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**THE INTEGRATION BETWEEN  
CORPORATE CULTURE, IDENTITY AND IMAGE:  
THE EMERGENCE OF A NEW INDUSTRY?**

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**Paper presented at the Conference on Corporate Reputation, Image and Competitiveness  
Stern School of Business, January 17-18, 1997.**

# **THE INTEGRATION BETWEEN CORPORATE CULTURE, IDENTITY AND IMAGE: THE EMERGENCE OF A NEW INDUSTRY?**

## **Abstract**

This paper explores the implications of the breakdown of the boundary between organization and environment by studying how different types of professional firms develop new services which combine internal and external issues of the client company. The paper shows how professional firms within management, public relations, advertising and corporate design perceive and enact the relationship between corporate culture, identity and image in relation to their client companies. These firms offer different kinds of integrated frameworks like integrated communication and vision management, which cross institutionalized boundaries both between the professional firms and within the client companies. The study shows that a smaller number of the professional firms have developed services which integrate corporate culture, identity and image in such new and holistic ways that it points to the emergence of a new professional field.

## **Key words**

- Corporate Culture
- Corporate Identity
- Corporate Image
- Integrated Communication
- Professional Firms: Management, Public Relations, Advertising & Corporate Design

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by

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It has been argued that one of the major challenges postindustrial organizations face stems from the breakdown of boundaries between internal and external factors (Cheney & Christensen, forthcoming; Dowling, 1993, Fombrun, 1996; Olins, forthcoming; Hatch & Schultz, 1996). Previously, organizations were able to disconnect their internal functioning from their external relationships because contacts between insiders and outsiders were few. Top executives, and marketing, purchasing, PR and strategic planning departments handled external relations, while mid and lower level managers, and HRM, engineering, production and accounting departments attended to internal issues. Now, however, the increasing interactions between "insiders" and "outsiders" through networking, alliances and new service-driven organizational forms make it harder to maintain the gap between internal and external ways of behavior. Simultaneously, the media-driven transparency of company behavior puts pressure on companies to articulate and express what they stand for. Where organizations were formerly able to conceal internal values from external constituencies, and even differentiate internal values from those presented to the outside, the breakdown between internal-external creates a need for value integration.

This breakdown challenges companies in their ability to develop integrated frameworks for dealing with internal and external constituencies simultaneously. Attempts to develop such integrated frameworks have especially been found in relation to the management and communication of organizational values. In conceptual terms, such integration has been stated as the interrelationship between corporate culture, identity and image, and/or reputation. Here, corporate culture addresses internal sense-making and patterns of meaning among organizational members, whereas identity more explicitly focuses on values concerning what the organization stands for, as compared with others. Thus, the concept of identity taps into corporate reflections on "who are we" (The reflection on "who are we" was defined as the key theme of identity at the Identity III conference, Utah September 1996). Image and reputation, on the other hand, are grounded in the external environment and emphasize the perceptions and overall estimation of the organization held by external constituencies. Thus, the collapse of internal-external may imply new ways of perceiving, managing and organizing the relationship between corporate culture, identity and image.

Here, we argue that the integration between culture, identity and image is being reflected in services offered by professional firms. We focus on professional firms in the areas of management consulting, addressing the internal organization and management; public relations agencies and advertizing agencies, which relate to various external constituencies; corporate design companies, which typically focus on the visual expression of organizational values, directed towards internal and/or external audiences. The paper presents the findings from a survey-study on how such professional service companies, located in Denmark, perceive and enact the linkages between culture, identity and image in relation to their client companies. As an implication, the former relatively distinct boundaries between the various

professional fields, e.g. corporate design and public relations, are now being crossed by the firms most engaged in conceptual development. We expect that a smaller group of firms will evolve and redefine the distinctions between the professional fields, creating a new way of managing across organizational and professional boundaries. These services hold a variety of different labels, e.g., integrated communications, vision management, culture and image management, and corporate identity management. First, we briefly summarize the argued conceptual linkages between culture, identity and image, and reputation. Second, the data and methods of the survey study are described. The main findings within each type of professional firm are stated and the paper points out comparisons between them. Finally, we discuss possible implications of the interpenetration between corporate culture, identity and image.

## CONCEPTUAL FRAMEWORK

The interpenetration between internal and external values has been stressed in different kinds of literature. Within marketing and communications literature, the main focus has been the relationships between corporate identity, image and reputation, whereas organizational studies show a stronger interest in the internal processes. For example, van Riel (1995) has emphasized the linkage between identity and image in relation to corporate communication, whereas Fombrun (1996) also points to reputation as the key concept in understanding the interrelationship between corporate identity and external constituencies. Here, image is conceived of as a more temporary, and often manipulated, mental perception of the company, whereas reputation represents the overall estimation of the company, closely related to corporate performance. Within organization studies, the relationship between

identity and image has been emphasized by, for example, Dutton and Dukerich (1991) in their study of the New York Port Authority. They define image as the way organizational members believe others see their organization. Also, Gioia and Thomas (1996) stress the interrelation between identity and image in top management's sense-making of strategic issues under conditions of change. They suggest that the construction of desired future images serve as an important vehicle for identity change, and thus point to the "back-ward" linkage from image to identity.

Some studies on corporate identity further expand the framework by adding internal key values, as they are stated and expressed by top management; e.g. "corporate vision" (Dowling, 1993; Porras & Collins, 1996), "corporate mission" (Balmer, 1995) and "corporate philosophy" (Abratt, 1989). Here, the relationships between identity and image are typically constituted by managerial and communicative processes, ranging from managerial self-analysis to planned marketing communications (Fill & Markwick, forthcoming). Within organization studies, the recognition of internal values has also included more tacit patterns of meaning and behavior among organizational members, which in turn serve as the contextual framework for the managerial conceptualization and expression of corporate identity (Hatch & Schultz, forthcoming). Here, the richness of organizational culture theory is included, emphasizing that organizational culture involves all organizational members and originates and develops at all hierarchical levels. This implies that interpenetrations between culture, identity and image are defined as mutually circular processes, which take place at all levels of the organization; e.g., the relationship may be enacted between organizational members and customers as well as between top management and key stakeholders.

These interpenetrations pose new challenges to companies as they imply the need to think and manage across boundaries, which have been institutionalized in most organizations. First, companies must cross the boundary between organization and environment, since the core values, inherent in the corporate culture, must be reflected in the values guiding the attempts to manage and influence external images. Here, the concept of corporate identity is important because it serves both as an expression of key cultural values, centered around reflections about "who are we?", and as a filter for the member's perception of external images. Secondly, companies must cross the internal boundaries between divisions and departments, dealing with internal and external issues respectively. For example, managers and employees working in human resource management, sales and marketing, customer relations and product development must find new ways of interacting and communicating to be able to link internal and external values. We will argue that the need to manage across these boundaries has enhanced the development of new services among professional firms now dealing in areas which were previously considered entirely different business fields.

The growing rivalry between identity companies, public relations firms and advertizing agencies has been a reality for the major international companies for some years, where the linkages between the various types of competence have been created by ownership e.g. three leading corporate identity companies in US were bought by advertizing agencies, while the company Lippencott & Margulies was bought by a management company (Fombrun, 1996). The link between identity and management consultancy has also been emphasized by a leading UK company, Wolff Olins, through the recent recruiting of management consultants along with designers. In our study, we explore how these linkages between different kinds of

professional skills are created and enacted among the Danish professional service firms within management consulting, public relations, advertizing and design.

## **DATA AND METHODS**

The study comprises 93 Danish consultancies and was conducted from March 1 to August 1, 1996. The study focused on four selected industries: Management consultancies (25 respondents), Public Relations (15 respondents), Advertizing (40 respondents) and Corporate Design (13 respondents). The method applied was qualitative, semi-structured telephone interviews of between twenty and fifty minutes each, and the respondent was either partner, manager, or consultant. One respondent from each consultancy was interviewed.

The study had two purposes: 1) to map out the four industries at actor level (types of firms, size, employees, services and customers); and 2) to get a notion of whether Danish consultancies were following the international trend (Fombrun, 1996; van Riel, 1995) of recognizing and applying culture, identity, and image as strategic tools. Management, Public Relations, Advertizing and Corporate Design were selected as being industries consulted in issues of culture, identity and image, and as implementing solutions to these. However, the selected consultancies only represent a limited section of the total number of consultancies within the four industries. We chose not to include financial consultancies in our survey because we expected that they were the ones least concerned with these issues and that they have a different approach towards culture, identity and image.

In the study, we have deliberately attempted to focus on the largest, most recognized and trend setting consultancies. In an international perspective, these firms are often perceived as

very small, especially within advertizing and public relations, and in many cases they are either subsidiaries, local units of large, international corporations or closely affiliated to such corporations through more or less formal strategic alliances. The studied consultancies were carefully selected on the basis of information from trade associations, from Green's and Krak's Vejviser (the latter are databases providing information on key figures and company profiles, similar to Fortune), the Yellow Pages, and Børsen's Nyhedsmagasin (a business magazine regularly publishing industry profiles). Furthermore, each respondent was asked to expand the list, if s/he felt some were missing.

All interviews followed the same semi-structures interview guide comprising six major categories. Since the nature of the interviews was qualitative, the interviews developed differently, but during the process, each respondent was asked to elaborate on certain indicative questions in order to ensure that all six major categories were answered satisfactorily. These categories comprised the consultancy's:

1. general product portfolio;
2. core competencies;
3. approach to and view of culture, identity, and image;
4. thoroughness in and method for analyzing client firms;
5. number of employees having client contact, plus a general profile of these employees;
6. client profile, and examples of client firms for which it has undertaken specific culture, identity, and image tasks.

In an attempt to uncover areas within which consultancies work with culture, identity, and image, which was the study's main object field, questions were asked to elaborate issues, such as a) how the consultancy defined the concepts of culture, identity, and image, and how it viewed the interrelationship between these; b) whether it had adopted a specific focus, taking as point of departure one or several of these parameters, or rather view these concepts as an integral whole; c) whether it viewed culture, identity, and image as being of internal or external concern; d) what motivated the consultancy to work with culture, identity, and image; e) what it expected the client firm to gain from working seriously with these phenomena; and f) how it visualized the future.

The different consultancies were divided into three categories based on our understanding and insight into the way in which the consultancies view and work with organizational culture, identity and image; Superior approach, Moderate approach and Limited approach. We rated the consultancies on a scale from 1 to 5 (5 being the highest score) based on the answers to the six major category questions, and the rating was focused on the questions in categories 2, 3, 4, 5 and 6. The rating is the result of our interpretation of each of the professional firms.

Based on empirical data, we have attempted to produce interesting questions for future research, to gain insight into which Danish consultancy agencies focus on working with culture, identity, and image, and to understand the process of coupling the three concepts in practice. This overview of the application and extension of the concepts is intended to help produce new inquiries into how Danish business firms operationalize culture, identity, and image strategically.

## BUSINESS FIELD ANALYSES

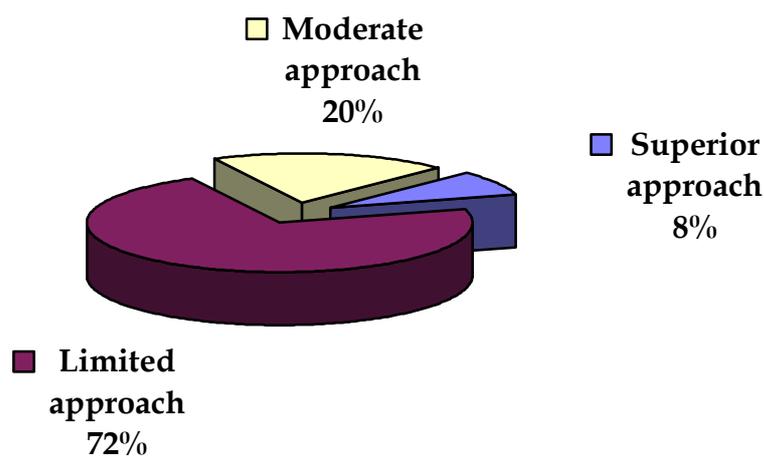
This next section of the paper is a more detailed mapping of the four business fields. The intension is to show the differences in the range of services and the way in which the professional firms within each business field perceive and enact the relationship between culture, identity and image.

### **Analyses of management firms**

Danish management firms work primarily with analyzing, prescribing and implementing company strategy, involving organization analyses, market analyses, and strategy development; HRM in terms of recruitment, team-building, staff training, organizational development, and BPR. Services, such as IT, quality control, financial control, and environment management are considered to be merely peripheral. There is a clear majority of "heavy" economic disciplines. As one manager says: *"We are extremely value oriented and think that, in many cases, investing money in corporate identity is throwing money into thin air. We do not have much faith in identity and image as significant parameters of differentiation"*.

As shown in figure 1, only 8% of the consultancies place great significance on culture, identity, and image, but none of the agencies interviewed are offering these concepts as a specific service. The majority (72%) only operate with these concepts as consequences of other types of tasks, and the remaining consultancies (20%) do only moderately ascribe significant importance to these types of solutions for the firm's survival in a competitive market.

**Figure 1: The management consultancies approach to organizational culture, identity and image.**



Thus, the consultancies in general are not undertaking tasks involving culture, identity, and image, but touch upon these concepts when implementing BPR and HRM tasks. A managing director describes it this way: *"We do not involve culture, identity, and image as separate, independent elements. These elements are only touched upon in connection with solving the concrete task. No clients ask us for advice on problems directly related to culture, identity, and image."* A partner and manager of another management firm added: *"Only in the implementation phase do we touch upon culture."*

Management consultants work primarily with internal firm relations, leaving external relations and signals to advertizing, PR, and design agencies. The consultants do take into consideration the possible affects on a culture of organizational and routine changes, or

rationalizations, but rarely do they work actively with the firm's identity. The majority of consultants consider sales and marketing to be secondary issues, whereas some consultancies do not include these in their services. As one chief consultant says: "*We are not working with market communication and external firm signals. We work with internal communication.*"

Viewed from a culture, identity, and image perspective, nothing seems to indicate any development of, or change in, the tasks undertaken by management consultants, or their approaches to problem solving. The business is characterized by an extremely high degree of conservatism and is primarily operating with traditional financial, value oriented problem solving.

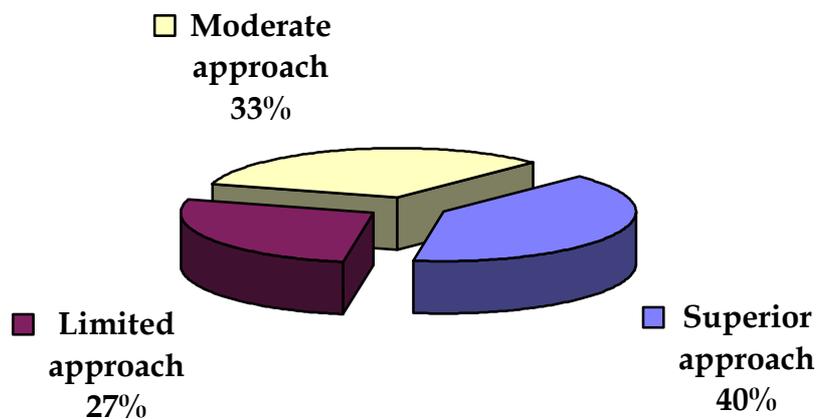
### **Analyses of public relations agencies**

Public relations agencies offer services oriented toward the firm's external communication and, to some extent, internal firm relations. External services include public affairs, investor relations, lobbying, crisis management, environment management (green accounts), media analysis, the production of information material and press releases, and press conferences. Internal services entail the formulation of communication strategy, the production of internal newsletters, and the recruitment and training of information staff and managers.

As Shown in figure 2, the public relations agencies in Denmark have a much higher degree of involvement in working with ideas of culture, identity and image. 40% of the agencies have a superior approach to these concepts which make out the majority group in this business industry. 33% have a moderate approach, while only 27% have a limited approach.

This result illustrates that the public relations agencies assume that the concepts of culture, identity and image can add value to the company at hand.

**Figure 2: The public relations agencies approach to organizational culture, identity and image.**



PR agencies in general base their activities on novel ideas, such as the firm's ethical considerations or policies and the emergent "political consumer". Simultaneously, PR agencies begin with the idea that competitive parameters are subject to continuous change. Today, products from different manufacturers are almost identical, meaning that price and quality are no longer adequate competitive parameters, underlining the growing importance of the firm's culture, identity, and image. Another general observation is that PR agencies primarily start with the external message, though internal dimensions (basic ideas and culture) are also given high priority.

The whole concept of public relations is relatively novel in Denmark. PR agencies were introduced approximately fifteen years ago, and corporate managers are still somewhat reluctant to use them, being rather uneasy about their behavior. Nor does management always share the PR agencies' perceptions of what efficient PR requires. PR agencies wish to make in-depth analyses and studies of their clients who are, to the contrary, skeptical of this approach. One manager of a PR agency describes it this way: *"Our clients are not interested in spending money on internal analyses. They have not yet recognized the importance of starting out with internal affairs. We prefer to do preliminary cultural studies, and we attempt to sell this idea to the client. However, if they are experiencing internal problems, they tend to turn to management firms."* Symptomatically, one PR assistant director describes it this way: *"...if we are allowed, we always do the preliminary work, whether or not it is included in the given task. Firms often give little priority to such tasks, but we find them imperative to our counselling"*. Facts show that the PR industry is growing faster than the number of new agencies. Existing agencies have either differentiated, or settled into their own niche.

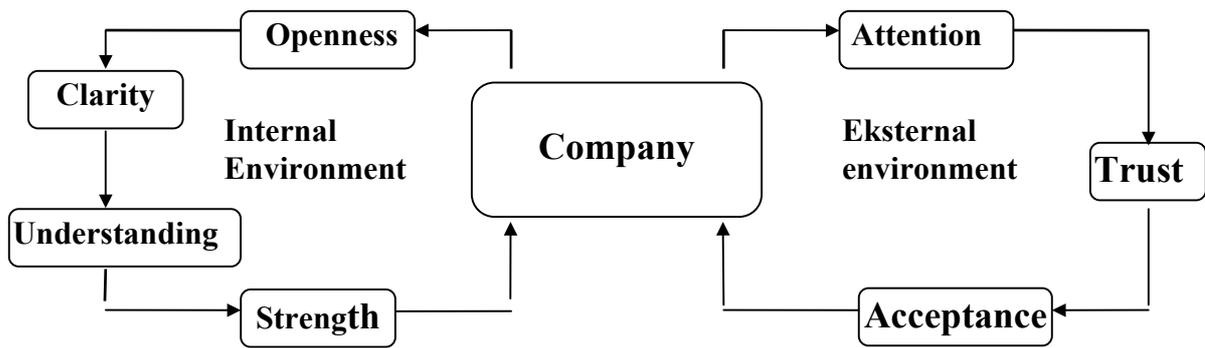
PR agencies wish both to do their own product development, and to diversify, that is, they wish to offer new products and services, and to enter new markets. The problem is, however, that clients rarely allow this. Many agencies criticize firms for not being able to grasp the interrelationship between culture, identity, and image. This has, however, improved, among other things due to younger managers, changes in competitive parameters, and consumer attitudes. Managements have begun to see the humanist advantages, but still focus too narrowly on bottom lines. The following example describes how one of the superior Public Relations agencies from our survey approaches issues concerning integrated communication towards internal and external environments.

### **Example 1**

The public relations agency, KS Consult, works with a model which couples internal understanding with external acceptance (See figur 3). The model is composed of internal and external communication elements. The key message is that all communication begins with open internal communication, end ends with external acceptance of which the company receives feedback. External communication then focuses on corporate identity and image. KS Consult explains the models in this way: "*Corporate success(es) is based on the environment's continuous acceptance of its activities... The purpose of external communication is to create acceptance... The route to obtaining success and trust is through attention. Those interested in the firm must be informed about its intentions, its considerations, and the conditions to which the industry is subject, before they can be expected to adopt a serious stand on its activities.*" KS Consult emphasizes that firms must be informed about their mission and visions in order for the environment to accept them as legitimate: "*Only if this is the case can a firm act in accordance with societal norms, avoiding most conflict and any surprises due to sudden changes and criticism.*" KS Consult's model is based on the idea that image and goodwill are significant parameters for action, and PR is a key managerial tool.

The internal model focuses on internal communication. KS Consult explains that: "*...uncertainty, (which is caused by deficient information and communication), is fertile soil for rumors and a poor working climate. Therefore, continuous, targeted communication is the best way to create a positive working climate for both management and staff.*" The same applies to internal marketing. Employees will always play a key role. KS Consult's model is based on the firm as both an open system and a corporate culture, which views the employee as an important co-player in the fight for legitimacy, and hence survival.

**Figur 3: How to ensure both internal understanding and external acceptance.**

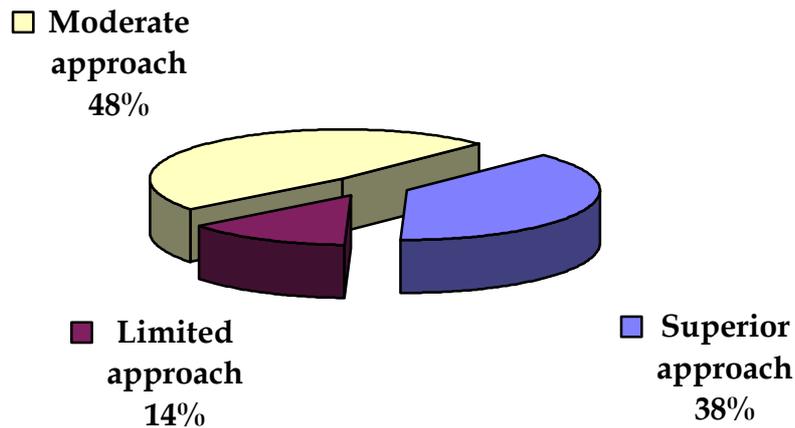


### **Analyses of advertizing agencies**

Danish advertizing agencies primarily offer mass communication services. A few agencies have specialized in issues, such as business to business or direct marketing. The majority characterize themselves as full service agencies, offering almost any kind of communication solution. However, the definition of full-service varies from one agency to the next, and the range and composition of services vary considerably. The general service package includes services, such as concept development or the strategic planning of mass communication campaigns. This may be supplemented with "above the line" services, such as ads, films, event marketing, sponsoring, multimedia, and "below the line" services, such as designing shop materials, promotions, and the design of packaging, letterheads, logos, and uniforms, etc.

Figure 4 shows that the advertising agencies in Denmark either primarily have a superior or a moderat approach to culture, identity and image, while only 14% have a limited approach.

**Figure 4: The advertising agencies approach to organizational culture, identity and image.**



In general, advertising agencies work primarily with the relationship between identity and image. Attention is directed toward the external message, albeit most agencies base this on internal dimensions. One advertising manager says it is a matter of: "*buying a share of the consumer's awareness*". It seems reasonable to claim that the overall purpose of advertising agency communication is external, but the agencies are increasingly employing internal means. "*We must take the firm's temperature and communicate this to the outside world*", states a manager, while another adds: "*It is our task to find the soul of the firm, translate it, and communicate it to the environment.*" Advertising agencies spend considerable resources on internal marketing. Much effort is invested in selling campaigns or messages to the firm's staff prior to launching it externally. "*If you cannot sell the campaign internally, it certainly will not have any effect externally*", according to an advertising agency manager. Likewise, agencies direct much of their attention to internal communication, and attempt to the widest possible

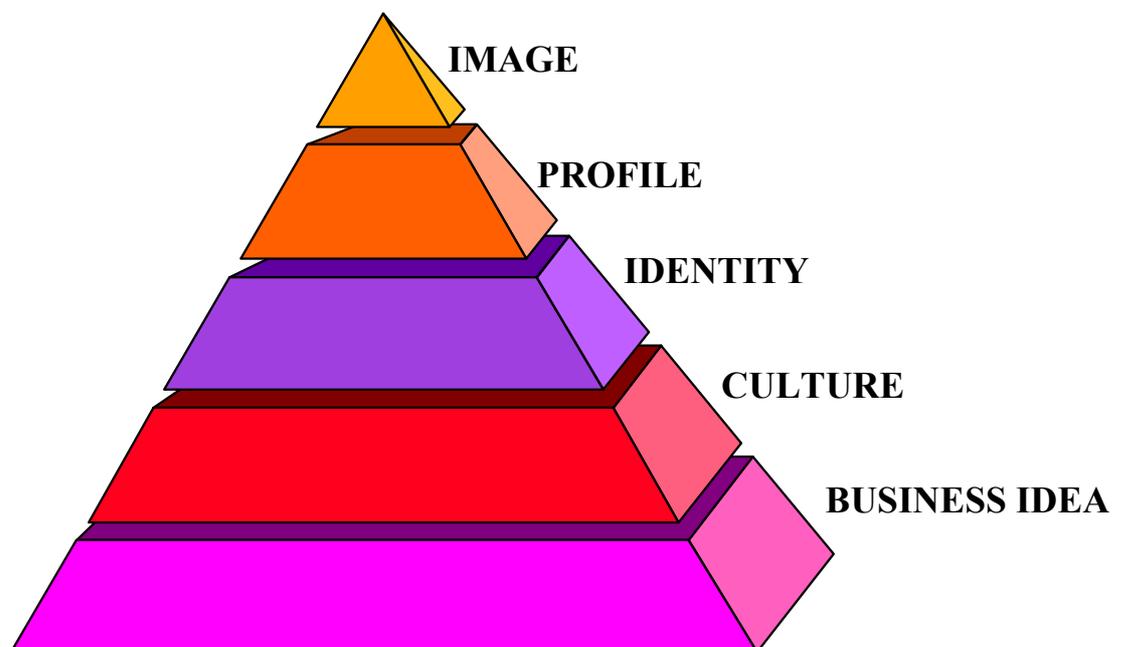
extent to standardize the firm's flow of communication and signals, whether these concern products, the firm itself, cars, or buildings, etc. Many agencies view this as their principal task.

Several of the agencies included in this study stress having the competence for, and desire to, work with corporate culture, norms, values and behavioral patterns, but most Danish firms are not ready to spend resources on such issues. Other agencies disagree about the reason, stating: "*There are no advertizing agencies particularly competent at working with culture, identity, and image. The agencies are not good enough, and the firms are not interested*" (advertizing agency manager). Whatever the reason is, this study demonstrates that, in general agencies simply work with marketing products or branded goods. However, several agencies are convinced that the future lies in corporate communication rather than branded goods communication. In the future, emphasis will be placed on promoting the firm behind the product. Many agencies find that promoting a firm, rather than a brand, does not differ much. The basic values are often identical, or should be.

### Example 2

The Bergsøe 4 Group in the advertizing sector operates with a model which they call the "image pyramid". This model demonstrates that the agency works with image as a competitive parameter, based on the conviction that products are generally becoming almost identical. This model starts from the internal. The agency explains that: *"...a sound image is the result of long-term internal and external work... one cannot buy a sound image, one must prove worthy of it."* The agency describes the model this way: *It is a fragile pyramid. If each layer does not rest solidly on the one below, the pyramid starts swaying, and each time it does so, the risk that it may collapse increases. In other words: each layer must be consistent with the previous from bottom to top.*" Taking as its point of departure the core of the firm, and then working its way up to the top of the pyramid, the agency describes the model in this way: *"The mission must saturate everything and everybody in the firm... it must be reflected in all communication, advertizing, direct marketing, design, public relations, internal communication, and personal sales efforts.*

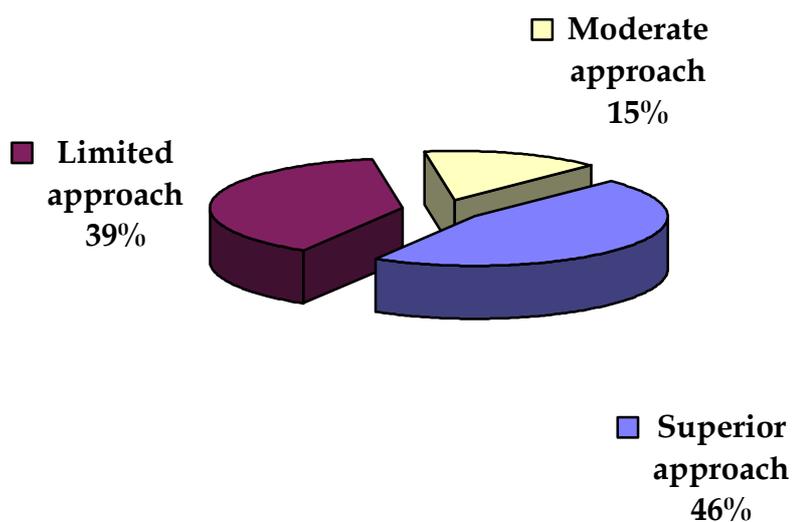
Figur 5: The Image Pyramid, by The Bergsoe 4 Group



Analysis of the design industry

The Danish design industry primarily works with the visualization of firms (graphic design) and products (industrial design), that is, sustaining present design, redesign, new logo concepts, new identity and design programs, product development, design of packing and signs, and overall strategic communication consultancy, including public relations and advertizing. Danish design agencies are currently changing toward a more holistic view of the interrelationship between culture, identity, and image, and they are highly segmented.

**Figure 6: The corporate design companies approach to organizational culture, identity and image.**



As shown above, 46% of the corporate design companies are moving toward more strategic full-service functions and are working distinctly with the coupling between culture, identity, and image. 39% of the respondents, are traditional drawing offices, ascribing little importance to these parameters. The remaining part of the industry, which only includes a few design agencies (15%), falls between these two groups in their view of working with culture, identity, and image.

The difference between these two major groups is that the former is much more involved in working with *total concepts, total solutions, and total consultancy* in corporate design, while simultaneously offering industrial design, even though most of the agencies are geared to handle graphic design. This is in sharp contrast to the latter group. This primarily solves ad hoc tasks and parts of total solutions, meaning that this group essentially works exclusively with graphic design. But the working methods of the two groups differ. Agencies focusing strongly on culture, identity, and image put considerable effort into preliminary studies and analyses of the client firm, whereas agencies focusing little on culture, identity, and image mainly base their activities on client briefings and rarely make their own preliminary analyses.

The group of agencies focusing most on culture, identity, and image is also concentrating on integrated communication. They are often involved in implementing design, and they assist the client in integrating this into aspects of communication. One manager says: "*I am not just sitting here drawing nice brands. The message is what is important, and it must be communicated through all channels*". Especially when implementing a new design or identity programme, the agencies go to great lengths to involve the employees using the client's corporate culture. One

manager says: "...an identity programme is not fully implemented until it is reflected in the entire culture. Not until then does it become effective". Those agencies, which are characterized as breakaway-agencies view their task in a more interdisciplinary and integrated perspective and wish to engage in product development and diversification. However, this depends on whether their clients will ever request these "novel services". One design manager says: "*The firms themselves act as barriers to this development. They are not ready to include the more creative aspects. Contemporary firms are populated with too many economists*". Another design manager of a similar opinion points out that: "*...(rarely) does the client possess the professional competence to manage a total concept. Current managements are too poor at using design and graphic identity*".

Like the public relations industry, design agencies are aware of the current change in competitive parameters. One partner points out that "*...design is used to differentiate identical products. Much attention is directed toward the values of a product. Many current products are simple and need legitimization*". The same applies to firms. The design industry is in agreement as to who "dares" invest in design. One design manager says: "*...only large Danish firms are aware of the importance of identity and culture. Smaller firms are too short sighted and not sufficiently visionary*". Another manager points out that: "*Very large firms are willing to pay for total design solutions. Image is something one acquires. Identity is controllable and must be used to achieve an image, and culture must be used actively*". But the design industry criticizes not only its environment, but also itself. "*The design industry has difficulties in communicating the advantages of investing in design, and clients are often biased against design*", one manager says. Another stresses that "*the firms have not yet realized the necessity of investing in a design programme and viewing it as a long-term investment. The agencies are not sufficiently competent at convincing clients*

*of the importance of such investments. Furthermore, design agencies lack the competencies to work in-depth. Most of them merely produce small sketches with no vision or strategy".*

## CONCLUSIONS

This study offers a description of how the four types of professional firms themselves perceive the linkages between culture, identity and image in the development of integrated services to client companies. A number of findings follow from this exploratory study. First, we began this survey anticipating that a new industry was emerging, involving all four business fields and centered round a holistic view of corporate culture, identity and image. Our findings do not fully support this view. Although a growing number of companies within management consultancy, advertising, public relations, and design are developing conceptual frameworks crossing traditional institutional and organizational boundaries, and many professional firms across business fields are using labels such as integrated communication, vision management, culture, and image management, there are still some grounds to be covered, before speaking of the existence of a new industry as such. However, based on a framework for integrated communication, or corporate identity and communication, a handful of professional firms fit the profile of this new anticipated industry, relating their services to the business concepts or the core values of the client companies. Furthermore, the study points to an emergent sector shift between the four business fields implying that a growing number of companies are in the process of crossing the boundaries between the services that they traditionally offer. For example, design companies expand by creating communication units, advertising companies include public relations services, and public relations companies develop corporate identity frameworks.

The survey also shows that those firms already engaged in the interactions between corporate culture, identity and image, might create a professional vacuum between themselves and the remaining firms in the various business fields. Our findings indicate that these firms, in spite of their history within different business fields, will converge and become more similar in the near future. This implies that in the future the term 'full service' will cover a wide range of services across the four business fields, unlike today when it refers to full service within a given industry. Services will take as their starting point the formulation of a mission statement, vision statement, communication strategy, and also include implementation and feed back analysis.

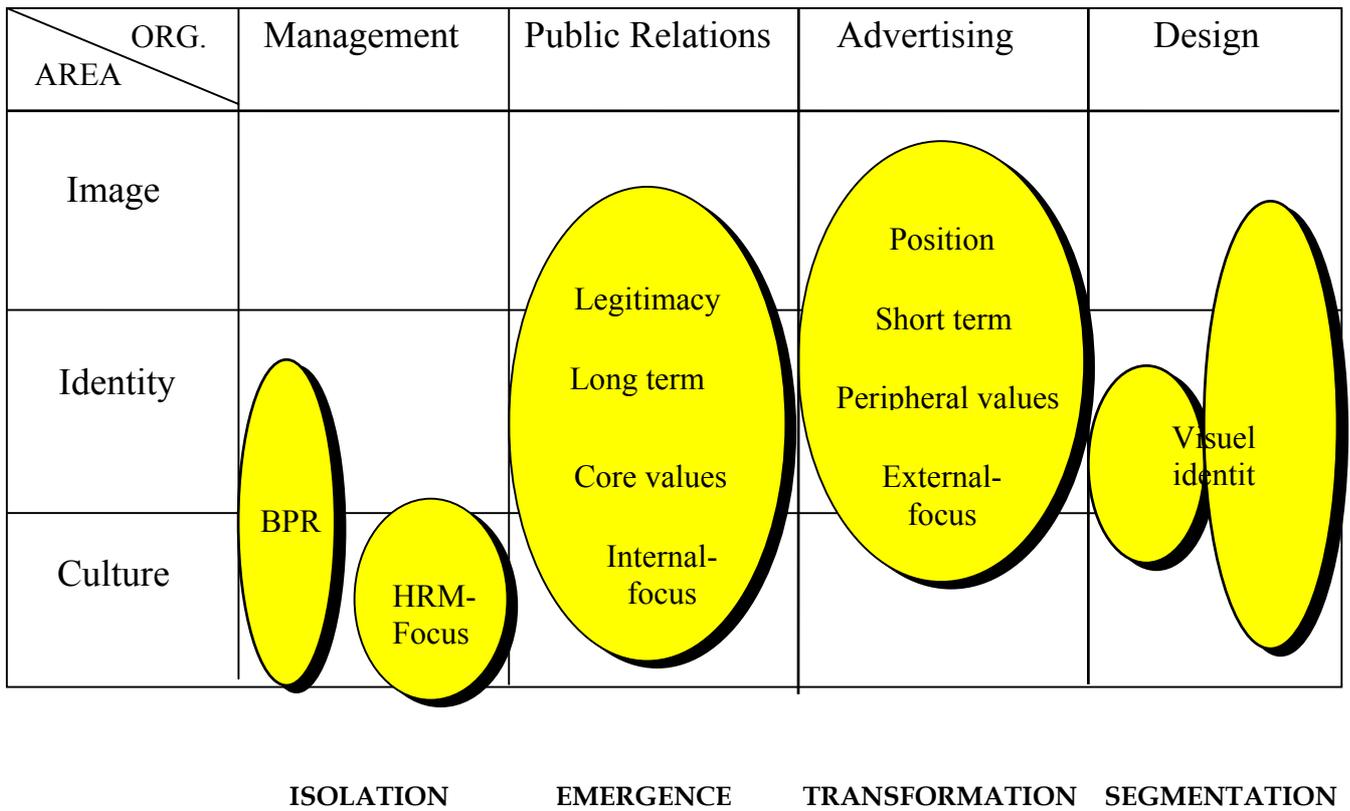
Although we find a strong emphasis on the development of integrated services across all four business fields, our study also shows distinct differences between the fields. Those differences relate to conceptual substance and significance in the professional services, and to the impact on the business field itself. These differences are illustrated in Figure 1. The four industries are listed horizontally. Vertically, the figure shows the individual industry's interface with culture, identity, and image. The size of the 'bubbles' does not indicate the size of the given industry, but is a visual illustration of the scope and spread of focus on the coupling between culture, identity, and image.

Figure 7 shows that management consultancy firms are the least concerned with the linkages between culture, identity and image. Thus, to a higher extent, such firms continue to view these concepts somewhat in isolation. Services provided by management consultants address, first and foremost, internal managerial and organizational issues within the client organization. To the extent that culture, identity and image are involved, there is a greater

concentration on corporate culture, which is often perceived as a soft peoples' issues. Furthermore, the illustration shows that management consultants are slightly differentiated in how they link corporate culture and strategic understanding of corporate identity. One segment, which represents most firms, addresses cultural issues when handling HRM solutions. Another smaller segment perceives organizational culture as an integrated part of the overall identity, and solve their tasks accordingly. This is primarily done through BPR solutions. The importance of a clearly defined corporate identity is being stressed, but management analysts are primarily concerned with internal routines and values, but not linking these to external expectations and demands. Our findings show that the management business field is the furthest away from developing an integrated framework.

The figure also shows that in general, public relations agencies incorporate the interactions between organizational culture, identity and image in their daily routines and procedures. Like advertizing agencies, public relations agencies are primarily outward oriented, but they believe it necessary to build a strong organizational culture and identity in order to gain a positive image. Because public relations agencies are concerned only with corporate communication in terms of positioning of the company, and hence are frequently in the position of addressing the general public, they primarily place emphasis on the core values of the client organization, and only secondarily on peripheral values. The client seeks long-term legitimacy in the market, and must therefore concentrate the communication strategies on more basic values, which is why public relations agencies tend to make use of more organizational values, thereby creating and using the cultural paradigm (Schein, 1992) as a means to attain external acceptance.

**Figure 7: Focus on Culture, Identity and Image within the Four Service Industries.**



The Advertising agencies are in a state of transformation, turning towards a more corporate approach to communication. This means that emphasis on corporate culture has increased over the last couple of years. Although the main focus still seems to be short-term positioning of a brand, more and more agencies emphasize the importance of corporate branding, using the corporate culture itself as a mean of external communication. Thus, they emphasize the importance of developing and securing integrated communication which serves as a link between the brand and the company values.

Danish design firms are also outward oriented, and those referred to in this paper work primarily with the visual identity of the client organization. The design industry is characterized by segmentation, being divided into two major groups: (1) A large group which

works with visual identity based on a design-brief prepared by the client organization, and thus does not get into contact with the culture of the client organizations. Most of these firms concentrate their efforts on the drawing board. (2) A smaller group of firms which work at all three levels, emphasizing this way of perceiving the organization to be vital for presenting the client organization visually. These firms spend a great deal of time, effort and resources understanding the basic values of the client organization. Our findings show that the latter group comes closest to our anticipation of a new emergent industry. These companies combine visual expressions with the basic values of the client organization, involving both graphic, economic and communicative skills.

### **FURTHER IMPLICATIONS**

In general, the majority of Danish professional firms are in the process of elaborating frameworks which integrate corporate culture, identity and image. Each of these three concepts are well-known, whereas the integration between them seems to be the most difficult, but also, according to a large number of informants, the most promising future task. There may be several reasons for the difficulties in integrating corporate culture, identity and image, both related to the professional service firms themselves and to the client companies.

In the professional service firms integrated frameworks are still emergent. Although several firms have developed conceptual models around their integrated services, few - if any - have yet turned these models into replicable and solid analytical models. A combination of key concepts and learning based working processes seem to dominate. Furthermore, the development of integrated frameworks demand the ability to cross professional boundaries,

which have been institutionalized for decades. This implies that professional companies will have to hire staff with much broader competencies, e.g., advertising agencies must hire anthropologists or sociologists to conduct cultural analysis, and design companies must integrate management and communication experts among their staff. Thus, the ability to combine and integrate different skills originating from different professional cultures becomes a key challenge to the management of professional firms. Finally, most professional firms seem to struggle with the need to develop models and measures, specifying the impact of an integrated framework to the client company. This specification relates both to key concepts, such as: What are the long term implications to culture and image and how do we know about them? and to the overall performance to the company, such as: What are the long term benefits to the various key stakeholders of the company, e.g., investors, alliances, customers?

A large number of informants also stress client companies reluctance and scepticism towards creating, implementing - and buying - integrated frameworks. As an implication of the difficulties in specifying the precise impact of a culture, identity and image programmes, it is hard to convince clients of making the large effort and investment it takes to implement a full-scale integrated framework. They find it hard to relate culture, identity and image directly to the bottom line. Integrated frameworks involve a number of soft, interrelated dimensions which may be difficult to separate from other events and developments affecting company performance. Furthermore, client companies face the same need for crossing institutionalized boundaries as professional firms, which are related to the internal organizational structure. The implementation of integrated frameworks demands that people working in sales and marketing, human resources, communication, etc., must collaborate in new ways across

internal boundaries and well-established domains. This problem is emphasized by several of the professional firms which experience severe difficulties in establishing collaboration across the client company, once their access to the company has been provided by each of the segmented groups. Apart from internal political games and power structures, the clients' perception of the interrelationship between culture, identity and image seems, obviously, very much influenced by the organizational position of the key contact persons. Finally, the client companies' perception of the various types of professional firms seems to influence the opportunities for selling integrative frameworks to client companies. Although, for example, several public relations companies are offering cultural analysis and internal communication services, their image to the client company often seems to restrict the clients' willingness to buy services which are not related to their perception of what a public relations company is about, such as handling the media and offering assistance in public performance and crisis management.

In spite of these difficulties, we predict that a growing number of professional firms will seek to continue the process of incorporating culture, identity and image into their theoretical and practical framework. Interest in these concepts is increasing dramatically. We believe that in the near future, the pressure towards client companies, both from institutions within the organization and from outside pressure groups, will result in the need for a more integrative and holistic approach by the professional service firms.

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