Communication Process and Information Systems in HSBC

Lai Junjie[1]

Department of Teaching Development Center
Fuzhou University of International Studies and Trade,
Fuzhou, China

Chen Yihai[2]

Department of Teaching Development Center
Fuzhou University of International Studies and Trade,
Fuzhou, China

Abstract—The paper mainly evaluates existing communication processing in the HSBC and gives some suggestions to ensure greater integration of systems of communication in HSBC. The paper focuses on the process and communication, interpersonal communication skills and information system in HSBC. It also provides the improvements to implement and justify appropriate changes to improve the collection, formatting, storage, dissemination information and knowledge. The research suggests that Office Automation Systems (OAS) can be used in HSBC to create, store, modify, display and communicate the correspondence of the business. Moreover, the Knowledge Work System (KWS) will also facilitate the creation and integration of new knowledge into HSBC.

Keywords—Communication process; Communication skills; Information system; HSBC

I. INTRODUCTION

Headquartered in London, HSBC group is one of the world's largest Banks and financial institutions. The HSBC group has approximately 9,500 subsidiaries in 76 countries and regions in Europe, Asia Pacific, the Americas, the Middle East and Africa. HSBC is listed on stock exchanges in London, Hong Kong, New York, Paris and Bermuda, with about 200,000 global shareholders in more than 100 countries and regions. It employs 232,000 people. HSBC has more than 110 million customers worldwide. On June 6, 2017, HSBC ranked 48th in the Brand Z 2017 top 100 global brands list. On December 18, 2018, the "top 500 world brands 2018" compiled by the world brand lab was unveiled, and HSBC group ranked 75th. Based on the business environment in Yangtze River delta, the report was written to the DMU of HSBC China to improve the decision making and taking and increase the personal networking. The paper aims at the communication process and information system in HSBC and tries to develop an appropriate communication process for HSBC. And then the appropriate system for the collection, storage and dissemination will be designed for the HSBC.

II. THE PROCESSES OF COMMUNICATION IN HSBC

Effective communication is a two-way process, often shown as a cycle. Signals or messages are sent by the communicator and received by the other party who sends back some form of confirmation that the message has been received and understood [1]. Communication is the most basic transmission or exchange of information which collected by the existing information and knowledge systems in HSBC. The communication processes of HSBC are simple, but it does not mean that these processes are effectively enough to the company's performance [2]. The most significant problem in the banking industry is that the management style, leadership style and organization structure are too old to help the company operate efficiently.

- The organization structure in the HSBC may be too narrow to control the information management. When the information goes up to the manager, the managers may cost too much time to get the information.

- Communication problems. It takes a long time to make decisions. Probably, some firms are operating straight away as they want, because they can not wait for the final decision.

- Duplicate work. The same work passes through too many hands to reach the chief manger. Obviously, HSBC can not function effectively and sometimes would miss some serious supervision work.

In addition, the manager of the HSBC may be too strict to his employees who will limit the information got from the customers and sent to the managers.

Shanghai, as a new economic center in the world, the HSBC will communicate with many business customers. The company should try his best to attract and maintain a good relationship with them. As a sender in the communication process, HSBC have collected enough information for his decision making and taking. All of the information should focus on customers' care and plan the benefits for both of the two sides. Based on the face-to-face communication, the customer and HSBC can understand each other better. Moreover, the feedback from the receiver are also important for the HSBC. The feedback are the reaction of the receiver which indicates to the sender that the message has (or has not)

been received and enable him to assess whether it has been understood and correctly interpreted.

When the HSBC receive the feedback from the customers, it is the responsibility of the company to adjust the messages, in response to feedback, until the customers are satisfied that it has been understood. If the HSBC wants a result from the communication, it is up to you to make sure that you have communicated effectively. Therefore, the HSBC can make some improvements, such as:

(1) Change the narrow of span organization structure to a flat one, but don't to be too flat to make sure that the information can pass as soon as possible.

(2) Do some feasible changes of the culture, such as the leadership and management style − do as I told you, to make the employees become more creative.

(3) Choose an appropriate medium for communication, for instance:

- Speed. Choose a quicker medium for the information delivery.

- Need for interaction or the immediate exchange of information or questions and answers. Face to face and phone discuss is often used to resolve conflicts and solve problems.

- Confidentiality (e.g. a private interview or sealed letter) or, conversely, the need to disseminate or spread information widely and quickly (e.g. via a notice board, public meeting or website).

III.   INTERPERSONAL COMMUNICATION SKILLS

The interpersonal skills involve inspiring, motivating, leading and controlling people to achieve goals that are often poorly defined [3]. This is one of the important parts in the processes of communication of HSBC. It can help the information and knowledge system to be more completely to:

- Understand and manage the roles, relationships, attitudes and perceptions operating in any situation in which two or more people are involved.

- Communicate clearly and effectively

- Achieve the aims from an interpersonal encounter

It is a chance for the HSBC to increase the market share, so communication is an important way to help the customers from all over the world to know the HSBC better. And if the HSBC can give a quick talk and good information to the customers, the gap between the bank and the customers will be smaller. So the interpersonal skill is necessary to HSBC in the face-to face talk, writing & sending messages and the negotiation. Table I showed the communication skills in these areas.

IV.   TYPES OF INFORMATION SYSTEMS

Employees have a variety of responsibilities and decision-making needs, and a firm's information system may actually be a set of several systems that share information while serving different levels of the organization, different departments, or different operations. Because they work on different kinds of problems, managers and their employees have access to the specialized information systems that satisfy their different information needs.

In addition to different types of users, each business function, marketing, human resources, accounting, production, or finance, has its own information needs, as do groups working on major projects. Each user group and department, therefore, may need a special information system (IS).

TABLE I.   COMMUNICATION SKILLS

Items	Communication skills	
Face-to-face talk	Clear pronunciation, Suitable vocabulary, Correct grammar/syntax, Fluency, Expressive delivery, Body languages	
Writing, sending and receiving messages	Writing	Correct spelling, Suitable vocabulary, Correct grammar/syntax, Good writing or typing, Suitable style
	Sending	Selecting and organizing the material Judging the effect of the message Choosing language and media Adapting the communication style Using non-verbal signals to reinforce the message Seeking and interpreting feedback
	Receiving	Reading attentively and actively Extracting relevant information Listening attentively and actively Interpreting the message's underlying meaning and evaluating the reactions Asking questions Interpreting non-verbal signals Giving helpful feedback
Negotiation	**Interpersonal skills**—use good of communicating techniques, power and influence. And the ability to impress a personal style on the tactics of negotiation is also important. **Analytical skills**—the one should have the ability to analyze information, diagnose problems, to plan and set objectives, and the exercise of good judgment in interpreting results. **Technical skills**— the employee should attention to detail and thorough case preparation.	

A. Information Systems for Knowledge Workers

Knowledge workers are employees for whom information and knowledge are the raw materials of their work, such as engineers, scientists, and IT specialists who rely on IT to design new products or create new processes. These workers require knowledge information systems, which provide resources to create, store, use, and transmit new knowledge for useful applications, for instance, databases to organize and retrieve information, and computational power for data analysis. Specialized support systems have also increased the productivity of knowledge workers.

B. Information Systems for Managers

Each manager's information activities and IS needs vary according to his or her functional area (accounting or marketing and so forth) and management level. The following are some popular information systems used by managers for different purposes. Management Information Systems Management information systems (MIS) support managers by providing reports, schedules, plans, and budgets that can then be used for making decisions, both short- and long-term. For example, at HSBC, managers rely on detailed information, current customer orders, staffing schedules, employee attendance, production schedules, equipment status, and work availability−for moment-to-moment decisions during the day. For longer-range decisions involving business strategy, managers need information to analyze trends in the market and overall company performance. They need both external and internal information, current and future, to compare current performance data to data from previous years and to analyze consumer trends and economic forecasts.

C. Decision Support Systems

Managers who face a particular kind of decision repeatedly can get assistance from decision support systems (DSS)− interactive systems that create virtual business models and test them with different data to see how they respond. When faced with decisions on plant capacity, for example, HSBC managers can use a capacity DSS. The manager inputs data on customer numbers, working time, and customer requirements and other business factors. The data flow into the DSS processor, which then simulates the performance under the proposed data conditions. After experimenting with various data conditions, the DSS makes recommendations on the best levels of plant capacity for each future time period.

D. Data Mining

After collecting information, managers use data mining—the application of electronic technologies for searching, sifting, and reorganizing pools of data to uncover useful information. Data mining helps managers plan for new products, set prices, and identify trends and shopping patterns. By analyzing what consumers actually do, businesses can determine what subsequent purchases they are likely to make and then send them tailor-made ads. The HSBC, for example, uses data-mining software to analyze customers' data on customer satisfaction.

V. APPROPRIATE SYSTEM DESIGNED

The information in HSBC's operation can be processed as the business information processing. It has the following four features:

- Collecting the data in the first place

- Converting the data into information

- Updating files to incorporate the processed data

- The dissemination of information to users

A. Collecting data in the first place

There must be data to process and this may arise in the course if operations. There has to be a system or procedure for ensuring that all the data needed for processing is collected. For the HSBC, the information is based on the customers in Shanghai, so the company should focus on his target customers analysis in Shanghai, the detail showed in Table II.

B. Converting the data into information

Converting the data into information, perhaps by summarizing it or classifying it and/or producing total figures etc. In this processing, many information systems can be used in the knowledge management, helping with information flows and helping formally capture the knowledge held within HSBC.

Office automation systems (OAS) can be used in HSBC to create, store, modify, display and communicate the correspondence of the business. Communication can be written, verbal, facsimile or in video form. All of the computers in HSBC are networked there is the ability to share computer files and send messages to one another via the communication network. OAS also includes voice mail systems, image processing systems, collaborative writing system, and video conferencing facilities [4]. The HSBC can use this system to converting the data into information

TABLE II.   TARGET CUSTOMERS FOR HSBC

Items	Individual	Enterprise
Constitution	The general customers in China.	The credit business which has strength, ample capital and good image and the investment agency.
Consumer behavior (finance)	Investment, credit, and the high quality customers of bank card business. Money save and intermediary services.	Investment, credit, financial transactions. The basic saving accounts.
Consumer behavior (daily)	The advanced consumer concept of e-commerce. Pay attention to the quality of life and be interested in the new things. Multi-level of consumption structure. Consumer behavior becomes more rational and more mature.	The enterprise operates with high liabilities. The enterprise wants to ensure the effectiveness of the investments according to the bank services. The enterprise can increase the profits and get the investment appreciation through the bank services.

After the converting, the information turns into the knowledge to the company. It depends on the efficient production and distribution of documents and other forms of communication [5]. The Knowledge Work System (KWS) are information systems that facilitate the creation and integration of new knowledge into HSBC. The workstations of knowledge workers are often designed for the specific tasks the HSBC performs. For example, the company can design a virtual reality system for the customers of Shanghai. According to this system, HSBC can show the result of the investments or the services. It can help the customers to know the benefits will occur in the real world.

C. Updating files to incorporate the processed data

The current situation is changing all the time, so the HSBC can use the expert system to update the information processing. The system enables a person with expertise in a particular situation to transfer knowledge into the computer from where someone needing that experience can receive advice. When the HSBC meet some risk investments among his customers, the company can use this system to evaluate the program. The knowledge base of an expert system must be kept up-to-date. Expert systems are not suited to high-level unstructured problems, as these require information from a wide range of sources rather than simply deciding between a few known alternatives [6]. So the HSBC should consider that not all the updating information can be assessed by this system. And then the HSBC can use the database management system (DBMS) to replace that one.

D. Disseminating information to users

Usually the dissemination includes many reports (on screen, or hard copy). However, the information can not only be delivered by report, there are many other ways to disseminate the information to users in HSBC, for example, the letters, email messages, word-processing, fax and the website. The internal and external requirements can be satisfied according to the variety of media to send the information. Additionally, when the HSBC disseminate the information to users, the company should assess the information to make sure the information is correct.

VI. CONCLUSION

After assessing the processes of communication in the HSBC, it is clear that the communication processing is important for a company's decision making and taking. The HSBC should make some improvements on his existing communication processing to make it more competitive in Shanghai and it is good for the company to open the market in Shanghai. Shanghai, as a new world financial center, it is a good opportunity to HSBC, the report design an appropriate system for the collection, storage and dissemination the information and knowledge to HSBC. It can help the DMU of HSBC to get the information and make decisions correctly and enhance the company's effectiveness and efficiency. The system in HSBC should pay attention to the Shanghai market and the design should be suitable for the local economic environment. It is the best way to help the system operating well.

REFERENCES

[1] Z. Zheng, "The latest progress on the effectiveness of central bank communication after the international financial crisis," International financial studies, 2018(08): 13-22. (In Chinese)

[2] J. Yu, B. Liu, "Research on the strategy of effective performance communication in enterprise performance management: a case study of IBM's performance communication system", Modern communication, 2019(04): 56-57. (In Chinese)

[3] L. Li, "Analyze the application of information management and information system in enterprise", Computer products and circulation, 2019(04): 147+149. (In Chinese)

[4] Y. Liu, Q. Wang. "The implementation mode of social media information collection in China", Lantaineiwai, 2019(04):75-78. (In Chinese)

[5] Z. Tian, "Problems and countermeasures of bank audit informatization", Modern economic information, 2019(03): 190-191. (In Chinese)

[6] Q.Yang, "A brief analysis of relationship marketing in key account management of commercial Banks", Tax Paying, 2018(09):133. (In Chinese)