

Identity, Image and Corporate Reputation

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Abstract

Corporate identity, image and reputation represent intangible assets which have greater and greater importance for the competitive character of the organizations as the modern economies advance to tertiarisation. The corporate identity is directly associated with the personality and self-perception of the organization. The corporate image is the result of the public representations and impressions about the organization. The corporate reputation may be seen as a product of comparisons which the public makes between the organizational image and the ideal type of organization. The coherent administration of these factors gets a more and more obvious strategic character.

Keywords: identity, image, reputation, communication, coherence, organizational culture.

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1. Introduction

In the common linguistic use, the meanings of the terms identity, image and reputation are very close. However, if we consider these words as concepts applied to the management of the organization, we run the risk of bringing confusion into domains which need to be treated with highest tact. Thus, explaining the differences of content between these concepts seems both convenient and useful.

In a broad sense, the corporate identity is built up from essential attributes and features which differentiate the organization from others: its reality, the specific manner to perceive itself and the organizational behaviours.

The concept of corporate image can be defined as a set of significations which a person or a group associates to an organization, in other words – the ideas used to describe or to categorize that organization.

Reputation is a perceptual representation of previous actions and future perspectives of the organization, a representation which describes the attractivity of the organization for the public.

2. Literature Review

Interest in the comparative study of identity, image and corporate reputation stems from the fact that these three interrelated dimensions were transformed into genuine sources of competitive advantage for modern business organizations. All sources of relevant literature reveal a common substrate for these particular manifestations of personality and organizational communication. However, the authors can be seen at all concerned about identity, image and reputation the same causal: it is not possible without building a positive image in advance to build a robust corporate identity, just as one can not be built without a solid reputation for image favourable.

The purpose of these works have been consulted numerous bibliographical sources, most of them belonging to the renowned specialists, such as Fomburn (1996), Dowling (1994), Capriotti (1999), Villafane (2004), Zyman (2008) and Olins (2003).

3. Theoretical Background

Formed the conceptual basis of the article is a summary of relevant published materials about the issues studied. Logic and causality are explored relationships between the three aspects of research subject (identity, image, reputation). I examined the influences exerted by these dimensions of development and competitiveness of business organizations.

4. Paper content

4.1. *Corporate Identity*

We shall begin with the notion of corporative identity. Generally speaking, we may define the corporative identity as a set of symbols which the organization uses to identify itself in front of different public groups and to differentiate itself from other similar organizations. These symbols reflect the shape in which the organization wants to be perceived by various segments of the public and at the same time they are ways in which the organization presents itself. The corporative identity is designed in four different manners: who is the organization, what does the organization do, how does the organization usually act and what does it want to become. The identity also appears in four clearly outlined areas: products and services (what it makes and sells), environment (the usual places and circumstances on which it carries on its activity), communication (the ways in which it explains to the public what it does) and behaviour (the favourite actions and positions in its relations with the employees and the social, economic and political-administrative environment etc.).

Charles Fomburn (1996) assigns three different meanings to the term identity:

- The total amount of values and principles which employees and managers associate with the organization they work in;
- The characteristics and marks which employees and managers use to currently describe the activities, products and clients of the organization;

- The basic features of products, strategy, managerial structures and systems of the organization.

The last specifications allow us to turn from the concept of identity as self-image to identity as organizational reality. The corporate identity has two function levels – one broader and another one more limited: the global corporate identity and the internal corporate identity. The global corporate identity is determined by four factors: organizational behaviours, the culture of the organization, visual and verbal signs of organizational identification and communication. All these factors are expressions of organizational personality.

Regarding the internal corporate identity, this is connected to the daily organizational realities. The organization has its own perception of these realities, so that every individual and collective actor from within the organization, perceiving themselves and the other members, form their own representation of the organization. The sum of all these representations is a form of self-consciousness of the organization which will necessarily have a subjective and heteroclitic character. This self-consciousness coincides with the limited definition of corporate identity, thus reflecting the concept of internal corporate identity. The organizational reality and the internal corporate identity rarely overlap in a perfect sense because the latter, as any other representation, is subjected to a selection process, often being in course of transformation. The internal corporate identity is not the representation of all the organizational characteristics, but only of some of them. In certain situations, it is possible that some of these selected features to be transformed, before being included in the internal corporate identity, thus generating a distorted self-consciousness far away from reality. However, both the organizational reality and the internal corporate identity are projected inside and outside the organization with the help of communication. To be more precise, communication functions as an intermediary between the organizational reality and the corporate image. Essentially representing an interrelationship behaviour, communication is part of the global corporate identity and at the same time is closely associated with the corporate image. The latter is simply not possible without communication.

4.2. Corporate Image

Dowling defines image as the general impression (beliefs and feelings) which the organization generates in the mind of the public (Dowling, 1994). In fact, we cannot discuss strictly about one corporate image, but about more corporate images shaped by the perceptions, impressions and specific experiences of a large number of people and groups. It is impossible to have a total, global perception of the organization, which is why it is necessary to cut up the corporate image in fragments. A solid proof of the usefulness of this fragmentation is the possibility of projecting on the organization different types of image: the institutional image, the brand image and the image of the product. The first one refers to the image of the organization as the expression of efforts made to form a specific identity and to differentiate it from other organizations. The second is the result of all the visual and verbal signs chosen by the organization to identify itself, signs which would represent that organization in the conscience of the public. The third refers to the place occupied by the products and services which the

organization offers in comparison to those of the competitors. If these images are not solid and coherent, the reputation of the organization might suffer.

According to Capriotti (1999), we can distinguish three sources of information which have a decisive impact over the process of building up the image: mass-media, interpersonal relations and personal experience. Within the mass-media, a clear distinction has to be made between the commercial messages issued and verified by the organization and the news, i.e. the information which the public obtains directly from the society, having, thus, a less verified form. Unlike the media which simply consolidates already existing attitudes and opinions, the interpersonal relations have a more powerful influence over the process of making the corporative image because they involve actions (with a forming character) of reference groups and opinion leaders. Regarding the personal experience, this is probably the most influential factor when it comes to build up the image of an organization. This source provides “first hand” information, although it is possible that its influence to be mediated by the other two sources. Personal experience may be direct as in the case of immediate personal contacts with the employees and managers or at an institutional level, with different specialised structures of the organization. Personal experience can also be indirect, for example when it is associated to using the products and services offered by the organization or when it results from observing the organizational behaviour in different contexts.

The image is a strategic element and a management principle for the organization. From this point of view, the image is related to those operations which result in creating impressions determined by different segments of the public. Therefore, the image is the reflection of identity and its function lies in determining the public attitude in a positive sense for the organization. Irrespective of the degree of approach between image and corporative identity, the organizations have to be aware that the image is integrated by certain values which are real for the public as the reality itself. Image is true reality for the public. The corporative image is built up along three vectors: what the organization is, what the organization does and what the organization says. Here is why the image is the result of the way in which the organization manifests its essence, does its job and sends its messages. This structured set of actions and manifestations gives a certain style, a “coat of arms” which determines the corporative image of the organization.

In fact, the corporative image is a mosaic, but in its structure, otherwise very complex as we have seen, four major elements can be identified, belonging to different levels. These levels are identity, environment, behaviour and communication. Each of these levels incorporates an element of image:

- The identity generates the essential or basic image of the organization, made up by characteristics directly linked to the central identity of the organization and to the perception of these characteristics outside and inside the organization;
- The environment is reflected by the contextual image made up by politico-legal, socio-cultural, sectorial, technological characteristics etc.;
- The behaviour produces the factual image, very complex, with plenty of ramifications in different domains (financial, commercial, media, social, internal, institutional etc.);

- Communication is materialised in the conceptual image which is conceived and spread by the organization through the media to which it has access.

4.3. Corporate reputation

The concept of reputation is closely connected to the corporative image of the organization. The reputation of the organization comes from the comparison made by the consciousness of the public between the image of the organization, namely the characteristics attributed to the organization based on their knowledge and experience, and what they think the ideal values and behaviours for that type of organization should be. Thus, reputation is not the image of the organization, but a judgment of value made upon the image. Therefore, reputation can be defined as a result of the estimations made by different segments of the public which are related to the organization. The most difficult step for the organization is to manage to acquire a good reputation for all the segments of the public related to it because these actors usually have divergent interests and objectives.

The reputation of the organization can be decomposed in the following five elements (Dumitraşcu, 2007):

1. Commercial reputation with reference to the estimations made by the clients based on their experience with the products and services of the organization. This reputation is affected by the following aspects: the degree of clients' satisfaction, the judgments over the quality of the products/services, the degree of clients' fidelity, the estimations of the strong and weak points of the organization, the degree of trust in the organization and its products, the concepts associated with the organization and the social value given to these concepts, the comparisons with other organizations within the sector.
2. Financial reputation is determined by judgments and estimations made by the actors from the monetary and capital markets, financial press, quotation agencies, financial analysts etc. This reputation depends on factors such as: the credibility of the organization; the sense of security and stability; the evaluation of volatility for financial performances, debt and return; the estimation of management quality; the perception of perspectives for commercial and financial growth; the comparisons with other organizations within the sector.
3. Internal reputation is given by the judgments which the employees make regarding the corporative image and thus, it determines a close connection between the internal communication and the global image of the organization. The factors which interfere with the structure of the internal reputation are: the evaluation of work conditions; the appreciation of dialogue and participation within the organization; the evaluation of organizational image; the reference to internal values; the appreciation of internal communication; the estimation of organizational functioning; the sense of pride, trust and security conferred by the organization; the evaluation of expectations and perspectives; the comparison with similar organizations.
4. Sectorial reputation depends on the appreciations made by competitive organizations. It is determined by factors such as: the estimation of organizational virtues and defects; the estimation of its position within the sector; the

appreciation of leadership capacity; the development perspectives; the estimation of the quality of products/services; the estimation of the quality of its relationship with clients and the market; the appreciation of management performance; the treatment applied to the employees and partners; the innovating capacity.

5. Social reputation is measured by those attributes of image projected by different social groups (of interests or pressure) on the organization and by the evaluations made to those attributes. The aspects which configure the social reputation are: the estimations of the degree of social consciousness; the estimations of the degree of social responsibility; the estimation of the degree of preoccupation for the problems of community; the estimation of contributions to social development; the care for environment.

Conclusions

It can be asserted that the notions of corporative identity and image are interdependent: there is no image without a well shaped identity, because what it is being transmitted it cannot only be a simple drawing or an aspiration, but it has to be based on the reality of the organization. At the same time, any representation of organizational identity is not possible unless using the image, which is its best expression. The positive image and reputation are not only results of an efficient communication. This is important, but there are also other fundamental characteristics of identity with deep implications over the reputation. The image has to be administered on every level of the organization and in every domain of activity because the behaviour of the organization, every action and decision which the managers and the employees take, might have lasting effects within the global image and its most concentrated expression – the reputation.

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