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Organizational Image

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Definition

Organizational image refers to people’s global impressions of an organization and is defined as people’s loose structures of knowledge and beliefs about an organization. Organizational image represents the net cognitive reactions and associations of customers, investors, employees, and applicants to an organization’s name. Accordingly, it serves as a template to categorize, store, and recall organization-related information.

It should be noted that there is no such thing as “the” organization’s image, because an organization typically has multiple images. These multiple images result from various groups (also known as stakeholders or corporate audiences) holding different images of the same organization. At least, one might distinguish among the following organizational images. First, investors and executives hold an image of an organization as an economic performer (“company financial image”). These investors typically rely on factual economic figures as a basis of their beliefs about the organization. Second, there is the image of an organization as a social performer in the general society (also known as “corporate social performance”), which can be further broken down into an organization’s involvement in the community and its pro-environmental practices. Third, customers or clients hold an image of an organization as a provider of goods and services (“product image or service image”). Fourth, each organization has an image as an employer among current employees and (potential) applicants (also known as company employment image or employer image). This is the image that is assessed in rankings such as Fortune’s “The 100 Best Companies to Work For” or “a great place to work.” These multiple organizational images might not always coincide. For instance, a firm’s image as an employer as held by either employees or job seekers might be different from its image as a provider of goods and services in the minds of customers or clients.

Organizational images typically develop over longer periods of time. They result from, among other things, media coverage, individual or group sensemaking, and communication on the part of the organization (as reflected in an organization’s advertising, sponsorships, and publicity). However, it should be clear that organizational images are not static. Specifically, organizations often audit their images. In these image audits, the aim is to carefully determine which factors make up the image among various stakeholders. Next, organizations aim to strategically modify the image held by these stakeholders. For instance, this might be done by increasing an organizations exposure or by highlighting specific attributes in advertising campaigns.

Components of Image

The above definition of organizational image reflects a holistic view of organizational image. It is also possible to focus on specific attributes that people associate with employer image (employer image dimensions). In this elementalistic view, two broad components can be distinguished in an organization’s image. First, people typically associate some objective attributes with an organization. These attributes might vary from factual or historical aspects of organizations to organizational procedures and policies. For example, in terms of a company’s image as an employer, research has confirmed that applicants might have some knowledge about the attributes of the organization and the jobs they might consider applying for. Examples include size, location, level of centralization, pay, benefits, type of work to be performed, advancement opportunities, and career programs. Many of these attributes (e.g., pay, advancement) are also referred to as instrumental attributes because they have...
functional or utilitarian value in that they enable maximum benefits and rewards.

A second part of people’s general impressions of an organization refers to more symbolic aspects, also known as trait-related inferences. Trait inferences about organizations are different from the aforementioned objective company-related information for two reasons. First, trait inferences describe the organization in terms of subjective, abstract, and intangible attributes. Second, they convey symbolic company information in the form of imagery that people assign to organizations. For example, people refer to some employing organizations as trendy, whereas other employing organizations are seen as prestigious. People associate themselves with organizations with these symbolic aspects because they want to express their own values or impress others.

**Consequences of Organizational Image**

An organization’s image plays a central role because what various stakeholders know about an organization influences considerably how they respond to the organization. In fact, an organization’s image might have various potentially favorable consequences for the organization and its main stakeholders.

First, there might be effects on investment decisions. Specifically, firms with good images might have competitive leverage in terms of attracting and keeping new investors. Second, it has been found that an organization’s image exerts effects on consumers’ product choices. In this context, an organization’s image might serve as a signal of product quality and might enable an organization to distinguish itself from its main competitors. Third, an organization’s image seems to affect people’s attraction to an organization as a place to work. This is especially the case in early recruitment stages as (potential) applicants have only a rudimentary knowledge of the key job and organizational attributes. Hence, (potential) applicants mainly rely on their general impressions of the firm (i.e., image) when deciding to apply for a job. The general effect that has been found is that employer image influences the quantity and quality of the applicant pool of an organization in that organizations with good images are able to attract more and better applicants. Apart from these general effects on applicant quantity and quality, applicants’ view of the image of an employer has also long-lasting effects on other recruitment stages. Specifically, impressions of an organization as an employer measured in early recruitment stages are strong predictors of applicants’ attraction measured in later recruitment stages (e.g., after a campus interview), which in turn is related to applicants’ final job acceptance decisions. A fourth group of studies has examined the consequences of organizational image on employees’ attitudes and behaviors toward their organizations. For instance, an employee also uses an organization’s image as a mirror of how others are judging them. Moreover, an organization’s image has been found to be important to employees’ sense of self. If one holds the company in low regard, one has lower job satisfaction and a higher probability of leaving the organization. Conversely, if the company is held in high regard by oneself and others, job satisfaction is higher and turnover intention is lower. In this case, an employee also wants to be associated with the positive image of the organization and feels proud to belong to that organization. Finally, there is evidence that firms on the best 100 list enjoy organizational performance advantages over the broad market and a matched sample of firms. In other words, organizational image seems to enhance the competitive ability of the firm.

**Related Constructs**
Organizational image is closely related to other constructs, such as organizational reputation and organizational identity. However, there are also some differences. In particular, organizational reputation refers to people’s beliefs about the general public’s affective evaluation of the organization. Organizational reputation differs from organizational image in that reputation entails an affective component (a loose set of feelings associated with an organization), whereas image is mainly cognitively oriented (a loose set of knowledge and beliefs about an organization). Another difference is that reputation refers to more stable shared perceptions of how the general public feels about the organization, whereas image deals with a person’s own more transient beliefs.

Another related construct is an organization’s perceived identity. The key difference between an organization’s identity and an organization’s image is that an organization’s identity is what insiders in the organization (employees) perceive to be the organization’s central, enduring, and distinctive characteristics. Conversely, image and reputation deal with outsiders’ (applicants, customers) views and feelings.

Finally, in the practitioner literature, the term employer brand has also been used. The employer brand is the perceived package of attributes (see the image components mentioned previously) that makes an employer attractive and distinctive in the minds of both job seekers and current employees. A further distinction is often made between the external employer brand and the internal employer brand. Whereas the external employer brand converges with the organization’s image as an employer as seen by outsiders, the internal brand mirrors the construct of an organization’s perceived identity.

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See also Assessing Organizational Culture; Dirty Work, Organizational Attraction; Organizational Climate, Organizational Justice; Organizational Structure, Recruitment

Further Readings


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