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Organisational Entity, Personhood and Identity: A Critical Enquiry

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Abstract

Organisation is a social entity with different forms having basic elements with an authority structure to fulfil the purpose for which it exists through the collective efforts of organisational members. The paper attempts to enquire critically different characteristics of an organisation from different dimensions like personhood, identity, culture, image etc. Organisational Identity is like a biological identity of a person. But unlike a biological entity, an organisation is a social entity whose identity has to be developed by the stakeholders of the organisation. Then arises the issue of conditionalities of organisational identity. Here the conditionalities have been structured in a pyramidal model. Thus organisation with its characteristics has been critically analysed.

Keywords: Organisation, Personhood, Identity, Culture, Image, Pyramidal model.

Organisation

An Entity

Organisation is a social entity, comprised of multiple persons, having a collective goal to achieve within an external environment. Entity is something that is tangible and it is within the grasp of the senses. Entity is a 'thing' - a physical body with an identifiable collection of matter. But an entity may not be of material existence. So, an entity is something that exists and this existence may be as a subject or as an object, either actually or potentially, concretely or abstractly. For example, a natural biological person is without any doubt an entity.

In the same way an artificial person like a business unit or a corporate body or an association is considered as an entity- legal entities or legal persons in society. That is why an organisation being an artificial person is no doubt an entity.

Organisation as a social entity is of various types like business concerns, cooperatives, educational institutions, religious organisations, political organisations, corporations, governments, non-governmental organisations, armed forces, international organisations etc. Of course, a nation-state is also an organisation with its complex multi-dimensionality.

Organisational Elements

All these organisations are formal entities. All formal organisations have at least two distinct characteristics: (i) organisational pattern of relationship of members with objectives and rules of management, and (ii) legal personality which can sue and be sued in the court of law. These formal organisations can also survive beyond the lives of those who brought into being the formal organisations.

But there may also be informal and/or illegal secret organisations, criminal organizations, terrorist organisations etc.

Each and every organisation has three basic elements: (i) a theory – how the activities are to be planned in order to achieve the purpose or objectives of the organisation, (ii) resources – which can be mobilised for the purpose, and (iii) authority system – to direct the activities in a planned manner to ensure the achievement of goals of the organisation (Stinchcombe, 1990).

Further, the *theory* of an organisation has two basic elements: (a) technical-costs theory and (b) market theory. The technical-costs theory refers to the informed awareness about the required technical resources and costs to be incurred for getting those resources. And, the market theory requires that the services/products have a demand.

Again, *resources* have been a basic necessity of all organisation. Resources are of basic three kinds: men, money and materials. Every organisation has to optimise resources to achieve goals efficiently.

Then, to optimise resources every organisation needs to have a well-knit *authority system* providing a structure of supervision, control and discipline. The essential elements of such a structure are: (i) *Fixation of responsibility*, (ii) *Supervision* of activities to ensure the progress of work as per the programme and schedules through statistical and visual means, and (iii) *Discipline* in an organisation which depends on two factors: (a) The degree to which reward and punishment are adequate enough to motivate the concerned people, and (b) The degree to which these rewards and punishments are “related in a reliable and precise way to the actual level of performance” (Kar, 1990).

Organisational Types

Organisations can be of four types, as developed by Max Weber in the first part of the twentieth century, in terms of variation in their key elements of theory, resources and authority system: (i) Charismatic organisation, (ii) Feudal organisation, (iii) Bureaucratic organisation, and (iv) Professional organisation.

Charismatic organisation develops under a charismatic leader around whom members of the organisation veer with utmost faith and respect. Feudal organisations had developed during the Middle Ages among fief-holders and lords in Europe. In modern days this kind of organisation has developed between the manufacturer and the dealer following the traditional feudal relationship in a contractual manner. Bureaucratic organisation in modern times has developed on the basis of rules and regulations. Two most important principles of bureaucratic organisation are: written rules and a strict hierarchical structure of bureaucracy. Lastly, professional organisation develops not on the basis of charisma of a leader, or by tradition, or by bureaucratic principles, but in terms of specialised knowledge of the trained members of the organisation. This type of organisation is typically characterised by the wide delegation of power and responsibilities to the members on the basis of their competencies.

Informal organisational group

Apart from formal organisations, there are also informal organisational groups which develop within a formal organisational structure. Such informal groups may be instrumental in furtherance of the goals of the formal organisation. Sometimes such groups may be dysfunctional, impeding the attainment of the goals of the formal organisation.

Organisational Personhood

Like a biological human being, an organisation is now conceptualised as a legal entity having a legal personality. Legal personality entails the capability of holding legal rights and obligations within a certain legal environment.

Now the question is: How far an organisation can be treated as a person? A person is a holder of legal personality. A biological human being is both a natural or physical entity as well as a juridical entity. But an organisation is not a natural person; it is only a juridical entity which is treated in law as if it is a person. Human beings acquire legal personhood after their birth. In the case of an organisation it acquires juridical personhood when it is incorporated in accordance with law.

Though an organisation is a non-living entity, it is regarded by law to have the status of personhood. This typical personhood of an organisation entails a legal name and certain rights, protections, privileges, liabilities and responsibilities in law like those of a natural person.

Organisational Identify

Now comes the question of identity of an organisation. The concept of identity comes first with the concept of 'self' of an individual person. Identity is the answer to the question: "Who am I?" where the "who" is always a little bit in flux, emerging from the culture of society to which one belongs. The question of perception also comes here. The concept of perception entails one's view point in that how one sees the world as influenced by the social, political, cultural and religious experiences of the society that frame and mark a person.

The concept of identity belongs not only to individuality but also to collectivity. Our selves, our identities, and our perceptions of identities are always in a process of "becoming". "Who are we?" is a pertinent question of a collectivity of persons and is never fixed or static but always in motion like that of an individual person.

Organisational identity (OI) then seeks the answer to the question: "Who are we as an organisation?". The main components of OI are purpose, values and culture which are high level shared perspectives of an organisation. Organisational identity entails the "why" behind what an organisation do, and how it does activities and code of ethics that guides behaviour patterns of members of the concerned organisation as well as the organisation's behaviour.

Albert and Whetten (1985) defined organisational identity as the enduring characteristics of an organisation that contribute to the distinctiveness and uniqueness of an organisation. The views of the members of the organisation constitute organisational identity and it influences how members interpret and give meaning to the physical, social and political environment within the organisation (Dutton and Dukerich, 1991).

Elements of Organisational Identity

Whetten (2006) has earmarked the three attributes of organisational identity: Central attribute, Enduring attribute and Distinctive/Distinguishing attribute. Central attributes are the attributes that have changed the history of an organisation. The attributes which are deeply ingrained and considered sacrosanct in the organisation are referred as enduring attributes. And, distinguishing attributes are ones which are used by an organisation to separate and distinguish itself from other similar organisations. All these attributes are not mutually exclusive, but inter-dependent on each other, thus collectively reinforcing organisational identity.

Organisational identity thus is a critical organisational perception (Dhalla, 2007). And, this perception guides and influences members' way of facing and interpreting different critical issues of the organisation. Labianca *et al.* (2001) proposed the concept of organizational identity strength referring to the extent to which the members of an organisation perceive their organisation's characteristics and distinctive features and the degree to which the members are conceived of their organization's characteristic and distinctive features. So the perception of organisation by its members is an important organisational element.

Building Organisational Identity

Now the critical point is how organisational identity is constructed and developed. Dhalla (2007) proposed a framework of key external and intra-organisational factors in the construction of organisational identity with respect to business organisations. The external factors like positive media attention, external rewards and recognition, industry rankings and external communication in one hand, and intra-organisational factors like the board of directors, the top management team, human resources management practices, operations and internal communication on the other hand contribute in the construction of organisational identity. All these factors have been instrumental in furtherance of the development of organisational identity.

Identity, Culture and Image

Organisational culture is a closely related but distinct concept, different from the concept of organisational identity. Organisational culture refers to an interpretive scheme of shared knowledge, taken for granted assumptions and deep patterns of meaning that are historically formed and socially maintained through interaction, and beliefs shared by organisational members (Abrahamson and Fombrun, 1994). While culture provides the system of rules that defines a social system, identity provides the contextual understanding of those rules that govern people's understanding of themselves in relation to the larger social system.

Organisational image also is related to the concept of identity of an organisation. Organisational image refers to the organisational members' perception of what external audiences believe an organisation to be (Dutton *et al*, 1994). Organisational image is tied to the perceptions of how stakeholders view the organisation and this view may be manipulated by the organisation to reflect the essential characteristics of the organisation (Gioia and Thomas, 1996). As suggested by Gioia *et al*. (2000) the organisers/managers strategically create a projected organisational image that could convey social desirability and highlight particular aspects of organisational identity. Thus perceived attractiveness of an organisation's image to external audiences would positively influence organisational members' perception and view of the organisation in a directly proportional way (Scott and Lane, 2000).

Now comes the issue of 'desired' or 'communicated' image of an organisation which is wanted by the top management team (Gioia and Thomas, 1996). In this way an organisation's identity is reflected by projected images in the sense that the top team or the authority wants others to understand and view the organisation as per their projection. Here comes the concept of 'corporate identity'. Alessandri (2001) defines corporate identity as the images an organisation presents of its distinctiveness to all internal and external audiences and this distinctiveness includes its capabilities, culture, symbols and distinct characteristics.

Identity Management

Just like an individual person, an organisation may have multiple identities. The multiplicity of identity may exist due to multiple conceptualisation of centrality, distinctiveness and enduring characteristics of an organisation. Organisational members and leaders may hold multiple organisational identities consciously or unconsciously. Then the two types of identity may exist simultaneously: one is holographic identity which is universally accepted through out an organisation; and the other one is ideographic identity which may exist in one part or group of an organisation (Pratt & Foreman, 2000).

To visualise an effective identity management, we can have a pyramidal structure of hierarchy of conditionalities for identity management. Then we have five different conditions at different levels of the pyramid. The five levels represent a hierarchical progression in understanding, meaning, and influencing Organisational Identity (OI). These levels can be effectively structured into a pyramidal model, with Level 1 at the base and Level 5 at the top, showing increasing complexity, strategic impact, and stakeholder engagement.

At the very bottom of the pyramid comes the Level 1: Organisational Stakeholders' Awareness of Organisational Identity. The very basic necessity of identity management is the awareness of the stakeholders of the organisation. The organisational stakeholders refer to the individuals, groups or entities having an interest or affected by the activities and decisions of the organisation. The stakeholders can be internal in the organisation like employees, managers, shareholders or owners, members and leaders of a political party etc. The stakeholders can be external like customers, suppliers, creditors, government authorities, competitors, media, the community; or the general public or citizenry, the political leaders of a nation-state. All types of stakeholders must be aware of the identity of the organisation concerned. All the stakeholders should have a basic understanding of what the organisation stands for- its mission, vision, values and purpose. Without awareness, higher-level identity initiatives are ineffective.

The next higher level in the pyramidal structure of the conditions is the Level 2: Active Participation in Communicating Organisational "Profile". Communication is both the problem and the solution in the efficiency and effectivity in the organisational workings. Communication of a particular "profile" (Cheney and Christensen, 2001) as the identity of an organisation is a sine qua non for the success and growth of the organisation. For the success of identity management the active participation of the members of the organisation in communicating the right profile of the organisation is of utmost importance. Organisational members should actively engage in shaping, communicating, and aligning with the organisation's identity and profile, and should highlight and propagate the valuable characteristics of their organisation to the outsiders so that the organisation gets a desirable image in the public sphere. The active participation of the stakeholders build a shared narrative and collective ownership of the Organisational Identity.

The next higher level of conditionalities for identity management is the Level 3: Managing Organisational Identity by Organisational Leadership. The organisational leadership is the most critical factor in identity management of an organisation. Whatever be the nature of an organisation- be it a business organisation, a religious organisation, or a political organisation or any other type of organisation, the leadership team is the guiding force behind the efficient and effective execution of the organisational policies regarding the management of organisational identity. The leaders of the organisation take the responsibility for shaping and managing OI strategically, aligning identity with culture, strategy, and branding. The organisational leadership ensures that OI is intentionally developed and it is not left to evolve randomly. The leadership factor is a prime factor in the whole hog of creating, managing and institutionalising a relevant and desirable identity of any organisation.

The Level 4: Making Identity Synergy by addressing Identity Plurality has been the next level of condition of identity management. Organisational leadership then must be aware of two strategic concepts: identity plurality and identity synergy. In the first case, organisational leadership may evaluate each identity threadbare and decide to either discard or retain multiple identities for the betterment of the organisation, subject to the availability of resources and funding. Then comes the issue of synergy of multiple identities. The organisational leadership must determine how much interactions between differing identities is desirable and feasible. After the evaluation, the leadership may resort to continue or discard the efforts for identity synergy. Thus at this stage diverse identity perceptions from different units, stakeholders, and cultures have been integrated into a coherent whole, managing plural identities. This level deals with complexity and internal differences.

At the top of the hierarchy of the pyramid of the conditionalities comes the Level 5: Public Perception of Organisational Identity. The crux of the identity management culminates in the public perception of the organisational identity. The perception of the outsiders and the public in general about the organisation can be managed positively by the leadership of the organisation in the context of the changing environment. The external stakeholders recognise and perceive the organisation's identity clearly and consistently. This level of public perception is the culmination of internal efforts and it reflects how well the identity is projected and accepted.

The leaders of the organisation should not neglect the task of managing organisational identity when an organisation goes through a path of change either in size or in nature of organisational workings. In the changed situation, organisational leadership should identify the aspects which truly define the organisation and react to those aspects and characteristics of their organisation through setting a new agenda regarding new identity, which is to be perceived in a positive manner by the public.

Now the pyramidal structure of hierarchy of the conditionalities for identity management can be represented by a diagram. Of course, all these conditionalities are so fluid and transitional in nature that the structural

design is not fixed and rigid sequence of progression. That is why the conditions at one level may not be the automatic outcome of the lower pyramidal level.

Pyramidal Structure of Conditionalities of OI



Of course, the usage of the pyramidal model lies in the following uses. The model can be used as a developmental roadmap in that the organisations can assess where they currently stand and what needs strengthening. The model can also be used as a diagnostic tool to identify the identity gaps between internal identity and external perception. Again it can be used to make a strategic planning by the organisational leadership team to guide communication, culture, and organisational initiatives towards a strong, unified identity of the organisation.

Conclusion

Organisation is a living entity having a personhood along with a sense of identity. Whatever be the nature, type, or size of the organisation, every organisation has its own uniqueness. Although an organisation is not a biological entity, it's social characteristics deserve critical enquiry from different angles of personhood, culture, image, and identity of an organisation. Thus organisational identity have been analysed from a critical perspective.

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