

What are Organization Identity and Organizational Identification?

Byron A. Ellis – September 18, 2017



Albert and Whetten (1985) defined organizational identity (OI) as those things that members believe to be central, enduring and distinctive about their organization. According to Lin (2004), OI answers questions, such as “Who are we?” “What are we doing?” “What do we want to be in the future?” On the other hand, organizational identification (OID) is when employees see themselves as one with an employing organization and feel that they belong to it (Ashforth & Mael, 1989). When employees identify with the organization, they are often more involved and committed.

OI and OID are important for high levels of organizational performance. However, many managers do not strive for oneness with their employees, in fact some view employees as disposable assets. As a result, many employees do not see themselves as one with employing managers or the organization.

OID has been positive associated with employee creativity (He & Brown, 2013). Creativity refers to the introduction of innovations for improving organizational effectiveness and efficiency (Amabile, Conti, Coon, Lazenby, & Herron, 1996). He and Brown believe that managers’ behaviors shape how employees view their relationship and social identifications with their work organization. Thus, OID is positively related to certain leadership styles, such as transformational leadership (Carmeli, et al., 2011).

OI sets boundaries on how much an organization can change, because some managers and employees see themselves as one with the legacy organization and are reluctant to change. The inability of organizations to change identity can constrain adaptive capacity (Bouchikhi, 2003). Bouchikhi notes that often organizations are anchored in some combination of geographical space, nationality, strategy, core business, technology, knowledge base, organizational design, operational philosophy or governance structure. However, a change in the market can adversely affect a firm’s identity and make its anchor a liability.

Bouchikhi (2003) gives the example of someone who works for a steel company, who identifies as a steel worker and any attempts to de-emphasize steel is likely to trigger emotional stress for that individual. Similarly, the introduction, or suggestion, of innovations that cause employees and managers’ identification to deviate from the OI can lead to stress.

OI can adversely affect organizational performance when managers and their workers define it differently. Here, OI is not about “Who we are?” but rather about “Who they are?” Thus, leading to intergroup conflicts, such as management versus union, and resentments.

OI, as well as OID, encompasses organizational culture and if there are intergroup conflicts, cultural changes occur slowly or not at all. Therefore, it is important for management and workers to embody the same organizational culture and this can be achieved by creating a culture of trust between managers and workers.

Communication enhances trust, it is “the *lifeblood* of the organization,” “the *glue* that binds the organization,” “the *oil* that smooths the organization’s functions,” “the *thread* that ties the system together,” “the *force* that pervades the organization,” and the *biding* agent that cements relationships” (Goldhaber, 1993). Goldhaber notes that research findings showed a correlation

between effective communication and high overall organizational performance. Unfortunately, many managers fail to realize the effectiveness of communication on organizational performance and erroneously believe that withholding communication enhances performance and trust. Others do not understand that communication is a two-way process (Figure 1) and believe that it is about command and control, where employees feedback is irrelevant.

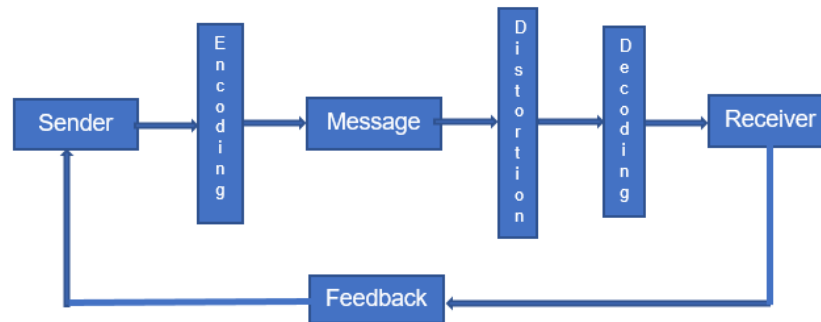


Figure 1- Process of Communication

Communication influences organizational climate and culture and facilitates OI, OID, as well as organizational change. Thus, employees' feedback is essential for achieving organizational shared values and the sense of oneness with managers and the organization.

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