Corporate identity is an emerging interdisciplinary field that combines insights from management, strategy, marketing, organization studies, and visual design. We believe the current interest in corporate identity emerges from a breakdown of the boundaries between internal and external aspects of organization (see also Hatch & Schultz, in press). Previously, organizations could disconnect their internal functioning from their external relations because of a compartmentalization of tasks. Today, organizations are striving to build connections across different areas like marketing, public relations, human resource management, engineering, and production. Thus, managers and academics working with corporate identity argue that contemporary organizations are concerned with the need to differentiate themselves within the “global fishbowl” (Chajet, 1996) using, among other things, strategic vision, corporate image building, and new organizational forms to obtain distinctiveness. Such differentiation efforts point in the direction of integrated communication strategies focused on one key idea that should be related to organizational culture, customer expectations, and the organization’s need for social legitimacy. Hereby, the study of corporate identity emphasizes the symbolic, emotional, and aesthetic meanings organizations hold for multiple constituencies. The notion of corporate identity links concepts of organizational culture, strategic profile, corporate image, and reputation and focuses attention on the symbolic and communicative interdependence of internal and external organizational relationships. As explained in the founding statement of the recently initiated International Corporate Identity Group (ICIG; currently based at Strathclyde University in Scotland),

Every organization has an identity. It articulates the corporate ethos, aims and values and presents a sense of individuality that can help to differentiate the organization within its competitive environment. When well managed, corporate identity can be a powerful means of integrating the many disciplines and activities essential to an organization’s success. . . . By effectively managing its corporate identity an organization can build understanding and commitment amongst its diverse stakeholders. This can be manifested in an ability to attract and retain customers and employees, achieve strategic alliances, gain the support of finan-
cial markets and generate a sense of direction and purpose.

Wally Olins is a major contributor to the field of corporate identity and a founding member and vice president of ICIG. He agreed to speak with us, not only about his views on corporate identity and where this field is heading but also about his experiences as one of the founders of Wolff Olins, a world leader in identity management consultancy. We believe that Olins is a visionary practitioner who has done something extraordinary in terms of the conceptual development of corporate identity. He has published several highly successful books (Olins, 1978, 1988, 1990, 1996) and lectures as a visiting professor at Copenhagen Business School, London Business School, and Lancaster University, among others. Furthermore, Olins and his associates have built an internationally recognized consultancy practice whose clients include VW, Renault, 3i, ICI, Prudential (U.K.), AKZO, Q8, Repsol, and even the Beatles (in the early days, Wolff Olins was involved in designing the record label for Apple Corp.).

Our interview with Olins presents two stories. One is the story of the trials and tribulations faced by a successful entrepreneur—how he and his architect partner Mike Wolff started the company, the persistence with which Olins clung to his key idea during the company’s difficult years of growth and development, and his own remarkable career path. The other is the story of the corporate identity concept told from the perspective of one of its originators. In this story, Olins explains how he grappled with the notion of corporate identity, building on his original insights from experiences in design and marketing and eventually adding strategic and behavioral dimensions.

Olins concludes with a discussion of several trends, including (a) a new, legitimacy-seeking role for private companies in the sponsorship of community activities, especially in the areas of health, education, and police protection; (b) the impact of the global corporation on national identity; and (c) how small or emerging nations can use myth and symbolism to position their national identity in a global marketplace. Finally, Olins comments on his image of academics and offers business schools some ideas for managing their identities in an increasingly competitive marketplace.

Hatch: What we would like to have you do is just begin with your own personal history—how you came to the study of corporate identity and your experience in creating Wolff Olins.

Olins: Well, after school, I did my national service in the army (2 years) and then I went to Oxford, where I read history. I then went into advertising—on a whim really—and worked for a large advertising agency which had clients like Unilever. I did all the usual things, account handling and all that stuff. I wanted to go abroad, and I was about to get married. My company, Benson’s, had put up money for David Ogilvy, who had recently started Ogilvy, Benson & Mather in New York, and I asked to be transferred there for a few years. My boss said, “You won’t learn anything about advertising in New York—go to India instead.” So I did. I was there for 5 years. My whole life has been like that. I’ve not planned it much. Things have just happened.

We had four offices in India: Bombay, which was the biggest, Delhi, Calcutta, and Madras. It was quite a big operation with about 200 people, mostly in Bombay. There were about four or five Brits. I started as an account manager, then I was made head of the Bombay office. Shortly after that, I was put in charge of the whole Indian business. Of course, at the time, I thought I was given the top job because I was so clever. Looking back, I’m not so sure. It was 1959, Britain still thought of itself, despite the debacle at Suez in 1956, as a great power. Many companies, including mine, still had neocolonialist attitudes. I’m fairly sure that’s why I was appointed so young to the top job in India. My bosses didn’t want Indian top management. I was unaware of all that, and when I left, I fought hard and unsuccessfully for an Indian national to succeed me. I also developed a very strong and long-lasting affection for India, although I don’t see it through starry eyes.

Bombay was a very exciting place to live in the late 1950s and early 1960s. It was big and growing, dirty, poor, and vibrant—full of energy and people trying to make money. It was and still is like something out of a Dickens novel—maybe like 19th-century London—larger than life. People who’ve been to India for a few weeks always tell me what a spiritual country it is. I’m not saying they’re entirely wrong, but they should try Bombay for a bit. It’s about as spiritual as New York City.

India was a formative experience because I had never been anywhere like it and I had never had senior responsibility either. India had at that time 600 million people speaking 14 languages, give or take a bit, and even though most of them were poor, there were a few million people who did have money to spend and bought consumer products: toothpaste, airline tickets, all the kinds of things we advertised. We also advertised tea and other relatively accessible consumer products—I mean, accessible to large numbers of people. So I could travel around the country to see what was going on. Anyway, India, despite its dirigiste socialist government, was beginning to open up to the world and drop its traditional dependency on Britain, so it was attracting investment from all kinds of places. For example, the Russians, British, and Americans were each putting up a steel mill. These steel mills were competing with each other, and I became involved in these and similar projects.

I also learned for the first time how big corporations worked. We had a lot of business from Tata, India’s largest conglomerate and its most sophisticated com-
pany. It slowly began to dawn on me that the differences between one product and another were often not quite so great as the differences between the people and companies behind the products. I could not honestly tell you when this thought first struck me, but I began to get this feeling when I was in India.

Although India was a wonderful experience, I had a young family, and after a while, we wanted to come home. Shortly after I came back to England, I left advertising, both because I found it superficial as an activity and because I really couldn’t stand Bensons—my employers. It’s the only company I’ve ever come across that died of drink. Within a few years of my departure, it was subsumed into Ogilvy and Mather—rather a depressing and unnecessary end. Although I didn’t care for advertising anymore, my skills were all communications based—and at that time, advertising dominated the communication business.

So I looked around for a job. Most potential employers discounted my Indian experience and disliked my stroppy (stroppy means chippy—aggressive) attitude. It was a hard time. I did some consulting on my own, started an advertising agency with two partners, and was thrown out—and so on. Eventually, I bumped into Michael Wolff. He was an architect and a graphic designer, and my own background had been in, as I said, marketing and advertising, so we had complementary skills.

This was in the mid-60s, and I had been back in England for a few years. Michael Wolff and a partner had a little design business doing things like exhibition stands and packaging. I had been germinating the idea about the personality of the corporation, but, of course, I couldn’t articulate it very well.

And the graphic and interior design area seemed like a good place to start. It gave us an opportunity to meet clients and potential clients, advertising agencies, and other bodies of influence and direct the discussion toward the identity topic.

I hadn’t really intended to start my own business. I was not educated to be an entrepreneur, although my father ran a successful business. It’s just that at the time I was looking around and I couldn’t get a job, or anyway I couldn’t get a job that I wanted. So once again, it happened by chance—running my own business I mean. Once I’d started working for myself, I really enjoyed it. I found that I wasn’t at all bad at it and, as in Bombay, I liked being in charge. Of course, I had partners, too, but it was agreed that I ran it. What Michael Wolff and I were trying to do was just beginning to be called corporate identity—which was helping the corporation to find its own personality and then project it—but we found it very difficult to explain. Most potential clients simply didn’t know what we were talking about. The concept was incomprehensible to most people; it was confused with advertising or architecture or public relations. No doubt, our attempts to explain it compounded the confusion. Nor were there many examples on which to draw.

We just phoned people up, wrote them letters, and then I would try to see them. Maybe 1 in 60 or 70 of the potential clients we visited understood what we were talking about. We had enough of those enthusiastic clients to set us up and keep us going. We blindly stumbled toward some kind of clarity, although I never had any doubt that the concept made sense—that it would work.

One of our first major jobs was to create a new identity for BOC, British Oxygen, a company that had new management and was completely changing its direction. We were given the opportunity to create a dramatic and exciting visual identity which was quite high profile. At first, all of our work, including BOC, involved the external manifestations of identity. We did not have any understanding of the internal cultural issues, although we sensed that they were important. Our problem was that we found that our subject was vast, but we couldn’t find a route into it other than graphic design. We found ourselves, in the middle of this so-called 60s swinging London seed, doing work which some people felt was rather avant-garde and interesting and different. BOC was visually very exciting, for instance. In a sense, our company fitted in with the 60s rather well, but I was never part of that world. In fact, I was only dimly conscious that it was all going on. I was too busy trying to earn a living. Most of our work was for big British mainstream companies, although we did work for the Beatles. So that’s how I got into the corporate identity business.

Hatch: What did you do for the Beatles?

Olings: We worked on the Apple label with a partner, a man who was with us for a year or two, Doug Maxwell. It was called Apple Corps. Doing the job was difficult; Epstein and the individual Beatles were hard work. And of course, we did not make much money out of it. I don’t really remember much about the Beatles now. They operated from a house in or near Savile Row in the West End of London. It always had a funny smell—pot, as I subsequently discovered. I never saw Ringo, but Paul McCartney talked a lot. They were hell to deal with because they kept changing their minds, never kept to time, and didn’t even pay us much.

We had other glamorous jobs, too. We worked for Norton motorcycles. We worked on the new Norton Commando. We did a new visual identity, logo and colors, literature—all that. We also worked on the styling and the colors of the bike. Norton loaned us a bike to work on. It was too big to get into the office, so we kept it outside in the street. When it rained, we stopped work and put a sheet over the bike. I used to wonder whether Japanese companies worked that way. So one way and another, I think that you can say that Wolff Olins contributed its fair share to the demise of the British motorcycle industry.

Schultz: But what is the story from the swinging 60s up until today? What has been the company’s recent story?

Olings: I would not claim that we at Wolff Olins invented corporate identity. I know other consultants were doing the same kind of work at the same time, but we were all pretty ignorant about each other’s thinking. We had nobody to learn from, no peer group, no models, so whether we liked it or not, we had to work it out for ourselves.

As I said, we began by using the graphic design route—creating visual identities. We did some work, which was quite dramatically new and advanced for its day, and that gained us a reputation. We got some
work from clients directly, jobs like Hadfields, the paint company, with its fox, BOC, and English Electric computers, a forerunner of ICL. Other work came indirectly. Bowyers, the meat people, came through an advertising agency. Advertising agencies were quite an important source of work and influence. We did the interviewing, we wrote reports which indicated how the organization perceived itself and was perceived, we tried to position our client company, then we focused on the graphics—on symbols and logos, vehicle liveries, packaging, stationery, signs—but we were very interested in all the other areas, and we tentatively pushed into them.

It was clear to us that design and marketing were not the only influence in the creation of identity. In our interviewing, in stage one, we got to know so much about the organization that we had enough material to talk seriously to the client about structure, strategy, strengths, and weaknesses. That’s how we moved more and more into the organizational and vision aspects of our client’s business. Gradually, we started to employ people who came from a wider range of disciplines than design. We took on our first MBA from the London Business School probably as early as 1970. Although I have to say that when we first got some of these people, we didn’t really know what to do with them.

About that time as our work became more complex, we started to look at brand/corporate relationships. For example, when we were appointed by VW, we started to examine how the Audi and VW brands related to Volkswagen the corporation. Was one brand more important than the other? Did Audi people also owe allegiance to the VW group? But all of this was fuzzy and unclear to us. That is when we started trying to work out some theories of identity. Developing the theory of the branded, monolithic, and endorsed identity system took some years of trial and error, and it all arose through the work that we were commissioned to do. The theory derived from the practice. We were, above all, pragmatic.

At the same time, we began to figure out where inside a company the identity manifested itself. It had always been assumed, tacitly assumed I mean, that the company’s identity was manifested primarily through advertising, through communication. We came to the conclusion slowly and hesitantly that this was not always so. Gradually, it became clear to us that in a company which makes things, things that people see and use—cars, cookers, aircraft—the product itself is the most significant transmitter of identity. In other companies like hotels, environments are the most significant element. And in still other organizations, like airlines, behavior is the most significant factor—and so on. It was when we began to work in financial services that we began to realize that advertising was less important than behavior or behavior and environment working together. All this work led to our thinking that product, environment, communication, and behavior were the four significant transmitters of identity. All of these theories of identity, which are now generally accepted and understood, we had to work out for ourselves.

Whenever I was asked to give a lecture or write something, I used it as an opportunity to develop these ideas and theories. We were ardent publicists; we publicized everything we did, every job we got. We began to get a reputation for knowing something about the identity business because, as these concepts or theories emerged, people—a few people—began to listen.

We realized early on that we had to get into other parts of Europe. But it took a long time to work out the best way to do it. And in the late 1960s and early 1970s, we went into Germany, largely because we had an introduction to Lever in Hamburg. It was hard enough to recruit good people in Britain because most good potential staff turned their noses up at us. They went to big well-known companies with a comprehensible product like McKinsey or J. Walter Thompson, but it was even harder in Germany and later in France. And we weren’t even sure what people we needed in Europe, whether we needed sales people or consultants alone or whether we needed creative people and implementation on the ground. Don’t forget that there were no faxes or mobile phones or anything like that. Communication was by today’s standards primitive. We won some very big jobs in Germany—VW, Aral, and so on; we got there just through sheer hard slog and knocking on doors, but learning to run them effectively and profitably took a long while.

Around the mid-1970s, I was asked by the Design Council of Britain to write a book on corporate identity, which I suppose indicated that the concept was emerging and that I had some kind of a reputation within the activity. I didn’t want to produce a coffee table book showing lots of symbols. I wanted to explain the subject relying on text rather than pictures. The book was called The Corporate Personality. That first book of mine, together with our track record, helped to give us a leading position in our world. From then on, our name began to mean something. It was not a rapid rise to fame and fortune. More like Groucho Marx who said, if I remember, “I rose from nothing to a state of extreme poverty.”

As our reputation grew, we made more friends. If you are a small company and you have an unusual idea, there are always a few people who will support you, and we had great support. People like the head of communications at BOC and the chairman of Lever in Germany really backed us. Gradually, we built the company up, mostly from referrals. It was a long haul. By the 1970s, we were working with Aral and VW in Germany, Renault in France, and Bovis and P&O in Britain. But we really broke through financially in the early 1980s, when we worked on the new identity for ICFC—which we named 3i, the major venture capital business. That’s when our business began to take off. So we succeeded because we had an idea, and we developed and articulated the concepts that lay behind that idea, the theory if you like, at the same time as we developed the practice. We had high levels of creativity. Our work looked very fresh and exciting, and we publicized our ideas as energetically as we could.

Of course, as the business grew, it attracted competitors. And after a time, our main problem was not so much explaining what we did and assuming that if a potential client liked the idea we would get the job but
winning business from competitors. Over the years, a real live proper business developed. Books were written about it, it began to appear in the curricula of business schools, conferences and seminars were held, and naturally, it attracted competitors.

Schultz: Very briefly, what is the key idea of corporate identity behind your company?

Olins: Our idea is simply that to be effective, an organization must understand itself, its uniqueness, and project a clear idea of itself to everybody with whom it deals. It really is quite simple. You can call that the central idea or the vision. And it projects what it is through products—what it makes and sells, environments where it lives, how it communicates, and how it behaves.

An effective organization has a clear idea that is reflected in its strategy, its organizational structure, in all its communications to all of its audiences, and through its behavior to all of its audiences. An academic at lunch one day at Copenhagen Business School summed it up well. He said our business is related to four management disciplines—corporate strategy, communication, marketing, and organizational behavior.

Now, of course, increasingly all this is getting subsumed into new ideas, or, if you prefer, new words for old ideas, around the company as a brand, internal marketing, product convergence leading to differentiation through corporate reputation, and, above all, the repositioning of the corporate brand. But all this is relatively new. Not many of these ideas existed when we started up. Even if the ideas existed, nobody used this kind of jargon to explain them.

When we began, there was nobody to imitate, and as I’ve said, advertising agencies dominated the communication world. What we did was not unique, but it was pretty unusual. I think we have been successful in certain ways because we were able to anticipate so many trends, but we have certainly had plenty of failures too. For example, we have not yet succeeded in developing a truly international operation. We are quite strong in Europe, although not equally strong in all European countries. But we don’t have much outside of Europe—not yet anyway.

Hatch: Is that something that you still aspire to?

Olins: Yes. We are one of the four or five leading companies in our field in the world, but all our major competitors have a big home base, the United States, and a strong parent. We have neither. Our next stage of growth must be global. To be truly international, we will need greater financial strength and international distribution, and that probably means some kind of alliance.

Globalism is influencing our business as much as anything else. Many of our clients, General Motors, Mobil, Credit Suisse, and so on, operate globally. They expect us to be able to deal with them in Shanghai and Sydney as we do in Stockholm and Swansea, and quite right too. It’s not easy to manage. It requires a big effort to have a distribution system in Asia and Latin America, not to speak of the United States, when you’re a medium-sized consultancy business (100+ staff) based in a European off-shore island with a medium-sized economy by world standards. But in a globalizing world, we will have to go global.

Schultz: You have stressed several times that you are writing books. It’s fairly unusual for a person in business to write a book, for example, on corporate identity. Has the book had a spin-off effect on your business?

Olins: It must have. Books bring customers into the shop. And they also give the organization credibility. But that isn’t why I write books. I like reading; I like thinking and working things out. And I do actually enjoy writing. My first book was commissioned by the Design Council in Britain. I had never written a book and did not know if I could, although I had written plenty of articles. My first book, The Corporate Personality, was hard to write. There was nobody I could borrow ideas from. I took the practical work and case studies that we had done and used some of these as raw material for the book. And I also took the opportunity to work out theories, to think things through, and to develop some kind of body of knowledge around the subject.

I looked at the book again recently. Well, it’s not a bad book. It has a lot of good ideas in it. There isn’t that much I would wish to change. And it gave the company a much higher profile. It helped to position us as one of the leaders in the field. We all write books for a mixture of motives: because we’ve got something to say; because somebody asks us, a pitiful search for immortality—all that. I like to write. For me, it’s a hobby. Other people play tennis; I write. Funny enough, though, when I’ve written a book and it’s published, it doesn’t seem to belong to me anymore. When I look at my books, and I don’t very often, they don’t seem to have much to do with me. That’s why I say that my first book isn’t bad. I think I’m objective about what I write—not when I write it but afterward, a year or so later.

Schultz: Going back to what your company is doing, could you give us an example of what a task would look like?

Olins: Well, let me give you an example of a major banking merger in a small European country. The two largest banks which have been rivals for over a century agree to merge. Between them, they have over 50% of the market. So the new bank will be big. It will need to reinvent itself so that it occupies a quite different position in the marketplace. It must be a single entity. The new bank must not look or behave like a mighty and threatening organization within its home country. It has to look at ways in which it can deal with competition from both other financial service institutions and other companies like retailers moving into the financial world. We have to help the bank to create a new vision, or central idea, a new culture and a new name and identity which can project this vision.

We have to manifest that vision through names, signs, environments and through all parts of the organization. We have to create an identity structure which corresponds to the reality of the new organization and helps its two parts to come together. We have to launch this identity both internally and externally. And while all this is going on, we have to continue to help the bank with the change management program to make people within the organization who are staying feel good about it.

The merger process involves taking decisions on branding: Do you keep both names or either of the
names? Do you develop a new corporate name? If you do, what characteristics should it have? What is the cost of introducing a new name? What is the cost of throwing away old names? What is the cost of implementing the new identity, and over what period of time should it be done? What kind of a culture are we trying to create? How should this be symbolized in name and visual terms? Are we able to sustain such a personality? Should there be one brand only or an umbrella identity with a series of sub-brands? Above all, the program must look at what the organization will be like in relation to its peers in the future. That is a classic example. And I think that what makes it unusual is that we take the internal aspects of the firm’s work quite as seriously as the external aspects.

Schultz: Take this merger case and go back to what you said about the internal focus. What are the major challenges and difficulties in pulling it off?

Olins: There are a lot of challenges. First, you take a situation in which there has been apparently a clear winner and a clear loser, and you have to persuade both sides to forget the past and start again. Second, in the new situation, everyone, whichever side he comes from, has a chance of losing his job or being demoted. In that kind of situation, people are bound to be cynical and suspicious. Less attractive human characteristics are going to come to the fore because it’s all about self-preservation. So somehow, that has to be dealt with. Third, the bank is huge in relation to its home country. How can it be projected as an asset rather than a threat? Fourth, is the idea of openness, modernity, and an outward-looking service business sustainable? Will the customer base respond to it? Will it even comprehend it? Can the staff adapt? In addition to that, there is the overriding issue of the central idea. What is the new organization? What does it stand for? In what way does it think, act, and look different from its competition? What is the vision that drives such an organization?

Hatch: What’s the relationship between the internal and the external issues that you face in these situations?

Olins: Well, if you do the job properly they are interrelated—part of a single whole. They are reflections of each other. But that doesn’t always happen. In most companies, the marketing people look after the outside, and the organizational behavior people look after the inside. And the distance between them can be very great.

Take an extreme but hypothetical example. In an insurance company, the external part of the organization is all about selling. The sales people are often paid on commission, and their ruthlessness is legendary. The internal organization has an entirely different culture. It works on the basis that all claimants (well, most) lie or exaggerate. Imagine yourself as a customer of such an organization, battered into submission by the hard sell and then meeting flint-faced resistance when you make a claim. No wonder such companies appear to be schizoid and their customers are baffled. No wonder that in an increasingly competitive environment with new entrants from different quarters using new technologies, this old formula will no longer work.

In such companies, one department or another wants ownership of the project, and that usually means that you can’t control it properly. We prefer to operate all the way through the organization. That way, we will have a more rewarding time, but much more important, the client will get a better job. The best way of assuring this is to create and sustain the relation with the top, with the chairman or CEO, rather than with any single department.

I also take the view that as you climb up the consultancy ladder, in a sense the discipline from which you operate becomes less significant. The accountancy-based consultancies are naturally more comfortable operating from the financial or hard-issue basis, and we are naturally more comfortable operating from the soft-issue basis. In the end, though, both of us are struggling for the mind and heart of the chairman and CEO. Our objectives won’t be very different. And whether you use our language or their language does not actually much matter.

The truth is that almost all consultancies from Andersen to McKinsey are trying to grapple with the issues with which we have to deal. Changing the culture, reinventing the company, positioning it for the future, whatever you call it, all this has to do with the pressures of our time on corporations—the pressures of competition, globalization, and change in corporate status, such as with mergers or privatizations. These are huge issues, and in that sense, what we do when we look at these issues is complementary to what other consultancies do. But the tools we use are different. Reinventing the corporation is extremely difficult, and nobody that I know of has got it completely right yet. Top down, bottom up, cascades, focus groups, using insiders, getting outside help—new identities—it’s all been tried, but it isn’t there yet.

So my view on these matters is that you climb as high up the corporate tree as you can, and you influence the chairman or the chief executive (or both) to do what it is you jointly agree ought to be done. Then you set up a structure, which is cross-cultural and multidisciplinary. Increasingly, of course, you work in tandem with other consultants who have complementary disciplines. If you are lucky, you can get people inside the organization at all levels to work with you. But, of course, they have to take it on board. To make it work, they have to “own it,” to use the jargon.

All this is a pretty far cry from the work of most identity consultants. To paint it green, put three stripes on and call it Charlie—that’s identity consultancy too. But the gap between these two kinds of businesses is pretty wide.

Hatch: You have mentioned emotion on several occasions, and it is clear that you use an emotional dimension when you are communicating in the classroom and when you are working on your identity programs. How did you come to be conscious of this dimension, and how do you actually think about it when you are doing your work?

Olins: Well, the funny thing is that all of us know as human beings that much of our decision making is influenced by our emotions. We make the most important decisions in our lives emotionally: marriage, buying a home, all that. But in the business world, emotion, although it is, of course, just as significant, is somewhat suspect. Hostile takeover bids are mostly about emotion. They are largely about ego, about peer group pressure and aggression. Share prices on the stock exchanges around the world are dominated by
emotion. People’s purchasing habits are overwhelmingly affected by emotion. If that were not true, marketing people would be out of business.

One of the world’s most successful corporations, Disney, was built around the audience’s emotional reactions to a talking, friendly mouse and a bad-tempered duck. Intelligent business people understand this. But most companies are a bit worried about admitting the power of emotion. They seem to feel that too much emotional display makes them look as though they are not in control. They believe that they live in a rational world, where rational people make rational decisions. They want the world to believe that they are guided by reason, by hard facts.

Companies say they like hard facts. It’s a kind of shibboleth. That’s why so much useless research is carried out. Justification. It must be true because the research says so. I’m all in favor of research when it serves a useful purpose. But it is not a substitute for judgment or for intuition. You cannot quantify the unquantifiable. You cannot predict with accuracy what will work and what won’t. If you could, there would be no new product failures, and all new movies would be a success. People are unpredictable. We don’t always know what we are going to like. New ideas can spring up from anywhere.

The older I get, the more I believe that research has a useful but limited role in decision making. I believe that people act to a significant extent on their emotions and that the most successful decision makers in the end are those who trust their own intuition. Virtually all the most brilliant ideas, the most brilliant companies and products, are the creations of single individuals who trusted their own judgment. In Britain, Virgin and The Body Shop are just two examples of this.

Schultz: What do you think that people in an organizational behavior can learn from the external focus of the corporate identity concept?

Olins: They can get a much broader idea of what running a company is all about. They can learn about the various disciplines involved in managing a business. Although traditionally lots of people have arrived at the top job through marketing, finance, or production, not very many people, at least until relatively recently, arrived at the top of the company through managing people. In fact, in many companies, the personnel function was marginalized. In some banks I know, personnel people were recycled bank managers until recently.

Of course, all that is changing now, and the personnel function is genuinely becoming very significant. You can tell that because it has a smarter name—people management, human resources, organizational behavior, all that. Organizations are not just mouthing the usual platitudes about people being the most important asset; they are actually beginning to believe it.

Human resources will, I think, become to the next few decades what marketing was from the 1960s to today. A great deal of time and energy will be devoted to it, and leaders will emerge in top jobs through the “people” path. Naturally, this means that the “people” people will have to learn general management techniques. We are already hearing phrases like internal marketing to describe the internal communication effort, and we are also witnessing a modest transfer of resources from external to internal communication activities. If I were advising young people which route to use to climb up through the corporate hierarchy, I would certainly recommend that they think seriously about people management.

Schultz: You have stressed the importance of the media for your own career. What do you think is the role of the media in relation to corporate identity programs for companies?

Olins: The role of the media is critical, and it is continually changing. It is mutating from a relatively small number of powerful organs of editorial influence to a proliferation of much smaller and more specialist radio and TV channels and publications, each with its own sphere of influence. At the same time, giant, global media corporations are emerging. New kinds of media are also becoming significant—the Internet, for example. The media is more pervasive, more diffuse, more seductive, more professional than it has ever been. It is also utterly inescapable.

I don’t think we use the media as effectively as we might, because we tend to think in a linear fashion. We think too conventionally, we pigeonhole things. We think advertising goes into this box, and the Internet into that, and place sponsorship into the third box. In fact, editorial, advertising, sponsorship, and personal interaction are all interlinked, and of course, in a world of product convergence, increasing consumer sophistication, and media ubiquity, the corporation has to consider how it can most effectively promote itself.

The answer, or at least part of the answer, I believe, is through working with media in what we currently call sponsorship. Sports and arts sponsorships, the sort of stuff we have seen over the last decade or so, are giving way to much more sophisticated activities. As governments progressively withdraw from their traditional roles of health, education, policing, and everything else, the corporation can move in to fill this vacuum to gain acceptance as a part of the fabric of society. There are one or two institutions that are aware of this. In the United Kingdom, Marks & Spencer have achieved that. British Telecom, with the proposed wiring up of schools, can see this opportunity.

Many U.S.-based companies are attempting to display their environmental responsibility and civic consciousness through quite sophisticated sponsorship programs. But all this is only the beginning. I think we will see supermarkets and pharmaceutical companies involved in the health and education of children. Insurance companies might move into health promotion activities because healthier people live longer, they pay more premiums, and they save on insurance claims.

All this is enlightened self-interest. Consumers—for that matter, all of us—prefer to deal with people who give as well as take. The corporation which demonstrates social responsibility and acts out of enlightened self-interest will inevitably get more customers and keep them longer, provided, of course, that its products and services are competitive in price and quality. Sponsorship, or its lineal descendant, will be big.

Schultz: How do you see the role of image here when you are talking about ways of creating company images that tap into the notion of being socially responsible?

Olins: Perceptions of the company in the future will be far more diverse, far more difficult to control, and far
more interesting. They will not be based so much around the question “Is that a company whose products offer me value for my money?” because all companies will offer that. When price, quality, and service are equal, the question will be “Do I like the company?” “Does this company behave responsibly?” And companies with the best image will be the ones showing the highest levels of social responsibility, and inevitably, other things being equal, they will be the companies with whom people will want to deal. But I don’t use the word image much, at least as a term distinct from identity.

Schultz: Why not?

Olins: I don’t know. I’m perfectly conscious that there are semantic differences between identity and image, and I’m aware of what they are. And I’m quite happy to have these words used correctly, but I tend to use them indiscriminately. I think it’s just a foible of mine. I don’t like definitions a lot. I’m rather English in that respect.

Schultz: But the reason why I’m asking is also that some people would claim that identity represents a more narrow sense and say it deals only with the company itself and the stating of the company itself. On the other hand, image encompasses the various external perceptions of the company, and there will be a shift along the lines you talked about, where the external image will have an increasingly more important influence on the company and what it can do. Right?

Olins: Oh yes. That’s quite true. Image will be increasingly significant. Image is what the audience sees, identity is what the company projects. That’s fine by me.

Schultz: But let’s go back to the sponsorship discussion. What does that do to management? Would sponsorship in any way change the role of management in the company?

Olins: Yes, it requires one way or another the development of a company which is responsible in the broadest sense, not just to shareholders for high dividends but to staff, suppliers, customers, and the community in which it operates—the nation, if you like. It means the development of a company which, acting out of enlightened self-interest, develops clear policies toward a much broader group of stakeholders than is traditional. But we have to be clear that this is still self-interest. What I’m saying is that if such companies don’t behave responsibly, they will be boycotted in favor of companies that do. On the other hand, one has to say that in the Anglo-American business culture as it exists today, there isn’t much of a sign that the fixation on short-term profitability at the expense of everything else is lessening. But, nevertheless, there is little doubt, at least in my mind, that all this will take place.

Schultz: The working title of your next book is Coca Cola and Croatia. Could you explain why?

Olins: I’m concerned about the interaction between the global corporation and national identity. It is a source of endless fascination for me. I’m slightly surprised to find that more people haven’t focused on this issue. On one hand, you have these huge global entities like Coca Cola. They employ nationals of many different countries within the one organization. They have research and development facilities scattered all over the world. Their purchasing, manufacturing, and marketing patterns ignore national borders. Half the time, it’s impossible to know where their products come from. And there is increasing evidence that companies which operate in this way are very successful. In some ways, they are the most successful international institutions of our time. Of course, most of these companies remain national in their attitudes too. Nobody can doubt that. For example, despite its global presence and its various far-flung production units, Toyota is deeply, profoundly Japanese.

On the other hand, none of this, contrary to many predictions, is in any way inhibiting national identity. On the contrary, there is evidence to indicate that far from national identity disappearing, or being submerged, it is actually getting stronger. New nations are emerging. Obsolete nations are turning up again. Look at the Chechens. How many of us knew of Chechnya before 1994? Tribalism remains hugely significant. In addition to this, local loyalties to places like Corsica, Catalonia, and Scotland are becoming stronger, and super-regions are developing too. The European Union, for instance, is, however haltingly, becoming more important.

The global company has to navigate its way through all of this. Is there a battle between the global corporation and the nation? If so, who is winning? While it’s true that there are plenty of global products around—Apple computers, Microsoft, ABB equipment—there are plenty of nationally based products around too. Inevitably, the national origin or identity of many of the products and services that people buy will remain a major factor in the purchase decision. The fashion goods industry is based around national identity: So are many food and drink products, such as Scotch whisky, French wine, and Havana cigars. Some brands are based around an entirely bogus national identity, such as Häagen-Dazs ice cream, whose name connotes some kind of Scandinavian origin. So what is going on in all of this. Is McDonald’s a threat or a promise to the nation? How will it develop? How will it end? My book will be about every aspect, so far as I can manage it, of the battle (if that’s what it is) between the national or tribal and global identity—not just global companies but global products, global finance, global crimmality, global technology, and national identity.

Schultz: Are there any differences between corporate and national identities? Do you see any differences in the way that they are constituted?

Olins: Just as there is competition between corporations, so there is competition between nations. There is a kind of convergence here too. Corporations are becoming more involved in society as a whole, while nations are becoming more commercially minded and more competitive with each other. The competition between nations is based around trade, investment, and tourism. Let’s take tourism, for example. Sun, sea, and sand holidays are now a commodity which you can sell on price. If Morocco sells it for 100, Spain can sell it for 98. But price competition is ultimately destructive. So a nation says, “We’ve got to find another way of attracting tourists. We can’t just rely on sun; we must market architecture, food, beautiful scenery, rain forests—all based around our national heritage.” This kind of tourism then becomes an issue which you cannot disassociate from the nation itself. Tourism of this kind derives from and is based around national identity and, of course, fuels national identity.
The second issue is inward investment. Most countries hurt themselves by unknowingly getting in the way of inward investment. So to compete effectively, each country has to present itself more attractively and positively than the competition. Portugal has to compete, let's say, with the Czech Republic, Hungary, and Thailand for investment from a Japanese equipment company. Leaving out discreet bribery by way of massive grants, the nation will effectively compete by focusing on how friendly its people are, how wonderful they are at languages, how the sun shines all the time, how intelligent and charming the people are, how they have a diligent workforce, how the nation is ideally situated geographically, how it can ship both to Helsinki and Kuala Lumpur with the greatest of ease—all that stuff. Inward investment, like tourism, is largely based around perceptions of national identity.

The third issue is product and brand export. Made in Germany, made in Italy, made in Japan—all have particular connotations which affect the way potential customers perceive the products of those countries. Sony, Hitachi, Kawasaki, and Honda all benefit from the image of Japan and augment and shape it. Burberry, Johnnie Walker, and Harrods trade on the British image while reinforcing it in much the same way. Ferrari contributes a lot to the image of Italy but also benefits from it.

Countries like China, Germany, America, France, Britain—all are well-known countries that have quite clear images. So, for example, Italy has style, Spain has passion, Britain has tradition. These are caricatures, but they are based around the products, the history, and the myths with which these countries are associated. America, because it is so big and significant, has at least three different strands of myth which are interrelated: technology, popular culture, and democracy. But smaller countries, like Portugal, Norway, or Denmark, are almost a blank in the wider world, although not among their immediate neighbors.

Schultz: Can you elaborate a little on these American strands?

Olins: Well, we at Wolff Olins have actually done quite a bit of research (useful research, that is) on national identity. Among Europeans, America projects a whole series of different strands or ideas. We envy and admire America and are also jealous of it and dislike it and purport to be contemptuous of its popular culture all at the same time. There are mixed ideas about America, but the strands are quite clear. There are perhaps three broad strands. There is a technological strand. Boeing, NASA, or Microsoft—these represent the technological leadership of America which people see, admire, and envy. Then there is the demotic or common, rather vulgar strand of popular culture. Disney, McDonald’s, Levi’s, Coca Cola, and all that stuff are seen to be part of the American invasion of our European world. We like it and we buy it, but we resent it because we feel it undermines and cheapens our culture and our sense of our own value. And then there is a third strand: democratic tradition; America of the Statue of Liberty, waving the flag, the defense of freedom, and all that, which a lot of people half laugh at but are enormously grateful for and admire. Those, I suppose, are the three clear strands of the American image.

Coming back to an earlier point, if you are a smaller country, what you could do is look at these three areas: tourism, inward investment, and brand export. You could actually create an identity just in the way that you could create an identity for the company. But it must be based on reality, of course. Such an identity platform would work particularly well for a small country with a strong personality, such as Portugal or Norway—even more for those newly emerging or newly reborn nations like the Ukraine and Azerbaijan.

Of course, some countries, like some companies, make it harder for themselves, like Slovakia and Slovenia. They sound similar, yet apart from being Slav, they have little in common. In fact, just to confuse the issue further, Slovakia in the Slovak language is Slovenska. Either one of these countries would be a nice fit for Wolff Olins, though! I would like our company to get involved in that kind of activity, working for nations, I mean. We have worked for Portugal but not to the extent that we ought to. Of course, it is all very difficult because dealing with politicians who have only a 3- or 4-year life span makes life more complicated.

Schultz: It seems obvious to us that you have devoted part of your life now to academics—giving talks to students, going to conferences, doing all kinds of other activities apart from writing books. Why is that so?

Olins: I think that's because I am a mixture of academic and businessman. I mean, for a businessperson, I'm quite thoughtful, and for an academic, I am reasonably businesslike. I may not be very good at either, but my bent lies in both directions. I enjoy teaching. I find it rewarding—I'm not quite sure why. Perhaps it's because I like hearing my own voice. But I like listening too. I like to learn from people. I mean, the areas of behavioral change, corporate strategy, and, of course, globalism I find very interesting. Now, the challenge for me is getting my colleagues at Wolff Olins to take over from me and develop the business while I pursue these other interests.

Hatch: I think academics these days are feeling a bit under the gun, being criticized tremendously by the business community for being irrelevant.

Olins: Well, a lot of management academics are irrelevant. Not all of them, but many. Business is about business—doing things. Business is not fundamentally an academic occupation. I'm not saying an academic approach isn't valuable in certain areas, but you can have too much of it. It ceases to make sense very quickly. There's a special language, a jargon, which management academics use which is self-important and wildly irritating. Business management is fundamentally a vocational, not an academic, subject. Making it too abstract, using too much jargon, and doing arcane research make it too remote from the reality that it is supposed to deal with.

Hatch: What would you say to academic institutions in general in terms of improving their identity and image?

Olins: Improving their identity and image or improving their reality, which? There are too many mediocre business schools. Most business schools focus on too small a band of topics—hard issues rather than soft issues, management techniques rather than leadership issues. Subjects are broken up into little bits rather
than into the interrelated chunks of real life. Business schools need to think bigger, to think about broader issues—about business leadership, about business in the community, about the place of business in the world, as well as about the immediate and the tactical.

If I were running a business school, I would try to encourage my students to examine issues as they are in the round, in a complex interrelated world where production, marketing, design, finance, and all the other things are all jumbled up. Anyway, I’m not running a business school, and it’s the last thing I’d want to do.

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