Full Length Research Paper

Project communication management in a Ghanaian bank

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Accepted 02 November 2013

Project communication management is crucial in ensuring that essential information reaches the right project stakeholders at the right time. This study seeks to investigate how project managers in one of the renowned banks in Ghana are managing communication within project teams and the challenges they face. Five project managers were interviewed and the results show that project information distribution is mainly through emails and phone conversations with limited usage of other more advanced information distribution channels. The main challenges of communication included poor internet connectivity, limited bandwidth size hence slow email service, poor video conferencing, and competence gap with technology usage. The absence of project communication plan was also a key issue. The results have several theoretical and practical implications. The results suggest that project managers at the bank could improve project communication by adopting new information communication and technology applications and training of employees on these technologies.

Keywords: Ghana, communication, technology, project, bank

INTRODUCTION

Several banks in Ghana have in recent years responded to the challenges posed by globalization and industry competition through mergers, joint ventures and strategic alliances. This turbulent industry conditions are accompanied by many attempts at radical organizational change and this call for the effective project teams to manage all these changes, transitions and occurrences right from its inception to implementation.

To ensure the success of these projects, much information, including expectations, goals, needs, resources, status reports, budgets and purchase requests, need to be communicated on a regular basis to all the major stakeholders (Cornelius et al 2010; Tsai et al 2012). The importance of communication in achieving project management success has been well noted (Debrabander and Thiers, 1984; Markus, 1983; Falkowski et al., 1998; Amoako-Gyampah and Salam, 2004). Communication provides the avenue through which
personnel from different functional areas within the organization share information critical to the successful implementation of projects. Norzaid et al (2009) indeed claim that middle managers who use the intranet as a means of communication have greater satisfaction. Communication thus becomes the means through which information about the benefits of the project flows from project team members to others, leading to an increase in the shared beliefs about the benefits of the system (Carter et al., 2001; Klein and Sorra, 1996; Nguyen et al., 2004; Toor and Ogunalan, 2008; Norzaid et al., 2009; Tsai et al 2012).

Lack of communication has been cited as the most important reason why many projects fail to meet their expectations (Orr and McKenzie, 1992; Toor and Ogunalan, 2008), especially in developing countries. Kinoti et al., 2013 also identified the existence of effective communication as one of the key supplier relationship management issues that influence implementation of supply chain management ethics in government ministries in Kenya. Unfortunately, little has been done in terms of research on project management communication in developing nations, in particular, the Ghanaian financial sector. Andoh-Baidoo et al (2011) recognized the importance of personal skills such as communication as one of the key requirements in project manager's job openings. The purpose of this study is to investigate how project managers in one of the renowned banks in Ghana are managing communication within their project teams and the challenges they face. This research draws on the project communication and information distributions channels framework originally developed by PMBOK Guide (2008) and Gray and Larson (2008), which is used to share information among project stakeholders.

This paper is structured as follows. First, we present a summary of relevant literature. Second, the proposed theoretical framework is outlined, explaining all the variables, and the method of measurement. Third, sample characteristics and the analysis are put forward. Then the main findings, conclusions, and implications are discussed. Finally, the study’s limitations and potential future research are presented.

Literature review

Importance of communications within projects

The importance of effective communication in project management cannot be overemphasized. Clear and effective communication at all levels of an organization is necessary before and during the implementation of ERP (Bancroft, Selp and Sprengel 1998; Nah, Zuckweiler and Lau, 2003; Amoako-Gyampah and Salam, 2004; Ngai, Law and Wat, 2008; Tsai et al 2012).

Stories abound of poor communication as a major contributor to project failure. Cornelius et al (2010) alluded to this point by mentioning that many a time in post-project assessments, project team members’ list communication as one of the most needed areas for improvement. Project team members on many troubled projects feel that if the communication had been better, the project would have run smoother. However, project communication can be difficult due to challenges unique to project management which often include cross-functional or inter-organizational teams and often reside in different geographical locations. Unfortunately, communication systems are not established to quickly implement effective communications that reach all affected parties, no matter how complicated or diverse the project team may be (Cornelius et al 2010).

Through communication, information is shared to provide a fundamental understanding of the tasks that are to be performed, status of project and the goals to which organizations are striving (van Vuuren et al., 2006; Kerzner, 2006). To meet company and customer expectations, the project manager’s major responsibility is to execute decision making and build efficient collaborative relationships among a diverse group of project stakeholders (Herkt, 2007; Parkin, 2007).

Clowes (2000) argued that lack of information is a significant factor that contributes to poor management of maintenance activities. Ali et al. (2002) argued that in building maintenance projects, inadequate knowledge sharing and poor communication between different parties had caused major problems, such as allocating the right problem to the right contractor, and double handling of data. Kerzner (2006) points out that the challenge with communication is that historically a lot of project managers have their backgrounds in engineering. Interestingly, project managers today come from educational backgrounds that have limited skills in management and communication.

Effective communication is important in every phase of the project life cycle. During the initiation/planning phase careful attention needs to be given to detailed project communication planning. Communications management, according to the PMBOK Guide (2008) includes the processes required to ensure timely and appropriate generation, collection, distribution, storage and ultimate disposition of project information. Improper communication planning will lead to delays in message delivery, communication of sensitive information to the wrong audience, or lack of communication to some of the required stakeholders. A communication plan allows the project manager to document the approach to communicate most effectively and efficiently with stakeholders (PMBOK Guide, 2008).

According to Gray and Larson (2008), once a comprehensive information plan is established, the members in the project team have the advantage of
controlling information instead of responding to information request. This reduces confusion and unnecessary interruptions and can provide project managers greater autonomy. Having a robust communication plan can go a long way towards mitigating project problems and can ensure that customers, team members and other stakeholders have the information to do their jobs. A typical communication plan maps out the flow of information to different stakeholders and becomes an integral part of the whole project plan. The purpose of a project communication plan is to express what, who, how and when information will be transmitted to project stakeholders so schedules, issues and action items can be tracked. Gray and Larson (2008) again point out that a typical project communications plan should address the following core questions:

• What information needs to be collected and when?
• Who will receive the information?
• What methods will be used to gather and store information?
• What are the limits, if any and who has access to certain kinds of information?
• When will the information be communicated?
• How will it be communicated?

Project communication and distribution methods

According to Kerzner (2003), as competition is increasing globally, organizations continue to look for effective means of utilizing their resources so as to create value and survive in the market. For firms in the financial services sector, creating value happens through the execution of different projects from new branch roll outs, new product developments and new software installation among others. Crawford (2005), notes that, the use of project management to achieve business goals is becoming more popular in organizations. Today, project management is equally a function of management as it is of engineering and construction.

With the increasing advancement in communication technology, it has become much easier to work together across geographical boundaries without necessarily having to meet face-to-face. Some of the new ways to communicate are e-mail, phone, and videoconference (Grosse, 2002). According to Cornelius et al (2010), communication does not only keep everyone updated on the project progress but also facilitates “buy-in” and ownership of major project decisions and milestones.

PMBOK Guide (2008) presents several communication methods used to share information among project stakeholders. These methods can be classified into three broad areas:

• Interactive Communication: This type of communication normally happens when two or more parties performing a multi-dimensional exchange of information. Its main advantage is its ability to ensure a common understanding by all participants on specified topics, and includes meetings, phone calls, and video conferencing;

• Push Communication. This is the case whereby information is sent to specific recipients who need to know the information. The problem with push communication is its inability to certify that the information has reached the recipient or was understood by the intended audience. This can be in the form of letters, memos, reports, emails, faxes, voice mails, and press releases; and

• Pull Communication. This form of communication is used for very large volumes of information, or for very large audiences, that requires the recipient to access the communication content at their own discretion. These methods include intranet sites, e-learning, and knowledge repositories.

Individual and group meetings, video and audio conferences, computer chats and other remote communication methods are used to distribute information. Gray and Larson (2008) mentioned that in today’s world, traditional status reports are being supplemented by e-mail, teleconferencing, Lotus Notes, Share Point, and a variety of data sharing programmes to circulate information. These and other electronic communication technologies facilitate interactive, push and pull communications.

The PMBOK Guide (2008) also mentions that project information can be distributed using variety of tools. This includes hard-copy document distribution, manual filing systems, press releases and shared access and electronic databases.

Background of the Bank

In December 2004, the Bank of Ghana issued Bank A For issues of non disclosure, the name of the bank is withheld and has been labeled Bank A in this research work. with a license to operate as a universal bank, making it the first bank to be licensed under the Banking Act 2004 (Act 673) and the nineteenth bank in Ghana. Bank A thus pioneered the entry of a new generation of foreign banks into the country in January 2005.

As Africa’s global bank, Bank A has developed a branch footprint and delivery network that has ensured that the bank’s services are always within the reach of valued customers. In line with the bank’s positioning statement and strategic intent, Bank A has footprints of twenty six (26) fully networked branches and forty (40) Visa enabled Automatic Teller Machines (ATM) spreaded across Accra, Tema, Kumasi, Takoradi and Aflao All the above cities are in Ghana.

Bank A is a subsidiary of one of West Africa’s largest financial services group with assets in excess of US$20
The Ghanaian banking sector is relatively concentrated and tightly knit. Most well known banks were reluctant to reveal and share information because they were afraid the source may be easily recognized by the competition. Thus, most of the banks approached were hampered by fear of losing valuable competitive information. Under these constraints, the research was designed as a case study within one of the renowned banks in Ghana who offered to be interviewed to investigate how project managers are managing communication within project teams and the challenges they face. The case study approach was appropriate since it entails a detailed analysis of the organization in question (Yin, 1981).

The Project communication methods and distribution channels according to PMBOK 2008; and Gray and Larson (2008) were the key frameworks identified through extensive literature review. These methods were broadly classified into three broad areas: interactive, push and pull communications.

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Interview was used as a means of soliciting information due to its interactive nature (Blumberg et al. 2005). Data collection through interviews was chosen for this study because it allows for the collection of rich data through probing respondents (which would not be possible with mail questionnaires). Five respondents who have served on different projects within this bank as project managers or team leaders in Ghana and Nigeria were interviewed for this study. All of them have worked in the bank for more than five years.

Procedure adopted for the sampling of respondents was purposive sampling since the researchers recognize and attempt to control inherent variations in the population of interest by using subjective judgment to select samples that they believe to be “representative” (Lynn, 1996). According to McCracken (1988), interviewees are not a “sample”, and their selection should not be governed by sampling rules. However, Lynn (1996) noted that accessibility and purposive sampling are often combined and used in some interview surveys. This study has adopted such sampling methods for the selection of the members within the project management department in this bank. The research specifically tries to understand the Communication methods, distribution methods of information and the challenges project team faces in communication in implementing projects in this bank.

The key questions centered on the research were: Do your project teams normally develop a project communication plan? Which of the following communication methods are employed in project communications management at the bank? Which is the most used? 1. Interactive Communication 2. Push Communication 3. Pull Communication: How is project information distributed at the bank and why? And what are the challenges on project communication at the bank and how can these challenges be addressed?

FINDINGS AND DISCUSSIONS

Respondents

The work concentrated on five key respondents who have served on different projects within this bank as project managers or project team leaders in Ghana and Nigeria. For the sake of confidentiality and in fulfillment of a pledge made prior to the interviews, the identity of these respondents have been withheld.

Communication management at the Bank

Participants were asked whether their teams had project communication plans for managing their projects. From the responses, it was clear that there was no project communication plan for managing project communication within their teams. Most communications within their projects were not done according to any existing plan; members basically do their best to keep the rest of the team members updated as and when some feedback must be given. This means, communication is normally done on ad hoc basis hence the project manager is required at all times to follow up for feedback on project deliverables from team members. This is what one of the team members said “we share information all the time but this is not according to any plan”.

billion and offering services to more than 7.5 million customers across 750 branches and over 2000 ATMs in 19 African countries.

The bank operates a matrix project management system. In order words, Bank A simply manages projects within the existing hierarchy of the organization. As in most banking organizations once management decides to implement a project the different segments of the project are delegated to the respective functional units with each unit responsible for completing its segment of the project. Projects in Bank A are managed both on virtual and co-located basis. Team Members operate across the 19 African countries.
Communication methods

During this phase of the interview, respondents were asked the type of communication methods used when managing projects. Here they were asked to specify as to whether they use interactive, push or pull communication methods in managing communication within their project teams. Due to the technical and academic nature of the terms used, interviewers will normally spend some of the time to adequately explain these terms before commencing the interview. Persistent answers provided by all the respondents were the use of push and interactive modes of communication. This means during project management, team members perform a multi-dimensional exchange of information to ensure a common understanding by all participants on specific issues. In addition members send information of importance to specific members who need to know about the information. The problem with this is its inability to certify that the information reached the recipient or was understood by the member or members in question.

Project information distribution channels

Here respondents were asked how project information is distributed at the bank and why? Two key project information distribution methods that have been used consistently by project team members in this bank were the use of emails as well as telephones. Email has been frequently used due to its ability to allow team members the opportunity to prepare an appropriate response to questions and offers them the opportunity to ask follow up questions. The telephone calls are basically used as a follow up anytime there is some unnecessary delay and things need to get going. The main challenge with the use of the phones as a means of communication is the tone of voice and sometimes unnecessary disagreements over terminologies in addition to cost. The unnecessary disagreements over terminologies as a challenge also sometimes occur during the use of email as a means of communication.

Team members use conference calls when there is the need for more clarity. For key decisions to be taken, video conferencing is normally used. This is what one of the members said “through it, we are able to share slides, documents and presentations.”

Desktop sharing tools such as remote log-in and team viewers are also sometimes adopted to easily demonstrate what is being done on the screen. These online tools enable another level of collaboration. Unlike during normal conference calls where it is difficult to coordinate who speaks when you have to engage different people, the online tools have built in functions to adequately address that challenge.

Another important feature mentioned by the respondents was the use of the tool, “Project place”, which guarantees asynchronous collaboration where project members can upload and download documents and resources, as well as post messages on forums. The tool is also able to proactively send notifications to subscribed members when there are changes. One of the respondents also mentioned the use of Project Place application software as the most preferred information distribution channel. With Project Place all the data and documentation is stored through an internal application so different users can get access, and it is easy to track who did what and to allocate tasks and deadlines.

Communication technology challenges

Respondents were asked what are the project communication challenges at the bank?

A major challenge mentioned is the ability to know whether the information sent to members are received or understood especially when virtual electronic media is used to send information. This is what one of them said, “Unlike verbal communication where you get instant feedback, using email is not the same”. The issue of limited bandwidth size was equally of great concern to respondents since it usually affects communication especially video conferencing.

Another challenge mentioned was the issue of competence gaps sometimes even if the equipment is available. This is normally as a result of a lack of understanding of how the tools function and a lack of willingness to adopt these tools.

The Internet connection speed which is sometimes too slow was also mentioned as one of the key challenges facing project team members in communicating effectively and efficiently. If it is too slow it can be big problem getting the different applications to work.

Differences in time zones especially when some members are located in Ghana whiles others are in Nigeria also came up. This time zone challenges sometimes renders team members at some locations a bit slow in to replying to mails when these mails are sent first thing in the morning.

DISCUSSIONS AND CONCLUSIONS

In assessing project management communication plans of Bank A, it was clear that Project Managers at the bank are managing their project teams through the adoption of communication technology in the absence of face to face interactions which is consistent with Grosse (2002). Project managers employ interactive and push communication methods for their communication efforts. Unfortunately however, project communication management is pursued without the recourse to the adoption of a project communication management plan, be it formal or informal. Project communication
management is therefore pursued on ad hoc and not on strategic basis.

Project information distribution is done mainly by emails; phone conversations, conference calls, desktop sharing tools and project place. For key decisions, communications are done using Video Conferencing.

The main challenges in communication within project teams at the bank have been: lack of communication planning, poor internet connectivity, limited bandwidth size hence slow email service and poor video conferencing, competence gap with technology usage and difficulty in assessing if information is received or understood as well as the differences in time zones which is consistent with Lee-Kelly and Sankey (2008), Uweigbe and Olatunji Olubukunola, (2009).

Implications of the study

From the study, since the project managers made it clear that communication within their project teams are done through the adoption of communication technology in the absence of face to face interactions, it would be very important for organizations to introduce modern communication technology applications to make communications within projects easy.

It is also important for members within a project team to develop a comprehensive communication management plan at the initiating phase to express what, who, how and when information will be transmitted to project stakeholders so that schedules, issues and action items can be tracked. This will avoid communication on an ad hoc basis which is always not strategic.

From the study, it was clear that Project information distribution is done mainly by emails; phone conversations, conference calls, desktop sharing tools and project place. For key decisions, communications are done using Video Conferencing. It is therefore important for organizations to build capacity in the use of IT systems to enhance communication systems as well as infrastructure.

This paper contributes to both practice and theory. For practice the results provide insights on the challenges that a financial institution in developing country such a Ghana face with project communication. Practitioners, including bank managers and executives, can use some of the ideas presented in this paper to improve project communication. For theory, the results of the case study can be useful for more comprehensive quantitative studies on project communication using more data from more banks across different nations. Such a study will provide more theoretical understanding of the project communication phenomenon and contribute to bridging the gap between research in developing and developed nations.

Limitations and future research directions

This study only considered communication as a necessary ingredient in effective project management. Apart from communication most studies have found that top management support and “training and education” were most frequently cited as the critical factors to the successful implementation of projects. Future studies can also look at the effectiveness of top management as well as the challenges they face in managing projects.

Additionally, most research studies assume that various success factors are independent of each other and have no inter-relationships. This assumption can lead to deceptive conclusions as it is likely that some success factors, even though they initially fall under different categories, are actually related to some others. It might also be equally important to study all the necessary factors together.

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