Corporate Identity Management in Malaysian Higher Education Sector: Developing a Conceptual Model

Bahtiar Mohamad1*, Hassan Abu Bakar2, Ahmed Rageh Ismail3, Haslina Halim4, Rosmiza Bidin5

1School of Multimedia Technology and Communication, Universiti Utara Malaysia, Kedah, Malaysia, 2School of Multimedia Technology and Communication, Universiti Utara Malaysia, Kedah, Malaysia, 3School of Business and Humanities, Curtin University Sarawak Campus, Sarawak, Malaysia, 4School of Multimedia Technology and Communication, Universiti Utara Malaysia, Kedah, Malaysia, 5Faculty of Modern Languages and Communication, Universiti Putra Malaysia, Selangor, Malaysia.

*Email: mbahtiar@uum.edu.my

ABSTRACT

Corporate identity management (CIM) in universities has been acknowledged in marketing literature as an important area of research. Research within the current spectrum of CIM indicates some ambiguities surrounding corporate identity in higher education. However, very few studies are available in the field of corporate identity within universities. Accordingly, the objective of this study is to examine the relationships between university’s CIM and organizational performance, and also to identify the relevant underlying mechanisms of CIM in Malaysian higher-education sector. Based on a review of the existing literature in a range of fields, this study proposes a conceptual model of the positive relationships between CIM activities in universities with the internal brand, transformational leadership, and organizational culture. The internal brand communication, transformational leadership characteristics of the immediate leader and organizational culture of the university are included in the model as determinants of CIM activities. The proposed conceptual model is developed based on marketing control theory (Jaworski, 1988) combined with transformational leadership theory (Burns, 1978), and social learning theory (Bandura, 1977). The researchers expect this research to make several theoretical, managerial and policy contributions. For example, the institutions which want to build organizational performance from the academic staff should ensure that the CIM, internal brand, organizational culture and leadership move in the right direction.

Keywords: Corporate Identity, Internal Brand, Leadership

JEL Classifications: M31, I230, M140

1. INTRODUCTION

In recent years, the interests on corporate identity have increased significantly among academics and businesses. They believed strong identity helps businesses to align with the marketplace, attract investors, motivate employees and distinguish their products and services. As a result, many organizations are struggling to develop a different and identifiable identity from their rivals. The corporate identity characteristics include a strong financial performance, high-quality goods and services, a pleasant workplace environment, and a reputation for social and environmental responsibility (Einwiller and Will, 2002). This paper highlights three main challenges in creating a unique identity for Malaysia universities that includes globalization, government interferences and ranking systems.

The importance of corporate identity is beyond business entity including higher education sector. For instances, Melewar and Akel (2005) indicates the globalization has embraced the higher-education sector in which education is seen as a service that could be marketed worldwide. The increased global competition in the higher-education market has been realized as the key driver of higher-education marketization over the world (Maringe, 2010). Higher-education institutions have to compete in attracting high-quality students and academicians. This development poses challenges for universities, especially in improving their
customer-oriented service approach to education and at the same time emphasizing their identity.

Second, the higher-education institutions are forced in some sense to become more independent and self-funded. However, government interference is felt more strongly by universities and colleges as compared to businesses and industries (Adcroft et al., 2010). In Malaysia, the government controls higher-education institutions through legislation and administrative regulations, court decisions and the actions of the executive branch of government such as the Ministry of Higher Education. This situation encourages universities to build up competent systems (Judson et al., 2006) to support academics to increase their performance. At the same time, the university vision should in line with Malaysian Higher Education strategic plans that emphasize on several areas that include quality of students, research and innovation. Through a year, the higher education in Malaysia has rapidly changed and created a unique identity. Consequently, this enhances the quality and competency of the service offered by the university. Third, the ranking systems have come to light in some countries (Stensaker, 2005; Salmi and Saroyan, 2007) including Malaysia. The ranking system helps students to choose the best institution. In additions, the university ranking also provides a background of information for funding decisions (Stensaker, 2005) and is used as policy mechanisms for evaluating and comparing university performances (Salmi and Saroyan, 2007). There are few league tables and ranking systems such as times higher education and QS World UniversityRankings. The ranking significantly affects higher-education decision making by helping universities to set goals for their strategic planning and assessing performance, as well as supporting their representation. Therefore, many universities tried to differentiate themselves with a unique characteristic by emphasizing on quality, study environment, facilities and affordable fees to distinguish their identity from the competitors.

In the Malaysian context, the higher-education sector has progressed rapidly since 1990. Currently, there are 20 public universities and hundreds of private universities, which offer a variety of courses for students. Understanding the global and current regional market for higher education, universities were able to develop a competitive advantage based on a set of unique characteristics. Therefore, the unique characteristics of universities should be communicated to the relevant stakeholders in an effective and consistent ways (Mohamad et al., 2009). Managing corporate identity strategically will help universities to develop a competitive edge over competitors (Olins, 1989).

1.1. Objective
The objective of this study is a review of the literature to develop a theoretical model, which explains the antecedents of corporate identity management (CIM) in Malaysia higher education sector. This paper thus asks research questions related to the theoretical relationship between CIM and its antecedents (internal brand, leadership and culture). Therefore, this study hopes to identify and examine the determinants of CIM such as internal brand, transformational leadership and organizational culture. The paper expects to contribute toward advancing the current knowledge of CIM and offer new practical insights for managing the identity of higher-education institutions and policy makers.

2. CIM
Corporate identity is defined as internal and external strategic plan and operational self-presentation of an organization (Cornelissen and Elving, 2003). It is based on long-term organization goals, an agreed philosophy, and a particular desired image, that combined, will employ all organization instruments such as behavior, communication and symbolism as one unit. With regards to this situation, the university is highly sensible in its effort to achieve a positive identity.

Olins (1989) delineates four stages in building an identity program. Firstly, a doing investigation where analysis and strategic recommendations are carried out internally to determine what a corporate entity should represent. Universities are more concerned with factors such as its position, market share, core values, central idea, growth patterns, size, corporate culture, profitability and competitiveness in setting its goals.

Secondly, developing the identity structure, employee behavior, and the visual styles. With regards to visual style, universities should utilize different colors in their logo. The logo as an organization symbol is to present the central idea with impact, brevity and immediacy, and it portrays a central idea which describes the university as a modern organization founded upon healthy principles and governance.

Thirdly, communicating the new identity. The university’s new identity must be communicated through the mass media or other relevant communication media. Implementing the changes is the fourth stage in identity formation that involves an alignment of the mission statement and university marketing strategy. In ensuring that a university is the first choice among potential students, it should work together with other organizations in its quest to raise awareness (Mohamad et al., 2007). Other scholars who studied university corporate identity are Melewar and Akel (2005). These authors emphasized on the new management strategy of university corporate identity and this includes the centralization of management style and the harmonization of the corporate identity elements. They also highlighted that the complexity and multidisciplinary characteristic of corporate identity is a challenge for university to manage.

Specifically, Simões et al. (2005) definition gives a more systematic explanation of the fundamental characteristics of CIM. Their definition takes a comprehensive view of the corporate identity dimensions that need to be managed internally. According to these authors, CIM should include; (1) the implementation, support, and maintenance of visual systems; (2) the expression and pursuit of brand and image consistency through global organizational symbols and forms of communication; and (3) the endorsement of consistent behavior through the diffusion of a company’s mission, values, and goals. More importantly, in the context of this study, CIM “considers all forms of communication that convey an image and seek an integrated approach to articulate identity in coherent
and harmonized messages through internal and external forms of communication” (Simões et al., 2005. p. 158).

3. DISCUSSION

The literature review found three determinant variables that influence the CIM in the context of higher education institutions. Firstly, the internal brand measures the level of employees understanding toward brand and organization intrinsic values for them to deliver the brand’s promises to the consumers in daily operations (Ure, 2003). For instance, employees of higher-education institution are important as they represent the university to the public, especially in the areas of quality teaching and staff reputation (Ivy, 2001). The less understanding about the institution’s brand values can reflect employees own values more than the university’s brand values (Jevons, 2006). Scholars also emphasize this idea and believe that brand message will lose its credibility if it is not supported by aligned employee behavior (Schiffenbauer, 2001).

Nonetheless, universities also need to align their employees’ attitudes and behaviors with the corporate brand values. As noted by Melewar and Jenkins (2002) and Mohamad et al., (2009), corporate behavior and employee behavior are the corporate identity dimensions. Koskimies (2011) added that employees are also devoted to the strategy and willing to gain the brand in their work. Although the concept of internal branding is recognized as a new phenomenon which has become important for universities in the increasingly competitive markets (Judson et al., 2006), very few studies have acknowledged the relationship between internal branding and CIM of the universities. To date, there are no specific relations between the variables has been discussed by scholars. One of the closest researches that had been conducted by Vallaster and de Chernatony (2005) emphasized the integration between corporate identity structures and internal brand. Corporate structures have been identified as a driving force to enable employees behaves in a manner, which achieves strategic goals (Hatch and Schultz, 2001). Structures are defined as the resources and rules’ employees draw upon every working day (Giddens, 1979).

Secondly, transformational leadership is a strong leadership model that can provide a clear vision and sense of mission in creating a positive identity. A leader is a person who can motivate, inspire, and create a commitment to common goals (Bass, 1997). A strong leader can definitely enhance the identity of the university. Transformational leadership shows a passion to take risks and to accept occasional failures as being normal (Kohli and Jaworski, 1990). For example, in the context of higher-education, a leader has an obligation to build trust among the organization’s employees, which can be demonstrated through internal and communication.

In general, a significant relationship between transformational leadership and organizational functioning has existed (Waldman and Bass, 1987). For instance, leaders play a significant role as an information provider to the subordinates at different levels. Leaders have to ensure that corporate identity (i.e., vision and mission) of the organization is achieved. In realizing the vision of corporate identity, a transformational leader should have good communication skills in building trust and enthusiasm within the organization. As highlighted in the theory of transformational leadership, emotions and values (Yukl, 1998) imply that “leaders and followers raise one another to higher levels of morality and motivation” (Burns, 1978).

Thirdly, organizational culture has been conceptualized in many ways. It contains multiple sets of dimensions such as behavior (Kotrba et al., 2012), beliefs (Chapman et al., 2011), values (Schneider et al., 2013). These dimensions work as a substructure for organization management practices, management systems and behavior. It also contains ideas that guide organizational viewpoints towards employees and customers (Jin and Drozdenko, 2010). Moreover, organizational culture as the pattern of belief and shared values helps employees to understand the function of the organizational, and thus provide norms for behavior in the organization (Deshpande and Webster, 1989).

This paper is grounded by two basic notions of culture. Firstly, culture should be a pillar of communication in cascading a message to employees. Secondly, culture produces a positive attitude among members when dealing with problems.

CIM and organizational culture lie close to each other. CIM fundamentally concerned with “what the organizations is” - the core of organizations as it is laid down in its strategies and culture (Cornelissen, 2014). For instance, the intrinsic characteristic of an organization gives its specificity, stability and coherence (Larçon and Reitter, 1979). The elements of culture can also be influenced and changed over time, and are similar to the element of communication (Smith, 1966). This study seeks to understand such interrelationships and mutual dependence in greater detail, to sufficiently account for the impact of organizational culture on CIM, because strong interest in culture is one of the most significant trends in contemporary communication studies.

Organizational culture strengthens the significance of CIM, and is likely to inspire better organizational communication systems at all levels (individual and group) based on beliefs, values, and behavior in initiating a fundamental identity for the organization. Moreover, the link between CIM and organizational culture can be understood in corporate and organizational behavior such as negotiating, motivating, problem-solving, leading, decision making and exchanging information and ideas. From the macro perspective, successful CIM depends on the capability of employees and managers from one culture to understand other cultures.

Taking into account the above discussion, thus far, it is proposed that:

- Proposition 1: Internal brand will have a positive impact on CIM
- Proposition 2: Transformational leadership will have a positive impact on CIM
- Proposition 3: Organizational culture will have a positive impact on CIM.

4. IMPLICATIONS

This paper contributes toward the development of the CIM model through literature analysis (Figure 1).
First, this paper tries to link the antecedents of institutional factors such as internal brand, organizational culture, and transformational leadership to CIM. Examining the CIM model in a different context (non-Western country) could offer additional perspectives into the present literature from the non-Western context (Hofstede, 1980).

Second, although most corporate identity researchers could gain something from using a systematic management and integrated framework, the CIM field of study lacks consistency, contrary and empirical work on topic (Cornelissen and Elving, 2003). Thus, a wider view of CIM is required, because concepts and practices need to be developed and best comprehended. The dimensional knowledge in this paper will provide a best understanding of the complicated driving force of CIM.

Lastly, this paper may be beneficial for those undertaking studies as it could develop their understanding of the determinants of CIM in the higher-education sector. Furthermore, it will help those involved in the teaching of CIM to understand the practical concept in creating suitable courses, adjusting applicable criteria and drawing relevant qualifications for the future direction of the higher-education system. Researchers in corporate identity for example, can focus their work from a strategic management standpoint and reinforce their professional status.

5. CONTRIBUTIONS

This paper contributes to existing theories by extending social identity theory, verifying conceptualizations of developing a theoretical model of CIM in Malaysia higher education sector.

First, this research presented the understanding of CIM practices by adding different insights to the possible antecedents in a non-Western country in the contexts of Malaysian higher education sector. It also illustrates the effects of institutional factors (internal brand, organizational culture, and transformational leadership) and yields any social benefit to CIM. Also, this paper looks at the theories’ applicability by examining the CIM model in a Malaysian higher education sector. Thus, Malaysia could afford additional insight into the extant literature from the non-Western context (Hofstede, 1980).

Second, most corporate identity researchers may benefit from using an integrated and systematic management framework with broader view of CIM. The dimensional knowledge in this paper provides a better understanding of the complex driving force of CIM and its strategic outcomes. Moreover, this paper contributes a deeper understanding to operationalization of the proposed framework and the dimension of each construct.

Finally, by reviewing the incomplete findings reported in previous studies, this paper contributes a new insight to existing knowledge. For instance, some study recommends that corporate identity is positively associated with internal brand, leadership and culture. However, this was not tested on CIM, and has no empirical research on the relationship between CIM and those variables.

This study seeks to enhance university administrator knowledge and understanding of CIM practices and strategies. These may be useful because of the positive antecedents that could be generated (For example internal brand, leadership and culture) from such knowledge. Furthermore, this study intends to inform university administrator about particular activities that could be undertaken as CIM strategies. The university administrator could be well informed about good CIM practices, and this in turn could make them more effective managers.

Firstly, an organization focuses on their core strategic corporate identity activities (for example, visual identity, mission and vision and consistent image) in an attempt to project these values to their stakeholders. Therefore, this study could demonstrate the strong CIM functions to execute management strategy to their stakeholders through creating awareness and changing perceptions. It will show the strategic role of CIM in the higher education sector which must be approached. Furthermore, it is useful to understand the corporate identity functions that contribute in enhancing CIM practice and its impact to organizational performance.

Secondly, the effect of CIM on social and institutional factors is not well understood at the managerial level. This study will offer explanations regarding both issues to university administrator. The research will inform the importance of organizational performance criteria (reputation and image) on CIM in an institutional context. In addition, it will offer an explanation of developing corporate identity by handling institutional factors (internal brand, organizational culture and transformational leadership) appropriately. The findings will demonstrate the role of top management through the strong university policy to discourage or encourage CIM as a strategic management tool.

Finally, literature has confirmed the strong influence of organizational culture to enhance positive identity in organizations. Therefore, the finding will explain its contribution on CIM. Internal brand also demonstrates a strong influence on corporate identity programmers’. So, this study will offer the management role of internal brand such as internal brand communication and brand centered training and development to better CIM.

As discussed earlier, current issues concerning CIM practices in some countries have several implications for policy makers and regulators. Regulators are conscious of the impact of CIM and the changes on the corporate landscape that may have
disrupted the operation of companies and potentially implicate the organizational performance.

Three aspects of the findings are expected to be useful to public policy makers such as Ministry of Higher Education. Firstly, policy makers will be taught how to practice CIM in Malaysian higher education sector. For instance, this study will help regulators to formulate the policy effectively (to develop an effective CIM) or amend existing identity to facilitate the CIM process. Similarly, private university will be able to help their administrator to achieve favorable stakeholder’s appraisal through professional training and monetary support to extend the professional status of CIM.

Secondly, this research seeks to notify university administrator of the best way to practice CIM, which can be implemented as a guideline and indicator for the performance measurement for the higher institutions. The government (Ministry of Higher Education) can learn from the findings of this study to design effective measurement mechanisms as possible indicators for success and effectiveness. It will further provide policy makers with more information on the technique of CIM measurement and organizational performance, and be able to design CIM professionalism training programmed.

Lastly, this study may be useful for those undertaking research as it could improve their understanding of the influence of CIM on performance of universities. Therefore, the testing of Western ideas and the theories of management practices can be undertaken to show their suitability and practicality for a workforce other than a Western one (Abdullah, 1992). Such a researcher could then examine further the generalization of the theories. Also, it will help those involved in the teaching of the subject to understand the practical concept of CIM in developing suitable courses, setting up appropriate criteria and outlining relevant qualifications for the future direction of CIM in the higher education system.

6. CONCLUSIONS

This paper predominantly offers better understandings toward the determinants of CIM. Specifically, this paper verifies theories in a different context (non-Western) to examine their applicability in other settings than the West. To summarize, the CIM theoretical model has proven to be useful to the organizations and the conceptual model presented has also proven its robustness. It was discovered that internal brand, corporate culture and corporate leadership are factors that affect CIM directly. Hence, this research addressed the determinants of CIM, and they are discovered to be significant factors.

The literature and the academic community need new settings to prove the applicability and validity of theories formed in the West (Boyacigiller and Adler, 1991) and new studies are essential to test the association of prevailing theory to the new setting (Tsui, 2006). Thus far, most theories related to CIM originate from the sets of ideas associated with Western culture, and thus signify this specific culture, and the institutional foundations which are also constructed on a Western culture. Hence assessing the CIM model in Malaysia adds additional perspectives to the existing literature, because Malaysian universities and their cultural backgrounds are significantly distinct from those of Western cultures (Abdullah and Lim, 2001). The model clarifies the antecedents of CIM in Malaysian higher-education sector and reveals broader applicability.

7. ACKNOWLEDGMENTS

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