

Corporate Communication

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Corporate communication is the message issued by a corporate organization, body, or institute to its publics. "Publics" can be both internal (employees, stakeholders, i.e. share and stock holders) and external (agencies, channel partners, media, government, industry bodies and institutes, educational and general public).

An organization must communicate the same message to all its stakeholders, to transmit coherence, credibility and ethic. If any of these essentials is missing, the whole organization may fail. Corporate Communications help organizations explain their mission, combine its many visions and values into a cohesive message to stakeholders.

According to the book Essentials of Corporate Communication by Cees van Riel and Charles Fombrun the term Corporate Communication can be defined as the set of activities involved in managing and orchestrating all internal and external communications aimed at creating favorable starting points with stakeholders on which the company depends. Corporate communication consists of the dissemination of information by a variety of specialists and generalists in an organization, with the common goal of enhancing the organization's ability to retain its license to operate.

As Jackson (1987) remarks:

"Note that it is corporate communication -- without a final 's'. Tired of being called on to fix the company switchboard, recommend an answering machine or meet a computer salesman, I long ago adopted this form as being more accurate and left communications to the telecommunications specialists. It's a small point but another attempt to bring clarity out of confusion.

The concept of corporate communication could be seen as an integrative communication structure linking stakeholders to the organization. A corporate communication structure is a system which enables organizations to strategically orchestrate all types of communication.

Types of communication

There are three principal clusters of task-related communication activity within organizations. They are typically classified as management communications, marketing communications, and organizational communications.

Management communications are communications between management and its internal and external audiences. To support management communications, organizations rely heavily on specialists in marketing communications and organizational communications. Marketing communications get the bulk of the budgets in most organizations, and consist of product advertising, direct mail, personal selling, and sponsorship activities. They are supported by organizational communications from specialists in public relations, public affairs, investor relations,

environmental communications, corporate advertising, and employee communications. Corporate communication encompasses management communications, marketing communications, and organizational communications. Corporate communication implies a coherent approach to development of communications in organizations, so communication specialists can standardize communications by creating a common strategic framework.

What corporate communication encodes and promotes

Strong corporate culture

Coherent corporate identity

Reasonable corporate philosophy

Genuine sense of corporate citizenship

An appropriate and professional relationship with the press, including quick, responsible ways of communicating in crises

Understanding of communication tools and technologies

Sophisticated approaches to global communications

How an organization communicates with its employees, its extended audiences, the press and its customers brings its values to life. Corporate communication is all about managing perceptions and ensuring:

Effective and timely dissemination of information

Positive corporate image

Smooth and affirmative relationship with stakeholders

Be it a corporate body, company, organization, institution, non-governmental organization or governmental body, all need a respectable image and reputation. In today's increasing competition, easy access to information and the media explosion, reputation management has gained even more importance. Therefore, corporate communication has become a significant asset to corporate survival.

Gone are the days when corporate communication merely meant 'winning and dining the client' - it has now emerged as a science and art of perception management.

Key tasks of corporate communication

The responsibilities of corporate communication are:

to flesh out the profile of the "company behind the brand" (corporate branding);

to minimize discrepancies between the company's desired identity and brand features;

to delegate tasks in communication;

to formulate and execute effective procedures to make decisions on communication matters;
to mobilize internal and external support for corporate objectives
to coordinate with international business firms

Tools of corporate communication

Integrated communication can be achieved in various ways. The main four practices are:

application of visual identity systems (sometimes referred to as "house style")
use of integrated marketing communications;
reliance on coordinating teams;
adoption of a centralized planning system.

An overview of the corporate communication function

According to studies, over half of the heads of corporate communication departments oversee communications functions that include internal/external communications, managing corporate reputation and brand, recruiting and retaining top talent, product launches, developing company strategy, corporate social responsibility, boosting investor/analyst perception, and managing crises.

Corporate branding

A corporate brand is the internal perception of a company that unites a group of products or services for the public under a single name, a shared visual identity, and a common set of symbols. The process of corporate branding consists creating favorable associations and positive reputation with both internal and external stakeholders. The purpose of a corporate branding initiative is to generate a positive halo over the products and businesses of the company, imparting more favorable impressions of those products and businesses.

Corporate identity/organizational identity

There are two approaches for Identity, respectively Corporate Identity and Organizational Identity.

Corporate identity is the reality and uniqueness of an organization, which is integrally related to its external and internal image and reputation through corporate communication" (Gray and Balmer, 1998)

"Organizational Identity comprises those characteristics of an organization that its members believe are central, distinctive and enduring. That is, organizational identity consists of those attributes that members feel are fundamental to (central) and uniquely descriptive of (distinctive) the organization and that persist within the organization over time (enduring)". (Pratt and Foreman,

2000)

Four types of identity can be distinguished (Balmer, 1997; Balmer and Wilson, 1998):

Perceived identity: The collection of attributes that are seen as typical for the 'continuity, centrality and uniqueness' of the organization in the eyes of its members.

Projected identity: The self presentations of the organization's attributes manifested in the implicit and explicit signals which the organization broadcasts to internal and external target audiences through communications and symbols.

Desired identity (also called 'ideal' identity): The idealized picture that top managers hold of what the organization could evolve into under their leadership.

Applied identity: The signals that an organization broadcasts both consciously and unconsciously through behaviors and initiatives at all levels within the organization.

Corporate responsibility

Corporate responsibility (often referred to as corporate social responsibility), corporate citizenship, sustainability, and even conscious capitalism are some of the terms bandied about the news media and corporate marketing efforts as companies jockey to win the trust and loyalty of constituents. Corporate responsibility (CR) constitutes an organization's respect for society's interests, demonstrated by taking ownership of the effects its activities have on key constituencies including customers, employees, shareholders, communities, and the environment, in all parts of their operations. In short, CR prompts a corporation to look beyond its traditional bottom line, to the social implications of its business. (Argenti, 2009;)

Corporate reputation

Reputations are overall assessments of organizations by their stakeholders. They are aggregate perceptions by stakeholders of an organization's ability to fulfill their expectations, whether these stakeholders are interested in buying the company's products, working for the company, or investing in the company's shares.

In 2000, the US-based Council of PR Firms identified seven programs developed by either media organizations or market research firms, used by companies to assess or benchmark their corporate reputations. Of these, only four are conducted regularly and have broad visibility:

"America's Most Admired Companies" by Fortune Magazine;

The "Brand Asset Valuator" by Young & Rubicam;

"RepTrak" by Reputation Institute.

"Best Global Brands" by Interbrand.

Crisis communications

Corporate reputation is formed by the firm's various publics based on information and experience. Different publics consider different informational cues, such as cues considered by customers of a beverage firm. Focus groups and surveys among consumers help assay corporate reputation. This assay can be used to track the evolution of the corporate reputation of a firm over time.

Internal/employee communications

Internal communications in the 21st century is more than the memos, publications, and broadcasts that comprise it; it's about building a corporate culture on values that drive organizational excellence.

Investor relations

The investor relations (IR) function is used by companies which publicly trade shares on a stock exchange. In such companies, the purpose of the IR specialist is to interface with current and potential financial stakeholders-namely retail investors, institutional investors, and financial analysts.

Media relations

To build better relationships with the media, organizations must cultivate positive relations with influential members of the media. This task might be handled by employees within the company's media relations department or handled by a public relations firm.

Company/spokesperson profiling

These "public faces" are considered authorities in their respective sector/field and ensure the company/organization is in the limelight.

Managing content of corporate websites and/or other external touch points

Managing corporate publications - for the external world

Managing print media

Corporate communication officers

Recent research on the corporate communication function reports that corporate communication officers (CCOs) in Global Fortune 500 companies tend to have average tenures of about 4.5 years and that nearly one-half (48 percent) report to the Chief Executive Officer. CCOs say that

approximately 42 percent of their job is strategic and 58 percent is tactical. Over the next year, they will be focusing more on social responsibility, social media and reputation. The research done by Weber Shandwick and Spencer Stuart found distinct differences between CCOs in Most Admired companies versus Contender companies.

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