

## THE ROLE OF FORMAL AND INFORMAL COMMUNICATION IN SHAPING SUPERIOR–SUBORDINATE RELATIONSHIPS

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**Purpose:** The purpose of this article is to analyze the functioning of two primary forms of communication—formal and informal—in modern organizations, specifically in the context of superior–subordinate relationships.

**Design/Methodology/Approach:** The results presented in the article are based on qualitative research conducted by the authors (10 problem-focused questions with 81 respondents). The aim was to obtain a comprehensive picture of the formal and informal communication processes occurring between superiors and subordinates and to categorize the fundamental components of these processes.

**Findings:** The research indicates that traditional, one-way communication schemes are no longer used in modern organizations. Formal communication from superiors is typically supported by informal messages, which serve either as preparation for a formal message or as a follow-up to supplement the formal message.

**Research Limitations/Implications:** Based on the categories of communication processes identified in the article, it would be desirable to conduct quantitative studies to determine the scale and frequency of the communication processes identified in the qualitative research.

**Social and Practical Implications:** The content of the article informs managers and the institutions that train them of the need to change their approach to communication between managers and subordinates. It is essential to move away from viewing informal communication primarily as dysfunctional and to recognize its role and significance in the processes of conveying and interpreting formal messages.

**Originality/Value:** The article highlights new trends in communication processes between superiors and subordinates, redefines the role of informal communication, and outlines a range of possible schemes for integrating informal and formal communication in superior–subordinate relationships.

**Keywords:** formal communication, informal communication, superior, subordinate.

**Category:** Research paper.

## 1. Introduction

Communication is a powerful tool as both the catalyst and regulator of human relationships, and theorists have long been interested in the issue of communication between superiors and subordinates. However, there has been a noteworthy shift in how the role of each party is perceived. Even relatively recently, there was a prevailing view of superiors as dominant, while subordinates were regarded primarily as providers of feedback (Fenn, Head, 1965). In 1970, James Granger stated that, in order to avoid the majority of communication problems, companies should build inter-organizational trust, encourage management to include a human factor in their message, and promote integrity—all of which can be achieved only with informal communication. However, some researchers claim that informal communication is a dysfunctional derivative of more organized and desirable formal communication. Makowiec and Potocki (2014) defined dysfunction in an organization as any activities or conditions that may disturb its optimal functioning. Regarding dysfunctional forms of informal communication, Pophal (2001) identified avoiding formal channels of communication, making decisions based on fragments of information (information gap), ad hoc communication between workers (which leads to failure to provide time and space for discussion), and lack of ensuring the appropriate level of redundancy of information through proper channels. Kozak (2009), meanwhile, argued that any behavior or action of an employee that is not in accordance with organizational values or culture can be labeled as pathological. These arguments point to informal communication as something undesirable that should be limited to a minimum.

The exchange of information, ideas, and feelings enables individuals to establish and maintain social bonds. Berger and Calabrese's (1975) uncertainty reduction theory demonstrates how communication aids in reducing uncertainty in new relationships by fostering understanding and closeness. This process is particularly crucial in personal contexts and broader professional interactions, where communication functions as a tool for both structuring information exchange and building a sense of community.

In the management field, communication is a critical element influencing operational efficiency and the organisation's ability to process complex information, which is essential for making immediate and strategic decisions. Effective organisational communication is both a means of conveying information and a tool for managing people, shaping organisational culture, and implementing change. Communication between superiors and subordinates is particularly intense, occurring continuously and daily. As such, superiors constantly face decisions about how, what, when, to whom, and in what mode to communicate to achieve the desired outcomes. One of the main distinctions in communication processes between superiors and subordinates is that of formal versus informal communication.

The process of constructing communication strategies for superiors and subordinates, including the selection of content communicated through formal or informal channels, is undoubtedly of great importance, as it determines the atmosphere and level of trust in the team and thus affects the effectiveness of the management process. However, there is a surprisingly scant amount of prior research on this issue. The primary goal of this study is to address this gap through qualitative research attempting to explain the reasons for the choice of specific forms of communication and to identify appropriate sequences of formal and informal communication to meet the goals of management. Analysis of conversations, interviews, and observations regarding formal versus informal communication was the basis for interpreting the results of this study. The practical aspects presented in the research and reflected in the discussion will contribute to a better understanding of the dynamics of communication within organizations. The remainder of the paper is divided into three main parts. The first part covers the theoretical background; the second part presents the results of the study, focusing on the aspect of formal communication and touching on informal communication; and the final part summarizes the findings of the research.

## 2. Methods

The research that forms the basis of much of this article was conducted in December 2013 and January 2014. A qualitative methodology was employed to avoid imposing predefined response categories on the participants. The primary goal was to obtain authentic personal narratives regarding the perception and evaluation of communication processes between superiors and subordinates in contemporary institutions. The research instrument comprised ten open-ended, problem-focused questions that allowed respondents to express their views, reflections, and experiences. All questions pertained to formal and informal communication and the methods and circumstances of their use. To mitigate the typical risk of obtaining a meagre response rate, cooperation was solicited from individuals who had previously participated in classes conducted by the authors. The questionnaires were sent to approximately 500 people who held managerial roles, and 81 responses that qualified for analysis were received. This high response rate was likely influenced by the respondents' previous interaction with the authors and desire to help specific, non-anonymous individuals. However, this context did not affect the content of the responses, as all participants were informed about the purely scientific purpose of the study and assured of complete confidentiality and anonymity.

The study's primary objective was to identify how communication phenomena in superior–subordinate relationships are perceived and structured. This initial stage of the research process serves as the foundation for more in-depth empirical studies based on the identified categories of phenomena. This approach proved necessary given the relatively limited number of sources

dedicated to discussing the issue of communication between superiors and subordinates. After a general review of the collected material and confirmation that its quality met expectations, a detailed analysis of the responses began according to the structure derived from the questions. Despite the diversity of respondents' employment locations, a precise categorisation of responses emerged after analysing a random sample of the responses. A given response was either assigned to an existing category or considered for a new one. Subsequent analyses contributed fewer unidentified categories, ultimately leading to a saturation point in the material's structure. Because the respondents' answers were spontaneous and unstructured, statistical analysis was not performed, as it would be overly influenced by interpretations imposed by the researchers. However, a general assumption was made that the identification of individual categories, discussed in the later part of the study, would be carried out with the utmost care and only when a particular type of response was expressed by at least a dozen or so respondents. It might be argued that half of the collected material would have sufficed to identify the final response structure. However, the reality was more complex: up to the final analysis, the last responses provided interesting and vital information, often consistent with previously obtained information but revealing new details in different contexts. It is for this reason that it is advisable to seek as comprehensive a research sample as possible, even in qualitative studies.

### **3. Formal Communication**

Research on social phenomena often begins by defining the terms to be analysed and referencing the phenomenon's history. Early discussions on formalising communication in organisations can be found in the works of Taylor (1911), Weber (1947), and Fayol (1949). These classics of management theory were proponents of hierarchical and highly formalised communication, closely aligned with their broader conceptual frameworks. Similar approaches can be observed today. For example, Prestia (2021) defines formal communication as the flow of documents that are primarily tied to organisational policies, unidirectional, and oriented towards maintaining high accuracy and compliance with other established rules.

When employees communicate formally, the communication typically occurs in the context of task execution or goal setting related to work. As Koch and Denner (2021) note, such communications include task assignments, meeting arrangements, and information dissemination about decisions. These statements are not contradicted by research findings but are enhanced and enriched by the identification of reasons or premises for using formal communication. The relationships between superiors and subordinates is the focus of the present research, analysed from the perspective of respondents, who are managers.

The collected materials were analysed, and respondents' comments on the role and methods of formal communication were categorized into several groups.

The first group includes remarks on the regulatory and organisational nature of formal communication:

- "Formal communication is used when I want to convey information essential to the company's functioning to employees".
- "Formal communication is necessary for proper job execution and reliable accountability for its outcomes".
- "Formal communication is an excellent tool in situations where precision and clarity are important".
- "The role of formal communication is to provide clear information to recipients".
- "Formal communication should ensure the maintenance of standards and compliance between various rules in the company".
- "Formal communication is necessary to ensure uniformity of action and consistency of company policy".
- "The task of formal communication is to convey official management decisions to employees".
- "An important feature of formal communication is its availability to everyone who might be interested or affected by the information".

The second group of responses relates primarily to issues of responsibility, including its allocation, division, and enforcement:

- "I use formal communication when the situation requires defining responsibility for decisions and their implementation".
- "People often try to evade responsibility by blaming others. Formal communication serves as a 'shield' to verify who is right".
- "The precision, transparency, and organised structure of formal communication make it useful in many difficult or even conflicting situations".
- "Formal communication is advantageous when employees from different departments participate in a project, and thorough coordination of their work is required".
- "The importance of formal communication increases in long-term projects. It is crucial to track the evolution of decisions".

The third group of premises for formal communication is psychosocial in nature and relates to trust. The following comments from our respondents illustrate this:

- "I use formal communication with people I do not trust".
- "I resort to formal communication when dealing with a difficult, sensitive issue, and I am unsure how the person involved will react".
- "I rely on formal communication when an employee behaves poorly, and clear expectations and consequences must be established. I want to have documentation of my actions".

- “When there are doubts or differences of opinion, it is worth referring to formal communication because it inspires trust as it is believed to be verified and confirmed by appropriate company authorities”.
- “When I do not fully trust someone, even while using formal communication, I prefer to secure myself by involving others as witnesses”.

In summary, the main characteristics our respondents attributed to formal communication are: clarity, conciseness, official documentation, consistency, unambiguity, certainty, availability, and durability. Some respondents expanded their assessment by characterising certain features of formal communication as advantages. The most frequently mentioned of these were clear information structure, clearly defined terms, linguistic correctness, careful adherence to forms related to respect for the recipient, controlled circulation, and defined access rules.

Meanwhile, the weaknesses and limitations our respondents associated with the use of formal communication include: a high level of formalisation discouraging or even preventing questions, rigidity, excessive bureaucracy, limited innovation, and slow implementation of changes. More detailed comments on the disadvantages and limitations of formal communication were also provided:

- “An excess of information or regulations leads employees to skip or ignore some of them”.
- “A high level of formalisation slows down decision-making processes”.
- “The formalisation of communication hinders the exchange of ideas and hampers innovation processes”.
- “Employees may find formally structured messages difficult to understand”.
- “Excessive formalisation of communication can hinder the building of positive relationships between superiors and subordinates by creating a sense of excessive distance”.

In concluding this part of the discussion, it is also worth mentioning the opinions of respondents related to “compromise” between communication types:

- “It is important for the company and its employees to find a balance between formal and informal communication, which should allow for order and consistency in management without losing the necessary flexibility and dynamism”.
- “Managers should skillfully navigate between formal and informal communication channels, striving to maintain coherence and balance”.
- “One of the main tasks of a manager is to create a friendly and balanced communication environment that allows for adapting the communication process to the requirements of the situation. A good manager should be able to choose when to use formal communication and when informal approaches will yield better results”.

According to Whittaker et al. (1994), today's most common formal communication channels are documents, memos, emails, and official phone calls. Moreover, the COVID-19 pandemic has significantly increased the use of tools like MS Teams and chat services for formal information exchange (Viererbl et al., 2022). Our research fully supports this observation.

The choice of communication methods is linked to the roles participants play in the organisation and their positions within the organisational structure (Chen, Krauskopf, 2013; Lai, 2016). Formal communications are often directed downwards in the organisational hierarchy, from the superior to the subordinate. In less bureaucratic organisations, we increasingly see communications moving upward as well, in the form of opinions or suggestions from subordinates (Holtzhausen, 2002). According to our findings, these upward communications often take the form of informal communication.

#### **4. The Role of Informal Communication in Management Processes**

The first signs of changing attitudes towards communication and the recognition of the existence and role of informal communication can be found in the works of Barnard (1938) and Mayo (1945). They highlighted that informal communication significantly influences the sense of community among employees, helps establish norms and rules of conduct, and is a crucial factor in job satisfaction.

In many sources, including the most contemporary, informal communication within an organisation is described as exchanging thoughts, opinions, or views on topics unrelated to work (Fay, 2011). Informal communication occurs when employees, usually at the same level within the organisational structure, engage in informal roles unrelated to their positions (Koch, Denner, 2022; Lai, 2016; Wolfgruber et al., 2022). It is unplanned, is not bound by specific expectations, and has an unofficial character (Hanlon, 2021). Research shows that informal communication occurs in corridors; common work areas; or social spaces like kitchens, dining rooms, and restrooms. It is also increasingly conducted using modern communication methods such as Messenger, MS Teams, Skype, SMS, and email (Viererbl et al., 2022).

Many authors assert that informal communication channels play a crucial role in organisations, facilitating better and faster dissemination of information, and that the obtained information is often considered more insightful (Lai, 2016). Informal communication contributes to employees' sense of belonging to the organisation by providing access to information that might otherwise be inaccessible, offering opportunities to share their opinions, and increasing their participation in decision-making processes (Wolfgruber et al., 2022). Effective informal communication is essential for job satisfaction (Špoljarić, Verčič, 2022) and can also enhance a company's financial performance (Park, 2022).

Before discussing the analysis of the empirical research findings on informal communication, it should be noted that our research indicates a significant increase in the importance of this form of communication. More importantly, we note a fundamental shift in its role, particularly in superior–subordinate relationships. For this reason, the research suggests that basic assumptions about the relationship between the two types of communication need to be revised, as contemporary organisations exhibit a high degree of mutual dependency and complementarity between them. To avoid excessive generalisation, we divided the scope of relations between superiors and subordinates into five areas: operational management, task execution processes, the sphere of behaviour and relationships among team members, and the areas of motivation, employee evaluation, and professional development. Each area demonstrates different communication process patterns involving formal and informal communication.

The area of operational management typically functions under time pressure, customer pressures, and disruptions of various kinds. Work process methods are highly formalised and precise, ensuring correctness and efficiency. The role of formal communication is to imbue these processes with rationality and obligation. However, the aforementioned pressures and disruptions make this form of communication insufficient. According to our respondents, situational or informal communication is essential when:

- Formal procedures do not account for the specifics of the situation at hand.
- An increase in speed is required.
- Changes in task allocation are needed.
- Safety rules are being violated.
- Established rules of cooperation between employees are being breached.
- Unethical behaviors occur.

In these cases, informal communication is an essential, sometimes necessary complement to formal communication, often functioning in a difficult-to-distinguish combination. In this context, informal communication's main features are speed, responsiveness, and intentional alignment with formally set goals. This creates a personalised substitution within the organisational system, which can sometimes use both types of communication simultaneously or alternately. The distinctive feature of such communication is the parallel and non-conflicting action of both communication types. There are, however, many risks associated with the lack of formal grounds for action, the absence of proper documentation, neglecting the individual sensitivities of some people, or using inappropriate language forms.

Interpersonal relationship regulation and personnel decision processes differ from the operational area in that informal communication mainly occurs in the phase preceding decisions and formal communication. One respondent's statement illustrates this as follows: "When it comes to issues related to an employee's functioning within the team, it is better first to have an informal conversation and warn them that if the situation does not change, there will



be consequences". Another respondent noted: "There should be a principle of two conversations: the first, informal, indicating that something is not right, and if the situation does not improve, the second conversation should be completely formal". Another respondent said, "Before making difficult decisions, it is worth having informal discussions to understand employees' expectations". We also observed a theme of reducing tension and resistance to planned actions: "Informal communication can be used to gently convey information about upcoming difficult decisions and reduce uncertainty and anxiety".

The next area examined is employee motivation. In this case, there is a clear trend towards using informal communication to explain or add commentary following the transmission of formal messages about decisions. However, occasional remarks also suggested a desire to gather informal opinions on planned motivational actions: "It is good to know employees' expectations and needs beforehand". Managers, however, are aware that this might create expectations they cannot meet: "You should not ask employees about their opinions on bonuses or awards in advance because they will be disappointed if their expectations cannot be fulfilled." For this reason, the predominant trend is to use informal communication in the form of commentary, explanation, or even justification: "I use informal communication techniques to convey information about the background of decisions to reduce dissatisfaction caused by them". "I prefer conversations in a more private setting when mistakes have been made. It is easier to admit that something was not done as it should have been". Sometimes, informal communication serves as a specific form of compensation when a satisfactory financial solution is not possible: "If I do not have financial resources, I at least praise, congratulate, and promise informally and individually. I cannot do it publicly or on a large scale because they will not believe me, and I do not have the appropriate means".

The next area is employee evaluation. The focus here is on ongoing evaluation, as periodic evaluations are governed by somewhat different principles, typically being highly formalised and following established procedures. For example, in the case of motivation, communication regarding evaluation usually occurs after the events to which it pertains and takes the form of commentary, explanation, or, occasionally, justification. Respondents explained it as follows: "It is better to communicate unsatisfactory evaluations informally to avoid hurting the employee and to explain the reasons for unsatisfactory behaviours clearly". "Sometimes evaluations are made by comparing an individual with others, either better or worse. This should not be done publicly or formally". There were also calls for combining formal and informal communication: "Formal and informal communication should be combined. Each has its drawbacks, and their combination helps avoid these". "Combining formal and informal communication helps show the strength of the evaluator while also demonstrating a willingness to find a compromise".

The final area examined in the study covers employee professional development issues. In this case, communication was informal and conducted ex-ante. Superiors expressed their opinions on the potential and developmental opportunities of employees, informed them of existing solutions, encouraged them to make efforts, and guided them: "I invite an employee

for a conversation to inform them non-committally that they have a good reputation and should think about what they want to achieve in the future”. “I start with informal communication to inspire the employee to increase their effort, which will facilitate recognition of their value and lead to formal steps being taken”.

The analysis shows that informal communication is a vital management tool that complements and sometimes even substitutes for formal communication. However, one should not underestimate the negative aspects of informal communication. The respondents pointed out several issues:

- “Informal communication lacks credibility. You never know what is true, what is a trial balloon, and what is a rumour”.
- “The inherent selectivity of informal communication means that you think everyone knows about an issue when only some do, creating chaos”.
- “Every company has individuals who are overly active in spreading information and those who are more withdrawn and reserved. This difference in activity creates an artificial hierarchy that does not reflect the actual value of employees”.
- “The plague for the management process is unchecked, piecemeal information or just plain rumours, which intensify especially during change, reorganisation, or layoffs”.
- “Informal communication often serves as a means of self-protection or as evidence in case of conflict or blame assignment”.
- “Unfortunately, with the widespread use of informal communication, there has been a significant degradation, and sometimes vulgarisation, of language”.
- “It can be challenging to distinguish between what is a formal communication and what is a personal opinion of an individual”.

Despite informal communication’s distinct nature, its ties to the work context are undeniable, even if they are sometimes unintentional or dysfunctional regarding the established goals and rules.

## 5. Summary

As revealed in this study, the notion of inherent competition or contradiction between formal and informal communication between superiors and subordinates is not justified in modern organisations. These are not independent, separate forms oriented toward entirely different goals. Rather, in the realm of superior–subordinate relationships, which is the focus of our study, there is a clear trend towards the simultaneous use of both forms of communication. An interesting aspect of our findings is the identification of three groups of premises for using formal communication:

- Regulatory premises: These relate to maintaining order and ensuring the correct execution of tasks.
- Responsibility premises: These involve assigning, sharing, and enforcing responsibility.
- Trust-based premises: These concern the level of trust between the superior and the subordinate.

On the other hand, the study of informal communication allowed us to recognise the distinct content of communication in various areas of personnel management. It helped identify their nature and revealed the existence of several sequences of intertwining formal and informal communication.

The presence of the following communication areas and sequences was observed:

- Exclusively formal communication: Used in highly structured, official scenarios where precision and adherence to rules are paramount.
- Exclusively informal communication: Typically occurs in more relaxed, personal contexts or when quick, spontaneous exchanges are needed.
- Communication processes start informally and move to formality: This sequence begins with informal discussions to gauge reactions or prepare for formal decisions.
- Communication processes are initiated formally and concluded informally: This process starts with official communication followed by informal explanations or follow-ups to ensure understanding and compliance.
- Processes involving multiple alternating cycles of both types: These are dynamic processes wherein formal and informal communication are used interchangeably to address complex or evolving situations.

Our findings align with Koch and Denner's (2021) observation of organisational communication as a spectrum anchored by fully formal and fully informal communication at the extremes. Between the two, they argue that messages often have a "mixed" nature, containing both formal and informal communication elements. The research confirms this insight and further highlights the diverse forms and sequences in which formal and informal communication can be composed and utilised.

In summary, formal communication is derived from the organisational structure and specifies who can communicate what to whom and within what scope. Informal communication complements formal communication by enabling more effective and rapid dissemination of information, and it is essential for fostering organisational belonging and building closer relationships between superiors and subordinates.

Based on this research, formal communication between superiors and subordinates is often enriched with elements of informal communication, whether it precedes, accompanies, or follows formal information transmission. Both types of communication are generally aimed at cooperation rather than conflict or competition.

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