

The Effect of Organizational Structure on Corporate Identity Management

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ABSTRACT

This paper explores the significance of organizational structure in relation to the capacity of an organization to develop an effective corporate identity. Mintzberg's framework was used to highlight the effect of organizational structure on organizational identification and hence corporate identity management, and the ways in which organizational structure affects corporate identity management. Additionally, the most appropriate corporate identity structure for each type of organization is discussed, using the structures of Ind (1992), Kammerer (1995) and van Riel (1995).

A significant implication for managers is that consideration of the present organizational structure should influence their corporate identity program proposals and decisions relating to corporate identity structure. In addition, a projected research agenda is outlined.

INTRODUCTION

This paper explores the significance of organizational structure in relation to the capacity of an organization to develop an effective corporate identity. Although attention has been given to corporate identity structures (Ind, 1992), and the relationship between these structures and internal organizational structures has been explored (Ind, 1997), the effect of organizational structures on the corporate identity management has not been examined in detail. However, van Riel (1995, 47) noted that complex organizational structures have difficulty in effectively communicating the corporate identity and, along with Ind

(1997), suggests that a branded identity is the most appropriate corporate identity structure in these cases.

According to Downey (1986/87, 8–9), good corporate identity management means that ‘... the organization can project the kind of focus and commitment that simply wasn't possible before. ... determination of basic identity crystallizes a company's essence and purpose’. Various authors (Kennedy, 1977, Dowling, 1986, Abratt, 1989, Marwick and Fill, 1997, Stuart, 1998) have developed conceptual models of the corporate identity management process. The underlying assumption behind all such models is that, if the corporate identity is well managed, then the resulting corporate image will accurately reflect the values, beliefs and strategic direction of the company. However, although these models have included corporate strategy and culture as variables in the process, attention to other critical variables related to corporate strategy, such as organizational structure, employee identification and corporate identity structure, have not been accounted for.

In fact, most conceptual models of corporate identity management make the assumption that the passage from corporate personality to corporate identity to corporate image is unimpaired if management follows appropriate corporate identity strategies, focusing on *behaviour*, *communication* and *symbolism* (van Riel, 1995, 32). Organizational identification is assumed to be part of this process.

However, a study by Balmer (1994) of BBC Scotland revealed that several sub-cultures existed in this organization, and that factors such as industry ideology, professional ideology and political ideology affected the degree to which employees identified with the overall corporate identity of the BBC. This study revealed that a unified corporate identity is not easily achieved in every organization, despite organizational commitment to corporate identity management.

Additionally, corporate identity management problems are often perceived as external ones. Balmer's (1995) 'hierarchy of schools of thought in corporate identity' typified the way in which various writers and practitioners depict corporate identity management issues. For example, The Design School was purely concerned with keeping the corporate graphic design fashionable. The Strategic School looked at questions related to corporate strategy and positioning, whereas the Behavioural Focus School focused on issues pertaining to corporate culture. The Communications School was concerned with issues relating to the way in which the company communicates. Balmer perceived of these schools of thought as ways in which corporate identity management problems were viewed and this perception affected the way in which practitioners attempted to correct the problems. Although the Behavioural Focus School examines corporate culture, the wider issue of the way in which organizational structure affects the extent of employee identification with a dominant culture is given only passing attention.

CORPORATE IDENTITY STRUCTURES

Fombrun (1996) wrote that the three factors which account for various types of identities are *products, strategy and corporate identity structure*. The current models of corporate identity management appear to take account of the first two factors. The third,

corporate identity structure, is one which Fombrun (1996) addresses in relation to organizational structure indirectly. As in the case of van Riel (1995), the suggestion is made that complex or diversified organizations should adopt branded corporate identity structures. However, a comprehensive investigation of the effect of organizational structure on corporate identity management has not been undertaken.

Ind (1992) noted that there were three basic types of visual structures for corporate identity, namely monolithic, endorsed or branded. The strengths and weaknesses of each structure were described by Ind (1997) and a summary of these is shown in Table 1. As can be seen from this table, each corporate identity structure has its strengths and weaknesses in relation to corporate identity management. However, this perspective does not identify comprehensively the types of structures that are suitable for different types of organizations.

Another way of looking at corporate identity structures was proposed by Kammerer (1988). He identified different structures according to the goals of the parent company. Four types of identity structures called 'action types' were classified. These are described in Table 2. As can be seen from this table, Kammerer's structures are quite similar to those of Ind. However, Kammerer divided the branded identity into two types: one where there is no involvement of the parent company and the other where the cultures of the subsidiaries are influenced by the parent company. Van Riel (1995) took this approach further by reasoning that the crucial issue is the extent to which the choice of communication policy reveals the parent behind the brand (labeled as 'parent visibility') in combination with the agreement about the common starting points in all company communication (labeled as 'content guiding'). This classification is shown in Figure 1.

Table 1: Corporate identity structures

<i>Identity Structure</i>	<i>Rationale</i>	<i>Strengths</i>	<i>Weaknesses</i>
Monolithic	Identity built around a clearly defined idea.	High visibility. Economies of communication.	Every business under threat in the case of adverse event. May curb innovation due to risk to whole identity.
Endorsed	Visible parent company but subsidiary companies are strong brands that keep their own style.	Goodwill associated with brands the company has acquired is maintained.	Difficult to give sense of purpose to multi-faceted organization. Difficult balancing act.
Branded	Wide diversity of businesses within corporate portfolio.	Brands are free to develop identities of their own. Suitable for fast moving consumer goods and conglomerates.	Difficult to communicate strength to financial audiences. Corporate reputation may suffer due to fragmented identity.

Source: Derived from Ind (1997).

Table 2: Kammerer's Identity structures

<i>Action Type</i>	<i>Explanation</i>	<i>Advantage</i>
Financial orientation	Subsidiaries are purely financial participants, retaining their own identity and parent company does not interfere.	Completely separate identities.
Organizational-oriented corporate identity	Sharing of organizational rules by parent company and subsidiaries. Culture of subsidiaries influenced but functioning of corporate identity internal, not visible to outside world.	Culture of subsidiaries compatible with parent company.
Communication-oriented corporate identity	Fact that subsidiaries belong to parent company is clearly expressed in advertising and symbolism.	Conveys size to target groups which increases confidence of subsidiaries.
Single company identity	All actions, messages and symbols come across as one consistent whole.	Consistency.

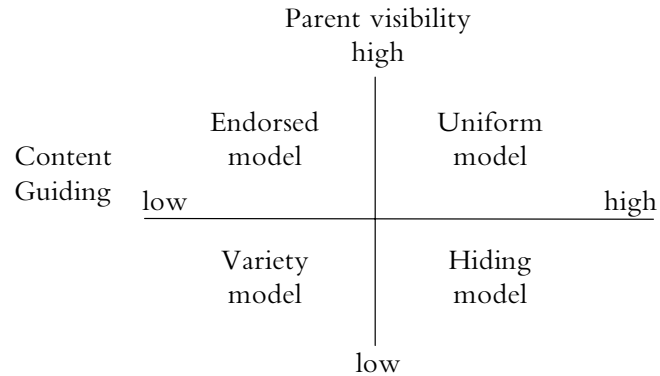
Source: Derived from van Riel (1995).

Each schema has its merits in describing the corporate identity structure of an organization. The particular corporate identity structure chosen by an organization may be appropriate in relation to

organizational structure at one point in time. However, organization changes such as expansion, diversification, deregulation and so on may mean that, at some point, the type of corporate identity structure

Figure 1

Van Riel's classification of Identity Structures



Source: Van Riel (1995, 45)

chosen does not fit the organizational structure. Therefore, a more comprehensive examination of organizational structure, as developed by Mintzberg (1989), and the effect particular structures have on corporate identity management, is warranted.

MINTZBERG'S FRAMEWORK FOR THE STRUCTURE OF ORGANIZATIONS

Mintzberg (1989) developed a comprehensive framework for the study of organizational structure. This framework is significant in that it focuses on the *forces* that drive an organization. Accordingly, Mintzberg's framework will be used to highlight the effect of organizational structure on corporate identity management and the ways in which organizational structure needs to be considered in designing effective corporate identity management programs.

Mintzberg (1989) developed a model which showed the essence of organizational structure as composed of six parts. These parts included the *operating core*, *strategic apex*, *middle line*, *technostructure* and *support staff*. Mintzberg described the sixth part of an organization as the *ideology or culture* which encompasses the traditions and

beliefs which distinguish that organization from any other. He wrote:

'Specifically, an ideology is taken here to mean a rich system of values and beliefs about an organization, shared by its members, that distinguishes it from other organizations ... in effect, an integration of individual and organizational goals that can produce synergy.'
(Mintzberg, 1989, 224)

Mintzberg's ideology is closely related to the concepts of 'corporate culture' (the rich system of values and beliefs) and 'organizational identification' (the integration of individual and organizational goals) as expounded by Hatch (1993) and Albert and Whetten (1985). The following extract from Hatch (1993, 682) exemplifies this:

'In large measure, it is through culture that a person constructs a sense of individual and organizational identity and creates images that are taken for the self and the organization.'

According to Albert and Whetten (1985), an organization has an identity if there is a shared understanding of the central, dis-

Table 3: Mintzberg's organizational structures

<i>Configuration</i>	<i>Prime Coordinating Mechanism</i>	<i>Key Part of Organization</i>	<i>Resulting Force</i>
Entrepreneurial organization	Direct supervision	Strategic apex	Pull to lead — control over decision-making
Machine organization	Standardization of work processes	Technostructure	Pull to rationalize
Professional organization	Standardization of skills	Operating core	Pull to professionalize
Diversified organization	Standardization of outputs	Middle line	Pull to balkanize
Innovative organization	Mutual adjustment	Support staff	Pull to collaborate
Missionary organization	Standardization of norms	Ideology	Pull together

Source: Adapted from Mintzberg (1989, 110).

tinctive and enduring character or essence of an organization among its members. As Ashforth and Mael (1989, p. 27) state:

‘The more salient, stable, and internally consistent the character of an organization, (or in organizational terms, the stronger the culture), the greater this internalization.’

There is clearly a relationship between Mintzberg's concept of ideology and the concepts of organizational identity and culture. This is pertinent as Mintzberg's framework focuses upon the extent to which each of the six parts, including the ideology, become the major force driving the organization, depending on its structure. Mintzberg developed six configurations or types of organizations that can be explained by the parts that dominate or the major forces or pulls which the organization experiences. The basic types of organizational structures are related to these forces which are the major controls in each structure, shown in Table 3.

According to Mintzberg (1989), existing organizations fit into one of the six configurations although ‘... each configuration is idealized ... these configurations reflect leading tendencies in organizations.’ However, these configurations are useful in understanding the reasons why the development of a unified corporate identity in some organizations appears problematic and this understanding may be a first step to remedying such problems. This issue was recognized by Ashforth and Mael (1989) who reasoned that:

‘The individual's social identity may be derived not only from the organization ... Albert and Whetten (1985) distinguished between holographic organizations in which individuals across subunits share a common identity (or identities) and ideographic organizations in which individuals display sub-unit specific identities. ... Given the comparative rarity of such organizations, however, the notion of a single or blended organizational identification is

problematic in most complex organizations.’

In the following section, each type of organizational structure is examined in relation to the most appropriate corporate identity structure and the associated strength of employee identification with the corporate identity. Cases are given to supplement the discussion of organization structures; however, these are not necessarily typical cases. A systematic research study of the topic would be required to explore the issues further.

THE BASIC ORGANIZATIONAL STRUCTURES

Entrepreneurial

Entrepreneurial structures are the simplest ones, ‘... run firmly and personally by their leaders ... They make for wonderful stories of the building of great empires and of dramatic turnarounds’ (Mintzberg, 1989). With a strong force of direction, one would expect such structures to have strong corporate identities, as the environment within entrepreneurial organizations tends to be simple and the sense of mission is strong. The leader will have personal vision for the success of the company. In other words, the corporate personality will be firmly based upon the leader’s personality.

However, there are problems inherent in translating the thoughts of the leader into values for the people in such an organization to pursue, as Mintzberg warned.

‘The vision must be articulated to drive others and gain their support, and that threatens the personal nature of the vision.’

(Mintzberg, 1989, 175)

An example of such an organization is a software development company in Brisbane, where research showed that most

clients felt that the company was synonymous with the entrepreneur who developed the company, even though the company was not named after the owner. The main issue for these clients was lack of after-sales service, carried out by staff other than the entrepreneur. The vision was not sufficiently articulated for other staff to follow up when service was required.

Communication mechanisms such as regular face-to-face meetings with staff and an internal newsletter are obviously important so that others within the company share the vision. One Brisbane entrepreneurial firm with a strong leader has regular Friday night WIFLE (What I Feel Like Expressing) sessions where staff discuss issues with the leader to clarify the vision. Even so, the tension between the personal nature of the vision and the way it is projected by others does exist, with clients preferring to deal with the entrepreneur directly.

In relation to corporate identity structure, the choice of a monolithic structure is obvious. The entrepreneurial organization represents the simplest type of organization with the corporate personality of the company derived from the personality of the owner. Employee identification is likely to be strong as the vision of the leader inspires others. However, it is possible that some lack of involvement on the part of employees may occur if the entrepreneur is not able to articulate the vision sufficiently.

Machine

Machine structures work on efficiency as a prime force. Many of these are basically bureaucracies and we are now watching their attempted transformations as they try to become more ‘client-centred’ and ‘marketing-oriented’. Many Queensland government and semi-government agencies are busily engaged in logo design and corporate identity programs.

The weakness in efficiency as a force lies

in what Mintzberg (1989, 136) refers to as 'obsession with control'. It is debatable whether such organizations are capable of developing appealing corporate identities since they have such a standardized way of dealing with stakeholders. Although in this situation values can be built into the system, such standardized communication does not produce an endearing character, which means that the usual emotional response from stakeholders, including employees, is primarily negative. Mintzberg wrote that:

'because normalization is anathema to ideology — turning informal beliefs into formal rules imposed down a centralized hierarchy of authority — we would also expect to find strong forces for the destruction of fledgling ideologies in this configuration.'
(Mintzberg, 1989, 234)

As an example, Queensland Transport, which is the government department responsible for testing vehicles and drivers, collecting fines and dealing with safety on Queensland roads, has recently attempted a corporate identity program. However, the slogan: 'Better Transport for Queensland' was found to be ineffective. The primary perception of consumers surveyed was that Queensland Transport is a bureaucratic revenue collection agency. The color of the logo was also criticized: the red in the logo was perceived as signifying 'red tape'. (See Napoles, 1988 for color associations).

Even though Queensland Transport placed emphasis on customer service this was perceived by external stakeholders to be hypocritical, as the role of the counter staff, who deal most directly with the customer, was to collect revenue such as car and truck registration fees and fines for traffic offences. One solution for this type of organization may be to separate the purely bureaucratic activities from the

more human ones using van Riel's endorsed corporate identity structure, or in Kammerer's schema, a communication-oriented corporate identity. In the case of Queensland Transport, this would mean having one division dealing with collecting revenue from fines, and another division, primarily concerned with safety issues, with a separate but related identity.

An example of a machine organization with greater success at achieving a positive corporate identity is the Brisbane City Council. With a slogan of 'Australia's most livable city', emphasis has been placed on keeping the city green and clean. This provides a good justification for collecting revenue from ratepayers. Also, the current Lord Mayor projects a caring personality (an ex-Catholic priest), and it appears that the organization has developed a 'corporate spirit'.

The Queensland Department of Primary Industries (DPI) has tried the approach of splitting off some areas and calling them Institutes and Research Centres. One such Institute, the Farming Systems Institute (FSI), was investigated because of its apparent lack of recognition among farmers. Research with farmers found that most viewed the Institute as just a fancy name for the DPI, indicating their unwillingness to accept what they perceived to be a change that was merely a name change. Therefore, if such an approach is taken, the benefits need to be carefully explained to the stakeholders, especially if the staff and hence, culture, of the division is essentially the same as that of the main organization.

In summary, most machine organizations adopt a monolithic corporate identity structure. However, as indicated above, an endorsed corporate identity structure or a communication-oriented corporate identity structure may be used to create a more human face for the organization, allowing employees in these divisions more scope for organizational identification. This needs

to be carefully thought out and promoted to stakeholders, who may be justifiably resistant to a name change which does not appear to embody any significant benefits for them.

Professional

Professional structures emphasize proficiency as a major force, meaning that highly trained specialists operate in a relatively independent way with emphasis on the work they do with their clients, patients and students. They are expected to work in a fairly standard way due to their professionalism and ethical standards. However, as Mintzberg noted:

‘... no matter how standardized the knowledge and skills, their complexity ensures that considerable discretion remains in their application. No two professionals — no two surgeons or engineers or social workers — ever apply them in exactly the same way. Many judgments are required.’
(Mintzberg, 1989, 175)

In addition, professionals may have more loyalty to their profession than the company that employs them, and clients are often more interested in the person dealing with their needs than in the company they work for.

Queensland University of Technology (QUT) has the slogan: ‘A university for the real world’ and a logo which was designed to resemble a blue chip. The emphasis on the real world approach has been highly successful in attracting students to QUT, but many academics find this enticing slogan disturbing. Academics, like other professionals, have their own unique ways of approaching their work despite the increased emphasis on bureaucratic procedures in universities. Whereas the slightly eccentric professor who was completely absorbed in and passionate about their

subject matter was once a prized emissary of a university, standardization of lecture procedures and the use of student evaluation of lectures and lecturers has devalued such professionals. Academics must now ‘stick to the party line’ and become ‘corporate clones’. In other words, possessing knowledge and expertise is progressively less important than managing business relationships with student ‘clients’.

Covaleski *et al.* (1998) explored the issue of professional management in the Big Six public accountancy firms in a recent research project. They noted that:

‘The issues of managing professionals in formal organizations is not new ... Generally it has been concluded that because professionals should have internalized the norms and standards of the profession, the imposition of bureaucratic procedures is not only unnecessary, but it may lead to professional-bureaucratic conflict.’
(Covaleski *et al.*, 1998, 293–294)

In professional organizations, developing external communication strategies that emphasize consistency and stability are important. Internally, induction and training procedures can be usefully employed to encourage professionals to behave in standardized ways when dealing with clients. However, these need to be carefully monitored to ensure that a balance between individual creativity and firm goals is struck. The study by Covaleski *et al.* (1998) highlighted the problems with two such induction strategies: MBO (management by objectives) and mentoring. They referred to a policy employed in one accountancy firm where the goal was to remove responsibility from the line partners in an effort ‘...to emphasize that it is the firm that renders client service, not the individual human being.’ Resistance by employees to such control measures was

vigorous, since professionals typically enjoy responsibility, are self-motivated and do not view themselves as merely doing a job. However, as the organizational climate shifts more towards client expectations and the firm's business goals, the employees who remain under these conditions become increasingly committed to such practices as MBO, creating a cycle where such practices are mandatory control measures.

Most professional organizations employ a monolithic corporate identity structure and the company is often named after the founder or founders. Employee identification with the corporate identity is a key issue that needs to be addressed sensitively as the study by Covaleski *et al.* (1998) suggests.

Diversified

Diversified structures are based on the strategy of diversification and the synergy achieved by putting together a range of business, which then operate autonomously. Units are called divisions and the central administration is the headquarters. There are advantages in this type of structure such as efficient allocation of capital and spreading the risk across different markets. Often what happens in this type of organization is a concentration on performance at the business level rather than the headquarters level. Mintzberg argued:

'This configuration appears to inhibit, not encourage, the taking of strategic initiatives. . . . It is designed to keep the carrot at the right distance in front of the divisional managers, encouraging them to strive for better and better financial performance. At the same time, it seems to dampen their inclination to innovate. It is that famous 'bottom line' . . . attention is focused on the carrot just in front instead of the field of vegetables beyond.'

(Mintzberg, 1989, 166–67)

Under these conditions the different divisions are only vaguely interested in overall organizational mission. Each division tends to compete with the others in terms of the narrow performance measures instead of overall company values such as integrity and quality. Both Fombrun (1996) and Ind (1997) specifically referred to the difficulties faced by decentralized structures. Employee identification tends to be focused on the division, rather than the overall company.

The diversified structure normally chooses an endorsed or branded identity with all the inherent problems of this type of approach. To achieve 'single-minded and all-encompassing communication strategies' (Ind, 1997) in these situations is difficult, especially when the company is relating to financial audiences. Ind (1997) suggests that such organizations should do everything in their power to compensate by corporate advertising and PR. Internally, employees need to be given rewards based upon their performance in relation to the whole organization.

Kammerer's corporate identity structure schema is useful in the diversified organization, as is Van Riel's concept of parent visibility and content guiding. For some diversified organizations, an organizational-oriented structure is appropriate and in others a communication-oriented corporate identity structure is warranted. In some diversified companies, endorsement of the corporate name towards the financial stakeholder (van Riel) is the most appropriate strategy.

An interesting case was provided by a Queensland liquor chain whose corporate image was predominantly 'ockerish'. The liquor chain diversified into outlets that were specifically for wine drinkers. The ambience of these wine stores was completely at odds with the corporate image projected by the liquor chain, yet an endorsed corporate identity structure was chosen, with the liquor chain logo embossed above

the wine logo. Contrary to my expectations, research showed that consumers did not perceive that the image of the liquor chain detracted significantly from their image of the wine stores because they felt that the buying power of the liquor chain meant that the prices of the fine wines would be lower. It was suggested that an organizational-oriented corporate identity structure was the most appropriate, so that while the financial backing for the wine stores was still visible, the wine store logo did not include the liquor store logo.

Employee identification was very much related to the division where they worked. Employees at the wine stores tended to be young, attractive and middle-class whereas liquor store employees were typical 'Aussie blokes'.

Innovative

Innovative structures do not rely on any form of standardization or coordination. These types of organizations operate in a dynamic environment which is unpredictable and hence favors an organic structure (Mintzberg, 1989). It is unlike the entrepreneurial structure because it does not rely on a leader and it differs from the professional organization because innovation is the key, not standardization. Mintzberg (1989) believes that this structure is '... the structure of our age'.

The fact that there is a lack of standardization in innovative organizations acts as a barrier to effective corporate identity programs. There is, therefore, a lack of philosophies and beliefs and this can inhibit an innovative organization from being able to develop a strong corporate identity. However, this is perhaps how the corporate identity should be projected: with the key positioning statement related to being an innovative company. A study by Keller and Aaker (1993) found that innovative corporate identities had a positive effect on consumers' perceptions of the company.

The usual corporate identity structure for an innovative company would be monolithic, although it is possible for an innovative company to grow out of a large diversified company. As noted in Table 1, innovation may be curbed if there is a risk to the whole identity; therefore organizations with monolithic identity structures may be advised to develop a separate corporate identity for an innovative division. In this case, the degree of parent visibility would depend on a range of factors such as the degree to which the innovation was a common starting point for communication of the corporate identity of the original company.

Missionary

Mintzberg's (1989) final structure, which he did not include in his original work, is the missionary organization. He has some difficulty with defining it as a separate structure. He credits the Japanese for bringing this structure to our attention:

'Sometimes an organization's ideology becomes so strong that its whole structure is built around it. Then a sixth configuration appears, which I labeled the missionary in my power book. But more commonly, it seems to me, organizational ideologies "overlay" on more conventional structures ... Accordingly ... I shall ... focus on force as much as form. In other words, the discussion will be concerned with ideology as a force in organization as much as with the missionary as a distinct form of organization.'

(Mintzberg, 1989, 222)

In such an organization, the mission may become much more important than the people or cultural and ethical values, leading to an 'end justifies the means' approach which does not tend to produce an appealing corporate identity.

An example of such an organization may be the Brisbane community-based radio station 4ZZZ, which seeks to give a voice to alternative views. It has the slogan 'Agitate, Educate, Organise'. As noted by Mintzberg, this type of organization thrives on the ideology of being different. It has many volunteers who air their particular philosophies on radio, without censorship or modification to fit into a corporate personality. In a sense, the corporate personality is always shifting, depending upon the views of the agitators. However, due to financial problems, the station recently conducted research on corporate identity issues. The main communication problem was how to produce a unifying message, despite the varied convictions of the announcers on a number of current issues. The slogan: 'A Voice for Everyone' was suggested as a way of overcoming the problem.

Amnesty International is another example of a missionary organization where employees and volunteers would be deeply committed to the ideology of the organization. Missionary organizations are predominantly monolithic in identity structure for obvious reasons. Employee identification is strong since few people would work for a missionary organization if they did not feel a strong sense of social identification with the organization.

SUMMARY OF ISSUES

A summary of the weaknesses of each structure in relation to corporate identity management, and the preferred corporate identity structure are given in Table 3.

If the organization being studied is not new, it is likely to fit into one of Mintzberg's broad structures or it may be a combination of these idealized structures. In every case it is possible to overcome the corporate identity management problems but with some structures, such as the professional, diversified and machine struc-

tures, the problems are more complex. However, an in-depth discussion of the issues concerning power and knowledge in organizations in relation to individual identity (Foucault, 1979, Covaleski *et al.*, 1998) is beyond the scope of this paper.

RESEARCH AGENDA

A comprehensive program of research needs to be undertaken, examining organizations that fit the various Mintzberg organizational structures, using a case-study approach. It appears that the basic corporate identity structure schema (monolithic, endorsed and branded) is rather limited when it is applied to more complex organizations. The extent to which the approaches of Kammerer and van Riel can be used effectively by organizations would be an important part of the research.

Another area of research would be to examine the extent to which employee identification is possible and desirable in the different structures. A balance between organizational goals and individual goals may need to be negotiated so that employees are still empowered to perform while being subject to some control.

IMPLICATIONS FOR MANAGEMENT AND CONSULTANTS

The message for corporate identity consultants is that organizational structure must be taken into account when developing corporate identity programs. An understanding of the forces that drive a particular type of organization is essential in determining an approach to the problem.

In an interview in the *Harvard Business Review*, the chairman of Levi-Strauss, Robert Haas, was asked what the changes in his company had meant for leadership. His reply was:

'There is an enormous diffusion of power. If companies are going to react quickly to changes in the marketplace,

Table 3: Summary of structural weaknesses

<i>Weakness of structure in relation to corporate identity</i>				
<i>Structure</i>	<i>CI Structure</i>	<i>Main weakness</i>	<i>Effect on employee identification</i>	<i>Possible Remedy</i>
Entrepreneurial	Monolithic	Culture not sufficiently defined for people to follow.	Strong identification.	Staff meetings. Make values part of company systems.
Machine	Monolithic/ Endorsed Communication-oriented	Focus on standards not beliefs.	Weak identification.	Develop a corporate soul. Develop divisions that show human face of organization.
Diversified	Branded/Endorsed Parent visibility to financial stakeholders only	Performance of parts emphasized rather than single mission.	Weak identification with whole, strong with parts.	Performance rewards based on company mission. Communicate corporate identity by internal PR and advertising as well as external.
Professional	Monolithic	Loyalty to profession not organization.	Weak identification with company, strong with profession.	Emphasize benefits of corporate culture. Some standardization of services but autonomy of employees important.
Innovative	Monolithic Organizational-oriented	History and philosophy not important.	Moderate identification.	Emphasize innovation as a core value.
Missionary	Monolithic	Ideology overtakes corporate strategy.	Strong identification.	Find corporate mission within ideology.

they have to put more and more accountability, authority, and information into the hands of the people who are closest to the products and the customers. That requires new business strategies and different organisational structures. But structure and strategy are not enough ... This is where values come in ... Values provide a common language for aligning a company's leadership and its people.' (Howard, 1990, 134)

The type of structure suggested by Haas

begins with concentration on the corporate personality as the major driving force, with the structure being built around the underlying character of the organization. However, unlike the missionary organization, the corporate personality would not become entirely dominant but would be an equal partner along with the products and services and the corporate strategy.

CONCLUSION

Although a strong corporate identity can act as an umbrella for an organization and be a way to be unique and differentiated, it

is advisable to consider carefully the forces acting on its particular structural type. The best time to develop the corporate identity of an existing organization is during an 'identity' crisis, when internal and external forces are such that the form of the structure is breaking down in some way. Then, a strong sense of mission, a new ideological beginning and a reassertion of the fundamental values and history of the organization is appropriate and timely.

In this paper, an examination of the effect of organizational structure on corporate identity management was undertaken for two reasons. The first was to examine the most appropriate corporate identity structure for each organizational type, and the second was to elaborate on the likely extent of employee identification with the overall corporate identity for each organizational type. The cases cited here may not be typical of the problems encountered in corporate identity management. Therefore, a more systematic and comprehensive study needs to be undertaken.

Future models of the corporate identity management process should include organizational structure as an interceding variable. Without an appreciation of the forces that drive an organization, it may be difficult to comprehend the apparent failure of corporate identity programs which appear, from the outside, to be well planned and well executed.

It may be that organizations are beginning to develop structures which champion the corporate personality rather than building organizational structures which are not aligned to the corporate personality. One way of doing this is through the 'empowered' company in which the corporate personality of the organization is the driving force behind everything the company does and is the basis for the mission statement for the organization. The knowledge of the power of corporate identity as a unifying force in an organiza-

tion may exacerbate the movement away from some organizational structures. As companies move away from the idea of authority as dominance to the expectation of authority as a personal goal of every person, the development of the 'empowered company' may be achieved. However, as most organizations do not act in this way, questions about the extent to which it is desirable for individuals to identify with organizational goals, and, ultimately corporate identity remain.

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