

# Functions Of Corporate Communication & Public Relations

**UNIT 3**

# Major Points Covered:

## □ Media Relations-

Introduction, importance of media relations, Sources of Media Relations, Building Effective Media relations, Principles of Good Media Relations.

## □ Employee Communication-

Introduction, Sources of employee communication, organizing employee communications, Benefits of good employee communications, steps in implementing an effective employee communications programme, role of management in employee communications.

## □ Crisis Communication-

Introduction, impact of crisis, role of communication in crisis, guidelines for handling crisis, Trust Building

## □ Financial Communication-

Introduction, Tracing the growth of financial communication in India, Audiences for financial communication, Financial Advertising.

# Media Relations

- Media relations work is considered as one of the most important functions of public relations campaigns.
- It involves the process of getting together with various media to inform the public on many important organizational aspects, which include mission, vision, policies, rules and regulations, in an organized and consistent way.
- Most media relations work requires collaboration between organization and several kinds of media to disseminate the latest news and knowledge to the community.

# Importance of Media Relations



# Sources of Media Relations



# Purpose of Media Relations

**Increase public or audience awareness**

**Educate the public**

**Make public aware of organisation's value**

**Promote the organization**

**Foster public understanding**

**Communicate organization's CSR Activities**

**Reward & recognize employees for hard work**

# Building Effective Media Relations

- One of the main secrets in building effective media relations is to appreciate how the business works.
- The media relations role is a traditional role of practitioners because it functions to “maintain media contacts, place news releases, and figure out what the media will find newsworthy about the organization”.

# Building Effective Media Relations

- Researching the Angle:
  - Before thinking about writing the pitch or clicking send, he should take a moment to step back and research the angle.
  - This is the communication expert's opportunity to decide whether he is trailblazing or adding a new insight to an existing storyline in the pitch. One can use insights to shape the angle, inform content and even media targets.



# Building Effective Media Relations

- Some of the goals to guide you in the research:

## Finding the White Space

- You can discover media who haven't covered the decided topic

## Showing Research to media

- One can tailor the pitch as per the insights Show the reporters what is expected from them.

## Creating a Plausible Story

- One can find 3<sup>rd</sup> party trusted data points , trends and other points to weave into the pitch to make it easier & more compelling to cover.

# Building Effective Media Relations

- Anticipating Needs:
  - If one has managed a reporter on a great angle, that's not enough.
  - Media targets might come back asking for visuals, interviews, more information, data, background, etc.
  - As a communications expert, one needs to be prepared for these possibilities beforehand.

# Building Effective Media Relations

- Quick list of things to sort out before pitching:
  - a. Visuals
  - b. Spokesperson who is available, entrenched in the program, and is an expert.
  - c. Quotes and press materials
  - d. Timelines and plans so that the news is related to the activities of the company.
  - e. Third-party experts which also helps to control the message delivered to the audiences.
  - f. Questions & Answers so that the expert is prepared to respond at the given moment.

# Building Effective Media Relations

- Introducing & Contacting Media:
  - One should be prepared to take advantage of any quick tips whenever possible to ensure that emails or calls are well-received at the time of pitching.
  - **Introducing the brand** that he or she is representing and provide the resources & data at his disposal.
  - **Asking Questions** regarding the requirements of the reporter with respect to the pitch & brand.
  - **Expressing intentions** to build a long-standing relationship with media.
  - Connecting on a personal level so that reporters help the communication expert and the organization.

# Building Effective Media Relations

- Introducing & Contacting Media:
  - **Social Media** can be used by the communication expert to amplify the impact of the news.
  - **Asking oneself what's vital & what's interesting** by and being skeptic about one's writing and getting a second opinion if possible.

# Building Effective Media Relations

- Practicing Good Habits and Earning Favor:
  - PR experts need to remember that reporters and editors don't need to work with PR pros.
  - It is imperative on the part of the communication expert that they do their best to make sure that everything is clear in order to make the relationship mutually beneficial.

# Building Effective Media Relations

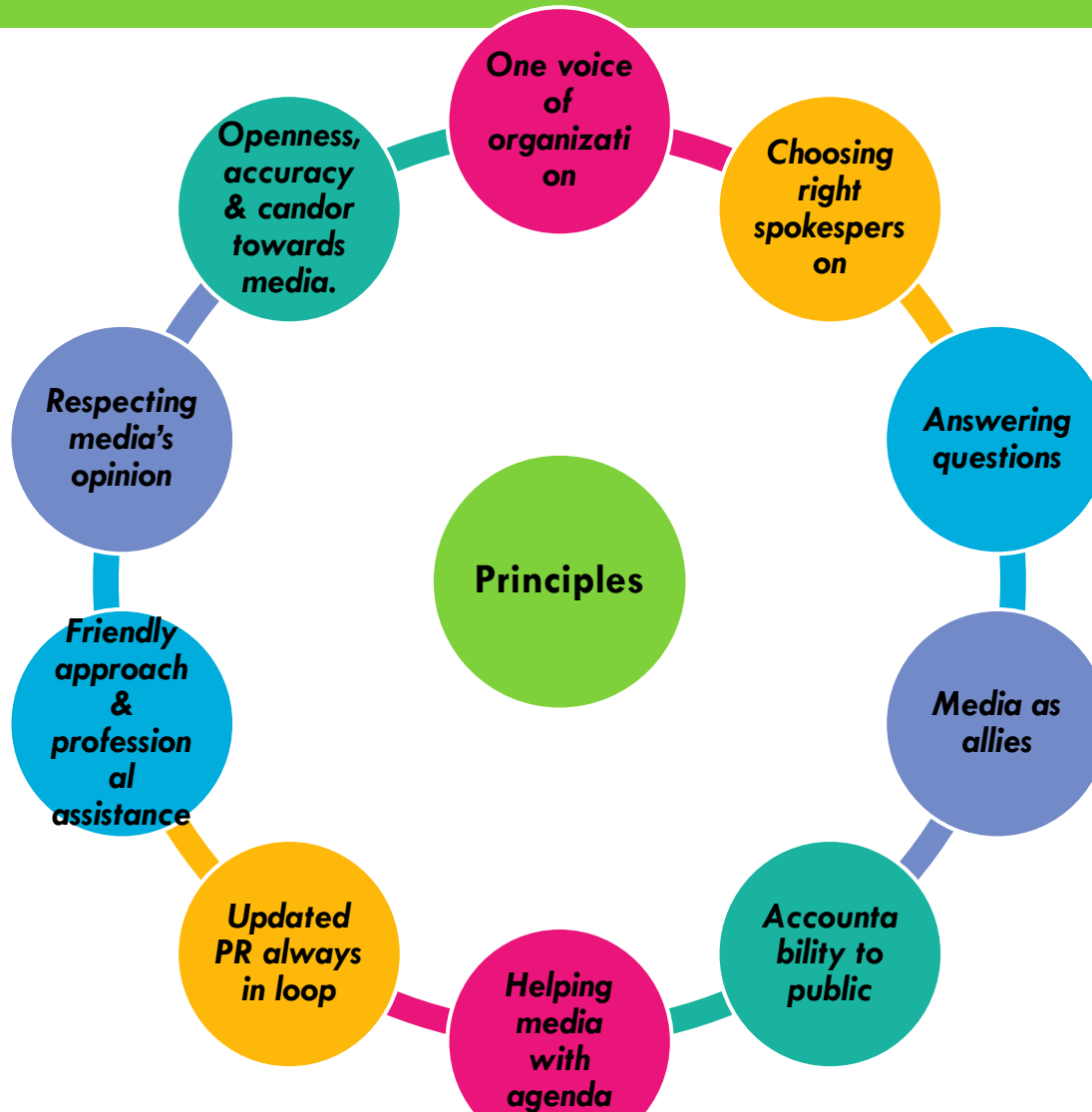
- Practicing Good Habits and Earning Favor:
  - The few things that can get you to build a beneficial mutual relationship are:
    - a. Honouring timelines while working
    - b. Offering other contacts which could add great value to the reporter's personal achievement
    - c. Amplifying news of coverage by media earning you brownie points with the media.
    - d. Reading and engaging with other news showing interest in company's contact. It helps communication expert in writing pitch.
    - e. Bringing Reporters as experts for a roundtable, webinar, etc.
    - f. Staying in touch even after the project/work is done.

# Principles of Good Media Relations

- A relationship is inevitable as well as necessary between an organization and the media.
- The main principle that underlies good and successful media relations is to understand with whom the organization wants to communicate, whether they are producers, editors or journalists.
- The principles for maintaining good media relations are explained further:



# Principles of Good Media Relations



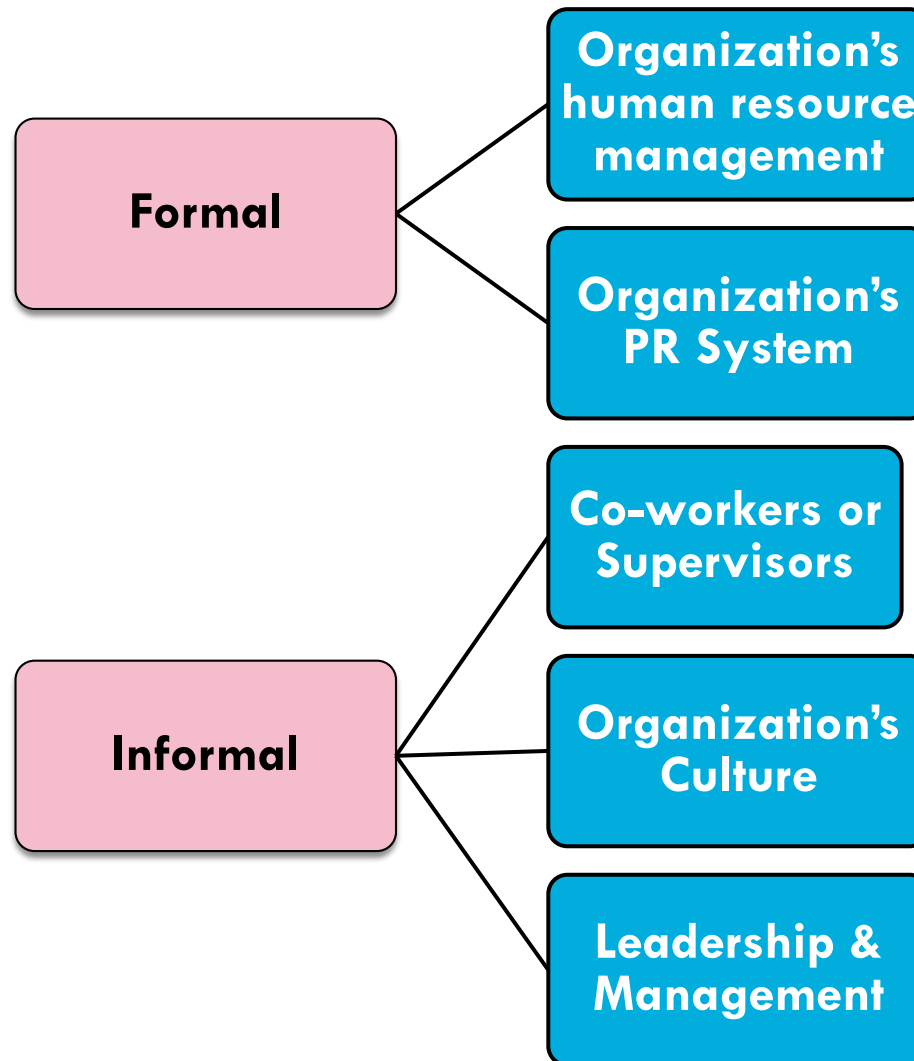


# EMPLOYEE COMMUNICATION

# Employee Communication

- One of the fastest growing management disciplines.
- Serves as one of the most important/primary function of corporate communication.
- It occurs at four different layers within the organization, namely, higher managerial levels,(line management), team mate, project mate as well as internal corporate communication.
- Regardless of its importance in a business environment, employee communication still has not earned special treatment in the organization.

# Sources of Employee Communication



# Organizing Employee Communications

- Unlike external communication, organizations often fail to plan their employee communications.
- Effective employee communication needs to be organized which in turn helps in the long-term well being of our organization.

# Organizing Employee Communications



# Organizing Employee Communications

- Taking a close look at the Organization:
- The communication expert needs to answer to the following questions at the very start:
- What are the organization's mission and goals?
- What is the organization's structure?
- Who makes the organization?
- What characterizes the organization culture and internal communication?
- What communication tools are used within the organization?
- What are the internal communication needs?

# Organizing Employee Communications

- Developing a Strategy:
- The following are the steps involved in the process of developing the strategy:





# Organizing Employee Communications

- Measuring the Effectiveness and the Impact:
- Once the strategy has been implemented, continual evaluation and updates is required.
- This can be done in following phases:



- Soon enough, results including workers performance, engagement and retention, will speak for themselves.
- But to ensure change takes place, management needs to participate and inspire the whole staff to do the same.

# Role of Management in Employee Communications

- ❑ Regular communication practices
- ❑ Soliciting feedback from the employees
- ❑ Listening carefully to what is said and what remains unsaid
- ❑ Lead by example for the employees
- ❑ The communications expert and the managers need to make collaborative effort towards building employee communications.
- ❑ Managers need to be mind their communication styles and aware as their non-verbal signals indicates an openness and willingness to communicate.

# Steps in implementing an effective communication program



Communicate up and down

Make time for face-to-face meetings

Communicate online

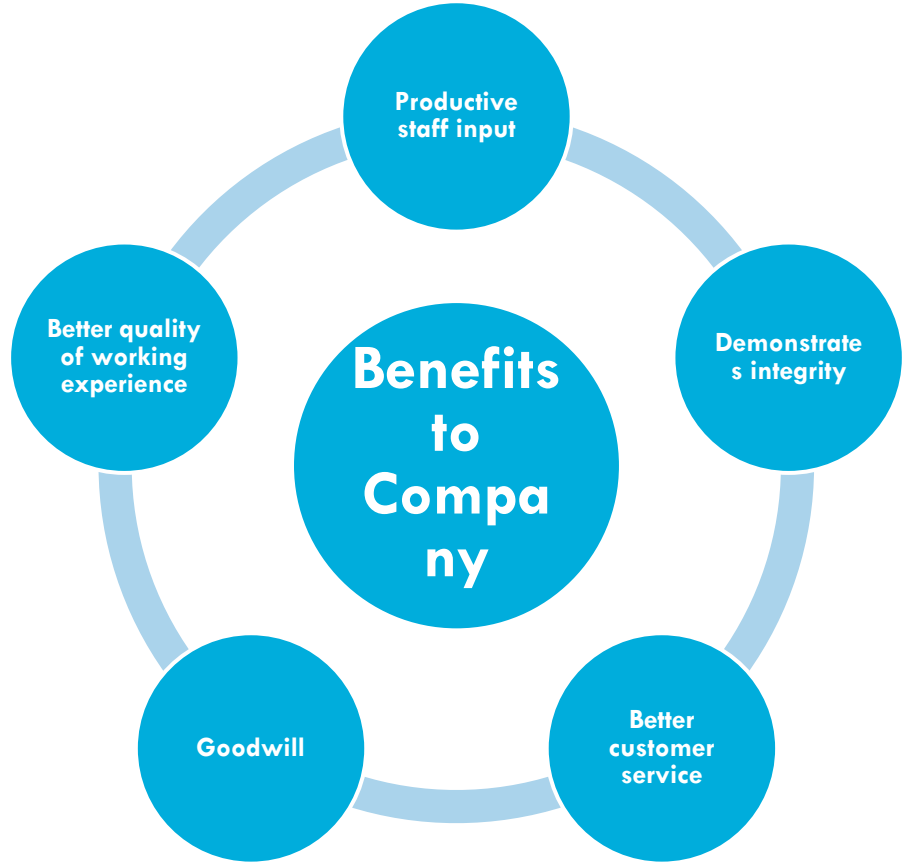
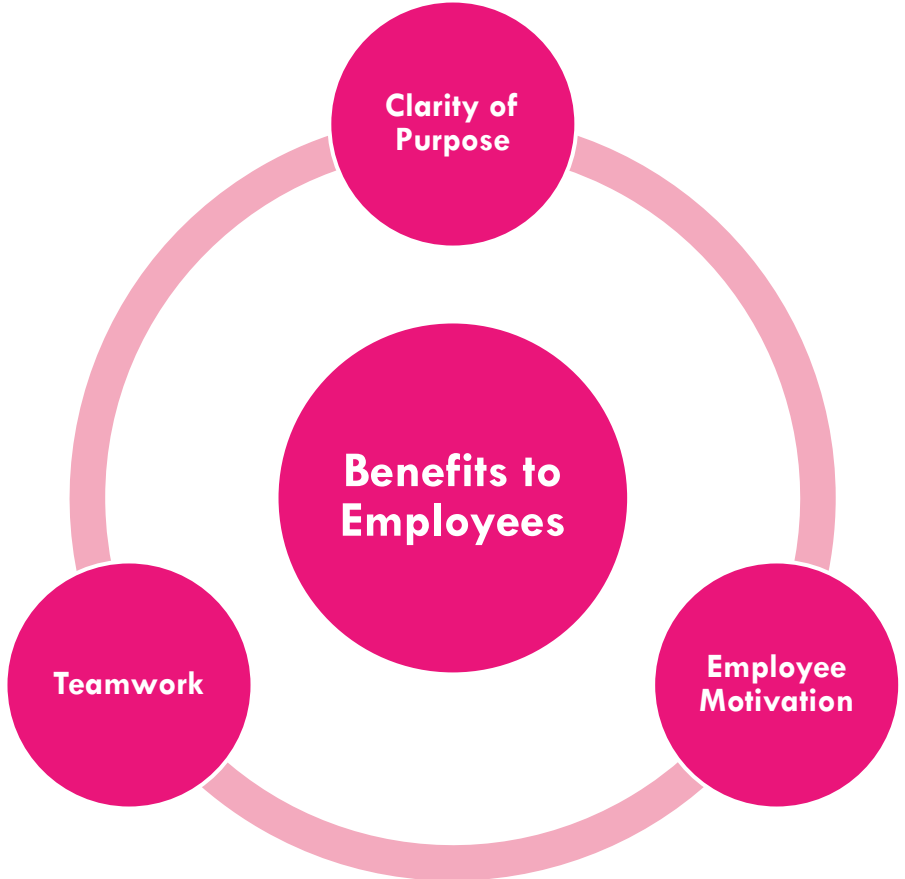
Create employee-oriented publications

Communicate visually

Focus on internal branding

Consider the company grapevine

# Benefits of good Employee Communications





# **CRISIS COMMUNICATION**

**Asst. Prof. (Ms.) Shweta Dubey – Sheth N.K.T.T. College, Thane**

# Crisis Communication

- **Crisis communication** is a sub-specialty of the public relations profession that is designed to protect and defend an individual, company, or organization facing a public challenge to its reputation.
- The communication scholar Timothy Coombs defines crisis as "the perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organization's performance and generate negative outcomes" and
- Crisis communication as "the collection, processing, and dissemination of information required to address a crisis situation."
- Can be defined as "a set of factors designed to combat crises and to lessen the actual damages inflicted."

# Crisis Communication

- Crisis communication can be divided into three categories:
  1. Pre-Crisis: involves how an organization communicates with various audiences to establish a positive image and credibility, so that when a crisis comes perception of the organization is easier to mold in the organization's favour. Organization's operate under the assumption that crisis will hit the organization.
  2. In-Crisis: Once public is aware of a crisis affecting an organization, they must do something about the negative image it will most likely suffer. It should send across messages to repair the image.
  3. Post-Crisis: primary focus of post communication is on ensuring the organization follows up with key publics to further establish a positive relationship.

# Impact of Crisis

- Crisis affects organization in every way.
- A crisis, regardless of its type or magnitude, has the potential to cause catastrophic or irreparable damage to organizations.
- It can lead to loss of lives, significant financial losses.
- It not only affects a system as a whole but also threatening effect on its basis assumptions, its subjective sense of self, its existential core.



# Impact of Crisis



Human and Social

Financial

Tarnishing of corporate reputation

Administrative

Technology

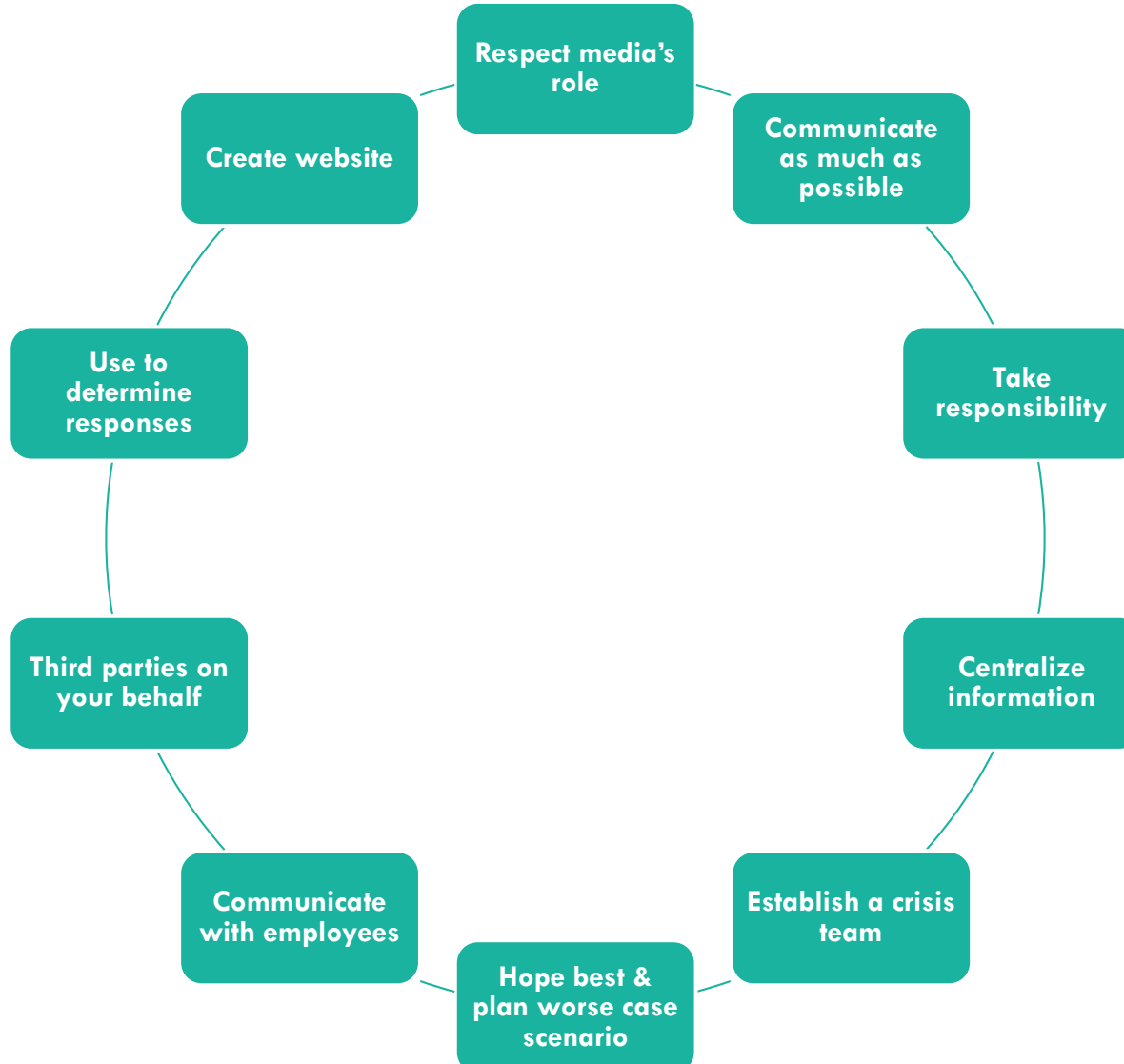
External Impacts

Loss of trust and Confidence

# Role of Communication in Crisis

- Communication plays a great responsibility in the examination of organizational crisis in line with the development of traditional crisis management.
- Organization may **create a separate website** for the crisis. The site should be designed prior to the crisis.
- **Internet** is a means used by the stakeholders and other news media in times of crisis to gather information about an organization.
- Intranet is used by organization as a means to reach out to the key stakeholders and employees in times of crisis for better and closed communication.
- Utilizing a mass notification system for reaching employees and other stakeholders during a crisis.(phone, email, etc.)

# Guidelines For Handling Crisis



# Trust- Important Factor In Crisis Communication





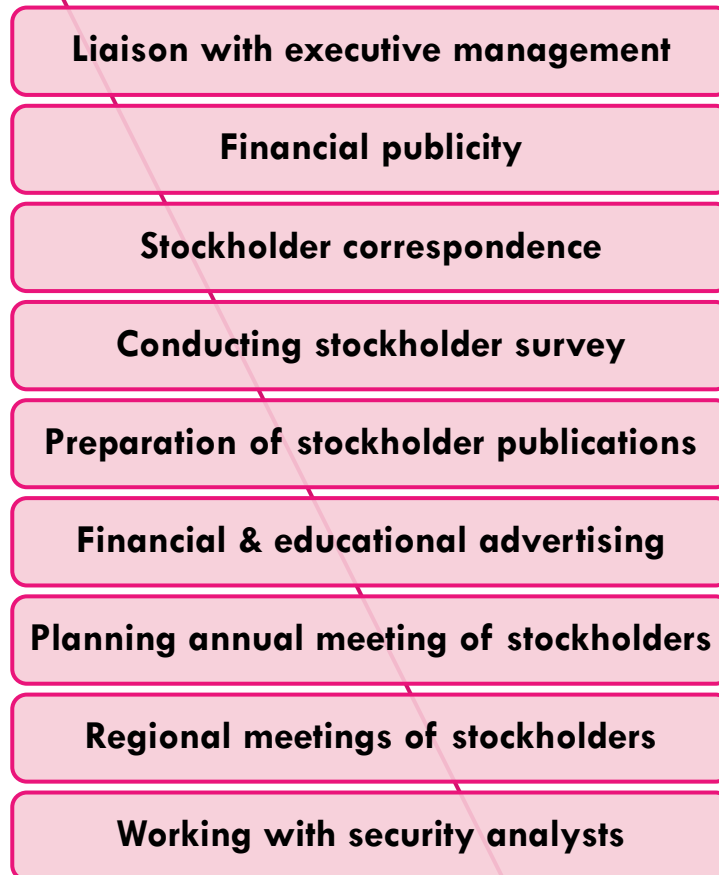
# *Financial Communication*

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# Financial Communication

- Financial communication is intended as the process where the firm, actual and potential investors, offer, demand, and exchange data on corporate financial performance and on events which could affect its prospects.
- Success of any organization depends on its ability to attract capital resources from its environment. It can attract capital only if investors have confidence in business and its management.
- For this, you require a financial communication expert.

# Functions of a financial communication expert



# Tracing financial growth

- The Indian growth story , although impacted to a great extent by international factors, is equally driven by domestic factors.
- **External factors** like globalization, liberalization have impacted Indian business scenario in a big way.
- The **domestic factors** influencing the growth of financial communication are: demographic change, social and behavioural change, technological change.



# Audiences for Financial Communication

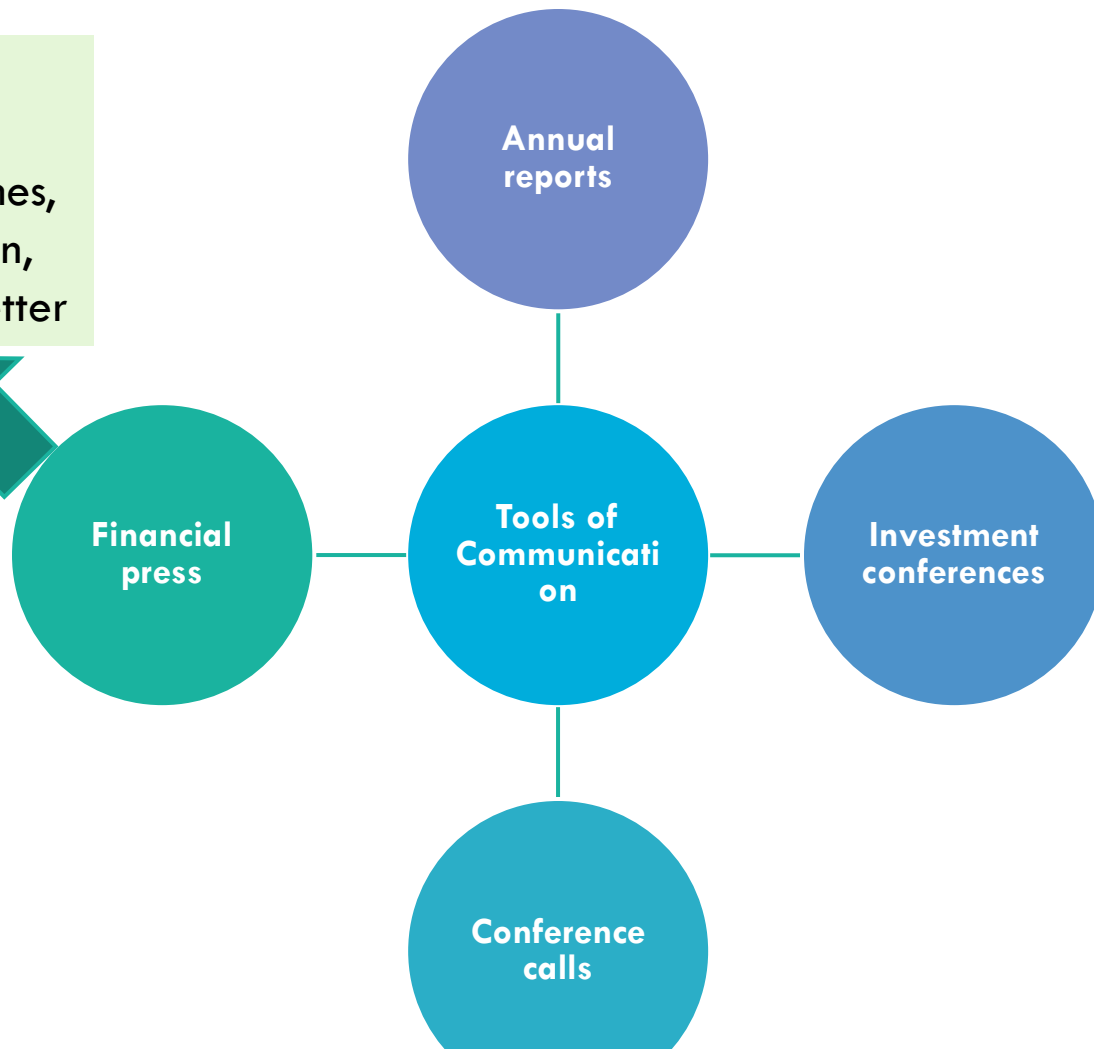
- **Individual stockholders:** vast untapped resource of potential customers and grassroots support on financial issues. They can be influenced in following ways:
  1. Treating them as important customers.
  2. Communicating in readable and non-technical language.
  3. Learning as much as possible about stockholders.
  4. Welcoming new stockholders & expressing regret on losing them.
  5. Prompt and appropriate response to stockholders.
  6. Holding annual meetings and handing newsletter.

# Audiences for Financial Communication

- **Financial Analysts:** these include investment counsellors, fund managers, brokers, dealers, and institutional buyers.
- All communication should be characterized by responsiveness, openness and regular communication. Although, care should be taken to not over communicate.
- It is advisable to not communicate something that cannot be fulfilled because once promised, if the company does not perform according to their expectations, results would be disastrous.

# Tools of Communication

- Daily Newspapers,
- Trade Magazines,
- Cable Television,
- Market Newsletter



# Financial Advertising

- All advertisements which are designed to raise money/ finance from the general public is known as financial advertising.
- Financial advertising is seen on the pages of financial papers everyday.
- All financial institutions, banks, insurance companies, mutual funds, investment institutions, companies going for public issue of shares, debentures, bonds, etc. issue financial advertising.
- The ad needs to follow the norms of set by SEBI and have to highlight the risk factor attached to it. This kind of advertising is very dull because of the columns of uninterrupted figures. This requires important information which people rely on for making investment decisions.
- Financial advertising helps to attract the attention of a broad public to the enterprise , to gain potential investors & achieve an image transfer from well known successful products of a company to share.
- Although, daily reports on stock market prices is not financial advertising as it is not paid for.