HOW TO BUILD ORGANISATION IMAGE: APPROACH, PROCESS & OUTCOMES

*Shipra Shrivastava *Swati Bhatia***

ABSTRACT:

Organizational image management theory is a process model in which organizations attempt to create, maintain, and in some cases regain a legitimate image of themselves in the eyes of their stakeholders. The paper presents this theory and conceptualizes important variables in the process, including organizational credibility, identity, image, and reputation. The model will hopefully provide public relations scholars a theoretical model on which to base their work. The model will also hopefully add to the body of knowledge in public relations specifically and corporate communication generally

The purpose of this paper is to provide a theoretical model that may prove valuable in the development of public relations theory. The model is built on the process of organizational image management. Organizational image management refers to the actions taken to create, maintain, and when necessary, regain a desired image in the eyes of organizational stakeholder. An organization's image "is a holistic and vivid impression held by an individual or a particular group towards an organization and is a result of sense-making by the group and communication by the organization…such communication by the organization occurs as top managers and corporate spokespersons orchestrate deliberate attempts to influence public impression" (Hatch & Schultz, 1997, p. 359). Research demonstrates that organizations must sustain a desirable image in order to be successful. Organizations that do not engage in successful image management increase the chances for failure (see Seeger, Sellnow, & Ulmer, 1998 for a review).

This literature review allows for a full examination of the concept of organizational image by comparing and contrasting it to related concepts such as credibility, identity, and reputation. Once this review is complete, the paper moves to an explication of the model, and concludes with a discussion of the implications of the model for researchers and practitioners.

Keywords: *Organizational Image Management, Identity, Image, Reputation, Model*

INTRODUCTION

For the last three decades, researchers have demonstrated increased interest in the public perceptions of organizations, including such concepts as credibility, reputation, identity, and image. One problem for the research in this area is that many, if not all of these concepts have, at one time or another, been treated synonymously. Of course there are similarities among the concepts, and there are interdependencies as well. However, there are key differences between the concepts that must be understood if research and theory in the area is to move forward. We endeavor here to define the concepts of organizational identity, reputation, and image, and to explicate the differences between them. Finally, we demonstrate the relationships between the concepts and present a model that attempts to capture these relationships. The interest in organizational or corporate credibility has increased dramatically in recent years because of exposed unethical practices, organizational crises, and the increased role of the media s organizational watchdog. Corporate credibility, "the perceived expertise and trustworthiness of the firm," is defined as "the extent to which consumers feel that the firm has the knowledge or ability to fulfill its claims and whether the firm can be trusted to tell the truth or not" (Newell & Goldsmith, 1997, p. 235). We mention the concept of source credibility generally, and corporate credibility specifically to note that the concepts we review are all fundamentally based on the same principles that have been discussed for thousands of years. What makes the investigation of these concepts relevant today is the increased importance given them by academicians, practitioners, and the media at the turn of the second millennium.

Organizational Identity

The identity of an organization is closely tied to its core values. Dutton and Dukerich (1991) state that organizational identity is "what organizational members believe to be its central, enduring, and distinctive character". An organization's identity is its personality, what makes it unique. According to van Riel and Balmer (1997), "identity refers to

an organization's unique characteristics which are rooted in the behavior of members of the organization". Identity is not just "how members perceive their organization"; an identity "is a subjective, socially constructed phenomenon" (Gioia, Schultz & Corley, 2000, p.64). Organizational identity is "what the organization is, what it does and how it does it and is linked to the way an organization goes about its business and the strategies it adopts". Organizational identities are created by organizational members, based on organizational value.

Because identity is so closely tied to the organization's core values, most authors argue that it is a relatively stable concept. Identities are not, however, immutable. Rather, they are dynamic, and can be changed, although they are not as malleable as either reputations or images. Gioia, Schultz and Corley (2000) argue that "organizational identity, contrary to most treatments of it in the literature, is actually relatively dynamic and…the apparent durability of identity is somewhat illusory". This illusion is created because of the interdependencies between organizational identities, reputations, and images.

Organizational Reputation
Organizational reputations are based on organizational actions, and those actions are based upon organizational members' co-creation of the organization, based upon their perceptions of what the organization is—its core values. Whereas organizational identity is based on internal stakeholder actions and perceptions, organizational reputation is based on external stakeholder perceptions. An organizational reputation "is a stakeholder's overall evaluation of a company over time. This evaluation is based on the stakeholder's direct experiences with the company [and] any other form of communication and symbolism

that provides information about the firm's actions". Notice that time is a key component of the concept of organizational reputation. This will become important in our discussion of organizational image. Organizational reputations "represent publics' cumulative judgments of firms over time" (Fombrun & Shanley, 1990, p. 235).
Organizational reputations can be an asset or a liability. Organizations that have positive reputations are able to attract higher-quality job applicants, experience greater market share, are able to charge higher prices, and are more attractive to potential investors investors (Fombrun & Shanley, 1990). In short, "a favourable corporate reputation gives an organization a competitive advantage".

According to Gotsi and Wilson (2001), there are three schools of thought in the research literature regarding organizational reputation: (1) the analogous school of thought; (2) the differentiated school of thought; and (3) the interrelated school of thought. The analogous approach treats organizational reputation and organizational image as identical, the differentiated school of thought treats them as totally separate, and the interrelated school of thought argues that "there is a dynamic relationship between corporate reputation and corporate image" (Gotsi & Wilson, 2001, p. 28). We take the third approach, and argue that while reputations and images are not identical, they are also not totally different from one another. Rather, organizational reputations are dynamic constructs which share interdependent relationships with organizational images.

Organizational Image
Recall that organizational identity is based upon the core values of the organization, and that it is a shared construction expressed through internal stakeholder perceptions of "who we are."

Once expressed, the organizational identity gives rise to the development of an organizational reputation, which, in contrast to organizational identity, is the perception of the organization on the part of external stakeholders. Recall also that organizational reputation, while stable, is a fairly dynamic construction that is built over time.

In comparison to organizational reputation, organizational image is a much less stable concept and therefore much more amenable to change. Some argue that organizational image is therefore so ephemeral that to consider it at all is a waste of time, and to consider its management is foolish at best. Scott Cutlip, professor and author of public relations research and teaching materials has been quoted as saying, "I loathe the word image" (Gotsi & Wilson, 2001, p. 27).

We argue, however, that the concept of organizational image is very important to public relations researchers and practitioners. As we will demonstrate later, the dynamic nature of organizational image makes its management easier than the management of organizational identities and organizational reputations. Before discussing organizational image management, it is first necessary to define the concept of organizational image.
There are two definitions of organizational image that are most prevalent in the research, one focusing on the perceptions of internal members and the other focusing on the perceptions of external members (Dutton, Dukerich, & Harquail, 1994; Dutton & Dukerich, 1991). The first, sometimes referred to as "the construed external image" is a descriptive view, and refers to how insiders believe external audiences view their Organization (Gioia, & Thomas, 1991; 1996). The second is a projective view and is defined as "outsiders' beliefs about what distinguishes an organization" (Dutton, Dukerich,

*Assistant Professor, Asian Business School, Noida** Assistant Professor, Asian Business School, Noida*

& Harquail, 1994, p. 243). Gioia and Thomas (1996) argue that this "projective view" encompasses the "characteristics organizational elites want stakeholders to ascribe to the firm," and refer to this definition of organizational image as the "communicated image" (p.371).

An organizational image is the "shared meanings, attitudes, knowledge, and opinions" of organizational stakeholders, influenced, at least in part, by strategic communications emanating from the organization (Moffitt, 1994, p. 166). An image is "something projected" by the organization, and "something perceived or interpreted by others" (Cheney & Vibbert, 1987, p.176). Organizational images are therefore created and sustained by both organizations and stakeholders; while the organization is actively attempting to project a particular image of itself, stakeholders are forming perceptions of the organization. This duality is what produces the organizational image, and it is an important aspect of our definition of organizational image. An organizational image is the product of discourse between organizations and stakeholders, not simply the result of one-way communication that ipso facto produces a desired image in the minds of the target audience.

Our definition is consistent with Botan's (1997) distinction between monologic and dialogic communication. Botan (1997) states that "a person employing monologue seeks to command, coerce, manipulate, conquer, dazzle, deceive, or exploit...Audience feedback is used only to further the communicator's purpose" (p. 189). Dialogic communication, on the other hand, is "characterized by a relationship in which both parties have genuine concern for each other, rather than merely seeking to fulfill their own needs"

(p. 190). The key difference between a monologic view of communication and a dialogic view of communication is that the former treats receivers as a means to end, while the latter treats receivers as an end in themselves. The dialogic view of communication provides clearer understanding of the interdependent relationship between organizations and stakeholders and is a more ethical perspective for communication behavior.

Because of the dialogic nature of organizational images, organizations must strategically communicate with stakeholders to foster certain images and discourage others. As Garbett (1988) argues, "although the company image portrayed must reflect reality, it is entirely possible as well as desirable to select and promote those characteristics that harmonize with the strategic plans of the company. The characteristics should also be those deemed desirable by the public's important to the company" (p. 7).Development of the firm's image therefore requires thatthe organization look to its mission statement and overall purpose, and promote desirable characteristics of itself to its stakeholders; desirability defined by both the organization and its stakeholders. This process is key to
an organization's success, and is what we refer to as organizational image management.

Relationship Model.
To highlight the relationship between organizational values, identity, reputation, and image, we have created a model (see Figure 1).
This model illustrates the relationship between these variables and also demonstrates that organizational images are located "closer" to external publics, which we believe argues for the management of organizational images.Much literature has been written about organizational identity management and organizational reputation management. We, like other authors, argue
that organizational image management is a key to organizational success. Identity management is certainly important for organizational success as well. Our concern in this paper, however, is in external
corporate communication. We therefore are left to choose between either organizational reputation management or organizational image management. It should be obvious by now which choice we have made.
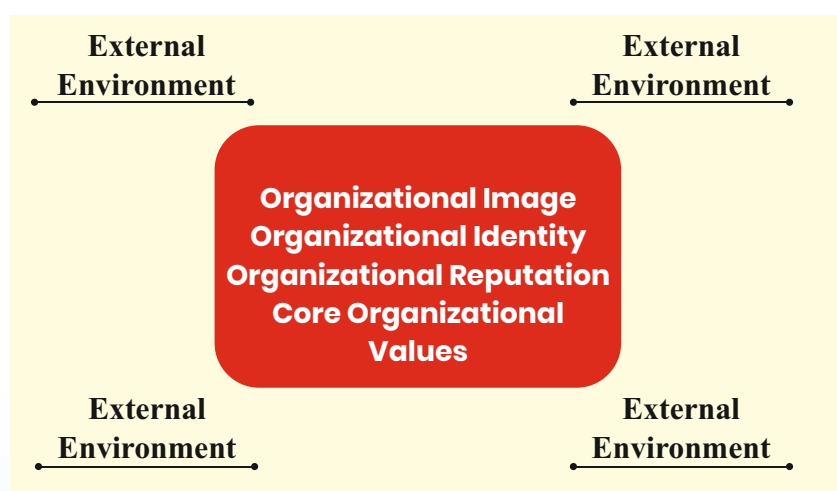

Figure 1.
Relationship between Reputation, Identity & Image

*Assistant Professor, Asian Business School, Noida** Assistant Professor, Asian Business School, Noida

We believe that the management of organizational images is actually more logical because of the malleability of these images. According to Fombrun and Shanley, reputations tend to act as a hindrance to change. They state that "if firms value their reputations, the desire to protect them can inhibit them and their managers from engaging in activities constituents deem unacceptable. Established reputations may, therefore, impede managers' strategic responses to environmental events" (p. 235). Because of this, we believe that organizational image management is a necessary component in public relations activity and a key to organizational success.

Organizational Image Management Theory

The theory of organizational image management argues that a primary goal of public relations is the creation and maintenance of an organization's image. Organizations communicate strategically with stakeholders to encourage desirable images and discourage undesirable ones. Organizational image management theory is developed from theories of image management and self-presentation at the level of the individual (see, for example Goffman, 1959, Tedeschi & Norman, 1985). Although organizations are different from individuals in important ways, organizations can be and are treated in the same way as individuals by many theorists and practitioners.

Organizations must sustain an effective image with their stakeholders in order to maximize their chances for success (Garbett, 1988). Although failure is not inevitable when an organization's image is tarnished, it is more likely, as many studies have demonstrated (Baum & Oliver, 1992; Brinson & Benoit, 1999; Dacin, 1997; Englehardt, Sallot, & Springston, 2001; Hearit, 1995; Ice, 1991; Massey, 2001; Ruef & Scott, 1998).

What is effective, however, is constantly in flux. Changes in the organization's environment, and changes in the organization itself make image management challenging. The concerns of both organizations and stakeholders are affected by a host of variables, , including market dynamics, technology, and contemporary social and political issues, among others. The challenge for organizations lies in being able to understand these changes and continually adjust the organization's image in anticipation of and/or response to environmental change. Furthermore, the multiplicity of organizational stakeholders demandsa strategic approach to image management in which the organization attempts to present itself in terms relevant to all stakeholders, both internal and external (Garbett, 1988).

Although challenging, organizations must engage in image management in order to be successful. Organizational image management is important for at least two reasons. First, images determine cognitive, affective, and behavioral stakeholder responses toward the organization. Second, shared images make possible the interdependent relationships that exist between organizations and stakeholders (Treadwell & Harrison, 1994). Although each person's perception of an organization is subject to idiosyncrasies, the collectively shared image of an organization held by most stakeholders, when managed properly, allows for coordination of organizational activity that is consistent with stakeholder expectations.

As mentioned, organizational image management is a dialogic process in which organizations and stakeholders communicate with one another to co-create the image of the organization. Moffit's (1994) work provides support

for the argument that image management is a dialogic process—indeed; she argues that sometimes organizations have little influence over the images held by organizational stakeholders. Ginzel, Kramer, and Sutton (1993, p. 248) further clarify the dialogic process of organizational image management:

Thus, an organization's image represents a collaborative social construction between organization's top management and the multiple actors who comprise the organizational audiences.

A particular interpretation of an organization's image may be proposed by top management, but that interpretation must in turn be endorsed, or at the very least not rejected, by their various audiences if it is to persist.

A Model of Organizational Image Management

Organizational image management is a three-stage process that involves creating, maintaining, and in some cases regaining an effective organizational image.

First of all, when an organization begins or is unknown, it must create an image of itself with its various stakeholders. According to Garbett (1988) this is difficult since most people have a certain amount of skepticism of the unknown.

Second, if an organization is able to successfully create an image, it must work to maintain that image. Image maintenance is an on-going process that requires communication with organizational stakeholders. To successfully maintain an effective image, organizations must seek feedback from stakeholders and adjust their communication strategy accordingly. Again, the process is dialogic: while organizations are strategically communicating with stakeholders to influence perceptions, stakeholders are forming their own ideas about the image of the

*Assistant Professor, Asian Business School, Noida** Assistant Professor, Asian Business School, Noida*

organization. If an organization fails to monitor and adjust to the feedback provided by stakeholders, successful organizational image management is threatened.

The third stage of the process is restoration, and usually occurs because the organization has experienced some sort of a crisis. Not all organizations experience the third stage of the model, but because of the increase in the number and magnitude of crises, many organizations will move to this stage. If an organization moves to this stage, then it must engage in strategic communication to restore a successful image. If successful, the organization will return to the maintenance stage of image management, but if unsuccessful, the organization could fail or be forced to restructure itself. At a minimum, organizational restructuring involves the development of a new identity, and in extreme cases can result in merger, name change, and other end results that require movement back to the image creation stage of the process. Organizational image management is therefore a cyclical, rather than a linear process, as Figure 2 illustrates
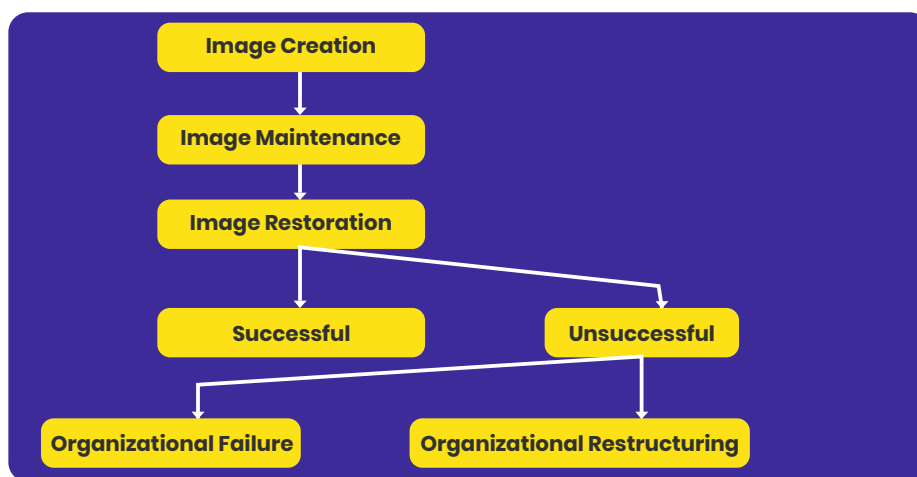
Figure 2
A Model of Organizational Image Management

Organizational image management is a rhetorical process requiring communication strategies designed to establish and maintain a particular corporate image. In a related line of work, organizational communication scholars, particularly George Cheney, have examined what they refer to as issues management. According to Cheney and Christensen, issues management "means that the organization attempts to both "read" the premises and attitudes of its audience and work to shape them, often in advance of any specific crisis or well-defined debate" (p. 238). Cheney and Christensen (2001) highlight the rhetorical nature of organizational communication, and also the relationship organizations share with their stakeholders. Cheney and Christensen's (2001) argument suggests that there are at least two reasons organizations engage in issues management. We extend their argument to include image management as well. The first reason for engaging in image management is that organizations must attempt to differentiate themselves from the rest of the pack. Differentiation is not easy, but it is increasingly necessary in a global marketplace in which products and service are duplicated and advertising and other corporate communication messages clutter the landscape.

The second reason organizations must engage in image management is to maintain the stakeholder perception that the organization is legitimate. Legitimacy can be defined as "the degree of cultural support for an organization" (Meyer & Scott, 1983, p. 201).

to achieve legitimacy organizations must develop congruence between their own actions and the values of the social system in which they operate (Dowling & Pfeffer, 1975). When legitimacy is defined as congruence with the values of the society in which an organization is embedded, then the role of public relations is to achieve that congruence. As Suchman (1995) states, legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions (p. 574). We argue that the purpose of organizational image management is the creation of legitimate images. Organizations that successfully create legitimate images are more likely to survive than those who do not. Only through organizational image management are organizations able to successfully create, maintain, and in some cases regain, successful legitimate images of themselves.

Conclusions & Discussion

This paper has made a modest attempt to develop theory in

public relations research. Much more work needs to be done, but we believe that organizational image management is an area that is rich for public relations scholars as they attempt to move away from mere description of public relations activities towards real public relations theory.

There are several implications of this work for public relations researchers. First, the definitions of organizational credibility, identity, reputation, and image will be helpful for researchers as the differences and similarities of these concepts have been muddled in the research literature. Second, our theoretical model of organizational image management should assist public relations and other researchers as they develop more theory in public relations. We certainly do not believe that this model has encapsulated all there is to public

*Assistant Professor, Asian Business School, Noida** Assistant Professor, Asian Business School, Noida*

relations research and activity. Our hope is that it will serve as a catalyst for future research and theory-building in public relations. Also, we believe that by providing a process model, we have demonstrated the dynamic nature of image management, and therefore of public relations action. As Edward Bernays said, public relations are a two-way street. We would extend that and say that it is a two-way, dynamic process in which organizations and stakeholders come together in dialogue to co-create the meaning of organizations.

It is the role of public relations academicians and practitioners, along with other corporate communication professionals, to move toward that goal.

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*Assistant Professor, Asian Business School, Noida** Assistant Professor, Asian Business School, Noida