

Research Article

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## Implication of corporate communication in the contemporary social order

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### Abstract

Corporations increasingly started to recognize the value of corporate communication and particularly its strategic role in building and maintaining strong reputations – reputations that have a direct cash value, in that various stakeholders would prefer to do business with a reputable organization, and choose it over its competitors. Reflecting this recognition, new terminology and models emerged that allowed corporations to “manage” these strategically important reputations. Better metrics and positioning mantras came in to help communicators in this, and so as to ensure that their corporations would continue to thrive and prosper. Corporate communication is very vital among the stake holders of the company and also with the management personnel of the company. It links them both together and binds them to successfully reap the profit out of the organization. This is the era of imposing the importance of corporate communication in the organization. And its importance in the society of today is the ultimate reason why it is practiced in the corporate. Ultimately it has to reach the farther ends of the society, thus the impact of corporate communication is more in the society indirectly or directly from the corporate. There are various key concepts in corporate communication and they are the stepping stones upon which it impacts the society and the organizations in it.

### Keywords

*Corporate Communication, reputation, stake holders, managerial personnel, society.*

### Introduction

In the management scenario, there is a perception among the people that corporate communication is very essential. It is believed that the company survives on the positive beliefs of the stakeholders and how they perceive the company within their minds. If they have a positive note then all is well. If not then the company and the organization is at a huge risk and may even have to go out of the market due to this one reason very soon in the future.

The top management of the company and the people in it think protecting the good will of the company among

the stake holders and the circle of people within which it operates is very important more than any other factor of the company by which it runs. They keep that protecting of Good Will as their top priority. Thus this task of establishing and protecting the company’s reputation is a very important task of those who practice corporate communication.

Though this is a very important and crucial decision which every company need to keep in mind, there are companies and organization still in the society which undervalues the corporate communication practitioners

and also because the senior managers and CEO's in the decision making committee does not realize the importance of corporate communication in the society. They just simply don't understand the importance as most of their view is over gaining profits but they do not know that profits are gained if there is a good corporate communication platform formed between the organization and the stake holders.

Thus this article stresses on the importance of corporate communication in the society and also its major role which every organization should know if at all they need to establish a good rapport with the stake holders and in turn build a positive platform for the company in the society.

### Derivation of Corporate Communication

If we glance at a few years back, the expression corporate communication was formerly termed as public relations, even if it is visualized and named as corporate communication these days. The Public relations was the expression given to corporate communication till 1970. But throughout those decades the phrase public relations meant the correspondence they provide to the press about the company proceedings and the other information associated with the corporation and the management, whether it may be any alteration in the executive panel or the income or anything similar to it. Later it was comprehended that the stake holders of the company required additional information regarding the corporation and the management which the personnel was indebted to supply whatever they demand.

Subsequently the demand gave birth to the expression corporate communication among the organizations and was rooted in the minds of the management. The diverse areas recognized under the corporate communication were like public affairs, shareholder associations, and disaster management and media links and so on. The concept of corporate communication is a pack of the assumed terms which are easy to follow.

### Corporate Communication

Van Riel defines corporate communication as "An Instrument of management by means of which all consciously used forms of internal and external communication are harmonized effectively and efficiently as possible, with the overall objective of creating a favorable basis for relationships with groups upon which the company is dependent". (van Riel,1992, p.26)

Paul Garrett, also known as one of the fathers of corporate communication defined it as the communication with the public using words and deeds with the meaning they understood. Arthur Page who was also considered to be the father of corporate communication defined it to be as a management function with voice in senior executive team. He further more went and developed an ethical code for corporate communication using which the corporate communication is made simple and effective upon usage.

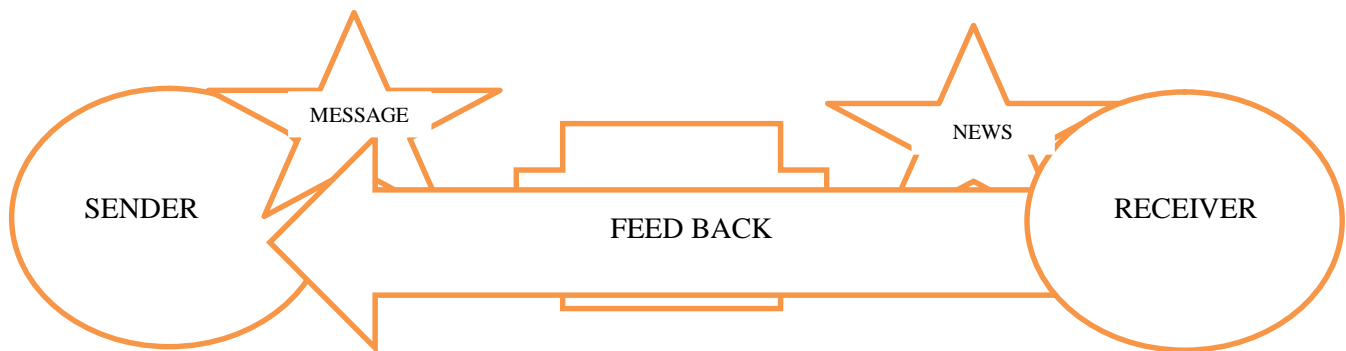


Figure 1: Image showing Flow of Corporate Communication

Thus corporate communication can be defined in general as managing an organization's internal and external communication. It includes advertising, Marketing Communication, marketing, Public

Relations. As we saw earlier corporate communication was one which came out from public relations but now we see that corporate communication has public relations embedded in it.

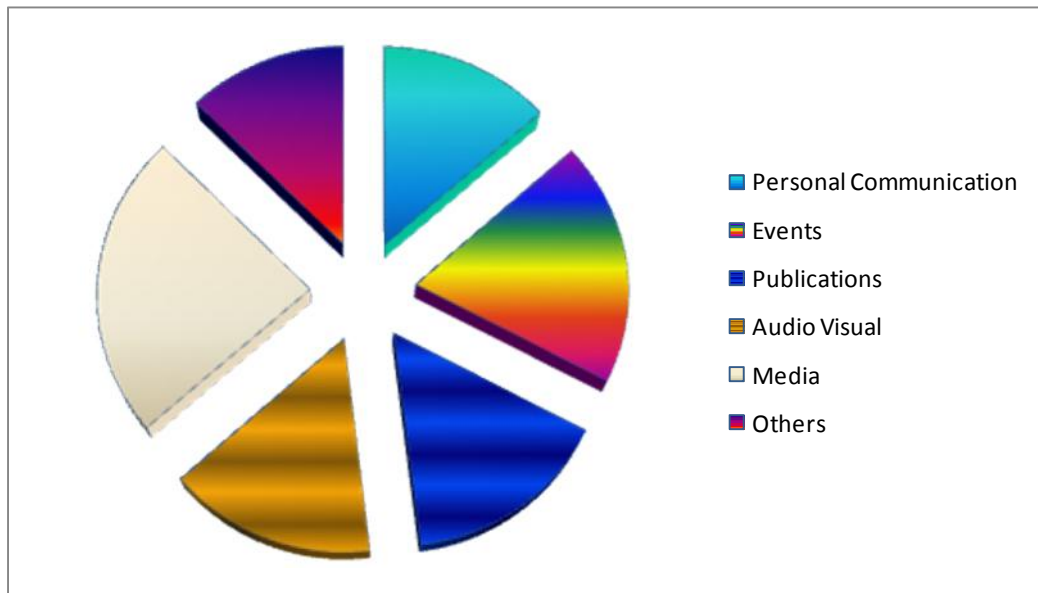


Figure 2: Image showing Corporate Communication Tools

## Review of Literature

Many probable descriptions offered by the academics are established in the study materials. A large amount of descriptions on corporate communications concentrated on internal communication among individuals, or associations inside an institute. Infante, Rancer, and Womack have presented the subsequent description, "Communication between and among the individuals and groups which make up an organization" (pg. 549).

The noteworthy description of corporate communication in the study of where the corporate \communications should concentrate on how individuals or gangs inside an institute communicate with people, business firms, or outside companies to the business associations negotiating with a critical situation. Infante, Rancer, and Womack's definition of mass communications comes the closest to defining the type of communications used by organizations during a crisis, "Communication to large audiences which is mediated by electronic media or print media" (pg. 548)

Van Riel (1992) offers a complete review of modus operandi for computing corporate distinctiveness in

his book *Principles of Corporate Communication*. The study of corporate communication intensifies on practice of conversational channels through which people acquire information, form opinions, make decisions, merge into the organization, leave the organization and create rapport with one another (Shockley-Zalabak, 1999).

David M. Furman's 2010 monogram, *Development of Corporate Image: A Historiography Approach to a Marketing Concept* offers a helpful account of the genesis of a few of its features (even though the spotlight is further uncomplicatedly on representation) and is an outstanding position to begin.

## Aims of Corporate Communication

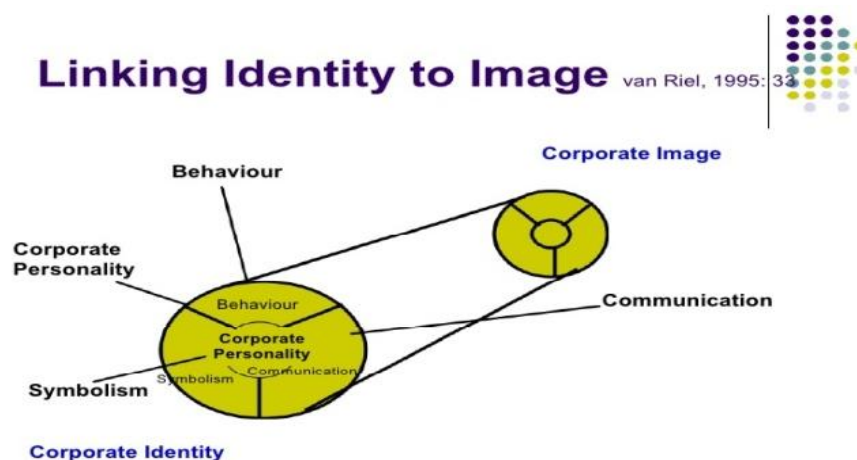
- To transport a confident corporate communication
- To construct effective trade associations
- To integrate competency in the consumer of corporate communication
- To boost up outcomes in the trade associations
- To erect and sustain the brand image of the company

Corporate Communication can be predictable in the following requisites:

## Individuality against Representation

Corporate individuality can be explained as the indications presented by an organization both within and outside by means of cryptogram, communication and conduct. Dowling (2001) describes corporate individuality as the secret codes and classifications utilized by an association to recognize people. According to the opinion of Dowling, corporate individuality facilitates people locate or identify an association. Selecting individuality combination is fundamentally vital for an association. The board practising 'top down approach' to corporate individuality is a customary approach. Van Riel considers that a well-built individuality can lend a

hand to elevate inspiration amongst the employees by generating a "we" sentiment, permitting community to make out with their association. Schmitt and Simonson (1997) deems the substantial profits of individuality are augmented yield, faithfulness, premium charging, cost benefits, fortification from contest and the aptitude to cut through information confusion. The above said authors mention the philosophy of individuality where manufactured goods and pattern comprise job and appearance, communication consists of essential and marginal communications, and dimensional devise has organization and representation or experimental features.



**Figure 3: Image showing corporate image as a reflection of corporate identity (Adapted from van Riel 1995 model)**

Several researchers consider representation as manifestation of corporate individuality. Dowling (2001) gives description for representation as "the set of meanings by which an object is known and through which people describe, remember and relate to it. That is the result of a person's beliefs, ideas, feelings and impressions about an object." Dowling elucidates that an excellent corporate individuality can have an effect on corporate representation in two modes. People create the relationship between the corporation and its individuality, i.e., they are familiar with the association. The individuality factors can assist them to recollect their representation of the association, which may possibly incorporate a rational image (areal

representation of a structure, possibly) and/or sensory feelings (for instance whether or not the communication with the institute was pleasing). Therefore, corporate representation has a psychological or rational feature and an expressive or sensing feature. Collectively they structure a general corporate representation for Dowling.

### Corporate Representation / Trade Name Relations

Keller (1998), talks about a number of representations that are connected with the institute as a trade name. These are revealed and examined below.



**Figure 4: Image showing Some Corporate Image Associations (Keller1998)**

The primary representative relationship has to do with the qualities of manufactured goods, profits and outlooks that people link with the business. One such relation is excellence, the insight that the corporation produces commodities of the premier quality.

The next representative linked with the business is that of the consumer and dealings. This may comprise a customer-fixated corporate representation trend, where the corporation is perceived as receptive and considerate about their clientele; they will be listened to and the corporation will not take privilege of them. At times, corporate representation links may replicate qualities of the employees. For example, IBM has utilized their employees in advertisements for the concern where the employee is considered to represent the principles of the company.

The next representative link is principles and programs. These can embrace anxiety with the surroundings; the corporation works to defend and get the better of the surroundings and to employ innate resources more efficiently.

The final link with a corporate trade name is corporate trustworthiness. According to Keller's view, trustworthiness includes proficiency, reliability and congeniality.

**The Organization of Corporate Communication**

The difference between Marketing Communication and Corporate Communication

**Table 1: Table showing Difference between Marketing Communication and Corporate Communication Value of Corporate Communication**

Marketing Communications	Corporate Communication
Customer	Multiple Stakeholders
Defined set of channels	Multiple Channels
Controlled communication types	Variety of Communications
Positions a product or a service	Positions an entire organization
More room for creativity	Less room for creativity
Needs to be consistent with product/ Brand attributes	Needs to be consistent with Corporate Identity/ Corporate Brand Attributes

Corporate Communication is absolutely accountable for managing and synchronizing the different jobs of the experts concerned in the business firms, such as in-house communication, public affairs, media associations and so on. It is the chief controller of all the administration purposes apart from the business

firms and in fact, it brings them together successfully. The general principle of this harmonization is to institute and sustain a good and agreeable status in the middle of the a mixture of stakeholders of the companies.

Although the theory of corporate communication is vital for the trade organizations and the balanced working of the companies, it is not much received and used widely. This is because of the fact that it is multifaceted in character. Owing to its intricacies in comprehending as well as the execution of it has not yet got in touch with all the business firms. This situation extensively exists in corporations with extremely large geographical region such as MNC's and others.

This is in view of the reason that in MNC's, they are nerve centers at one specific area and they are established all through the world. The place where the headquarters is situated will be repeatedly reorganized and communicated the subsequent information but the corporations which are in other countries at a distance from that where the headquarters are positioned are not communicated suitably. This is a disadvantage for the institute and sometimes by reason of the inadequate communications occurring there are potential of the business undergoing a heavy failure as well both economically and also in slow destruction of the clientele and stakeholders.

At this point Corporate Communication enters. It decreases all these disadvantages and thus shows the way to the opportunity that no inadequate communication or short of communication takes place. There are a range of perceptions made use of along with the theory of corporate communication like trade naming, shareholder relationships, media associations, public affairs etc. There are a lot of people in the corporate judging corporate communication imperative and they have candidly marked that communication is their managing principle at the back of various thriving business assessments.

Hence it is recognized that the power of corporate communication is to a greater extent in the public and the business firms in which it survives. If the implication is recognized at a broader choice and with a non-judgmental attitude then there is no uncertainty regarding the best reap of the organizations. The corporate communication experts also should engage themselves in improving the significance of the corporate communication in the public.

Facilitating human resources, by way of various mechanisms like training programs, seminars, workshops, brainstorming, contribution in decision-making, assigning powers, rewards and acknowledgment, promotions etc., attribute to aptitude

development, which is followed with an attitude to attain objectives of the trade. Every member of the staff is carried inside the area of performance management scheme for whatever task he performs as every one of them has a department of industrial performance and it is conduct associated movement aimed at accomplishing an industry's undertakings and business objectives; e.g. goods and services are the outcome of employees' place of work manners. "Performance management is the means through which managers ensure that employees' activities and output are congruent with the organization's goal. It is central to gaining competitive advantage, and comprises three phases, defining performance, measuring performance and taking a feedback on the performance". (Halder Uday Kumar, Juthika Sarkar 2012, Human Resource Management, Oxford University Press, p.91)

For a company's stable development Talent Development, enhancement of knowledge, skills and feat of a worker is indispensable. In the companies assessed the training observances have been recognized existing but at random and only need-based. "Training is an HRD mechanism that improves the knowledge, skills and performance of an employee."(Ibid). Most of the companies which recognize particular training requirements earlier to training people can efficiently accomplish the set aside objectives. Trained and enhanced aptitudes have a better likelihood of continuing and rising in a corporation. As human resources are regarded as the positive features of accompany, these positive features can be devalued unless they are promoted according to the shifting environmental needs.

Effectual training can improve the human resources suitably. Training and growth symbolizes a continuing deal in human resources which is one of the major transactions in a company. The Corporate communication abilities facilitate the corporate to offer essential training and prospects for augmentation and improvement of their human resources. The implications of Corporate Communications in the corporate cannot any more continue to be motionless and carry on in the present day commercial environment unless they build up the approaches for novel skills and competencies to function efficiently. Corporate communication is undividable ingredient of training and improvement.

The techniques used in training are reliable on the trainee's aptitude. During the preparation of a training program, companies should think about the prevailing

and needed communication aptitude in trainees and the trainers. Lecture or presentation method, group discussion method, huddle method, buzz method, symposium, seminar, conference, panel discussion, workshop, role play, in-basket exercise method etc., are a few of the successful techniques of training. The significant success feature for training depends upon the corporate communication aptitudes of the experts. Corporate Communication aptitudes not only denote the spoken aptitudes but also comprise paraphrasing, summarizing, questioning, facilitating, giving and also receiving feedback. Corporate communication is an obligatory device in training and enhancement program. It assumes a significant part not only in evaluating training requirements in the corporations but also in transferring messages to the worker learners about the training sessions. The analysis exposes the result that devoid of effectual system of corporate communication aptitudes, corporations cannot chalk out and put into practice the training and enhancement. All managerial skills must have effective corporate communication system which can control all the managerial activities like planning skills, leadership, networking with other departmental heads and managers, skills for managing change, project management, coaching and mentoring skills. Thus, corporate communication has strong impact on training and development programs of employees in the organization.

## **Conclusion**

In the present day scenario, corporate communications have achieved an exclusive position in the enhancement procedure of the corporations on account of rapid and all-encompassing utilization of technology. The present day corporate communication schemes have been converted into the element of 'office automation' structure. Office automation is also serving to accompany in the perception of virtual workplace, whereby a workplace is not restricted inside a building, an idea that is gaining approval rapidly, provided the rising cost of real estate and dearth of land. discussing customization of office automation, Vikram K, director, ISS, HP India states, "office Automation (OA) deals with efficiencies in carrying out official tasks, both internal and external, through integration of digital looks Industry-specific customization is critical to integrate the workflow via business apps, with secure email, messaging, VOIP, conferencing and integration of fax and printers to serve the employee on the move". (Vikram K. Director, 2013 March 21, ISS, HP, India-Times of India ,p.11 Advantage IT).

Prophesying the fashions in the sphere of office automation, Bharadwaj states, "With an increasing demand for faster decision-making organizations are aiming for cost reduction, improved turn-around time and service ability". They are looking for continuous business process improvements within corporate and government there is a high demand for managed integration of office functions. Bridging this gap is office automation which acts as an integral part to Information Communication Technology (ICT) industry. They are adopting technological practices that will improve productivity, reduce waste and eliminate redundancy while minimizing environment impact. Office Automation and Imaging will streamline the complete office infrastructure and will help in increasing productivity". (Bharadwaj K.M. Iss, HP India-Ibid)

Accordingly it can be safe and soundly concluded that corporate communication affect human resource improvement in both favorably and unfavorably as the result analysis make the assumptions energetic:

1. Efficient and far-reaching communication enlarges Human Resource prospective included world. It has been experiential that human resource enhancement with regard to output, competency, aptitude construction etc. have been on the way up in the corporations who provided altitude importance on usual training, workshops, ordinary company proceedings, regular feedback and critical evaluation of functioning.

2. Internal and external communications in an efficient way facilitates constructing good rapport and relationship from growing and decreasing. An in-depth interaction and resulting data gathered from Intel Technology, India Pvt., Ltd., and Ramee Guest line Hotel has confirmed that effective communication with in-house staff from the top management to downward and vice-a-versa aid to construct good rapport and relationship internally with the company workers and also with the external customers.

According to the review, communication in the course of the corporation's ladder turned out to be less apparent, information is promoted reflexively, and there are no computable practical communication system conventions that could be handled and acknowledged by business workforce. Loyalty and target on customers does not effect from vertical communication alone. The study has also established that competent communication is reliant on an appropriate administrator with a suitable testimony

rather than a leading trait. The traits of the administrator and administration technique can confer to the fulfillment of workforce and develop their accomplishment. If a firm wishes its workforce to communicate efficiently, it must generate proper situations, by way of methodical development and apt human resource gears to promote inspiration and personnel communication, and lay down rules for the business organizations or standards, the adherence of which it makes sure.

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