uncertainty, such as sharing important information between superiors and subordinates. By building trust, employees will be easily followed every sight from their manager and decrease the uncertainty in the middle of crisis. As explained before, communication will significantly affected the leadership effectiveness. Differences between leadership style also givi different impact to the communication effectiveness. Luthra and Dahiya (2015) mentioned some style of leaderships that affect to the communication effectiveness, such as style acoording to the situation, goal oriented leadership style, directive leadership style, employee oriented, leadership style according to the intellectual level, behavioral leadership style, and action based leadership style. Each leadership style shows how to communicate differently and it's not always effective communication.

## 2. Research methodology

This research conducted by using qualitative approach from primary and secondary data gathered by the researcher. Primary research data is obtained from observation and interview results, wheres secondary data is obtained from previous research and any other scholars source. This qualitative research is used to examine what happened in the field to be compared with existing theory. Interpretation of the finding will be presented in new form.

## 3. Results and discussion

A dynamic organization is a fenomena which often happen in a big company or in a big structure of an organization. Those changes was happened because of the changing of the communication pattern in their internal. The patterns that we discuss was build a worriness between the workers. Uncertainties will come up and many unnecessary information would be a time bomb for the organization itself. One of the case about the topic we discuss is the changing organization inside the SKK Migas structure. SKK Migas had built by the government of Indonesia with purpose is to handle and to develop the oil and gas industry in Indonesia. Previously the name was BP Migas, built by the government to based on the regulation of UU No.22 in 2001. Sadly in 2012 the Constitutional Court has decided the regulation was wrong and was not accomodate the UUD 1945, that decision has made BPMigas to be suspended and abandoned. The situation at that time leads the insitution had no obligation to rule the oil and gas industry. Then, based on President regulation No.9 year 2013 government made a new temporary institution called SKK Migas and has made a various changes in management in a period of time. The very dynamic flow in Indonesia's government also made the institution had through the changing in top management composition in an unpredictable period. For almost 4 years, SKK Migas had doing a restructurization for 3 times and not only changed the organization structure but also the personnel inside the top management level. This rapidly changing caused the communication flow inside the organization become negative. This not very good communication aspect had showed a communication crisis inside the organization that can cause another crisis from the organization itself.

Changing in organizational structural management is one of process that could lead to a decreasing performance, especially about communication that lead to a crisis condition. Changing management do not always bring the organization to a solution about crisis. In SKK Migas, the interview has been done with one of manager in SKK Migas. She has been a manager for six years and ever experienced many changing in organization. From her, we can get information that changing leader does not mean that the leader could bring the employee to a stable condition. Each leader has their own style to bring the organization to their point of view, but indirectly, it will affect the employees to make their movement about the uncertainties that will come up from the new management or the new leaders. New policies from the management do not always satisfy the employees. Too many uncertainties lead to a dangerous situation and stability of communication in internal organization. The employees will find much information in the middle of the crisis. If the information is positive, then it will lead to the best solution in the middle of crisis. However, the information is growing not only in positive ways, but also to the negative ways. If the negative informations is developing around the employess, then the empoyees will be demotivated and it will lead to organizational collapse. Reduction of employees performance will lead to unsatisfied condition that caused the resignation of the employees.

Not too common about research that explain about interpersonal communication role for responding the organizational crisis. However, many researches has implicity explained that interpersonal communication is needed in the middle of organizational crisis (Laajalahti et al., 2016). Many researchers argued that communication crisis and management expert need to listen to a group, indentified with which they will negotiate, open minded, honest and clean, and also can be a negotiatior with skills (Falkheimer and Heide, 2010,

in Laajalahti et al., 2016). Management, as decision maker in sustainability in organization, will analyze and decide a solution for crisis in organization. This analysis and solution cannot be separated from how management sees and evaluates the employee's in crisis condition. Organizational crisis has been learnt by many researchers about the effect in psychological side of the employees. However, the crisis is about how the management communicates with the employees. How to communicate with each other employees is determinded as interpersonal communication to be the solution of the crisis internal communication. From the interview, we know that management need to know their employees individually. Knowing about their skills and mapping their most problems in the middle of the crisis can help the new management to bring the employee to a stable condition, out of uncertainty condition. Building trust to the employees can be built from the one-to-one conversation. Not only many conversations, but also quality conversations are needed between the employees and the management. The employees need to know deeper about their new leader.

The management need to communicate important informations to the empoyees about the uncertainty condition that they have to accept. Leadership communication roles as supporting effective communication in the middle of crisis. With good and effective leadership communication, the flow of information received by employees and provided by management will be in accordance with the conditions of the organization. Employees will believe with management and management leadership can also control the information circulating among employees. It also indirectly controls the uncertainty conditions felt by employees. Leadership type owned by a manager also needs to be considered considering how they communicate these issues well to employees also impact on employees' trust towards their leaders. In a case study within the SKK Migas organization, the chairman who has served in the past few years is a leader who has different backgrounds with different ways of communicating. These different policies led to a radical change in organizational structure in which several departments expanded the declining and declining notes. Not everyone can understand the reason why a change of organizational structure like this can be. This is enough to impact the increase in employee uncertainty that feels diminished structure, whether it will be eliminated and its function is not considered anymore? Things like this can trigger a negative impact on employee performance. Interpersonal communication from management to employees is an important thing that management can do to explain this subject directly, giving more time to understand each other about the condition of the organization so that employees remain motivated to work.

## 4. Limitation

The results from literature review and interview has been explained before to review how changing in organization can effect a crisis in internal communication of organization. However, more comprehensive result will be conducted if there are more samples of data from more interviewees. Limited data and access can be minimized also by interview from higher level of management.

## 5. Conclusion

Organizational changing means organizational management and different leaders are going to lead a new organization with old employees. New leaders mean new individuals that lead the organization to their point of view that caused the rising of uncertainty to the employees. New styles of leadership also lead to new style of organization policies and it is not always approved by employees because the changing is too fast. At this condition, employees need to know many important news from the new leaders of management to reduce the uncertainty between them. They need to decide what they will do in the new terms of leadership. It will also keeping the organization stay stabile in the middle of crisis. Losing employees is not good for the life of the organization, that is why the new management need to know about their employees as well as the employees know about their management. Personal interaction leads to interpersonal communicayion could be the best way to be a solution to get out of this crisis condition and also it can help the management collects information about their new employees. They need to listen and understand about what is the concern thing that the employee need to know from them about the sustainability of the organization. These kind of management need leadership communication as well, so the employees will respect their management. So, the need of interpersonal communication and leadership communication is important as one of solution to reduce the uncertainty in the middle of crisis internal organization communication.

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