Relations between organizational culture, identity and image

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One of the primary challenges faced by contemporary organizations stems from the breakdown of the boundary between their internal and external aspects. Previously, organizations could disconnect their internal functioning from their external relations in the environment because there were few contacts between insiders and outsiders. Top executives, marketing, purchasing, PR and strategic planning departments handled external relations while internal issues were attended to by middle and lower level managers and HRM, engineering, production and accounting departments. However, networking, business process re-engineering, flexible manufacturing, delaying, the new focus on customer service, and so on, redefine what were previously considered matters of external relations as part of the daily activities of nearly all organizational members. These changes not only imply that the categories of internal and external relations are collapsing together in organizational practice, but they also indicate a need to combine knowledge from the disciplines of marketing and organization studies.

In this article we argue that, increasingly, the actions and statements of top managers simultaneously affect organizational identity and image. This is, in part, due to increasing levels of interaction between organizational members and suppliers, customers, regulators and other environmental actors, and the multiple roles of organizational members who often act both as “insiders” (i.e. as employees) and as “outsiders” (e.g. as consumers, community members and/or members of special interest groups. We will further examine the implications of the collapsing of internal-external boundaries by applying the concepts of organizational culture, identity and image as developed within both marketing and organization studies. In particular we will build our argument on the foundation of ideas developed within corporate branding, corporate image and corporate identity studies (which have emphasized the relationships of...
Organizational culture, identity and image

In bringing the topic of organizational culture into discussions within the marketing literature, we wish to show that culture theory has much more to offer than has thus far been acknowledged. For example, while Dowling (1993) mentioned culture in his model, he treated culture as a factor or determinant and placed it on the same ontological level as identity and image. Based on our perspective, which is grounded in interpretivism and social constructivism, we argue that culture needs to be seen, not as a variable to be measured, accounted for and controlled, but as a context within which interpretations of organizational identity are formed and intentions to influence organizational image are formulated. Thus we argue for a more elaborate notion of culture, grounded in the organization theory literature, combined with understandings of organizational image and identity offered by both the organizational and the marketing literatures. We believe that culture, identity and image form three related parts of a system of meaning and sense-making that defines an organization to its various constituencies. Thus, the mutual influences of organizational culture, identity and image suggest a specific model of ways in which properties and processes, formerly seen as either internal or external aspects of organization, interpenetrate one another.

The concept of identity

The discussion of identity within the organizational literature has developed around the concept of organizational identity, while the marketing literature focuses on corporate identity. Organizational identity refers broadly to what members perceive, feel and think about their organizations. It is assumed to be a collective, commonly-shared understanding of the organization's distinctive values and characteristics. Albert and Whetten (1985) offered an influential definition of organizational identity as that which is central, enduring, and distinctive about an organization's character.

Corporate identity differs from organizational identity in the degree to which it is conceptualized as a function of leadership and by its focus on the visual (Abratt, 1989; Balmer, 1995; Olins, 1989). Although both concepts build on an idea of what the organization is (Balmer, 1995, p. 25), strong links with company vision and strategy (e.g. Abratt, 1989; Dowling, 1993) emphasize the explicit role of top management in the formulation of corporate identity. The marketing approach has specified more fully the ways in which management expresses this key idea to external audiences (e.g. through products, communications, behaviour and environment (Olins, 1989)), while the organizational literature has been more concerned with the relationship between employees and their organization (e.g. studies of organizational commitment and identification, (Ashforth and Mael, 1989; Dutton, Dukerich and Harquail, 1994).

The visual schools of corporate identity, described by Balmer (1995), emphasize graphic design and management through official corporate symbols.
which focus attention on the strategic, visual aspects of corporate identity. As Abratt (1989, p. 68) explains:

Visual identity is a part of the deeper identity of the group, the outward sign of the inward commitment, serving to remind it of its real purpose.

Olins (1989) provides examples of the strategic use of symbols in companies like Shell Oil and Yves Saint Laurent, companies that make strong and consistent use of their corporate name, logo and colours to create a monolithic identity for their organizations.

We view organizational identity as grounded in local meanings and organizational symbols and thus embedded in organizational culture, which we see as the internal symbolic context for the development and maintenance of organization identity. The symbolic construction of corporate identity is communicated to organizational members by top management, but is interpreted and enacted by organizational members based on the cultural patterns of the organization, work experiences and social influence from external relations with the environment. Thus, organizational identity emerges from the ongoing interactions between organizational members (including middle-level managers) as well as from top management influence. Furthermore, we argue that as the internal-external distinction collapses, organizational identity is increasingly influenced by (and becomes an influence on) organizational image.

The concept of image

Very few within the marketing literature consider internal organizational aspects when dealing with the concept of organizational image (Dowling, 1993; Kennedy, 1977). The organizational literature, in contrast to marketing, focuses almost exclusively on internal issues related to image. For example, Dutton and Dukerich (1991) defined image as the way organization members believe others see their organization. In their study of the New York Port Authority (NYPA), Dutton and Dukerich reported that this organization was forced to take action on the homelessness problem as a result of community pressures expressed through a negative organizational image. According to these researchers, however, it was only when organizational members felt that NYPA’s identity was threatened by the negative image, that they took heed of the pressures. Thus, they argued that it was NYPA’s formulation of their own idea of external image that triggered action and that this image-defining process was filtered through organizational identity. A nother approach to defining image as a product of processes internal to the organization was offered by Whetten, Lewis and Mischel, (1992), who defined image as the way that “organizational élites” would like outsiders to see their organization (similar to the marketing concept of ideal corporate image).

Definitions such as those offered by the organizational literature differ from the marketing perspective. For example, Bernstein (cited in Abratt, 1989, p. 68) stressed that:
Image is not what the company believes it to be, but the feelings and beliefs about the company that exist in the minds of its audiences.

Thus, the marketing literature stresses the external foundation of the image concept (Bromley, 1993), pointing to the different external images held by various constituencies (e.g. customers, suppliers, regulators, special interests). For example, image was defined by Dichter as “the total impression an entity (organization) makes on the minds of people” (as cited in Dowling, 1993, p. 104). In this view, organizational image is commonly defined as a summary of the images held by external constituencies. However, Bernstein (1992) and others writing within the marketing tradition, also argued that image is a construction of public impressions created to appeal to an audience. This implies that image is intentionally manipulable by insiders for the consumption of outsiders, it is not merely an attempt to infer outsiders' perceptions.

Along those lines, we follow Alvesson (1990, p. 376) in adopting a more complex definition that combines the marketing and organization theory approaches: organizational image is a holistic and vivid impression held by an individual or a particular group towards an organization and is a result of sense-making by the group and communication by the organization of a fabricated and projected picture of itself. Such communication by the organization occurs as top managers and corporate spokespersons orchestrate deliberate attempts to influence public impression (Barich and Kotler, 1991). However, image is also influenced by the everyday interactions between organizational members and external audiences (e.g. the doctor treating a patient, the sales clerk helping a customer, the consultant offering advice to a client). Furthermore, the image formed by a particular group within the external audience can be affected by the intentions and influences of a wide range of actors including other groups (Dowling, 1993, p. 103).

The concept of organizational culture

The concept of organizational culture does not often appear in the marketing literature on identity and image. When it does, its conceptualization (e.g. as “glue which holds many organizations together,” (Dowling, 1993)) does not reflect much of the richness of culture theory as it has developed within the organizational literature. In particular we would like to focus on the concept of organizational culture as it has been developed within the social constructionist perspective because the emphasis on sense-making and interpretation found in this perspective provides important theoretical material for explaining organizational identity and also because it is through the medium of culturally influenced interpretations of organizational images held by “outsiders” that organizational identity is affected by the opinions of others.

Organizational culture involves all organizational members, originates and develops at all hierarchical levels, and is founded on a broad-based history that is realized in the material aspects (or artefacts) of the organization (e.g. its name, products, buildings, logos and other symbols, including its top managers). Thus, the concept of organizational culture includes material aspects central to
the marketing-based concept of corporate identity. However, while studies of corporate identity focus on how these material aspects express the key idea of the organization to external constituencies, studies of organizational culture address how they are realized and interpreted by organizational members.

The conceptualization of culture within organization theory has largely ignored the organization’s relationship with its environments. Culture has primarily been viewed as developing within the organization, as illustrated by the importance given to founders and other key leaders, critical incidents, life-cycle shifts and interpretations of these cultural heroes and events by organizational members (e.g. Schein, 1992). Within organizational studies, the role of external constituencies and their images of the organization have mostly been associated with top management strategy. Within social constructionist views of organizational culture, top management influence on culture has been criticized as being ethically inappropriate (e.g. Hochschild, 1983) or, more commonly, wrong-headed. Social constructionists interpret the disappointing results of attempts to manage organizational culture as evidence that culture manages managers rather than the other way around. The preference among these researchers is to view culture as a context rather than a variable (Smircich, 1983).

Contrary to perceiving organizational culture either as a top management induced variable or a closed system of organizational sense-making, we perceive organizational culture as a symbolic context within which interpretations of organizational identity are formed and intentions to influence organizational image are formulated. We argue that organizational culture needs to be considered in explanations of the development and maintenance of organizational identity. As Hatch (1993) explains, identity involves how we define and experience ourselves and this is influenced by our activities and beliefs which are grounded in and justified by cultural assumptions and values. What we care about and do defines us to ourselves and thereby forges our identity in the image of our culture. We also argue that the cultural context influences both managerial initiatives to influence image, and everyday interactions between organizational members and external audiences. Furthermore, as it becomes increasingly difficult to distinguish between organizational “insiders” and “outsiders” (e.g. part-time lecturers in business schools, teleworking organizational members, external consultants working within the organization), the symbols of organizational culture become important sources of image-building material and the products of image-building efforts become grist for the culture mill.

**Interdependence of culture, identity and image**

As stated above, when we express organizational identity we use our cultural artefacts symbolically to present an image that will be interpreted by others. However, while our projected image is contextualized by our cultural heritage, the interpretations that others give to that projection are contextualized by their culture(s). If most of those involved are members of the same organization, then
the culture-image-identity system is fairly self-contained. If, on the other hand, an environment or public is involved (as is the case when internal-external boundaries collapse), organizational culture is opened to external influence. As organizational cultures open to more and greater external influences, organizational image and identity become more obviously interdependent.

We argue that the relationships between culture, image and identity form circular processes involving mutual interdependence, as is illustrated by Figure 1. In this view, organizational identity is a self-reflexive product of the dynamic processes of organizational culture (Hatch, 1993). Culturally embedded organizational identity provides the symbolic material from which organizational images are constructed and with which they can be communicated. Organizational images are then projected outwards and absorbed back into the cultural system of meaning by being taken as cultural artefacts and used symbolically to infer identity: who we are is reflected in what we are doing and how others interpret who we are and what we are doing. For example, a negative reading of organizational image by the press can affect organizational identity when news reports are perceived as genuine reflections of organizational activity or intent. The news message becomes a symbol to be interpreted or rejected; if interpreted, it can affect the organization's definition(s) of itself. In this way, organizational identity is opened to the influence of opinions and reputations forged beyond the organization's direct sphere of influence, as happened, for instance, when Body Shop's image as a green retailer was attacked by allegations made in the business press. Anita Roddick's defence of Body Shop, we argue, was as much an attempt to protect organizational identity internally as it was an effort to avoid negative external images.

Figure 1 illustrates both the internal and the external influences on organizational identity. The internal influences on identity are illustrated by the left side of the figure, which depicts organizational identity as the nexus of influences from top management vision and leadership efforts (e.g. Anita Roddick's use of corporate value statements as an integral part of internal communications at the Body Shop or her distribution of transcripts of her public lectures to all employees), and opinions and beliefs formed about the organization by its internal constituencies as they go about their daily work activities (e.g. how do Body Shop employees interpret and enact what the Body Shop “is” through informal as well as formal channels of communication and
sense-making?). Both sets of influence are interpreted within and contextualized by the organizational culture.

Organizational identity in turn has a number of external influences. First, organizational identity is communicated to the various constituencies of the external environment who form organizational images, at least partly in response to identity-based communications. The forms and means of such communication may differ, ranging from unplanned appearances by top management in public media, to a conscious strategy for external corporate communication involving design management, corporate advertising and public relations. However, direct experience and interaction with the organization are also strong forces in the image-formation processes of external constituencies (e.g., the conversations between employees and customers when Body Shop launches a new ideological campaign or a new product). Direct contacts between insiders and outsiders are contextualized by the organizational culture, as everyday organizational behaviour is assumed to be influenced by local sense-making and interpretation. Thus, insofar as organizational members interact with "outsiders", there will be an influence of both organizational culture and identity on image beyond that carried by top management and other corporate spokespersons.

Organizational image involves externally produced meaning-making about the organization but, as noted above, this has an influence on internal processes of identity formation. First, insofar as organizational members are also members of external groups (e.g., consumers of the organization's goods or services, environmentalists, media watchers), it is likely that image and identity will be compared and these comparisons communicated within the internal symbolic context of the organization, leading to possibilities for synergy but also for cynicism. Second, the way in which organizational members are perceived by customers, competitors and the like, can influence organizational identity as members mirror themselves in the comments (and complaints) about the organization made to them by their external contacts (Dutton and Dukerich, 1991). Thus, insofar as organizational members encounter organizational images as part of their lives both inside and outside the organization, it is likely there will be feedback from image to identity. Third, top management vision and leadership is opened to external influence via its concern to manage organizational image. Whenever this influence occurs, the statements, decisions and actions top management directs to its internal audiences are influenced by these external concerns with subsequent effects on organizational identity. In Figure 1, the arrows from organizational image to organizational identity, and from organizational image through top management vision and leadership to organizational identity, indicate these sources of external influence on organizational identity.

Implications for management and research
We conceive the culture, identity and image system in ways that are somewhat similar to Dowling's (1993) model with two important differences. First, culture
is not another variable to be manipulated, but rather it forms the context within which identity is established, maintained and changed and corporate attempts to manipulate and use it are interpreted, assessed and ultimately accepted, altered or rejected. Second, top management is as much a symbol of corporate identity as any other device top managers use to influence what employees and other constituencies perceive, feel and think about the organization. Thus, we find Dowling's model of corporate identity naïve relative to what organizational culture researchers have found, and, in spite of the fact that he states the implications of his model in terms of recommended strategic action for top managers, he does not include top management directly in his model (they come into play only via vision and marketing decisions about product mix and advertising). In contrast to Dowling's model, ours emphasizes the contextual effects of organizational culture on interpretation and sense-making both inside and outside the organization, and raises the issue of reflexivity.

Because managers are participants in, and symbols of, their organizational cultures, their ability to manage organizational identity is both enabled and constrained by their cultural context. The meanings they attempt to communicate about strategy and vision are presented in organizational symbols, which they themselves often embody. Thus, based on our model of organizational culture, identity and image, we advise managers to know your symbolic self within your cultural context and elevate your appreciation for how others interpret you (see also Pfeffer, 1981). We are aware that this may be a somewhat difficult task for top managers, but it is essential to effectiveness in an era marked by the breakdown of the internal-external boundary around organizations. The heightened visibility of insiders to outsiders, and vice versa, is most intense for top managers whose symbolic representation of the organization is critically assessed with greater frequency, due to intensified interactions between insiders and outsiders. Thus, managers need to take charge of their symbolic selves and learn to be reflexive about their statements, behaviours and external images. By reflexive we mean that they need to become aware of how others interpret them and their organizations and react to this feedback in strategic ways, albeit with the understanding that image management will not be enough.

Our model further implies that strategies and visions are created and interpreted through culturally-mediated language such as metaphor, stories and humour and demonstrated by material artefacts of culture such as products, buildings and physical arrangements. Corporate identity can, therefore, never be wholly managed; in part, it too is a cultural product. Moreover, the breakdown of the internal-external boundary means that increasingly corporate identity management involves formulating and communicating organizational vision and strategy in reference to external constituencies. As such, the management of identity and image are intertwined processes. Thus, the challenge to management is to think across the issues of culture, identity and image, which we believe our model will help them to achieve.
Bridging the internal and the external symbolic context of the organization also has important research implications. The implication for marketing research is that the strong focus on image management relative to external audiences should be complemented with studies of the internal sources of corporate identity and image and of the ways in which external images and impression management are being interpreted by internal constituencies. For example, the marketing literature has elaborated the implementation of corporate identity in relation to customers and competitors, but marketing researchers may benefit from studies of the organizational processes involved in the implementation of a corporate identity programme (e.g. the interplay between reorganizing, design and aesthetics and communication). These internal processes also involve how organizational members interpret, enact and respond to the deliberate creation of a corporate identity and how they construct their sense of identity in ways that lie outside top management influence.

In general, we believe that the intertwined relations between culture, identity and image suggest the forming of a new interdisciplinary field of study combining organization theory, design and corporate identity, strategy and marketing in promoting understanding of the symbolic processes that flow around the organization and cross the boundary between the organization and its environment. So far, each discipline has been restricted by definitions of its field that emphasize the boundary separating the organization from its environment. Interdisciplinary study of the relationships between culture, identity and image will begin to challenge and work toward erasing these arbitrary and outworn distinctions.

Conclusions
This article has addressed relationships between organizational culture, identity and image. In the theoretical conceptualization of these relationships the article has suggested an analytical framework that focuses on bridging the internal and the external symbolic context of the organization. Although the concepts of organizational culture, identity and image derive from various theoretical disciplines that have traditionally focused on different constituencies of the organization, we have argued that they are all symbolic, value-based constructions that are becoming increasingly intertwined. The intertwined symbolic texture of the organization provides a number of new management challenges and opportunities which were explored along with the research implications of our argument for the field of marketing.

References