



LEADERSHIP AND ORGANIZATIONAL POSITIONING

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Abstract *The organizational positioning is nothing else but the consequence of transposing into practice the leader's vision on the future of the organization. It is the vision became reality. In this way, the positioning strategies are, at the highest level, alternative strategies for implementing the vision. The specific content of these strategies results from the way of achievement and combining the functions of leadership – creating the vision, building relational networks, motivating the members of the organization and the assertion of some strong values.*

Key words:

Organizational culture, identity, image, reputation, positioning strategies

JEL Codes:

C51, C53, E02

1. Introduction

Leader's effectiveness is measured by the degree of integrity and cohesion of the organization. This is a qualitative way of assessment of the leader's effectiveness, the quantitative or direct way consisting of examining the performance of the organization (Dumitrașcu, R. A., 2013: pp. 98-102). The organizational integrity cannot be achieved without a clear identity – that strong feeling of being different from others and walking in a certain direction. Borrowing concepts from the psychoanalytic theory of personality and transferring them to the study of organizations, we may believe that any organization is the sum of several varied “Egos”, where the most significant are the following four: 1) *The obvious or manifest Ego* (what others think about the organization), 2) *The alleged or self-perceived Ego* (what the members of the organization think about it), 3) *The present or effective Ego* (how the organization actually is), 4) *The necessary Ego* (how the organization should be if it would understand, interpret and adapt properly to the situation that characterizes it).

2. Consistency of organizational identity

The organization's degree of integrity or the consistency of the organizational identity may be expressed through the communication's efficiency (closeness) between the four “Egos”. If there is no sufficient closeness or a balance between these “Egos” or, in other terms, if the level of communication between them is low, the organization will fail to communicate with its environment also. The harmonization of the organizational “Egos” constitutes

the necessary condition to create a strong identity, respectively to ensure the organizational integrity.

The organization has a strong identity and, therefore, a high degree of integrity when the four “Egos” are converging. Of course, a perfect identification or overlap of the organizational “Egos” is not necessary. This would be as dangerous as too much spacing between them. The efficient leader recognizes and accepts the possible contradictions between the organizational “Egos”, trying to realize reasonable compromises and dynamic balances between them.

The distinctive mark of the solid organizational identity is the existence of a strong organizational culture (Fomburn, C., 2006: p. 209). The organizational culture represents the collection of (imperative) “commandments” and “taboos” (interdictions), along with the associated rewards and penalties, which are deeply rooted in the collective mind of the members of the organization, with extensive influences on their behaviour.

Solid identity is projected outside the organization, in its environment, by building a positive organizational image (Dowling, G., 2004: p. 157). Image is the system of representations and perceptions that the external public makes about the organization. In this way, the image is the result of the global communication of the organization with its environment, respectively any messages that the organization has sent to various segments of the public. As the public's opinions and beliefs about the organization are influenced by its actual behaviours and results, image turns into reputation – the public's perceptions and attitudes formed based on the assessment of the actual actions and effects produced by the organization (Villafañe, J.,

2008: p. 193). Reputation is the result of the development and implementation of the key competencies of the organization (Dumitraşcu, R. A., 2008: pp. 57-59).

Therefore, if the identity, whose core is the organizational culture, summarizes all the organization believes about itself (the “presumed Ego”), the image reflects what the organization says it is (the “obvious Ego”), and the reputation is formed as a result of what the organization does and is perceived as such by its environment (the “present Ego”). A poor identity (organizational culture) determines the appearance of some ruptures between image and reputation, causing the dangerous removal of these “Egos” in relation to the “necessary Ego” of the organization. We called this imbalance “the effect of the fair apple with a worm in its heart”. The manifestation of this effect may have

deplorable consequences on the positioning of the organization in the environment and on its sustainability. The damage to the image and reputation will increase over time, the process of degradation of the identity etc.

3. Identity relationships

In general, causal relationships between identity, on the one hand, and image/reputation, on the other hand, are by no means unidirectional, but rather recursive: although identity is the primary factor that generates both image and reputation, gradually, as they crystallize and develop, a “reverse connection loop” is triggered, within which identity gets back, but amplified, the effects exerted initially on the image and reputation (fig. 1).

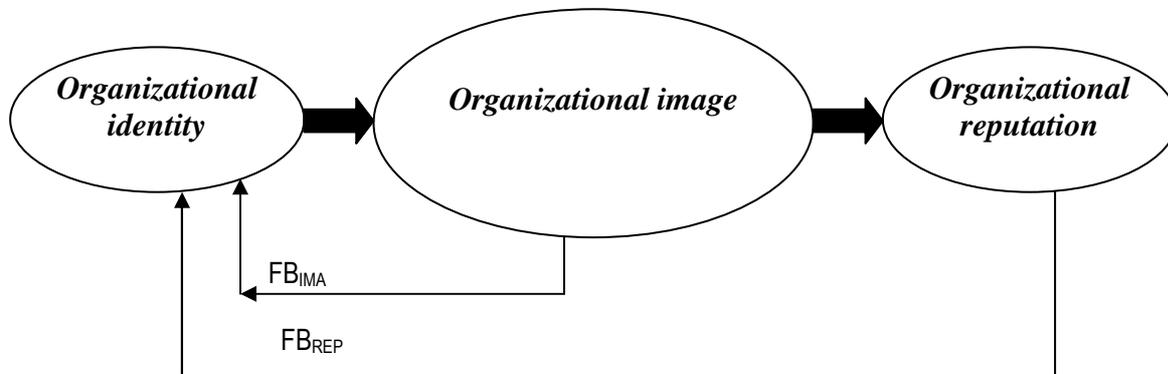


Figure 1. Identity relationships

The image’s feedback (FB_{IMA}) works like this: the quality of the image affects retroactively the consistency of the organization’s identity. The positive image reinforces the identity, and the negative image dilutes it much more. The reputation’s feedback (FB_{REP}) acts on the same principle: the solidity of the reputation

shapes the identity retrospectively. Belonging to an organization with a solid reputation is very beneficial in terms of identity construction, while a questionable reputation weakens the organizational identity (Turdean, M. S. and Vana, D. T., 2012: pp. 2686-2692).

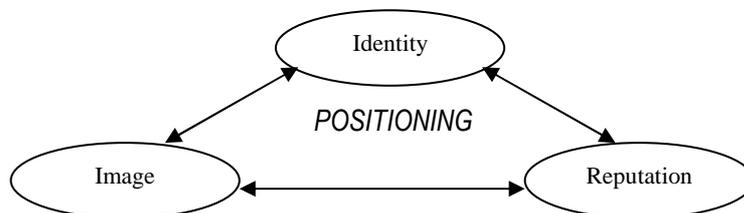


Figure 2. “Golden triangle” of organizational positioning

Identity, image and reputation make up the so-called “golden triangle” of organizational positioning (Fig. 2). The degree of convergence between these dimensions defines the positioning of the organization in its environment: the way in which the organization is recognized and valued by its members and by external actors. In other words, positioning is a kind of “label” that the inside and outside public “sticks” on the

organization. The function of this “label” is, by analogy with the labelling of goods in commerce, to signal the “quality” and the “value” of the organization, as perceived by the environment and internal actors.

4. Positioning strategies

The above model suggests the following three generic strategies to improve the organizational positioning: the

positioning strategy focused on strengthening the identity, the positioning strategy focused on improving the image and the positioning strategy focused on building the reputation. Although each strategy favours a certain element of the “golden triangle” of the organizational positioning, its priority action must be sustained over time by appropriate adjustments of the other two dimensions of the positioning. The core of each strategy works as a driving factor for other components of positioning. Compliance with this principle ensures a high level of coherence between identity, image and reputation, namely a favourable organizational positioning.

The positioning strategy focused on strengthening the identity, as suggested by its name, focuses on strengthening the identity, namely, the organizational culture. It is the most complex and difficult strategy of the three but if successful, produces the most lasting and profound changes in the functioning and the type of performance achieved by the organization. Besides this, the strategy generates the widest training effects on the image and reputation whereas the organizational identity is their source. Modifying the cause, the effects will change also. The real transformation of identity ultimately causes significant changes in the organizational image and reputation. Changing the values, the beliefs and profound mentalities of the members of the organization is a slow and irregular process which should be supported by significant changes in the major organizational variables: organizational structure, communication channels, decision-making procedures, control and evaluation systems, modalities of reward and promotion etc.

The positioning strategy focused on improving the image has as vehicle the organization’s global communication with the environment. Through the messages addressed to the external public, the organization creates notoriety and a positive perception among them. The primary goal of this strategy is to draw attention on the organization and to shape a favourable opinion trend, increasing its attractiveness. But the image is just what the organization says it is, the promises it makes to the public. If the transmitted messages and commitments will not be supported by appropriate behaviours and results, the positive image will not last too long and the “apple effect” will be triggered. Thus, even if the positive effects are relatively fast, they will have a volatile nature. The positioning strategy through image needs, in order to avoid failures on long term, decisive actions of identity adaptation and reputational accumulation.

The positioning strategy focused on building the reputation has as priority the real improvement of practices and modalities of solving the organizational problems to increase public satisfaction and the

consent of external segments, the customers and the community being targeted first. Reputation is the external perception of the organization as a result of what it actually does. It is turning promise into action. But, without being communicated, these improvements will remain unknown to the public. For this reason, the reputation strategy requires serious actions on the imagological plan. But the most important thing is that without deep modification of values, attitudes, reference ideas etc, respectively the elements that structure the organization’s identity, the effects of the strategy will not be sustainable in the long term because the improved practices will degrade gradually, turning to the old patterns, due to mental and behavioural inertias of the members of the organization. Sustainable and solid reputation cannot exist outside a matching organizational identity.

What leaders have to do with the described positioning and positioning strategies? The relationship is quite direct and close. The organizational positioning is nothing else but the consequence of transposing into practice the leader’s vision on the future of the organization. It is the vision became reality. In this way, the positioning strategies are, at the highest level, alternative strategies for implementing the vision. The specific content of these strategies results from the way of achievement and combining the functions of leadership – creating the vision, building relational networks, motivating the members of the organization and the assertion of some strong values.

5. Conclusions

Factors identity/organizational culture, image and reputation form, moreover, the core of the organization’s intangible dimension, the source of other intangible assets. The tangible dimension finds its expression in the net accounting assets of the organization. Efficient leaders focus on the development of intangible assets as the basis of future competitive advantages of the organization. Efficient managers focus their attention on the most productive exploitation of existing competitive advantages, especially materialized in tangible assets. Long time perspective versus short time perspective is perhaps the most notable difference between the ways of thinking of leaders and managers. The judicious arbitrage between these two perspectives, seemingly antagonistic, is one of the essential conditions of sustainability of organizations. However, it means a mode of functioning that provides at least satisfactory short-term performance and on long term creates all the prerequisites for a successful adaptation based on organizational change and innovation.

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