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## An Analysis of Corporate communication: Case Study of HAL

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### Abstract:

Corporate Communication can be defined as the method by which a corporate house or a company communicates either internally, externally or both. Today, Public Relations has become part of Corporate Communication, while components like investor relations, internal communication, branding, advertising, marketing communication and government relations play a pivotal role.

Is Corporate Communication simply the old wine of PR in a new bottle? Well, at the outset it might look so, but this researcher (by virtue of having exposure to both) is convinced that Corporate Communication has specific mission-oriented initiatives giving it a definite edge over PR.

With globalization occurring in India during the past decade, the floodgates to Corporate Communication were opened. The concept of PR shrunk to government offices only, while corporate and MNCs embraced Corporate Communication with specialists and brand managers taking charge. Journalists with experience suddenly had another career option and many companies started hiring them as Corporate Communication managers. CorpCom was the buzzword all over.

Internal Communication is a core component of Corporate Communication. Similar to the interaction between a person's right and left hand, it complements some of the elements that propel External Communication. With workforce (employee) empowerment becoming the order of the day, the role of Internal Communication has changed drastically over the years.

HAL chose to launch the Corporate Communication concept through a group of journalists who were recruited straight from different media houses. With many of its products going global, HAL was forced to look at some aggressive branding campaigns. The pre-2005 stand of sticking to age-old Public Relations practices was not fetching any dividends for the Company's image. Finally, in June 2006, HAL Management formally announced the formation of Corporate Communication Department.

**Introduction:**

Communication has become the most effective tool of modern businesses. With the information technology (IT) boom all over the world, corporate houses irrespective of their size and standing have realized the need to have a group of professionals dealing with their communication needs -- both internal and external.

With technology advancing and many next-generation gadgets making their way into the hands of the general public, the internal public (employees) in every organization has become extremely alert and aware to the happenings around. Corporate Communication teams have become integral parts of organizations the world over, though the degree of their acceptance has varied.

In the *Ramayana*, there is a character called Bhadro, who used to report to Rama the feelings and perceptions of the people. Employing professional bards to sing about the glory of the king was an ancient custom in India. Much of what is known today about the ancient kings and civilizations is the result of scribes seeking to glorify the achievements of a royal patron. The *Rajtarangini* of Kalhana also belongs to the same genre.

The great religious teachers from Gautama Buddha and Sankaracharya to Nanak and Kabir were master communicators. They preached in an idiom which the common people easily understood. The rock inscriptions of Emperor Ashoka were written in local dialects for easy communication. He also sent his own children to Sri Lanka to spread the message of Buddhism. His daughter, Sanghamitra, can perhaps be described as the first female public-relations executive in history. Centuries of slavery under the Mughals and the British brought in their wake a new type of Public Relations on the part of the rulers. The rulers tried to put forth that they were working for the people of this country and that the people should cooperate in their continuance.

A systematic and organised practice of public relations in India began with the Indian Railways. The Great Indian Peninsular (GIP) Railways, for example, carried on a campaign in England in the 1920s to attract tourists to India. Within the country, its Publicity Bureau introduced a travelling cinema which held open air shows at fairs, festivals and other places. This Bureau also undertook extensive advertising in newspapers and journals besides participating in exhibitions abroad to popularise the Indian Railways and tourist traffic.

During the First World War (1914-1918), the Government of India set up a Central Publicity Board. This was the first organised PR/Information set-up of the Government of India. It was renamed as the Central Bureau of Information, afterwards renamed as the Bureau of Public Information, and functioned as a link between the Government and the Press. One of the items on its agenda was to find out where the action of the Government was criticised. In today's parlance, we call this "feedback".

For the first time, an Indian, namely, J. Natarajan of *The Pioneer*, Lucknow, was appointed as its Deputy Principal Information Officer. The Bureau also formulated a policy in 1938 for the release of government advertisements.

After Indian Independence (1947), the Government of India set up a full-fledged Ministry of Information and Broadcasting. This was a revolutionary measure in the reorganisation of the information and public relations setup of the Central Government. All the State Governments and Union Territories also have Departments of Information and Public Relations. The activities of the Ministry of Information and Broadcasting can be broadly divided into three sectors: the Information Sector, the Broadcasting Sector and the Films Sector. The functions of these sectors are complementary to each other and cannot be strictly compartmentalised. Each of these sectors operates through specialised media units and their affiliated organisations.

**National Media Campaigns (NMCs):** As part of the NMCs, a string of branding exercises was launched. This included the release of advertisements in national weeklies/ magazines on special occasions like Republic Day, Independence Day and during the World Cup Football campaign in 2006. Special programmes for school children under the banner “Goal -‘o’-Goal” were held at HAL Heritage Centre and Aerospace Museum in Bangalore to spread football awareness at the grassroots. In addition, hoardings depicting various HAL products and milestones were erected across HAL’s premises. What was unique was that the persons featured in these advertisement campaigns were employees of HAL—rather than professional models-- thereby creating a strong sense of bonding among the employees.

**Corporate Social Responsibility (CSR):** On many occasions, the Corporate Communication Department went beyond its brief and undertook new projects. Though CSR was an activity entrusted to the HR Department, the Corporate Communication Team would often provide leadership for this segment. As a result, many positive activities ensued: events for differently-abled children, computers for charitable organizations, and promotion of hand-made products developed by various self-help groups.

## Justification of the study

Most defence establishments in India traditionally had Public Relations Departments, which worked on a tongue-tied policy. With changing times and needs, corporations the world over invested in adopting best PR and Corporate Communication practices and India too was up to the challenge. However, the scene in defence establishments was different; most of them had a different set of rules binding their thought processes.

This study is an attempt to capture the innovative Corporate Communication practices that were being implemented in HAL. It will also bring out the social and cultural changes that were visibly seen in HAL during the course of an active Corporate Communication movement. The study can be helpful to government establishments in India, who are waiting in the wings to adopt Corporate Communication. It will also guide prospective Corporate Communication professionals to understand the challenge in making people accept a new idea.

**Operational definitions:** External communications, internal communication, MINSK Square matters.

**Internal communication:** Internal Communication and External Communication. Internal Communication relates with the employees working in the organization. There are various channels adopted for internal communication. These apart from circulars, orders, include in house magazines, mailers through Intranet, open-

house sessions, feedback forums, informal get-togethers and in-house contests.

**External communications:** External Communication describes the communication that a company has with external entities such as vendors, suppliers, bankers, agents, competitors, franchises, consultants and customers. In the case of HAL, a customer might be the Indian Air Force (IAF), the Indian Army, the Indian Navy, a foreign government, or foreign companies like Boeing, Embraer and Rolls-Royce. External communication involves building and maintaining a positive relationship with the media (television, print, web, etc). This includes drafting and dissemination of press releases, organizing press conferences and meetings with media professionals, and organizing events for the media as a group. External events could involve vendor, supplier, and distributor meets, channel partner meetings, or events related to product launches. It also involves managing the content of corporate websites and/or other external touch points and managing corporate publications. Thus, the independent variables of the study PR practices and campaigns of HAL, which are executed through Internal Communication and/or External Communication.

**MINSK Square matters:** is a house journal of HAL

## Objectives of the study

The main objective of the present study is to explore the impact of Corporate Communication viz., External Communication and Internal Communication, on the employees of Hindustan Aeronautics Ltd (HAL), who play the role of internal public in this study. However, the specific objectives of the study are as under:

- To study the impact of External Communication on the visibility of HAL and its brand image, as visualized by the HAL employees.
- To study the impact of *Minsk Square Matters (MSM)* as an Internal Communication channel on HAL employees.
- To know the impact of *The Plane* as an Internal Communication channel on employees in enhancing the image of HAL.
- To study whether the Corporate Communication initiatives increased a sense of bonding among the employees.
- To explore whether Corporate Communication helped to bridge the gap between the workmen and the management.

## Hypotheses

- Corporate Communication is directly related to information level of employe.
- Corporate Communication is directly related to Brand Image
- Corporate Communication is directly related to positive employees relation

- CSR is directly related to morale level of employee

## Sample

The total employee strength of HAL was 34,687 during the course of the study. Thus the population consists of 34,687. As the population is huge and spread over many centers located at different places such as Bangalore, Hyderabad, Kanpur, Koraput, Nasik, Lucknow, Korwa, Barrackpore and New Delhi, the researcher chose to adopt stratified random sampling. The sample size selected for the study was 1,500. Thus, the researcher mailed questionnaires to 1,500 employees. These employees were chosen from the different units of HAL stated above. The Age, Gender, Education, Position were also considered while choosing the samples and distributing the mailed questionnaire to have data from stratified random sampling. While distributing the questionnaire, the HR and Divisional PR Department's help were sought to ensure representation based on the strength of the employees from each of the Divisions and other criteria.

In all, the researcher distributed 1,500 questionnaires and after repeated requests and continuous follow-up could receive 1050 questionnaires from the respondents. The response rate is thus 70 per cent.

## Study variables

Three types of study variables are considered. They are: 1) Independent variables, 2) Dependent variables and 3) Demographic variables. The details are given below.

### Independent variables

- External communication
- Internal communication

### Dependent variables

- Impact

## Key findings

1. 333 (36.43%) respondents in the age group of 20-30, 265 (28.99%) respondents in the age group of 31-40, 157 (17.17%) respondents in the age group of 41-50 and 159 (17.39%) respondents in the age group of 51-60 indicated that HAL should evolve a daily communication mechanism.
2. Out of the 552 respondents from Bangalore, 435 (78.80%) used print and electronic media to gather additional news on HAL. Among the 498 respondents from outside Bangalore, 335 (67.26%) depended on print and electronic media to know additional news on HAL.

3. In the case of first source of information on HAL, 384 (36.57%) respondents said that it was through newspapers and electronic media, 407 (38.76%) said that it was via *Minsk Square Matters (MSM)* and 259 (24.67%) said that it was through their superiors and colleagues. Of the respondents from Bangalore, 225 (40.76%) used the newspaper and electronic media, 201 (36.41%) used the internal magazine, and 126 (22.82%) got the information from their superiors and colleagues. Among the 498 respondents from outside Bangalore, 159 (31.92%) depended on the newspaper and electronic media for information, 206 (41.36%) got it from the internal magazine, and 133 (26.70%) got the information from their superiors and colleagues.
4. On sustained media campaigns getting good business prospects and better work conditions, out of the 902 male respondents, 579 (64.19%) said that it would help, 141(15.63%) said that it wouldn't, and 182 (20.17%) did not comment. Among the 148 female respondents, 85 (57.43%) said that these constant campaigns would held HAL. On the whole, equation-wise break up analysis indicated that 664 (63.29%) believed that sustained media campaign would lead to increase in business and consequently better work conditions. Of these, 199 (29.96%) were undergraduates, 278 (41.86%) were graduates and 187 (28.16%) were post-graduates. 263 (39.60%) were employees on Scale, while 401 (60.39%) were employees on Grade confirmed this.
5. Out of the 1050 respondents, 864 (82.28%) felt that HAL should increase its presence in the digital media (internet).

#### **Inferences:**

Though Corporate Communication was a fairly new concept in HAL, the impression it created among the minds of the respondents is significant. The researcher feels that the lack of a proactive PR window in HAL for a long time was felt by many respondents and they found the new communication campaigns refreshing. Aerospace job is very demanding and it was important for HAL to let the world know about their achievements through sustained media campaigns. The fact that many respondents linked good business prospects to greater brand image shows the impact HAL's new communication exercises had on its employees.