The Importance of Organizational Identity and Its Role in the Performance

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Abstract

Organization performance is the most effective means identity is created through it. Awareness performance of all aspects of an organization is vital for managers' decisions. To achieve this awareness, performance correctly measured and are discussed as understandably. Organizational identity is a strategic tool for achieving objectives and vision. Organizational identity is related to experiences and ideas in general, members have about organization. In this study, explain to importance of organizational identity and its issues and also its effects in organizational performance. This way, its importance be taken into consideration more than ever.

Keywords: Organizational Identity, Performance, Organizational Performance, Performance Management

Introduction

One of the most important factors in enhancing organizational performance is organizational identity. Research shows that lack of accurate knowledge on appropriate organizational identity be caused poor performance of organization. Traditionally, among scientific references sociologists and psychologists have shown more attention to issue of identity. But also now politicians, economists and managers have been added to the collection. Nowadays identity has become one of the common issues among intellectuals (Ahanchian et al 2005). Among the types of identity examined ethnic identity, groups identity and social identity by researchers. Organizational identity and efforts to its development and strengthen is important for managers, Because the individuals' identity formation by organization will be cause to decrease staff's service abandonment, increases
consistent and aligned behaviors with organizational goals, and finally caused organization's objectives realization. (Gholi poor et al. 2011)

Organizational Identity

Organizational identity is a strategic tool to achieve the objectives and vision. Organizational identity is related to experiences and ideas that generally members have about organization (Van Riel 1997). Organizational identity is something employees do receive, feel and think about the company and be accepted as a usual common understanding from clear values and characteristics of organization (Moradi et al. 2008). Organizational identity can be leads to improve self-perceptualat all levels of groups and increased sense of collaboration between employees. (Guangling 2011)

Previous Research

1. In research by Tarek Eldomiaty and Mohamed Behery (2011) as "Indices, firm identity and performance: implications from the European financial services" the results show that positive indicators of identity is related financial performance of large companies and consequently can effectively be known by other performers in the market

2. In research by Glenn et al. (2006) as "Organizational Identity and Firm Performance: What Happens when Leaders Disagree about ‘Who We Are?’" to the conclusion that if when is an agreement between leaders organization's core has lasting value and it is distinct than other companies and there is a relationship between organizational identity and performance.

3. In research by Farajollah Rahnavard (2008) as "Effective factors on the promote of public sector organizations performance in Iran" to the conclusion that organizational identity was identified as the first affecting factor in organizational performance in the Iran's public sector and other effective factors are respectively public values, organizational learning and quality management.

4. In research was performed by Gholamreza Asgari et al. (2008) "Investigate and determine the identity elements in Iranian organizations" the results
showed that components as organization behavior, organization character, communication and symbol-oriented are elements that make organization identity and the importance of these elements is respectively organization character, symbol-oriented organization behavior, and communication. There is no question that cognition of organization identity have management of stakeholder perceptions. Hence authorities should strive as actively for cognition of identity and constituent elements.

**Definitions of Organizational Identity**

Collection of factors, effects and signs that does distinguishes one person from another person (Including political, historical, cultural, social, personal, religious, etc.) is called as identity. (Sobhani 2011)

Among extant definitions was presented definition by and Albert (1985). It is the most acceptable definition defined as: Identify is most original stable and distinct thing there is in the case of an organization. Identity is the answer to this question: Who are we? (Gholi poor et al. 2011)

**Characteristics of Organizational Identity**

1. Organizational identity includes features that describes organization unique and have the relative stability during the time. (Rahim Nia et al. 2011)
2. Organizational identity is an important concept because objectives and values, and individual feeling shows that can help to identify organization surpassed from its competitors. (Halikias et al. 2012)
3. Organizational identity includes features from the perspective of organizational members describes past, present and future of the organization. (Rahim Nia et al. 2011)
4. Organizational identity deals play a role in the organization and managers interpret issues, identify threats, change management, strategy and provide answers. (Gilaninia 2012)

5. Organizational identity leads to maintain and loyalty of customer and employee, conjunction of strategies, achieve to financial goals, and creating a sense of organization purposefulness. (Faraji et al. 2009)

6. Organizational identity does determine orientation of organization. (Houman 1994)

**Importance of Organizational Identity**

Today, advanced organizations are moving tailored with the science of organizational identity, and believe to it, they are more programs, more capable, and more powerful than organizations and companies that do not use organizational identity. (Gilaninia 2012)

**Models of Organizational Identity**
Figure 1: Six-station corporate identity model

Performance

Company performance is the most effective means identity is created through it (Asgari et al. 2008). Awareness from performance of all aspects of an organization is vital for management decisions. To achieve this awareness should measured performance correctly and are expressed understandably (Mohammadi, NeginDiroozeh 2008). Organization with a superior performance is organization in the long term achieves better results from rival organizations by appropriately ability to adapt to changes and rapid response to these changes, create a
management structure coherent and purposefully, continuous improvement in Key Features, and appropriate behavior with employees. (Bayazi et al. 2009)

**Definitions of Organizational Performance**

Performance in the word means the mode or quality of work. Therefore, organizational performance is the overall structure refers to on how organizational operations. The most popular definition of performance is presented by Nili et al: Performance is the process of effectiveness quality and past measures efficiency. According to this definition, Performance is split to two components:

1. Efficiency: It is describing how to use organization from resources in production of goods or services.
2. Effectiveness: It is describing the degree of achieving to organizational's goals

(Bayazi et al. 2009)

**Performance Management**

Performance management is a way to facilitate communication and establish rapport between employees and supervisors and leads to creating more favorable workplace and greater commitment to quality of service. (Hatum & Silvestri 2012)

**The Purpose of Performance Management**

The purpose of performance management strategy is provide the tools and the ways by it be achieved better results from organization, groups and individual and thisbe possible by understanding and management of performance in inside and in line with the agreed framework from objectives, standards and planning competencies needs. (Armstrong 2006)

**Dimensions of Performance Management**

1. Trade system
2. Culture and leadership style
3. Psychological contract
4. Personal feedback and process of learning

(Intan Osman 2011)
Conclusions

Organizational identity is a strategic tool to achieve objectives and visions. Organizational identity can be improved self-perception at all levels of groups. Today, advanced organizations are moving proportional with the science of organizational identity. Company performance is the most effective tool identity is created through it. Organizational performance is an overall structure that refers to how organizational operations. Performance management is a way to facilitate communication and establish rapport between employees and supervisors. The purpose of performance management strategies is providing tools and solutions through it be achieved better results from organizations, groups and individuals.

References


